



LAUDERDALE • BY • THE • SEA

Agenda Memorandum

Finance

Department

Tony Bryan, Finance Director

Department Director

COMMISSION MEETING DATE - 7:00 PM	Deadline to Town Clerk
<input checked="" type="checkbox"/> Aug 21 - Regular Meeting 7:00 PM	Aug 15

*Subject to Change

- Presentation Reports Consent Ordinance
- Resolution Quasi-Judicial Old Business New Business

FY2012 DESIGNATED HIGH PRIORITY ITEM - PRIORITY TOPIC

SUBJECT TITLE: Trial Period Agreement with IPS for Thirty Single-space Meters with Credit Card Capability

EXPLANATION: The advances in electronics and computers have resulted in many changes in the parking industry. Multi-Space Pay Stations are a good example and the expanded use of pay stations has made parking easier for our customers and increased the Parking System's income. Pay Stations are most cost-effective in busy, high turnover parking areas.

For parking areas where the cost to install Pay Stations is difficult to justify by the return, we have been looking at advances in the traditional single space meter. The IPS Group makes a single space meter that accepts credit cards (see **Exhibit 1**) that we would like to test. IPS has offered to install thirty (30) of their meters at no charge for at least 90 days. We would be responsible for the following operational fees.

- a) A one-time credit card processor set-up fee of \$125;
- b) Thirteen Cents (\$0.13) per credit card transaction;
- c) Three Dollars and Seventy-Five Cents (\$3.75) per meter per month for the secure Wireless Gateway Data;
- d) Two Dollars (\$2.00) per meter per month for the web-based management system; and,
- e) Three Dollars and Fifty Cents (\$3.50) per sensor per month for the wireless data.

The draft agreement is attached (**Exhibit 2**).

The purchase price for these meters is currently \$495 each, so it makes sense for the Town to test them to determine whether the increased revenues realized by credit card capability offset the cost. Our intention would be to install them at beach portals and on beach portal streets to determine how they hold up in a beachfront environment and, perhaps, at other high usage areas.

RECOMMENDATION: We recommend the Town Manager be authorized to execute a Trial Period Agreement with IPS once it has been approved as to form by the Town Attorney.



LAUDERDALE • BY • THE • SEA

- EXHIBITS:** 1. IPS Meter Information Sheet
2. Trial Period Agreement

Reviewed by Town Attorney
 Yes No

Town Manager Initials CA



Next Generation

Next Generation IPS Meter

The New IPS Meter is the 5th generation parking meter to be released by IPS Group. Customers will appreciate the same retrofit design, but with additional innovative upgrades that could only come from the technology leader in the parking meter industry. The New IPS Meter has the same reliability and convenience IPS customers have grown accustomed to, but with so much more!



Next Generation

Universal mechanism retrofits virtually all parking meter models



Mechanical Keypad



160 X 160 Pixel Display

New Features

- Accepts contactless payment, including credit cards and NFC applications such as Google Wallet™
- 50% increased power efficiency allows the meter to operate for 12 months on 1 C-cell battery, or guaranteed 5 years on IPS battery pack (under normal operating conditions)
- Larger display screen gives customers the ability to convey more information to the user, including graphics capability
- Built-in integrated Smart Suite to utilize IPS Vehicle Detection Sensors and Smart Collection System
- Tri-colored LED lights on front and back of meter alert enforcement officers of meter status: paid (green), unpaid (red), and meter fault (yellow)
- Additional space on the display could potentially be used for the sale of advertising



Call for an on-site demo: 858.404.0607 | Online: ipsgroupinc.com

Parking Meters
 Data Management System
 Vehicle Detection Sensors
 Smart Technology Suite

IPS GROUP, INC.

PARKING METER FIELD TRIAL AGREEMENT

THIS AGREEMENT made this ____ of ____, 2012, by and between the Town of Lauderdale-By-The-Sea, whose principal place of business and mailing address is 4501 Ocean Drive, Lauderdale-By-The-Sea, FL 33308, (hereinafter called the “**TOWN**”) and IPS GROUP, INC., a Pennsylvania corporation, whose principal place of business and mailing address is 6195 Cornerstone Ct E, Suite 114, San Diego, CA 92121 (hereinafter called the “**IPS**”).

WHEREAS, the **TOWN** desires to contract with the **IPS** to perform a parking meter field test within the **TOWN** using the patented **IPS** credit card enabled single space parking meter (**SSPM**) and **IPS** vehicle detection sensors; and

WHEREAS, the **IPS** will install thirty (30) **SSPM** (“Meters”) within **TOWN** with no charge for installation and equipment to the **TOWN** for a trial operational period of ninety (90) days; and **IPS** will install up to ten (10) vehicle detection sensors (“Sensors”) within **TOWN** with no charge for installation and equipment to the **TOWN** for a trial operational period of ninety (90) days

WITNESSETH:

The **TOWN** and **IPS**, in consideration of the mutual covenants hereinafter set forth, agree as follows:

1. **Recitals.** Each party named in this Agreement agrees to execute the Agreement and to diligently undertake the acts necessary to consummate the transaction contemplated by this Agreement. Each party shall use its best efforts to consummate the transaction contemplated by this Agreement.
2. **Contract Price.** The **TOWN** shall pay the **IPS**:
 - a) A one-time credit card processor set-up fee of \$125;
 - b) Thirteen Cents (\$0.13) per credit card transaction;
 - c) Three Dollars and Seventy-Five Cents (\$3.75) per meter per month for the secure Wireless Gateway Data;
 - d) Two Dollars (\$2.00) per meter per month for the web-based management system; and,
 - e) Three Dollars and Fifty Cents (\$3.50) per sensor per month for the wireless data.

In the event that the field trials extend beyond the initial period outlined above, **TOWN** shall pay an additional meter hardware rental fee of \$15 per meter per month (30 days),

Exhibit 2

IPS Parking Meter Field Trial Agreement

sensor hardware rental fee of \$10 per sensor per month (30 days). Fees shall be prorated in the event of a partial month of use.

3. **Payments.** Payment shall be made to **IPS** as follows:
 - a) **IPS** will invoice the **TOWN** at the end of each month after the trial period for all costs outlined in the contract price in paragraph 2 above.
 - b) The contract price in paragraph 2 excludes any taxes that may be applicable to the **TOWN**. Any applicable taxes will be added to the fees per paragraph 2 and will be paid by the **TOWN**.
 - c) The contract price in paragraph 2 excludes any additional costs associated with applicable permits that may be applicable and required by the **TOWN**. Any applicable costs associated with permits will be added to the fees per paragraph 2 and will be paid or waived by the **TOWN**.

4. **IPS's Duties.** **IPS** shall be responsible for providing the following:
 - a) Thirty (30) single space parking meters ("meters"); Meter Management System (MMS), and PCI-DSS Level 1 Certified Payment Gateway Services.
 - b) Ten (10) vehicle detection sensors ("sensors");
 - c) Configure the meters and sensors as directed by the **TOWN** with regards to rates, hours of operation and credit card acceptance.
 - d) Lead, with supervision of the **TOWN**, the installation of the meters, sensors, and associated meter and management system training;
 - e) Provide full technical support throughout the duration of the field trial via phone support, but will come on-site if required;
 - f) Pay for shipping to/from the **IPS's** facility for any repair services that cannot be successfully completed by the **TOWN**;
 - g) Meet with the **TOWN** on a regular basis (via conference call) to review the field trial and performance of the units;
 - h) Measure the performance of the meters to determine the usage of credit cards and the corresponding benefit to the **TOWN**;

5. **TOWN's Duties.** The **TOWN** shall be responsible for providing the following:
 - a) Provide all required information regarding credit card processing and meter configuration to **IPS** in order to install the meters; The **TOWN** will

Exhibit 2

IPS Parking Meter Field Trial Agreement

not require any third party gateway, however, the **TOWN** will be required to pay for all services associated with the merchant account, including account management fees, interchange and processing fees. It is also the duty of the **TOWN** to make **IPS** aware of any changes associated with the merchant account during the term of this agreement.

- b) Supervise and be present with the **IPS** during the installation and removal of the meters and sensors;
 - c) Remit payment to **IPS** as outlined in the contract price in paragraph 2 on a Net 30 basis;
 - d) Perform first line meter maintenance, including clearing of coin jams, card reader jams, and the like;
 - e) Actively communicate any issues to **IPS**, in order for **IPS** to respond appropriately to reach a resolution.
 - f) Provide current meter operating data to **IPS** in order to make a proper comparison between current operations and the trial meters. Data should include, but is not limited to, revenue data, paid occupancy data, meter uptime;
 - g) Allow **IPS** to use the trial data and analysis in a case study, ~~as a customer testimonial~~ or use the **TOWN** as a reference, subject to approval by the **TOWN**.
 - h) Allow **IPS** to conduct a public survey with regards to public preferences for new technology, to be paid entirely by **IPS** and approved by the **TOWN** prior to commencement of survey.
6. **Term.** The term of this Agreement shall commence on the date that **IPS** shall install and make operational all trial meters and shall terminate ninety (90) days thereafter, unless mutually agreed to extend the trial in writing by both parties. **IPS** shall provide written notice to the **TOWN** indicating that all trial meters have been installed, and the date of such written notice shall constitute the commencement of the field trial terms. Either party may terminate field trial by giving the other thirty (30) business day's written notice.

IPS Parking Meter Field Trial Agreement

7. **Notice.** All notices, requests, demands, if personally delivered or mailed, certified mail, return receipt requested, to the following addresses:

As to the **TOWN**:
Town Hall
4501 Ocean Drive
Lauderdale-By-The-Sea, FL 33308
ATTN: Town Manger
954-640-4210

As to **IPS**:
Chad P Randall
COO
IPS Group, Inc.
6196 Cornerstone Ct E, Suite 114
San Diego, California 92121
Tel: 858-404-0607

8. **Assignment.** **IPS** shall not, without prior written consent of the **TOWN**, assign any portion of its interest under this Agreement and, specifically, **IPS** shall not assign any monies due or to become due without the prior written consent of the **TOWN**.
9. **Ownership/Use.** All equipment provided shall remain the property of **IPS** unless the **TOWN** enters into a separate agreement with **IPS** for the purchase of said equipment. All equipment provided shall be used for the purpose of this agreement and evaluation only and the **TOWN** shall not license, sell, dispose, or transfer the equipment to any other 3rd party without the written consent of **IPS**.
10. **Authorization.** Each party warrants to the other party that the individuals executing this Agreement are authorized to do so.
11. **Force Majeure.** If any party is prevented from performing its obligation stated in this Agreement by any event not within the reasonable control of that party, including, but not limited to, an act of God, public enemy, or war, fire, an act or failure to act of a government entity (except on the part of the **TOWN**), unavailability of materials, or actions by or against labor unions, it shall not be in default in the performance of its obligations stated in this Agreement. PROVIDED, HOWEVER, any party delayed by such an event shall request an extension of time to perform its obligations stated in this Agreement by notifying the party to which it is obligated within ten days following the event. If the notified party agrees that the event was the cause of the delay, the time to perform the obligations stated in this Agreement shall be extended by the number of days of delay caused by the event. If the required notice is not given by the delayed party, no time extension shall be granted.

Exhibit 2

IPS Parking Meter Field Trial Agreement

12. **Confidentiality/Intellectual Property.** IPS understands the nature of public information and the requirement for the TOWN to adhere to all rules and laws that apply to public information, such as Freedom of Information Act, Public Information Requests, and the like; However, the TOWN also understands that the equipment provided by IPS contains intellectual property, copyrights and trade secrets that do not exist in the public domain. Therefore, the TOWN agrees that it will not knowingly agree, assist, or sell any equipment or allow any third party to gain access to equipment, software, documentation provided by IPS for the purposes of reverse engineering or evaluation without the written consent of IPS.
13. **Severability.** If any provision in this Agreement subsequently is determined to be invalid, illegal, or unenforceable, that determination shall not affect the validity, legality, or enforceability of the remaining provisions stated in this Agreement unless that effect is made impossible by the absence of the omitted provision.
14. **Binding Document.** The TOWN and IPS each binds itself, its partners, successors, assigns and legal representatives to the other party hereto in respect to all covenants, conditions, and obligations contained in the Agreement.
15. **Venue.** This Agreement shall be governed by the laws of the State of California as now and hereafter in force. The venue for actions arising out of this Agreement shall be in San Diego, CA
16. **Entire Agreement; Modification -** This Agreement between the parties consists only of the express written terms and conditions set forth in this Agreement. All understandings and agreements made between the parties are superseded by this Agreement, which alone fully and completely express the parties' understanding. There are no promises or agreements, oral or otherwise, inducing entry into this Agreement, except only as expressly in writing herein. The parties are relying only on the express terms, conditions and agreements set forth in this Agreement. The parties further agree that any promise or agreement, not expressly set forth in writing and signed by both parties, can-not be relied upon and will not be valid or enforceable.

Exhibit 2

IPS Parking Meter Field Trial Agreement

17. **Signatures Required.** This Agreement shall be considered null and void unless signed by both **IPS** and the **TOWN**. This Agreement shall be executed in two (2) counterparts, each of which shall be deemed to be an original of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, the day and year first above written.

TOWN

IPS GROUP, INC.

By: _____

By: _____

Name: Constance Hoffman

Printed Name: Chad P. Randall

Title: Town Manager

Title: Chief Operating Officer

Date: _____, 2012

Date: _____