



## CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 8/10/2021

ALL

Item Creation Date:

L29956 - Parking Management Information System - ORDINANCE (T2 SYSTEM, INC.)

Agenda Item#: 41.

### **Summary:**

#### **NOT A REAL CAPTION**

ORDINANCE awarding a sole source contract to **T2 SYSTEM, INC.** for the Administration and Regulatory Affairs Department Parking Management Information System - \$7,455,725.00 - Parking Management Operating Fund

### **Background:**

**Sole Source for S78 – L29956: Approve an ordinance awarding a sole source contract to T2 System, Inc. in an amount not to exceed \$7,455,725.00 for the Parking Management Information System for the Administration and Regulatory Affairs Department.**

### **Specific Explanation:**

The Director of Administration and Regulatory Affairs and the Chief Procurement Officer recommend that City Council approve an ordinance awarding a sole source contract for **three-years, with two one-year options** to **T2 Systems, Inc.** in an amount not to exceed **\$7,455,725.00** for a parking citation management information system for the Administration & Regulatory Affairs Department (ARA).

In 2016, T2 Systems was awarded a renewal contract to continue providing a parking management and in 2014 T2 was awarded a renewal of the meter management information systems for ARA. Originally, the systems went live in 2010 and since then additional functionality provided by the system has resulted in continued improved vehicle ownership information, enhanced noticing, smart meter availability for our customers, and increased levels of customer service via online options. Additionally, scofflaw enforcement functionality has continued to improve, resulting in increased boot revenues.

The scope of work requires T2 to provide all supervision, labor, materials, equipment and transportation necessary to host an internet-based parking and meter management information systems that integrate parking citation issuance, processing, adjudication, permitting, meter management software, enhanced communication with the smart meters, and the associated on-street parking activities, including electronic documentation of meter maintenance and collections of meter revenue into a unified, comprehensive and cost-effective user-oriented system. T2 Systems is required to ensure 99% uptime of the systems and provide database redundancy and disaster recovery/mitigation.

The back-office software and hosting allow for programming and reporting features to better manage the meter pay stations. The hosting service will ensure that credit card processing at the pay stations and online for permits is Payment Card Industry (PCI) compliant. T2 is a Level 1 Service Provider under the PCI-Data Security Standard (PCI-DSS). Hosting also ensures sufficient monitoring of the meter pay station communication with the back-office software to ensure revenues are properly accounted for and that maintenance alerts are consistent.

This contract builds on the existing efficiencies realized from the previous contract. The contract allows for an annual 5% increase effective in Year 2. In general, the Park Houston Special Revenue Fund generates about \$20 million in meter revenue and parking fines/fees per year of which \$7 million is transferred to the General Fund.

T2 Systems, Inc. is the sole source provider and exclusive manufacturer of the software. Additionally, T2 System, Inc. is the only representative authorized to sell and maintain these products and programs and has no authorized resellers and/or distributors.

This recommendation is made pursuant to subsection 252.022(a)(7) of the Texas Local Government Code, which provides that "a procurement of items that are available from only one source" is exempt from the competitive requirements for purchases.

### **M/WBE Participation:**

M/WBE Zero percentage goal-document approved by the Office of Business Opportunity.

### **Hire Houston First:**

This procurement is exempt from the City's Hire Houston First Ordinance. Bids/proposals were not solicited because the department is utilizing a sole source contractor for this purchase.

### **Fiscal Note:**

Funding for this item is included in the FY22 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

7/30/2021

DocuSigned by:

*Jerry Adams*

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**Jerry Adams, Chief Procurement Officer**  
**Finance/Strategic Procurement Division**

DocuSigned by:

*Tina Paetz*

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**Department Approval Authority**

7/30/2021

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*M*

**Estimated Spending Authority**

Department	FY2022	Out Years	Total
ARA	\$1,491,145.00	\$5,964,580.00	\$7,455,725.00

**Amount of Funding:**

\$7,455,725.00

Parking Management Operating Fund

Fund 8700

**Contact Information:**

NAME:	DEPARTMENT/DIVISIO	PHONE NO
Barbara Fisher, Purchasing Manager	FIN/SPD	(832) 393-8722
Katie Moore, Sr. Procurement Specialist	FIN/SPD	(832) 393-8710
Lara Cottingham, Deputy Assistant Director	FIN/SPD	(832) 393-3754

**ATTACHMENTS:**

**Description**

Affidavit Ownership

OBO Waiver

Certificate of Fund

Sole source justification

Tax Report

**Type**

Backup Material

Backup Material

Backup Material

Backup Material

Backup Material