

Contact: Brad Berg

UNIVERSITY OF IOWA – PARKING ACCESS AND REVENUE CONTROL SYSTEM

Action Requested: Consider:

1. University of Iowa's request to purchase at a cost of up to \$4.5 million from Amano McGann Inc., a new Parking Access and Revenue Control System and to enter into a master lease financing agreement up to the same amount, subject to completion of satisfactory negotiations with the firm, final configuration of the system, and approvals by the Board Office of the financing agreement.
2. Consider Adoption of a Resolution declaring an official intent under Treasury Regulation 1.150-2 to issue debt to reimburse the State University of Iowa for certain original expenditures paid in connection with the purchase of a Parking Access and Revenue Control System.

ROLL CALL VOTE

Executive Summary: The University of Iowa requests approval of the purchase and installation of a new parking access and revenue control system at an estimated cost of \$4.5 million from Amano McGann, Inc. The purchase would include the equipment and installation, along with the necessary software, hardware, spare parts, stock items, and services of a local service technician for a two year service period. Modifications to existing parking and Information technology infrastructure will also be necessary.

Four proposals were received in response to an RFP for a Parking Access and Revenue Control System. The Evaluation Committee determined the Amano McGann, Inc. proposal was responsive and the value provided was in the best interest of the University. The cost for the Amano McGann, Inc. Parking Access and Revenue Control System as proposed is \$3,846,653 with additional costs for infrastructure modifications. The final amount may differ slightly based on the final configuration chosen by the Department of Parking and Transportation but the total project cost will not exceed \$4.5 million.

The Department currently operates 89 gates, 30 cashier ticket dispensers, 28 fee computers and 112 card readers in support of its 16,000 space campus parking system. The fee computers, ticket dispensers and gates are part of a revenue control system that has been installed in pieces over the last 20+ years. The current system is aging, difficult to support, and cannot provide a number of modern features such as centralized facility inventory counts, integrated credit card acceptance, web based parking validations, and the ability to accept payments at a walkup or in-lane machine.

The current card access system (which utilizes card readers to raise and lower access gates) is supplied by a separate vendor. The University wishes to replace the revenue control and card access systems with one new integrated system. The new system will reduce the use of cash payments for hourly parking, automate a wide range of transactions, speed up existing transactions and expand the real time information available to patrons and management. It is designed to enhance the capabilities of current live cashiering operations, and improve internal controls and auditing capabilities.

A Master Lease loan agreement and/or Parking System reserves of not more than \$4.5 million would finance all components of the Parking Access and Revenue Control System project. The loan will be repaid by University of Iowa parking system earnings over no more than a 5 year term.

The reimbursement resolution is being submitted at this time to ensure maximum reimbursement capability under regulations of the federal Internal Revenue Code. Pursuant to these regulations, payments made not more than 60 days prior to adoption of the resolution are eligible for reimbursement from future financings.

Additional Information: United States Department of Treasury Regulation 1.150-2 provides the rules for the reimbursement from the proceeds of future bonds, notes or other indebtedness (financing) of expenditures originally paid from sources other than the financing. When the financing is complete, a portion of it is allocated to reimburse the original expenditure that was paid before the date of the financing.

Treasury regulations require that project costs must be reimbursed not later than 18 months after the capital expenditures are paid or 18 months after the property is placed in service, whichever is later.