

COMMON COUNCIL REPORT

M&C No.	2022-226
Report Date	June 20, 2022
Meeting Date	June 27, 2022
Service Area	Public Works and Transportation Services

Her Worship Mayor Donna Noade Reardon and Members of Common Council

SUBJECT: Proposed Parking By-Law Amendment - QR Code Payment Method

AUTHORIZATION

Primary Author	Commissioner/Dept. Head	City Manager
<i>Jill Good</i>	<i>Michael Hugenholtz / Marc Dionne</i>	<i>John Collin</i>

RECOMMENDATION

Your City Manager recommends that Common Council give 1st and 2nd Readings to the Amendment to the Saint John Parking By-Law, By-law No. LG-8, in the form attached to M&C 2022-226.

EXECUTIVE SUMMARY

In March 2022, the City's Parking department trialed the use of Hotspot's tap sign at the top of King Street adjacent to 99 King Street. The tap sign provides parkers with the option to use the Hotspot app in conjunction with the number on the sign or a QR code as a payment option.

In an effort to continue to modernize parking infrastructure and significantly reduce costs associated with maintenance, upgrades and repairs, the Parking department wishes to amend the Parking by-law to include the QR code as a method of payment.

PREVIOUS RESOLUTION

Not applicable.

REPORT

In March 2022, the City's Parking department trialed the use of Hotspot's tap sign at the top of King Street adjacent to 99 King Street. The tap sign provides parkers with the option to use the Hotspot app and use the number on the sign or a QR code as a payment option.

The QR code option directs users to make secure payments for parking via their webpage, no app required. Simply scan the QR code on the sign with your mobile phone and be brought directly to their safe and secure website to pay with credit card.

In the current trial location, the sign services 13 parking spaces and since its installation on March 25, 2022, there have been over 235 users of the QR code payment method and over 360 of the Hotspot number payment option. The signs cost \$250 plus tax, the costs of which were recovered in less than 30 days through revenue collected.

The Parking department received notice on May 9, 2022 from Parking Meter vendor JJ MacKay, that that as a result of the Payment Card Industry mandate to only accept credit card payments using EMV (EuroPay, Mastercard, Visa) technology, all parking meters that currently accept credit card as a payment method must be EMV – Smart Payment Cards enabled by October 1st, 2022.

The elimination of credit card payments made using the magnetic stripe, is to increase the security of each payment transaction for not only the City, but also the cardholder.

The Parking department currently provides multiple types of on-street parking machines which include pay by plate, pay and display and old-style coin machines. Of these machines, there are 50 that offer a credit card payment option. To upgrade the existing inventory with the VP5300 EMV certified contact and contactless card reader kit would cost \$1,200 plus HST each meter for a total of \$61,500 plus HST which includes the card readers and labour.

To continue accepting credit card payments at parking equipment, an upgrade to the equipment will be required. In the event that the City is unable to have parking meters fully EMV Contactless enabled by October 1st, 2022, there will be a charge of US\$0.15 for all VISA transactions. On average the City processes over 8,000 credit card transactions monthly.

In an effort to continue to modernize parking infrastructure and reduce costs associated with maintenance, upgrades and repairs, the Parking department wishes to amend the Parking by-law to include the QR code as a method of payment and purchase 25 QR code signs. Signs purchased in bulk orders over 25, receive a discount and are only \$125 plus tax each for a total of \$3,125 plus tax. In turn, Parking will complete analysis of the current inventory, discontinue the use of approximately 20 pay by plate machines, and strategically place QR code signs to ensure that multiple payment options are offered on-street.

The installation of the QR code signage, will result in cost avoidance of \$24,000 plus tax that would otherwise be needed to upgrade 20 parking meters with card readers. It also results in operational savings realized from the decrease in required meter parts and supplies inventories. It is anticipated that there will also be noticeable staff productivity savings related to maintenance and repairs associated with parking meters such as replenishing paper rolls, clearing jams, snow clearing and weekly coin collection.

STRATEGIC ALIGNMENT

This report aligns with Council's Priority to perform by leveraging viable opportunities to generate alternate/new sources of revenue.

SERVICE AND FINANCIAL OUTCOMES

The purchase of QR codes will be covered by the Parking departments operating budget.

INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS

General Counsel Office has drafted the proposed amendment.

Finance has reviewed the report.

The Information Technology (IT) service area has reviewed this report and have identified no security concerns for the City's IT Network as the QR codes and payment methods are housed on the vendor's network.

ATTACHMENTS

Proposed Amendment to the Parking By-law.

Photo of QR code design