

8.2. Response to Mayoral Minute - Proposed 15 Minute Free Parking trial at all North Sydney Council Parking Meters

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ATTACHMENTS: Nil

PURPOSE:

The purpose of this report is to update Council on the investigations that have been undertaken in response to the resolution of Council on 27 April 2020 and previous resolutions of Council in relation to trialling 15-minute “free parking” at all North Sydney Council Parking Meters.

EXECUTIVE SUMMARY:

At its meeting on 23 March 2020 (rescheduled to Monday 6 April 2020), Council considered a Mayoral Minute regarding 15-minute free parking at meters and resolved (Min. No. 56):

- 1. THAT Council receives a report from the General Manager (Director Engineering and Property Services) outlining the practicality of running a 12-month trial for free 15-minute parking at all North Sydney Council parking meters.*
- 2. THAT the report be submitted to the 27 April 2020 Council meeting, if practicable.*

A report was subsequently considered at the Council meeting on 27 April 2020 where it was resolved (Min. No. 90):

- 1 THAT in light of the current financial challenges being encountered by Council, the matter be deferred until January 2021.*
- 2. THAT in the interim Council officers investigate the implications of altering Council’s parking system to incorporate either paper parking tickets or recording registration numbers as per other Councils who provide 15 minutes free parking.*

This report outlines the investigations undertaken in response to the above resolution, and the implications, both financial and operational of undertaking such a trial.

Council is to note that the current Parking Meter Management Contract with Duncan Solutions is due to expire on 31 December 2021, Council will be calling new tenders for the Management of its Parking Meters in August 2021.

FINANCIAL IMPLICATIONS:

The financial implications of undertaking a 12-x month trial of 15 minute “Free Parking” at all 443 x Parking Meters (2769 parking metered bays), across the North Sydney LGA is that it would cost Council between \$150,650 and \$211,305 in revenue foregone.

In addition, the costs to set up and re-configure all of Councils 443 x Parking Meters so that the trial could be undertaken is \$300,800 and would take between 8-12 weeks to complete.

The total cost to Council for undertaking the 12-month Trial is between \$451,450 to \$512,105

For more information refer to the Detail Financial Implications Section of this Report – Table 1.

RECOMMENDATION:

1. **THAT** Council defers the trialing of 15 minute free parking at its 443 parking meters until:
 - a) The 15 minute free parking trial in Cremorne is completed; and
 - b) the new contract for On-Street Parking Management is awarded.
2. **THAT** Council notes the new On-Street Parking Management Contract will be going to tender in August 2021 and it will include provisions for the ability to enable 15-minute free parking functionality.

LINK TO COMMUNITY STRATEGIC PLAN

The relationship with the Community Strategic Plan is as follows:

2. Our Built Infrastructure

2.4 Improved traffic and parking management

BACKGROUND

Council at its meeting on 27 April 2020 resolved (Min. No. 90):

- 1. THAT in light of the current financial challenges being encountered by Council, the matter be deferred until January 2021.*
- 2. THAT in the interim Council officers investigate the implications of altering Council's parking system to incorporate either paper parking tickets or recording registration numbers as per other Councils who provide 15 minutes free parking.*

This report provides Council with the time and cost implications of implementing a 12-month 15minute free parking trial at all of its 443 Parking Meters and also outlines the logistics of undertaking such a trial.

The report also informs Council that the existing Parking Meter Management Contract with Duncan Solutions has only 9 months to go as it expires on 31 December 2021. Council will be calling tenders for a new Parking Meter Management Contract in July 2021.

CONSULTATION REQUIREMENTS

Community engagement is not required.

DETAIL

Parking Meter Income

When comparing the parking meter income from the previously reported 12months period (2019) and for the same period in 2020 (during COVID-19), the overall revenue is down by approximately 30%. In addition, the payment transactions of "15-minutes or less" were also down.

During COVID-19, the motorists had an expectation that they would not be penalised and often parked without paying at the meters.

This parking culture was evident during the COVID lockdown particularly during and after the State Government restrictions eased. The confusion came from visitors and regulars since some other metropolitan Councils had turned their meters off and or had ceased their

enforcement. Each Council applied different variations to their parking and North Sydney was no exception.

As previously reported, the proposed 12-month trial to permit 15-minute free parking across all of Councils parking meter network will have an impact on Council's revenue estimates for parking meters. Refer to the Detail Financial Implications Section of this report – Table 1.

It is unfortunate that COVID-19 has distorted the normal income trends which makes it difficult to accurately ascertain the revenue figures for Councils Parking Meters over the last 12 months.

Council should note that the parking meter network has also increased slightly since the last report to Council in April 2020. The network is currently at 443 parking meters (2769 parking metered bays). In April 2020 Councils parking meter network was at 435 Parking Meters (2713 parking metered bays).

Investigation into alternatives

In response to the second resolution of Council at its meeting on 27 April 2020:

As advised in the report on 27 April 2020:

1. Ticket or Pay-By-Plate utilising Pay & Display machines (Other Councils)

A number of Councils across Sydney who have introduced periods of "Free Parking" in metered areas use Ticket or Pay-By-Plate utilising Pay & Display machines.

This option is not available at North Sydney Council because Council's parking meters are ticketless Pay&Go or Multi-Bay Meters. The decision to install 'paper-less' parking meters at North Sydney was made in 2003 for environmental reasons.

Pay-by-Plate is a relatively new system and generally this methodology has been applied to a converted Pay & Display meter. Most Councils that offer a period of free parking at their meters use Pay & Display or Pay-By-Plate meters.

It is important to note, that this type of free ticket meter function is open for abuse because customers can press free parking buttons on the meters every 15 minutes, and as a result the customers could remain in the space all day causing further parking issues through reduced parking turnover and increased parking occupancy.

2. Apps – smart phones/smart devices

There are several parking apps available on the market including the new NSW Government Park'nPay app that can provide this function. Some apps also use 'Pay by Plate' methodology. However, this would require further investigation to determine the contractual implications on Councils current Parking Meter contract and cost benefits.

Council's current Parking Meter Contract, which was entered into in 2012, includes provision of a phone payment option which is currently provided through ParkMobile. At present this service does not have readily available and user-friendly functionality for 15-minute free parking. Council's Parking Meter Manager has requested Council's service provider – Duncan Solutions to outline what the best current parking app available is and what the cost implications for introducing this functionality are.

Parking apps are very likely to be the technology adopted for the future of paid parking. Depending on the app chosen it could provide more versatility and transparency for the user, but also could include wayfinding/directional/GPS locations including vacancy features.

Following the report on 27 April 2020, Council staff have investigated alternatives to the system implemented in the Parraween Street Parking Meter Trial which uses integrated sensor components to encourage compliance.

The implications of altering Council's current parking system to incorporate either paper parking tickets or recording registration numbers for the 15-minutes free parking proposal is significant because Council would need to introduce new parking meters. The current parking meters are not designed for paper tickets and they would require major upgrades to convert to "Pay by Plate".

The On-Street Parking Management System Contract only has 9 months to run. There is significant planning by staff required for the tender preparation which is already underway. It is proposed that this initiative is incorporated in to the next On-street Parking Meter Management tender where smart payment technology can be explored as another solution.

The current 12-month Trial – 15-minutes Free Parking – Parraween Street, Cremorne

At its meeting on 26 August 2019, Council resolved to conduct a 12-month trial of 15-minutes free parking in Parraween Street, Cremorne (EPS02, Min. No.238).

In summary, the 15-minute free parking software was tested and released; new sensors were installed; additional signage was added to the street signs, new decals applied on the parking meters indicating the new function; a formal survey created and made available on the Council's website through the "Have Your Say" site specifically for this 12-month trial; notifications were distributed to local businesses and residents and the survey has been listed on Council's front page of the website within "Have Your Say" exhibiting current consultations and documents since it was released.

Council collected baseline income and parking occupancy data prior to implementation of the trial and collected further data during the trial for comparison.

The 15-minutes free parking trial in Parraween Street officially commenced on 21 August 2020. The Have Your Say survey for this parking trial closes on 31 August 2021.

Council is continuing the 15-minute Free parking trial at Parraween Street Cremorne which concludes on 31 August 2021.

After the conclusion of the trial a report will be brought to Council

Financial Implications – Detail – 15 Minute “Free Parking” across Councils Parking Meter Network.

Based on the overall income from the previous 12 months period, Councils overall Parking Meter income is down by 30% mostly due to the impacts of COVID-19. To trial 15-minutes free parking across the entire Parking Meter network of 443 Parking meters (2769 parking metered bays), would result in revenue forgone of between \$2,897 to \$4,064 per week or between \$150,650 and \$211,305 per annum. Refer to Table 1 below.

Table 1. Estimated Revenue Foregone and Establishment costs for the proposed 12 month - 15-minute Free Parking trial

<u>Activities</u>	<u>Cost (\$)</u> <u>(Revenue based on</u> <u>COVID-19 year)</u>	<u>Cost (\$)</u> <u>(Revenue from</u> <u>based on a</u> <u>normal year)</u>
Revenue Forgone per annum (COVID-19 vs normal year)	\$150,650	\$211,305
<u>Operational - Replacement of Parking Meter signs throughout the meter network (estimate only)</u>		<u>\$265,800</u>
<u>Operational - Reconfiguration of Parking Meters throughout the meter network</u>		<u>\$25,000</u>
<u>Operational - Trial Monitoring, Data Collection/Analysis & Labour Costs</u>		<u>\$10,000</u>
<u>Total Costs including Revenue Forgone for 1 year</u>		<u>\$451,450 to \$512,105</u>

There are also estimated operational costs of \$300,800 in new street & meter signage, re-configuration of Councils 443 parking meters and staff time and administration to manage the changes, trial monitoring, data collection and analysis.

The total estimated costs in revenue foregone and operational costs to undertake this 12- month trial is between \$451,450 and \$512,105.

Conclusion

It is recommended that the 15-minutes “Free Parking” trial be deferred until the new Parking Meter Management Contract is in place.

The current contract with Duncan Solutions expires on 31 December 2021, Council will be calling new tenders for the Management of its Parking Meters in August 2021.

The functionality of 15 minute “Free Parking” is being incorporated into the tender brief for the new Parking Meter Management Contract and will be one of key functions that the new Contract will have to have to deliver on.

The new Parking Meter Contract brief will also incorporate the requirements and functionality for an alternative On-Street Parking payment system such as payments via an app using a smart device. This also allows a COVID safe option for the motorists rather than touching the meter.