



Careful Considerations

How to structure an RFP and buy parking systems to get exactly what your operation needs.

WROTE AN ARTICLE LAST YEAR about parking equipment and new applications in which I said, “Our system of specifying, purchasing, and managing, for whatever reason, is far too accepting of the status quo” (See the January 2015 issue of *The Parking Professional*). Since then, lots of parking folks have asked me what I meant. So I felt this might be a good topic for a new article on what to be aware of and how best to purchase parking equipment (PARCS).

Outdated Specifications

For those of you who feel PARCS specifications within an RFP guarantees you get what you requested, please think again. The simple fact is that most specifications written today are general in nature in order to encompass the offerings of just about every manufacturer, in my opinion. Bidders have a great deal of leeway in what they provide. Specifications do a fair job at outlining the number of gates and dispensers/verifiers at entrances or exits, cashier booths, or pay-on-foot machines in foyers. That is easy. But these specifications do little to explain the true operating functionality of the internal system, the central computer parameters, the networks, and the quality guidelines of the installation—in fact, those details are seldom specified. Why?

Have you ever seen an RFP outline quality standards for the equipment, life expectancy requirements, or estimated maintenance cost over the system life? Not really. How can anyone truly make an informed buying decision without these facts?

Specification writers are in a catch-22: If they are too specific, they may exclude someone and risk legal actions. Past suits have caused many to generalize, and more than that, specifications simply have not kept up with technology. Many are canned, often disjointed, or worse, copied and pasted in a mélange of several opposing manufacturers’ offerings that, when combined, make little sense and ask for things that are impossible to produce as written. So to be fair and avoid those issues, many RFPs generalize on what the system is to do.

Sometimes, they are too specific. The problem is that the equipment available from a large number of manufacturers varies tremendously in capability and quality and very few writers are able to capture that aspect in writing RFPs. The result is that feature-filled manufacturers have to pare down, and products that lack features become accepted. All this boils down to a judgment call at the end of the day. It may be a well-thought-out call, but it still often comes down to price, location of the nearest service outlet, and delivery time, and presumably,

the one that complies with most of those wishes wins the contract. So here’s my first piece of advice: Always get an experienced consulting firm to sort it out—that goes for the individual the manufacturer assigns to your account as well.

Effects

I have experienced too many badly written RFPs that come from people with no parking experience, and everybody suffers: the owner, the installer, the manufacturer, and the writer. It results in countless questions back and forth, substantial delays, re-bids, having inappropriate systems installed, and sometimes, regrettably, legal action, although these are seldom publicized. Most bidders try to do the best they can interpreting specs, but interpretation can vary greatly. Without a good set of metrics to compare to and follow, buying decisions can be arbitrary. It’s that simple.

Truth be told, even the projects that seem to go well are sometimes over-specified as well and the facility winds up using only a small portion of the resulting system despite the best efforts of the spec writer. This is because, as human beings, we tend to only use features that are fast, familiar, and easy to master. All the rest of the techno-babble that’s specified and paid for seldom gets used. I would say, with a few exceptions, only 30 percent of any system is actually used. Surprised? It’s analogous to the thousands of features within Microsoft—how many do you really use, assuming you’re not an IT expert?

Lesson two: Don’t pay for over spec’d items if they aren’t going to be used. Also, take the time to ensure all those features will be used as they were intended.

Solutions

There are several steps to follow to ensure your RFP process goes smoothly and that you end up with the system you were shopping for in the first place. Here are 11 points to think about when you start:

- **Do your own due diligence.** Don’t leave it all up to someone else. Check the supplier’s financials. Check and visit references. Most importantly, visit the



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manufacturer’s facility whenever possible. Obviously not everyone can do that, but you should if your project is large enough. A thousand-dollar airfare is a small price to pay to ensure satisfaction. The minute I walk into a manufacturer’s facility, I can tell if the resulting product will be good or bad, and so can you. Check the quality stations. Is the facility automated or not? Is it clean or dirty? Is there a lot of product on the floor?

- **Think big picture.** Don’t just look for features your project needs today when selecting a vendor. Look to the future. Investigate the supplier’s entire software library, as your requirements will change down the road. You must make sure the supplier has the required software/hardware to accommodate your needs in the future, even if all those functions aren’t needed today. Too many clients find themselves in a pickle three or four years down the road with a system that can’t easily be added to or improved. Above all, make sure that the feature or device you are being sold has been proven to work. This is especially important

with startups.

- **Try it.** Don’t be afraid to ask the manufacturer for free software demo samples you can take home to play with for a week or so to let your people experience the inner workings of the system before you buy anything. Why would a reliable supplier say no? Plus, this will help involve staff in the decision process, which is always a smart move. I would be very suspicious of any supplier who’s reluctant to provide free demo software for a time period. After all you’re spending hundreds of thousands of dollars. You test-drive a new car—why not test-drive new software as well? Remember when trying out software that an important feature is its ease of use. The only software that will be used is the software that is easy to use.
- **Ditch source code.** The antiquated notion that you must request source code to protect your company in case the firm you are dealing with goes under is a total waste of time and money and should be stricken from all specifications. In my 40+ years in the industry, I have seldom seen anyone use such codes after the fact. Third parties trying to work on these codes find it too hard and expensive.
- **Distrust the yes man.** Understand up front that bidders are likely to say their companies and products can meet the demands outlined in an RFP. And depending on their individual perspective, they probably can somehow. But most specs, due to their general nature, are open to individual interpretations. The trick is to not accept a mere “yes” answer but to take time to assess the user-friendliness of the feature the supplier intends to provide. For someone to simply say, “Yes, I can give you this or that report specified” is no longer acceptable. The “yes” has to be explained in detail. As the purchaser, you need to know if that report can be generated by either a single keystroke or will take dozens of keystrokes and the manual merging of other reports and so on before you get your required report. Understand that if the system isn’t user-friendly, that function you paid for will likely never be used. That’s simple human nature. Specifications today do not measure or define user-friendliness.
- **Consider staff.** Owners often underestimate the complexity and sophistication of the parking systems they are purchasing. Existing staff may not be qualified to run the new operation. Examine and quantify staff competence before buying. It’s becoming an IT world, and you need savvy people to run all these computers and networks. Minimum wage knowledge and a little training doesn’t do it anymore. System problems are often people problems. It’s easy to blame the system for staff misunderstandings.

- **Remember that you get what you pay for.** All systems are definitely not equal, and to think they are does your operation a great disservice. Don't buy a parking system off a cut sheet, say-so, or brochure. Go look at the equipment. Lift the hood and look inside. Try and appreciate the quality differences that affect price. There are many differences specifications never begin to cover. You're guaranteed to see differences if you actually look for them. Does the manufacturer use brass/nylon bushing or ball bearings? Are parts sheet metal or machined? What is the quality of their service support? Will the equipment rust prematurely? Even the way it's wired together can tell you a lot. Is it neat? Look at the PC boards. Are the chips surface mounted or not? All this tells you where the manufacturer is in the evolutionary scale of assembly. I used to count the number of direct DRIVE rollers in a ticket transport unit to get a feel for its quality. The more, the better if you don't want jams. And if there is a ticket jam, can it be removed easily?
- **Ask about installation.** What of the quality of installation of the parking equipment? I have never seen a specification define installations very well. It's assumed that the contractor will do the work under the prevailing codes, I guess. Let me tell you, I have seen many a poor installation after the fact in which the contractor made up for an initial low bid on the equipment by cutting back in the installation. Very cheap switches, underrated wires, bad loops, cheap or improper connectors (especially when it comes to fiber), no expansion provision on conduit, equipment installed but not level, inadequate power, and the list goes on. These inconsistencies cause system problems that are sometimes hard to find after the fact and result in downtime and a shorter equipment lifespan.
- **Ask about lifetime costs.** The industry has been remiss in its ability to either understand or analyze quality and longevity of equipment or systems. I have never seen a specification that documented service or maintenance costs over the life of that particular equipment. What is the life expectancy of the equipment? You would think that would be a key factor in the buying decision process, but it seldom comes up. That's in part because it requires far more effort and no one wants their comparative analysis of suppliers to be potentially wrong, or those recommending often have a short-term outlook because of contractual obligations. The industry must do better. When spending millions, you need facts, not fiction.
- **Remember, price can be deceiving when specifications are general.** The simple fact is that those systems that seemed inexpensive up front will more

than likely cost you far more than the highest priced bidder in the long run, sometimes by a considerable amount. Owners should be made aware of this fact. Recommendations for inexpensive solutions are often driven by ulterior motives or length of contracts, so you always need to understand where and why the recommendation is being made. You always get what you pay for.

- **Never stop looking for ways to improve your operation.** Consider adding more conveniences for your patrons and simplifying the managerial process with new technology. There are countless ways to increase profits that are not called out in original RFPs. Dozens of innovations come out every few months. I simply don't see these experts doing a great job of follow-up with their clients every two or three years to make recommendations on improvements that would benefit the client.

Keeping Up

We seem to be very slow at accepting new innovations in North America. It may be our conservative nature, possibly complacency; maybe it's our purchasing process itself or a sense of needlessly upsetting the apple cart when an owner seems content, or maybe the fees for suggestions simply aren't there after the fact. However perfect you may think your operation is, you can always increase revenues and customer satisfaction by 10 or 15 percent—that's been my experience. Stay informed by attending trade shows and continually asking your facility manager for new suggestions. No car park should remain stagnant. Improvements should happen regularly or you're really falling behind.

This may seem a harsh criticism of the way things are done, but the RFP process has regrettably not changed in quite some time, but technology has. Any newcomer to the industry should be aware of these 11 points to save themselves a ton of heartache. Granted, some installations go along perfectly to everyone's satisfaction, but many more projects have had issues that could have been resolved up front had some of these suggestions been followed. There are many other safeguards one can take, but we will leave those for another time.

Good luck in your buying decisions going forward, but never leave it entirely to luck or to others. 

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