AGENDA ITEM COVERSHEET

PREPARED BY: Bruce Oakley, Town Manager **DEPARTMENT:** Executive

MEETING: Town Council 8/25/2026

SUBJECT: Renewal of Parking Management Agreement with Pivot Parking

BACKGROUND:

The Town's parking management agreement with Pivot Parking expires this year. The Town must either enter into a new agreement with Pivot or issue a Request for Proposals (RFP) to test the competitive market. Staff is recommending entering into a new negotiated agreement with Pivot.

The Town terminated its prior parking management contract in 2021 due to maintenance and revenue concerns and selected Pivot Parking as the new vendor. The current agreement is structured as a two-year initial term with two automatic two-year renewals. Since 2021, Pivot has modernized the program significantly: removing aging pay stations and meters, expanding Text-to-Park/QR digital payment options, deploying License Plate Recognition (LPR) enforcement technology, and, in 2026, they launched PivotGo, a wayfinding tool that helps visitors locate available parking and reduces congestion from circling.

The parking program has produced strong and consistent net revenue for the Town over the past four fiscal years under Pivot's management:

Fiscal Year	Revenue	Expenses	Net
2022-23	$2,990,326.23	($403,692.00)	$2,586,634.23
2023-24	$3,312,607.91	($479,817.00)	$2,832,790.91
2024-25	$2,999,037.30	($418,811.70)	$2,580,226.00
2025-26	$3,131,215.73	($473,016.83)	$2,658,198.90

Freeman Park

Fiscal Year	Revenue	Expenses	Net
2022-23	$1,040,481.44	($150,828.09)	$889,653.35
2023-24	$1,135,121.01	($144,277.40)	$990,843.61
2024-25	$978,302.84	($192,165.79)	$786,137.05
2025-26	$794,517.41	($157,373.42)	$637,143.99

A central factor in staff's recommendation is the sustained, cumulative improvement in the customer and resident experience delivered under Pivot's management since 2021:

- Removed pay stations & meters (2024–2025): Transitioned away from aging physical infrastructure, reducing maintenance calls, vandalism exposure, and cash-collection burden.
- License Plate Recognition (LPR): Deployed in year one of the contract and remains the core technology enabling efficient enforcement across the town.
- Digital payments (Text-to-Park / QR): Simplified how residents and visitors pay, growing transient parking revenue while reducing reliance on physical equipment.
- PivotGo wayfinding (2026): A new feature that helps visitors find available parking in real time, easing congestion caused by circling and improving the overall visitor experience.
- Pivot staff recently relocated to Town Hall further improving their ability to provide fast and convenient customer service.

Each of these improvements was delivered incrementally over the life of the current agreement without requiring a change in vendor, a new procurement, or disruption to the public — demonstrating a track record of continuous investment rather than a one-time pitch.

Staff negotiated with Pivot on new proposed terms. As with any negotiation, there are some “give and takes”. A give was adding an extra year to the initial term, and the takes were eliminating their ability to receive revenue from citation collections and them absorbing some capital costs. See below for a comparison of the terms.

Term	Current Agreement	Proposed Agreement
Contract length	2 years + two automatic 2-year renewals	3 years + two 2-year renewal options
Base management fee	$1,850/month	$1,850/month (unchanged)
Variable management fee	8.5% of gross revenue above threshold	8.5% (unchanged rate)
Annual revenue threshold	$3,300,000	$3,237,500
Citation revenue	Included in variable fee calculation	Excluded — retains ~$20,000/yr more for the Town
LPR technology	Aging, no longer vendor-serviced	New system; $30,000 Pivot capital investment
Freeman Park automation	Staffed kiosk	New automated system; $45,000–$50,000 Pivot capital investment

As mentioned above, citations are excluded from Pivot's fee base so that enforcement activity remains focused on compliance and turnover rather than vendor revenue generation. Pivot is also proposing a fully automated, pre-pay access system for Freeman Park — using gates, LPR, and online payment in place of a staffed kiosk — which is projected to reduce labor costs, minimize transaction-related congestion, and allow passes to be purchased online through PivotGo. Both the LPR upgrade ($30,000) and the Freeman Park automation ($45,000–$50,000) would be funded by Pivot as capital investments, at no direct capital cost to the Town.

Instead of renewing the negotiated agreement with Pivot, we could issue an RFP that would test the market and could surface a more favorable financial arrangement. However, switching providers carries real, near-term costs and operational risk that a renewal avoids entirely:

- New signage required across all Town-owned lots and on-street parking areas.
- New technology and payment/permitting systems that must be procured, integrated, and tested before deployment.
- Staff and enforcement personnel would require training on unfamiliar systems and processes.
- Disruption to residents and visitors, who would need to learn a new payment provider and system mid-transition.

- Loss of institutional knowledge built over five years of program history, requiring a new vendor to rebuild that knowledge from zero.

- Timeline risk: an RFP process — solicitation, evaluation, and vendor onboarding — would need to be completed before the December 31 contract expiration and the start of the 2027 season, with no guarantee a new vendor could be fully operational in time.

Renewing with Pivot will requires no transition period, no re-training, and no new signage or systems for the public to learn.

7. Side-by-Side Comparison

Factor	Renew with Pivot	Issue an RFP
Transition disruption	None — continuous operation	Likely — new systems & signage
Upfront cost to Town	None	Signage, technology, and training costs
Institutional knowledge	Retained	Lost / rebuilt from zero
Contract term offered	3 yrs + two 2-yr options	Unknown — market dependent
Revenue potential	Proven, modest fee improvement	Unproven, possibly higher
Timeline to 2027 season	Immediate execution	RFP, evaluation & onboarding needed before Dec. 31

ACTION REQUESTED:

Staff recommends that Council authorize renewal of the parking management agreement with Pivot Parking under the negotiated terms described above, for the following reasons:

- No transition cost or risk. Switching providers would require new signage, new technology, and staff retraining — real expense and disruption the Town does not need to take on given Pivot's demonstrated performance.
- No disruption to residents and visitors. Continuity preserves a payment and wayfinding experience that already works well and that the public has grown accustomed to over five years.
- Improved, Town-favorable financial terms. Removing citation revenue from Pivot's fee calculation returns approximately $20,000 per year to the Town, and Pivot is funding a $30,000 LPR upgrade at no cost to the Town.
- Continued investment in Freeman Park. Pivot's proposed $45,000–$50,000 capital investment in automated gate and camera systems is projected to lower labor costs and streamline the visitor experience at the Town's busiest lot.