

# Agenda Report

September 18, 2017

**TO:** Honorable Mayor and City Council

**FROM:** Department of Transportation

**SUBJECT: EXTENSION OF AGREEMENT NO. 18934 WITH MODERN PARKING, INC., FOR THE MANAGEMENT OF THE HOLLY STREET, DEL MAR STATION, PASEO SUBTERRANEAN, LOS ROBLES, AND MARENGO GARAGES.**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the extension of contract number 18934 with Modern Parking, Inc. (MPI) is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061 (b) (3);
2. Authorize the City Manager to extend contract number 18934 with MPI for the management of the Holly Street, Del Mar Station, Paseo Subterranean, Los Robles, and Marengo garages through no later than January 31, 2018, for an additional contract amount of \$770,000 as detailed in the Fiscal Impact section of the report; and
3. To the extent this transaction could be considered a separate procurement subject to competitive selection, grant the proposed contract with MPI an exemption from the Competitive Bidding and Competitive Selection processes pursuant to City Charter Section 1002(F), contracts for professional or unique services, and Pasadena Municipal Code Section 4.08.049 (B), contracts for which the City's best interests are served.

## **BACKGROUND:**

The City of Pasadena owns nine off-street parking facilities. The City directly oversees operations at five of these garages: the Holly Street, Paseo Subterranean, Los Robles, Marengo and Del Mar garages which are currently managed for the City by MPI. The three Old Pasadena garages: Schoolhouse, DeLacey, and Marriott are overseen by the Old Pasadena Management District and managed by Parking Concepts, Inc. The Plaza Las Fuentes garage is overseen by Downtown Properties, Inc. and managed by ABM.

On August 10, 2005, the Department of Transportation released a Request for Proposals (RFP) to solicit proposals for parking garage management services at the Holly Street, Paseo, Los Robles, and Marengo garages. Four proposals were received on August 25, 2005, and based upon proposal evaluation staff recommended the award of the contract to MPI. On September 12, 2005, City Council authorized the City Manager to enter into an agreement with MPI to manage the four garages for a period of three years, with two additional one-year terms. On June 18, 2007, the City purchased the Del Mar Station garage and amended the agreement with MPI to include management of the new facility.

On December 6, 2010, City Council authorized the extension of the contract until September 30, 2011, while the City's parking strategy was evaluated. On September 26, 2011, City Council authorized the extension of the contract until September 30, 2012, to allow for further study of the current garage management system. On July 14, 2014, City Council authorized the extension of the contract until December 31, 2015, to allow time to draft and publish a RFP for management of the Paseo, Los Robles, Marengo, Holly Street, and Del Mar Station garages. On October 10, 2014, staff published a RFP for management of the garages. Five proposals were submitted on November 5, 2014, but were rejected in response to on-going uncertainties related to improvements proposed for the Paseo Colorado Shopping Center.

On December 14, 2015, City Council authorized an additional one-year extension to the contract in order to resolve issues related to the possible sale of the Paseo, Los Robles, and Marengo garages to the mall Developer. The issues were resolved and the City chose to keep the garages.

On December 12, 2016, City Council authorized a further nine-month extension to the contract to allow staff to develop a comprehensive RFP for the management of the garages that incorporated best practices identified working with the City's auditor.

On February 27, 2017, the Department of Transportation released a RFP to solicit proposals for parking garage management, operation and maintenance services at eight City-owned garages (Paseo, Marengo, Los Robles, Holly Street, Del Mar Station, Schoolhouse, DeLacey, and Marriott garages). On March 29, 2017, five proposals were submitted to the City for consideration. On July 24, 2017, City Council directed staff to reexamine the evaluation process and contract award was put on hold subject to further review.

The current contract with MPI expires on September 30, 2017, and an extension to January 31, 2018, will allow time for staff to return to City Council with a recommendation. MPI has agreed to extend the contract for an additional four months at the same rates. MPI understands that this current contract extension may conclude earlier than January 31, 2018.

#### **COUNCIL POLICY CONSIDERATION:**

The City Council's strategic planning goal of maintaining fiscal responsibility and stability will be advanced by amending the contract with MPI for the management of the Holly Street, Del Mar Station, Paseo, Los Robles, and Marengo garages.

**ENVIRONMENTAL ANALYSIS:**

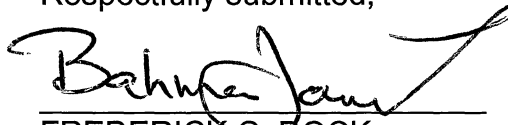
The proposed amendment of lease agreement with MPI for the management of the Holly Street, Del Mar Station, Paseo, Los Robles, and Marengo parking garages is categorically exempt from the California Environmental Quality Act (CEQA) under section 15061 (b) (3), the General Rule that CEQA only applies to projects which have the potential for causing a significant effect on the environment.

**FISCAL IMPACT:**

The cost of this action will be \$770,000 for this four month extension of the contract, for a revised total contract value at \$25,051,098. Funding for this action will not require additional budget appropriation and will be utilized from existing FY 2018 budget appropriations in the following accounts:

Account Description	Account Number	Amount
Paseo Subterranean Garage	40724031-811400	\$ 386,900
Los Robles Garage	40724030-811400	\$ 76,100
Marengo Garage	40724029-811400	\$ 156,300
Del Mar Station Garage	40724032-811400	\$ 95,700
Holly Street Garage	40724009-811400	\$ 46,400
Key Card Refunds	407-315000-41003	\$ 8,600
	<b>TOTAL</b>	<b>\$ 770,000</b>

Respectfully submitted,

  
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