



Agenda Report

November 25, 2019

TO: Honorable Mayor and City Council

FROM: Department of Transportation

SUBJECT: AUTHORIZATION TO EXTEND CONTRACTS FOR PARKING OPERATIONS INCLUDING OLD PASADENA MANAGEMENT DISTRICT, PARKING CONCEPTS, INC. AND MODERN PARKING, INC. FOR TWO ADDITIONAL YEARS

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the extensions of contract number 18934 with Modern Parking, Inc. (MPI); contract number 31188 with Parking Concepts, Inc. (PCI); and contract number 18398 with the Old Pasadena Management District (OPMD) are exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061 (b) (3); and
2. Authorize the City Manager to extend contract number 18934 with MPI for the management of the Holly Street, Del Mar, Paseo Subterranean, Los Robles, and Marengo garages through no later than January 31, 2022, for an additional contract amount of \$6,251,132 as detailed in the Fiscal Impact section of the report; and
3. Authorize the City Manager to extend contract number 31188 with PCI for the management of the Schoolhouse, De Lacey, and Marriott parking garages through no later than January 31, 2022, for an additional contract amount of \$4,034,975 as detailed in the Fiscal Impact section of the report; and
4. Authorize the City Manager to extend contract number 18398 with OPMD for assistance with the management of the Schoolhouse, De Lacey, and Marriott parking garages through no later than January 31, 2022, for an additional contract amount as detailed in the Fiscal Impact section of the report; and
5. To the extent these transactions could be considered separate procurements subject to competitive selection, grant the proposed contracts with MPI, PCI and OPMD an exemption from the Competitive Selection process set forth in the Competitive Bidding and Purchasing Ordinance pursuant to 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 Holly Street, Paseo Subterranean, Los Robles, Marengo and Del Mar garages are overseen by the City and are currently managed for the City by Modern Parking, Inc. (MPI). The Schoolhouse, DeLacey and Marriott garages are overseen by the City with day-to-day operational oversight from the Old Pasadena Management District (OPMD) and are managed by Parking Concepts, Inc. (PCI). The Plaza Las Fuentes garage is overseen by Downtown Properties, Inc. and is managed by ABM.

The City has had parking related contracts with OPMD since 2003, MPI since 2005, and PCI since January 2018.

On October 23, 2017, the City Council directed staff to return to City Council by the end of 2018 with a recommendation on consolidating to one operator for the eight City garages between the two contracted operators. The City Council also directed staff to extend the agreement with Modern Parking, Inc. for one year, and to enter into an agreement with PCI for one year with both contracts expiring January 31, 2019. At that time, in order to avoid disruption to the operation of the Old Pasadena garages, staff recommended extending the agreement with OPMD as well.

On December 17, 2018, the City Council approved another one year extension to MPI, PCI, and OPMD contracts, through January 31, 2020. The contracts were extended rather than consolidated to one operator in order to maintain operating continuity while staff focused on the procurement of new garage equipment and assisted auditors with their review of garage operator performance. These contracts are nearing the end of their performance period. At the October 20, 2019 Finance and Audit Committee Meeting, staff presented a comprehensive evaluation of the City's parking system. The presentation included information regarding a Parking Strategic Plan to determine the future direction of the City's parking program, completion of the garage assessment and full implementation of the PARCS system. Proposals for the Strategic Plan have been submitted with proposal evaluation underway. A twenty-four (24) month extension is now being requested to allow for completion of the Parking Strategic Plan.

Work for these contract extensions is expected to begin the third quarter of this fiscal year, with an expected completion date in the first quarter of FY 2021. The 24 month extension will provide time for the Parking Strategic Plan to evaluate and consider the current garage operations arrangement as well as consider a new arrangement, including consolidating to fewer contractors and third party oversight. Language currently included in the existing contracts enable staff to further address audit report findings. Enhanced contract management and oversight has initiated and will be documented throughout the 24 month period. As staff simultaneously addresses audit report findings and prepares the Parking Strategic Plan, it is important to maintain the current garage operator arrangement. Recommendations borne-out of the Parking Strategic Plan will be presented to City Council in fall 2020.

COUNCIL POLICY CONSIDERATION:

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

ENVIRONMENTAL ANALYSIS:

The proposed amendments with MPI, PCI and OPMD for the management of the Holly Street, Del Mar Station, Paseo Subterranean, Los Robles, Marengo, Schoolhouse, DeLacey and Marriott 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 with Modern Parking, Inc., will be \$6,251,132 (\$5,438,220 base plus a 15% contingency of \$812,912) for this two-year extension of the contract for a total revised contract value at \$36,962,230. The FY 2020 approved garage budget includes funding for the MPI parking operator contract extension from February 2020 through June 2020. Funding for this action will be addressed by the utilization of existing budgeted appropriations as listed below. It is anticipated that \$1,500,323 of this amount will be spent in FY2020. Adjustments to planned fiscal year expenses, without exceeding the approved total contract amount, may be required in order to meet operational needs.

MPI Contract #18934	Account	FY 2020 (Feb - Jun) Contract Amendment	FY 2021 Contract Amendment	FY 2022 Contract Amendment	Total Amendment
Keycard Deposits	407-315000-41003	\$3,919	\$9,405	\$5,486	\$18,810
Holly Street Garage	40724009-811400	\$29,928	\$60,264	\$34,455	\$124,647
Marengo Garage	40724029-811400	\$329,209	\$662,900	\$379,002	\$1,371,111
Los Robles Garage	40724030-811400	\$164,605	\$331,450	\$189,501	\$685,556
Paseo Subterranean Garage	40724031-811400	\$852,950	\$1,717,512	\$981,961	\$3,552,423
Del Mar Station Garage	40724032-811400	\$119,712	\$241,054	\$137,819	\$498,585
Total Contract Amendment Amount		\$1,500,323	\$3,022,585	\$1,728,224	\$6,251,132

The total cost of this action with Parking Concepts, Inc., is anticipated to be \$4,034,975 (\$3,508,674 base plus a 15% contingency of \$526,301) over the two year contract extension period. The FY 2020 approved garage budget includes funding for the PCI parking operator contract extension from February 2020 through June 2020. Funding for this action will be addressed by the utilization of existing budgeted appropriations as listed below. It is anticipated that \$811,972 of this amount will be spent in FY 2020. Adjustments to planned fiscal year expenses, without exceeding the total approved contract amount, may be required in order to meet operational needs.

PCI Contract #31188	Account	FY 2020 (Feb. - Jun.) Contract Amendment	FY 2021 Contract Amendment	FY 2022 Contract Amendment	Total Amendment
Old Pasadena Garages	40724026-829600	\$693,777	\$1,742,002	\$1,048,226	\$3,484,005
	40724026-829800	\$118,195	\$275,485	\$157,290	\$550,970
Total Contract Amendment Amount		\$811,972	\$2,017,487	\$1,205,516	\$4,034,975

The total cost of this action with the Old Pasadena Management District will be \$381,380 in FY 2020. The amount for FY 2021-2022 will be determined during the budget process as this is a pass through contract. Since it is a pass through contract, there is no contingency necessary. The FY 2020 approved garage budget includes funding for the OPMD contract extension from February 2020 through June 2020. Funding for this action will be addressed by the utilization of existing budgeted appropriations as listed below.

OPMD Contract #18398	Account	FY 2020 (Jul-Jan) Existing Appropriations	FY 2020 (Feb-Jun) Contract Amendment	FY 2020 Total
Keycard Deposits	407-315000-41003	\$3,150	\$3,150	\$6,300
Materials, Misc.	40724026-810100	\$500	-	\$500
Public Relations	40724026-830000	\$20,000	-	\$20,000
Security	40724026-829700	\$382,200	\$273,000	\$655,200
Repairs/ Maintenance	40724026-829800	\$35,000	\$25,000	\$60,000
Compactor	40724026-829900	\$7,000	\$5,000	\$12,000
Insurance	40724026-815600	\$10,000	-	\$10,000
Schoolhouse Garage	40724023-811400	\$58,593	\$43,408	\$102,001
DeLacey Garage	40724024-811400	\$33,337	\$24,826	\$58,163
Marriott Garage	40724025-811400	\$9,092	\$6,996	\$16,088
FY 2020 Contract Total		\$558,872	\$381,380	\$940,252

Respectfully submitted,



LAURA CORNEJO
 Director
 Department of Transportation

Prepared by:



Jon Hamblen
 Parking Manager

Approved by:



STEVE MERMELL
 City Manager