

# Agenda Report

**TO:** CITY COUNCIL

**DATE:** June 23, 2008

**FROM:** CITY MANAGER

**SUBJECT:** CONTRACT AWARD TO SERCO, INC. FOR CITYWIDE PARKING ENFORCEMENT SERVICES

## **RECOMMENDATION**

It is recommended that the City Council:

- 1.) Authorize the City Manager to enter into a contract with Serco, Inc. for citywide parking enforcement services on designated streets, lots and parking structures in an amount not to exceed \$2,236,280 for the initial three year term of the contract. The initial contract term specified in the RFP is for three years with an option for two additional one-year terms at the sole discretion of the City Manager based upon performance, price and availability of City funds. Competitive bidding is not required pursuant to the City Charter Section 1002 (F) professional or unique services; and
- 2.) Extend the current contract with Inter-Con Security Services, Inc. through July 31, 2008.

## **BACKGROUND**

The City's Parking Enforcement Program currently consists of four Parking Enforcement Representatives employed by the City. The program is supplemented with contract personnel who provide dispatch, parking patrol and related services. The current contract with Inter-Con Security Services, Inc. expires on June 30, 2008.

On May 19, 2008, the Department of Transportation released a Request for Proposals (RFP) to solicit proposals for citywide parking enforcement services to assist City staff with the enforcement of all Federal, State and City parking regulations. The new contract is expected to begin on August 1, 2008.

Extending the current contract with Inter-Con Security, Inc. will allow staff sufficient time to prepare and execute a new contract with Serco, Inc. and avoid any disruptions in service.

As stated in the City's RFP, the contractor shall perform citywide parking enforcement services 24 hours a day, seven days a week, except on certain holidays and when it is determined that it is in the best interest of the City to suspend enforcement services. A summary of the core services to be provided is included as Attachment 1.

Additionally, in an effort to improve contractor performance and efficiency, the RFP included a number of performance standards with which the selected contractor will be expected to comply. These performance standards are outlined in Attachment 2.

Representatives from seven companies attended the mandatory Pre-Proposal Conference held on May 28, 2008. On June 9, 2008, three companies submitted proposals. One company, Patriot Security, was disqualified for not complying with the requirements of the RFP. These proposals were then evaluated based on the following criteria:

A.	Management, Operation and Deployment Program	25 Maximum Points
B.	Interviews of Management Personnel	25 Maximum Points
C.	Proposer's Attributes and References	20 Maximum Points
D.	Price	20 Maximum Points
E.	Local Pasadena Business Preference	5 Maximum Points
F.	Small and Micro Business Preference	5 Maximum Points

**Maximum Attainable Score:                    100 Points**

The proposals were reviewed and evaluated by a committee consisting of a representative from City of West Hollywood's Department of Transportation and City staff from the Parking Division of the Department of Transportation. The table below provides a summary of the scores received by each company:

<b>Company</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>Total</b>
Serco, Inc.	22.3	22.8	19.3	16.5	0	0	80.9
Inter-Con Security Systems, Inc.	18.3	17.8	17	16.8	5	0	74.9

Based on the scoring summary above, staff recommends award of the contract to Serco, Inc.

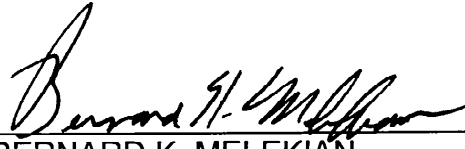
The cost proposal was based on the provision of 37,000 service hours annually of parking enforcement patrol, dispatch and related services and includes the cost for benefits, uniforms, some supplies and support staff. The annual contract

amount for year one is \$725,570, \$742,220 in year two, and \$768,490 in year three, for an initial term total not to exceed amount of \$2,236,280.

**FISCAL IMPACT**

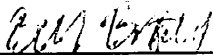
Funds for this contract are included in the Fiscal Year 2009 operating budget. Anticipated parking citation revenue for Fiscal Year 2009 is projected at \$5.5 million.

Respectfully submitted,



BERNARD K. MELEKIAN  
City Manager

Prepared by:



BILL BORTFELD  
Parking Manager

Approved by:



FREDERICK C. DOCK  
Director of Transportation

## Attachment 1

### **SUMMARY OF CORE SERVICES**

- **Regular Patrol:** Patrolling designated routes on staggered time schedules with the primary responsibility of enforcing City, State and Federal parking laws and regulations. This may also include participating in a hearing process involving a contested parking citation, as-needed assistance with the enforcement of private property parking regulations, enforcement of regulations in parking facilities and customer service.
- **Scofflaw/Abandoned Vehicle Detail:** Locating, reporting and marking any vehicle with a potential to be impounded or immobilized as a result of the vehicle having a specified number of delinquent parking citations and/or for laws pertaining to abandoned vehicles.
- **Dispatch:** Dispatching patrol personnel to specific areas as requested through use of two-way radios and telephones; preparing initial review packages; answering telephones and assisting customers at the front counter regarding parking enforcement matters; and responding to inquiries, concerns and requests for specialized parking enforcement information.
- **Safety Detail:** Reporting to designated City staff any unlawful act or any condition or deficiency which may pose a hazard or a danger to the public; reporting parking meter malfunctions and vandalism; and reporting sign and curb marking deficiencies and conflicts.

## Attachment 2

### **PERFORMANCE STANDARDS**

- **Patrol of City Streets:** Contractor shall effectively patrol City streets at least once per week and more frequently if instructed by the Director of Transportation.
- **Voided Parking Citations:** Contractor patrol personnel may void a parking citation if it is deemed inappropriate during or immediately after issuance provided a corrected citation is subsequently issued. If a corrected cite will not be issued, authorization must be received by the highest ranking contractor supervisor on duty.
- **Excessive Voiding of Parking Citations:** At no time shall an officer exceed 2% of total citations issued voided in a one-month period. The contractor shall be responsible for reporting the action taken to prevent future occurrences. The City will charge \$5.00 for each citation issued and subsequently voided due to gross negligence or serious violation of City regulations and procedures.
- **Time Gaps Between Parking Citations:** Contract personnel are expected to be patrolling and issuing citations during their scheduled shifts and must be able to account for all time and streets patrolled by producing a Daily Activity Report.
- **Care of City-Owned Equipment:** Contract personnel are responsible for the care of City-owned equipment provided to them to perform their duties. The contractor will be responsible for the full replacement and/or repair costs for any equipment that is lost, stolen or damaged by contract employees.
- **Customer Service:** Contract personnel shall conduct themselves in a professional manner at all times. Contractor shall thoroughly investigate and take appropriate action for any complaints against contract personnel and report findings to the City in a timely manner.
- **On-Time Performance:** Contractor shall fill vacant posts within one hour of the start time for the position unless documentation can be provided to prove that the employee was unable to contact the contractor due to an emergency. A charge of \$200 will be imposed per shift for any post left open without the specific knowledge and prior written approval of the Director.

- **Removal of Contract Personnel:** Under normal circumstances, the contractor shall remove or replace any contract employee within 48 hours of being notified by the Director. Under special or emergency circumstances, the contractor shall remove or replace any contract employee within 24 hours of being notified by the Director.
- **Daily Reports:** Contractor shall provide daily routine reports as required by the Director. At a minimum, 95% of all telephone messages shall be logged and responded to within a 24-hour period.
- **Number of Persons Traveling in City Vehicles:** No more than one contract employee will be allowed in a vehicle except for emergencies, training purposes, transport to/from a patrol area or the breakdown of a vehicle.
- **Weekly Operations Meeting:** The contractor will meet with the Director or authorized representative weekly to review operational and performance issues.
- **In Field Meetings:** The highest-ranking contract officer shall authorize in-field meetings between other officers as deemed appropriate.

**Disclosure Pursuant to the  
City of Pasadena Taxpayer Protection Amendment  
Pasadena City Charter, Article XVII**

Contractor/Organization hereby discloses its trustees, directors, partners, officers, and those with more than 10% equity, participation, or revenue interest in Contractor/Organization, as follows:

*(If printing, please print legibly. Use additional sheets as necessary.)*

**1. Contractor/Organization Name:**  
Serco Inc.

**2. Type of Entity:**  
 non-government     nonprofit 501(c)(3), (4), or (6)

**3. Name(s) of trustees, directors, partners, officers of Contractor/Organization:**  
See attached.

**4. Names of those with more than a 10% equity, participation or revenue interest in Contractor/Organization:**  
None

Prepared by: Joe Gardner

Title: Deputy Director, Contracts

Phone: 703-939-6402

Date: June 6, 2008

**OFFICERS/DIRECTORS RIDER**  
**Serco Inc.**

**List of Officers**

*Principal Officers*

**Name:** Edward J. Casey, Jr.                      **Title:** Chairman, CEO and President  
**Business Address:** Suite 1000 1818 Library St., Reston, VA 20190

**Name:** Richard Galanis                      **Title:** CFO, Treasurer, Executive Vice President  
**Business Address:** Suite 1000 1818 Library St., Reston, VA 20190

**Name:** Michelle S. DiCintio                      **Title:** Secretary, General Counsel, Sr. Vice  
President  
**Business Address:** Suite 1000 1818 Library St., Reston, VA 20190

**Names:** Louis Addeo                      **Title:** Chief Operating Officer  
**Business Address:** Suite 1000 1818 Library St., Reston, VA 20190

**Name:** Richard T. Gilligan                      **Title:** Assistant Secretary, VP Compliance  
**Business Address:** Suite 1000 1818 Library St., Reston, VA 20190

**Name:** Dirk Smith                      **Title:** Vice President, Contracts  
**Business Address:** Suite 1000 1818 Library St., Reston, VA 20190

*Other Officers*

**Name:** Ronald Lewis                      **Title:** Chief Technology Officer,  
Vice President  
**Business Address:** Suite 1000 1818 Library St., Reston, VA 20190

**Name:** Robert Mutchler                      **Title:** Sr. Vice President, Business  
Development  
**Business Address:** Suite 1000 1818 Library St., Reston, VA 20190

**Name:** Louis Montgomery                      **Title:** Vice President, Human Resources  
**Business Address:** Suite 1000 1818 Library St., Reston, VA 20190

**Name:** Bo Durickovic                      **Title:** Chief Strategy Officer, Vice President  
**Business Address:** Suite 1000 1818 Library St., Reston, VA 20190

**Name:** Richard Martinez                      **Title:** Assistant Treasurer, Controller  
**Business Address:** Suite 1000 1818 Library St., Reston, VA 20190



**List of Executive Directors**

**Name:** Edward J. Casey, Jr.

**Business Address:** Suite 1000 1818 Library St., Reston, VA 20190

**Name:** Louis Addeo

**Business Address:** Suite 1000 1818 Library St., Reston, VA 20190

**Name:** Richard Galanis

**Business Address:** Suite 1000 1818 Library St., Reston, VA 20190

*Other Directors*

**Name:** Christopher Hyman

**Business Address:** c/o Suite 1000 1818 Library St., Reston, VA 20190

**Name:** Riley Mixson

**Business Address:** c/o Suite 1000 1818 Library St., Reston, VA 20190

**Name:** Robert Reynolds

**Business Address:** c/o Suite 1000 1818 Library St., Reston, VA 20190

**Name:** John J. Welch, Jr.

**Business Address:** c/o Suite 1000 1818 Library St., Reston, VA 20190

**Name:** Andrew White

**Business Address:** c/o Suite 1000 1818 Library St., Reston, VA 20190

**Principle Office**

Serco Inc.  
Suite 1000  
1818 Library St.  
Reston, VA 20190

**Disclosure Pursuant to the  
City of Pasadena Taxpayer Protection Amendment  
Pasadena City Charter, Article XVII**

Contractor/Organization hereby discloses its trustees, directors, partners, officers, and those with more than 10% equity, participation, or revenue interest in Contractor/Organization, as follows:

*(If printing, please print legibly. Use additional sheets as necessary.)*

<b>1. Contractor/Organization Name:</b>	<i>Inter-Con Security Systems, Inc.</i>
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<b>2. Type of Entity:</b> <input checked="" type="checkbox"/> non-government <input type="checkbox"/> nonprofit 501(c)(3), (4), or (6)
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<b>3. Name(s) of trustees, directors, partners, officers of Contractor/Organization:</b>
<i>Enrique Hernandez, Jr. - President/CEO</i>
<i>Neil Martau, Executive Vice President</i>
<i>Nate Myer - Chief Financial Officer</i>
<i>Lance Mueller - Chief Operating Officer</i>

<b>4. Names of those with more than a 10% equity, participation or revenue interest in Contractor/Organization:</b>
<i>Bertha A. Hernandez - Shareholder - 47 percent</i>
<i>Enrique Hernandez, Jr. - President/CEO - 27 percent</i>
<i>Roland A. Hernandez - Shareholder - 25 percent</i>

Prepared by:           *Neil Martau*          

Title:           *Executive President*          

Phone:           *(626) 535-2210*          

Date:           *June 9, 2008*