

Agenda Report

December 14, 2015

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Department of Transportation

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

RECOMMENDATION:

It is recommended that the City Council:

1. 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 December 31, 2016;
2. 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); and
3. To the extent this transaction could be considered a separate procurement subject to competitive selection, grant the proposed contract with Modern Parking Inc. 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 City directly oversees operations at five of these garages; the Holly Street, Paseo Subterranean, Los Robles, and Marengo and Del Mar garages, which are currently managed for the City by Modern Parking, Inc. 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 to solicit bids for parking garage management services at the Holly Street, Paseo Subterranean, Los Robles, and Marengo garages. Four proposals were received on August 25, 2005, and based upon 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 for time to draft and publish a Request for Proposals (RFP) for management of the Paseo/Los Robles/Marengo/Holly/Del Mar garages. On October 10, 2014, staff published an RFP for management of the garages. 5 proposals were submitted on November 5, 2014, but all bids were rejected in response to on-going uncertainties related to improvements proposed for the Paseo Colorado Mall.

Following the approval of entitlements for the improvements and the initiation of demolition of the former Macy's store, staff determined in consultation with the equity partners at the Paseo Colorado Mall that the extension of the contract with the current operator (MPI) will minimize disruption of operations at the Paseo, Los Robles and Marengo garages during construction at the Paseo Colorado Mall.

The term recommended for this contract extension is in response to the anticipated sale of the Paseo Colorado Mall and subsequent changes in ownership later this month and the pending resolution of the role of the City and the Successor Agency in the ownership of the Paseo, Los Robles and Marengo garages.

In 2013, staff conducted an audit of parking operations in the nine City-owned garages to identify any deficiencies in current practices so as to improve existing operations and to provide information to use in enhancing off street parking operations in the future. These recommendations are attached as Exhibit A and will be included in the contract extension. City staff will conduct monthly inspections of all the garages and operations based upon the audit findings and garage best practices included in Exhibit A.

MPI has agreed to extend the contract for an additional year at the same rates.

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 Subterranean, Los Robles, and Marengo garages.

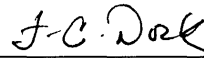
ENVIRONMENTAL ANALYSIS:

The proposed amendment of lease agreement with MPI for the management of the Holly Street, Del Mar Station, Paseo Subterranean, 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 \$2,167,877 for this 12 month extension of the contract. The FY2016 approved garage budget included \$1,073,371 for the parking operator contract for January through June 2016. An increase of \$10,000 is required to address expenses related to extra staffing at the Paseo Colorado during construction. Funding for this action will be addressed by the utilization of existing budgeted appropriations in account numbers 40724031-811400 Paseo Subterranean Garage, 40724030-811400 Los Robles Garage, 40724029-811400 Marengo Garage, 40724032-811400 Del Mar Station Garage, and 40724009-811400 Holly Street Garage. It is anticipated that \$1,083,371 of this amount will be spent in FY2016 with the remaining \$1,084,506 being spent in FY2017.

Respectfully submitted,

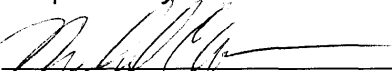


FREDERICK C. DOCK

Director

Department of Transportation

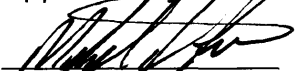
Prepared by:



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Approved by:



MICHAEL J. BECK

City Manager

Attachment:

Attachment – Exhibit A