

Agenda Report

December 12, 2016

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, 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), 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 September 30, 2017 for an additional contract amount of \$1,623,549 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 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 proposals 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 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 Request for Proposals (RFP) for management of the Paseo, Los Robles, Marengo, Holly, and Del Mar garages. On October 10, 2014, staff published an 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 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. Shortly thereafter, the City chose to keep the garages and staff has been working on developing an RFP for the management of the Paseo, Los Robles, Marengo, Holly, and Del Mar garages with the addition of the three Old Pasadena garages, Schoolhouse, DeLacey, and Marriott. Over the past year best practices have been developed working with the City's auditor for management of these garages including reducing the number of parallel parking access and revenue control systems and providing more direct oversight of the collection of parking revenues. Development of this RFP includes a restructuring of previous management practices in accordance with the City's revised audit procedures and redefining the Old Pasadena Management District's role in operation of the Old Pasadena garages going forward.

Staff is requesting this extension to allow for a thorough RFP process. The RFP is anticipated to be published in early December 2016 with selection occurring in January 2017. Staff will return to Council in February for the awarding of a new contract with the selected garage operator. Extending the contract until September 30, 2017 allows time for the RFP process to occur, the agenda report to be presented to Council, and the new contract to be routed through the City's contract approval processes. Staff anticipates that a new contract will be in place prior, but this nine month extension allows for any unforeseen difficulties with the RFP or contract approval processes. MPI has agreed to extend the contract for an additional nine months at the same rates and understands that this current contract extension may conclude earlier than September 30, 2017.

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

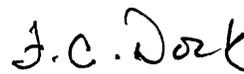
ENVIRONMENTAL ANALYSIS:

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 \$1,623,549 for this nine month extension of the contract for a total revised contract value at \$24,281,098 The FY2017 approved garage budget included \$1,075,000 for the parking operator contract for January through June 2017 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 \$1,075,000 of this amount will be spent in FY2017 with the remaining \$548,549 being spent in FY2018

Respectfully submitted,



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Director

Department of Transportation

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