

Agenda Report

December 12, 2016

TO: Honorable Mayor and City Council
FROM: Department of Transportation
SUBJECT: EXTENSION OF THE AGREEMENT NO. 18398 WITH THE OLD PASADENA MANAGEMENT DISTRICT FOR THE MANAGEMENT OF THE SCHOOLHOUSE, DE LACEY, AND MARRIOTT GARAGES

RECOMMENDATION:

It is recommended that the City Council

- 1 Find that a contract with the Old Pasadena Management District for garage management is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15301 (Existing Facilities), and
- 2 Authorize the City Manager to extend contract 18398 for one year with the Old Pasadena Management District for the management of the Schoolhouse, De Lacey, and Marriott parking garages to December 31, 2017,
- 3 To the extent this could be considered a separate procurement subject to a competitive selection process, grant the proposed contract an exemption from the competitive selection process of the Competitive Bidding and Purchasing Ordinance pursuant to Pasadena Municipal Code Section 4 08 049 (B), contracts for which the City's best interest are served

BACKGROUND:

On June 27, 2002, the City received a proposal from the Old Pasadena Management District (OPMD) to operate three City-owned parking structures in Old Pasadena. On December 8, 2003, City Council authorized the City Manager to enter into an agreement with the OPMD to manage Schoolhouse, De Lacey, and Marriott garages in Old Pasadena. On July 17, 2006, City Council authorized the extension of the agreement for an additional four year term to expire on December 31, 2010. On December 13, 2010, City Council authorized an additional five year extension to the contract. 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

The audit of parking operations recommended modifications to both reduce the number of parallel parking access and revenue control systems and to provide more direct oversight of the collection of parking revenues. Under this extension OPMD will be responsible for the day to day operations of the garages but the City will oversee all revenue aspects of the operation, including auditing, as per the audit recommendations. These controls will be part of the new parking access and revenue control system due to be installed in mid-2017. In addition, the City will now oversee the garage management contract, with OPMD assisting the City with day to day management of garage operations. A new garage management contract is expected to be in place early to mid-2017.

OPMD is responsible for the management of the Old Pasadena Business Improvement District which contains the Schoolhouse, De Lacey and Marriott garages. OPMD's management of both the district and the garages has allowed for maximum flexibility and success of the garage operations based upon their knowledge of the district, its visitors and its businesses. OPMD is able to combine the guide program in Old Pasadena with the garage security program to provide maximum coverage and responsiveness combined with knowledge of the district. Both the City and OPMD desire to extend this agreement, with the additional terms, which is in the best interests of the City.

COUNCIL POLICY CONSIDERATION:

The City Council's strategic planning goal of maintaining fiscal responsibility and stability will be advanced by amending the contract with the Old Pasadena Management District for the management of the Schoolhouse, De Lacey, and Marriott parking garages.

ENVIRONMENTAL ANALYSIS:

The proposed amendment of lease agreement with OPMD for the management of the Schoolhouse, De Lacey, and Marriott 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:

OPMD receives a monthly management fee for their oversight of the garages. The total management fee for FY2017 is \$162,326.

On an annual basis, independent of the management fee, OPMD submits an operating and capital budget for the three garages to the Department of Transportation. Following review and adjustment, the Department of Transportation incorporates the budget request into the Department's annual budget requests to the City Manager.

Once the annual budget is approved by the City Council, the amounts allocated to the three garages are added to the management fee to determine the contract amount for the fiscal year. The FY2017 approved garage operating budget was \$2,263,576. This amount, plus the management fee, brings the total FY2017 contract amount to \$2,425,902.

Respectfully submitted,

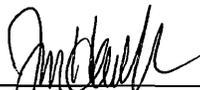


FREDERICK C DOCK

Director

Department of Transportation

Prepared by



JON HAMBLEN
Parking Manager

Approved by



STEVE MERMELL
City Manager