

# Agenda Report

March 14, 2022

**TO:** Honorable Mayor and City Council

**THROUGH:** Municipal Services Committee (March 8, 2022)

**FROM:** Department of Transportation

**SUBJECT:** **AUTHORIZATION TO ENTER INTO A CONTRACT WITH PARKING CONCEPTS INC. FOR THE MANAGEMENT AND OPERATION OF THE PLAZA LAS FUENTES VALET PARKING SERVICES FOR THE WESTIN HOTEL IN AN AMOUNT NOT TO EXCEED \$2,336,214 FOR A THREE-YEAR TERM**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that this action is exempt under the California Environmental Quality Act (CEQA) in accordance with Section 15061(b)(3), the General Rule that CEQA only applies to projects that may have an effect on the environment;
2. Authorize the City Manager to enter into a contract, as the result of a competitive selection process, as specified by Section 4.08.047 of the Pasadena Municipal Code, with Parking Concepts Inc. for the management and operation of the Plaza Las Fuentes valet parking services for the Westin Hotel in an amount not to exceed \$2,336,214 for three-years, which includes the base contract amount of \$707,944 and a contingency of \$70,794 per year to provide for any necessary change orders; and
3. Authorize the City Manager to extend the term of the contract for two additional one-year terms as detailed in the report at the discretion of the City Manager.

## **BACKGROUND:**

The Plaza Las Fuentes parking garage is a City-owned garage that has been managed by Downtown Properties. In order to save costs and streamline operations the City took over the management of the garage on February 1, 2022, when a new city-wide parking operator contract began. The City is contractually obligated to provide valet service to

the Plaza Las Fuentes Property through the Restated Declaration of Covenants, Conditions, and Restrictions dated 30 November, 1987. Contractually obligated valet operations were not included in the city-wide operator contract as the Westin Hotel had expressed interest in managing the valet operation directly. In December 2021 the hotel decided not to assume control of the valet operation, leaving the City with the responsibility.

A Request for Proposal (RFP) for valet parking services at the Plaza Las Fuentes garage was published on January 5, 2022 with bids due on January 18, 2022. The initial contract term specified in the RFP is for three years with an option for two additional one-year terms at the discretion of the City Manager based upon performance and availability of City funds. The new contract is expected to begin April 1, 2022. The valet service is currently operating under a Purchase Order to ensure uninterrupted service.

The RFP was posted on Planet Bids where 28 prospective bidders downloaded the RFP, four of which were local firms. A virtual non-mandatory pre-proposal meeting was held on January 10, 2022 with representatives from six companies present. On January 18, 2022, four companies' submitted proposals:

- Everpark, Inc. Los Angeles CA
- LAZ Parking, Los Angeles CA
- Parking Concepts Inc. Pasadena CA
- Prime Valet, Bellflower CA

The proposals were evaluated by a committee consisting of City of Pasadena employees from the Department of Transportation and the Department of Public Works. The proposals were evaluated based on the following criteria, weighted as follows:

<b>Criteria</b>	<b>Weight</b>
Management Fee	30%
Experience	30%
Cash Management, Reporting, and Audit Program	30%
Local Pasadena Business Preference	5%
Small and Micro-Business Preference	5%
Total	100%

The proposal by Parking Concepts Inc., a local Pasadena company, was rated the highest based on the firm's Experience and Cash Management, Reporting and Audit Program. Attachment A is a summary of the evaluation scores. Based on this, staff recommends award of the valet service contract to Parking Concepts Inc.

**COUNCIL POLICY CONSIDERATION:**

This project is consistent with the City Council's goal to support and promote the quality of life and the local economy.

**ENVIRONMENTAL ANALYSIS:**

The project has been reviewed for compliance with CEQA and is exempt per Section 15061 (b) (3). The project is covered by the general rule that CEQA only applies to projects that have the potential for causing a significant effect on the environment. The parking garage management contract will not result in any significant effect on the environment.


**FISCAL IMPACT:**

The cost of this action will be \$2,336,214 (\$778,738 annually) for the initial three year term, which includes a 10% contingency. The Plaza Las Fuentes Valet location will generate approximately \$1,000,000 in annual revenue. Funding for this action in FY 2022 will be addressed with the utilization of budgeted appropriations in account 40724012-811400 (Plaza Las Fuentes contract services). The following table represents the contract summary:

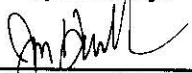
Contract Summary	
Base Contract Amount (Three Years)	\$ 707,944
Contingency (10%)	\$ 70,794
<b>TOTAL CONTRACT AMOUNT</b>	<b>\$ 778,738</b>

The annual not-to-exceed contract amount for the additional two one-year terms will be unchanged at \$778,738, which will be incorporated into the annual budget process for each of those fiscal years.

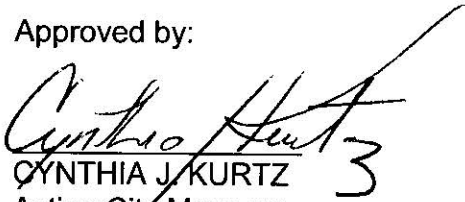
Respectfully submitted,

  
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LAURA RUBIO-CORNEJO  
Director  
Department of Transportation

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Approved by:

  
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CYNTHIA J. KURTZ  
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Attachments:

Attachment A - Evaluation Summary