

**City of Culver City, California
Agenda Item Report**

Meeting Date: 12/09/13		Item Number: JC-2	
JOINT CITY COUNCIL AND BOARD OF THE SUCCESSOR AGENCY TO THE CULVER CITY REDEVELOPMENT AGENCY AGENDA ITEM: Approval of an Amendment to an Existing Agreement with Modern Parking, Inc. for Parking Management Services at the Cardiff, Ince, and Watseka Parking Structures and the Venice and Virginia Parking Lots.			
Contact Person/Dept.: Joe Susca/ CDD Todd Tipton/ CDD		Phone Number: (310) 253-5763 (310) 253-5783	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☐ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: E-Mail) Meetings and Agendas – City Council (12/03/13); (E-Mail) Modern Parking Inc., Downtown Business Association, and Chamber of Commerce on (12/03/13).			
Department Approval: Sol Blumenfeld (11/27/13)		City Attorney/Successor Agency General Counsel Approval: Carol Schwab (by H. Baker) (12/02/13)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (12/03/13)		City Manager/Executive Director Approval: John M. Nachbar (12/03/13)	
<u>RECOMMENDATION:</u> Staff recommends the City Council and the Board of the Successor Agency to the Culver City Redevelopment Agency (Successor Agency Board) approve an Amendment to an existing Agreement with Modern Parking, Inc. (Modern) for parking management services at the Cardiff, Ince, and Watseka parking structures and the Venice and Virginia parking lots in an amount not-to-exceed \$802,575. <u>BACKGROUND/ DISCUSSION:</u> On August 1, 2006, the former Redevelopment Agency Board approved an original agreement with Modern for parking management services related to the Cardiff, Ince, and Watseka parking structures (Agreement). In subsequent contracts, the former Redevelopment Agency Board, the City Council, and Parking Authority Board extended the term of the Agreement and added additional management and maintenance services to Modern's scope of work.¹ In January 2012, a new Agreement was executed between the City, the Parking Authority and Modern (in lieu of issuing a Request for Proposal) due to Redevelopment Agency elimination and the uncertainty surrounding the future ownership of the parking facilities. The amount of the Agreement was \$745,837,			

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including contingency. In February 2013, the Agreement was amended to reflect that the Successor Agency was the successor in interest to the Parking Authority and, under the authority granted to the City Manager, the term was extended an additional year to January 31, 2014.

The existing Agreement between the City, the Successor Agency and Modern will expire on January 31, 2014. Due to the continued uncertainty surrounding the future ownership of the parking facilities, staff recommends that the City Council and Successor Agency Board extend the Agreement with Modern an additional year to January 31, 2015 and authorize the City Manager/Executive Director to extend the term another additional year to January 31, 2016, if ownership status is not resolved.

FISCAL ANALYSIS:

Modern will be contracted to perform parking management services at the annual rate of \$668,813 (for the three downtown parking structures and the surface parking lots on Venice Boulevard and Virginia Avenue) with \$133,762 in contingency funding for a total of \$802,575. Pursuant to the Agreement, the City is responsible for funding any unforeseen services such as staff overtime and event staffing. To fund these services, staff has historically included a 20% contingency.

The \$802,575 amount represents a \$56,738 increase above the prior Agreement amount. The increase is attributed to the 13% minimum wage increase (from \$8.00 to \$9.00 per hour) that will become effective on July 1, 2014, which reflects a 7-month impact of the wage increase and an increase of \$85,462 to \$831,312 in the second year, which reflects a 12-month impact of the wage increase.

As a result, the total annual cost of the Amended Agreement, including contingency is:

Location	Proposed Fee	Increase	Subtotal	Contingency	Total
Cardiff	\$123,396	\$12,719	\$136,115	\$27,223	\$163,338
Watseka	\$122,304	\$2,188	\$124,492	\$24,898	\$149,390
Ince	\$321,594	\$39,795	\$361,389	\$72,278	\$433,667
Virginia/ Venice	\$44,770	\$2,047	\$46,817	\$9,363	\$56,180
Total:	\$612,064	\$56,749	\$668,813	\$133,762	<u>\$802,575</u>

The Agreement will be funded from existing parking facilities revenues. The combination of Modern's Agreement and overall maintenance/repair of the parking facilities results in parking operations² being revenue neutral.

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ATTACHMENTS:

1. November 18, 2013 Modern Parking letter requesting additional compensation due to the minimum wage increase.

MOTION:

That the City Council and Successor Agency Board:

1. Approve a tri-party services agreement with Modern Parking, Inc. for parking management services at the Cardiff, Ince, and Watseka Parking Structures and the Venice and Virginia Parking Lots in an amount not-to-exceed \$802,575 for the first year; and,
2. Authorize the City Attorney/Successor Agency General Counsel to review/prepare the necessary documents; and,
3. Authorize the City Manager/Executive Director to execute such documents on behalf of the City and the Successor Agency; and,
4. Authorize the City Manager/Executive Director to extend the agreement by one additional year in the amount of \$831,312 if ownership of the parking facilities remains undetermined.

NOTES:

¹The Modern Contract was initially executed on August 1, 2006 and extended on June 18, 2009, January 10, 2010, January 26, 2011, December 13, 2011, January 31, 2012 and August 5, 2013.

²Maintenance and repair items include utilities, steam cleaning, pavement markings, signage, elevator repairs, landscaping, graffiti abatement, vandalism repairs, fire alarm system testing and fire extinguisher charging, pest control, wheel stop replacements, lighting fixture cleaning, light bulb replacements, carbon monoxide testing system, ticket issuing, monthly parking and access control system.