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Walkerconsultants.com

November 18, 2019

Mr. Todd Tipton
Economic Development Manager
CITY OF CULVER CITY
9770 Culver Blvd.
Culver City, CA. 90232

Re: City of Culver City, California
Proposal for Parking Consulting Services
Review Operating Statements and Expenses for Agreement Compliance

Dear Mr. Tipton:

Walker Consultants (Walker) employs a team of professionals with the specific expertise needed to review the revenue generated and operating expenses incurred during the initial three-years of the Parking Management Agreement (the "Agreement") by and between the City of Culver City (the "City") and ABM Parking Services (the "Operator"). Enclosed for your review and approval is our understanding of the project, proposed scope of services, schedule, and professional fee.

PROJECT UNDERSTANDING

Based upon our understanding, the City desires to engage Walker to assess whether the operating expenses charged and paid during the initial three-years of the Agreement by and between the City and Operator comply with the terms and conditions that govern the Agreement. Additionally, the City would like Walker to provide an assessment of budget to actual costs incurred during the designated timeframe and identify line item costs that may be in excess of approved budgeted amounts.

Finally, the City wants Walker to review the current operating methodology in place at City locations (e.g. revenue generation, deposit procedures, and internal controls etc.) also, to research any email correspondence regarding operating budget increases and approvals and opine on our findings regarding items reviewed.

For the engagement, Walker proposes the following tasks: 1) review Agreement by and between the City and Operator, 2) review operating expenses incurred during the initial three-years of the Agreement, 3) compare expenses incurred to approved budgeted amounts, 4) review operating methodology, policies and procedures in place at City locations, 5) summarize work product and opine on findings in a technical memorandum, 6) issue memorandum to City in draft format for review and comment, 5) meet with City in person or via teleconference to discuss draft document, and 7) incorporate City comments into a final version of the technical memorandum.

SCOPE OF SERVICES

To complete the engagement, we propose the following scope of work:

1. Obtain from City a copy of the Agreement for review by Walker.
2. Obtain from City operating statements (the "Data") for the initial three-years of the Agreement.
3. Review Data and operating expenses incurred for compliance with the terms and conditions contained in the Agreement; compare actual costs to approved budgeted amounts.
4. Review operating methodology, policies and procedures used to manage City location(s) (e.g. revenue generation, deposit procedures, internal controls, etc.).
5. Research all email correspondences provided by City regarding operating budget increases and approvals.
6. Summarize individual findings in a draft technical memorandum and submit to City for review and comment; draft memorandum will be delivered electronically in PDF format.
7. Participate in an in-person meeting or via teleconference with the City to obtain review comments.
8. Incorporate comments into a final memorandum and submit to the City electronically in PDF format.

SCHEDULE

Walker can begin working within 5 business days of receiving written acceptance of this proposal. We anticipate the project can be completed within twenty-five (25) to thirty-five (35) business days, assuming the City provides the required data on a timely basis. If the proposed schedule proves insufficient, we will work diligently within the City's desired parameters to complete the engagement.

Before finalizing our technical memorandum, we plan to allow enough time to satisfy the City's desired result from the analysis process. However, we anticipate receiving one set of consolidated comments/questions from the City on the draft memorandum within ten (10) business days after issuance. If no comments/questions are received within this timeframe, we will assume the City is satisfied, and the memorandum will be finalized.

EXPERIENCE

Walker specializes in this type of engagement having successfully completed a multitude of Agreement reviews and Operational Assessments for municipalities, universities, hospitals, asset managers and private owners. Additionally, I have worked in the parking Industry for over thirty-two years, serving as a Regional Vice President with a national parking management firm for nearly twenty-years, and as a consultant with Walker for the past thirteen-years.

In my role as Walker's Director of Operations Consulting, I've completed similar type engagements for UMASS Medical Center in Worcester, MA, Waterton Property Management and Investment Group for Presidential Towers and Jones, Lang, LaSalle's Post Office Redevelopment project in Chicago, the Cities of Beverly Hills and West Hollywood in California, and most recently for Houston First Corporation, an entity that oversees the management of all City of Houston public parking facilities that serve the Theater and Convention Districts.

Additional Walker project experience for municipal parking operation audits are attached following this proposal.



LIMITING CONDITIONS

All opinions provided by Walker pursuant to the proposed Agreement review will not constitute legal advice. The City should consult their own legal counsel regarding specific legal issues pertaining to the Agreement. Any recommendations or opportunities suggested by Walker for the engagement are not intended to substitute for legal advice obtained from City legal counsel.

PROFESSIONAL FEE

We propose to perform the scope of services described above in accordance with the attached General Conditions of Agreement for a lump sum fee of Sixty Thousand and Four Hundred Dollars (\$60,400), plus reimbursable expenses. Reimbursable expenses will be billed at 1.10 times the cost of all project related expenses.

In closing, Walker is committed to providing clients with professional services that meet or exceed project requirements. To achieve this goal, we are available to review this proposal with you and adapt the work scope as deemed necessary to complete the project to your satisfaction. Upon your review, please call or email me with any comments or questions regarding the proposal. We look forward to possibly working with you and the City of Culver City on the project.

Sincerely,

WALKER CONSULTANTS

A handwritten signature in black ink, reading "Phill Schragal".

Phill Schragal
Director of Operations Consulting

A handwritten signature in black ink, reading "Steffen Turoff".

Steffen Turoff
Director of Studies/PR Los Angeles

Enclosure(s)

General Conditions of Agreement



Trusting our proposal meets your approval, we ask that you sign below to acknowledge your acceptance of the terms contained herein, also to confirm your authorization for us to proceed. Please return one signed original of the agreement for our records.

AUTHORIZATION

THE CITY OF CULVER CITY

Accepted by (Signature) _____

Printed Name _____

Title _____

Date _____

SERVICES

Walker Consultants ("Walker") will provide the CLIENT professional services that are limited to the work described in the attached proposal ("the services"). Any additional services requested will be provided at our standard hourly rates or for a mutually agreed lump sum fee. The services are provided solely in accordance with written information and documents supplied by the CLIENT and are limited to and furnished solely for the specific use disclosed to us in writing by the CLIENT. No third-party beneficiary is contemplated. All documents prepared or provided by WALKER are its instruments of service, and any use for modifications or extensions of this work, for new projects, or for completion of this project by others without Walker's specific written consent will be at CLIENT's sole risk.

PAYMENT FOR SERVICES

Walker will submit monthly invoices based on work completed plus reimbursable expenses. Reimbursable expenses will be billed at 1.10 times the cost of travel and living expenses, purchase or rental of specialized equipment, photographs and renderings, document reproduction, postage and delivery costs, long distance telephone and facsimile charges, additional service consultants, and other project related expenses. Payment is due upon receipt of invoice. If for any reason the CLIENT does not deliver payment to WALKER within thirty (30) days of date of invoice, Walker may, at its option, suspend or withhold services. The CLIENT agrees to pay Walker a monthly late charge of one- and one-half percent (1½%) per month of any unpaid balance of the invoice.

STANDARD OF CARE

Walker will perform the services in accordance with generally accepted standards of the profession using applicable building codes in effect at time of execution of this Agreement. Walker's liability caused by its acts, errors or omissions shall be limited to the fee or \$10,000, whichever is greater.

Any estimates or projections provided by Walker will be premised in part upon assumptions provided by the CLIENT. Walker will not independently investigate the accuracy of the assumptions. Because of the inherent uncertainty and probable variation of the assumptions, actual results will vary from estimated or projected results and such variations may be material. As such, Walker makes no warranty or representation, express or implied, as to the accuracy of the estimates or projections.

PERIOD OF SERVICE

Services shall be complete the earlier of (1) the date when final documents are accepted by the CLIENT or (2) thirty (30) days after final documents are delivered to the CLIENT.

PHILLIP SCHRAGAL

Operations Consultant



EDUCATION:

Bachelor of Arts in Education
Northeastern Illinois University

PROFESSIONAL AFFILIATIONS:

Certified Parking Facility Manager – National
Parking Association
National Parking Association
International Parking Institute

PUBLICATIONS:

Parking Problems, Evaluating Operations
Could Lead to Better Service and Greater
Profitability, CIRE Magazine, May/June 2014
The Right Moment, How to Know When
it's Time to Issue a New RFP for Parking
Services, IPI, May 2014
RFP's Test Parking Operators
Competitiveness: Transparency Trumps
Complacency, Canadian Property
Management Magazine, March 2013

WEBINARS:

Optimize Your Parking Assets to Boost
Revenue, Lorman Education Services,
October 2016

Phill heads Walker's Operations Consulting Group, which includes studies related to all facets of parking including Operations and Shared Parking Analyses, Due Diligence, Financial and Parking Planning studies, and Audits. Phill is involved in the development, administration, and negotiation of Request for Proposals for both private owners and public agencies seeking third-party management services provided by professional parking firms. He also serves on Walker's internal committee that reviews all Operations and Feasibility studies completed by the Consulting and Resource Group.

Since joining Walker, Phill has successfully done numerous studies for private and public entities. He has reviewed existing the operating methodologies, policies, and procedures for all types of parking operations including municipalities, airports, public and private locations. He has provided operational and functional design assessments; developed standard operating procedure manuals, financial and market studies and advised on the testing of parking access control equipment, and on request for proposal engagements resulting in the award of numerous parking management and lease agreements. As a Parking Consultant with 30+ years of hands-on parking experience, many at an executive level, Phill is particularly adept at solving operational challenges and skillfully projecting financial outcomes.

REPRESENTATIVE PROJECTS

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RESUME CONT'D

List of all projects, grouped by Owner Type

GOVERNMENT:

Block 7 - ICON

Milwaukee, WI
Operator RFP & Operations Analysis

City of Chicago Parking System

Chicago, IL
Chicago Park District
Parking Operations Manual

City of Janesville

Janesville, WI
Supply/Demand Study

City of Ann Arbor

Ann Arbor, MI
Operations RFP

City of Beverly Hills

Beverly Hills, CA
Operator RFP

City of Rochester

Rochester, MN
Rates Study/Planning

City of West Hollywood

West Hollywood, CA
Operator RFP

City Of Telluride

Telluride, CO
Market & Financial Analysis

Georgia World Congress

Atlanta, GA
Operator RFP

Glendale Sports and Entertainment Complex

City of Glendale, AZ
Operations Analysis

Hamilton County

Cincinnati, OH
Operations and Operator

Milwaukee Museum of Art

Milwaukee, WI
Operator RFP

Norwalk Parking Authority

Norwalk, CT
City of Norwalk
Operations Review

Houston First Corporation

Houston, TX
Operator RFP

Seattle Design Center

Seattle, WA
Operations Analysis

EDUCATION

Boston University

Boston, MA
BU Transportation Services
Operations Analysis

Clemson University

Clemson, SC
Operations and RFP Consulting

College of Art & Design

Minneapolis, MN
Market, PARCS & Financial

Elmhurst Hospital

Elmhurst, IL
Supply/Demand & Alternatives

Illinois Masonic Hospital

Chicago, IL
Supply Demand/Operations Analysis

Loyola University

Chicago, IL
Supply/Demand

Lawrence Memorial Hospital

Lawrence, KS
Supply/Demand & Alternatives

St. Paul College

St. Paul, MM
Market, PARCS & Financial Study

University of Illinois at Chicago

Chicago, IL
PARCS Design

University of Massachusetts

Worcester, MA

Operations and RFP Consulting

Clemson University

Clemson, SC
Operator RFP

Northwestern University

Evanston, IL
Operations Analysis

Saint Joseph Hospital

Medical Office Building
Chicago, IL
Market & Financial Analysis

University of Illinois

Champaign Arena
Champaign, IL
Planning

University of Illinois

Chicago, IL
PARCS Planning & RFP

HEALTHCARE

Oregon Health and Science

Portland, OR
Operator RFP

Advocate Trinity Hospital

Chicago, IL
Supply/Demand

Resurrection Medical Center

Chicago, IL
Operations and Financial Analysis

Our Lady of St. Francis

Peoria, IL
Supply/Demand Analysis

Edward Hospital

Naperville, IL
Supply/Demand Analysis

Blue Cross - Blue Shield

Chicago, IL
Operator RFP

Loyola Medical Center

Maywood, IL
Operations & Supply/Demand

Gottlieb Memorial Hospital

Melrose Park, IL
Operations & Supply/Demand

Mercy Hospital

Chicago, IL
Financial Analysis

Advocate Hospital

Oak Lawn, IL
Functional Design

Presence Health Care

St. Joseph Hospital, Chicago
Financial Analysis

Presence Health Care

Illinois Masonic Hospital
Supply/Demand Analysis

Elmhurst Hospital

Elmhurst, IL
Supply/Demand & Alternatives

Illinois Masonic Hospital

Chicago, IL
Supply Demand/Operations Analysis

Lawrence Memorial Hospital

Lawrence, KS
Supply/Demand & Alternatives

Saint Joseph Hospital

Medical Office Building
Chicago, IL
Market & Financial Analysis

PRIVATE OWNERS

540 North State Street

Chicago, IL
Parking Planning

1328 West Randolph

Chicago, IL
Market & Financial Analysis

NMD Investments, LLC

1611 North Damen, Chicago
Functional & Financial Analysis

7317-31 North Sheridan

Chicago, IL
Financial & Shared Parking Analysis

BMO Harris Bank Garage

Naperville, IL
Supply/Demand

Chicago Botanic Garden

Glencoe, IL
Planning & Operations

Queens Family Courthouse

Jamaica Queens, NY
Dermott Company
Market & Financial Analysis

First National Building

Omaha, NE
Operations Consulting

Galleria - Gabbert & Beck

Edina, MN
Parking Management Plan

Government Center Garage

Boston, MA
Due Diligence

Marcus Center

Milwaukee, WI
Supply/Demand & Market Analysis

National Hellenic Museum

Chicago, IL
Financial Analysis

O'Hare Plaza

Chicago, IL
Operations Analysis

Old Post Office Development

Jones, Lang, LaSalle
Chicago, IL
Operator RFP

Opitma Kierland

Phoenix, AZ
Shared Parking Analysis

Petaluma Theatre District

Petaluma, CA
Financial Analysis

Ravinia Festival

Highland Park, IL
Operations Analysis

Intercontinental Real Estate

River East, Chicago, IL
Operator RFP

Sears Centre Arena

Hoffman Estates, IL
Ryan Companies
Functional & Operations

Steppenwolf Theatre

Chicago, IL
Operations Analysis

Target Corporation (Sunset)

Los Angeles, CA
Market & Financial Analysis

Target – Pikes Place

Seattle, WA
Market & Financial Analysis

The Broad Museum

Los Angeles, CA
Operator RFP

The Gulch

Nashville, TN
Market & Financial Analysis

Tishman Speyer

West Coat Portfolio
Los Angeles, CA
Operator RFP

10 Main Center

Kansas City, MO
Operations and RFP Consulting

The Gulch

Nashville, TN
Market Street Properties
Financial Analysis

Western Golf at Cog Hill

Lisle, IL
Western Golf Association
Functional Design & Operations

AIRPORT

Midway Airport - Privatization

Chicago, IL
Due Diligence Consulting

Sawyer International Airport

Gwinn, MI

PARCS Cost Benefit Analysis

Rockford International Airport

Rockford, IL
Operator RFP

Albany International Airport

Albany, NY
Operations Analysis

Quad Cities International Airport

East Moline, IL
PARCS Assessment & RFP

Park & Jet Off-Airport Parking

Salt Lake City, UT
Operations & Financial Analysis

Pittsburgh International Airport

Pittsburgh, PA
Operations Analysis

San Diego International Airport

San Diego, CA
Operations, Market & Financial

Phill also managed or consulted on parking operations for the following venues as a private operator:

Special Events:

Soldier Field
United Center
U.S. Cellular Field
Toyota Park
Wrigley Field
Sears Centre Arena

Mixed-Use Developments:

900 North Michigan
John Hancock Center
IBM Plaza
Block 37

Municipalities:

City of Chicago Facilities
Chicago Park District
Grant Park North Garage
Grant Park South Garage
East Monroe Street Garage
Museum Campus Parking
Chicago Historical Society
Museum of Science & Industry
Chicago Transit Authority

Hotels:

Hotel Nikko
Four Seasons Chicago
Sheraton Hotel & Towers
Westin River North
Drake Hotel
Knickerbocker Hotel
Peninsula Hotel
Omni Chicago
Wyndham Downtown Chicago
Hampton Inn & Suites – Chicago
Sutton Place Hotel
Executive House Hotel
Fairfield Inn
Marriott Hotels

BRODSKY GARAGE AUDITS

Miami, Florida & New York, New York



PROJECT DESCRIPTION

- Bert E. Brodsky and Associates engaged Walker to perform an operations analysis and related audits for garages in New York and Miami
- The New York garage is primarily used for monthly parking for residents, but transient parking is allowed. It is 100% valet operated
- The Miami garage supports both monthly and transient demand associated with the hotel and other businesses in the area. It is also 100% valet

SOLUTION

- Performed an on-site audit at both facilities in order to assess the effectiveness and efficiency of the operator relative to facility maintenance and upkeep, revenue collection, rate structure, hours of operation, staffing, cash control procedures, and customer service
- Inspected the parking access and revenue system and observed parking operations under both “normal” and “event” conditions
- Conducted an off-site financial audit, reviewing cashier reports, parking tickets, monthly sales, payroll, and other materials to identify any anomalies
- Identified operational and contractual issues for the owner to further investigate and recommended changes to current operational practices, including procuring a new operator at the Miami garage

BENEFIT

- As a result of Walker’s efforts, operations at both facilities have improved, resulting in a significant increase in revenues for the owner

“We were extremely impressed with the thoroughness of their work...gave us valuable recommendations and insight, which we’ve implemented successfully at both locations...the top line and profitability at both locations have been significantly enhanced as a result of our audit reviews. We’re better owners today thanks to... Walker Consultants.”

*-Michael Rosenfeld, Vice President, Special Projects and Chief of Staff
Bert E. Brodsky & Associates, Inc*

Pacific Guardian Center

Honolulu, Hawaii



- The client was able to recover additional revenue from the operator.
- The operator improved record keeping and internal auditing processes for revenue and for expenses.

PROJECT DESCRIPTION

- PM Realty Group L.P. wished to have a better understanding of the performance of the facility's parking operation.
- Walker performed an operations audit.
- The audit assessed the operator's performance based upon criteria set forth by the parking management agreement (PMA).

SOLUTION

- The audit revealed non-compliance with the PMA regarding record keeping and maintenance of records related to revenue and expenses, the collection and reconciliation of parking tickets, and handling of payments for monthly parking permits.
- The audit also revealed monthly parkers were leaving their vehicles in the facility for multiple days at a time in violation of the monthly cardholder agreement.
- The audit also revealed that the parking manager was not on site in accordance with the PMA.
- The audit enabled the client to ask for more detailed revenue and expense reports.

BENEFIT