



City of Culver City

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Staff Report

File #: 16-041, **Version:** 2

Item #: C-12.

CC:PA - Approval of an Agreement with ABM Parking Services to Manage the City's Parking Facilities in an Amount Not-to-Exceed \$2,004,401.

Meeting Date: July 11, 2016

Contact Person/Dept: Jeff Muir/Finance Department
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Fiscal Impact: Yes ☒ No ☐

General Fund: Yes ☐ No ☒

Public Hearing: ☐

Action Item: ☐

Attachments: Yes ☐ No ☐

Commission Action Required: Yes ☐ No ☒ **Date:**
Commission Name:

Public Notification: (E-Mail) Meetings and Agendas - City Council (07/05/16);

Department Approval: Jeff Muir, Chief Financial Officer (06/30/16)

RECOMMENDATION

Staff recommends the City Council and the Parking Authority Board approve an agreement with ABM Parking Services (ABM) to manage the City's parking facilities in an amount not-to-exceed \$2,004,401.

BACKGROUND

The City's parking facilities consist of approximately 2,200 off-street parking spaces located in parking structures and surface lots (Facilities). The Facilities include the Ince, Cardiff and Watseka parking structures as well as:

- 9415 Venice Boulevard;
- 3825 Canfield Avenue;
- 10401 Virginia Avenue;
- 3757 Robertson Boulevard;
- 3715 Robertson Boulevard;
- Parcel B subterranean garage (to be constructed);
- Washington/Centinela Market Hall garage (to be constructed).

The Facilities have been managed by Modern Parking for over nine years, and after several one-year extensions of the agreement, a Request for Proposal (RFP) process was anticipated at the time of the last extension.

On December 30, 2015, the City Council approved a professional services agreement with Walker Parking Consultants Inc., to assist staff in the preparation of RFPs for a Parking Access and Revenue Control System (PARCS) and parking operator services for the Facilities. Staff anticipates that a new PARCS will be installed in the parking garages in early 2017.

On March 14, 2016 the City Council authorized issuance of an RFP for parking management services. In response, City staff, (including the Community Development Director, Public Works Director, Chief Financial Officer, Deputy Community Development Director and City Manager), received eight proposals and subsequently interviewed four firms that were deemed by staff and Walker to be superior based on experience, financial stability, operating/maintenance plans and price. Of the four firms interviewed, and after reviewing references, staff recommends the City Council select ABM.

DISCUSSION

ABM is a national parking company headquartered in Los Angeles. ABM manages approximately 600 locations and has 3,500 employees in Southern California. ABM is a publically traded company and is Sarbanes Oxley Certified since 2007. The Sarbanes Oxley Certification is a credential awarded for knowledge and implementation of strict financial auditing/accounting principles and practices.

The proposed agreement requires ABM to manage, operate, direct and supervise a first-class public parking operation throughout the term of the agreement. The proposed term of the agreement is three years with two one-year extensions that can be administratively approved by the City Manager, if ABM performs satisfactorily. ABM's specific responsibilities include (without limitation) the following:

- a. Management and operation of the Facilities, including supervision of the parking and circulation of vehicles inside the Facilities, administration and monitoring of access control credential use;
- b. Collection of and accounting for all cash and other payments from any source derived from the use of the Facilities, including sums payable with respect to daily and monthly parking fees, events, and outside contracts;
- c. Operation and maintenance of the parking access and revenue control system (PARCS) equipment installed at the Facilities;
- d. Employment of such parking attendants and other personnel for the management and operation of the Facilities;
- e. Management of event parking and validation sales;
- f. Maintenance of accounting records of all income and expenses related to the management and operation of the Facilities;

- g. General maintenance and janitorial services to ensure the Facilities represent a first-class parking facility;
- h. Maintenance of Electric Vehicle Charging Stations (EVCS);
- i. Coordination with selected vendor for implementation of upgraded PARCS (the hardware and software may be procured and installed by Owner prior to the award and commencement date), including possible participation as a non-voting member of the selection committee;
- j. Coordination with selected vendor for implementation of Citywide Parking Guidance System;
- k. Coordination with City of Culver City Parking Services Enforcement efforts in the Facilities on a daily basis; and
- l. Periodic consultation with Owner on matters relating to the management and operation of the Facilities, including providing Owner with recommendations regarding how to increase the efficiency and lower the cost of parking operations as well as transportation demand management.

It is anticipated ABM will begin operating the Facilities on August 1, 2016.

FISCAL ANALYSIS

The cost of services specified in the RFP over the three-year period is \$1,929,401, which includes \$1,700 in one time start-up costs and a three-year management fee of \$66,000. It is also recommended the City Manager be authorized to award up to \$15,000 in annual incentives (potentially \$75,000 total over the five-year period) based on: (1) ABM's ability to improve net income generated at the Facilities resulting from their proactive and documented efforts, (2) ABM's documented efforts to maintain the Facilities to high standards, and (3) ABM's diligent coordination and subsequent implementation of various improvement projects. If approved, the annual incentive program will be included in the terms of the agreement. Additionally, it is recommended the City Manager be authorized to increase the scope of maintenance services (and related costs) that ABM is required to perform within the authorized budget of the Parking Authority Fund in order to relieve City staff and place the accountability with the operator. If approved, this administrative authority will be included in the terms of the agreement. Adequate funding is available for the first year of operations in the Adopted Budget for Fiscal Year 2016/2017. Additional funding will be appropriated in future fiscal years.

ABM's cost of service does not include the management/operation of the garages beneath Parcel B and at the Washington/Centinela Market Hall as the facilities do not currently exist. Additional funding will be appropriated once the garages are constructed. It is also recommended the City Manager be authorized to administratively approve an amendment to the agreement to increase the compensation for these additional locations at the time they become operational, within the City Council authorized appropriations for the Parking Authority Fund.

ATTACHMENTS

None.

RECOMMENDED MOTIONS

That the City Council and Parking Authority Board:

1. Approve an agreement with ABM Parking Services to manage the City's parking facilities in an amount not-to-exceed \$2,004,401;
2. Authorize the City Manager to (i) award up to \$15,000 in annual incentives, (ii) increase the scope of maintenance services within the authorized budget, and (iii) approve increased compensation for the Parcel B and Washington/Centinela Market Hall parking garages at the time they become operational, as these items are described in this staff report. (If Council adopts this motion, items i and ii will be included in the terms of the agreement; item iii will be addressed through an administratively approved amendment to the agreement at the applicable time.)
3. Authorize the City Attorney to prepare the necessary documents:
4. Authorize the City Manager to execute the documents on behalf of the City.