



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL** **DATE: DECEMBER 7, 2021**

**FROM: PUBLIC WORKS DEPARTMENT** **WARD: 1**

**SUBJECT: RFP NO. 2083 – AGREEMENT FOR PARKING MANAGEMENT SERVICES OF THE DOWNTOWN PARKING FACILITIES WITH PARKING CONCEPTS, INC., OF LOS ANGELES, CALIFORNIA, FOR A THREE-YEAR TERM WITH TWO OPTIONAL ONE-YEAR EXTENSIONS, IN THE AMOUNT OF \$3,839,152**

## **ISSUE:**

Approve an Agreement for Parking Management Services of the Downtown parking facilities with Parking Concepts Inc., of Los Angeles, California, for a three-year term with two optional one-year extensions, in the amount of \$3,839,152.

## **RECOMMENDATIONS:**

That the City Council:

1. Award RFP No. 2083 to Parking Concepts Inc., of Los Angeles, California, for Parking Management Services of the Downtown parking facilities in the amount of \$3,839,152 for a three-year period with two optional one-year extensions;
2. Authorize change order authority up to 10% or \$383,915 of the total contract for additional maintenance and services due to unforeseen conditions; and
3. Authorize the City Manager, or his designee, to execute the Parking Management Services Agreement with Parking Concepts Inc., including making any minor non-substantive changes in alignment with all purchasing policies and to execute the two optional one-year extensions.

## **BOARD RECOMMENDATION:**

On October 6, 2021, the Transportation Board reviewed this matter with five of eight members were present. Following discussion, the Board voted unanimously to recommend that the City Council:

1. Award RFP No. 2083 to Parking Concepts Inc., of Los Angeles, California, for Parking Management Services of the Downtown parking facilities in the amount of \$3,839,152 for a three-year period with two optional one-year extensions;

2. Authorize change order authority up to 10% or \$383,915 of the total contract for additional maintenance and services due to unforeseen conditions; and
3. Authorize the City Manager, or his designee, to execute the Service Agreement with Parking Concepts Inc., including making any minor non-substantive changes in alignment with all purchasing policies.

## **BACKGROUND:**

On May 22, 2018, the City Council approved a three-year parking management services agreement with Republic Parking System, LLC (Republic). The three-year agreement expired on June 30, 2021 and the City opted to extend the Republic agreement for an additional six months ending December 31, 2021.

To ensure the City of Riverside has the highest quality and most cost-effective solution for parking management services, the City of Riverside issued RFP No. 2083 for Parking Management Services on March 4, 2021. The scope of services included managing and maintaining five parking garages, fourteen surface lots, and all the on-street collections and operations of the pay stations and meters.

Four proposals were received and a five-member selection committee was assembled comprised of representatives knowledgeable and involved in the downtown and parking program administration.

The selection committee reviewed each proposal for completeness, thorough understanding of the scope of services, overall company capability, company qualifications, cost proposal, experience with equipment, responsiveness to customer service, and ability to offer innovative solutions for current and future needs.

Following the proposal review, two firms were invited to make an oral presentation. Interviews were conducted on May 3, 2021, followed by a question-and-answer session with the selection committee. Upon scoring the two written proposals and the two oral presentations, the committee submitted their individual scores to the City's Purchasing Department, which then calculated a cumulative score for each of the proposals. Based on the cumulative score, Parking Concepts Inc. (PCI) ranked as the most qualified firm to meet the City's parking management service requirements.

## **DISCUSSION:**

PCI has direct experience with managing municipal parking operations and they currently manage numerous large-scale parking facilities, including the City of Los Angeles, the County of Orange, and nearby Ontario International Airport. Highlighted services provided to the City of Riverside will include:

### **Core Services:**

1. Operation, staffing, and maintenance of appointed City-owned parking facilities.
2. Provide management reports/analyses and recommend problem resolution for overall efficiency of parking facilities and reduction of operating expenses.

3. Improve level of services in the areas of customer service, revenue control and enhancement, and holiday/peak period satisfaction.

Opportunities/Enhanced Services:

1. A 24/7 Customer Call Center for garages and lots.
2. Software programs to enhance reporting capabilities for daily, event and timed parking with the objective of improving revenue generation.
3. Web marketing and signage unique and identifiable to Riverside.

The proposed agreement annual fees are broken down into three sections, Sections A and B (which are pass-through costs) and a fixed Management Fee. Section A includes the wages, administration, customer service and technology support to provide the ancillary services of the agreement. Section B expenditures are comprised of the operating costs directly related to the operation and maintenance of the facilities, such as receipt rolls, sweeping, power washing, and special event services. The Management Fee is a fixed fee proposed by PCI to supervise and manage parking operations for \$42,000, which is a 12.5% decrease compared to the current fee.

The Public Works Department is requesting change order authority up to 10% of the total three-year contract (\$383,915) to address potential additional repairs, maintenance or other services deemed necessary during the contract. Unplanned repairs over the last three fiscal years have been just over \$300,000 and staff recommends that the change order authority up to 10% is an appropriate amount that will offset any future major repairs.

The Purchasing Manager concurs that the recommendation to approve the agreement is in compliance with Purchasing Resolution 23256.

### **STRATEGIC PLAN ALIGNMENT:**

The contract with PCI for the downtown parking management services aligns with the Infrastructure, Mobility, and Connectivity strategic priority as detailed below:

Goal 6.2 – Maintain, protect, and improve assets and infrastructure within the City's built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

Furthermore, this project aligns with the Cross-Cutting Threads as outlined below:

1. **Community Trust** – The City follows a transparent and fair procurement process for its contracts.
2. **Equity** – This agreement is neutral to the Equity cross cutting thread.
3. **Fiscal Responsibility** – Numerous proposals were vetted to determine the best parking management service with the most economical cost at the time of award.
4. **Innovation** – The services offered through the agreement are an integral part of the downtown parking upgrade, which includes installation of 21 new multi-space pay stations.
5. **Sustainability & Resiliency** – The services related to this agreement are fully funded by

the Parking Fund. A healthy parking ecosystem contributes to the economic prosperity of the Downtown.

### **FISCAL IMPACT:**

The total fiscal impact of this action is \$4,223,067 over the 3-year term of the contract.

The annual cost for parking management services is broken down as follows:

- Year 1 - \$1,236,714
- Year 2 - \$1,278,818
- Year 3 - \$1,323,620
- 10% Contingency – \$383,915

The funding for Year 1 of the contract are budgeted and available in the Public Parking Fund, Professional Services account number 4150000-421002. Appropriations for future fiscal years will be included in the Public Works Department's budget submissions and presented to the City Council for approval.

Prepared by: Gilbert Hernandez, Interim Public Works Director  
Certified as to  
availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer  
Approved by: Kris Martinez, Interim Assistant City Manager  
Approved as to form: Phaedra Norton, City Attorney

### **Attachments:**

1. Parking Management Services Agreement with Parking Concepts, Inc.
2. Bid Award Recommendation
3. Presentation