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CONVENTION, CULTURE AND
LEISURE DEPARTMENT
PARKING FACILITIES DIVISION

CITY OF SACRAMENTO
CALIFORNIA

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March 5, 2004

City Council
Sacramento, California

Honorable Members in Session

SUBJECT: DOWNTOWN PLAZA PARKING MANAGEMENT CONTRACT

LOCATION AND COUNCIL DISTRICT: Downtown Plaza, Council District 1

RECOMMENDATION:

This report recommends that City Council adopt the attached resolution authorizing the City Manager to execute an agreement with Ampco System Parking for the management and operation of the Downtown Plaza parking facilities. The term of the agreement is for five (5) years beginning April 1, 2004 to March 31, 2009 with a provision for extending the agreement for one additional term of three years beginning April 1, 2009 and ending on March 31, 2012.

CONTACT PERSON: Howard Chan, General Manager, 264-7610

FOR COUNCIL MEETING OF: March 23, 2004

SUMMARY:

A selection panel that reviewed proposals, and conducted oral interviews from parking management firms ranked Ampco System Parking as the most responsible bidder to manage and operate the Downtown Plaza parking facilities.

COMMITTEE/COMMISSION ACTION:

None

BACKGROUND INFORMATION:

- The Downtown Plaza parking facilities have been managed and operated by Ace Parking Management since December 1995.
- In September 2003, staff entered into an agreement with Walker Parking Consultants to facilitate the bid process for the Downtown Plaza parking management contract.
- Also in September 2003, a Request for Qualifications was issued to solicit responses from parking management firms for this contract.
- In November 2003, four of the six responses to the solicitation were determined to have met the minimum qualifications. The four successful respondents were invited to submit a formal proposal and attend the required proposer's pre-bid conference and walkthrough of the parking facilities.
- In January 2004, all proposals were received and reviewed. Based on the Request for Proposal instructions and the Bid Addendum that was issued after the proposer's pre-bid conference, only two of the four proposals were determined to be responsive proposals.
- The selection panel reviewed the remaining two proposals and conducted oral interviews. The selection panel consisted of the following major stakeholders at Downtown Plaza: Marilyn Slipe, General Manager, Westfield Shoppingtown; Liz Tavernese, General Manager, Holiday Inn; Howard Chan, City of Sacramento; Andrew Kapeghian, Walker Parking Consultants (non-voting). Representatives from the Downtown Partnership, Macy's, and City Council District 1 were also invited to participate on the selection panel, but due to scheduling conflicts, declined the invitation.
- The panel rated the two firms based on Cost; Operating Plan; and Interviews. Personnel requirement, revenue control, off-site supervisor, transition and improvements were all considered in the rating factors. The selection panel unanimously selected Ampco System Parking as the most responsible bidder. The full agreement is on file in the City Clerk's Office. Significant terms of the agreement include:
 - initial term of five (5) years with an option to extend for three (3) years;
 - full compliance with the Living Wage Ordinance;
 - increases in rates for liability insurance, payroll taxes, and workers' compensation insurance are capped for the entire term of the agreement; and
 - provisions for substantial monetary penalties for unapproved overtime, unaccounted for tickets, and illegible IOU forms.

FINANCIAL CONSIDERATIONS:

The operating costs associated with this contract are projected to be approximately \$1,320,000 annually with adjustments to labor costs every calendar year through 2007 to comply with the newly adopted Living Wage Ordinance. The contractor will be responsible for collecting all daily parking revenues and will be reimbursed for all direct operating expenses associated with the management of the Downtown Plaza parking facilities. On an annual basis, the contractor will

be required to prepare a budget for approval detailing all operating expenses directly associated with the management of these parking facilities. As part of the operating expenses, the contractor will be paid a management of fee of \$8,245 per month. It is projected that the combined Downtown Plaza parking facilities will generate over \$4,000,000 in revenue for fiscal year 2004/2005. The costs associated with this agreement are included in the FY 03/04 Operating Budget.

ENVIRONMENTAL CONSIDERATIONS:

This project is exempt from the California Environmental Quality Act (CEQA) under Section 15301 of the (CEQA) Guidelines, "Operation of existing public structures or facilities involving no expansion of use".

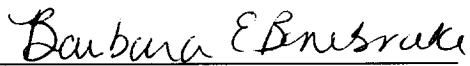

POLICY CONSIDERATIONS:

The award of this contract complies with the City of Sacramento's newly adopted Living Wage Ordinance, and is consistent with the City's strategic policy related to promoting and supporting economic vitality for the City of Sacramento.

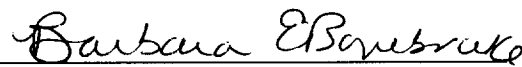
ESBD CONSIDERATIONS:

Although Ampco System Parking is not certified as an ESBD vendor, they have committed to make a good faith effort to subcontract work related to this contract to emerging small businesses. This effort is contractually supported in the agreement.

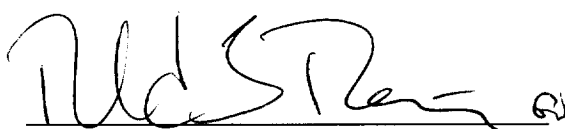
Respectfully submitted,


for  Howard Chan, General Manager
Parking Facilities Division

APPROVED:


Barbara E. Bonebrake, Director
Convention, Culture and Leisure Department

RECOMMENDATION APPROVED:


Robert P. Thomas, City Manager

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

**AUTHORIZATION TO EXECUTE MANAGEMENT AGREEMENT
BETWEEN THE CITY OF SACRAMENTO AND AMPCO SYSTEM PARKING
FOR THE OPERATION OF THE DOWNTOWN PLAZA PARKING FACILITIES**

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

That the City Manager is hereby authorized and directed to execute an agreement between the City of Sacramento and Ampco System Parking for the management and operation of the City-owned Downtown Plaza Parking Facilities.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO: _____

DATE ADOPTED: _____