

APPROVED
BY THE CITY COUNCIL

JUL 29 1997



1.16

OFFICE OF THE
CITY CLERK

CITY OF SACRAMENTO
CALIFORNIA

DEPARTMENT OF
PUBLIC WORKS

PARKING LOT ADMINISTRATION

312 K STREET
SACRAMENTO, CA
95814-2877

PH: 916-264-5110
FAX: 916-264-5115

July 18, 1997

City Council
Sacramento, California

Honorable Members in Session:

**SUBJECT: SELECTION OF PARKING OPERATIONS AND MANAGEMENT
CONTRACTOR FOR LOTS G, K, AND U.**

LOCATION AND COUNCIL DISTRICT: Citywide

RECOMMENDATION:

Adopt resolution authorizing the City Manager to negotiate a contract with Ace Parking Management, Inc. for the operation and maintenance of parking lots G, K, and U.

CONTACT PERSON: Mark S. Miller, Parking Operations Superintendent

FOR COUNCIL MEETING OF: July 29, 1997

SUMMARY:

A Selection Committee has reviewed proposals for provision of services at City parking garages G, K, & U, located at Downtown Plaza. The Committee recommends that City Council direct the City Manager to negotiate a three year contract with Ace Parking Management Company which may be extended once for an additional two years.

COMMITTEE/COMMISSION ACTION:

None.

BACKGROUND INFORMATION:

The Lots

Lots G, K, and U are located in the Central Business District between 3rd, 7th, J and L Streets. The lots provide 3,750 parking spaces for customers and employees of the Downtown Plaza Shopping Center. The garages are currently operated by Ace Parking Management, Inc. under a service contract at a maximum cost of \$924,000 which includes day to day operational expenses as well as the company's management fee. Prior to October 1993, the lots were operated using City employees.

Contracting-Out Operation of Lot G, K, & U

In October 1993, the City Council approved privatization of the operation of lots G, K, and U as one element in a strategy to offset an anticipated \$2.2 million deficit. Privatization of the lots was, at that time, estimated to save the Parking Fund \$750,000 in expenses annually.

The Selection Process

- On November 12, 1996, the City Council approved a process for selecting a contractor for the operation and custodial maintenance of parking lots G, K, and U.
- A Request for Statements of Qualification was published in magazines used by the parking industry with a November 1, 1996 deadline for submittals.
- Seven companies were invited to receive requests for proposals by a Selection Committee. Six companies actually submitted proposals.
- The Committee reviewed proposals and staff reports on site visits which were conducted at parking garages operated by the six companies. Companies were ranked based on their relative strengths in Cash control, Corporate experience, Fiscal stability, Quality of service delivery (assessed through site visits), and the Qualifications and experience of the proposed site manager.
- The three highest scoring companies were then invited to be interviewed by the selection committee.
- Prospective service providers were scored and the Committee has reported on their recommendations.

Selection of Parking Operations
and Management Contractor for
Lot G, K, and U
Page 3

Any of the companies that advanced to the interview segment of the selection process would, in the Selection Committee's estimation, perform an excellent job. The Selection Committee, however, recommends the City enter into a contract with Ace Parking Management, Inc. Ace Parking Management, Inc. appears able to offer stronger on-site management than other providers. It has demonstrated the capacity to manage the complex Downtown Plaza parking lot operation. The proposed Ace Parking management fee and estimated pass through costs were also lower than other proposers. Attachment 1 shows cost and performance comparisons.

Selection Committee Recommendations

The Selection Committee recommends that City Council, by resolution, authorize the City Manager to negotiate an agreement with Ace Parking Management, Inc. for operation of Downtown Plaza parking garages for three years with the option of an additional two year extension.

Should City Council, in the future, determine that the City should enter into contracts the operation of additional parking facilities, the Selection Committee recommends that the City Council could direct the City Manager to obtain specific proposals from the two finalists. Allright Parking and Republic Parking.

FINANCIAL CONSIDERATIONS:

Annual cost of a new parking services contract for City lots G, K, & U will range from \$759,000 to \$1,100,000 annually depending on numbers of customers served and changes in the minimum wage.

ENVIRONMENTAL CONSIDERATIONS:

This project is exempt from California Environmental Quality Act (CEQA) under Section 15273(a)(1) of the CEQA guidelines.

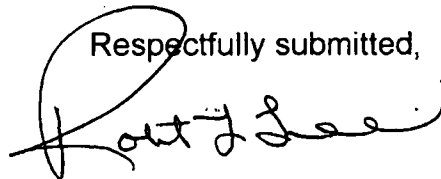
POLICY CONSIDERATIONS:

Award of this contract is consistent with City Council's policy of providing high quality and cost-effective public services.

MBE/WBE CONSIDERATIONS:

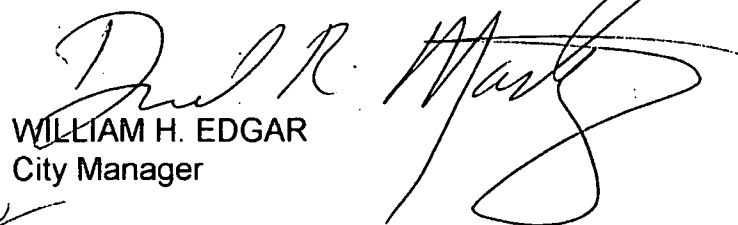
Consistent with City Council established policy, proposal documents specified that a 5% preference would be awarded in the selection process to any companies that met the City's Minority & Women's Business Enterprise participation goals. Proposals for service were reviewed by Mr. Eric Chong of the City's MBE/WBE Office and Selection Committee ratings reflect Mr. Chong's findings.

Respectfully submitted,




Robert L. Lee
Interim Parking Manager

RECOMMENDED APPROVED:



WILLIAM H. EDGAR
City Manager

APPROVED:



Michael Kashiwagi
Director of Public Works

for
MSM:ow

Selection Committee Scoring of Parking Services Provider Finalists

Companies included in the final selection phase:

	ACE	ALLRIGHT	REPUBLIC
Cost Comparison (Annual)*	\$98,303	\$127,955	\$130,842
RFP Review & Site Evaluation Scores	92	78	76
Interview Scores	<u>141</u>	<u>119</u>	<u>118</u>
Combined Selection Committee Scores	<u>233</u>	197	194

* Cost figures include proposed management fee, worker's comp. costs, bonding costs and health and liability costs -- all of which would be passed on to the City. Cost figures do not represent total contract amounts.

Companies participating in the selection process included:

Ace Parking Management, Inc.
 Allright Parking
 Amco Parking
 Century Parking
 Republic Parking
 Parking Concepts, Inc.

APPROVED
BY THE CITY COUNCIL

JUL 29 1997

OFFICE OF THE
CITY CLERK

RESOLUTION NO. 97-436

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO
NEGOTIATE A CONTRACT FOR
OPERATIONS OF PARKING LOTS G, K, AND U,
LOCATED AT DOWNTOWN PLAZA**

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

The City Manager is hereby authorized to negotiate a contract with Ace Parking Management, Inc. for the operations and maintenance of parking lots G, K, and U. The contract shall be for a term of three (3) years and may be extended once for a maximum term of five (5) years. The contract should not exceed \$1,100,000 in cost reimbursements and management fees for any fiscal year.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____