



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604

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Consent
July 28, 2009

Honorable Mayor and
Members of the City Council

Title: Agreement: Downtown Plaza Parking Management

Location/Council District: Downtown Plaza, Council District 1

Recommendation: (2/3 vote required): Adopt a **Resolution:** (1) suspending competitive bidding as in the best interests of the City ; and (2) authorizing the City Manager to execute an agreement with Ampco System Parking for the management and operation of the Downtown Plaza parking facilities for an amount not to exceed \$1.4 million.

Contact: Howard Chan, Parking Services Manager, 808-7488; Cathy Peterson, Operations General Supervisor, 808-1952

Presenters: None

Department: Transportation

Division: Parking Services Division

Organization No: 15001211

Description/Analysis

Issue: The agreement with Ampco System Parking (Ampco) (City Agreement 2004-0050) for the management and operation of the Downtown Plaza parking facilities expired on March 31, 2009. To minimize impact on our customers of the Downtown Plaza parking facilities and ensure continuity of operations, staff recommends entering into a one (1) year agreement with Ampco while staff prepares the request for bids to operate the Downtown Plaza parking facilities. The term of the one-year agreement with Ampco would be from April 1, 2009 to March 31, 2010.

Policy Considerations: The action requested herein is consistent with the Sacramento City Code, Title 3 and is consistent with the City's Strategic Plan goals of improving the transportation system.

California Environmental Quality Act (CEQA): This Agreement is not subject to the provisions of the California Environmental Quality Act (CEQA) under the general

rule (Section 15061 (b)(3)) that CEQA applies only to projects that have the potential for causing a significant effect on the environment.

Sustainability Considerations: This action supports the City of Sacramento's sustainability goals to improve and optimize transportation infrastructure.

Other: None.

Commission/Committee Action: None.

Rationale for Recommendation: The original agreement with Ampco (City Agreement 2004-0050) for the management and operation of the Downtown Plaza parking facilities was for an initial term of five years. Staff shall request bids for the Downtown Plaza parking operations, however a one (1) year agreement with Ampco is necessary to ensure continuity of the operations and management of the Downtown Plaza parking facilities while City staff prepare the bid documents and receive bids for the operation and management of the Downtown Plaza parking facilities. A request for bids will allow other operators to competitively bid for the operation and management of the Downtown Plaza parking facilities, which could be more cost effective, especially in the current economic environment. The term of the one (1) year agreement with Ampco will be from April 1, 2009 to March 31, 2010.

Financial Considerations: Under the one year agreement, Ampco will continue to be responsible for collecting all daily parking revenues (which are deposited directly to the City) and will be reimbursed for all direct operating expenses (such as labor, services and supplies) associated with the management of the Downtown Plaza parking facilities. Ampco will also be required to prepare a budget for approval by the Parking Division that details all operating expenses directly associated with the management of these parking facilities, and will be paid a management fee not to exceed \$109,000.

It is projected that the combined Downtown Plaza parking facilities will generate approximately \$5 million in revenues during the term of this agreement. The costs associated with this contract are projected to be approximately \$1.4 million with adjustments to labor costs to comply with the adopted Living Wage Ordinance. The revenues and expenses associated with this agreement are included in the FY09/10 Parking Fund (6004) Operating Budget.

Emerging Small Business Development (ESBD): Although Ampco 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 under Section 22 Paragraph C.

Respectfully Submitted by: 
Howard Chan
Parking Services Manager

Approved by: 
Jerry Way
Director of Transportation

Recommendation Approved:


Ray Kerridge
City Manager

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RESOLUTION NO.

Adopted by the Sacramento City Council

DOWNTOWN PLAZA PARKING MANAGEMENT CONTRACT

BACKGROUND

- A. In 2004, a selection panel unanimously selected Ampco System Parking as the most responsible bidder out of the submitted proposals for managing the Downtown Plaza parking garages.
- B. On March 23, 2004, the City Council adopted a resolution (Res. 2004-0205) authorizing the City Manager to execute an agreement with Ampco System Parking (Agr. 2004-0050) for the management and operation of the Downtown Plaza parking facilities. The term of the agreement was for an initial term of five (5) years, beginning April 1, 2004 with a provision for extending the agreement for one additional term of three years beginning April 1, 2009 and ending on March 31, 2012.
- C. Both parties have agreed to reduce the extended term from three years to one year, beginning April 1, 2009 and expiring March 31, 2010.
- D. The total costs of the one (1) year agreement are projected to be approximately \$1.4 million with the adjustments to labor costs to comply with the adopted Living Wage Ordinance.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. It is in the best interests of the City to suspend competitive bidding and competitive bidding is hereby suspended; and
- Section 2. The City Manager is authorized to execute an agreement between the City of Sacramento and Ampco System Parking for the management and operation of the Downtown Plaza Parking Facilities for one (1) year from April 1, 2009 to March 31, 2010 in an amount not to exceed \$1.4 million dollars.