



Date: March 15, 2017
To: Patrick H. West, City Manager *T.H.W.*
From: *C.B.* Craig A. Beck, Director of Public Works
For: Mayor and Members of the City Council
Subject: **Central Parking Systems, Inc., Contract**

The City Council requested staff provide an update on items related to the City Place garage in reference to the agreement with Central Parking Systems, Inc. (Central Parking).

Background

On March 7, 2017, City Council agenda item 16 recommended the City Council authorize an amendment to Contract No. 32983 with Central Parking, for providing parking operations and management services, to increase the contract amount by \$450,000, for the period ending March 31, 2017.

Central Parking, now SP+, operates the City’s 29 municipal parking lots and structures, including City Place garages. The current contract term runs through the end of March. Staff is requesting City Council approval for a \$450,000 contract increase to cover unanticipated expenses during the current term. These expenses are offset by increased revenue.

Council requested clarification on the following items:

Space Counts at City Place Garages

City Place garages A, B and C offer a combined total parking capacity of 2,311 spaces. On May 1, 2012, City Council approved an agreement with Molina Healthcare (Molina) for up to 500 parking spaces. In addition, 1,478 spaces are dedicated to Shooshani Developers, LLC, for retail parking. Shooshani Developers, LLC authorized temporary monthly parking in the retail spaces to provide Molina with 900 spaces between City Place garages A and B. The capacity and occupancy breakdown of the City Place garages are listed below:

	<u>City Place A</u>	<u>City Place B</u>	<u>City Place C</u>
Spaces	871	845	595
Retail Rights	558	540	380
Available Space Subtotal	313	305	215
Waterton Apartments	105	103	78
Molina	450	450	0
Available Spaces Total	(242)	(248)	137

Current Contract – Unanticipated Costs

Unanticipated expenses are attributed to operational needs at the City Place garages. Molina's increased occupancy necessitated expansion of security services beyond the scope of the original parking operations contract and budgeted levels. The increases are covered by monthly parking revenue received from Molina. Cost breakdown is below:

- Between April 1, 2016 and December 31, 2016, the City incurred \$321,767 in extra security shift charges, beyond the base services included in original agreement.
- Added 60 digital cameras and upgraded recording capacity in City Place garage A at a cost of \$88,000.

Future Capital Improvements

Measure A and revenue from downtown parking meters is allocated to provide improvements for parking in the downtown area, with a focus on City Place garages.

Measure A	\$1,200,000
Parking Meter Revenue	\$ 296,000
Total	\$1,496,000

Parking improvements will include:

- ADA improvements
- Enhanced pedestrian connections
- Partnering with the Police Department to conduct a CPTED (crime prevention through environmental design) review to prioritize continued security upgrades.
- Energy and efficiency updates such as:
 - Upgrade to LED lighting
 - EV charging stations
 - Solar panels
- Improved connection to Harvey Milk Park
- Exterior enhancements including murals and graphical design boards
- Review/Upgrade of automated parking equipment

Next Steps

On March 21, 2017, staff will bring back to the City Council the March 7th agenda item requesting approval for the \$450,000 contract increase to pay for unanticipated expenses for the term ending March 31, 2017. A new Request for Proposals for parking operations and management services is under review by the City's Purchasing Agent and is anticipated to post within two weeks. The new agreement will update the City's needs at various locations, including enhancements to security and maintenance service levels.

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If you have any questions regarding this matter, please call Director of Public Works, Craig Beck at (562) 570-6771.

CB:aw:jc

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CITY CLERK (REF. ITEM #17-0155)