

# CITY OF LONG BEACH

## **DEPARTMENT OF PUBLIC WORKS**

333 West Ocean Boulevard . Long Beach, CA 90802

June 20, 2006

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

#### RECOMMENDATION:

Authorize the City Manager to execute an amendment to Agreement No. 23135 with Ampco System Parking, Inc., extending the term for three years, with two additional one-year options at the City Manager's discretion, for parking management services at the Long Beach Airport, and to update and clarify certain lease language and provisions. (District 5)

#### DISCUSSION

The City and System Parking, Inc. entered into an agreement on June 1, 1991, allowing System Parking to manage the Long Beach Airport's parking facilities. In October 1993, System Parking assigned its right, title and interest in the parking agreement to ABM Industries Incorporated (ABM). As a result, Ampco System Parking, a wholly-owned subsidiary of ABM, is the present operator of parking facilities at the Airport. In May 1996, the agreement was amended to extend the term of the parking agreement on a month-to-month basis.

Ampco System Parking has proposed, and Public Works staff supports, a modification to the Parking Agreement whereby Ampco System Parking would, at its sole cost and expense, replace its on-site office trailer with a more secure facility relocated to an area which would allow better pedestrian traffic flow.

Ampco System's current administration trailer is located directly in the centerline of the passenger walkways between the rental car lot and surface parking lot B (Exhibit A), creating a pedestrian guidance issue for those not familiar with the walkway course. Additionally, the trailer is multi-use without an integrated, secure section for cash management. Both of these issues would be addressed by Ampco System's acquisition of a new trailer, more tailored to their administrative and security needs, and relocated to allow a "line-of-sight" direct walkway course between the rental car lot, surface parking lot B and the Terminal building (Exhibit B). In consideration of Ampco System's incremental investment to provide a new and relocated administrative management trailer, a minimum incremental three-year term is proposed, within which to amortize Ampco System's investment.

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The costs associated with the parking facilities management agreement were originally market-based, through a Request for Proposals selection process, and have since been governed by a cost of living index, which is proposed to continue. Based on a recent market assessment, costs continue to be market-competitive. In addition, based on input from the offices of the City Attorney and City Auditor, the City desires to update and clarify certain lease language and provisions to better reflect current operations and the intent of the parties.

TERM: Three (3) years. The City Manager would have the option to extend this Agreement for up to two additional one-year terms upon a determination that it would be in the City's best interest to do so.

This matter was reviewed by Deputy City Attorney Lisa Peskay Malmsten on June 16, 2006 and Budget Management Officer David Wodynski on June 9, 2006.

### TIMING CONSIDERATIONS

City Council action is requested on June 20, 2006, in order to facilitate the replacement of the existing parking management office with a more secure facility in an area that will also improve pedestrian traffic flow.

## FISCAL IMPACT

There is no fiscal impact associated with this requested action.

SUGGESTED ACTION:

Approve recommendation.

Respectfully/submitted,

CHRISTINE F. ANDERSEN DIRECTOR OF PUBLIC WORKS

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Attachments: Exhibit A – Existing Office Location

Exhibit B – Proposed Office Location

APPROVED:

GERALD R. MILLER CITY MANAGER