



CITY OF LONG BEACH

DEPARTMENT OF PUBLIC WORKS

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November 7, 2017

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. RFP PW17-033 and award a contract to LAZ Parking California, LLC, of Los Angeles, CA, for Citywide Parking Operations and Management Services, in an amount of \$7,874,148, authorize a 20 percent contingency in the amount of \$1,574,830, for a total contract amount not to exceed \$9,448,978, for a period of three years, with the option to renew for two additional one-year periods; authorize the City Manager, or designee, to execute all documents necessary to enter into the contract, including any necessary amendments;

Increase appropriations in the Tidelands Operation Fund (TF 401) in the Public Works Department (PW) by \$433,489, offset by departmental cost-savings and parking-related revenue; and,

Increase appropriations in the General Fund (GF) in the Public Works Department (PW) by \$479,331, offset by parking-related revenue. (Citywide)

DISCUSSION

City Council action is requested to enter into a contract with LAZ Parking California, LLC (LAZ), for citywide parking operations and management services, which include staffing, customer service, oversight and maintenance of access and pay equipment, management of annual and monthly pass programs, and maintenance associated with operations of Long Beach's (City) 25 municipal parking lots and structures (Exhibit A) and year-round special events.

The Request for Proposals (RFP) requested a detailed scope of services for the full spectrum of parking operations needs, including management services and experience; customer service, staffing, and operational plans; event experience; and, staffing and cost proposals. Proposals were evaluated using these factors as guides and were based on demonstrated competency, experience in performance of comparable engagements, reasonableness of cost, expertise and availability of key personnel, and financial stability. After a thorough review and evaluation process by a multi-Departmental panel and community stakeholders, consisting of reference checks, interviews, and presentations, LAZ was determined to have met all requirements of the RFP; displayed a full understanding of the complexity of parking operations in urban areas; identified a personable and well-experienced individual as the onsite parking operations manager; was the only respondent with a dedicated Special Events Department and valet; and is \$1,143,660 less than the second lowest cost proposal.

LAZ's experience with municipal contracts include providing parking operations and management services to the City of Lowell, MA (5,566 spaces), City of Rochelle, NY (5,868 spaces), and City of Worcester, MA (4,430 spaces), to name a few. LAZ also currently manages over 250 locations throughout Los Angeles, with its diversified portfolio consisting of facilities servicing office, retail, hotel, and airport clients. These clients include Beverly Wilshire Hotel, Fairmont Hotel (Santa Monica), Kaiser Permanente, Los Angeles World Airports, The Broad Museum, and W Hollywood. Additional notable clients include Boston College, Washington Metro Area Transit Authority, and Yale University.

LAZ's parking management program includes several opportunities that aim to improve customer service and facility operations. Facility operations improvement include "LAZgo!" which is a mobile and internet based application, allowing customers to reserve and pay for hourly and event parking before arrival. Upon entry and exit, customers simply scan their pass to expedite entry and exit. LAZ has committed to retrofit the Aquarium parking structure entry and exit lanes with barcode scanning hardware at no cost. In an effort to improve customer service beyond training of front-line employees, LAZ provides a robust quality assurance program, which includes use of mystery shoppers, survey cards, dashboards, reporting, and local and corporate management involvement as part of their proposal. Additionally, LAZ Customer Care Center provides parking patrons with an instant connection to a live LAZ person at the touch of a button 24/7 to troubleshoot and resolve concerns quickly.

The RFP was advertised in the Long Beach Press-Telegram on July 14, 2017, and 4,471 potential proposers specializing in parking operations and management services were notified of the opportunity. Of those proposers, 85 downloaded the RFP via the City's electronic bid system. The RFP was made available from the Purchasing Division, located on the seventh floor of City Hall, and the Division's website at www.longbeach.gov/purchasing. A RFP announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 22 local, minority, and women-owned business groups. Seven proposals were received on August 16, 2017; two were deemed non-responsive. Of the five proposers, none were Minority-owned Business Enterprises (MBEs), Women-owned Business Enterprises (WBEs), Small Business Enterprises (SBEs), or Long Beach businesses (Local).

Local Business Outreach

In an effort to align with the City's outreach goal, Long Beach businesses are encouraged to submit proposals for City contracts. The Purchasing Division also assists businesses with registering on the PlanetBids database to download RFP specifications. Through outreach, 400 Long Beach vendors were notified to submit proposals, of which six downloaded and one submitted a proposal. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the proposer pool.

This matter was reviewed by Deputy City Attorney Amy R. Webber on October 12, 2017 and by Budget Analysis Officer Julissa Jose-Murray on October 24, 2017.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. RFP PW17-033 and award a contract concurrently is requested on November 7, 2017, to ensure the contract is in place expeditiously.

FISCAL IMPACT

The total cost of the Citywide Parking Operations and Management Services agreement, including contingency, is \$9,448,978. Of this amount, \$8,536,158 is currently budgeted; \$5,806,434 in the General Fund (GF), \$1,492,948 in the Civic Center Fund (IS 380), \$723,849 in the Tidelands Operations Fund (TF 401), and \$1,425,747 in the Rainbow Harbor Fund (TF 411) in the Public Works Department (PW).

To fully fund the agreement and right-size the parking operations budget, an increase in appropriations is requested in the amount of \$433,489 in the Tidelands Operations Fund (TF 401) in the Public Works Department (PW), offset by departmental cost-savings and parking-related revenue. An increase in appropriations is also requested in the amount of \$479,331 in the General Fund (GF) in the Public Works Department (PW), offset by parking-related revenue. As part of the Fiscal Year 2019 budget process, the department will evaluate the budget to realign budget and revenue appropriation to reflect historical parking operations revenue and expenses, cost savings, and additional revenue.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CRAIG A. BECK
DIRECTOR OF PUBLIC WORKS

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P\CLWILLOW ST PED IMPROVEMENTS CL REV1.DOC

APPROVED:



PATRICK H. WEST
CITY MANAGER

ATTACHMENT: EXHIBIT A – CITY OWNED LOTS

