

October 10, 2023

R-29

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt a Resolution authorizing the City Manager, or designee, to execute a contract, and any necessary documents including any necessary subsequent amendments, with Flash Parking, Inc., of Austin, TX, for parking access revenue control systems, at the Pike Outlet and Aquarium of the Pacific garages, on the same terms and conditions afforded to Texas Region 14 Education Service Center (Region 14 ESC), through Omnia Partners, in a total amount of \$1,835,359, with a 20 percent contingency in the amount of \$367,072, for a total contract amount not to exceed \$2,202,431, until the Omnia Partners contract expires on July 31, 2024, with the option to renew for as long as the Omnia Partners contract is in effect, at the discretion of the City Manager; and,

Authorize the City Manager, or designee, to execute a lease-purchase agreement and related financing documents with Banc of America Public Capital Corp, of San Francisco, CA, for the financing of parking access revenue control systems, payable over an 8-year period at an interest rate to be determined when the agreement is executed. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Flash Parking, Inc. (Flash), for the purchase of Parking Access Revenue Control Systems (PARCS) at the Pike Outlet and Aquarium of the Pacific garages, and to execute a lease-purchase agreement through the City of Long Beach's (City) Master Lease Agreement with Banc of America Public Capital Corp (BAPCC), for the financing of the PARCS equipment.

The current PARCS equipment located at the Pike and Aquarium Parking Garages are approaching the end of their useful life. Therefore, upgrading to a modern PARCS system is necessary to ensure efficient revenue collection, effective traffic management, and an improved user experience for facility visitors. Flash's equipment is used in the Civic Center and City Place garages. Flash equipment has proven to be highly cost-effective for ongoing operations, accommodating various modern payment methods, and experiencing minimal downtime.

The Contracts and Grants Division within the Public Works Department researched procurement options for PARCS equipment and discovered that other agencies had completed an open, fair, transparent, and competitive procurement process. The City

reviewed the cooperative agreement options and determined that the contracts between Omnia Partners and Flash provided the best value to the City.

City Charter Section 1802 provides an alternative procurement method by permitting the City to purchase or otherwise obtain services, supplies, materials, equipment, and labor with other governmental agencies. This alternative procurement method can save time and reduce costs through economies of scale by purchasing under existing contracts from other government agencies on a voluntary and selective basis, when authorized by a Resolution adopted by the City Council.

City Council approval is also requested to authorize the City Manager to execute an eight-year lease-purchase agreement through the City's Master Lease Agreement with Banc of America Public Capital Corp., for the financing of the PARCS equipment. The Master Lease Agreement was approved by the City Council on September 18, 2018, to provide lease financing for a variety of capital equipment purchases. The Master Lease Agreement streamlines the purchasing and financing process to provide a cost-effective approach to facilitate the purchase of essential capital assets. This allows the City to meet immediate service demands by maintaining level annual expenditures and spreading acquisition costs over the term of the financing rather than budgeting a large one-time capital project expenditure.

This matter was reviewed by Deputy City Attorney Vanessa S. Ibarra on September 25, 2023, Purchasing Agent Michelle Wilson on September 14, 2023, and by Revenue Management Officer Geraldine Alejo on September 20, 2023.

SUSTAINABILITY

Investing in modern PARCS equipment aligns with the City's Climate Action Plan commitment to emission reduction. By improving parking procedures, reducing vehicle idling times, and enhancing traffic management, the deployment of modern equipment will reduce greenhouse gas emissions and help promote a more sustainable city.

TIMING CONSIDERATIONS

City Council action to adopt the Resolution and award a contract with Flash concurrently, and execute a lease-purchase agreement with Banc of America Public Capital Corp is requested on October 10, 2023, to ensure the contract is in place expeditiously.

FISCAL IMPACT

The total purchase price of the PARCS equipment will not exceed \$2,202,431. Based on an indicative interest of 4.40 percent on August 30, 2023, the total amount for the lease-purchase agreement with BAPCC is estimated at \$2,616,747, which includes principal, interest, and escrow fees. This equates to approximately \$327,093 in annual debt service costs for the 8-year life of the financing. The amount is subject to change and will be finalized when the agreement is executed. The annual debt service amount will be

budgeted in the Tidelands Operating Fund Group in the Public Works Department. It is anticipated that the annual debt service costs will be offset by a reduction in annual maintenance costs incurred for the current equipment, as well as increased parking revenues at the Pike and Aquarium Parking Garages from improved revenue collection following installation and parking rate increases approved by City Council as part of the Fiscal Year 2024 Budget. Staff will evaluate the revenue impact and cost efficiencies following installation of the new system. If needed, the department will return to the City Council with a request for appropriation, offset with identified revenue and cost efficiencies. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



ERIC LOPEZ
DIRECTOR OF PUBLIC WORKS

APPROVED:



THOMAS B. MODICA
CITY MANAGER

Attachment: Resolution

OFFICE OF THE CITY ATTORNEY
DAWN MCINTOSH, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802-4664

1 RESOLUTION NO.
2

3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH AUTHORIZING THE CITY
5 MANAGER OR DESIGNEE TO EXECUTE AN AGREEMENT
6 WITH FLASHPARKING, INC. FOR PARKING ACCESS
7 REVENUE CONTROL SYSTEMS, ON THE SAME TERMS
8 AND CONDITIONS AFFORDED TO TEXAS REGION 14
9 EDUCATION SERVICE CENTER (THROUGH THEIR
10 CONTRACT WITH OMNIA PARTNERS) IN AN ANNUAL
11 AMOUNT NOT TO EXCEED \$1,835,359, WITH A 20
12 PERCENT CONTINGENCY IN THE AMOUNT OF \$367,072,
13 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED
14 \$2,202,431, UNTIL THE OMNIA PARTNERS CONTRACT
15 EXPIRES ON JULY 31, 2024, WITH THE OPTION TO
16 RENEW FOR AS LONG AS THE OMNIA PARTNERS
17 CONTRACT IS IN EFFECT, AT THE DISCRETION OF THE
18 CITY MANAGER
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20 WHEREAS, the Charter of the City of Long Beach, Section 1802, permits the
21 City to purchase services, supplies, materials, equipment and labor with other government
22 agencies by purchasing under their contracts on a voluntary and selective basis when
23 authorized by resolution; and

24 WHEREAS, the City desires to purchase parking access revenue control
25 systems ("PARCS"); and

26 WHEREAS, Texas Region 14 Education Service Center has an active
27 Contract for the purchase of these PARCS through Omnia Partners, Contract No. 05-60
28 ("Contract"); and

1 WHEREAS, the City’s participation in the Omnia Partners Contract will
2 facilitate the City’s ability to purchase as well as provide considerable cost benefits to the
3 City; and

4 WHEREAS, if the City had to utilize a formal bid process rather than
5 participate in the Omnia Partners Contract considerably more funds would be required;

6 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
7 follows:

8 Section 1. The above recitals are true and correct and are incorporated
9 herein by this reference.

10 Section 2. The City Manager or designee is hereby authorized to enter an
11 agreement with FlashParking, Inc. to purchase parking access revenue control systems,
12 of the same type and kind identified in the Omnia Partners Contract except as modified by
13 mutual agreement of the City and FlashParking, Inc., and the purchase by the City shall be
14 on the same terms and conditions afforded to Texas Region 14 Education Service Center
15 in an amount not to exceed One Million Eight Hundred Thirty-Five Thousand Three
16 Hundred Fifty-Nine Dollars (\$1,835,359) including tax and shipping, with a twenty percent
17 (20%) contingency amount of Three Hundred Sixty-Seven Thousand Seventy-Two Dollars
18 (\$367,072), for a total contract amount not to exceed Two Million Two Hundred Two
19 Thousand Four Hundred Thirty-One Dollars (\$2,202,431), until the Omnia Partners
20 Contract expires on July 31, 2024, with the option to renew for as long as the Omnia
21 Partners Contract is in effect, at the discretion of the City Manager.

22 Section 3. This resolution shall take effect immediately upon its adoption
23 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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OFFICE OF THE CITY ATTORNEY
DAWN MCINTOSH, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802-4664

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I hereby certify that the foregoing resolution was adopted by the City Council
of the City of Long Beach at its meeting of _____, 2023 by the
following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

Recusal(s): Councilmembers: _____

City Clerk