



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

R-34

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

September 19, 2006

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute a Fifth Amendment to Agreement No. 26085 to extend the contract term to December 31, 2006 with ACE Parking Management, Inc., to provide parking management services in the Downtown area. (Districts 1, 2)

DISCUSSION

In January 1999, following a formal bid process, the City entered into a five-year Operating Agreement (Agreement) with ACE Parking Management, Inc., (ACE) to manage and operate parking services in a City owned parking structure in the Downtown area. Through amendments to the Agreement dated April 2003, July 2003, April 2005 and December 2005, ACE currently manages and operates parking services at the Civic Center, Aquarium Way and City Place parking structures, and surface lots located at 230 W. 3rd St., 4000 E. Olympic Plaza, 300-600 E. Shoreline Dr., 346 Long Beach Blvd., 200 Aquarium Way and 335 E. Broadway.

The responsibility of parking services transferred from the Technology Services Department to the Community Development Department in October 2005. In response to changing demands, the City issued a Request for Proposals for parking, security and maintenance services in May 2006. Responses were received from a number of vendors. A review panel consisting of three City employees and two non-City employees conducted initial interviews on August 9, 2006. Follow up interviews will continue and it is anticipated that a final decision will be made by September 30, 2006 with approval by the City Council sometime in October/November. It is anticipated that a new vendor will be in place by the end of the calendar year.

To ensure uninterrupted service and allow completion of the selection process, staff recommends a fifth amendment to the Agreement extending the term for five months, August – December 2006. The amendment would add \$1,709,000 to the existing Agreement for payment of expenses incurred from April through December 2006. Parking revenue will offset the estimated expenses.

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This letter was reviewed by Assistant City Attorney Heather A. Mahood on September 11, 2006, and Budget Management Officer David Wodynski on September 8, 2006.

TIMING CONSIDERATIONS

City Council action is requested on September 19, 2006 in order to initiate the transactions and process vendor invoices.

FISCAL IMPACT

Sufficient funds are currently appropriated and are included in the FY07 Proposed Budget in the General Fund (GP 100) in the Department of Community Development (CD) and are fully offset by parking revenue.

SUGGESTED ACTION:

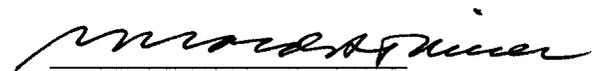
Approve recommendation.

Respectfully submitted,



PATRICK H. WEST
DIRECTOR OF COMMUNITY DEVELOPMENT

APPROVED:



GERALD R. MILLER
CITY MANAGER

PHW:CB:LM:vs