



# CITY OF LONG BEACH

# R-30

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

January 23, 2007

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Request the City Attorney to prepare and authorize the City Manager to execute all documents necessary to implement an agreement between the City of Long Beach and Central Parking Systems for parking management services in an amount not to exceed \$3,806,275 annually, which includes a contingency of 25 percent (or \$761,254) should the scope of services expand. (Districts 1, 2, 3)

## DISCUSSION

In January 1999, the City entered into a five-year Operating Agreement with ACE Parking Management, Inc., to manage and operate parking services in a City-owned parking structure in the Downtown area. 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 eight parking vendors. A review panel consisting of City staff and downtown stakeholders conducted an extensive review including vendor interviews, site visits and discussions with existing clients. The panel concluded and is recommending that Central Parking Systems (Central) be selected as the City's new provider of parking services.

Central has been in business for over 30 years and has an excellent reputation in the industry. They provide a good compensation package for their employees including medical, retirement and paid leave. Employees working for Central are union represented through UFCW Local 324. Staff is recommending a three-year term with two, one-year options to renew (maximum of five years from start date estimated May 2007). The Agreement will provide services on an as needed basis for both City and Redevelopment Agency owned parking lots and structures indicated in Attachment A. Major elements of the proposed scope of work are provided in Attachment B. Currently the majority of lots are operated to address demand, and hours are shifted as needed at the direction of the City's Parking Operations Officer. As service needs change, it may be necessary to add or reduce sites under the scope of the proposed contract. Staff is recommending the City Manager be granted authority to utilize Central for parking services at any location, as needed, as long as it is within the annual "not-to-exceed" contract amount.

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It is anticipated that it will take approximately five months to fully staff, train and transition Central into the various lots and structures.

This letter was reviewed by Principal Deputy City Attorney Charles Parkin on December 21, 2006, and Budget Management Officer David Wodynski on December 20, 2006.

TIMING CONSIDERATIONS

City Council action is requested on January 23, 2007 in order to initiate the transition to Central Parking Systems.

FISCAL IMPACT

The new agreement with Central would provide for an all-inclusive billing structure based on hourly rates for various employees. The fee structure is attached as Attachment C. The not-to-exceed limit for the requested Central contract is \$3,806,275 annually, or \$317,190 per month, which includes a contingency amount of 25 percent (or \$761,254 annually) should the scope of services expand. Sufficient funds are currently appropriated in the General Fund (GP) and 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

PHW:CB:LM:vs

Attachment A – Parking Structures and RDA Lots  
Attachment B – Scope of Work  
Attachment C – Billing Schedule

APPROVED:



GERALD R. MILLER  
CITY MANAGER

## Attachment A

City of Long Beach  
Existing Parking Structures and Lots Currently Operated by  
Ace Management, Inc.:

<b><u>STRUCTURE/LOT</u></b>	<b><u>LOCATION</u></b>	<b><u>PRIMARY HOURS OF OPERATION</u></b>
City Place A	50 E. 6th Street	M – F: 10:00AM – 8:00PM                      SA – SU: 10:00AM - 10:30PM
City Place B	50 E. 5th Street	M-TH: 10:00AM – 11:00PM    F: 9:00AM – 2:30AM    SA - SU: 10:00AM - 2:30AM
City Place C	51 E. 3rd Street	M-TH: 10:00AM – 11:00PM    F: 9:00AM – 2:30AM    SA - SU: 10:00AM - 2:30AM
Parking Lot	100 E. Pacific Avenue	M-W: 5:15PM – 11:00PM    TH: 5:15PM – 2:30AM SA: 11:00AM – 3:00AM    SU: NOON – 8:30PM
Civic Center Garage	332 W. Broadway	M – F: 8:00AM – 6:00PM    S: 10:00AM – 6:30PM    SU: CLOSED
Aquarium	99 Aquarium Way	M – SU: 9:00AM – 2:00AM
State Lot	125 W. 3rd Street	M – SU: Monthly Parking - 24 Hours Per Day
Dolly Varden Lot	Lot #2015	M – SU: Monthly Parking - 24 Hours Per Day
Parking Lot	337 Pacific Avenue	M – SU: Monthly Parking & Honor Boxes - 24 Hours Per Day
Parking Lot	328 Pacific Avenue	M – SU: Monthly Parking & Honor Boxes - 24 Hours Per Day
City East	335 E. Broadway	M – SU: Monthly Parking & Honor Boxes - 24 Hours Per Day
Lincoln Garage	333 W. Broadway	M – SA: 8:00 – 4:30PM    SU: CLOSED
Pierpoint Landing	200 Aquarium Way	Pay Boxes    M – SU: 8:00AM – 6:00PM
Belmont Shore Lot	4000 Olympic Plaza	Pay Boxes    M – SU: 8:00AM – 6:00PM
Marina Green Parking Lot	Shoreline Drive	Pay Boxes    M – SU: 8:00AM – 6:00PM

## **Attachment B Scope of Work**

- 1) Parking Operations
  - a) Provides staff for field parking operations
  - b) Provides daily and monthly parking permit sales
  - c) Provides field management and supervision
  - d) Operates at the direction of the City
  
- 2) Minimum Contract Term – 3 years
  - a) Either side may terminate with 60 day notice
  - b) Option to renew after year 3
  
- 3) Annual billing costs: \$2,263,418
  - a) Average attendant billing rate - \$15.40 hr
  - b) Average attendant pay rate - \$9.50 hr
  
- 4) All Inclusive Billing Rate  
(\$15.40 hr. includes all items listed below. In comparison the current vendor, Ace Parking, bills all of these items separately)
  - a) Employee salary
  - b) Uniforms
  - c) Company required custom forms
  - d) All company offered employee fringe benefits
  - e) Minimum of 12 mystery shops annually per location
  - f) Annual customer satisfaction surveys for City Place and Aquarium locations, including customer incentive for completing survey
  - g) Monthly sales audit for each location
  - h) Bi-annual business audit for each location
  - i) All company required insurance premiums and deductibles
  - j) All company required operating permits and licenses
  - k) All company required supplies such as pens, paper, and standard forms (excludes custom forms required by the City)
  - l) All employee personal products such as paper towels, toilet paper, and hand soap where needed
  - m) Bottled water if desired
  - n) Company required supervisory and/or management training
  - o) Other expenses as mutually agreed upon
  
- 5) Central Parking is union represented

- 6) Employee Fringe Benefits  
(Central Parking provides a larger benefit package to its employees than the other parking companies that bid)
  - a) Health
  - b) Vision
  - c) Dental
  - d) Life insurance
  - e) Vacation pay
  - f) Holiday pay
  - g) Retirement plan
  - h) Paid sick leave
  - i) Paid personal holiday
  - j) Tuition reimbursement
  - k) Jury leave
  - l) Incentive programs
  
- 7) Employee Training Programs
  - a) Initial 40 hour employee orientation
  - b) Updated quarterly training
  - c) Examples of training modules: exceptional customer service, diversity, sexual harassment prevention, coaching, decision making, communication, work standards, building trust, etc.
  
- 8) Guarantee of Funds  
Central will reimburse the City monthly for any cash shortages in excess of 0.3%
  
- 9) Provides collection and maintenance services for Marine Bureau parking lot pay stations
  
- 10) Central will enter into sub-agreements at the direction of the City for auxiliary services such as:
  - a) Landscaping
  - b) Trash pickup
  - c) Security
  - d) Cleaning/degreasing/maintenance

Attachment C

**Billing Schedule**

<u>Service Level</u>	<u>Billing Rate</u>	<u>Estimated Annual Hours</u>	<u>Estimated Annual Cost</u>
Program Manager	\$40.82	2,112	\$86,212
Site Manager	\$28.29	4,080	\$115,423
Assistant Manager	\$25.58	2,112	\$54,025
Supervisor	\$22.48	7,960	\$178,941
Office Rep	\$17.27	2,292	\$39,583
Office Lead	\$17.05	15,186	\$258,921
Traffic Director	\$15.40	23,292	\$358,697
Cashier	\$15.40	61,635	\$949,179
Maintenance	\$15.40	14,444	\$222,438
	Total	133,113	\$ 2,263,418

**Additional Costs**

Professional Security	\$307,945
Maintenance	\$266,549
Repair	\$106,020
Office Administration	\$48,789
Miscellaneous	\$52,300
	<u>\$781,603</u>
Estimated Total	\$3,045,021
25% Contingency for Additional Sites	\$761,254
<b>Not to Exceed Annual Budget</b>	<b>\$3,806,275</b>