



CITY OF LONG BEACH

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:

Authorize the City Manager to execute a Sixth Amendment to Agreement No. 26085 to extend the contract term to May 31, 2007 with ACE Parking Management, Inc., to provide parking management services in the Downtown area. (Districts 1, 2, 3)

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, December 2005, and September 2006, 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 current annual contract with ACE is approximately \$2.4 million. The ACE contract expired December 31, 2006.

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. Staff is recommending the City Council enter into a new agreement for parking services with Central Parking, Inc., at the January 23, 2007 meeting. It is anticipated it will take until May 2007 to have the new vendor fully staffed and in place.

To ensure uninterrupted service and allow completion of the selection process, staff recommends a sixth amendment to the Agreement extending the term for five months, January through May 2007. The amendment would add \$933,000 to the existing Agreement for payment of expenses as needed, incurred from January through May 2007, or until the new contractor is ready to assume its responsibilities. Parking revenue will offset the estimated expenses.

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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 transactions and process vendor invoices.

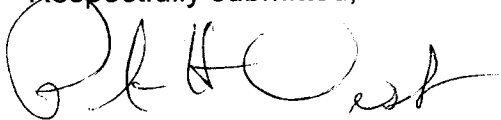
FISCAL IMPACT

Sufficient funds are currently appropriated and are included in the FY 07 Adopted 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

PHW:CB:LM:vs

APPROVED:



GERALD R. MILLER
CITY MANAGER