

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

99-031

SYNOPSIS -

AGENDA:

JANUARY 25, 1999

Staff has negotiated an amendment to the existing management contract with Central Parking System of Iowa, Inc. The amendment will add the Center Street Park and Ride Facility to the contract.

SUBJECT:

MANAGEMENT
CONTRACT FOR
CENTER STREET
PARK AND RIDE
FACILITY

FISCAL IMPACT -

An initial management fee of \$3,000 per month has been established, with provisions for a 3.7 percent increase for option term 1999-2000 and a 5 percent increase for option term 2000-01, as provided in the existing contract. This management fee, along with all other facility expenses, will be paid from a separate account for the Park and Ride revenue, and not from the Municipal Parking System account, under Operating Budget Index Code ENG100707, Park and Ride.

TYPE:

**RESOLUTION
ORDINANCE
RECEIVE/FILE**

RECOMMENDATION -

SUBMITTED BY:

FLOYD BENTZ, P.E.
ACTING CITY
ENGINEER

Approval of the contract amendment with Central Parking System of Iowa, Inc. for management of the Center Street Park and Ride Facility.

BACKGROUND -

On June 24, 1996, by Roll Call No. 96-2328, the City Council approved a contract with Central Parking System of Iowa, Inc. for management of the Municipal Parking Facilities for a period of two years, with an option to extend the contract for three additional one-year periods. On June 22, 1998, by Roll Call No. 98-2082, the City Council approved a one-year extension of the contract through June 30, 1999, retaining the management fee of \$10,500 per month for the initial six-month period and a contingent fee of \$11,167 per month for the

second six-month period.

On June 17, 1997, by Roll Call No. 97-2036, the City Council approved a contract with Taylor Ball, Inc. for the construction of the Center Street (Intermodal) Park and Ride Facility located between 6th Avenue and 7th Street, from Center Street to Crocker Street. Construction of this parking facility is nearing completion, and it is scheduled to open for parking in March 1999. With the pending opening of the garage for parking, it is necessary to provide for the management of this new facility, similar to the other municipal parking facilities.

Staff has negotiated an amendment to the existing management contract with Central Parking System of Iowa, Inc. which adds the Center Street Park and Ride Facility to the contract, with an initial management fee of \$3,000 per month. Central Parking must maintain separate records for operating revenue and expenses of the Park and Ride Facility, while all other provisions of the contract will remain the same. The amended contract includes two additional one-year option periods which the City can exercise by approval of the City Council. The amended contract also includes provisions for a 3.7 percent increase in the management fee for option term 1999-2000 and a 5 percent increase for option term 2000-01, as provided in the existing contract. On January 14, 1999, the Downtown Parking Committee considered this item and recommended approval of the contract amendment with Central Parking.