

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

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

00-363

SYNOPSIS -

AGENDA:

In response to the City's Request for Proposals (RFP), three companies submitted proposals to provide parking management services for the City: Ampco System Parking, Central Parking System, and Republic Parking System. A Selection Subcommittee of the Downtown Parking Committee met to review the proposals and conduct interviews with each company.

AUGUST 7, 2000

SUBJECT:

AGREEMENT FOR
MANAGEMENT
SERVICES - AMPCO
SYSTEM PARKING

Based on the information presented in the proposals and at the interviews, the Selection Subcommittee unanimously recommends the firm of Ampco System Parking as the City's parking facilities manager. Following the unanimous recommendation by the Selection Subcommittee and concurrence by the full Downtown Parking Committee, City staff has negotiated an agreement for management services with Ampco System Parking of San Francisco, California (Mark Muglich, Vice President and Regional Manager), based on the form of agreement that was included in the RFP.

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

FISCAL IMPACT -

SUBMITTED BY:

FLOYD BENTZ, P.E.
CITY ENGINEER

The fee for management services beginning September 1, 2000, is \$17,169 per month, including the 7th and Grand Garage and the 7th and Center Park and Ride. The monthly fee for the 7th and Grand parking garage alone is \$1,152. When this garage is sold, the fee total will be reduced from \$17,169 to \$16,017 per month. The total cost for the ten months remaining in Fiscal Year (FY) 2000-01 will be \$171,690. The agreement provides an increase in the management fee for FY 2001-02 and the option years based on the increase in the Consumer Price Index. Funds for the management fees and the operating costs of the parking system are included in the Operating Budget.

RECOMMENDATION -

Approval.

BACKGROUND -

On June 24, 1996, by Roll Call No. 96-2328, the City Council approved the Agreement for Management Services for the Municipal Parking Facilities with Central Parking System of Iowa, Inc., for an initial term of two years. The City has subsequently exercised its options to extend the term of the Agreement in its amended form for two additional one-year periods ending on June 30, 2000.

On April 17, 2000, by Roll Call No. 00-1136, the City Council determined that the City would not exercise its final option year of the existing agreement with Central Parking, and directed the City Manager to solicit proposals for a Municipal Parking Facilities manager. On June 26, 2000, by Roll Call No. 00-1939, the City Council extended the existing agreement for an additional two months to August 31, 2000, to provide additional time to select a management firm and develop a new agreement for enhanced management services.

In response to the City's RFP, three companies submitted proposals to provide parking management services for the City: Ampco System Parking, Central Parking System, and Republic Parking System. A Selection Subcommittee of the Downtown Parking Committee (consisting of Council Member Christine Hensley, City Traffic Engineer Gary Fox, Dave Feehan, Davis Sanders, and Randy Minear) met on June 27, 2000, to review the proposals and conduct interviews with each company.

Based on the information presented in the proposals and at the interviews, the Selection Subcommittee selected Ampco and Republic as the two finalists, and requested additional specific information in four categories: Customer Service and Amenities; Parking Validation Programs; Working with Downtown Organizations; and Revenue Enhancements.

The Subcommittee met again on July 11, 2000, to consider the additional information and provide a final ranking of the companies. Based on careful consideration of all the information provided and achieving a "best fit" for the Des Moines Municipal Parking System, the Subcommittee unanimously recommends the firm of Ampco System Parking as the City's parking facilities manager. The Subcommittee was particularly impressed by Ampco's proven track record of providing innovative customer

service enhancements at various locations for a number of years. Attached is a rating form listing the selection criteria, a brief summary of information in the proposal and/or interview, and the composite score for each company.

Following the unanimous recommendation by the Selection Subcommittee and concurrence by the full Downtown Parking Committee, City staff has negotiated an agreement for management services, based on the form of agreement that was included in the RFP. This agreement is similar to the current management services agreement in that it establishes the services to be provided and includes a two-year term, with three one-year renewal options. This agreement differs from the current agreement in identifying customer service enhancement features to be provided, establishing a management fee incentive for excellent customer service and customer satisfaction, and providing greater stability in the management team operating the Des Moines Municipal Parking System.

On the Council agenda for August 7, 2000 is a roll call authorizing and directing the Mayor to execute the Agreement for Management Services for the Municipal Parking Facilities between the City of Des Moines and Ampco System Parking.

After Ampco has begun operation of the parking system, it is expected that the City will also negotiate an agreement with the Downtown Community Alliance that spells out a cooperative arrangement for providing enhanced security, maintenance, and customer service with the parking operator. While the expected cost of this agreement might be \$50,000 to \$100,000 per year, the majority of the cost would not be an additional cost to the parking system. The services would be coordinated, not duplicated, and the fees for the services, or reimbursement of expenses for the services, would be paid to the firm which provided the services.

Attachments