



Council Communication

Office of the City Manager

Date February 23, 2009

Agenda Item No. 67
Roll Call No. ~~09-~~
Communication No. 09-129
Submitted by: Jeb E. Brewer, P.E.
City Engineer

AGENDA HEADING:

Approving Amendment to the Municipal Parking Facilities Agreement for Management Services with Ampco System Parking.

SYNOPSIS:

The City entered into an agreement in 2007 with Ampco System Parking (“Ampco”) for Ampco to continue to perform parking facilities operation and maintenance responsibilities on behalf of the City. The agreement contains a misstatement as to the relationship between the City and Ampco and an amendment is necessary to clarify that Ampco is acting as the City’s agent for the performance of responsibilities assumed by Ampco under the agreement. This clarification is needed to address concerns raised by the Iowa Department of Revenue that the parking revenues collected by Ampco could be subject to State sales tax, with a potential past tax liability of up to \$6 million.

FISCAL IMPACT: NONE

Amount: N/A

Funding Source: N/A

ADDITIONAL INFORMATION:

Since August 2000, the City of Des Moines has employed and engaged Ampco System Parking (“Ampco”) to manage and operate the City’s Municipal Parking Facilities on behalf of and under the direction of the City. Following a City-issued request for proposals for providing parking management services, the City Council by Roll Call. No. 07-1238 of June 18, 2007 selected Ampco to continue as the preferred management company to operate the City’s Municipal Parking Facilities and approved the Municipal Parking Facilities Agreement for Management Services with Ampco. Under the Agreement for Management Services, Ampco has continued to perform operation and maintenance responsibilities on behalf of and as agent for the City.

A general provision in the Agreement for Management Services contains a misstatement as to the relationship between the City and Ampco under the Agreement, which conflicts with the specific terms and underlying purposes of the Agreement that Ampco is employed and engaged by the City to manage and operate the Municipal Parking Facilities on behalf of the City. The City and Ampco desire to amend the Agreement to clarify and accurately portray that Ampco is acting as the City’s agent for the performance of operation and maintenance responsibilities assumed by Ampco under the Agreement for Management Services.

PREVIOUS COUNCIL ACTION(S):

Date: June 18, 2007

Roll Call Number: 07-1238

Action: Proposal for provision of Parking System Management Services from Ampco System Parking and authorizing agreement for a period from July 1, 2007 through June 30, 2009 with four one-year renewal options.(Council Communication No. 07-357). Moved by Hensley to adopt. Motion Carried 6-1.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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