COUNCIL COMMUNICATION

CITY OF DES MOINES CITY MANAGER'S OFFICE	Number:	**25-451**	Meeting:	**December 8, 2025**
	Agenda Item:	**37**	Roll Call:	**25-1612**
	Submitted by:	**Steven L. Naber, P.E., City Engineer**		

AGENDA HEADING:

Approve an Amendment of the Municipal Parking Facilities Management Service Agreement with ABM Parking Services, Inc. (ABM).

SYNOPSIS:

Recommend approval of a third amendment to the Municipal Parking Facilities Management Services agreement with ABM Parking Services, Inc. (ABM) that would change the end date of the agreement, provide a renewal option, adjust the monthly compensation rate for the 1200 Mulberry Garage and add clarifying language regarding future compensation adjustments.

FISCAL IMPACT:

Amount: Increase of $978.00 per month for 1200 Mulberry Garage for an annual increase of $11,736.00 to the management fee amount paid to ABM Parking Services. Reduction of $5,981.85 per month for the management of the 9th & Locust Garage or an annual reduction of $71,782.20 to the management fee paid to ABM. The total result is a net reduction of $60,046.20 in the management fee paid annually.

Funding Source: FY 2025-26 Operating Budget, Page 66, T&T – Parking Administration, EG062085.

ADDITIONAL INFORMATION:

- In order to provide greater flexibility with future changes to the parking system, the City has proposed to ABM Parking Services an adjustment to the end date of the current agreement. Specifically, City staff are seeking to modify the parking management services agreement to change the end date from June 30, 2028, to June 30, 2027, while adding an optional two-year renewal period from July 1, 2027, to June 30, 2029.

- With increased usage of the 1200 Mulberry Garage by City staff relocating to the new Administrative Services Building, as well as visitors to the facility, the monthly compensation paid to the ABM Parking Services for the 1200 Mulberry Garage will be increased by $978.00, from $3,915.00 to $4,893.00, effective January 1, 2026.

- The City has approved the sale of the 9th & Locust Garage (801 Locust Street) to Federal Home Loan Bank. As a result of the conveyance of this City owned garage, the City will no longer be responsible for managing and operating this facility and the current agreement with

ABM Parking Services is being amended to remove this facility from the agreement and reduce the monthly compensation paid to ABM Parking Services. Upon the closing of the real estate transaction, this portion of the amendment will become effective, which is anticipated to be on or around January 30, 2026.

- Finally, clarifying language is being added regarding future adjustments of the compensation for facilities that have been added since the original agreement date.

- On December 23, 2024, under Roll Call No. 24-1736, the City Council approved an amendment to this Agreement to add the management of a parking garage located at 1200 Mulberry Street, which was also included with the City's acquisition of the former Nationwide Mutual Insurance Company office building at 1200 Locust Street.

- On January 22, 2024, under Roll Call No. 24-0121, the City Council approved an amendment to this Agreement to add the management of two surface lots at 1290 Walnut Street (13th Street and Walnut Street) and at 1300 Locust Street, which were included with the City's acquisition of the former Nationwide Mutual Insurance Company office building at 1200 Locust Street.

- On March 21, 2022, under Roll Call No. 22-0427, the City Council approved a Municipal Parking Facilities Management Services Agreement with ABM Parking Services, Inc. The Agreement for Management Services was for a period of three (3) years and three (3) months (April 1, 2022, to June 30, 2025), with an option to extend the term for one (1) additional three (3)-year extension.

PREVIOUS COUNCIL ACTION(S):

Date: October 20, 2025

Roll Call Number: 25-1422

Action: On conveyance of City property known as the 9th and Locust Parking Garage located at 801 Locust Street to Federal Home Loan Bank for $7,300,000. (Council Communication No. 25-393) Moved by Mandelbaum to adopt. Second by Voss. Motion Carried 7-0.

Date: December 23, 2024

Roll Call Number: 24-1736

Action: Second Amendment to Agreement for Management Services for Municipal Parking Facilities with ABM Parking Services, Inc. (ABM). (Council Communication No. 24-520) Moved by Coleman to adopt. Second by Gatto. Motion Carried 6-0. Absent: Voss.

Date: January 22, 2024

Roll Call Number: 24-0121

Action: Amendment of the Municipal Parking Facilities Management Service Agreement with ABM Parking Services, Inc. (Council Communication No. 24-027) Moved by Gatto to adopt. Second by Coleman. Motion Carried 6-0.

Date: August 7, 2023

Roll Call Number: 23-0194

Action: Second Amendment to Purchase and Sale Contract with Nationwide Mutual Insurance Company dated September 12, 2022. (Council Communication No. 23-379) Moved by Gatto to adopt. Second by Boesen. Motion Carried 6-1. Absent: Sheumaker.

Date: March 21, 2022

Roll Call Number: 22-0427

Action: Proposal for the provisions of Municipal Parking Facilities Management Services from ABM Industry Groups, Inc. and authorizing execution of agreement for management services with ABM Industry Groups, Inc. (Council Communication No. 22-142) Moved by Boesen to adopt. Second by Gatto. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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