

TRANSPORTATION COMMITTEE REPORT relative to amending the Los Angeles Department of Transportation (LADOT) contracts with Modern Parking, Inc., and SP Plus Municipal Services.

Recommendation for Council action:

AUTHORIZE the General Manager, LADOT, or designee, subject to the approval of the City Attorney as to form and legality, to execute:

- a. First amendments with Modern Parking, Inc., and SP Plus Municipal Services, to extend the term from July 25, 2014, through July 25, 2023, and to add performance metrics and penalties for the operation, management, and maintenance of LADOT parking facilities; and, to increase the contract ceiling for the Modern Parking, Inc., contract by \$4,603,728.
- b. Supplemental agreements with Modern Parking, Inc., and SP Plus Municipal Services to temporarily adjust contractor compensation during the period of a Declaration of a Local Emergency.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that this action will not impact the General Fund. Funding is provided by current and prior year accounts in the Special Parking Revenue Fund No. 363. The proposed first amendment for SP Plus Municipal Services and the supplemental agreements for SP Plus Municipal Services and Modern Parking, Inc., do not require an adjustment to the existing contract ceiling. The first amendment for Modern Parking, Inc., will require an increase of \$4,603,728 to the contract ceiling. Additional funds will be provided for both SP Plus Municipal Services and Modern Parking, Inc., in 2021-22 through the City budget process.

Financial Policies Statement: The CAO reports that this action complies with City financial policies in that sufficient special fund revenues are available and eligible for this purpose.

Community Impact Statement: None Submitted.

**TIME LIMIT FILE – MARCH 15, 2021**

**(LAST DAY FOR COUNCIL ACTION – MARCH 5, 2021)**

## SUMMARY

In a report to the Mayor dated January 13, 2021, the CAO recommends approval of LADOT's request to execute contract amendments and supplemental agreements with Modern Parking, Inc., and SP Plus Municipal Services. According to the CAO, additional time is needed for LADOT to prepare and process a Request for Proposals for contract parking services. The proposed amendments extend the contract terms through July 25, 2023; increase the contract ceiling for the contract with Modern Parking, Inc., adjust the annual Consumers Price Index adjustment to a 3.5% cap; amend the operating expenses to address operations and maintenance issues; and, add additional performance metrics and penalties.

The CAO goes on to report that with the Declaration of a Local Emergency and the unique public health risks posed by COVID-19, LADOT and the contractors jointly agreed to reduce the staffing levels at LADOT parking facilities beginning March 20, 2020 to the minimum necessary to maintain a safe environment to protect both the public and the contractor's employees. Although, Force Majeure provisions of each contract allowed the City to make these adjustments under the Declaration of Local Emergency, the City Attorney recommended that LADOT execute supplemental agreements with each company to clearly state the resulting temporary staffing modifications and the changes to the contractor's monthly compensation during the period of a Declaration of Local Emergency.

At its meeting held February 2, 2021, the Transportation Committee recommended that Council authorize LADOT to execute the contract amendments and supplemental agreements with Modern Parking, Inc., and SP Plus Municipal Services, as recommended by the CAO.

Respectfully Submitted,

TRANSPORTATION COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
BONIN:	YES
KORETZ:	YES
BUSCAINO:	YES

jaw

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**