

PROCUREMENT SUMMARY

PARKING MANAGEMENT PROGRAM/PS6264800

1.	Contract Number: PS6264800	
2.	Recommended Vendor: L&R Group of Companies DBA Joe's Auto Parks	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: 6/27/16	
	B. Advertised/Publicized: 6/27/16	
	C. Pre-Proposal/Pre-Bid Conference: 7/11/16	
	D. Proposals/Bids Due: 8/11/16	
	E. Pre-Qualification Completed: 10/5/16	
	F. Conflict of Interest Form Submitted to Ethics: 9/30/16	
	G. Protest Period End Date: 11/18/16	
5.	Solicitations Picked up/Downloaded: 35	Bids/Proposals Received: 2
6.	Contract Administrator: Ana Rodriguez	Telephone Number: (213) 922-1076
7.	Project Manager: Frank Ching	Telephone Number: (213) 922-3033

A. Procurement Background

This Board Action is to approve Contract No. PS6264800 issued to implement Phase II of the Parking Management pilot program through a revenue generating contract to convert nine of Metro's parking facilities to paid parking facilities with the option of increasing to thirteen facilities over the course of four years. Board approval of contract awards are subject to resolution of all properly submitted protests.

The RFP was issued in accordance with Metro's Acquisition Policy and the contract type is a firm fixed price. This RFP was issued without an SBE/DBE/DVBE goal as this is a revenue generating contract that does not utilize local, state, or federal funds.

One amendment was issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on July 15, 2016 extended the RFP due date through August 11, 2016.

A pre-proposal conference was held on July 11, 2016 and was attended by 17 participants representing 14 firms. There were 30 questions asked, and responses were released prior to the proposal due date.

A total of 35 firms downloaded the RFP and were included on the planholders' list. A total of two proposals were received on August 11, 2016.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Metro and the City of Inglewood was convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were evaluated based on the following evaluation criteria and weights:

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| • Firm's qualifications | 10 percent |
| • Key Personnel | 10 percent |
| • Operation, Budget, Staffing and Accounting Plan | 30 percent |
| • Customer Service Plan and Training | 5 percent |
| • Auditing Procedures and Reporting Samples | 5 percent |
| • Parking Equipment Proposal | 10 percent |
| • Mobile Payment Solution | 10 percent |
| • Price | 20 percent |

The evaluation criteria are appropriate and consistent with criteria developed for other, similar procurements for parking management services. Several factors were considered when developing these weights, giving the greatest importance to the operation, budget, staffing and accounting plan at 30 percent.

From August 12, 2016 through August 18, 2016, the PET completed its independent evaluation of the proposals received. Both proposals were determined to be within the competitive range and are listed below in alphabetical order:

1. L&R Group of Companies DBA Joe's Auto Parks
2. SP+ Municipal Services

The PET interviewed both firms on August 25, 2016. Each firm presented their proposed key personnel including the proposed facilities manager, elaborated on their understanding of the statement of work, expanded upon their proposed operation plan and implementation strategy, and responded to the questions posed by the PET.

In general, each team's presentation focused on the experience of their proposed facilities manager and the team's implementation of their operation plan. Also highlighted was their equipment and mobile payment solution providers including a discussion on their systems integration and capabilities.

After the interviews, discussions were held with both proposers to clarify that living and prevailing wages were included, proposed labor was maintained throughout the four years, and that ongoing operation costs of the revenue equipment was also included.

Based on the discussions, Best and Final Offers (BAFOs) were requested from both firms and received on September 15, 2016.

Qualifications Summary of Firms within the Competitive Range:

L&R GROUP OF COMPANIES DBA JOE'S AUTO PARKS

L&R Group of Companies DBA Joe's Auto Parks (Joe's Auto Parks) has been involved in municipal parking operations for over 50 years and manages over 85 parking facilities in the downtown Los Angeles area. Joe's Auto Parks submitted a detailed proposal and assembled a cohesive team that demonstrated that they are knowledgeable, experienced and the best qualified firm to perform the proposed scope of work.

The proposed operations team has proven experience and a long history of parking management in some of the largest facilities in Los Angeles. Recent projects include the management of the Ace Hotel parking, Onni Properties parking, Off Airport parking at the Los Angeles International Airport, and a 24-year contract for the County of Los Angeles consisting of 58 parking facilities with over 30,000 spaces. The proposed team demonstrated their familiarity with the geographic area and conveyed their understanding of Metro's objectives for this program.

Joe's Auto Parks operation, staffing, budget, and accounting plan was thorough and clear. The proposal provided a detailed operation plan enumerating the deliverables that would be submitted daily, weekly, monthly and quarterly, command center operations, transition plan, and management reporting. The staffing plan was tailored to each facility with varying ambassadorial coverage throughout the week and weekend based on anticipated patron levels. The proposal also provided an accounting plan describing cash handling policy, revenue collection, deposits, and daily reconciliations. Joe's Auto Parks also proposed an independent auditor that would provide quality customer service audits for the life of the contract. Additionally, the proposed mobile payment solution provider, Passport, is a reputable firm with a powerful platform that allows for customization of services and provides the consumers four different ways to pay (mobile application, web, interactive voice response, and short message service). Passport also has the capability to expand the services they provide beyond the mobile payment solutions should Metro require additional services in the future. Overall, Joe's Auto Parks' proposal provided a complete, detailed and thorough solution that fulfills Metro's requirements for this project.

SP+ MUNICIPAL SERVICES

SP+ Municipal Services (SP+) is one of the largest parking management service providers in the United States. SP+ is experienced in providing parking services to municipalities such as the cities of Newport Beach, Riverside, Santa Ana and Santa Monica in California and other cities throughout the country.

SP+'s proposal documented their past experience well; however, their operating, staffing, budget, and accounting plan provided a minimal amount of information. The operation plan included a brief description of the challenges of transitioning from free parking to paid-parking; however, SP+ did not expand the operation plan to include any discussion of assumptions, labor hours and rates, potential risks that could affect day to day operations, and deliverables. Also, the staffing plan allocated a blanket four hours of ambassadorial service for each facility every day during the week and did not provide ambassadors during weekends at any facilities.

In regards to the proposed project team, SP+'s proposal did not include a facilities manager as the position was to be determined. While they did present their choice for a facilities manager at the interview, the proposed manager was new to the SP+ firm having recently relocated from outside the state. His primary experience was with parking and transportation services for Universities.

SP+ is a large and experienced firm, but ultimately did not provide Metro with a comprehensive plan that demonstrated their understanding of Metro's objectives and requirements for this project.

Following is a summary of the PET evaluation scores:

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	Joe's Auto Parks				
3	Firm's Qualifications	90.00	10.00%	9.00	
4	Key Personnel	93.30	10.00%	9.33	
5	Operation, Budget, Staffing and Accounting Plan	90.00	30.00%	27.00	
6	Customer Service Plan and Training	93.33	5.00%	4.67	
7	Auditing Procedures and Reporting Samples	76.60	5.00%	3.83	
8	Parking Equipment Proposal	90.00	10.00%	9.00	
9	Mobile Payment Solution	100.00	10.00%	10.00	
10	Price	91.05	20.00%	18.21	
11	Total		100.00%	91.04	1
12	SP+				
13	Firm's Qualifications	90.00	10.00%	9.00	
14	Key Personnel	83.33	10.00%	8.33	
15	Operation, Budget, Staffing and Accounting Plan	71.67	30.00%	21.50	
16	Customer Service Plan and Training	86.67	5.00%	4.33	
17	Auditing Procedures and Reporting Samples	76.60	5.00%	3.83	
18	Parking Equipment Proposal	83.33	10.00%	8.33	
19	Mobile Payment Solution	83.33	10.00%	8.33	
20	Price	100.00	20.00%	20.00	
21	Total		100.00%	83.65	2

C. Price Analysis

The recommended price has been determined to be fair and reasonable based upon adequate price competition including BAFOs, an independent cost estimate (ICE), price analysis, technical analysis, and fact-finding. Joe's Auto Parks included a consulting firm, Park Consulting, a Metro certified SBE firm, to perform customer service audits of the command center and field staff, to ensure high quality customer service.

Metro's ICE includes the purchase of revenue generating equipment and operating costs for the parking facilities. The difference between the ICE and the negotiated

amount are due to overestimated expenses such as the purchase price and installation of revenue equipment, license plate recognition equipment, operating costs and management fees. Also, the ICE included a parking tax of \$1,755,489 over the four year period of performance which was recently waived by the City of Los Angeles.

	Proposer Name	Best and Final Offer Amount	Metro ICE	Negotiated Amount
1.	Joe's Auto Parks	\$8,388,276.84	\$14,229,598.33	\$8,388,276.84
2.	SP+	\$7,636,797.32	\$14,229,598.33	

This Contract is a net revenue generating contract. The contractor shall cover all equipment and operating costs and shall be compensated through the parking revenue collected on behalf of Metro. The purchase of the parking equipment and installation will be amortized throughout the four year contract term on a monthly basis. Metro will receive the net revenues collected from the contractor estimated at \$10,182,669 over the four year operating period.

D. Background on Recommended Contractor

The recommended firm, L&R Group of Companies DBA Joe's Auto Parks, is headquartered in Los Angeles, California, and has been in business for over 50 years. As one of the largest parking property owners in the country, L&R operates two parking divisions, one of which is Joe's Auto Parks, which is one of Los Angeles' largest parking operators with more than 85 locations in downtown alone.

The proposed team is composed of Joe's Auto Parks and one subcontractor (Park Consulting, a Metro certified SBE). The assembled team is experienced in managing large-scale parking facilities and the proposed facilities manager has 11 years of experience in the parking industry including the management of parking facilities for the City of Inglewood and the City of Long Beach. Currently, Joe's Auto Parks is a subcontractor on Phase I of the Parking Management pilot and has performed satisfactorily.