



## Board Report

File #: 2023-0770, File Type: Contract

Agenda Number: 10.

### PLANNING AND PROGRAMMING COMMITTEE FEBRUARY 14, 2024

**SUBJECT: UNION STATION PARKING MANAGEMENT SERVICES**

**ACTION: APPROVE RECOMMENDATION**

#### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to:

- A. AWARD firm fixed price Contract No. PS109969000 to Metro Auto Parks for Union Station Parking Management Services in the amount of \$9,889,702 for a five-year base period, with two, one-year options in the amounts of \$2,295,428 and \$2,426,518, respectively, for a total amount of \$14,611,648, effective April 1, 2024, subject to resolution of any properly submitted protest(s), if any, and;
- B. EXECUTE individual contract modifications within the Board approved contract modification authority.

#### **ISSUE**

Union Station and Gateway Plaza (USG) have over 2,700 parking spaces across two garages and five surface parking lots. The current parking management services contract at USG is subcontracted by Union Station's property management company (Property Management). To allow Metro to manage USG parking facilities directly, the parking management services contract must be updated and restructured, and a new parking management services contract must be procured.

#### **BACKGROUND**

The original parking management services contracts for USG were executed in 2010. In 2012, the current Property Management company inherited the contracts when they were selected as property managers. Union Station East (Gateway Garage) had a 1-year term remaining, while Union Station West was terminable with a 30-day notice on a month-to-month basis. The USG parking facilities are still being operated on a subcontracting basis after the expiration of these terms.

Metro Parking Management began overseeing parking management at USG in July 2022, allowing greater focus on strategic and innovative parking solutions. Facilities Maintenance from Metro Operations has assumed the maintenance and capital projects of the USG parking facilities as part of

their property management oversight.

## **DISCUSSION**

### **New Parking Management Oversight at USG**

Commuter parking is an essential component of USG's role as a multimodal transportation hub. With the new proposed contract, USG parking will implement parking strategies, as described in Metro's Supportive Transit Parking Program Master Plan (STPP), to Metro's park-and-ride facilities, applying consistency among the agency's parking facilities. The USG parking management contract will prioritize commuter parking while continuing to manage public parking demand at USG.

The updated parking management contract will also allow newly developed parking programs and technology solutions, such as mobile phone payments, special event rate management, and transit ridership verification, to be implemented for upcoming high-profile events such as the FIFA World Cup, and also for other frequent events like Dodger games (to support the Dodger Express shuttle services) and other events held at Union Station. Technology solutions will enhance USG egress by providing a streamlined parking experience. The new bicycle parking program will also be integrated into the comprehensive parking strategy at USG.

### **Revenue Generating Contractual Structure**

The new parking management for USG will be under a revenue generating contractual structure. All expenses will be offset by the gross revenue collected by the contractor and Metro will receive net revenue. The new contractual structure will take effect with the award of this contract, consistent with all the park-and-ride facilities managed by Metro Parking Management. Expenses will be further controlled based on net revenue collection to ensure cash flow.

## **EQUITY PLATFORM**

The award of this contract will allow Parking Management to implement equitable solutions by prioritizing affordable parking for transit users at USG. Innovative technology and pricing will make it possible to distinguish between transit parking, general parking, and event parking. This differentiation will allow parking supply and capacity to be managed efficiently, catering to the needs of transit users and all commuters.

Furthermore, Metro staff anticipates a future discounted parking fee structure, based on LIFE TAP card eligibility. Staff will work with Marketing and Community Relations for outreach regarding any approved rate change.

The Diversity and Economic Opportunity (DEOD) did not establish a Small Business Enterprise (SBE)/Disabled Veteran Business Enterprise (DVBE) goal for this solicitation as the funding for this contract comes from the contract. However, pursuant to Metro's small business program, if the Contractor utilizes the services of subcontractors, the Contractor is expected to afford maximum opportunities to small businesses in all subcontracting and supply services areas. The Contractor made a 2.35% SBE commitment.

## **DETERMINATION OF SAFETY IMPACT**

The contractors and subcontractors must complete the Metro Safety Training and Indoor Air Quality Training before working at any Metro station. Moreover, the new parking contractor will provide more safety and disable parking oversight. The contract will not impact safety since it will operate within the existing infrastructure.

## **FINANCIAL IMPACT**

This contract is a revenue generating contract where the contractor's operating costs will be deducted from the parking revenue collected. Metro will receive the net revenue amount collected. No budget expense amendment is required.

### Impact to Budget

Union Station parking currently generates approximately \$2,000,000 in net revenue per fiscal year, with anticipated potential growth of 3% to 5% each year through year seven of the contract. This revenue is managed under Project# 308001 "Parking Program". All net revenue will be paid to Metro monthly into account 40719 "Parking Revenue Union Station". There will be no impact on any local, state, or federal funds.

## **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

Implementing the Metro new parking management contract at USG will support:

- a. Goal 1: Provide high-quality mobility options that enable people to spend less time traveling. The contract introduces new technology for payment options, which will reduce patrons' travel time by spending less time paying for parking.
- b. Goal 2: Deliver outstanding trip experiences for all users of the transportation system. Enhancing parking operations and providing well-maintained parking facilities improves the patrons' experience of transit trips.

## **ALTERNATIVES CONSIDERED**

The Board has the option not to authorize the award of parking management services for Union Station. This is not advisable. If the Board chooses not to authorize the contract award, the Property Management will continue as the parking operator contract administrator.

Additionally, if Property Management is to continue as the contract administrator, USG parking management operations will not be programmatically aligned with the other Metro parking facilities. Metro staff directly managing the parking operator contract will provide consistency countywide under Metro's parking management program.

## **NEXT STEPS**

---

Upon approval by the Board, staff will execute Contract No. PS109969000 with Metro Auto Parks for Union Station parking management services. The transition to the new parking management services contractor will proceed in the fourth quarter of FY24.

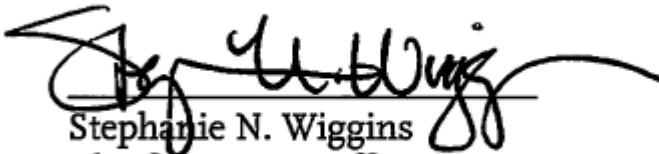
**ATTACHMENTS**

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: Stacie Endler, Senior Manager, Transportation Planning, (213) 547-4209  
Shannon Hamelin, Senior. Director, Transportation Planning, (213) 547-4210  
Frank Ching, Deputy Executive Officer, (213) 922-3033 Avital Barnea,  
Senior Executive Officer, (213) 547-4317  
Debra Avila, Deputy Chief Vendor/Contract Management Officer, (213) 418-3051

Reviewed by: Ray Sosa, Chief Planning Officer, (213) 547-4274



Stephanie N. Wiggins  
Chief Executive Officer