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Caring for Your Coast

♦ ♦ ♦
Gary Jones
Director

Kerry Silverstrom
Chief Deputy

John Kelly
Deputy Director

Amy M. Caves
Deputy Director

December 17, 2019

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**AMOUNT INCREASE TO CONTRACT 78686 FOR
PARKING LOT MANAGEMENT SERVICES
(SUPERVISORIAL DISTRICTS 3 AND 4)
(3 VOTES)**

SUBJECT

This action is to request approval to increase the annual contract amount for parking lot management services provided by Modern Parking, Inc. Increasing the annual contract will permit additional parking lot staff to meet operational needs and mitigate traffic congestion at County-owned, controlled, or managed beaches and parking lots in Marina del Rey.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that parking lot management services continue to be performed more economically by Modern Parking, Inc. than by County employees.
2. Approve an increase for additional staffing to the maximum annual amount for parking lot management services from \$1,625,762 to \$1,689,217 for this remaining contract year through March 31, 2020 and, if exercised, an additional increase of \$279,634 for each of the two one-year optional renewal years and \$139,817 for the six month-to-month optional extension periods, increasing the maximum aggregate amount over the potential total term of five years and 2½ months from \$8,597,719 to \$9,436,513, which is inclusive of an additional 10% annually for unforeseen services.
3. Delegate authority to the Director of the Department of Beaches and Harbors to execute Amendment 1 to Contract Number 78686 with Modern Parking, Inc. to effect the increase in the contract amount and scope of services.

4. Reaffirm the Director's delegated authority to increase the annual amount of the parking lot management services contract by up to 10%, in any year, including any renewal option period of the Contract, for any additional or unforeseen services within the scope of the Contract.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will allow the Department of Beaches and Harbors (Department) to increase both Modern Parking, Inc. (MPI) staffing and annual contract amount for parking lot management services previously approved by your Board on June 20, 2017. The recommended amendment will increase annual staffing hours for parking lot attendants from 43,374 to 53,996, and for supervisors from 19,621 to 20,219, and increase the maximum annual contract amount from \$1,625,762 to \$1,689,217.

The Department has experienced various increased operational needs, which makes it necessary to increase staffing at County parking lots managed by MPI. Dockweiler State Beach in particular has the largest continued need for additional attendants and extended hours as a result of low-cost parking rates implemented after contract initiation, along with growing needs to mitigate traffic congestion in the area. Increased crowds attending the Department's popular annual events, including Spooktacular, Boat Parade, New Year's Eve, Earth Day, ARTSEA, 4th of July, Marina Movie Nights and the Summer Concert Series, have also led to the need for additional staffing as necessary staffing for these events were not included in the current contract. Additional staffing and extended hours have also been added at other busy lots and, as a result, there has been less traffic buildup, and entry and exit wait-times have decreased, as have the number of customer complaints received by the Department.

Approval of the additional staffing and contract amount increase will provide the Department the needed flexibility to address the growing operational needs on an ongoing and annual basis.

Implementation of Strategic Plan Goals

This action supports and furthers the Board-approved Strategic Plan Goal II, Foster Vibrant and Resilient Communities, Strategy II.2.2, Expand Access to Recreational and Cultural Opportunities, by ensuring accessible parking lots with sufficient staffing for patrons visiting County-owned, managed, and controlled beaches and parking lots in Marina del Rey.

FISCAL IMPACT/FINANCING

Upon your Board's approval, the maximum annual amount for the parking lot management services contract will increase from \$1,625,762 to \$1,689,217 for the remainder of the third contract year through March 31, 2020 and, if exercised, \$279,634 for each of the two one-year optional renewal years and \$139,817 for the six month-to-month extension periods, increasing the maximum aggregate amount over the potential total term of five years and 2½ months from \$8,597,719 to \$9,436,513, which is inclusive of an additional 10% annually for unforeseen services.

The contract will continue to provide an annual incentive bonus to the contractor, up to \$25,000, for meeting ongoing measurable performance standards.

Operating Budget Impact

Increased costs for the remainder of the third contract year will be funded from the Department's Operating Budget within budgetary resources. Additional appropriation will be requested in the Department's Fiscal Year 2020-21 Recommended Budget to fund ongoing costs for these services.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

A contract amendment substantially similar to Attachment A will be executed by the Department Director with MPI upon your Board's approval of this action.

MPI is party to a bona fide Collective Bargaining Agreement with Teamsters Local Union No. 911 and, therefore, continues to be exempt from the Living Wage Program under County Code Chapter 2.201.

The Department, using a methodology approved by the Auditor Controller, has recalculated the cost-effectiveness of contracting for these services and has determined that these services continue to be more economically performed by an independent contractor than by County employees.

MPI remains in compliance with all Board, Chief Executive Office (CEO) and County Counsel requirements. The amendment has been approved as to form by County Counsel.

On July 16, 2019, the Board adopted a motion to reduce the County's reliance on Proposition A contracts. The July 16, 2019 motion instructed the CEO to report back on the following:

- Survey departments to develop a prioritized listing of potential classifications that could be contracted in;
- Develop a five-year phase-in plan for bringing those positions in-house; and
- Develop a multi-year funding strategy to address any incremental cost increases associated with bringing in previously-contracted-out positions.

The Department will continue to receive parking lot management services while the CEO's study is being conducted.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommendations will allow the Department to continue to provide accessible and controlled parking to visitors at County beaches and in Marina del Rey, by providing the funding needed for additional services.

CONCLUSION

Authorize the Executive Officer of the Board to send two adopted copies of this letter to the Department of Beaches and Harbors. Please feel free to contact Nicolette Taylor, Contracts and Grants Manager, at (424) 526-7821 or NTaylor@bh.lacounty.gov, to discuss any questions or concerns.

The Honorable Board of Supervisors

12/17/2019

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Respectfully submitted,

A handwritten signature in black ink, appearing to read "G. Jones", with a large, stylized initial "G" that loops back.

GARY JONES

Director

GJ:ED:nt

Enclosures

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors

AMENDMENT 1 TO CONTRACT NO. 78686

THIS AMENDMENT 1 is made and entered into this ____ day of _____, 2019, by and between the COUNTY OF LOS ANGELES, a body corporate and politic (hereinafter referred to as COUNTY), and MODERN PARKING, INC. (hereinafter referred to as CONTRACTOR).

RECITALS:

WHEREAS, Contract No. 78686 (“Contract”) was entered into between the COUNTY and CONTRACTOR on August 1, 2017 for the provision of parking lot management services for the Department of Beaches and Harbors for an initial period of up to three years, commencing August 1, 2017 through March 31, 2020, with two one-year renewal options and an additional six month-to-month renewal options; and

WHEREAS, Section 2.0 of the Statement of Work (Appendix B to the Contract) provides that the Department reserves the right to add/delete/modify parking lots, staffing, specific tasks and/or work hours throughout the term of this Contract and otherwise amend and modify the Scope of Work in accordance with the Department’s needs; and

WHEREAS, the COUNTY requires an increase to the hours of annual standard staffing for attendants, from 43,374 to 53,996, and for supervisors, from 19,621 to 20,219 as detailed in Exhibit C-3, attached to this AMENDMENT 1; and

WHEREAS, the COUNTY requires CONTRACTOR to continue to provide these additional services in accordance with Exhibit C-3 for the remainder of this third year of the Contract, through March 31, 2020, and if extended, the first and second renewal option years and six month-to-month extension period; and

WHEREAS, the CONTRACTOR has agreed to provide these additional services and otherwise continue to provide all services under the Contract's existing terms and conditions as amended by this AMENDMENT 1.

NOW, THEREFORE, in consideration of these facts and payment to be made by the COUNTY, the COUNTY and the CONTRACTOR agree that Contract No. 78686 between them shall be amended as follows:

1. The Contractor's aggregate annual compensation of \$1,625,762 is increased by \$63,455 to \$1,689,217, effective through the remainder of this third contract year and, if exercised, additional increases of \$279,634 for the first and second option years of the Contract and \$139,817 for the total six month-to-month extension period.
2. Exhibit C-2, Standard Staffing Level is deleted in its entirety and replaced with the amended Exhibit C-3, Standard Staffing Level hereby attached to this AMENDMENT 1. All references to Exhibit C-2 in the Contract shall hereafter be replaced with Exhibit C-3.
3. Except as modified by this AMENDMENT 1, all other terms, conditions, requirements, specifications, and prices of the Contract shall remain in full force and effect.
4. In the event of any conflict between the Contract and this AMENDMENT 1, the terms of this AMENDMENT shall control.

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IN WITNESS WHEREOF, the COUNTY has caused this AMENDMENT 1 to be subscribed by the Director of Beaches and Harbors and the CONTRACTOR by its duly authorized officer, as of the day, month, and year first written above.

COUNTY OF LOS ANGELES

By _____
Director, Beaches and Harbors

MODERN PARKING, INC.

By _____

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

By _____
Deputy County Counsel