



Office of the City Manager

CONSENT CALENDAR  
November 15, 2022

To: Honorable Mayor and Members of the City Council  
 From: Dee Williams-Ridley, City Manager  
 Submitted by: Liam Garland, Director, Department of Public Works  
 Subject: Contract No. 10413B Amendment: LAZ Parking LLC for Managing City-Owned Off-Street Parking Facilities

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 10413B with LAZ Parking, LLC, a parking management company, to provide management services for the Telegraph Channing, Oxford, and Center Street Garages, extending the term to December 31, 2024 and increasing the contract amount by \$5,162,424 for a total not-to-exceed amount of \$16,252,375.

FISCAL IMPACTS OF RECOMMENDATION

Funding for the duration of the contract amendment is available in the FY 2023 Parking program budget and programmed into baseline budgets for FY 2024 and FY 2025. Funding in FY 2024 and FY 2025 for this contract is subject to appropriation in each fiscal year in the Off-Street Parking Fund (Fund 627).

Current contract amount .....	\$ 11,089,951
Amendment amount.....	\$ 5,162,424
<b>Total NTE</b>	<b>\$16,252,375</b>

**Amendment Costs by Facility**

Parking Facility	Total Amendment Cost	FY 2023 Cost (6 months)	FY 2024 Cost (12 months)	FY 2025 Cost (6 months)	Average Monthly Cost
Center Street Garage	\$2,893,856	\$703,108	\$1,446,626	\$744,122	\$120,577.33
Oxford Garage	\$472,640	\$114,777	\$236,269	\$121,594	\$19,693.33
Telegraph Channing Garage	\$1,795,928	\$437,765	\$897,797	\$460,366	\$74,830.33

### CURRENT SITUATION AND ITS EFFECTS

LAZ Parking provides management, custodial, security, and limited maintenance services for the Telegraph Channing, Oxford, and Center Street Parking Garages. These activities include all aspects of the day-to-day operation of the three facilities including hiring staff to operate the garages for up to 17 hours per day, opening and closing the garages, conducting bookkeeping and record keeping, facilitating purchases of essential supplies like paper tickets as well as other replacement parts such as gate arms, and hiring security and janitorial staff. The most recent contract amendment with LAZ was authorized on February 23, 2021, extending the term to the current end date of December 31, 2022. Additionally, funding was provided to continue parking garage operations at limited capacity during the pandemic and to ramp up to full capacity as the economy reopened.

The recommended contract amendment is necessary to continue daily operations, including several projects related to the aging Telegraph Channing Garage, such as pigeon mitigation and stairwell upgrades. (The Telegraph Channing Garage is now as old as the Center Street Garage when it was demolished.) Additionally, the amendment allows sufficient time and resources for staff to issue a Request for Proposals (RFP) for the next multi-year parking management contract.

### BACKGROUND

In September 2016, after a competitive Request for Proposals process, the City entered into a five-year contract with LAZ Parking, LLC to provide parking management, operations, and associated services for the City's three off-street parking facilities and the Berkeley Way Lot while the Center Street Garage was being reconstructed.

### ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

As part of the goBerkeley demand-responsive parking program, the City's three parking garages play an important role in improving parking availability and reducing congestion in the Downtown Berkeley and Southside/Telegraph areas. Garages also serve as a City hub for Electric Vehicle (EV) charging stations, with 58 charging spaces.

### RATIONALE FOR RECOMMENDATION

As the pandemic ebbs, the City's parking garages have seen increasing demand. Additional funding is necessary to continue facility operations until a successor garage management company can be identified. Staff will prepare a new RFP which reflects post-pandemic garage operation trends. Typically, this task takes at least a year including contracting procedures.

LAZ Parking has performed satisfactorily as the City's parking garage management company. In an industry with few large parking garage operating companies, LAZ Parking was the lowest bidder in each of the two previous solicitations for garage management services in Berkeley.

ALTERNATIVE ACTIONS CONSIDERED

If this contract amendment is not approved, funding will be unavailable for operating the City's parking garages beginning in January 2023. The City is unable to conduct daily operations on its own. Closing these facilities would result in loss of revenue, risking the fiscal health of programs and bond payments reliant on this funding.

CONTACT PERSON

Farid Javandel, Deputy Director of Transportation, Public Works (510) 981-7061  
Danette Perry, Manager, Parking Services (510) 981-7057

Attachment:

1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT NO. 10413B AMENDMENT: LAZ PARKING LLC FOR MANAGING CITY-OWNED OFF-STREET PARKING FACILITIES

WHEREAS, the City of Berkeley owns and operates three off-street public parking facilities; and

WHEREAS, the City of Berkeley is currently under contract with LAZ Parking, LLC to operate and maintain these facilities under an “all inclusive” scope of services; and

WHEREAS, Contract No. 10413 was executed October 1, 2016 as authorized by Resolution No. 67,689-N.S., was amended on August 1, 2017 to include additional Payment Card Industry (PCI) Compliance information, and amended again on February 23, 2021 to add budget for continued operations and extend the term to December 31, 2022; and

WHEREAS, extending the contract term until December 31, 2024 will allow the City adequate time and funding for LAZ Parking to continue to operate the City’s off-street parking facilities, and for staff to conduct an RFP process for a possible successor management company; and

WHEREAS, funding for the duration of the contract amendment is available in the FY 2023 Parking program budget and programmed into baseline budgets for FY 2024 and FY 2025. Funding in FY 2024 and FY 2025 for this contract is subject to appropriation in each fiscal year in the Off-Street Parking Fund (Fund 627).

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute an amendment to Contract No. 10413B with LAZ Parking, LLC to provide management services for Oxford Garage, Telegraph Channing Garage, and Center Street Garage, increasing the contract amount by \$5,162,424 for a total not-to-exceed of \$16,252,375, and extending the contract term to December 31, 2024.