

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING ) RESOLUTION NO. 95-2127  
CONTRACT AMENDMENT NO. 1 TO )  
CONTRACT NO. 903228 WITH CITY )  
CENTER PARKING FOR )  
MANAGEMENT SERVICES OF THE ) Introduced by  
METRO PARKING STRUCTURE ) Mike Burton, Executive Officer

WHEREAS, City Center Parking has contracted with Metro to provide management services for the Metro Parking Structure under contract # 903228 since October 1993; and

WHEREAS, Metro shall have recommended that Contract Amendment No. 1 (attached as Exhibit A) be executed which would extend the contract term by one year, provide for the installation of an automated ticket dispensing machine, and increase the contract amount to correct a previous accounting oversight; and

WHEREAS, Metro will benefit from the addition of automated parking ticket machines to the Parking Structure in the areas of improved customer service, control and elimination of illegal parking, and increased collection of revenues; and

WHEREAS, The contract extension is justified by the contract performance of City Center Parking over the past two years and is necessary to fully benefit from the installation of the automated ticket dispensing machines; and

WHEREAS, the Building Fund budget for FY 1994-95 and proposed FY 1995-96 contains sufficient budgeted funds for the contract amendment; now, therefore,

BE IT RESOLVED,

That the Metro Council authorizes the Executive Officer to execute Contract Amendment No. 1 to the City Center Parking, Inc. contract No. 903228 for management of the Metro Parking Structure.

ADOPTED by the Metro Council this \_\_\_\_\_ day of April, 1995.

NOT ADOPTED

J. Ruth McFarland, Presiding Officer

**AMENDMENT NO. 1  
CONTRACT NO. 903228**

This Agreement hereby amends the above titled contract between Metro, a metropolitan service district and City Center Parking, hereinafter referred to as "Contractor."

This amendment is a change order to the original Scope of Work and Terms of Payment as follows:

Contract Termination date is amended from September 30, 1995 to be September 30, 1996.

**Section 2.0 Specific Contractor's Tasks and Responsibilities**  
Add Section 2.12 :

- a) Contractor shall remove all daily "pay for park" cash boxes within the Metro Parking Garage located at Irving and 7th Avenue (City Center designated parking lot #76).
- b) Contractor shall replace the cash boxes with self-contained, automated parking ticket dispensing machines which take coin, or process Visa and Mastercard credit cards as payment for daily parking privileges.
- c) One automated parking ticket machine will be installed initially, with options for one additional machine to be installed as needed and at the written request of Metro.
- d) Contractor shall pay all costs associated with removal of existing cash boxes, including repairs to the Metro Parking Garage caused by that removal, and all costs associated with the installation of the new automated parking ticket dispensing machines. These costs are considered reimbursable and Contractor shall submit these expenses on the monthly statement for payment by Metro.
- e) Contractor shall be responsible for all costs associated with the initial purchase, and installation of the automated parking ticket dispensing machine and the optional dispenser if necessary. These costs are considered reimbursable and Contractor shall submit these expenses on the monthly statement for payment by Metro.
- f) Contractor shall keep in constant good repair and provide all on-going preventative maintenance and repair as necessary of the automated parking ticket machine(s).
- g) All costs associated with the preventative maintenance and repair of the automated parking ticket dispensing machine(s) shall be itemized and shall be considered reimbursable expenses payable by Metro. Contractor shall submit these expenses on the monthly statement for payment by Metro.

  
The CSI  
4000 single  
vote payment  
Station.

- h) For periods when the automated parking ticket dispensing machines are Inoperable and/or under repair Contractor shall provide if requested by Metro, an attendant to collect fees and charges for those hours that Metro deems necessary. All personnel cost of the attendant shall be considered a reimbursable charge and passed onto Metro in the monthly statement as long as the parking ticket dispensing machine(s) are Inoperable.
- i) The automated parking ticket dispensing machines are and shall remain the property of the Contractor.
- j) All coins and net credit card charges received by Contractor from the automated parking ticket dispensing machines shall be included as gross revenue, and shall be accounted for and included on monthly reports as obligated by Contractor in sections 2.7 and 2.8 of this contract.
- k) Any credit card fees, or banking fees associated with the collection of the parking charges are considered a reimbursable charge as defined in section 3.4 that can be passed on to Metro in the monthly statement.
- l) Any personnel costs associated with the routine removal of the coins and credit card charges from the automated parking ticket dispensing machines are considered a reimbursable charge as defined in section 3.4 that can be passed onto Metro in the monthly statement.
- m) A monthly rental charge payable in equal monthly installments for the term of this contract shall be payable to Contractor by Metro for each automated parking ticket dispensing machine installed, not to total more than \$4,200 per machine by the termination of this contract on September 30, 1998. All subsequent monthly rental for each automated parking ticket dispensing machine after payment of \$4,200 shall be at the rate of \$25.00 per month for as long as City Center Parking operates the Metro Parking Structure under this or any subsequent contracts. Contractor shall submit monthly rental expenses on the monthly statement for payment by Metro.
- n) Sufficient information and documentation shall be provided on Metro's monthly statement to correctly indicate the payment rate and status of each machine rented.
- o) As contract operator of Metro's Parking Structure, City Center Parking has the right to remove and retain any and all automated parking ticket dispensing machine(s) upon termination of City Center Parking contract.

### Section 3.0 Metro's Obligations

Section 3.2 is amended to exclude ticket dispensers and coin boxes defined as capital improvements which Metro will provide and pay for.

### Add Section 3.8

- a) Metro will pay a rental in equal monthly installments not to total more than \$4,200 to Contractor for each automated parking ticket dispensing machine installed and in use at the Metro Parking Structure.

b) After payment of the \$4,200 per machine, Metro will pay a reduced rental rate of \$25.00 per month to Contractor for each automated parking ticket dispensing machine in use for all subsequent months that City Center operates the Parking Structure.

Except for the above, all other conditions and covenants remain in full force and effect.

In Witness to the above, the following duly authorized representatives of the parties referenced have executed this agreement:

Contractor: CITY CENTER PARKING

METRO

Signature

Date

Signature

Date

Name

Name

Title

Title

If for any reason this agreement is cancelled prior to City Center Parking collecting \$4,200.00 in rental (per payment device), Metro will pay the difference to City Center Parking between the rental amount previously collected and \$4,200.00 (per payment station).

M E M O R A N D U M

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**METRO**

**DATE:** April 7, 1995

**TO:** Presiding Officer Ruth McFarland  
Councilor Ed Washington  
Lindsey Ray  
John Houser  
Casey Short

**FROM:** Cathy Ross

**RE:** Resolution No. 2127 For the Purpose of Authorizing Contract Amendment no 1  
To Contract No. 903228 With City Center Parking For Management Services of  
the Metro Parking Structure.

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Resolution No. 2127 is attached. This resolution has been filed with the Council office and will be set for hearing at the Thursday, April 20, 1995 Council meeting.

Thank you.

## STAFF REPORT

### CONSIDERATION OF RESOLUTION NO. 95-2127 AUTHORIZING CONTRACT AMENDMENT NO. 1 TO CONTRACT NO. 903228 WITH CITY CENTER PARKING FOR MANAGEMENT SERVICES OF THE METRO PARKING STRUCTURE

Date: March 31, 1995

Presented By: Doug Butler

#### PROPOSED ACTION

The General Services Department is proposing to amend the current contract #903228 with City Center Parking for the management of Metro's Parking Structure. The amendment would both increase the total contract amount and extend the contract termination date to September 30, 1996.

#### FACTUAL BACKGROUND AND ANALYSIS

In October 1993, Metro entered into contract number 903228 with City Center Parking for management services for the Metro Parking Structure after selection via a competitive procurement process. The contract had a two year term and is scheduled to terminate September 30, 1995. The General Services staff are recommending amending the contract. Specifically, the three distinct elements which would be modified are:

1. To cover the cost of necessary reimbursable expenses included in the original contract.
2. To increase the contract amount to include the lease payments for an automatic ticket dispensing machine.
3. To extend the term of the original contract from two to three years.

Metro's current contract with City Center Parking for the management of the Parking Structure for daily, monthly and event parking began on October 1, 1993, and extends over a two-year period until September 30, 1995. The contracted terms of payment include a monthly management fee and reimbursement for necessary expenses in connection with management of the garage. The reimbursable expenses include non-supervisory labor, temporary help, postage and delivery fees, printing and copying, supplies, parking lot sweeping, janitorial, re-stripping and temporary signage.

The original contract limit was fixed at \$14,952 for the two-year contract period. However this amount mistakenly only represented the monthly management fee and did not include the estimated reimbursable expenses. The first portion of this amendment will correct the contract amount to include the reimbursable expenses

already paid and the estimated future reimbursable expenses to be paid until the end of the contract term.

Through discussions between the General Services Director and City Center Parking, a proposal to address the problem of illegal parking within the garage has been developed. At present, it is difficult to know how many people are parking without paying under the current slot box payment system. This system allows patrons to deposit cash into a slot box which has numbered slots corresponding to the respective parking stall. It is a passive system which does not issue tickets or receipts as evidence of payment. Metro's security patrol was recently granted the authority (Ordinance No. 95-586) to write parking citations for illegal parkers.

To alleviate this situation City Center Parking would install an automated ticket dispensing machine at the entrance. Metro will lease the ticket machine at a cost that will allow the Contractor to recover the purchase price of the machine during the extended life of the contract. Once City Center has recovered the purchase cost, a minimal monthly fee of \$25.00 (similar to the slot box fee) would be charged for service and maintenance.

Although Metro could purchase this machine directly, the additional cost of the software to download the credit card charge information is considerable and one in which City Center Parking has already invested. Also, if Metro owns the ticket machine, there is no guarantee that other parking lot management companies Metro may contract with in the future will also have this specific technology to be able to utilize it for subsequent contracts. By leasing the machine Metro can avoid paying the full cost of this technology and still retain flexibility so that future contracted management of the parking structure will be able to provide alternative systems.

The ticket dispensing machine will take cash payments as well as credit card charges for daily parking and dispense a receipt which the patron display's in the windshield of their car. Any vehicles not displaying a receipt for payment will be ticketed. Repeat violators could be towed.

The machine should reduce significantly the occurrence of illegal parking and thereby increase revenues. It should also increase service to parking patrons by allowing both cash and credit purchases. City Center estimates that up to a 20% increase in parking revenues may occur based on past experience in installing the automated ticket machine at other lots. With average revenues at \$22,000 per month, a 20% increase would be \$4,400.

The contract is being extended to a full term of three years to allow Metro to take advantage of using the automated ticket machine. Under the present contract terms, the contract will expire November 30, 1995. It will not be cost effective to install the ticket machine for the remaining six months unless the contract is extended giving Metro an eighteen month period to implement and benefit from the changes.

## **BUDGET IMPACT**

The amendment to Contract 903228 contains several distinct parts, each of which has an impact on the budget.

The past payment and estimated future cost of reimbursable expenses not included in the original contract budget summary is \$14,797 from the start of the contract to its current termination on September 30, 1995. This consists of \$10,497 in reimbursement already paid through January 1995, and \$4,300 in estimated expenses from February 1995 to September 30, 1995. The amendment would recognize the reimbursable portion of the current contract amount:

Secondly, the amendment would increase the contract amount by \$4,200 to cover the lease payment for the automated ticket dispensing machine.

Lastly there would be an additional twelve months expenses due to contract extension of \$14,376 consisting of \$7,476 in parking management fees and an estimated \$6,900 in reimbursable expenses.

	Summary	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97
Original Contract Amount	\$14,952	\$5,607	\$7,476	\$1,869	
Reimbursable Expenses (10/93 to 9/95)	\$14,796	\$2,554	\$10,818	\$1,424	
Lease of Ticket Machines	\$4,200		\$700	\$2,800	\$700
One Year Contract Extension	\$13,176			\$9,882	\$3,294
Total	\$47,124	\$8,161	\$18,994	\$15,975	\$3,994
Amount of Contract Increase	\$32,172	\$2,554	\$11,518	\$14,106	\$3,994

The Building Management Fund containing the budgeted amount for the Facilities Services Division contains adequate funds for the present fiscal year (FY 1994-95), and for proposed FY 1995-96 to cover the cost of the increase in the contract amount.

## **EXECUTIVE OFFICER'S RECOMMENDATION**

The Executive Officer recommends approval of Resolution No. 95-2127, authorizing execution of Contract Amendment #1 with City Center Parking Inc..