

Motion No. M2022-18

Contract for Advanced Parking Management Services

Meeting:	Date:	Type of action:	Staff contact:
Rider Experience and Operations Committee	03/03/2022	Recommend to the Board	Suraj Shetty, Executive Director – Operations
Board	03/24/2022	Final Action	Paul Gonzales, Manager – Facilities Operations

Proposed action

Authorizes the chief executive officer to execute a five-year contract with 10 one-year options to extend with Passport Labs, Inc., to provide parking management vendor services, in the amount of \$30,814,438 with a 5 percent contingency of \$1,540,722, for a total authorized contract amount not to exceed \$32,355,160, plus applicable taxes, contingent upon Board approval of the budget phase transfer through Resolution No. R2022-06.

Key features summary

- The requested contract amount includes an initial term of five years, with options to renew over the fifteen-year term, to provide parking management vendor services for the entire contract for monthly permit management.
- The requested amount also includes an option for up to \$20,049,207 for CleverCiti, a real time parking information management system that would provide passengers with parking capacity and availability information at parking facilities throughout the system.
- Sound Transit’s current parking vendor contract will expire in March 2022. Approval of this action would allow the procurement of a new parking management vendor to support parking management services for Sound Transit. This would pave the way to re-launch the monthly parking permit program at Sound Transit facilities meeting approved implementation strategies as early as May or June 2022.
- The scope of service to be provided:
 - Permit parking administration:
 - Accepting payment through a Sound Transit branded mobile application, website, and in person for reserved parking permits.
 - An app and web portal to provide increased information access, multiple language support, increased permit accessibility, and advertisement of permit options.
 - Processing payments.
 - Managing permit renewals.
 - Permit parking engagement:
 - Patrolling permit parking areas during designated permit parking times.
 - Checking parked vehicles for valid permits.

- Issuing warnings and referring unauthorized vehicles to be towed pursuant to Sound Transit's System Access policy.
 - Administering customer appeals processes.
 - Collecting data on parking and permit utilization for Sound Transit parking management and planning purposes.
- The contract allows flexibility to add additional parking facilities to the management program as they become eligible, i.e., when Link light rail arrives at a facility or when parking demand meets the approved utilization threshold 90 percent, or new stations that are on target to hit 90 percent within the first year.
 - There are 2 facilities that currently meet the 90 percent utilization criteria approved by the Board and are targeted for Q3 implementation of the parking program:
 - Northgate at 95 percent
 - Puyallup at 94 percent
 - Tukwila International Boulevard Station and Sumner are just below the target threshold.
 - The objective of parking enforcement stresses engagement and education performed by parking ambassadors, wearing "soft uniforms" following Sound Transit's approach to parking compliance.
 - This contract includes integration with Orca 2.0 (previously ORCA Next Gen), planned after 2024.
 - The contract also includes an option for the management of daily paid parking if approved by the Board later this year. The Board is scheduled to consider changes to the Board policy approach in Q3 to potentially allow daily paid parking in time for the opening of East Link. If the addition of daily paid parking is approved, staff will return with a request to fund the contract option at that time.
 - The estimated sales tax for this action is \$3,316,404.

Background

The Board's System Access Policy, Resolution No. R2013-03, authorizes the use of designated parking for transit parking permit holders for parking management. Previous Board actions, including Resolution No. R2018-27 have authorized staff to implement a parking permit program to offer reserved parking to both HOV and SOV permitted passengers at Sound Transit Parking facilities to help participating transit passengers find quick and reliable parking.

Sound Transit manages more than 30 parking facilities, with new facilities planned and coming online in conjunction with Link Light Rail expansion and other Sound Transit development endeavors. The purpose of the Permit Parking Program is to increase the number of transit customers accommodated per parking space, improve the efficacy of Sound Transit facilities, and improve customer satisfaction. Before the pandemic, the permit program was rolled out to 14 Sound Transit facilities, and permit issuance was increasing across the system.

Parking demand is lower today than pre-pandemic. Restarting a parking management service with only three qualifying sites and a limited possible number of monthly permit passengers will result in higher fees per passenger serviced at the onset.

However, monthly permit issuance could start paying for the parking management vendor's monthly cost, within the initial term. Implementation of Daily Paid Permit Parking, a potential policy change that will be considered by the Board in Q3 2022, would expedite the timeline for cost recovery.

Procurement information

Prior to issuing the solicitation for these services, Sound Transit considered the project scope, the determining factors for contract award, and the potential need for proposal revisions, discussions, and

then negotiations, and determined that a Request for Proposals procurement method for these services was the most advantageous.

Sound Transit advertised Request for Proposals No. RTA/RP 0228-20 on April 9, 2021. Sound Transit received competitive proposals from four firms. The proposals were evaluated based on the advertised evaluation criteria including Program Services and Solution Functionality, Firm(s) Experience and History, Price, Organizational Capacity and Partnership Strength, Equal Employment Opportunity (EEO) Commitment, Commitment to DBEs and other Small Businesses and Good Faith Efforts.

The evaluation committee considered the outcome of the first evaluation and determined that all four proposers would be invited to submit revised proposals. Weaknesses identified during evaluation were documented and sent to each proposer as part of the revised proposal process. The first revised proposal consensus evaluation was held late July 2021 and early August 2021 using the same evaluation criteria as published in the RFP.

Upon completion of the first revised proposal evaluations, a short list of two firms were determined to be in a competitive range and they were advised of their remaining weaknesses and deficiencies and invited to submit a second revised proposal and then a third round for best and final pricing. Upon completion of the third revised proposal evaluations Passport Labs, Inc.'s proposal was determined to be the highest rated and most advantageous to Sound Transit and they were invited to enter into negotiations.

Upon completion of negotiations with Passport Labs, Inc., Procurement & Contracts Division determined that their pricing was fair and reasonable based on competition and comparison to the ICE. Furthermore, Procurement & Contracts Division determined, to its satisfaction, that Passport Labs, Inc. has the ability to fulfill the solicitation and the contract's expectations and requirements in a way consistent with usual and customary fair and reasonable business practices and is therefore Responsible, and eligible for award.

Sound Transit recommends award of this contract based upon the determination that Passport Labs, Inc.'s negotiated proposal best meets the evaluation criteria, offers the best value, and this contract award is in the best interest of the Operations Department, PEPD (Planning Environment and Project Development) and Executive Department.

Fiscal information

This action assumes approval of Resolution No. R2022-06, a budget amendment to realign the program's cost phases and is reflected in the Parking Management Program fiscal table below.

This action is for \$32,355,160 plus applicable taxes. This information is based on high-level estimates for the entire 15-year contract, which includes a 5-year base contract of \$12,305,953 plus 10 one-year options totaling \$20,049,207 plus applicable taxes. The precise financial impact is dependent on the options selected within the contract.

This contract action includes funding from both the Parking Management Program budget and the Operations Department budget.

The authorized project allocation for the Parking Management Program project is \$13,692,287. This action for \$7,934,890 including estimated applicable taxes contains spending in the construction phase. Within the construction phase, \$9,200,000 has been allocated in the phase for system integration and equipment. This action would commit \$7,934,890 including sales tax to this phase and leave an uncommitted budget balance of \$1,265,110.

The Operations department spend for \$27,736,674 including sales tax will be funded from the Services category budget which has an annual operating budget of \$47,941,820, of which a total of \$570,286 is

estimated to spent from this action in 2022 and is currently within the agency's budget authority. After approval of this action, the remaining annual budget will be used to fund other department expenditures anticipated in the 2022 annual budget.

Funding for the additional years of the contract will be included in future annual budget requests.

The Parking Management Program was not affected by the 2021 Program Realignment.

Passport Labs Contract

(in thousands)

Contract Detail	Board Approvals to Date	Current Approved Contract Status	Proposed Action	Proposed Total for Board Approval
Contract Amounts - Operations Department		\$	\$23,960	\$23,960
Contract Amounts - Parking Management Program			6,854	6,854
Contingency Amount			1,541	1,541
Total Contract (with contingency)		\$	\$32,355	\$32,355
Estimated Taxes			3,316	3,316
Total Contract (with estimated sales tax)		\$	\$35,672	\$35,672
Percent Contingency	0%	0%	5%	5%

Parking Management Program

Project Phase	Authorized Project Allocation	Board Approvals	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Operations & Maintenance	\$1,782	\$628	\$	\$628	\$1,155
Agency Administration	1,230				1,230
Preliminary Engineering	1,080	26		26	1,054
Third Parties	400				400
Construction	9,200		7,935	7,935	1,265
Total Current Budget	\$13,692	\$653	\$7,935	\$8,588	\$5,104

Notes:

Board Approvals = Committed To-Date + Contingency as of January 2022 and includes pending Board actions.

For detailed project information, see page 148 in the 2022 Financial Plan & Proposed Budget. The authorized project allocation above reflects the concurrent action R2022-06 for phase budget transfer.

Operations Department

Cost Category	2022 Annual Operating Budget¹	YTD Actuals	This Action (2022 Only)	YTD Actuals Plus Action (2022 Only)	Remaining Annual Operating Budget
Salaries and Benefits	\$39,678	\$1,389	\$	\$1,389	\$38,289
Services	47,942	2,626	570	3,196	44,746
Materials and Supplies	12,968	871		871	12,097
Utilities	8,771	621		621	8,150
Taxes	3,220	64			3,220
Purchased Transportation Services	218,973	18,251			218,973
Miscellaneous	413	30		30	383
Leases and Rentals	1,099	70		70	1,029
Total Annual Operating Budget	\$333,065	\$23,923	\$570	\$6,178	\$326,887

Notes:

¹ 2022 Annual Operating Budget is located on page 57 of the 2022 Financial Plan & Proposed Budget book.

Disadvantaged and small business participation

Sound Transit promotes and encourages small business participation, which also includes disadvantaged business enterprises (DBEs). Consistent with Sound Transit Policies and federal regulations, Sound Transit has established small business/DBE goals for this contract. These goals are based upon an examination of subcontracting opportunities contained in the work of this contract and the number of small businesses/DBEs available to perform such subcontracting work.

For this specific contract, the following goals were set, and the successful Bidder/Proposer has committed to the following small business/DBE participation:

Small business and disadvantaged business enterprise (DBE) goals	
Sound Transit small business goal: 5%	Small business commitment: 5%
DBE goal: 2.5%	DBE commitment: 2.5%

For this contract, the following small business/DBE Participation commitments were made:

Small business/DBE participation commitments			
Small business: 5%	DBE: 2.5%		
Subconsultant/Subcontractor	Business Type	% of Work	Amount
United Visual Communications Group dba Evergreen Sign Company	Sign Manufacturer/Visual Design Services Small business	7.5%	\$92,500.00
	DBE		
Total		7.5%	\$92,500.00

Public involvement

Not applicable to this action, public outreach will be conducted prior to the reimplementation of permit parking.

Time constraints

A one-month delay would leave the parking program without a parking management vendor as the current contract ended has been extended to its limits which the end of March 2022.

Environmental review – KH 2/23/22

Legal review – AJP 2/25/22

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A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a five-year contract with 10 one-year options to extend with Passport Labs, Inc., to provide parking management vendor services, in the amount of \$30,814,438 with a 5 percent contingency of \$1,540,722, for a total authorized contract amount not to exceed \$32,355,160, plus applicable taxes, contingent upon Board approval of the budget phase transfer through Resolution No. R2022-06.

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Motion

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a five-year contract with 10 one-year options to extend with Passport Labs, Inc., to provide parking management vendor services, in the amount of \$30,814,438 with a 5 percent contingency of \$1,540,722, for a total authorized contract amount not to exceed \$32,355,160, plus applicable taxes, contingent upon Board approval of the budget phase transfer through Resolution No. R2022-06.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on March 24, 2022.



Kent Keel
Board Chair

Attest:



Kathryn Flores
Board Administrator