Reviewed and Approved by Interim Executive Director: \_\_\_\_

May 4, 2022

## FOR ACTION

# I. REQUEST

Consider Authorizing the Interim Executive Director to Award and Execute a Three-Year Contract with Two One-Year Options to Extend to Secure Parking Hawaii LLC for Parking Management, Operations and Maintenance Services for Lot C and the Container Equipment Maintenance Station (CEM Lot) located at the Ewa end of Ilalo Street, Honolulu, Hawaii 96813, Identified as Tax Map Key (1) 2-1-015:052, in an Amount Not to Exceed \$182,412.00 in accordance with Bid Form Nos. 4-6 for IFB HCDA 03-2022.

# II. BACKGROUND

Lot C and CEM Lot are surface parking lots located in Kakaako Makai, between the University of Hawaii John A. Burns School of Medicine (UH JABSOM) and Pier One. Lot C is an approximately 4.24 acre paved enclosed lot with 414 marked parking stalls, and the CEM Lot is an approximately 14,920 square foot enclosed lot.

Both lots are used for daily public parking, month-to-month commercial and noncommercial parking, and special events parking. Current hours of operation are 4:00 a.m. through 10:00 p.m., seven (7) days a week, including holidays.

UH JABSOM holds 325 monthly parking permits for Lot C and represents the largest single parking user.

On March 30, 2022, the Hawaii Community Development Authority (HCDA) issued an Invitation for Bids (IFB) solicitation for the Parking Management, Operations and Maintenance Services for Lot C and the CEM Lot (IFB HCDA 03-2022).

The solicitation was conducted pursuant to Hawaii Revised Statutes (HRS) Chapter 103D-302 Competitive Sealed Bidding. HRS §103D-302(h) specifies, "the contract shall be awarded to the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the invitation for bids."

The scope of work under this solicitation includes:

- 1. Daily parking management and sales of daily/monthly parking permits;
- 2. Parking attendant to monitor and enforce parking permits, handicap parking; non-commercial parking;
- 3. Collection and remittance of parking fees;
- 4. Installation of a new parking pay station; and
- 5. Routine maintenance, including litter removal, landscape maintenance/weed removal, oil spot cleaning.

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# III. DISCUSSION

Bids for IFB HCDA 03-2022 were due on April 11, 2022. The HCDA received three (3) bids by the deadline as indicated in the table below:

Bidder:	Initial Term (3 Years):	Supplemental 1 (Fourth Year):	Supplemental 2 (Fifth Year):
Bidder 1	\$93,708.00	\$42,156.00	\$46,548.00
Bidder 2	\$135,141.48	\$49,445.04	\$49,445.04
Bidder 3	\$186,634.44	\$62,833.56	\$63,461.40

Secure Parking Hawaii LLC submitted the lowest responsive, responsible bid of \$93,708.00 for the initial contract term, plus \$42,156.00 for the first one-year extension option and \$46,548.00 for the second one-year extension option, if exercised.

This bid is expected to result in a savings for the HCDA, as the previous parking operator collected both a monthly management fee and a percentage of all gross revenue. Due to the large number of monthly parkers at Lot C, HCDA staff restructured the bid format of this solicitation so the winning contractor would only be paid a fixed management fee each month.

The bid from Secure Parking Hawaii LLC represents a monthly fee of \$2,603.00 in the initial contract term, which is less than the approximate \$3,000-\$4,000 monthly fee paid to the prior parking operator.

Gross parking revenue for Lot C and the CEM Lot generally averages a total of \$55,000 a month. About \$50,000 of that revenue comes from pre-paid monthly parking agreements with UH JABSOM and other area businesses.

See next page for Staff's Recommendation.

## IV. RECOMMENDATION

It is recommended that the Board Authorize the Interim Executive Director to Award and Execute a Three-Year Contract with Two One-Year Options to Extend to Secure Parking Hawaii LLC for Parking Management, Operations and Maintenance Services for Lot C and the Container Equipment Maintenance Station (CEM Lot) located at the Ewa end of Ilalo Street, Honolulu, Hawaii 96813, Identified as Tax Map Key (1) 2-1-015:052, in an Amount Not to Exceed \$182,412.00 in accordance with Bid Form Nos. 4-6 for IFB HCDA 03-2022 and undertake all tasks necessary to effectuate the purpose(s) of this For Action.

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