

TOWN OF PALM BEACH

Information for Town Council Meeting on February 8, 2022

TO: Mayor and Town Council

VIA: Kirk W. Blouin, Town Manager

FROM: Jay Boodheshwar, Deputy Town Manager

RE: Resolution Approving the Award of RFP No. 2022-07, Valet Parking Services for the Town of Palm Beach to One Parking, Inc.
Resolution 027-2022

DATE: January 31, 2022

STAFF RECOMMENDATION

Staff recommends Town Council approve Resolution No. 027-2022, awarding RFP No. 2022-07, Valet Parking Services for the Town of Palm Beach to One Parking, Inc. for the provision of valet services on Worth Avenue.

SUMMARY EXPLANATION/BACKGROUND

After receiving no formal responses to RFP 2021-19 – Town-wide Centralized Valet Services, staff determined with the input of the BAC to issue a second RFP, focused on Worth Avenue. Staff reported to the committee at their September 2021, meeting that most of the companies that had initial interest in the initial RFP advised that they didn't feel there was a justified profit margin to pursue the service. One of the companies advised at the time that the start-up costs would be as much as \$20,000 for valet podiums, signage, radios, uniforms, insurance, rental spaces, etc., and felt this was too large and risky of an investment for a contract with a "for convenience" cancellation clause. Said company suggested that there are two factors that are a must to implement a successful contractual valet service: (1) a monthly service fee would be required from the Town to subsidize the operations and (2) sufficient and dedicated parking must be provided.

After a lengthy discussion at the October 2021, BAC meeting, it was decided that the second RFP for valet services be limited in location to Worth Avenue, but designed for scalability as needed. This street has proven to be the busiest and most challenging location to find the right mix of regulations to promote space turnover, restrict on-street employee parking, and ensure there are spaces available for short-term parking for quick transactions. The committee felt that if on-street paid parking is priced appropriately motorists could be incentivized to utilize valet services and employees will seek out more affordable off-street parking options. The committee also felt it would be in the Town's best interest to subsidize valet services if necessary.

METHOD OF PROCUREMENT

The TMO developed a scope of services used for the issuance of the solicitation. The Request for Proposals (RFP) was issued on November 16, 2021, and closed on December 7, 2021.

The solicitation was broadcast nationwide through DemandStar and through Public Purchase. In addition, advertisement was published in Palm Beach Post and Town Purchasing e-bidding system. Purchasing also sent direct emails to known firms advising of the solicitation and invited the firms to review and participate in the solicitation.

The initial ranking Selection Committee was held on December 15, 2021. Oral Interviews were conducted on December 28, 2021. The Selection Committee consisted of the following members:

Voting Members

Jay Boodheshwar, Deputy Town Manager
Paul Colby, Facilities Maint. Manager
Ben Alma, Support Services Manager
Mark Bresnahan, Recreation Director
Amy Wood, Assistant Finance Director

Non-Voting Members

Dean Mealy, Purchasing Manager (facilitator)
Duke Basha, Asst. Purchasing Manager (facilitator)

The Selection Committee reviewed two proposals submitted. The Selection Committee determined that both firms were qualified to support the needs of the Town. The Committee ultimately ranked One Parking, Inc., as the top firm after the initial meeting and then again after oral presentations. See attached proposal. Two negotiation meetings were held with One Parking, Inc. The open discussions during the negotiations provided the Selection Committee with a better understanding of available options for the initial launch of the valet services program and for the potential expansion of services in the future.

One Parking, Inc. agreed to allow the Town to purchase the vaults required to support the new services directly from the supplier, which will save on sale taxes. One Parking, Inc. is also willing to purchase the vaults back from the Town in the event the Valet Services contract is terminated.

The agreed upon services staff recommends Council consider is the implementation of two valet stands in the 100 block of Worth Avenue, with one of them at the corner of South County Road (which would service the 200 and 300 block areas). The vendor has secured sufficient off-street parking at 150 Worth Avenue to store vehicles. The placement of both stand on the 100 block is necessary to minimize the number of employees at each stand, while optimizing the parking and retrieval times for each vehicle.

Rates charged to the customer for valet service will be based on the visitor rates charged at 150 Worth Avenue, which are \$15.00 0-2 Hours; \$25.00 2-4 Hours; and \$35.00 4-8 Hours. Vehicles held past the 8 hours will be subject to repeating rates. Validations will be available for purchase by merchants, should they be interested, and One Parking has agreed to developing a long-term parking program for employees on the Avenue. See attached materials for details of services to be provided.

FISCAL IMPACT/FUNDING SOURCE

To operate two valet stands, equipment and supply expenses totaling approximately \$16,000 is required. Staff is requesting a contingency of \$3,000 to ensure sufficient funding for unforeseen ancillary expenses related to start up equipment and supplies. Valet stand #1 will cost the Town \$2,500 per month (\$30,000/year) to operate and stand #2 will cost the Town \$5,500 per month (\$66,000/year) to operate. A contingency appropriation of \$115,000 is required should Council desire to fund two valet stands. A total of \$600,000 is currently available in the General Fund contingency budget.

Approximately \$80,000 in revenue in FY22 is anticipated from the 16 paid parking spaces that were created in the 100 Block of Worth Avenue. Should Council desire to further expand paid parking on Worth Avenue, the subsidy of valet parking could be eliminated while generating surplus revenues to enhance the Town's parking program.

DUE DILIGENCE

Due Diligence was conducted to determine vendor responsibility, including corporate status and that there are no performance and compliance issues.

TOWN ATTORNEY REVIEW

The resolution is in a form that has previously been reviewed and approved by the Town Attorney for legal form and sufficiency.

Attachments

CC: Department Directors
Dean Mealy, CPPO Town Purchasing Manager
Parking Committee