

Memorandum



CITY OF DALLAS

DATE October 19, 2018

TO Honorable Members of the Mobility Solutions, Infrastructure and Sustainability Committee

SUBJECT **Parking Rates and Ground Transportation Management at Dallas Love Field**

On Monday, October 22, 2018, you will be briefed on Parking Rates and Ground Transportation Management at Dallas Love Field. The briefing materials are attached for your review.

Please contact Mark Duebner, Director of the Department of Aviation, if you have any questions or concerns.

A handwritten signature in blue ink, appearing to read 'M. Al-Ghafry'.

Majed A. Al-Ghafry, P.E.
Assistant City Manager

[Attachment]

c: Honorable Mayor and Members of the City Council
T.C. Broadnax, City Manager
Chris Caso, City Attorney (I)
Carol Smith, City Auditor (I)
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge

Kimberly Bizer Tolbert, Chief of Staff to the City Manager
Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer
M. Elizabeth Reich, Chief Financial Officer
Directors and Assistant Directors

Parking Rates and Ground Transportation Management at Dallas Love Field

**Mobility Solutions,
Infrastructure &
Sustainability**

October 22, 2018

**Mark Duebner, Director,
Department of Aviation**



City of Dallas

Presentation Overview

- Love Field Parking Background
- New Garage C Overview
- Current Issues
- Rate Recommendation
- Ground Transportation Background & Current Services
- Ground Transportation Management Request for Competitive Sealed Proposals
- Recommendations & Next Steps

Parking Background – Love Field

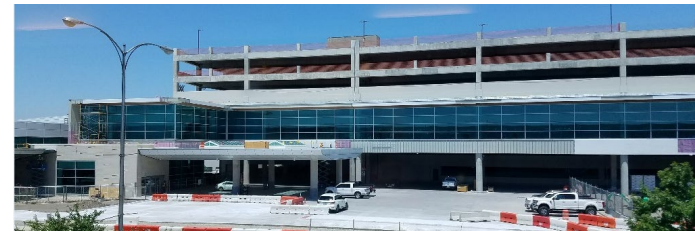
- Garage A – Built 1988
 - **3000 Parking Spaces** – Short Term
 - **\$17 Daily Rate**
 - Rate Change from \$14, August 2015



- Garage B – Built 2003
 - **4000 Parking Spaces** – Long Term
 - **\$13 Daily Rate**
 - Rate Change from \$10, August 2015



- Valet – Open 2013
 - **450 Parking Spaces**
 - **\$24 Daily Rate**



WRIGHT AMENDMENT IMPACT

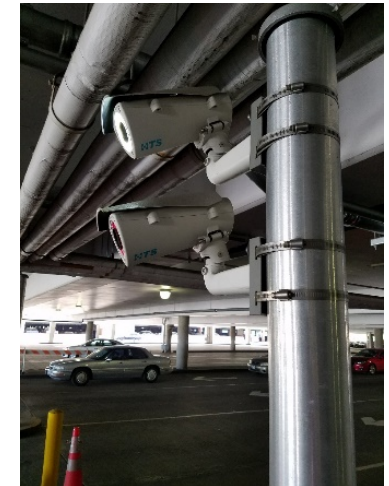
- **2014, Oct.** – Wright Amendment Lifted
 - **2025 Parking Occupancy Projections Realized Immediately**
- **2014, Nov.** – Employees Relocated Offsite
 - Preparation for Increased Capacity
- **2014, Nov.** – Garages Reach Capacity
 - Thanksgiving Holiday Public Displaced
- **2015, Mar.** – Garages Reach Capacity
 - Spring Break Public Displaced
- **2015, Aug.** – Remote Parking Lot Opens – Temporary Solution
 - 1500 Parking Spaces Added
- **2017, Nov.** – All Parking Nearly Full
 - Without Remote Lot, Capacity Exceeded



Garage C Overview

- New Parking Access Revenue Control System

- Integration with Tolltag System (July 2018)
 - Improved Read Quality
- Improved Audit Control & Reporting



- License Plate Recognition

- Entry and Exit Photo Verification

- Wayfinding:

- Per Level Counts & Directional Signs
- Light Indicators for Open & Occupied Spaces

- Reservation System:

- Prepay for Parking

- Nested Areas:

- Level 3 - Best Access, Convenience
- Roof Top - Discounted, uncovered
- Premium Areas



Garage C Overview

- Valet Area & Vehicle Storage
 - Covered Entry & 1000+ Underground spaces
 - New Point of Sale System
 - Traffic Reduction
- Pay on Foot
- Vehicle Locater
- New Electric Car Chargers
- Web Site Upgrades
 - Share Parking Availability
 - Directions & Information
 - Links to Pre-Book



Current Issues

- **Transportation Network Companies:**
 - Usage has increased to average of 2400 pickups/day
 - Has affected garage usage
 - Customers reporting increasing rates
 - Surge pricing is increasing in frequency as traffic increases at Love Field
- **Remote Lot Closing**
 - Currently the cheapest parking available
 - Higher cost for shuttle service will be eliminated

Rate Recommendations

Garage A: Current \$17 New \$15

- 3000 Spaces – Slight Reduction

Garage B: Current \$13 New \$9

- 3000 Spaces – Covered Parking Reduced over 30%

Garage B Roof: Current \$13 New \$7

- 1000 Spaces – Uncovered Parking Reduced over 45%

4000 Discounted Spaces Under \$10 per Day

- Retain Love Connection Park & Fly Customer
- Low Cost to Public

Rate Recommendations

(cont.)

Garage C Standard:

\$15

- 3100 Spaces – Matching Garage A Distance

Garage C Roof:

\$13

- 400 Spaces – Uncovered Parking

Garage C Premium:

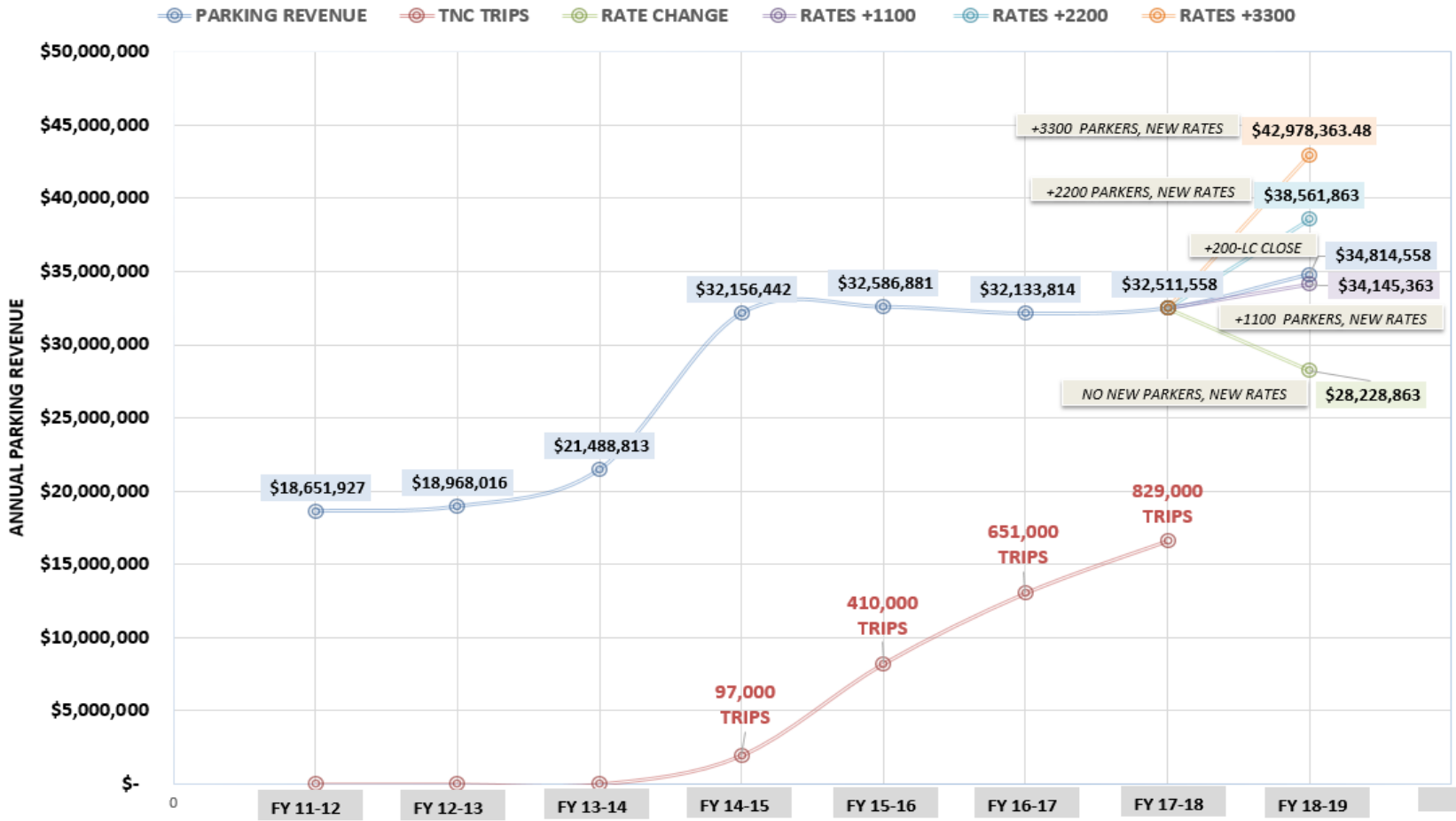
\$25

- 500 Spaces – Premium Convenience/Reserved Area

Garage C Valet: Current \$24 New \$26

- 1000 Spaces - Retaining Best Price vs. competitive Hotels & Airports

GROSS PARKING REVENUE & TNC TRIP TRENDS



Rate Conclusion

- Overall Reduction in Parking Cost
 - 7000 Current Spaces Discounted
 - 3500 New Spaces @ \$15 or less
- Add to Premium Products
 - 400 Additional Valet Spaces, Rate up \$2
 - 500 New Premium Self Parking Spaces

On-line Reservation System

The screenshot shows the Dallas Airport System online reservation system interface. At the top, the Dallas Airport System logo is on the left, and the user is logged in as 'ksaunders'. Navigation links include 'My account', 'My Bookings', 'Management', and 'Sign out'. A progress bar indicates five steps: 1. CHOOSE YOUR DATES, 2. CHOOSE YOUR SPACE, 3. OPTIONS, 4. YOUR INFORMATION, and 5. CONFIRMATION. Below the progress bar, there are controls for 'Amend Search', 'Promocode' (with an input field and 'Apply' button), 'sort by', a dropdown menu 'Please select', and a 'View' button. The main content area is titled 'Select a parking location' and features three options:

- Business Traveler:** Transfer Time: 5 mins. Features: Perfect for your business trip, Free cancellation, Direct link to terminal. Price: \$ 80.00.
- Weekday Special:** Transfer Time: 5 mins. Features: Multi-level parking charged at hourly rates is available, Opposit the current terminal. Price: \$ 80.00.
- Weekend Special:** Transfer Time: 5 mins. Features: Multi-level parking, Perfect for weekend breaks. Price: \$ 96.00.

Each option includes a 'More info' and 'Map' link at the bottom.

Rate Conclusion Cont.

- Parking rate strategy is to provide more affordable spaces to stimulate demand
- Ultimate goal is to continue to give customers options for parking and to maintain high quality amenities for the traveler
- With new capacity, the first floor of garage A may be repurposed to better manage the TNC pickup area which is currently highly congested at peak

Ground Transportation Management Background & Current Services

- 2004 – Current Parking Garage Management contract starts
 - Garage A&B
- 2013 – Valet Parking Open at Love Field
 - Extension of Current Parking Management Contract
- 2014 – New Starter Services Contract
 - Separate RFB won by Current Parking Management Vendor
- 2015 – Love Connection (Park & Fly) Open
 - Extension of Current Parking Management Contract
 - Employee Parking currently included
- Current expense for above services: \$5.1 Million Annually

Ground Transportation Management RFCSP Plan

- **Current Revenue Share vs. New Management Fee Agreement**
 - Undetermined Revenue Baseline - Parking Inventory, Rates and Revenue Changing
 - New Management Fee Benefits: City Banking All Funds, 100% of any Revenue Upside to City of Dallas, Fee for Services Only
- **Obtain Best Value for Services through Request for Competitive Sealed Proposal (RFCSP) for Dallas Love Field Ground Transportation Management Services:**
 - Parking Garages A, B & C,
 - Love Connection - Off Airport Employee Parking,
 - Valet Parking,
 - Ground Transportation Vehicle Dispatch & Service

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Ground Transportation Management RFCSP Process

- Ground Transportation Management Solicitation #1 - 2017
 - Detailed P&L Required, Vendor Banking Funds, more complex
 - Parking System & Facility Changes in process
- Challenges with responses AVI decided to reissue and simplify the process
 - Ensure best pricing with a clearer financial approach
 - Vendors to propose their way to meet our needs
- BKZ 1810 Ground Transportation Management Solicitation #2 - 2018
 - Requested Proposals with one Service Fee Bid amount for each of the four (4) areas, and one (1) inclusive bid for all areas
 - City Banking Funds, Parking System & Facility Changes complete

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Ground Transportation Management RFCSP Process Cont.

- Written proposals were received from all vendors who met the minimum qualifications
- Evaluation Committee consisted of four (4) City employees from four (4) City Departments who evaluated / scored the following areas:
 - 10% Proposed Approach
 - 25% Capability, Credibility & Expertise
- Purchasing evaluated / scored the following:
 - 50% Value to the City (Cost), over 5 year term
- City Office of Business Diversity evaluated / scored the following:
 - 15% Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program Plan

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ACDBE Information

- Parking Concepts, Inc.
 - Local Vendors
 - Regali, Inc. \$75,000
 - Non-Local
 - Abba Parking Services \$2,925,000
 - Moore Cars LLC \$600,000
 - **Total** **\$3,600,000**
- Parking Systems of America
 - Local Vendors
 - Regali, Inc \$25,850
 - Strategic Focus \$2,310,765
 - **Total** **\$2,336,615**



RFCSP Scores – Group A, Parking Garages

Evaluation scores:

Vendor	Cost to the City (50%)	Capability & Expertise (25%)	Proposed Approach (10%)	ACDBE Plan (15%)	Final Score (100%)	Rank
Parking Concepts, Inc.: BAFO: \$8,600,292.						
Overall Score	50.00	22.75	9.25	15.00	97.00	1
LAZ Parking: BAFO: \$9,955,128.00						
Overall Score	43.20	23.25	9.25	15.00	90.70	2
Ace Parking: BAFO: \$9,558,660.00						
Overall Score	44.99	20.75	8.25	15.00	88.99	3
Parking Systems of America: BAFO: \$11,633,664.00						
Overall Score	36.96	21.00	8.00	15.00	80.96	4
Platinum Parking: BAFO-\$9,074,232.00						
Overall Score	47.39	14.75	6.75	9.00	77.89	5

RFCSP Scores – Group B

Love Connection

Evaluation scores:

Vendor	Cost to the City (50%)	Capability & Expertise (25%)	Proposed Approach (10%)	ACDBE Plan (15%)	Final Score (100%)	Rank
Parking Systems of America-\$826,716.00						
Overall Score	50.00	21.00	7.75	15.00	93.75	1
Ace Parking-\$894,972.00						
Overall Score	46.19	21.25	7.50	15.00	89.94	2
LAZ Parking-1,093,872.00						
Overall Score	37.79	22.00	8.75	15.00	83.54	3
Parking Concepts, Inc.-\$1,352,292.00						
Overall Score	30.57	22.75	9.25	15.00	77.57	4
Platinum Parking-1,531,440.00						
Overall Score	26.99	15.75	6.75	9.00	58.49	5
C&C Transport-\$8,101,692.00						
Overall Score	5.10	10.50	4.50	14.00	34.10	6

RFCSP Scores – Group C

Valet Parking

Evaluation scores:

Vendor	Cost to the City (50%)	Capability & Expertise (25%)	Proposed Approach (10%)	ACDBE Plan (15%)	Final Score (100%)	Rank
Parking Concepts, Inc. -\$5,799,504.00						
Overall Score	46.52	24.25	9.25	15.00	95.02	1
LAZ Parking -5,604,852.00						
Overall Score	48.13	20.75	8.00	15.00	91.88	2
Ace Parking -\$6,114,636.00						
Overall Score	44.12	21.25	7.50	15.00	87.87	3
Parking Systems of America -\$6,572,136.00						
Overall Score	41.05	18.50	7.75	15.00	82.30	4
Platinum Parking -\$5,395,500.00						
Overall Score	50.00	14.75	5.75	9.00	79.50	5
Freedom Park -\$8,201,784.00						
Overall Score	32.89	21.50	7.75	9.00	71.14	6

RFCSP Scores – Group D

Starter Services

Evaluation scores:

Vendor	Cost to the City (50%)	Capability & Expertise (25%)	Proposed Approach (10%)	ACDBE Plan (15%)	Final Score (100%)	Rank
Parking Systems of America-\$2,517,900.00						
Overall Score	50.00	19.75	8.00	15.00	92.75	1
Ace Parking-\$3,230,748.00						
Overall Score	38.97	20.00	8.00	15.00	81.97	2
LAZ Parking-\$3,557,640.00						
Overall Score	35.39	22.00	8.75	15.00	81.14	3
Parking Concepts, Inc.-\$3,677,976.00						
Overall Score	34.23	21.00	9.00	15.00	79.23	4
Platinum Parking-\$3,143,208.00						
Overall Score	40.05	15.75	6.75	9.00	71.55	5
C&C Transport-\$13,590,672.00						
Overall Score	9.26	9.25	4.50	14.00	37.01	6

Ground Transportation Management RFCSP - Results

- **100% Gross Revenue to the City, less cost of Group A-D Services = Net Revenue.**
 - **New Annual Expense \$3,548,882 vs. Current Annual Expense \$5,101,148**
 - New Expense includes the addition of Garage C

<u>VENDOR:</u>	<u>AMOUNT* & SCORE:</u>	
• Group A-Parking Concepts	\$8,600,292.00,	97.00 points
• Group B-Parking Systems of America	\$826,716.00,	93.75 points
• Group C-Parking Concepts	\$5,799,504.00	95.02 points
• Group D-Parking Systems of America	\$2,517,900.00	92.75 points
• Total	\$17,744,412.00	

- Awarding Two Vendors for the four (4) service areas separately realizes lower overall cost of \$1.38 Million vs. one (1) set package
 - Vendors met RFCSP qualifications in respective areas, supporting individual Group awards, and allowed for the most vendor inclusion & participation
- Current RFCSP Award vs. 2017 RFCSP saves \$2.3 Mil over the 5 year term.

Recommendations & Next Steps

- City Council to approve proposed parking rates
 - Implement marketing plan and price revisions for all parking products
 - Improve public utilization and through price reduction
 - Maximize new technology and inventory control
- City Council award of Ground Transportation Management Services contracts
- Transition Group A & C services by December 1, 2018, in conjunction with Garage C opening

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