



Building Property Management Services Contract for Public Transit Department Office Building

This report requests the Transportation, Infrastructure and Innovation Subcommittee recommend City Council approval to enter into a contract change order to Agreement 139423 with Lincoln Property Company to extend the property management services contract for a period of one year, from July 1, 2020 through June 30, 2021. The total cost related to this item will not exceed \$420,000 over one year.

THIS ITEM IS FOR CONSENT ACTION.

Summary

In September 2014, the Property Management Services Contract (139423) was awarded to Lincoln Property Company for the management of the building located at 302 N. 1st Ave., which houses the Public Transit Department's administrative offices, as well as the offices of tenants Maricopa Association of Governments (MAG) and the Phoenix Business and Workforce Development Center. The total authorization for the five-year contract term was \$7.5 million. The contract scope of services included: administrative functions; general building maintenance; interior and exterior repairs; preparing the annual operating budget along with related financial accounting services, record keeping, and reports; and management of the below-ground parking levels and associated functions.

In May 2019, the contract was extended through June 30, 2020 with the intent to transitioning maintenance of the 302 N. 1st Ave. building into a consolidated Facilities Maintenance Contract that includes all Public Transit facilities. A separate Facilities Maintenance contract has been awarded as of April 15, 2020.

Procurement Information

In December 2019, a Request for Proposals (RFP) procurement process was conducted in accordance with Phoenix's Administrative Regulation 3.10. The scope of work retained the property management functions, but did not include the facilities maintenance function which was procured in a separate RFP.

The property management RFP resulted in just one proposer, Lincoln Property

Company. As a result, the evaluation panel determined it would be in the best interest of the City to cancel the solicitation and reissue the RFP. Staff will seek opportunities to include other city-owned properties in a future, multi-site solicitation to generate interest and ensure adequate marketplace competition.

If approved, the requested extension allows for continued seamless customer service and operations at Public Transit's administration building.

Contract Term

The extension will be for a one-year period from July 1, 2020 to June 30, 2021.

Financial Impact

The total cost related to this item will not exceed \$420,000 over one year. Funds are available in the proposed fiscal year 2020-21 Public Transit Building Fund operating budget.

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Public Transit Department.