

## AGENDA



Thursday, June 18, 2009

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 36**

**Subject:** Authorize the award, negotiation and execution of a five year service contract with AMPCO SYSTEM PARKING, Houston, TX for the management of the parking and shuttle bus operations at Austin-Bergstrom International Airport , with the option to extend for up to two additional terms of one year each, in an amount for management and incentive fees not to exceed \$461,987 for the initial contract year, escalating annually thereafter at 3% per year, plus reimbursement of authorized annual operating and maintenance expenses.

**Amount and Source of Funding:** Austin-Bergstrom International Airport parking facilities are projected to generate in Fiscal Year 2009-2010 gross revenue of approximately \$26 million. Fiscal Year 2009-2010 operating expenses, which include shuttle bus operating costs, maintenance and the proposer's \$419,988 first year's management fee are projected to be \$5,475,991. The contractor could earn up to an additional \$41,999 in first year incentive fees if it meets specified performance measures. Projected parking revenues and expenses will be included in the Fiscal Year 2009-2010 Proposed Operating Budget of the Department of Aviation.

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required.

**For More Information:** Brenda Helgren, Sr. Buyer 530-7533

**Purchasing Language:** Best evaluated proposal of two proposals received.

**MBE/WBE:** This contract will be awarded in compliance with 49 CFR Part 23 of the Federal Regulations (Airport Concession Disadvantaged Owned Business Enterprises Program (ACDBE)) by meeting the goals with 10.10% ACDBE subcontractor participation.

**Boards and Commission Action:** Recommended by the Austin Airport Advisory Commission.

This contract will provide for the operation and management of the parking facilities and shuttle bus operations at Austin-Bergstrom International Airport (ABIA). The contractor will provide personnel to manage ABIA's 11,403 parking spaces and 24-hour shuttle bus service.

The shuttle fleet will consist of alternatively fueled vehicles using liquid propane gas. Currently 26 shuttle buses are used in ABIA parking shuttle operations. The contractor will also provide a marketing plan and service to promote the use of ABIA's parking facilities. The City will reimburse the contractor fully for all authorized shuttle bus costs and operation and maintenance expenses.

ABIA's parking facilities include seven surface lots and two floors of the three floor parking garage. There are two exit plazas, with nine exit booths at the south plaza in front of the terminal and four booths at the north plaza.

An evaluation panel consisting of Department of Aviation executive, financial, marketing and operations personnel evaluated the proposals based on the proposed operating plan for parking management, operating plan for shuttle bus operations, marketing plan, demonstrated applicable experience and total evaluated cost.

The contractor may earn annual incentive fees in an amount not to exceed 10% of its annual management fees by meeting specified performance measures, to include customer service, cleanliness of parking facilities and shuttle buses, timely reporting, maintaining airport parking market share, and compliance with contract terms and approved policies and procedures.

ACDBE solicited: 5/0

ACDBE bid: 0/0

AMPCO System Parking submitted an ACDBE Compliance Plan that met the good faith effort requirements of the solicitation and was approved by the Small and Minority Business Resources Department.

#### PROPOSAL ANALYSIS

- a. Adequate competition.
- b. Thirty-nine notices were sent, including five ACDBEs. Two proposals were received, with no response from the ACDBEs.
- c. The pricing offered represents a 17% decrease from the last contract award June 2004.

#### APPROVAL JUSTIFICATION

- a. Best evaluated proposal.
- b. The Purchasing Office concurs with the Aviation Department's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.