

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

57861

Agenda Number

13.

Meeting Date:

June 16, 2016

Department:

Purchasing

Subject

Authorize negotiation and execution of a 60-month contract with SP PLUS CORPORATION, or one of the other qualified offerors to Request For Proposals PAX0127, to provide parking operations management services for the Austin-Bergstrom International Airport with three 12-month extension options, in an amount not to exceed \$2,133,545 for the initial contract term, escalating annually thereafter at 2.5% 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 2016-2017 gross revenue of approximately \$38,654,707. Fiscal Year 2016-2017 operating expenses, which include shuttle bus operating costs, maintenance and the Contractor's \$369,000 first year's management fee are projected to be \$9,489,630. The Contractor could earn up to an additional \$36,000 in first year incentive fees if they meet specified performance measures. Projected parking revenues and expenses will be included in the Proposed Fiscal Year 2016-2017 Operating Budget of the Aviation Department.

Fiscal Note

A fiscal note is not required.

Purchasing Language:

The Purchasing Office issued a Request for Proposals (RFP) PAX0127 for these goods and services on November 9, 2015 and it closed on February 17, 2016 with four offers received. The recommended offer is the best evaluated offer submitted by a responsible offeror. Additional information on the solicitation is included below the line. The recommended offeror is the current provider for these goods and services.

Prior Council Action:



For More Information:

Sai Xoomsai Purcell, Senior Buyer Specialist, 512-974-3058

Boards and Commission Action:

May 10, 2016 – Approved by the Airport Advisory Commission on an 8-0-3 vote with Commissioners Albert Black, Luke Legate, and Greg Anderson absent.

Related Items:															
MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program with 2.11% MBE and 1.78% WBE participation.														
Additional Backup Information															
<p>The 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 and services to manage ABIA's 24-hour complimentary shuttle bus services and 15,239 parking spaces, which are found on nine surface lots, one employee parking lot, one three level garage, and the ground floor of the newly constructed Consolidated Rental Car Facility.</p> <p>The shuttle fleet consists of 30 vehicles used in support of the parking operation. The contractor will be responsible for overall management of parking operations to include long term, short term, garage, and valet services. The contractor will staff and provide terminal transfer transportation services in support of airside operations and secondary terminal. Additionally, the contractor will develop and implement marketing and customer service initiatives to promote the ABIA's parking products and services, increase market share, and maximize revenue. The City will reimburse the contractor fully for all authorized expenses associated with the management of parking and transportations services provided.</p> <p>Conservatively projected, the gross revenue for ABIA parking using a factor of 3% per annum is as follows:</p> <table> <tr> <td>Fiscal Year 2016</td><td>\$38,654,707</td></tr> <tr> <td>Fiscal Year 2017</td><td>\$39,814,348</td></tr> <tr> <td>Fiscal Year 2018</td><td>\$41,008,779</td></tr> <tr> <td>Fiscal Year 2019</td><td>\$42,239,042</td></tr> <tr> <td>Fiscal Year 2020</td><td>\$43,506,213</td></tr> <tr> <td>Fiscal Year 2021</td><td><u>\$44,811,400</u></td></tr> <tr> <td>Total</td><td>\$250,034,488</td></tr> </table> <p>An evaluation team with expertise in this area evaluated the offers and scored SP Plus Corporation as the best to provide these services based on the proposed operation, management, and personnel plan, industry experience and qualifications, customer service plan, marketing plan, operating budget, and management fee offer, and local business presence.</p> <p>This request allows for the development of a contract with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory contract with the selected offeror, negotiations will cease with that provider. Staff will return to Council so Council may select another qualified offeror and authorize contract negotiations with this provider.</p> <p>The current contract expires September 30, 2016. If the City is unable to enter into a contract, management of parking services will not be provided at ABIA.</p> <p>A complete solicitation package, including a response list, is on file with the City's Purchasing Office and is available on the City's Financial Services Austin Finance Online website. Link: Solicitation Documents.</p>		Fiscal Year 2016	\$38,654,707	Fiscal Year 2017	\$39,814,348	Fiscal Year 2018	\$41,008,779	Fiscal Year 2019	\$42,239,042	Fiscal Year 2020	\$43,506,213	Fiscal Year 2021	<u>\$44,811,400</u>	Total	\$250,034,488
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