



San Francisco International Airport

MEMORANDUM

December 3, 2019

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Linda S. Crayton, Vice President
Hon. Eleanor Johns
Hon. Richard J. Guggenlime
Hon. Malcolm Yeung

19-0299

DEC - 3 2019

FROM: Airport Director

SUBJECT: Approval of Modification No. 1 to Professional Services Contract No. 50085 for Curbside Management Services with FSP PPM Management, LLC.

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 1 TO PROFESSIONAL SERVICES CONTRACT NO. 50085, CURBSIDE MANAGEMENT SERVICES WITH FSP PPM MANAGEMENT, LLC, TO INCREASE THE CONTRACT AMOUNT BY \$10,428,565 FOR A NEW CONTRACT AMOUNT NOT TO EXCEED \$29,950,859 AND EXERCISE THE ONE 1-YEAR OPTION TO EXTEND THE TERM THROUGH JUNE 30, 2021.

Executive Summary

The Airport uses the services of a contractor to assist with coordinating ground transportation services, including taxi dispatch and managing holding lots for taxis, limousines, Transportation Network Companies (TNCs) and shared ride vans. The existing contract with FSP PPM Management (FSP PPM) will expire on June 30, 2020. Staff seeks Commission approval to exercise the option to extend the existing contract for a period of one year.

Background

On June 16, 2016, the Commission adopted Resolution No. 16-0181 authorizing Staff to award Professional Services Contract No. 50085 to FSP PPM to provide curbside management services. The Contract was for a four-year period, effective July 1, 2016 with one 1-year renewal option exercisable at the sole discretion of the Commission.

On July 20, 2016, by Resolution No. 333-16, the San Francisco Board of Supervisors approved the agreement with FSP PPM in an amount not to exceed \$19,522,294 for the initial term.

The scope of work for this Contract includes the management of curbside and staging lots used by commercial ground transportation operators, taxi dispatching, and taxi Smart A-Card management that enables revenue collection of taxi trip fees.

On June 5, 2019, to reduce congestion on terminal roadways, the Airport moved all TNC pickups to the fifth floor of the domestic parking garage. The Airport also added a third TNC staging lot to

THIS PRINT COVERS CALENDAR ITEM NO. 11

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

LONDON N. BREED MAYOR LARRY MAZZOLA PRESIDENT LINDA S. CRAYTON VICE PRESIDENT ELEANOR JOHNS RICHARD J. GUGGENHIME MALCOLM YEUNG IVAR C. SATERO AIRPORT DIRECTOR

address congestion along Millbrae Avenue. These operational changes require the Contractor to hire additional staff. Wage rate increases are also included in this modification.

This Modification No. 1 would increase the contract amount by \$10,428,565 to accommodate the increase in FSP PPM labor expenses and extend the term through June 30, 2021. An updated budget summary is provided below.

Year	Annual Not-to-Exceed Amount	Modification No. 1	Total
Year 1	4,738,427	n/a	4,738,427
Year 2	4,831,926	n/a	4,831,926
Year 3	4,927,313	n/a	4,927,313
Year 4	5,024,627	n/a	5,024,627
Year 4	n/a	2,560,193	2,650,193
Year 5	n/a	7,868,379	7,868,372
	19,522,294	10,428,565	29,950,859

Because Contract Modification No. 1 exceeds \$500,000, the Airport will also seek approval for this modification from the Board of Supervisors, as required by San Francisco Charter Section 9.118(b).

Recommendation

I recommend the Commission approve Modification No. 1 to Professional Services Contract No. 50085, Curbside Management Services with FSP PPM Management, LLC, to increase the Contract amount by \$10,428,565 for a new Contract amount not to exceed \$29,950,859 and exercise the one 1-year option to extend the term through June 30, 2021.



Ivar C. Satero
Airport Director

Prepared by: Jeff Littlefield
Chief Operating Officer

Attachment

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 19-0299

APPROVAL OF MODIFICATION NO. 1 TO PROFESSIONAL SERVICES CONTRACT NO. 50085, CURBSIDE MANAGEMENT SERVICES WITH FSP PPM MANAGEMENT, LLC (FSP PPM), INCREASING THE CONTRACT AMOUNT BY \$10,428,565 FOR A NEW CONTRACT AMOUNT NOT TO EXCEED \$29,950,859 AND EXERCISE THE ONE 1-YEAR OPTION TO EXTEND THE TERM THROUGH JUNE 30, 2021

- WHEREAS, on June 16, 2016, the Commission approved Resolution No. 16-0181 authorizing Airport staff to award Professional Services Contract No. 50085 to FSP PPM to provide curbside management services in an amount not to exceed \$19,522,294 for a period of four years effective July 1, 2016 with one 1-year renewal option; and
- WHEREAS, on July 20, 2016, by Resolution No. 333-16, the San Francisco Board of Supervisors approved the agreement with FSP PPM in an amount not to exceed \$19,522,294 for the initial four years; and
- WHEREAS, FSP PPM has satisfactorily provided all aspects of curbside management services during the initial Contract term; and
- WHEREAS, the initial Contract term is set to end on June 30, 2020; and
- WHEREAS, FSP PPM's labor expenses have increased as a result of staffing additional staging areas; and
- WHEREAS, a modification to exercise the one-year option to extend the agreement is required to retain the curbside management services with FSP PPM Management, LLC; now, therefore, be it
- RESOLVED, that this Commission hereby approves Modification No. 1 to Professional Services Contract No. 50085, Curbside Management Services with FSP PPM to increase the Contract amount by \$10,428,565 for a new Contract amount not to exceed \$29,950,859 and exercise the one 1-year option to extend the term through June 30, 2021.

I hereby certify that the foregoing resolution was adopted by the Airport Commission

at its meeting of

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Secretary