



San Francisco International Airport

**MEMORANDUM**

February 18, 2014

TO: AIRPORT COMMISSION  
Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

14-0028  
FEB 18 2014

FROM: Airport Director

SUBJECT: Modification No. 2 to Contract No. 8994 with FSP PPM Management, LLC

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 2 TO CONTRACT NO. 8994 WITH FSP PPM MANAGEMENT, LLC TO STAFF AND MANAGE THE AIRPORT'S CURBSIDE MANAGEMENT PROGRAM COMMENCING JULY 1, 2014 THROUGH JUNE 30, 2015, IN AN AMOUNT NOT TO EXCEED \$4,794,000 FOR THE OPTION PERIOD, FOR A NEW TOTAL CONTRACT AMOUNT NOT TO EXCEED \$19,861,000.

**Executive Summary**

Contract No. 8994 with FSP PPM Management, LLC to staff and manage the Curbside Management Program is set to expire on June 30, 2014. FSP PPM Management, LLC has provided all services satisfactorily. Therefore Staff requests Commission approval to exercise the second of three one-year options, for an option term of July 1, 2014 through June 30, 2015.

**Background**

On July 6, 2010, this Commission adopted Resolution No. 10-0288, awarding FSP PPM Management, LLC a contract to staff and manage the Airport's Curbside Management Program for a 30-month term commencing January 1, 2011, at a cost not to exceed \$10,450,000, with three additional one-year renewal options to be exercised at the sole discretion of this Commission.

On November 16, 2010, by Resolution No. 548-10, the San Francisco Board of Supervisors approved the initial 30-month term of the contract and the not to exceed budget approved by this Commission. The Mayor signed the Board of Supervisors' Resolution on November 18, 2010.

On January 15, 2013, this Commission adopted Resolution No 13-0005, exercising the first year of the three one-year options commencing July 1, 2013, at a cost not to exceed \$5,067,000 with two additional one-year renewals. The FY 12-13 budget was included in the initial term of the contract. The FY 13-14

THIS PRINT COVERS CALENDAR ITEM NO. 7

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

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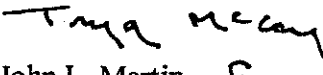
JOHN L. MARTIN  
AIRPORT DIRECTOR

and FY 14-15 budget was escalated year over year by approximately 6.5 percent to accommodate increases in pay rates included in new Collective Bargaining Agreements and medical insurance rates. Option year three will be similarly negotiated at the appropriate time and presented for Commission approval. Pursuant to San Francisco Charter Section 9.118, the Board of Supervisors, by its Resolution No. 175-13, adopted June 4, 2013, approved the first of three one-year renewal options.

The Curbside Management Program includes daily management of the taxi and shared ride van operations at SFO, as well as monitoring the curbside limousine zones at all Airport terminals. Services provided also include oversight of the Airport's automated taxi revenue system. FSP PPM Management, LLC has satisfactorily managed and staffed all aspects of the Curbside Management Program during the initial term of the contract.

### Recommendation

I recommend that this Commission exercise the second of three one-year options to extend the term of Contract No. 8994 with FSP PPM, Management, LLC commencing July 1, 2014, in an amount not to exceed \$4,794,000 for the option period, for a new total contract amount not to exceed \$19,861,000, subject to Board of Supervisors' approval pursuant to San Francisco Charter Section 9.118(b).

  
John L. Martin For  
Airport Director

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Deputy Airport Director  
Operations and Security

Attachment