

To date, the following airports other than SFO have entered into agreements with ARDF to use the ABCT Management System:

- Hartsfield Jackson Atlanta International Airport (ATL)
- Wilkes-Barre/Scranton International Airport (AVP)
- City of Colorado Springs Municipal Airport (COS)
- Fresno Yosemite International Airport (FAT)
- Spokane International Airport (GEG)
- Jacksonville International Airport (JAX)
- Norfolk International Airport (ORF)
- McGhee Tyson Airport (Knoxville) (TYS)

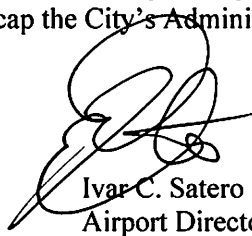
As of February 6, 2017, the Airport has received a total of \$125,715 in Service Development Fees from ARDF, representing 25% of the fees paid to ARDF by these airports and by SFO. To date, the Airport has paid ARDF \$500,000 in Administrative Services Fees. This amount is equal to the Administrative Services Fee cap in the Agreement, which was reached after fewer than six months of paid operation.

At SFO, ABCT permittees Uber, Lyft, and Wingz currently account for over 68% of all paid commercial ground transportation trips, generating over \$2 million per month in trip fee revenue. This high level of ABCT trip activity was unanticipated when the Agreement began in March 2015, when ABCT permittees represented less than 37% of commercial ground transportation trips. As a result, the Airport is seeking to extend the Agreement with ARDF under modified terms that include an annual Administrative Services Fee cap for the remaining three option years of the Services Term.

Modification No. 1 to the Agreement with ARDF exercises all three one-year options to extend the Agreement's Services Term through March 12, 2020. It also modifies the Administrative Services Fee defined in the Agreement to include an annual cap of \$250,000 for each of the subsequent three years of the Services Term.

Recommendation

I recommend that the Commission adopt the attached Resolution to approve Modification No. 1 to the License and Services Agreement with ARDF to extend the Services Term by three years for the period of March 13, 2017, through March 12, 2020, and to modify the Agreement to cap the City's Administrative Services Fee at \$250,000 annually.



Ivar C. Satero
Airport Director

Prepared by: Jeff Littlefield
Chief Operating Officer

Attachment