

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 17-0194

**AWARD OF THE DOMESTIC TERMINALS AUTOMATED TELLER MACHINES
LEASE A TO WELLS FARGO BANK, N.A.**

WHEREAS, by Resolution No. 17-0039, adopted February 21, 2017, the Airport Commission (“Commission”) authorized staff to commence the Request for Bids process for the Domestic Terminals Automated Teller Machines Lease A (the “Lease”) and conduct an informational conference; and

WHEREAS, by Resolution No. 17-0113, adopted May 16, 2017, the Commission authorized staff to accept bids; and

WHEREAS, on June 30, 2017, staff received one bid from Wells Fargo Bank, N.A. (“Wells Fargo”) for a Minimum Annual Guarantee of \$475,000.00 for the first year of the Lease; and

WHEREAS, Wells Fargo is a responsive and responsible bidder; now, therefore, be it

RESOLVED, that this Commission hereby awards the Domestic Terminals Automated Teller Machines Lease A to Wells Fargo for a term of five years, with one option to extend the term by two years exercisable at the sole and absolute discretion of the Commission; and, be it further

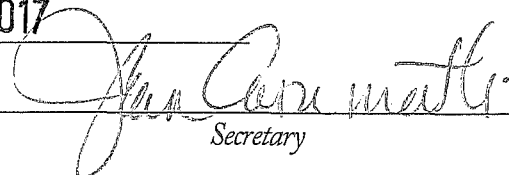
RESOLVED, that the Commission Secretary is hereby directed to request approval of the Lease by Resolution of the Board of Supervisors pursuant to Section 9.118 of the Charter of the City and County of San Francisco.

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

at its meeting of

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AUG 15 2017


Secretary

AGENDA SHEET

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DIVISION: Business and Finance (Revenue Development and Management) MEETING DATE: August 15, 2017
 ORIGINATOR: Leo Fermin (Trevor Brumm) PHONE NUMBER: 650.821.5035
 AGENDA ITEM TITLE: Award of the Domestic Terminals Automated Teller Machines Lease A to Wells Fargo Bank, N.A.

SUMMARY OF ITEM:

RESOLUTION (1) AWARDING THE DOMESTIC TERMINALS AUTOMATED TELLER MACHINES LEASE A TO WELLS FARGO BANK, N.A.; AND (2) DIRECTING THE COMMISSION SECRETARY TO REQUEST APPROVAL OF THE LEASE FROM THE BOARD OF SUPERVISORS.

17-0194

AUG 15 2017

	ROUTING ORDER	APPROVAL INITIALS	DATE SIGNED	RE-ROUTED/ APPROVED
CHIEF OPERATING OFFICER				
ADMINISTRATION & POLICY				
BUSINESS AND FINANCE	2	LF	7-27-17	8-8-17 [initials]
COMMUNICATIONS & MARKETING				
DESIGN & CONSTRUCTION				
FACILITIES				
ITT (Information Technology & Telecommunications)				
LEGAL	4	LP	7-31-17	
OPERATIONS & SECURITY				
PLANNING & ENVIRONMENTAL AFFAIRS				
SMALL BUSINESS AFFAIRS	3		8-1-17	
ACCOUNTING				
REVENUE DEVELOPMENT	1	CN	7-25-17	
AIRPORT DIRECTOR	5	[Signature]	8-4-17	
COMMISSION SECRETARY	6			

DATE RECEIVED: 7/31A
 TIME RECEIVED: _____

Please call 821-5042 if you have any questions.
 Airport Commission

AUG 1 / 2017
 Revenue Development and Management
 TB/SZ



MEMORANDUM

August 15, 2017

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

FROM: Airport Director

SUBJECT: Award of the Domestic Terminals Automated Teller Machines Lease A to Wells Fargo Bank, N.A.

DIRECTOR’S RECOMMENDATION: (1) AWARD THE DOMESTIC TERMINALS AUTOMATED TELLER MACHINES LEASE A TO WELLS FARGO BANK, N.A.; AND (2) DIRECT THE COMMISSION SECRETARY TO REQUEST APPROVAL OF THE LEASE FROM THE BOARD OF SUPERVISORS.

Executive Summary

The competitive bid process for the Domestic Terminal Automated Teller Machines Lease A (the “Lease”) has concluded and award of the Lease is recommended to Wells Fargo Bank, N.A. (“Wells Fargo”). The Lease has an initial term of five years, with one option to extend of two years exercisable by the Airport Commission (the “Commission”), and a Minimum Annual Guarantee (“MAG”) for the first lease year of \$475,000.00.

Background

By Resolution No. 17-0039, adopted February 21, 2017, the Commission authorized staff to commence the competitive bid process and issue a Request for Bids (“RFB”) for the Lease. The RFB minimum bid amount, which would be the successful bidder’s MAG for the first year of the Lease, was \$150,000.00. The Lease comprises 12 ATM locations throughout Terminals 1, 2, 3 and the Rental Car Center, as shown on Attachment 1. Staff conducted an informational meeting on April 6, 2017 and it was attended by seven companies.

THIS PRINT COVERS CALENDAR ITEM NO. x

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

EDWIN M. LEE MAYOR	LARRY MAZZOLA PRESIDENT	LINDA S. CRAYTON VICE PRESIDENT	ELEANOR JOHNS	RICHARD J. GUGGENHIME	PETER A. STERN	IVAR C. SATERO AIRPORT DIRECTOR
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By Resolution No. 17-0113, adopted May 16, 2017, the Commission authorized staff to accept bids. In response to the RFB, the Airport received one bid for the Lease from Wells Fargo on June 30, 2017, with a bid amount of \$475,000.00. Staff determined that Wells Fargo met the minimum qualification requirements for this Lease. The surcharge for non-bank member card holder transactions shall not exceed \$2.50.

The base rent for the Lease is the greater of the MAG or 70% of gross revenues. The term for the Lease is five years, with one option to extend the term by two years exercisable at the Commission's sole and absolute discretion.

Wells Fargo is headquartered in San Francisco and is the third largest bank in the United States by assets and the second largest bank in the world by market cap. Wells Fargo is also the second largest bank in deposits, home mortgage servicing, and debit cards.

Recommendation

I recommend awarding the Domestic Terminals Automated Teller Machines Lease A to Wells Fargo Bank, N.A., and directing the Commission Secretary to request approval of the Lease from the Board of Supervisors.



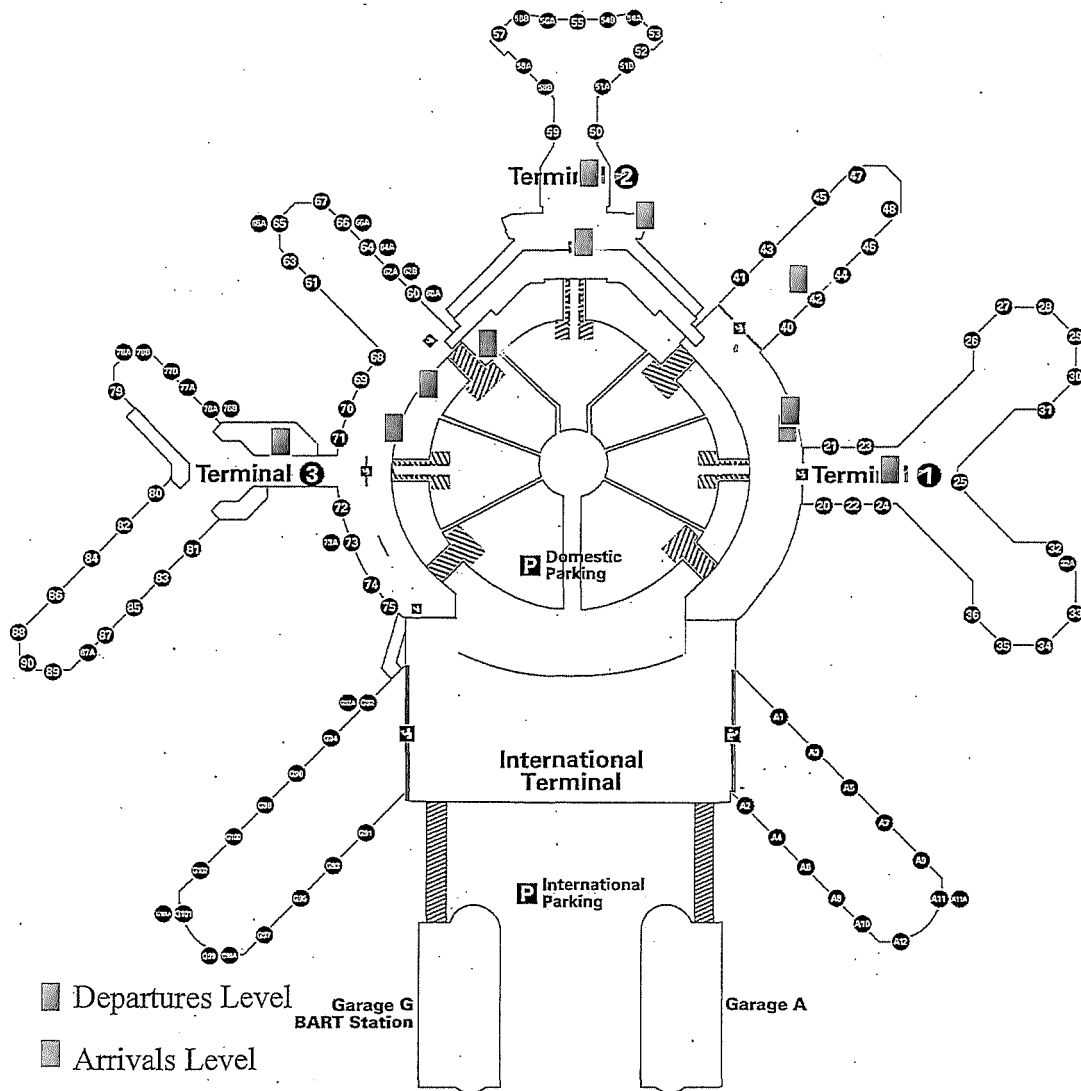
Ivar C. Satero
Airport Director

Prepared by: Leo Fermin
Chief Business and Finance Officer

Attachments

Attachment 1

DOMESTIC TERMINALS AUTOMATED TELLER MACHINES LEASE A WELLS FARGO BANK, N.A.



^ Rental Car Center ATM location not shown.