

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 22-0136

AWARD OF CONTRACT NO. 50303 TO SFO HOTEL SHUTTLE, INC. FOR SHUTTLE BUS SERVICES AT THE AIRPORT IN A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$72,612,418 FOR A FIVE-YEAR TERM; APPROVE THE AIRPORT DIRECTOR'S RECOMMENDATION THAT THE PUBLIC INTEREST WOULD BEST BE SERVED BY REQUIRING PAYMENT OF PREVAILING WAGES FOR MOTOR BUS SERVICES; AND DIRECT THE COMMISSION SECRETARY TO SEEK APPROVAL OF THE CONTRACT FROM THE BOARD OF SUPERVISORS PURSUANT TO SAN FRANCISCO CHARTER SECTION 9.118

WHEREAS, the Airport wishes to continue to provide scheduled shuttle bus service at San Francisco International Airport for air passengers and Airport employees, serving the Airport campus, long-term parking lots, and other locations; and

WHEREAS, the existing contract with SFO Hotel Shuttle, Inc. will expire on December 31, 2022; and

WHEREAS, if the Commission acts to award Contract No. 50303, the Airport Director will terminate the current Contract to be effective concurrently with the effective date of the new Contract to ensure there is no gap in service; and

WHEREAS, in addition to current shuttle bus service, which includes two regular routes from terminals to remote parking and which is free to employees and members of the public, the proposed Contract includes the option for the Airport to expand service by adding services and routes, including new routes connecting the Airport to other locations in the San Francisco Bay region for which the operator would collect passenger fares; and

WHEREAS, consistent with the requirements of San Francisco Administrative Code Section 21C.1, the Airport Director recommends finding that the public interest would best be served by requiring the payment of prevailing wages for motor bus services under this Contract; and

WHEREAS, on December 21, 2021, by Resolution No. 21-0245, the Commission authorized issuance of a Request for Proposals (RFP) for Shuttle Bus Services for San Francisco International Airport, as well as entry into contract negotiations with the highest-ranking firm; and

WHEREAS, on April 20, 2022, the Airport received four proposals, all of which were deemed responsive to the RFP; and

WHEREAS, a three-member evaluation panel reviewed and scored the proposals and interviewed the proposers; and

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 22-0136

WHEREAS, based on the scoring of the proposals, interviews, and cost proposals according to the terms of the RFP, SFO Hotel Shuttle, Inc., was evaluated to be the highest-ranked proposer and meets all of the requirements to be awarded this Contract; and

WHEREAS, Staff successfully negotiated the scope of services, contract terms and conditions, and the contract price elements with SFO Hotel Shuttle, Inc., and recommends that it be awarded this Contract; now, therefore, be it

RESOLVED, that this Commission awards Contract No. 50303 to SFO Hotel Shuttle, Inc. for Shuttle Bus Services for San Francisco International Airport in an amount not to exceed \$72,612,418 for a five-year term; and, be it further

RESOLVED, that the Commission approves the Airport Director's recommendation finding that the public interest will best be served by requiring the payment of prevailing wages for motor bus services under the Contract; and, be it further

RESOLVED, that the Commission Secretary is hereby directed to request Board of Supervisor's approval of Contract No. 50303 pursuant to San Francisco Charter Section 9.118(b).

Page 2 of 2

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

at its meeting of SEP 6 2022


Secretary



San Francisco International Airport

MEMORANDUM

September 6, 2022

TO: AIRPORT COMMISSION
Hon. Eleanor Johns, President
Hon. Malcolm Yeung, Vice President
Hon. Everett A. Hewlett, Jr.
Hon. Jane Natoli
Hon. Jose F. Almanza

22-0136

SEP 6 2022

FROM: Airport Director

SUBJECT: Award of Contract No. 50303 for Airport Shuttle Bus Services to SFO Hotel Shuttle, Inc.

DIRECTOR'S RECOMMENDATION: AWARD CONTRACT NO. 50303 FOR AIRPORT SHUTTLE BUS SERVICES TO SFO HOTEL SHUTTLE, INC. IN A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$72,612,418 FOR A FIVE-YEAR TERM; APPROVE THE AIRPORT DIRECTOR'S FINDING THAT THE PUBLIC INTEREST WOULD BEST BE SERVED BY REQUIRING PREVAILING WAGES FOR MOTOR BUS SERVICES; AND DIRECT THE COMMISSION SECRETARY TO SEEK APPROVAL OF THE CONTRACT FROM THE BOARD OF SUPERVISORS PURSUANT TO SAN FRANCISCO CHARTER SECTION 9.118.

Executive Summary

Staff requests that the Commission award Contract No. 50303 for Airport Shuttle Bus Services to SFO Hotel Shuttle, Inc. The total Contract not-to-exceed amount is \$72,612,418 with a Contract term of five years. The existing Contract, also with SFO Hotel Shuttle, Inc., will expire on December 31, 2022. If awarded, the San Francisco International Airport (Airport or SFO) will terminate the current Contract to be effective concurrently with the effective date of the new Contract to avoid any gap in service.

Background

The Airport has operated Shuttle Bus Services on- and off-campus at SFO for over 30 years, connecting the SFO terminals to various destinations such as remote parking lots, regional ferry docks, and nearby transit hubs. The shuttle bus system at SFO has flexibly met a variety of needs and responded to rapid changes over the years, including operating airfield busing, emergency train replacement busing, and regional transit connections.

Currently, the Airport shuttle bus service includes two regular routes from terminals to remote parking, and it includes the operation and maintenance of 39 Airport-owned buses and related administration and maintenance facilities. The current shuttle service is free to employees and members of the public. The proposed contract includes the option for the Airport to expand service by adding services and routes, including new routes connecting the Airport to other locations in the San Francisco Bay region for which the operator would collect passenger fares.

The Airport shuttle bus contractor operates and maintains the Airport's fleet of shuttle buses. Contractor staff conduct preventative maintenance and perform most major repairs. The contractor procures all consumables, supplies, parts, and materials necessary to operate the service. It is also responsible for fueling the vehicles, maintaining the electric bus charging infrastructure and operating the technology systems integral to the bus system, including scheduling and intelligent bus systems. Contractor management staff handle all personnel issues and collect and report the operating data from all vehicles.

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

THIS PRINT COVERS CALENDAR ITEM NO. 3

LONDON N. BREED
MAYOR

ELEANOR JOHNS
PRESIDENT

MALCOLM YEUNG
VICE PRESIDENT

EVERETT A. HEWLETT, JR.

JANE NATOLI

JOSE F. ALMANZA

IVAR C. SATERO
AIRPORT DIRECTOR

As part of this approval and consistent with San Francisco Administrative Code Section 21C.1, the Airport Director recommends that the Commission approve the finding that the public interest would best be served by requiring that the contractor pay prevailing wages for motor bus services under this Contract.

On December 21, 2021, by Resolution No. 21-0245, the Commission authorized issuance of a Request for Proposals (RFP) for Contract No. 50303 for Shuttle Bus Services for San Francisco International Airport, as well as entry into contract negotiations with the highest-ranking firm. By the due date of April 20, 2022, the Airport received four proposals and all were deemed responsive to the RFP.

The Selection Process

A three-member evaluation panel reviewed the proposals and interviewed the proposers. The panel consisted of one member each from: (1) the Port of Oakland—an airport parking operations superintendent; (2) the San Francisco Municipal Transportation Agency—a performance and analytics manager; and (3) the Airport—an aviation planner.

Based on the scoring of the technical and cost proposals according to the terms set forth in the RFP, the top three firms would advance to the oral interviews. The final rankings and scores were as follows:

<u>Proposer Name</u>	<u>Score (out of 500)</u>
1) SFO Hotel Shuttle, Inc.	437.00
2) SP Plus Transportation	408.01
3) Storer Transit Systems	394.96
4) ABM Aviation, Inc.	287.48

Staff successfully negotiated the scope of services, contract terms and conditions, and the contract price elements with the highest-ranked proposer, SFO Hotel Shuttle, Inc. The term of the Contract will be five years and the Contract amount is not to exceed \$72,612,418.

The Agreement will be subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR Part 23 as the operation will be selling a service to the traveling public in the future, thereby defining it as a concession under the federal regulation. All required non-discrimination and reporting clauses required by the regulation are included in the Contract. There is no contract specific goal set for this opportunity; however, the operator is encouraged to utilize Airport Concession Disadvantaged Business Enterprise (ACDBE) firms for purchases of goods and services whenever practicable. Social Responsibility will be monitoring the types and amounts of goods and services purchased during the term of the contract in order to appropriately set goals when the Contract is resolicited in five years.

A Notice of Intent to Award was issued on August 15, 2022. The protest period ended on August 22, 2022, and no protests were received.

In light of the COVID-19 crisis and its impact on Airport finances, Staff has considered the financial implication of the proposed contract award and has determined that the services are essential for the continued safe and secure operation of the Airport. The proposed Contract accounts for appropriate fees to assure the financial feasibility of the procurement of the services specified in the Contract.

Because the Contract amount exceeds \$10 million, Board of Supervisors' approval of this Contract is required pursuant to San Francisco Charter Section 9.118(b).

Recommendation

I recommend the Commission award Contract No. 50303 to SFO Hotel Shuttle, Inc. for Airport Shuttle Bus Services in a total Contract amount not to exceed \$72,612,418, for a five-year term; approve the Airport Director's recommendation finding that the public interest would best be served by requiring the payment of prevailing wages for motor bus services under the Contract; and direct the Commission Secretary to seek approval of the Contract from the Board of Supervisors pursuant to San Francisco Charter Section 9.118(b).



Ivar C. Satero
Airport Director

Prepared by: Jeff Littlefield
Chief Operating Officer

Attachment