



San Francisco International Airport

MEMORANDUM

April 4, 2017

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

17-0072

APR 04 2017

FROM: Airport Director

SUBJECT: Approve Modification No. 2 to the Parking Management Contract with New South Parking-California

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 2 TO CONTRACT NO. 9121 WITH NEW SOUTH PARKING-CALIFORNIA, FOR THE MANAGEMENT AND OPERATION OF THE AIRPORT'S PUBLIC AND EMPLOYEE PARKING FACILITIES, TO EXTEND THE CONTRACT TERM FOR AN ADDITIONAL TWELVE MONTHS IN AN AMOUNT NOT TO EXCEED \$20,955,485, FOR A NEW TOTAL NOT-TO-EXCEED AMOUNT OF \$116,925,468.

Executive Summary

On February 21, 2012, the Commission awarded a contract to New South Parking-California ("NSP") for the management and operation of the Airport's public and employee parking facilities (the "Agreement"). The Agreement has a term of five years with a not-to-exceed amount of \$95,969,983. The Agreement will expire on June 30, 2017. Staff recommends approval of a modification to the Agreement to extend its term for an additional twelve months in order to complete the competitive process for a new parking management contract.

Background

On September 6, 2011, by Resolution No. 11-0197, the Commission approved the business terms and authorized the issuance of a request for proposals for a professional services agreement for the management and operation of the Airport's public and employee parking facilities for a five-year term.

On January 31, 2012, by Resolution No. 12-0022, the Commission authorized staff to commence contract negotiations with NSP, and on February 21, 2012, by Resolution No. 12-0031, the Commission awarded the Agreement to NSP. On April 17, 2012, by Resolution No. 133-12, the Board of Supervisors approved the Agreement under San Francisco Charter Section 9.118.

THIS PRINT COVERS CALENDAR ITEM NO. 7

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

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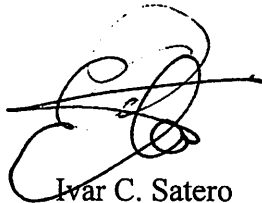
IVAR C. SATERO
AIRPORT DIRECTOR

The Agreement has a term of five years and a not-to-exceed amount of \$95,969,983. On August 10, 2012, the Agreement was administratively modified to add provisions related to Title VI of the Civil Rights Act of 1964. The Agreement will expire on June 30, 2017.

Staff has negotiated Modification No. 2 with NSP to extend the term of the Agreement for an additional twelve months in an amount not to exceed \$20,955,485. This is a maximum 3% increase to Year Five's Guaranteed Maximum Price of \$20,345,131 as stipulated in the current contract. The purpose of the extension is to give staff additional time to complete the competitive process for a new parking management contract.

Recommendation

I recommend that the Commission: 1) approve Modification No. 2 to Contract No. 9121 with New South Parking-California for the Management and Operation of the Airport's Public and Employee Parking Facilities, to extend the agreement for one additional year commencing July 1, 2017 and expiring June 30, 2018, in an amount not to exceed \$20,955,485; and 2) direct the Commission Secretary to request approval of Modification No. 2 to Contract No. 9121 by resolution from the Board of Supervisors, pursuant to Section 9.118 of the Charter of the City and County of San Francisco.



Ivar C. Satero
Airport Director

Prepared by: Leo Fermin
Chief Business & Finance Officer

Attachment