



MEMORANDUM

April 24, 2018

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

18-0108

APR 24 2018

FROM: Airport Director

SUBJECT: Award Contract No. 50107.01 for the Management and Operation of the Airport's Public and Employee Parking Facilities to New South Parking – California, GP

DIRECTOR'S RECOMMENDATION: AWARD CONTRACT NO. 50107.01 FOR THE MANAGEMENT AND OPERATION OF THE AIRPORT'S PUBLIC AND EMPLOYEE PARKING FACILITIES TO NEW SOUTH PARKING – CALIFORNIA, GP, IN AN AMOUNT NOT TO EXCEED \$124,812,393 FOR A TERM OF FIVE YEARS COMMENCING JULY 1, 2018.

Executive Summary

A Request for Proposals for the Management and Operation of the Airport's Public and Employee Parking Facilities (the "RFP") was issued on June 6, 2017. On April 3, 2018, Staff received authorization to negotiate with the highest ranked responsive and responsible proposer, New South Parking – California, GP ("NSP"). Negotiations were successful and Staff now recommends award of Contract No. 50107.01 for the Management and Operation of the Airport's Public and Employee Parking Facilities to New South Parking – California, GP in an amount not to exceed \$124,812,393 for a term of five years commencing July 1, 2018.

Background

On June 6, 2017, by Resolution No. 17-0131, the Commission authorized Staff to issue the RFP for a parking management contract, and approved the business terms, minimum qualifications, and evaluation criteria. By the same resolution, the Commission also authorized Staff to conduct an informational conference and accept proposals in response to the RFP for Contract No. 50107.01. On October 12, 2017, Staff conducted the pre-proposal conference, which was attended by eleven people and five people by conference call, representing seven parking companies. The RFP was advertised through an SFO press release and on SFO's website, in trade magazines and websites, online journals, and in local and minority newspapers to ensure maximum outreach. After that meeting, requests were made to revise the minimum qualifications to increase competition in the competitive process while still maintaining high minimum standards for interested proposers.

THIS PRINT COVERS CALENDAR ITEM NO. 2

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

MARK FARRELL 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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On November 7, 2017, by Resolution No. 17-0278, the Commission approved the RFP’s revised minimum qualifications and on November 17, 2017, the Airport received proposals from: (1) ABM PPM Management, LLC (joint venture of ABM Aviation and Pacific Park Management), (2) LAZ Parking California, LLC, and (3) NSP (joint venture of SP Plus Corporation and Global Parking Systems, LLC). Based on a review of the minimum qualifications, Staff concluded that all three proposers met the minimum qualifications.

The overall scoring results of the evaluation process are listed below (out of a maximum of 800 points):

Name of Proposer	Score
New South Parking-California, GP	674.24
ABM PPM Management, LLC	615.68
LAZ Parking California, LLC	479.00

The highest ranked responsive and responsible proposer is NSP. On April 3, 2018, by Resolution No. 18-0097, the Commission authorized Staff to enter into negotiations with the top ranked firm, NSP. Staff has concluded negotiations and recommends award of Contract No. 50107.01 to NSP.

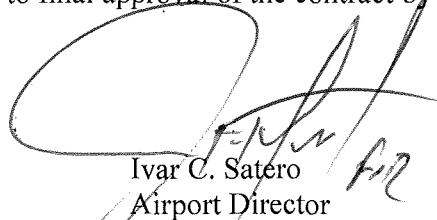
A Notice of Intent to Award was issued on April 16, 2018. The five-working-day protest period expires on April 23, 2018. Should a protest be filed, the item will be removed from the calendar at the Commission meeting.

Fee Structure

The fees that the operator will receive is comprised of two parts. First, the operator will be reimbursed the cost to operate the garages. This reimbursable cost would be allowed to grow no more than 3% per year over the 5-year period. Secondly, the operator will receive a fixed management fee of \$115,000 per year for the five-year period, which will be excluded from the 3% adjustment calculation. Please refer to Attachment A for a summary of the fees.

Recommendation

I recommend that this Commission adopt the attached resolution awarding Contract No. 50107.01 for the Management and Operation of the Airport’s Public and Employee Parking Facilities to New South Parking – California, GP, in an amount not to exceed amount \$124,812,393 for a term of five years commencing July 1, 2018, subject to final approval of the contract by the Board of Supervisors.



Ivar C. Satéro
Airport Director

Prepared by: Leo Fermin
Chief Business and Finance Officer

Attachment A

Contract 50107.01
Management and Operation of the Airport's Employee and Public Parking

GUARANTEED MAXIMUM PRICE (GMP)
Contract Term: 7/1/2018 – 6/30/2023

Year	Reimbursable Costs to Operate Garages	Management Fee (Fixed)	Guaranteed Maximum Price (GMP)
1	\$23,400,681	\$115,000	\$23,515,681
2	24,102,701	115,000	24,217,701
3	24,825,782	115,000	24,940,782
4	25,570,556	115,000	25,685,556
5	26,337,673	115,000	26,452,673
Total	\$124,237,393	\$575,000	\$124,812,393