

AIRPORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. 18-0189

AWARD OF THE EXPEDITED TRAVELER SERVICE LEASE TO ALCLEAR, LLC

- WHEREAS, by Resolution No. 18-0066, adopted March 6, 2018, the Airport Commission ("Commission") authorized Staff to commence a Request for Proposals process for the Expedited Traveler Service Lease ("Lease"); and
- WHEREAS, by Resolution No. 18-0148, adopted May 15, 2018, the Commission approved the revised minimum qualification requirements, and authorized Staff to accept proposals for the Lease; and
- WHEREAS, on May 30, 2018, Staff received one proposal from the incumbent, Alclear, LLC; and
- WHEREAS, Alclear, LLC meets the minimum qualification requirements, and Staff recommends award of the Lease to Alclear, LLC; now, therefore, be it
- RESOLVED, that this Commission hereby awards the Lease to Alclear, LLC, under the conditions set forth in the Staff memorandum on file with the Commission Secretary, including, but not limited to, a term of five years with one (1) two-year option exercisable at the Commission's sole and absolute discretion, and a Minimum Annual Guarantee of \$1,500,000.00 for the first year of the Lease; 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* JUN 19 2018


Secretary



San Francisco International Airport

MEMORANDUM

June 19, 2018

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

FROM: Airport Director

SUBJECT: Award of the Expedited Traveler Service Lease to Alclear, LLC

DIRECTOR'S RECOMMENDATION: (1) AWARD THE EXPEDITED TRAVELER SERVICE LEASE TO ALCLEAR, LLC; AND (2) DIRECT THE COMMISSION SECRETARY TO REQUEST APPROVAL OF THE LEASE FROM THE BOARD OF SUPERVISORS.

Executive Summary

The proposal process for the Expedited Traveler Service Lease ("Lease") has concluded and Staff recommends award of the Lease to the sole proposer, and incumbent, Alclear, LLC ("Clear"), to provide expedited security screening at security checkpoints throughout the San Francisco International Airport ("Airport").

Background

By Resolution No. 18-0066, adopted on March 6, 2018, the Airport Commission ("Commission") authorized Staff to commence the competitive proposal process and issue a Request for Proposals ("RFP") for the Expedited Traveler Service Lease to provide expedited security screening for paying members at security checkpoints throughout the Airport. Staff conducted an informational conference on April 4, 2018, at which Staff presented the Lease to interested parties and gathered their feedback.

By Resolution No. 18-0148, adopted May 15, 2018, the Commission approved the revised minimum qualification requirements, and authorized Staff to accept proposals. In response to the RFP, the Airport received one proposal by the May 30, 2018 deadline from Clear. Staff determined that Clear met the RFP's minimum qualifications, and as the sole proposer, recommends award of the Lease to Clear.

THIS PRINT COVERS CALENDAR ITEM NO. 12

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

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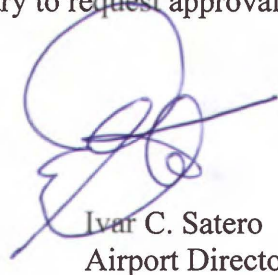
IVAR C. SATERO
AIRPORT DIRECTOR

Clear's Minimum Annual Guarantee ("MAG") offer for the first lease year is \$1,500,000.00. Base rent is the greater of the MAG or 12.5% of Gross Revenues. The term is five years with one (1) two-year option exercisable at the Commission's sole and absolute discretion.

Clear currently operates at 23 airports around the US. They are the incumbent and have been operating at the Airport since 2012. Last year, Clear processed over 700,000 departing passengers throughout their locations at the Airport. It is a customer service that is desired by our guests and is expected to generate over \$7,500,000.00 for the Airport during the term of the Lease.

Recommendation

I recommend that the Commission (1) award the Expedited Traveler Service Lease to Alclear, LLC; and (2) direct 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 & Finance Officer

Attachments

Attachment 1

EXPEDITED TRAVELER SERVICE LEASE
ALCLEAR, LLC ("CLEAR")

