



COUNCIL AGENDA: 06/24/08  
ITEM: 2.20

# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Scott P. Johnson

**SUBJECT:** SEE BELOW

**DATE:** June 4, 2008

Approved

*Christine J. Shippy*

Date

*6-11-08*

**SUBJECT: AMENDMENT TO AGREEMENT FOR MAINTENANCE OF AIRPORT  
PARKING ACCESS AND REVENUE CONTROL EQUIPMENT**

## **RECOMMENDATION:**

Adoption of a resolution authorizing the Director of Finance to:

1. Execute the First Amendment to the Agreement for Maintenance of Parking Revenue Control Equipment at the San Jose International Airport with ACS Transport Solutions, Inc. (Norcross, GA) to extend the term of the Agreement for one year, increase the not-to-exceed compensation by \$463,679 from \$2,646,341 to \$3,110,020, and add two one-year options to extend.
2. Exercise two additional one year options to extend the agreement, subject to the appropriation of funds.
3. Execute change orders as required to add or delete services as program requirements change, subject to the appropriation of funds.

## **OUTCOME**

Enable the Airport to continue to maintain Parking Access Revenue Control System (PARCS) used in Airport parking facilities until a new PRCS is installed and operational.

## **BACKGROUND**

On June 18, 2001, the City Council approved an agreement with Ascom Transport Systems to provide maintenance for the PARCS located in the Airport's Long Term, Short Term, and Tenant Employee Parking Facilities. In December 2005, Ascom changed their name to ACS Transport Solutions, Inc. The original term of the Agreement was for the period of July 1, 2001 to June 30,

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2004 and provided for two, two-year option periods. The final option period is scheduled to expire on June 30, 2008.

On April 15, 2008, the City Council approved an agreement with ACS Transport Solutions, Inc. for the design and installation of a new integrated PARCS/AVI system. As the new PARCS is phased over the next three years and old equipment is replaced, the required maintenance and support under this amendment will be phased.

The PARCS controls access to the Airport's parking facilities. The parking lots are accessed by magnetic stripe ticket issuance, Automated Vehicle Identification (AVI), and proximity cards. Parking lot exiting is made using AVI, proximity card, non-revenue badges, and payment by cash, credit card, or check. Parking at the Airport represents a significant portion of non-airline generated revenue for the Aviation Department. Continued maintenance of the current PARCS until the new PARCS is installed is vital.

### **ANALYSIS**

The existing PARCS must be in good repair to ensure customers and employees are able to access and exit parking facilities so that travel time to and from these facilities to the Airline terminals meets or exceeds customer expectations. The Contractor has met the requirements as designated by the agreement and the contractor's performance has been satisfactory in all areas including responsiveness, supervision, on-time service and coordination with City staff.

The Agreement stipulates that the Contractor is paid a fixed monthly fee to provide for normal maintenance of the PARCS. In addition, there is a cost reimbursable time and materials component that provides for equipment repairs unrelated to normal wear and tear. The monthly fixed fee is adjusted annually based on the Consumer Price Index (CPI). The amendment also provides for a phase out of maintenance services as the new system is being brought on line.

Because of the changing environment at the Airport due to the construction of the North Concourse and the implementation of the Terminal Area Improvement Program, the recommendation contains authority for the Director of Finance to execute change orders to allow staff to adjust the service requirements.

### **EVALUATION AND FOLLOW-UP**

This memorandum will not require any further follow-up from staff.

### **PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**

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- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This memorandum will be posted on the City's website for the June 24, 2008 Council Agenda.

**COORDINATION**

This memorandum has been coordinated with the Aviation Department, the City Attorney's Office and the City Manager's Budget Office.

**FISCAL/POLICY ALIGNMENT**

This Council item is consistent with Council approved Budget Strategy Memo, General Principle #2, "We must focus on protecting our vital core city services" and supports the City Service Area 5-year strategic goal that states "Airport Customers Experience Reasonable and Predictable Travel."

**COST SUMMARY/IMPLICATIONS**

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT:

Current Agreement Amount	\$2,646,341
Amendment Amount	\$ 463,679
Total Maximum Compensation	\$3,110,020

2. COST ELEMENTS OF AGREEMENT/CONTRACT:

Fixed fee (Monthly Charge of \$34,473.24)	\$ 463,679
Not-to-exceed reimbursable expenses (time and materials)	\$ 50,000

3. SOURCE OF FUNDING: The source of funding is the Airport Maintenance and Operating Fund (Fund 523).

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4. **FISCAL IMPACT:** The cost of the first year of the amendment is funded through existing appropriations. The remainder of the term will be funded based on the annual appropriation of funds.

**BUDGET REFERENCE:**

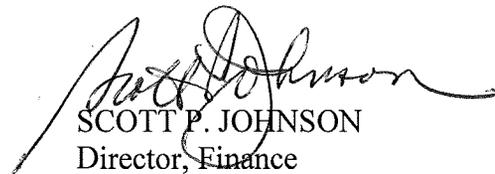
The table below identifies the fund and appropriations proposed to fund the contract amendments recommended as part of this memo.

Fund #	Appn #	Appn Name	RC#	Total Appn.	Amt. For Contract	2008-2009 Proposed Operating Budget Page *	Last Budget Action Date Ord.No.
523	0802	Airport NonPersonal/ Equipment	401140	\$43,788,729	Not to exceed \$463,679	Page XI-3	

\*The 2008-2009 Operating Budget and the implementing appropriation ordinance are scheduled for approval by the City Council on June 24, 2008.

**CEQA**

Resolutions No. 67380 and 71451, PP 08-078.

  
SCOTT P. JOHNSON  
Director, Finance

For questions, please contact Walter C. Rossmann, Chief Purchasing Officer, at (408) 535-7051.