



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Scott P. Johnson

SUBJECT: SEE BELOW

DATE: March 28, 2011

Approved

Date

4/3/11

SUBJECT: FIFTH AMENDMENT TO THE AGREEMENT FOR AIRPORT PARKING FACILITES MANAGEMENT SERVICES

RECOMMENDATION

Adopt a resolution authorizing the Director of Finance to execute the Fifth Amendment to the Parking Management Agreement for Norman Y. Mineta San Jose International Airport (Airport) with Ampco System Parking, Inc. (Ampco) to expand the scope of services to include in-lot shuttle services for the Airport parking lots scheduled to open beginning in early June 2011 and increase the amount of maximum compensation for the current term (ending October 31, 2011) by an amount not to exceed \$400,000, for a total maximum compensation not to exceed \$4,930,000 for parking management and shuttle services for the current term.

OUTCOME

Adoption of this recommendation will allow the Airport, through its current parking management operator, to provide shuttle services within designated Airport Parking lots/facilities scheduled to open this year, and allow sufficient time for staff to complete a Request for Proposal (RFP) process for Parking Management and Shuttle Services at the Airport.

BACKGROUND

On November 8, 2002, the City executed a one-year agreement with Ampco Systems Parking, Inc. (Ampco) for parking management services at the Mineta San Jose International Airport. The agreement included six one-year options to extend, and the City exercised all six option years ending in November 2009. Pursuant to two separate Council actions, Council authorized two additional option years (ending on October 31, 2011) to ensure continuity of service during the completion of parking facilities construction and implementation of a new Parking Access and Revenue Control System (PARCS). The final parking design and a completed and

functional PARCS system were necessary in order to write accurate and comprehensive requirements to include in the RFP for Parking Management Services.

Staff will issue a competitive RFP for Parking Management Services, and is currently developing specifications for the RFP that will accurately reflect the Airport's parking environment and parking management requirements as well as the in-lot shuttle service.

ANALYSIS

Shuttle Services

The Airport's parking facility construction will be completed in June 2011. Two of the new facilities – surface parking lots located adjacent to Terminal B – are at a distance from the Terminal and of a size that may require the use of shuttles services within the parking lot. Without a shuttle operating within the parking lot, passengers may have to walk long distances or create greater congestion at the terminal curbsides dropping off passengers prior to parking. Therefore, staff is recommending a short shuttle route within these lots.

These services will be provided within facilities that Ampco as the Parking Management operator would have management control over. Therefore, it would be appropriate for Ampco to also manage these short distance shuttle routes. Ampco will provide the vehicles, maintenance, management, staff and other operating requirements for the interim service.

The proposed in-lot shuttle services vary from the current Shuttle Bus operator services, currently provided by ShuttlePort, in that they will only operate within the parking facilities and not operate on the Airport's roadways, except for fueling and maintenance purposes. Additionally, it is expected that the vehicles used will be smaller than the current 40 foot buses operated on the Airport shuttle bus service routes and they will be scheduled in coordination with the parking lot traffic volumes rather than 24 hours per day.

ShuttlePort was contacted about the opportunity to provide these services and their original proposal was nearly double the price of Ampco's proposal.

This amendment will provide the Airport with the opportunity to provide in-lot shuttle services to the Airport passengers for up to five months until the Request for Proposal process is completed and a long term solution is approved. The interim shuttle service will be developed and monitored so that there can be a smooth implementation of the permanent service vehicles, scheduling and performance. In addition, the agreement has a termination for convenience provision that gives the City the right to terminate the agreement at any time with 30 days notice.

Wage Provisions and Other Changes

This Agreement currently includes wage provisions consistent with the City's Living Wage Policy and Prevailing Wage Policy. Because it pre-dates the adoption of the Airport Living Wage Ordinance (ALWO), the Agreement was exempted from the minimum compensation requirements in the ALWO. Through this Fifth Amendment, the Living/Prevailing Wage Policy provisions would be deleted and the Agreement would become subject to the ALWO in its entirety for the remaining term.

With the construction at the Airport, a number of changes (i.e., additions, deletions, reconfigurations) have been made to the parking facilities managed by Ampco. The amendment will capture the changes that have occurred in addition to those that are anticipated during the remaining term.

EVALUATION AND FOLLOW-UP

Staff does not anticipate any follow up at this time.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- 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, while not meeting any of the criteria above, will be posted on the City's website for the April 19, 2011, Council Agenda.

COORDINATION

This memo has been coordinated with the City Attorney’s Office, the Airport Department, 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.”

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT:

Current Agreement Amount:	\$42,022,438
Amendment Amount:	\$ 400,000
Total Maximum Compensation	\$42,422,438

2. COST ELEMENTS OF AGREEMENT:

Hourly Compensation Rate for Shuttle Service: Not to exceed \$50.00/service hour.

3. SOURCE OF FUNDING: Airport Maintenance and Operating Fund (#523)

4. FISCAL IMPACT: Cost for the term of the amendment is funded by existing appropriations.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	RC #	Total Appn.	Amt. for Contract	2010-2011 Adopted Operating Budget Page	Last Budget Action (Date, Ord. No.)*
Current Funding Available							
523	0802	Airport Non-Personal/Equipment	401140	\$42,053,107	Not to exceed \$400,000	XI-3	10/26/10 Ord # 28835
Total Funding							

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CEQA

Not a project, File No. PP10-066(e), Amendment to agreement for facility management

/s/
SCOTT P. JOHNSON
Finance Director

For questions please contact Mark Giovannetti, Purchasing Division Manager at (408) 535-7052.