



SAN DIEGO COUNTY
REGIONAL AIRPORT AUTHORITY
STAFF REPORT

Item No.
24

Meeting Date: **AUGUST 4, 2011**

Subject:

Award and Authorize the President/CEO to Execute an Agreement with Ace Parking Management, Inc. for Airport Shuttle Services

Recommendation:

Adopt Resolution No. 2011-0104, awarding an agreement to Ace Parking Management, Inc. for airport shuttle services for a term of five (5) years in an amount not to exceed twenty-eight million eight hundred thousand dollars (\$28,800,000); and authorizing the President/CEO to execute the agreement.

Background/Justification:

On-airport courtesy shuttle services at San Diego International Airport (SDIA) are provided for the accommodation and convenience of airport passengers, employees, and the public. The agreement with the current service provider, Lindbergh Parking, Inc. (LPi), expired in February 2009 and has since continued on a month-to-month basis. LPi sub-contracts with Ace Parking Management, Inc., which currently operates all shuttle vehicles under the agreement.

The scope of the airport shuttle services operation includes:

- Providing/leasing airport shuttle vehicles;
- Operating courtesy shuttle service throughout airport terminals and Authority-owned parking lots 24 hours per day, 365 days per year;
- Operating shuttle service for on-demand airside tours and other special services;
- Maintaining shuttle vehicles (includes cleaning, repairs, replacement and liability);
- Fueling the fleet of twenty four (24) Compressed Natural Gas ("CNG") alternative fuel shuttles and five (5) diesel shuttles; and,
- Hiring and managing shuttle operations personnel.

The term of the proposed agreement is five years and is based on a flat hourly rate. This type of compensation structure works best for the Authority because it allows flexibility to adjust service hours while maintaining the Authority's overall control of expenses. The five-year cost for shuttle services under the hourly rate will be approximately \$24.6 million. The hourly rate includes management, salaries, fringe benefits, uniforms, all other overhead costs associated with the operation, and profit for the contractor. Not included in the hourly rate is the cost of fuel for the shuttles. This

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cost, in an amount not to exceed \$4.15 million over five years, is reimbursable without markup and is included in the total amount of the agreement.

The following provides an overview of the various shuttle routes:

Terminal-to-Terminal (Airport Loop) Shuttle

The Airport Loop shuttle (also known as the "Red Bus") stops on the inner roadway/curb at the Commuter Terminal, Terminal 1 and Terminal 2. The 2.0 mile route takes an average of 10-12 minutes, including loading and unloading. For the majority of the day, there are three to five buses in service on this route.

Employee Shuttle

The employee shuttle operates between the employee parking lot and the Commuter Terminal, Terminal 1 and Terminal 2. The 1.9 mile route takes an average of 12-17 minutes, including loading and unloading. There are three buses in service on this route most of the day. During morning and evening shift changes and peaks, four or five buses may operate on this route.

SAN Park NTC Shuttle

The SAN Park NTC shuttle drops off passengers along the inner roadway/curb at the Commuter Terminal, Terminal 1 and Terminal 2; then picks up passengers at the Ground Transportation (GT) Plaza at Terminal 1, GT Plaza at Terminal 2 and then continues to the SAN Park NTC parking lot. This route takes approximately 32-35 minutes, including loading and unloading. This shuttle also services the temporary parking facility (known as SAN Park NTC 2) constructed to offset the loss of parking in front of Terminal 2. There are typically four to five shuttles operating on this route per day.

SAN Park Harbor Drive Shuttle

The SAN Park Harbor Drive shuttle drops off passengers along the inner curb at the Commuter Terminal, Terminal 1 and Terminal 2; then picks up passengers at the GT Plaza at Terminal 1, GT Plaza at Terminal 2 and then continues to the SAN Park Harbor Drive parking lot. This route takes approximately 24 minutes to complete, including loading and unloading. There are typically three to four shuttles operating on this route per day.

SAN Park Pacific Highway Shuttle

The SAN Park Pacific Highway shuttle drops off passengers along the inner curb at the Commuter Terminal, Terminal 1 and Terminal 2; then picks up at the GT Plaza at Terminal 1, GT Plaza at Terminal 2 and then continues to the parking lot. This route takes approximately 39 minutes to complete, including loading and unloading. There are typically six to nine shuttles operating on this route per day.

Shuttle Services Contractor Selection Process

The Authority issued a Request for Proposals (RFP) for airport shuttle services on April 27, 2011. Seven (7) responses were received by the submittal deadline. The respondents included one local firm (Ace Parking Management, Inc.), three firms from California (MV Transportation, Inc. (Fairfield), Transportation Concepts Inc. (Irvine), and Silverado Stages (San Luis Obispo)) and three national firms Coach America, (headquartered in Dallas, Texas), First Transit, Inc., (headquartered in Cincinnati, Ohio) and SP Plus Transportation, (headquartered in Chicago, Illinois). Shortly after the RFP was made available, the Authority hosted a presubmittal meeting, open to all interested parties, to review the proposal requirements, take questions specific to the RFP process and shuttle management operations and review the specifics of the proposed agreement.

An evaluation panel comprised of six senior Authority staff members evaluated each proposal based on the following criteria, as published in the RFP:

- Experience and Qualifications – relevant experience operating a courtesy shuttle bus service;
- Plan of Operation – the means and methods by which the respondent intends to manage the shuttle operations;
- Financial Viability – ability of the respondent to finance the shuttle fleet operations;
- Proposed Fees/Cost to Airport – hourly operating cost (not including reimbursable fuel costs);
- Small Business Preference – allotted if respondent is qualified as a small business under Authority Policy 5.12; and,
- Worker Retention Program – additional points allotted if respondent exceeds the standards of the Authority's worker retention program.

The four proposals ranked highest by the evaluation panel were invited to make a presentation during an interview with the panel. After the respondent's presentation, the panel members asked each respondent an identical set of eight (8) questions relating to the shuttle services requested and addressing the evaluation criteria. All of the respondents presented detailed submittals and comprehensive presentations. The evaluation panel concluded that Ace Parking Management, Inc. (Ace Parking) is the most qualified firm with the lowest proposed fee. The panel recommended that Ace Parking be awarded the agreement for airport shuttle services at SDIA.

The evaluation panel's final scores for each respondent are listed in the table below:

Final – Evaluation Criteria	Experience and Qualifications	Plan of Operation	Financial Viability	Proposed Fees/Cost to Airport	Business Preference			Sub-Total	Worker Retention Program	Total
					Small	Disadvantage	Local			
Maximum Points	25	15	20	35	5	NA	NA	100	2	102
ACE Parking Management, Inc.	21	13	20	35	0	NA	Yes	89	0	89
CUSA GCBS, LLC. dba Coach America San Diego	17	8	20	29	0	NA	No	74	0	74
First Transit, Inc.	19	12	20	24	0	NA	No	75	0	75
Standard Parking Corp.	24	14	20	20	0	NA	No	78	2	80

Ace Parking, a San Diego based company, has been the Authority's shuttle operator since the inception of the vehicle fleet and has significant experience in shuttle operations at other airports. The SDIA shuttles operated by Ace Parking have increased to 29 vehicles since inception. Ace has been an integral part of that expansion due to its ability to provide the Authority with various options for increasing the fleet. Over the years, Ace Parking has been a partner in the Authority's initiatives to transition the fleet to alternative fuel vehicles. Ace Parking's experience in shuttle operations, at SDIA and in other locations, was a leading factor in the panel's recommendation. In addition, Ace Parking's proposed hourly rate was by far the lowest of the respondents. Ace Parking has a highly experienced operations staff that is consistently responsive to the needs of the Authority. All of these factors led to a clear panel recommendation that Ace Parking be awarded the airport shuttle services agreement.

Fiscal Impact:

Funding for the agreement is included in the annual budget of the Ground Transportation Department.

Environmental Review:

- A. CEQA: This Board action, as an administrative action, is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code 30106.

Equal Opportunity Program:

The Authority's small business program promotes the utilization of small, local, disadvantaged, and other business enterprises, on all contracts, to provide equal opportunity for qualified firms. By providing education programs, making resources available, and communicating through effective outreach, the Authority strives for diversity in all contracting opportunities.

The Authority has a Disadvantaged Business Enterprise ("DBE") Plan as required by the Department of Transportation, 49 CFR Part 26. The DBE Plan calls for the Authority to submit an annual overall goal for DBE participation on all federally funded projects.

This project does not utilize federal funds; therefore, it will not be applied toward the Authority's overall DBE goal.

Prepared by:

VERNON D. EVANS
VICE PRESIDENT, FINANCE/TREASURER

COMMUNICATION RECEIVED FROM THE PUBLIC

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AUTOMOTIVE AND ALLIED INDUSTRIES EMPLOYEES

OF SAN DIEGO COUNTY

Teamsters Local No. 481

AFFILIATED WITH INTERNATIONAL BROTHERHOOD OF TEAMSTERS

2840 ADAMS AVENUE, ROOM 202, SAN DIEGO, CALIFORNIA 92116-1495 • PHONE (619) 282-2187 • FAX (619) 284-0481

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VICTOR TORRES

SECRETARY-TREASURER

TO: THELLA BOWENS - San Diego County Regional Airport Authority

July 14, 2011

Re: Bidders for Airport Shuttle Services and Airport Parking Management Services

Teamsters Local 481 is the Exclusive Collective Bargaining Representative for the employees of the incumbent contractors who are performing Airport Shuttle Services and Parking Management Services.

Airport Shuttle Services

On behalf of the employees who are currently rendering these services, we have contacted as many of the prospective bidders as we could to make sure that they were aware of and agreed to abide by the Airport Authority's Worker Retention Policy as it relates to successor contractors and the National Labor Relations Act as it applies to successor Employers.

We are happy to report that Local 481 would be pleased to endorse the bids from Ace Parking Management, DAJA International and Standard Parking Corporation. These Employers understand and have acknowledged their obligations to their employees under both the Airport Authority's requirements and the National Labor Relations Act.

Conversely, Local 481 would oppose the granting of this work to any other bidder on the basis that they have failed to indicate that they understand and will abide by their obligations under both the Airport Authority's policies, bid specs and the obligations under the National Labor Relations Act.

Parking Management Services

With respect to parking management services, Local 481 similarly attempted to contact all of the potential bidders. We are happy to report that we can support the bids of Ace Parking Management, DAJA International and Standard Parking Corporation. These Employers similarly have indicated that they understand their obligations under both the Airport Authority's policies and the National Labor Relations Act. As such we can, on behalf of the current employees, endorse their bids.

Similarly we would oppose and object to favorable consideration of the bid from any other contractor on the basis that they have failed to indicate in writing their understanding of their obligations to the existing employees if they are the successful bidder.

If you have any questions in this regard, or if we can be of any further assistance to you, as you evaluate the bids, please feel free to communicate with the undersigned.

Sincerely,

Victor D. Torres
Secretary-Treasurer
Teamsters Local 481

VDT/ha

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RESOLUTION NO. 2011-0104

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, AWARDED AN AGREEMENT TO ACE PARKING MANAGEMENT, INC. FOR AIRPORT SHUTTLE SERVICES FOR A TERM OF FIVE (5) YEARS IN AN AMOUNT NOT TO EXCEED TWENTY-EIGHT MILLION EIGHT HUNDRED THOUSAND DOLLARS (\$28,800,000); AND AUTHORIZING THE PRESIDENT/CEO TO EXECUTE THE AGREEMENT

WHEREAS, the San Diego County Regional Airport Authority (the "Authority") has established the need for a qualified firm to manage its Airport Shuttle services at San Diego International Airport; and

WHEREAS, in accordance with the Authority's Policy 5.01, on April 27, 2011, the Authority issued a Request for Proposals for Airport Shuttle Services (the "RFP"); and

WHEREAS, on June 10, 2011, the Authority received seven (7) proposals in response to the RFP; and

WHEREAS, the proposals were evaluated based upon the following criteria: Experience and Qualifications, Plan of Operation, Financial Viability, Proposed Fees/Cost to Airport, Small Business Preference, and Worker Retention Program; and

WHEREAS, additional consideration was given in the evaluation process for proposals that met or exceeded the required standards for small business participation and worker retention; and

WHEREAS, on July 19, 2011, the Authority interviewed four (4) short listed respondents; and

WHEREAS, following an exhaustive evaluation, Ace Parking Management, Inc. ("Ace") was deemed by the evaluation panel to be the most qualified firm; and

WHEREAS, the Board believes that it is in the best interests of the Authority and the public that it serves for the Board to award an agreement to Ace for a term of five (5) years for Airport Shuttle Management Services, upon the terms and conditions set forth in the proposal.

NOW THEREFORE BE IT RESOLVED that the Board hereby awards to Ace Parking Management, Inc. the agreement for Airport Shuttle Services for a term of five (5) years in an amount not to exceed twenty-eight million eight hundred thousand dollars (\$28,800,000), upon the terms and conditions set forth in the proposal, with such minor changes or modifications as the Authority President/Chief Executive Officer ("President/CEO") or designee may deem to be in the best interest of the Authority and the public that it serves; and

BE IT FURTHER RESOLVED that the President/CEO or designee hereby is authorized, upon approval as to form by the General Counsel, to execute and deliver such agreement with Ace; and

BE IT FURTHER RESOLVED that the Authority and its officers, employees and agents hereby are authorized, empowered and directed to do and perform all such acts as may be necessary or appropriate in order to affect fully the foregoing resolutions.

BE IT FURTHER RESOLVED that the Board FINDS that this action is not a "project" as defined by the California Environmental Quality Act ("CEQA"), Cal. Pub. Res. Code §21065; and is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 4th day of August, 2011, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:

BRETON K. LOBNER
GENERAL COUNSEL

SAN ORG



San Diego International Airport

Item 24



Award Airport Shuttle Services Agreement

Vernon D. Evans, CPA

Vice President, Finance/Treasurer and CFO

August 4, 2011

Airport Shuttle Services

- Provided for the accommodation and convenience of airport passengers, employees, and the public
- Fleet contains 29 courtesy shuttles, 24 are Compressed Natural Gas (CNG) alternative fuel vehicles

Airport Shuttle Services

- Providing/leasing airport shuttle vehicles
- Operating courtesy shuttle service throughout airport terminals and Authority-owned parking lots 24 hours per day, 365 days per year
- Maintaining shuttle vehicles
- Fueling the fleet of vehicles
- Hiring and managing shuttle operations personnel

Airport Shuttle Agreement

- Contractor receives hourly rate plus reimbursement for fuel costs
- Hourly rate incorporates:
 - Maintenance
 - Management
 - Salaries
 - Fringe benefits
 - Uniforms
 - All other overhead costs associated with the operation
 - Profit for the contractor

Shuttle RFP Selection Process

- April 27, 2011 – RFP released to public
- May 13, 2011 – Pre-submittal meeting
- June 10, 2011 – Proposal Due Date
- Received proposals from
 - Ace Parking Management (San Diego, CA)
 - MV Transportation, Inc. (Fairfield, CA)
 - Transportation Concepts Inc. (Irvine, CA)
 - Silverado Stages (San Luis Obispo), CA)
 - Coach America (Dallas, TX)
 - First Transit, Inc. (Cincinnati, OH)
 - SP Plus Transportation (Chicago, IL)

Shuttle RFP Selection Process

- Evaluation panel shortlist included top 4 proposers
 - Ace Parking Management (San Diego, CA)
 - Coach America (Dallas, TX)
 - First Transit, Inc. (Cincinnati, OH)
 - SP Plus Transportation (Chicago, IL)
- July 19, 2011 – Short-listed firms interview with evaluation panel

Evaluation Criteria

- **Experience and Qualifications**
 - Relevant experience operating a courtesy shuttle bus service
- **Plan of Operation**
 - Means and methods by which the proposer intends to manage the operations
- **Financial Viability**
 - Ability of the respondent to finance the shuttle fleet operations
- **Proposed Fees/Cost to Airport**
 - Hourly operating cost (not including reimbursable fuel costs)
- **Small Business Preference**
 - Allotted if respondent is qualified as a small business under Authority Policy 5.12
- **Worker Retention Program**
 - Additional points allotted if respondent exceeds the standards of the Authority's worker retention program

Final Evaluation Matrix

Final – Evaluation Criteria	Experience and Qualifications	Plan of Operation	Financial Viability	Proposed Fees/Cost to Airport	Business Preference			Sub-Total	Worker Retention Program	Total
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Standard Parking Corp.	24	14	20	20	0	NA	No	78	2	80

Staff Recommendation

- Award Agreement to Ace Parking Management, Inc.
- Five-year hourly expenses estimated at \$24.6 million plus not-to-exceed amount of \$4.15 million for fuel reimbursement
- Total contract not to exceed \$28.8 million

Questions ?



San Diego International Airport