

0150-10638-0000

TRANSMITTAL

TO
Deborah Flint, Executive Director
Department of Airports

DATE
4/18/16

COUNCIL FILE NO.
15-1548-S1

FROM
The Mayor

COUNCIL DISTRICT
11

**Approval to Award an Agreement to ABM Onsite Services-West, inc., dba
ABM Parking Services to Operate Shuttle Services at
Los Angeles International Airport**

Transmitted for further processing, including Council consideration.
See the City Administrative Officer report, attached.



(Ana Guerrero)

MAYOR

MAS:AVM:10160085I

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: April 14, 2016

CAO File No. 0150-10638-0000

Council File No. 15-1548-S1

Council District: 11

To: The Mayor

From: Miguel A. Santana, City Administrative Officer *MS*

Reference: Communication from the Department of Airports dated March 8, 2016; referred by the Mayor for a report on March 10, 2016

Subject: **APPROVAL TO AWARD AN AGREEMENT TO ABM ONSITE SERVICES-WEST, INC. DBA ABM PARKING SERVICES TO OPERATE SHUTTLE SERVICES AT LOS ANGELES INTERNATIONAL AIRPORT**

SUMMARY

The Executive Director of the Department of Airports (Department) requests approval to award a competitive bid agreement (Agreement) to ABM Onsite Services – West, Inc., dba ABM Parking Services (ABM Parking). Approval of the proposed Agreement will assign to ABM Parking the responsibilities of managing and operating fixed-route courtesy shuttle vehicle service at the Central Terminal Area (CTA), Los Angeles International Airport (LAX) and on-demand courtesy vehicle service for persons with disabilities in the CTA and between the CTA and public parking facilities at LAX. The proposed Agreement has a five-year term. The proposed Agreement has a budget cost not to exceed \$10 million over the five-year term.

The Board of Airport Commissioners (BOAC) approved the proposed ABM Agreement at a meeting on March 17, 2016. The above-referenced Agreement, and this report, incorporates revised information received from the Department subsequent to the initial request submittal. Pursuant to Charter Section 373 and Los Angeles Administrative Code Section 10.5(b)2, Council approval of the proposed Agreement is required because the cumulative term will exceed three years.

Background

Department staff reports that currently two contractors are providing the operation and management of different shuttles services at LAX and Van Nuys Airport (VNY). The BOAC initially awarded one contract to GlobeGround North America, LLC, in 2004 and one contract to New South Parking in 2007, to operate courtesy shuttle service at LAX and to operate public and employee parking facilities at LAX and VNY as well as transport disabled passengers at LAX,

respectively. Over the years, both contracts have been extended through subsequent amendments. The expiration dates are June 30, 2016 for GlobeGround North America, LLC (now named Swissport SA, LLC) and May 31, 2016 for New South Parking.

Approval of the proposed Agreement will consolidate the existing shuttle transportation contracts and provide a technology enhanced and customer focused approach to service delivery, according to Department staff. In response to the Department's release of a Request for Proposals (RFP) to operate and manage at LAX the fixed-route courtesy shuttle vehicle service within the CTA and on-demand Americans with Disabilities Act (ADA) courtesy shuttle vehicle service, five proposals were submitted on January 26, 2016. The competitive selection process included a four-member committee which reviewed the proposals in accordance with the Evaluation Criteria outlined in the RFP, as follows:

| Evaluation Criteria | Criteria Weight |
|--------------------------------|------------------------|
| Qualifications and Experience | 10 |
| Management and Operations Plan | 15 |
| Customer Service Plan | 20 |
| Driver Training Program | 15 |
| Financial Capability | 10 |
| Financial Proposal | <u>30</u> |
| Total Points | 100 |

The members of the evaluation committee were Airports Department executive-level and management-level personnel. After the evaluation panel scored the proposals, the four-member team ranked the proposals based upon the categories and weighted criteria. The final rankings were: ABM Onsite Services-West, Inc. (ABM Parking) – first rank; Swissport SA, LLC – second rank; Ace Parking Management, Inc. - third rank; MV Transportation, Inc.– fourth rank; Metro Cars West, LLC – fifth rank.

Proposed ABM Parking Agreement to Operate Courtesy Shuttle Services at LAX

The proposed Agreement with ABM Parking has a five year term and a budget not-to-exceed \$10 million over the duration of the term. The Agreement includes provisions that ensure a contractor Faithful Performance Guarantee as well as Termination options for the City. Furthermore through the technology enhanced and customer focused services, ABM Parking will have available for passengers a smartphone application to provide real-time bus information at LAX. Approval of the proposed Agreement will provide the following:

- Inter-terminal shuttle vehicle service, which is no-charge transportation for passengers between the various terminals in the CTA, and
- On-demand ADA shuttle vehicle service, which is no-charge transportation for disabled passengers, and those accompanying them, between various terminals within the CTA

and between the Airports Department's economy parking Lot C (a surface lot located at 96th Street and Sepulveda Blvd.) and terminals in the CTA.

Alternative to the Proposed Agreement Award Considered by Staff

Department staff reports that the one alternative considered was to take no action regarding the proposed Agreement. However, a course of no action may disrupt shuttles services at LAX if the existing contracts for courtesy inter-terminal shuttles and on-demand shuttles expire in the upcoming months. Staff therefore decided to implement a competitive bid process to select a contractor to continue such shuttles services.

City Contract Compliance

The proposed ABM Parking Agreement is subject to approval by the City Attorney as to form. Staff notes ABM Parking has an assigned Business Tax Registration Certificate number and will have approved insurance documents in the terms and amounts required on file with the Department prior to the issuance of a Notice to Proceed. In addition, ABM Parking has submitted the Bidder Contributions City Ethics Commission Form 55 and will comply with its provisions pertaining to the City's contract bidder campaign contribution and fundraising restrictions (Charter Amendment H). The proposed contractor, ABM Parking, has submitted the Contractor Responsibility Program Questionnaire and Pledge of Compliance and will comply with provisions of the Contractor Responsibility Program. The Public Works, Office of Contract Compliance has determined that ABM Parking is in full compliance with provisions of the Equal Benefits Ordinance. Pursuant to the provisions of Charter Section 1022, Use of Independent Contractor, it has been determined that the proposed Contract work may be performed more feasibly or economically by an independent contractor than by City employees.

In accordance with the proposed Agreement, ABM Parking is required to comply with the following City standard contract provisions of the: Affirmative Action Program; Child Support Obligations Ordinance; First Source Hiring Program for all non-trade Airport jobs and, Living Wage Ordinance, and Service Contractor Worker Retention Ordinance. The Department's Procurement Services Division staff has reviewed this action (File No. 10040778) and because no subcontracting opportunities were identified, there was no Airport Concession Disadvantage Business Enterprise goal set for this project.

Actions taken on this item by the BOAC will become final pursuant to Charter Section 373, "Long Term Contracts Approved by Council," and Administrative Code 10.5, "Limitation and Power to Make Contracts". City Council approval is required because approval of the proposed Agreement will result in the term exceeding three years.

RECOMMENDATIONS

That the Mayor:

1. Approve the award a proposed Agreement (Agreement), with ABM Onsite Services – West, Inc., dba ABM Parking Services (ABM Parking), for a five-year term and a budget not-to-exceed \$10 million, to operate and manage fixed-route courtesy shuttle vehicle service at the Central Terminal Area (CTA), Los Angeles International Airport (LAX) and on-demand courtesy vehicle service for persons with disabilities in the CTA and between the CTA and public parking facilities at LAX. The City Attorney will approve the proposed Amendment as to form, and there is a requirement that prior to the issuance of a Notice to Proceed, ABM Parking must have approved insurance documents in the terms and amounts required on file with the Department, and
2. Return the request to the Department of Airports for further processing, including Council consideration.

FISCAL IMPACT STATEMENT

Approval of the proposed Agreement between the Department of Airports and ABM Parking will have no impact on the General Fund. The proposed Agreement has a total cost not-to-exceed \$10 million over the five-year term. Department staff reports the proposed Agreement costs will be recovered through landing fees and terminal and building rates and charges, as well as through non-aeronautical revenues. The proposed Agreement complies with the Department of Airports' adopted Financial Policies.

TIME LIMIT FOR COUNCIL ACTION

Pursuant to Charter Section 373, "Long Term Contracts Approved by Council", and the Los Angeles Administrative code Section 10.5, "Limitation and Power to Make Contracts", unless the Council takes action disapproving a contract that is longer than three years within 60 days after submission to Council, the contract shall be deemed approved.