



## AGENDA MEMORANDUM

Future Agenda Item for the City Council Meeting of February 26, 2013  
Action Item for the City Council Meeting of March 19, 2013

**DATE:** February 15, 2013  
**TO:** Ronald L. Olson, City Manager  
**FROM:** Fred Segundo, Director of Aviation  
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### Airport Parking Facilities Management Agreement

#### **CAPTION:**

Motion authorizing the City Manager, or designee, to enter into a parking Facilities Management Agreement with Republic Parking System, Inc. ("Republic") to manage, operate, maintain, and collect revenues for the City of Corpus Christi ("City") from parking facilities located at the Corpus Christi International Airport, in consideration of a management fee of \$9,583 per month to be paid to Republic by the City, for a term of five (5) years.

#### **PURPOSE:**

The contract proposed is to convert the Airport Parking Management Program from a City staffed program to a third-party contractor.

#### **BACKGROUND AND FINDINGS:**

Historically the Airport Parking Program has been operated utilizing City staff. The Industry trend has been to contract this program out to allow for flexibility and financial investment by the selected contractor. In exchange for the contract and the investment, the contractor is paid a monthly management fee. In this Bid, the Contractor is required to pay the City \$400,000.00 for capital investment. The Management Fee to be paid to the Contractor is \$9,583.00 a month. Under this program, all of the Direct Costs as authorized by the City are reimbursable at cost and all revenues received from the parking activities are deposited with the City. The City will approve all expenses budgeted on an annual basis. The \$400,000.00 investment is to be used for improvements at the sole discretion of the City. Any unused amounts revert to the City upon expiration of the Contract. All parking policies, rates and hours of operation are at the sole discretion of the City.

#### **ALTERNATIVES:**

No viable alternative exists.

#### **OTHER CONSIDERATIONS:**

Not Applicable

**CONFORMITY TO CITY POLICY:**

This project complies with City Privatization Initiatives and City procurement and contracting policies.

**EMERGENCY / NON-EMERGENCY:**

Non-Emergency

**DEPARTMENTAL CLEARANCES:**

Legal  
Purchasing  
Finance

**FINANCIAL IMPACT:**

Operating       Revenue       Capital       Not applicable

<b>Fiscal Year: 2012-2013</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget		\$38,332	\$536,648	\$574,980
Encumbered / Expended Amount				
This item		\$38,332	536,648	\$574,980
BALANCE				

Fund(s): Airport

**Comments:**

The \$38,332 financial impact shown above represents management fees that will be encumbered for four (4) months of the current fiscal year. The remaining \$536,648 represents fifty-six (56) months of management fees that will be requested during the normal budget process in future fiscal years.

**RECOMMENDATION:**

Staff requests approval of Motion.

**LIST OF SUPPORTING DOCUMENTS:**

Motion  
Republic Parking Agreement