



AGENDA MEMORANDUM

First Reading for the City Council Meeting of January 28, 2014
Second Reading for the City Council Meeting of February 11, 2014

DATE: January 14, 2014
TO: Ronald L. Olson, City Manager
FROM: Fred Segundo, Director of Aviation
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Appropriate \$480,000 from the Airport Fund Balance for the purchase and installation of parking and revenue equipment at Corpus Christi International Airport as per agreement with Republic Parking System.

CAPTION:

Ordinance appropriating \$480,000 from the Unreserved Fund Balance in the No. 4610 Airport Fund for the purchase of parking and revenue control systems for Corpus Christi International Airport; amending the FY 2013-2014 Operating Budget adopted by Ordinance 029916 by increasing expenditures by \$480,000.

PURPOSE:

Purchase of the equipment will replace an obsolete, unreliable parking revenue system that was installed in 1999. The new equipment will enhance customer service, provide technology to monitor airport ground transportation and reduce maintenance and repair costs.

BACKGROUND AND FINDINGS:

On March 19, 2013, the City Council approved a management service agreement with Republic Parking System (RPS). RPS assumed responsibility for parking operations at the Corpus Christi International Airport on June 03, 2013. Prior to the agreement, the Airport Parking Program was operated by City staff. The industry trend has shifted to outside management agreements that allow for flexibility and financial investment by the contractor. In exchange for the contract and capital investment of \$400,000, RPS is paid a monthly management fee of \$9,583.00 plus reimbursable expenses. 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 approves all expenses budgeted on an annual basis. RPS solicited bids and received four bids. The successful bid was received from Hub Parking Technology with a base bid of \$336,842.47.

In accordance with the agreement, RPS has deposited \$400,000 in the Airport's bank account for the purchase of the parking and revenue control system. An additional \$80,000 from Airport funds will be appropriated for additional system equipment options that provide parking control for employee and rental car lots, East Fixed Based Operator parking area and ground transportation activity. In addition, some minor infrastructure work must be done as part of the equipment installation. All parking policies, rates and hours of operation are at the sole discretion of the City. Following is summary of the system component parts:

Equipment	Cost
Primary Parking Lot Equipment	\$336,842.47
East FBO Parking Area	39,894.60
Employee & Rental Car Lots	16,189.00
Commercial Lane	30,835.94
Ground Transportation	37,052.17
Infrastructure Improvements	<u>\$ 19,185.82</u>
Total	\$480,000.00

ALTERNATIVES:

No viable alternative exists.

OTHER CONSIDERATIONS:

Not Applicable

CONFORMITY TO CITY POLICY:

This project complies with City Privatization Initiatives

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

Legal
Finance

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year: 2013-2014	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget		0	0	0
Encumbered / Expended Amount				
This item		\$480,000	0	\$480,000
BALANCE		\$480,000	0	\$480,000

Fund(s): Airport Fund 4610

Comments: None

RECOMMENDATION:

Staff requests approval of Ordinance

LIST OF SUPPORTING DOCUMENTS:

Ordinance