



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Maria Öberg
Mukesh (Mookie) Patel

SUBJECT: See Below

DATE: April 1, 2025

Approved

Date:

4/9/25

COUNCIL DISTRICT: 6

SUBJECT: Report on Request for Proposals for Shuttle Bus Services.

RECOMMENDATION

Adopt a resolution authorizing the City Manager or her designee to:

- (a) Negotiate and execute an agreement with Ace Parking III, LLC (San Diego, CA) for shuttle bus services at the San José Mineta International Airport (Airport) for an initial one-year term beginning on or about May 26, 2025, and ending on or about May 25, 2026, with a maximum compensation not to exceed \$5,158,582;
- (b) Approve a contingency of \$516,000 for unanticipated and related services;
- (c) Negotiate and execute amendments and change orders related to unanticipated scope and compensation changes and related services subject to the appropriation of funds; and
- (d) Exercise up to four one-year options to extend the term of the agreement for a maximum term of five years through May 25, 2030, subject to the appropriation of funds.

SUMMARY AND OUTCOME

Authorizing the City Manager or her designee to take these actions will enable the Airport to receive operational support and staffing for the Airport's fleet of shuttle buses that provide free, round-the-clock ground transportation.

BACKGROUND

The Airport provides round-the-clock courtesy shuttle bus services for passengers and visitors between the terminals, the various parking lots, and rental car center. The Airport's shuttle bus services play a crucial role in safely and efficiently connecting all patrons to the aforementioned ground-transportation destinations.

Since April 2000, the Airport has used third-party shuttle bus operators to efficiently provide ground transportation within and around the airport to its patrons and would like to continue with this model. The current operator, Transdev Services, Inc. (formerly, Veolia Transportation Services, Inc.), has been the Airport's operator of shuttle buses since 2013, with the current contract expiring on August 31, 2025. The City is therefore seeking to procure a new agreement to replace the current one at its expiration.

ANALYSIS

In April 2024, the Finance Department released a request for proposals for shuttle bus services. Eleven providers submitted proposals prior to the proposal due date. Subsequently, one of the proposers withdrew its proposal from further consideration.

Responsive Proposals: The City's Office of Equality Assurance Division in the Public Works Department reviewed the records of the remaining 10 firms and their respective subcontractors held at the California Labor Commissioner's Office for compliance with the City's Wage Theft Policy. The review returned evidence of non-compliance with the policy for two of the proposers. Consequently, those two firms were disqualified from participating in the opportunity and their proposals did not receive any further consideration.

Evaluation Process: A three-member evaluation panel consisting of representatives from the Airport Department independently evaluated and scored the remaining eight proposals.

Following the initial evaluation, four proposers scored in the competitive range as determined by the range of scores and were invited to participate in oral interviews and a best and final offer process to provide clarifications and final pricing.

Ace Parking III, LLC scored the highest number of points. Staff conducted reference checks, and all references provided positive feedback.

Local and Small Business Enterprise Preference: In accordance with the San José Municipal Code, Section 4.12.320, 10% of the total evaluation points were reserved for the local and small business preferences. Four proposers requested and received the local business enterprise preference.

Protests: No protests were received during the 10-day protest period.

The table below provides the scores for the four finalists.

Evaluation Criteria	Maximum Points	ABM Aviation, Inc.	ACE Parking III, LLC	LAZ Parking California, LLC	SP Plus Corporation
General Requirements	5	5.00	5.00	5.00	5.00
Experience and Qualifications	10	9.20	9.47	9.07	9.60
Project Approach/Schedule	5	4.25	4.25	4.50	4.50
Technical Capabilities	25	23.52	23.17	23.08	22.27
Cost Proposal (BAFO)	20	17.62	20.00	16.57	18.83
Oral Interview/System Demonstration	25	21.47	21.27	21.47	21.57
Local Business Enterprise	5	5.00	5.00	5.00	5.00
Small Business Enterprise	5	-	-	-	-
TOTAL	100	86.06	88.16	84.69	86.77

Award Recommendation: Staff recommends award of contract to ACE Parking III, LLC as the highest ranked proposer.

The agreement resulting from this solicitation will be subject to the City's Prevailing/Living Wage Policy and the Airport Living Wage Ordinance.

Climate Smart San José Analysis

The recommendation in the memorandum aligns with one or more Climate Smart San José energy, water, or mobility goals:

- It reduces vehicle miles traveled.
- It facilitates the choice of mobility choices other than single-occupancy, gas-powered vehicles.
- It facilitates job creation within City limits.

April 1, 2025

Subject: Report on Request for Proposals for Shuttle Bus Services

Page 5

COORDINATION

This memorandum has been coordinated with and consulted with the City Attorney's Office, the City Manager's Budget Office, and the Department of Public Works' Office of Equality Assurance.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the April 22, 2025 City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/
MUKESH (MOOKIE) PATEL
Director, Department of Aviation

/s/
MARIA ÖBERG
Director, Finance Department

For procurement- and contract-related questions, please contact Albie Udom, Deputy Director of Finance – Purchasing and Risk Management, at albie.udom@sanjoseca.gov. For program-related questions, please contact Mukesh Patel, Director, Department of Aviation, at mookie.patel@sanjoseca.gov.