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**Title:** Airport - Award of Contract, RFP No. 16-042 Baggage Handling System and Passenger Loading Bridge Operation and Maintenance Services

**Sponsors:** Ashton J. Hayward, III

**Indexes:**

**Code sections:**

**Attachments:** 1. Airport Baggage Handling System and Passenger Loading Bridge Operation and Maintenance Services Contract, 2. Tabulation of Proposals for RFP No. 16-042

Date	Ver.	Action By	Action	Result
1/12/2017	1	City Council	approved	
1/9/2017	1	Agenda Conference	Placed on Consent Agenda	Pass

**LEGISLATIVE ACTION ITEM**

**SPONSOR:** Ashton J. Hayward, III, Mayor

**SUBJECT:**

Airport - Award of Contract, RFP No. 16-042 Baggage Handling System and Passenger Loading Bridge Operation and Maintenance Services

**RECOMMENDATION:**

That City Council award a contract for RFP No. 16-042 Baggage Handling System and Passenger Loading Bridge Operation and Maintenance Services to Elite Line Services, Inc. for the maintenance and operation of the baggage handling system and passenger loading bridges at the Pensacola International Airport. Further, that Council authorize the Mayor to execute all contract and related documents and take all related actions necessary to complete the project.

**AGENDA:** Consent

Public Hearing Required: No Hearing Required

**SUMMARY:**

Checked baggage at the Pensacola International Airport is screened and transported to the individual airline sort piers via an in-line baggage handling system. This system, designed and installed in 2009, handles on the average over 1000 bags per day and consists of 1,436 feet of baggage handling conveyor, 11 high-speed

diverters, four vertical sort units, nine 36 foot baggage piers for carrier specific sortation, three 130 foot baggage claim carousels, and a screening matrix consisting of three L3 screening machines and one CT-80 XL Explosive Detection System.

While the equipment is owned by the Pensacola International Airport, the operation is actually managed by an outside firm on behalf of the Airport. The contractor is responsible for the overall operation and maintenance of the system. As such they provide a full-time site manager and all required technicians, they interface and coordinate with the City, airlines and Transportation Security Administration, they start the system each morning and ensure the same is ready to receive baggage before flight operations, they monitor the system throughout the day and respond to and clear any fault conditions, they train all users on the use of all systems (outbound and inbound systems) and on proper baggage hygiene protocols, they provide all preventative and non-scheduled maintenance services, they maintain an inventory of City purchased spare parts and they provide annual budget amounts to the City for the purchase of replacement parts based on past and anticipated usage. In addition, they provide quarterly maintenance services to the ten Airport-owned passenger boarding bridges in accordance with guidelines and specifications outlined by the bridge manufacturer to ensure the safe continued operation of this equipment.

Under the agreement, the contractor provides an itemized budget outlining direct expenses to be incurred each year. The City reimburses the contractor for direct expenses rendered, supplies purchased and other operating expenses incurred, without markup, as indicated on the approved annual budget and as shown on a detailed, itemized monthly statement. In consideration of the indirect expenses associated with operating the system, the contractor outlines an overhead percentage to be multiplied by the direct labor costs each month, and a profit percentage to be multiplied by the labor and overhead each month.

The current contract, executed in 2011, is at its natural expiration. Airport Staff issued a Request for Proposals in October 2016. Seven firms were in attendance at the pre-proposal conference. Three firms responded to the RFP. Each firm outlined their experience with operating similar in-line baggage handling systems and with maintaining passenger loading bridges, provided information relative to their proposed management plan, training programs and corporate support, their proposed operating plan including staffing levels and compensation levels, and their proposed financial plan relative to the cost to be incurred by the City including a proposed budget outlining direct expenses, the percentage rates for overhead covering indirect expenses and profit, and a prevailing parts list for possible spare parts. Upon review of the submittals, Airport Staff has determined Elite Line Services, Inc. to be the best proponent.

Elite Line Services, Inc. is a national firm that has provided baggage handling and passenger loading bridge maintenance and operations services for both airports and airlines for twenty-two years. They currently maintain and operate systems in the airports at Atlanta, Los Angeles, Reno-Tahoe, Detroit, Louisville, and many others.

The proposed agreement will be for a three-year period with two one-year renewal options at the sole discretion of the City.

**PRIOR ACTION:**

None

**FUNDING:**

Budget: \$667,000.00

Actual: \$391,418.84

**FINANCIAL IMPACT:**

Funding is included in the Airport's operation and maintenance budget for this contract.

**CITY ATTORNEY REVIEW:** Yes

12/30/2016

**STAFF CONTACT:**

Eric W. Olson, City Administrator  
Daniel E. Flynn, Airport Director

**ATTACHMENTS:**

- 1) Airport Baggage Handling System and Passenger Loading Bridge Operation and Maintenance Services Contract
- 2) Tabulation of Proposals for RFP No. 16-042

**PRESENTATION:** No