



City of San Antonio

ADDENDUM III

SUBJECT: Request for Proposals, Valet Parking Service Concessionaire, (**RFP 16-012**), Date of Issue: March 18, 2016, Scheduled to Open: May 13, 2016

FROM: Denise D. Gallegos, C.P.M., CPPB
Procurement Administrator

DATE: April 26, 2016

THIS NOTICE SHALL SERVE AS ADDENDUM NO. III TO THE ABOVE REFERENCED REQUEST FOR PROPOSALS

QUESTIONS SUBMITTED IN ACCORDANCE WITH SECTION 010, RESTRICTIONS OF COMMUNICATION:

Question 1: Given the start-up and ramp-up nature of a valet business at an Airport, would the Airport consider changing the Compensation structure to allow the Operator to remit a percent of all Revenue collected, with the second year of the Operator the Rent Structure could include a Minimum Annual Guarantee (MAG) equal to a percent of the rent paid to the Airport in the Prior Year (as opposed to a per stall basis)? This mitigates the high risk to the Operator, who cannot predict volume but still guarantees the Airport a revenue stream and opportunity to share in a higher upside when business increases.

Response: The RFP does not establish a minimum MAG for Year 1 of the contract. Respondents may propose MAG of as much or a little as they deem appropriate for their own financial model. Percentage Rent must be at least 10%. Year 2 MAG would still be based on 85% of the prior year's rental requirement. To be evaluated, all proposals must include a proposed MAG and Percentage Rent.

Question 2: Would the Airport alternatively consider compensation on a per car basis (i.e., \$11 per day per vehicle parked)?

Response: No.

Question 3: Please address what happens if valet demand exceeds the number of stalls leased on a daily basis by the Operator.

- a. Does the Airport expect the Operator to turn away customers desiring the service?
- b. How is the Airport to be compensated?

Response: a. Once operational, if demand for parking spaces exceeds the area and/or number of spaces leased, then the City will work with the valet service to provide additional space. However, the City cannot guarantee that the additional space will be next to areas and/or spaces already leased.

b. Expansion spaces or areas may be available at the same "per parking space" and/or "per square foot" rates established in the RFP.

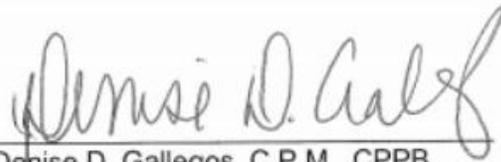
- Question 4:
- a. Is the Operator permitted to stack cars in the segregated area of the Purple Lot so as to park additional vehicles in the 125-space designated area?
 - b. How is the Airport to be compensated for these stacked vehicles?

- Response:
- a. Yes.
 - b. Regardless of the number of cars stacked, the Operator will pay City for the number of Purple Lot spaces, based on current striping configuration, that the Operator includes in response RFP Attachment B, Revised Compensation Schedule Section B, Item 3 as follows:

Purple Lot Parking Area the proposed parking space rent is:

_____ (total number of parking spaces) X \$11.00 (rent for parking space) X 365 (days) = \$ _____

NOTE: The \$11.00 is the current daily rate in the Parking Garage. If the City changes the daily rate, the contract rate will also change.



Denise D. Gallegos, C.P.M., CPPB
Procurement Administrator
Finance Department – Purchasing
Division