

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA
ACTION ITEM

Item No. 4h
Date of Meeting November 25, 2014

DATE: November 18, 2014

TO: Ted Fick, Chief Executive Officer

FROM: David Soike, Director, Aviation Facilities and Capital Program
Stuart Mathews, General Manager, Aviation Maintenance

SUBJECT: Scheidt & Bachmann Inc. Parking Revenue Control System Maintenance Service Agreement

Amount (for 5 years): \$1,854,508 **Source of Funds:** Airport Development Fund
Est. State and Local Taxes: \$160,893

ACTION REQUESTED

Request Commission authorization for the Chief Executive Officer to execute a maintenance service agreement for maintenance and support for the Parking Revenue Control System for one year, with the option to renew annually for up to four additional years of service at a cost not to exceed \$1,854,508.

SYNOPSIS

Approval of this request will allow the Port to continue receiving technical support and software upgrades for the Parking Revenue Control System used at the parking garage at Seattle-Tacoma International Airport. This contract is for one year with the option to renew for four additional years, with ability for the Port to cancel.

BACKGROUND

The Port began using Scheidt & Bachmann's parking revenue control system in 1995. Through a competitive process, the parking revenue control system was replaced in 2012 with a system again provided by Scheidt & Bachmann.

The Parking Revenue Control System is critical for Airport garage operations. In order to receive continued technical support and upgrades for this system as they become available, the Port must enter into an annual maintenance support agreement.

Scheidt & Bachmann's maintenance support service includes the following:

- Program updates, fixes, security alerts, and critical patch updates;
- Programming code changes to add functionality;

COMMISSION AGENDA

Ted Fick, Chief Executive Officer

November 18, 2014

Page 2 of 3

- Provision for emergency and routine service response;
- Technical support 24 hours per day, 7 days per week;
- On-Site Technical Support; and
- Parts.

Staff is requesting Commission authorization to enter into a maintenance service contract with Scheidt & Bachmann Inc. to allow for additional support for one year, with the potential to renew the contract annually for up to four additional years, with an ability to cancel. Staff will make the annual renewal decisions each year and are not committing funds up front for the five-year period.

FINANCIAL IMPLICATIONS

Total renewal costs (including sales tax) for the five-year period are estimated below:

License and Support Costs (2015-2019)

Year	Annual Support Amount	Sales Tax	Total
Year 1	\$319,000	\$30,305	\$349,305
Year 2	\$328,570	\$31,214	\$359,784
Year 3	\$338,427	\$32,151	\$370,578
Year 4	\$348,580	\$33,115	\$381,695
Year 5	\$359,037	\$34,109	\$393,146
Total	\$1,693,614	\$160,893	\$1,854,508

Source of Funds:

The estimated cost of this service agreement (\$300,000) is included in the 2015 operating budget. This difference between the actual cost (\$349,305) and the estimated costs will be absorbed within the 2015 Aviation Maintenance department budget. The cost for future years will be included in annual operating budgets. As such, the funding source will be the Airport Development Fund.

STRATEGIES AND OBJECTIVES

This request supports the Century Agenda Goal to meet the region's air transportation needs at Seattle-Tacoma International Airport for the next 25 years and encourage the cost-effective expansion of domestic and international passenger and cargo service, by supporting the Aviation division goals to maximize non-aeronautical net operating income and managing Airport assets to minimize the long-term total cost of ownership.

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1) - Do not enter into a maintenance support agreement. The Port would not receive updates and support for the Scheidt & Bachmann software, and would not receive assistance with any problems arising in the software. This would mean the Port would rapidly become non-

COMMISSION AGENDA

Ted Fick, Chief Executive Officer

November 18, 2014

Page 3 of 3

PCI compliant, as well as increasing the risk of extended downtime due to software failure. This is not the recommended alternative.

Alternative 2) - Enter into a maintenance support agreement to provide for one year of support with the option to renew annually for up to four additional years of support, with an ability to cancel. The total cost of this option would not exceed \$1,854,508 if all five (5) years were executed. **This is the recommended alternative.**

ATTACHMENTS TO THIS REQUEST

- None.

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- March 8, 2011 - the Commission authorized \$9,317,000 for the procurement and construction management for the PRCS.
- April 6, 2010 - the Commission authorized \$460,000 for the execution and award of an outside professional services agreement for design services to prepare procurement specifications for the PRCS.