

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: February 14, 2024

To: Marcelia Nicholson, Chairwoman, Milwaukee County Board of Supervisors

From: Donna Brown-Martin, Director, Department of Transportation

Subject: From the Director, Department of Transportation and the Airport Director, Department of Transportation seeking authorization to enter into a Management Agreement for Airport Parking and Shuttle Operations Management.

File Type: Action Report

REQUEST

The Department of Transportation, Airport Division, is seeking authorization to enter into a multi-year management agreement with SP Plus Corporation for parking and shuttle operations management at Milwaukee Mitchell International Airport.

POLICY

Milwaukee County Code of Ordinances Chapter 32 defines the procedure for purchase of services by competitive solicitation. Per Wisconsin Statutes, 59.52 (31), approval by the County Board is required for multi-year budget agreements.

BACKGROUND

Airport parking and shuttle operations at General Mitchell International Airport (“Airport”) operate twenty-four (24) hours per day, seven (7) days per week, each day of the year utilizing contracted services. Under a parking management agreement, contracted services include management of all parking lots (including public lots, employee lots and the Milwaukee Airport Rail Station lot), valet parking, ground transportation operations, courtesy and employee shuttle operations, revenue collection and reporting, parking access and revenue control system maintenance, marketing, facility maintenance and snow removal. As the largest single-source of revenue for the Airport, the parking management agreement is vital for the continued growth and success of the Airport. In 2023, parking operations generated \$28,912,700 in revenue.

A solicitation was issued in October 2023 by the Airport through the Department of Administrative Services, Procurement Division requesting competitive proposals from qualified firms to provide airport parking and shuttle operations management. The solicitation generated five responses from highly qualified parking operators, in which four were subsequently requested for short list interviews. The review panel consisted of seven individuals who reviewed, scored the proposals, and participated in the short list interviews. The review panel recommended that an agreement be awarded to SP

Plus Corporation. Notably, the solicitation established a 17% TBE goal; however, SP Plus Corporation is committing to a 30% TBE participation level in the new agreement. All parties that submitted a proposal in response to the solicitation were notified of the solicitation process outcome and the results were uncontested.

The Department recommends Board approval of the multi-year parking management agreement with SP Plus Corporation.

ALIGNMENT TO STRATEGIC PLAN

3B: Enhance the County's fiscal health and sustainability.

FISCAL EFFECT

The average parking revenue collected during the term of the Agreement will be approximately \$34 million annually. The average expense during the term of the Agreement will be approximately \$6.2 million annually. This expense is included in the Airport's budget for 2024 and will be included in the Airport's budget for years 2025 - 2029. A fiscal note is attached.

TERM

The term of the Agreement is from June 1, 2024 through December 31, 2029 with up to two (2) optional one-year renewals at County's option.

VIRTUAL MEETING INVITES:

Brian Dranzik, Airport Director, Department of Transportation
Donna Brown-Martin, Director, Department of Transportation

PREPARED BY:

Matthew Hoffman, Director, Business & Commercial Development, MCDOT Airport Division

APPROVED BY:



Donna Brown-Martin, Director, Department of Transportation

ATTACHMENTS:

- Resolution
- Fiscal Note
- Draft Agreement
- Request for Proposal RFP-2023-060
- RFP-2023-060 Award Letter

cc: Kelly Bablitch, Chief of Staff, Milwaukee County Board of Supervisors
Janelle M. Jensen, Legislative Services Division Manager, Office of the County Clerk