



BAGGAGE HANDLING SYSTEM OPERATION AND MAINTENANCE CONTRACT #201736982

DAVE LAPORTE, SENIOR VICE PRESIDENT OF AIRPORT OPERATIONS
DENVER INTERNATIONAL AIRPORT
APRIL 2018

SCOPE OF WORK

- The Contractor shall operate all portions of the Baggage Handling System (BHS) from the point where baggage is loaded to the final point where the baggage is unloaded
- The Contractor shall maintain the BHS on a predictive and preventive maintenance basis
- The BHS shall be inspected regularly and changed/repaired prior to actual failure
- All materials, equipment, consumables, and services required to achieve and maintain the Key Performance Indicators shall be included and provided by the Contractor



CONTRACT DETAILS

- Selected firm: JSM & Associates, LLC (JSM)
- The contract term is three years with two additional one-year options
- The total contract amount is not to exceed \$45,000,000.00
- This contract is subject to the City and County of Denver's prevailing wage requirements
- The Division of Small Business Opportunity has determined that this contractor's Scope of Services does not fall under the provisions of Denver's Construction and Purchasing Ordinance

SELECTION PROCESS

- The awarded vendor, JSM, was selected through a Request for Proposal
- Eight (8) proposals were received
 - Beumer LifeCycle Management LLC, Elite Line Services, Engie Services Inc, JBT Corp., JSM, Oxford, Siemens, and Vanderlande
- Panel members evaluated proposers based on the following:
 - Understanding the scope of work
 - Minimum qualifications
 - Proposer's organization and key personnel
 - Maintenance and quality assurance program
 - Contingency management
 - Employee engagement

SELECTION PROCESS

- Vanderlande Industries is the incumbent
- JSM is a limited liability company based out of Florida
- JSM proposed a phased staffing approach with 54 full-time employees to start work on the contract increasing to 58 full-time employees with the onset of new assets from the Level 5.5 and C-CBRA conveyor projects
 - The C-CBRA individual carrier system (ICS) equipment is not part of this scope



PRICING SUMMARY

- DEN will be invoiced by three items:
 - Item 1—monthly charge for maintenance, repair, and operational services for the BHS as outlined in the Technical Specifications inclusive of any overtime compensation owed to contractor employees
 - Item 2—spare parts to be reimbursed at cost with approved supporting documentation
 - Item 3—billable charges for services not covered by this agreement by position
 - These rates will also be used to deduct the monthly invoices for staffing deficiencies

KEY PERFORMANCE INDICATORS

- DEN may elect to impose KPI deductions including but not limited to:
 - Failure to meet staffing requirements
 - Failure to meet maintenance and inspection requirements
 - Failure to address bag jams and maintenance calls on time
 - Unauthorized tampering with the BHS computer system
 - Delaying aircraft due to improper operation, maintenance, or configuration of the BHS
 - Failure to meet bag tracking accuracy
- Deductions shall not exceed 20% of the Contractor's operations and maintenance fee (Item 1)



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