

**CITY OF EL PASO, TEXAS  
AGENDA ITEM  
DEPARTMENT HEAD'S SUMMARY FORM**

**AGENDA DATE:** August 27, 2024  
**PUBLIC HEARING DATE:** Not Applicable

**CONTACT PERSON(S) NAME AND PHONE NUMBER:**  
Tony Nevarez, Interim Aviation Director, (915) 474-2424  
K. Nicole Cote, Managing Director (915) 212-1092

**DISTRICT(S) AFFECTED:** All

**STRATEGIC GOAL:** No. 1 - Create an Environment Conducive to Strong sustainable Economic Development

**SUBGOAL:** 1.4 Grow the core business of air transportation

**SUBJECT:**

The request that the City Manager be authorized to sign the Second Amendment to Agreement 2019-343R Baggage Handling Operations and Maintenance with Daifuku Services America Corporation, a Florida Corporation f.k.a. Elite Line Services, Inc. to increase the agreement amount by Four Hundred Seventy-Eight Thousand Three Hundred Thirty-Eight Dollars and Twelve Cents (\$478,338.12). This amendment will allow for the agreement term to be extended for six (6) additional months, and to incorporate Passenger Board Bridge maintenance services. This amendment shall be effective as of September 3, 2024.

**BACKGROUND / DISCUSSION:**

This amendment will allow for (1) amend the contract term to extend for six (6) months for the Baggage Handling Operations and Maintenance for the Check Baggage Inspection System for a total amount of Three Hundred Thirty-Seven Thousand Three Hundred Eighty-Two Dollars and Eighty-Eight Cents (\$337,382.88); (2) amend Section III - Scope of Services; to provide Passenger Boarding Bridge maintenance and repair for the extended agreement term for a total amount of One Hundred Forty Thousand Nine Hundred Fifty-Five Dollars and Twenty-Four Cents (\$140,955.24).

**SELECTION SUMMARY:**

N/A

**CONTRACT VARIANCE:**

N/A

**PROTEST**

N/A

**PRIOR COUNCIL ACTION:**

On January 22, 2019, the City Council approved the award of contract 2019-343R to Elite Line Services, Inc. for a three (3) year term and one (1), two (2) year-option to extend for at total amount of \$3,088,322.56.

On September 1, 2020, City Council approved Amendment No. 1 to contract 2019-343R to Elite Line Services, Inc, that increased the estimated amount of reimbursable costs for corrective parts and materials for years 2-3 of the initial term from \$15,000.00 to \$127,500.00, thereby amending the estimated Agreement amount as follows for year 2 and 3 of the initial term: Year 2 estimated \$719,861.99; Year 3 estimated \$734,671.55, for a total increased estimated contract amount of \$2,047,461.25.

**AMOUNT AND SOURCE OF FUNDING:**

Amount: \$478,338.12

Funding Source: Airport Operating Funds

Account: 562-3000-522150-62205

**HAVE ALL AFFECTED DEPARTMENTS BEEN NOTIFIED?  X  YES   NO**

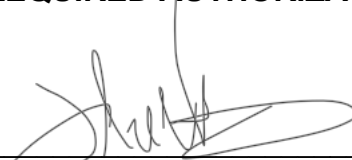
**PRIMARY DEPARTMENT:** El Paso International Airport

**SECONDARY DEPARTMENT:** Purchasing & Strategic Sourcing

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**\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\***

**DEPARTMENT HEAD:**



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Tony Nevarez, Interim Aviation Director

Project Form  
(Change Order)

\*\*\*\*\*Posting Language Below\*\*\*\*\*

Please place the following item on the Consent Agenda for the City Council Meeting of August 27, 2024.

Strategic Goal 1 - Create an Environment Conducive to Strong sustainable Economic Development

The linkage to the Strategic Plan is subsection: 1.4 Grow the core business of air transportation

**Award Summary:**

The request that the City Manager be authorized to sign the Second Amendment to Agreement 2019-343R Baggage Handling Operations and Maintenance Daifuku Services America Corporation, a Florida Corporation f.k.a. Elite Line Services, Inc. to increase the agreement amount by Four Hundred Seventy-Eight Thousand Three Hundred Thirty-Eight Dollars and Twelve Cents (\$478,338.12). This amendment will allow for the agreement term to be extended for six (6) additional months, and to incorporate Passenger Board Bridge maintenance services. This amendment shall be effective as of September 3, 2024.

Department:	El Paso International Airport
Award to:	Daifuku Services America Corporation f.k.a. Elite Line Services, Inc.
City & State:	Novi, MI
Current Contract Estimated Amount:	\$3,313,322.56
Change Order Award:	\$478,338.12
Total estimated Amount not to Exceed:	\$3,791,660.68
Account(s):	562-3000-522150-62205
Funding Source(s):	Airport Operating Funds
District(s):	All

This was a Request for Proposals Award – service contract.

**RESOLUTION**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:**

**THAT** the City Manager is authorized to sign a Second Amendment to Baggage Handling Operations and Maintenance Agreement 2019-343R with Daifuku Services America Corporation, a Florida Corporation f.k.a. Elite Line Services, Inc., to extend the contract for six (6) months, amend Section III - Scope of Services, and to add Four Hundred Seventy-Eight Thousand Three Hundred Thirty-Eight Dollars and Twelve Cents (\$478,338.12) to the contract and that the amendment shall be effective as of September 3, 2024.

**WHEREAS**, the parties mutually desire to (1) amend the contract term to extend for six (6) months, and add contract capacity for Check Baggage Inspection System maintenance for a total amount of Three Hundred Thirty-Seven Thousand Three Hundred Eighty-Two Dollars and Eighty-Eight Cents (\$337,382.88), (2) amend Section III - Scope of Services; to provide Passenger Boarding Bridge maintenance and repair for a total amount of One Hundred Forty Thousand Nine Hundred Fifty-Five Dollars and Twenty-Four Cents (\$140,955.24) and that all other Award Terms and Conditions remain the same.

**PASSED AND APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2024

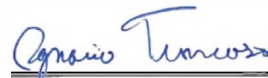
**CITY OF EL PASO:**

\_\_\_\_\_  
Oscar Leeser  
Mayor

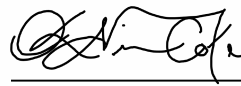
**ATTEST:**


\_\_\_\_\_  
Laura D. Prine  
City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Ignacio R. Troncoso  
Assistant City Attorney

**APPROVED AS TO CONTENT:**

  
\_\_\_\_\_  
K. Nicole Cote  
Managing Director of Purchasing & Strategic Sourcing

  
\_\_\_\_\_  
Juan Antonio Nevarez  
Interim Aviation Director

**THE STATE OF TEXAS )  
) **SECOND AMENDMENT TO BAGGAGE HANDLING  
OPERATIONS AND MAINTENANCE AGREEMENT**  
COUNTY OF EL PASO )**

This Second Amendment to Baggage Handling Operations and Maintenance Agreement (“Agreement”) is made this \_\_\_ day of \_\_\_\_\_, 2024 (“Effective Date”) between the City of El Paso, a municipal corporation organized and existing under the laws of the State of Texas, (“City”), and Daifuku Services America Corporation, a Florida Corporation f.k.a. Elite Line Services, Inc. (“Contractor”).

**WHEREAS**, on January 22, 2019 the City and Contractor entered into a Baggage Handling Operations and Maintenance Agreement 2019-343R (“Agreement”); and

**WHEREAS**, the initial term of the Agreement is for 3 years and one option to extend for 2 years; and

**WHEREAS**, on September 1, 2020 the City approved the First amendment to the agreement to increase the estimated amount of reimbursable costs for corrective parts and materials for years 2-3 of the initial term from \$15,000.00 to \$127,500.00, thereby amending the estimated Agreement amount as follows for year 2 and 3 of the initial term: Year 2 estimated \$719,861.99; Year 3 estimated \$734,671.55, for a total increased estimated contract amount of \$2,047,461.25; and

**WHEREAS**, the parties mutually desire to (1) amend the contract term to extend for six (6) months, and add contract capacity for Check Baggage Inspection System maintenance for a total amount of Three Hundred Thirty-Seven Thousand Three Hundred Eighty-Two Dollars and Eighty-Eight Cents (\$337,382.88), (2) amend Section III - Scope of Services; to provide Passenger Boarding Bridge maintenance and repair for a total amount of One Hundred Forty Thousand Nine Hundred Fifty-Five Dollars and Twenty-Four Cents (\$140,955.24), and that all other Award Terms and Conditions remain the same.

The parties agree as follows:

1. Amend the contract term to extend for six (6) months, and add contract capacity for Check Baggage Inspection System maintenance:

**A.** The compensation for the services to be as follows:

YEAR 4 AND 5 RATES (OPTION) - TOTAL SUMMARY		Per Month	6 Month Total
I-a.	Total Basic Services (Outbound)	\$34,507.70	\$ 207,046.20
I-b.	Total Basic Services (Inbound)	\$ 6,777.66	\$ 40,665.96
II-a.	Total Other Work/Services (Jam Runners)	\$ 6,847.56	\$ 41,085.36
II-b.	Total Other Work/Services (TSA & Airline Coordinator)	\$ 6,847.56	\$ 41,085.36
III-a.	Estimated corrective parts and materials	\$ 1,250.00	\$ 7,500.00
TOTAL BASIC SERVICES & OTHER WORK/SERVICES 6 Month Extension		\$ 56,230.48	\$ 337,382.88

2. Amend Section III - Scope of Services; to provide Passenger Boarding Bridge maintenance and repair:

A. The compensation for the services to be as follows:

	Alternate	Per Month	6 Month Total
Add	PBB Maintenance and Repair (2 FTE)	\$ 17,992.54	\$ 107,955.24
Add	PBB Estimated corrective parts and materials	\$ 5,500.00	\$ 33,000.00

3. Except as amended herein, the terms and conditions of the Agreement remain the same.


*(Signatures Begin on the Following Page)*

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

**CITY OF EL PASO:**

\_\_\_\_\_  
Cary Westin  
Interim City Manager

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Ignacio R. Troncoso  
Assistant City Attorney

**APPROVED AS TO CONTENT:**

  
\_\_\_\_\_  
K. Nicole Cote, Managing Director  
Purchasing & Strategic Sourcing

  
\_\_\_\_\_  
Juan Antonio Nevarez  
Interim Aviation Director

**ACKNOWLEDGEMENT**

THE STATE OF TEXAS §  
  §  
COUNTY OF EL PASO §

This instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 2024, by Cary Westin, as Interim City Manager of the City of El Paso, Texas.

\_\_\_\_\_  
Notary Public, State of Texas

My commission expires:  
  
\_\_\_\_\_

*(Signatures Continue on the Following Page)*

Daifuku Services America Corporation. a  
Florida Corporation

By: [Signature]

Name: GARY ZARYCKI

Title: SR. VICE PRESIDENT

SIGN HERE

ACKNOWLEDGEMENT

THE STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on this 21 day of August, 2024,  
by GARY ZARYCKI, as SR. VICE PRESIDENT (title) of Daifuku Services  
America Corporation, a Florida Corporation.

[Signature]  
Notary Public, State of TEXAS

My commission expires:

02/08/2028

