



City of San Antonio Certificate of Exemption

Finance

Please fill this form out online, attach any required support documents,
and forward your request to next approval authority.

FY210115

Certificate of Exemption

Originating Department: Aviation Department

Request Date: 03/08/2021

Exemption Requested/Taken

The City is authorized under limited conditions to make procurements outside of the competitive solicitation process. Chapter 252 of the Local Government Code provides guidance regarding sixteen general exemptions from the competitive solicitation. Departments must submit vendor(s) quotations for any selection below. Please select one exemption:

- | | |
|--|---|
| <input type="checkbox"/> A procurement made because of a public calamity that requires funds to relieve the needs of the residents or to preserve city property (Note: Department must notify the Purchasing Division immediately regarding such an event) | <input type="checkbox"/> Paving, drainage, street widening and other public improvements or related matter where at least one-third of the costs are paid by special assessments |
| <input type="checkbox"/> A procurement to preserve or protect the public health or safety of the city's residents (Note: Department must notify the Purchasing Division immediately regarding such an event) | <input type="checkbox"/> A public improvement project which has been authorized but for which there is deficiency of funds to complete in accordance with the plans as authorized |
| <input type="checkbox"/> A procurement necessary because of unforeseen damage to machinery, equipment or other property (Note: Department must notify the Purchasing Division immediately regarding such an event) | <input type="checkbox"/> A payment under a contract by which a developer participates in the construction of a public improvement as provided by Subchap. C, Ch 212. |
| <input type="checkbox"/> A procurement for personal, professional or planning services | <input type="checkbox"/> Personal property sold |
| <input type="checkbox"/> A procurement for work that is performed and paid for by the day as the work progresses | <input type="checkbox"/> Services performed by blind or severely disabled persons |
| <input type="checkbox"/> A purchase of land or right-of-way | <input type="checkbox"/> Goods purchased by a municipality for subsequent retail sale by the municipality |
| <input checked="" type="checkbox"/> A procurement of items available from only one source | <input type="checkbox"/> Electricity |
| <input type="checkbox"/> A purchase of rare books, papers and other materials for a public library | <input type="checkbox"/> Advertising, other than legal notices |

***Is this an "Emergency" purchase request that exceeds \$50,000 in value and would require City Council ratification?** Yes No

***Sourcing Accounting Details** Insert Shopping Cart (SC) or Purchase Requisition (PR) # Insert Annual Contract #

Enter: Annual Contract Name/Number: 4400005963



City of San Antonio Certificate of Exemption

Finance

Please fill this form out online, attach any required support documents, and forward your request to next approval authority.

Sole Source Justification Notice

You have indicated that this Certificate of Exemption is being requested for a purchase that is categorized as a "Sole Source" procurement. Justification for such a purchase **MUST be provided in the following section of the form, where the justification for sole source purchase can be documented and submitted as part of this Certificate of Exemption request.** Provide any vendor-provided documents used in justifying the sole source aspects of this purchase, attaching any correspondence(s) related to establishing that justification.

Click on the paperclip icon  located in the left margin of this form to make any required attachment.

Sole Source Justification Details

*Name of Item: Payment Card Industry ("PCI") Attestations and Licensing

*Manufacturer: Collins Aerospace *Model Number: N/A

*Source Count: Available from only one source Available from more than one source

*Name of Source: Collins Aerospace

*Brief description of where or how the item(s) will be used:

The San Antonio International Airport ("SAIA") Common Use environment (cMUSE) from Collins' Aerospace is a hybrid system that consist of a Cloud component owned and managed by Collins' in the Amazon Web Services (AWS) Cloud and on premise infrastructure and systems managed by Collins. Both the Cloud and systems installed at SAIA are proprietary to Collins' and require Collins to provide activities and tasks that are necessary to maintain PCI compliance mandated by credit card companies. PCI standards are developed and managed by the PCI Security Standards Council. These standards include an annual assessment by a PCI certified vendor that requires access and detailed information of the infrastructure and equipment that is managed and only available from Collins the SAIA vendor.

*Describe the performance functions proprietary to the item(s) requested and why they are necessary to accomplish the project:

Vendor and 3rd party discovery (initial assessments of compliance); validation testing; penetration testing; initial reporting; remediation; report of compliance; and software licensing renewals.

*Will the item be used in conjunction with existing equipment? Yes No

*Will it be used as a component to be interfaced with existing equipment? Yes No

*Will this be used as an accessory or option? Yes No

*Will training be required? Yes No

*Name other sources/brands whose products have been evaluated and why they do not meet requirements:

N/A

***Required attachment(s): Vendor Quotation and Sole Source Vendor Justification Letter explaining why requested item(s) are only suitable from one source.**

*Has all of the required justification documentation been attached to this request? Yes No

Execution/Filing Details

This Certificate of Exemption is executed and filed with the Finance Department as follows:

1. The undersigned is authorized to approve an exemption;



City of San Antonio Certificate of Exemption

Finance

Please fill this form out online, attach any required support documents,
and forward your request to next approval authority.

2. An exemption according to Section 252.022 of the Local Government Code exists.

More specifically, the following event has occurred:

Aviation installed a common use system and did not include costs for an Attestation of Compliance with Payment Card Industry Security Standards Council ("PCI SSC") in the out years. Those costs need to be accommodated for Years 4 and 5 and a sole source exemption is proposed based on the justification provided above. If renewed, Year 4 will commence 5-10-2021 and Year 5 will commence 5-10-2022.

The City of San Antonio is a service provider, not a merchant, so Chase Bank will not be involved.

These services will be provided by Collins since they provide the proprietary systems and support staff needed to work with a Third-Party PCI DSS assessor on the Collins-owned system located at the airport.

This is not a new or additional service and credit card processing has always been a part of the Common Use System. The requested service is for a PCI SSC certified Third-Party Qualified Security Assessor (QSA) to perform an assessment against the PCI SSC requirements as required by the Credit Card Brands for the system being used by Airlines and hosted by the Airport to process the Airline Customer credit cards.

There is not a credit card processing component for the City and no need to coordinate this with Finance. The Airport is providing the physical space and security for the Common Use System used by their Airline Customers whose credit card processing is facilitated by Collins' from point of sale to back end processing at the Airlines Merchant Bank. Troy Elliott is the Finance POC and as Finance Director he is aware of the Common Use System that is hosted at the Airport.

3. Because the exemption stated above exists, the City of San Antonio intends to contract with

Collins Aerospace which will cost approximately \$ **280,594**

Approvals	
<u>Kenneth Whittaker (Aviation)</u> Originator	<u>03/11/2021</u> Date
<u>Michael Garnier (Aviation)</u> Department Director Approval	<u>03/16/2021</u> Date
<u>---Not in APPROVAL PATH Routing---</u> Executive Leadership Team Approval <i>(approval required only for ratification by City Council)</i>	_____ Date
<u>Jennifer Johnson (Finance)</u> Procurement Administrator Approval	<u>03/25/2021</u> Date

To send this approval document to the next approver, press **Send Forward**.
To retain a copy of this request, perform a **Save As** to save it as an electronic form.