



City of San Antonio

Legislation Details (With Text)

File #: 13-806
Type: Misc - Professional Services Agreements
In control: City Council A Session

On agenda: 11/21/2013

Title: An Ordinance authorizing an amendment to a professional services contract with BQR Advertising and Public Relations, Inc. to increase the contract value \$963,000.00 as approved in the Fiscal Year 2014 Budget. [Ed Belmares, Assistant City Manager; Frank Miller, Director, Aviation]

Sponsors:

Indexes: Aviation Concessions, Aviation Contract

Code sections:

Attachments: 1. BQR Amendment 2013 for Council, 2. Extension Letter, 3. BQR Disclosure Form, 4. Draft Ordinance, 5. Ordinance 2013-11-21-0805

Date	Ver.	Action By	Action	Result
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DEPARTMENT: Aviation

DEPARTMENT HEAD: Frank Miller

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Amendment to Professional Service Agreement with BQR Advertising and Public Relations, Inc. for the San Antonio International Airport

SUMMARY:

This Ordinance authorizing an amendment to a professional services contract with BQR Advertising and Public Relations, Inc. (BQR) to increase the contract value \$963,000.00 as approved in the Fiscal Year 2014 Budget. The contract was extended for an additional year, to extend to September 30, 2014, but City Council approval is required for the increase in the contract amount for the additional year. The contract is for marketing and promotional services for the airport system, air service development incentive program and concessions marketing programs.

The Ordinance will increase the contract amount to include the approved budgets for the following items: \$500,000.00 for the air service incentive program; \$263,000.00 for the concessions marketing program and \$200,000.00 for general marketing.

BACKGROUND INFORMATION:

City Council authorized a professional services agreement with BQR on June 9, 2011 through Ordinance 2011-06-09-0486 for marketing services for the airport system, the concessions and Air Service Development Incentive Programs. The term of the agreement of the agreement was for approximately 28 months, expiring September 30, 2013, with the option to extend for an additional year.

As part of the Air Service Incentive Program, a third-party marketing firm develops the advertising to support new airlines entering the market and new non-stop flights from the San Antonio International Airport. BQR also provides the marketing for the concessions program at the San Antonio International Airport. In accordance with their concession agreements, concession owners and operators at the Airport fund a central marketing and promotional program for the purpose of increasing sales and promoting good customer service. These services are in accordance with the Airport Concessions Disadvantage Business Enterprises Program (ACDBE).

In May 2013, the City extended the professional service agreement with BQR for an additional year to expire on September 30, 2014. In the Fiscal Year 2014 Airport Operating and Maintenance Budget, \$963,000.00 was identified for the following marketing programs:

- \$500,000.00 for the air service incentive program;
- \$263,000.00 for the concessions marketing program; and
- \$200,000.00 for general airport marketing and advertising.

This Ordinance will increase the contract value by an amount not to exceed \$963,000.00. Expenditures of these funds are subject to initiating marketing efforts for air service or to develop marketing for concessions at the International Airport and for Stinson Municipal Airport.

ISSUE:

This action allows the Aviation Department to continue the marketing services of BQR as stipulated in the Air Service Development Incentive Program and the concession agreements.

City Council action is required as the original Ordinance did not include an increase in the contract amount for the additional year.

ALTERNATIVES:

The original Ordinance included the annual appropriation for the fiscal year 2011 and FY 2012 and FY 2013, subject to City Council approval of the annual budget. This Ordinance will allow the appropriation of the approved budget for FY 2014.

FISCAL IMPACT:

Funds in the amount of \$963,000.00 are included in the FY 2014 Operation and Maintenance Budget for the Aviation Department for the marketing of the concessions program, air service incentive program and general

marketing.

RECOMMENDATION:

Staff recommends the authorization of an amendment to a professional services contract with BQR to increase the contract value \$963,000.00 as approved in the Fiscal Year 2014 Budget.