



City of San Antonio

Agenda Memorandum

File Number: 17-5893

Agenda Item Number: 5.

Agenda Date: 3/1/2018

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Annual Contract for Common Use Passenger Processing System for San Antonio International Airport

SUMMARY:

This ordinance authorizes acceptance of a proposal from AIRINC Incorporated to provide the San Antonio International Airport with a Common Use Passenger Processing System for a total amount of \$1,774,502.00 for an initial term of three years, with options to renew the term of the agreement for two additional one-year periods. The annual contract amount is \$1,060,535.40 for Year 1 funded by Airport Capital Improvement Funds, \$172,510.40 for Year 2, \$176,218.40 for Year 3, and if renewed, \$180,652.40 for Year 4, and \$184,585.40 for Year 5 funded by the Airport Operating and Maintenance Fund subject to Council appropriations as part of the annual budget process.

BACKGROUND INFORMATION:

The San Antonio International Airport requires a Common Use Passenger Processing System (CUPPS) that enables multiple airlines, service providers, or other users to share physical check-in or gate podium positions. The CUPPS will enable sharing of low use gates to support the addition of new air carrier service and maximize the efficient use of existing airport assets. The solution will include a Resource Management System to effectively manage the allocation of gate and counter resources and facilitate dynamic gate assignments.

The City issued a Request for Competitive Sealed Proposal for "Common Use Passenger Processing System" on March 14, 2017. On May 3, 2017, the Aviation Department received three proposals.

The evaluation committee consisted of representatives from the City Manager's Office, Aviation Department,

Finance Department, ITSD, and McCarran International Airport. The Finance Department, Purchasing Division facilitated by ensuring compliance with City procurement policies and procedures.

The evaluation of each proposal was based on a total of one hundred points: thirty points for experience, background, qualifications, fifty points for proposed plan; and twenty points for price schedule. Based on the City's standard RFCSP process, AIRINC Incorporated is recommended for award. This item is considered High Profile due to the dollar amount and was presented to the Audit Committee on February 20, 2017.

The initial term of the agreement shall be for a period of three years. Two additional one-year renewals at the City's option will also be authorized by this ordinance.

ISSUE:

This ordinance will provide the Aviation Department with a common use passenger processing solution that enables multiple airlines, service providers, or other users to share physical check-in or gate podium positions. The Common Use solution will enable sharing of low use gates to support the addition of new air carrier service and maximize the efficient use of existing airport assets.

The Small Business Economic Development Advocacy (SBEDA) Ordinance requirements were waived due to the lack of small, minority, and/or women businesses available to provide these goods and services.

Recommended award is an exception to the Local Preference Program.

The Veteran-Owned Small Business Preference Program does not apply to non-professional service contracts, so no preference was applied to this contract.

ALTERNATIVES:

Should the contract not be approved, the Aviation Department will continue traditional gate leasing which does not provide the ability to maximize use of currently under-utilized gate capacity.

FISCAL IMPACT:

This Ordinance authorizes a three year contract with the option to renew the contract annually for two years with AIRINC Incorporated, for an amount of \$1,774,502.00. The initial year of the contract, in the amount of \$1,060,535.40, will be funded with Airport Capital Improvement Funds. Maintenance in the subsequent years will be funded from the Aviation Operating and Maintenance Fund, subject to Council appropriations during the budget process, as follows: \$172,510.40 for Year 2, \$176,218.40 for Year 3, and if renewed, \$180,652.40 for Year 4 and \$184,585.40 for Year 5.

RECOMMENDATION:

Staff recommends approval of the contract with AIRINC Incorporated to provide the San Antonio International Airport with a Common Use Passenger Processing System for an estimated total amount of \$1,774,502.00.

This contract is procured by means of a Request for Competitive Sealed Proposal and a Contracts Disclosure Form is required.