



City of San Antonio

Agenda Memorandum

File Number:20-3179

Agenda Item Number: 29.

Agenda Date: 6/4/2020

In Control: City Council A Session

DEPARTMENT: Aviation

DEPARTMENT HEAD: Jesus H. Saenz, Jr., IAP

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Professional Services Agreement for Air Service Development and Airline Analysis Consultant Services for the San Antonio International Airport with Mead & Hunt, Inc.

SUMMARY:

This ordinance authorizes a professional services agreement with Mead & Hunt, Inc. for air service development and airline analysis consultant services for the San Antonio International Airport. The contractor will provide technical services to support domestic and international air service at the San Antonio International Airport. The initial term of the agreement is for three years with the option to extend for two additional one-year periods for a total contract value of \$625,000.00. Funding in the amount of \$125,000.00 is available in the FY 2020 Airport Operating and Maintenance Fund. Funding for future fiscal years will be subject to the appropriation of funds.

BACKGROUND INFORMATION:

The San Antonio Airport System has required the services of an air service consultant to provide the technical data and analysis on airlines to support the efforts for new and additional domestic and international air service:

- Develop City-Pair Target Market Analyses and Technical Presentations for Airline Meetings Held at Industry Conferences and Air Carrier Headquarters.
 - The firm will assist the City by identifying the specific air carriers and underserved markets to be targeted for meetings.
 - The firm will develop technical presentations for use by the City at airline-airport conferences. The presentation will include an analysis of supportable city-pair route analysis for the targeted route and

supporting demographic and economic information.

- For meeting at airline's headquarters, which are longer and more in-depth than the conference meetings, the firm will provide detailed route analysis and profit potential data for selected route(s); and, information regarding city-pair industry and economic synergies.
- Provide Catchment and Leakage Studies
 - The firm will prepare detailed catchment and leakage analysis for several markets close to San Antonio and include recommended strategies to retain Bexar County and surrounding area passengers who use other airports and attract new neighboring market passengers to use the San Antonio International Airport.
- AdHoc Airline Consulting Services
 - The firm will also provide technical analysis and reports or other on-call air service development initiatives as required by the Aviation Department.

In 2016, City Council authorized a five-year agreement with Seabury Airline Planning Group LLC; however, in 2019, Seabury announced it would no longer be providing these services and the solicitation process for a new consultant was initiated.

ISSUE:

On February 13, 2020, the City issued a Request for Proposals (RFP) for these services. Six proposals were received on March 16, 2020. An evaluation committee comprised of representatives from the Aviation Department, the Airport Advisory Commission and Visit San Antonio scored the proposals based on the published criteria of Experience, Background and Qualifications; Proposed Plan; Price; Local Preference Program; and, Veteran Owned Small Business Program. The scoring process was conducted virtually. Mead and Hunt, Inc. received the most points and is recommended for this contract.

A waiver for the Small Business Economic Development Advocacy Program was issued for this contract as there are no commercially-useful subcontracting opportunities existing within the contract. The Local Preference Program was applied in the evaluation of responses received for this contract; however, none of the proposals were local businesses. The Veteran-Owned Small Business Preference Program was applied in the evaluation of responses received for this contract; however, none of the proposals are veteran-owned small businesses.

ALTERNATIVES:

The City could choose to release a new RFP for air service development consultancy services. However, releasing a new RFP for these services could delay the City's current efforts to grow air service at San Antonio International Airport.

FISCAL IMPACT:

This ordinance authorizes a professional services agreement with Mead & Hunt, Inc. for air service development and airline analysis consultant services for the San Antonio International Airport. The contractor will provide technical services to support domestic and international air service at the San Antonio International Airport. The initial term of the agreement is for three years with the option to extend for two additional one-year periods for a total contract value of \$625,000.00. Funding in the amount of \$125,000.00 is available in the FY 2020 Airport Operating and Maintenance Fund. Funding for future fiscal years will be subject to the

appropriation of funds.

RECOMMENDATION:

Staff recommends the approval of a professional services agreement for air service development and airline analysis consultant services for the San Antonio International Airport with Mead & Hunt, Inc.