

AGENDA



Thursday, December 11, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 50**

Subject: Authorize the award, negotiation, and execution of a 60-month revenue contract with CARTER TRANSPORTATION SERVICES, INC. d/b/a SUPERSHUTTLE OF AUSTIN, INC., Cedar Park, TX, to operate a demand-responsive shared ride shuttle service to transport passengers and baggage between Austin-Bergstrom International Airport and locations within Austin, Texas and surrounding communities with an estimated revenue of \$474,887 for the concession and an estimated revenue of \$257,000 for rental and occupancy of space inside the terminal, for a total estimated revenue of \$731,887.

Amount and Source of Funding: Estimated concession revenue of \$85,660 is included in the Fiscal Year 2008-2009 Operating Budget of the Aviation Department. Estimated rental revenue of \$48,920 is included in Fiscal Year 2008-2009 Operating Budget of the Aviation Department.

Fiscal Note: A fiscal note is not required.

For More Information: Brenda Helgren, Sr. Buyer/974-9141

Purchasing Language: Sole proposal received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program) and 49 CFR Part 23 of the Federal Regulations (Airport Concession Disadvantaged Owned Business Enterprises Program (ACDBE)) through the achievement of Good Faith Efforts with 3.00% ACDBE subcontractor participation.

Boards and Commission Action: Recommended by the Austin Airport Advisory Commission.

A Request For Proposals was issued on September 2, 2008 to operate a demand response shared ride shuttle service to transport passengers and baggage to and from Austin-Bergstrom International Airport and locations within the City and surrounding communities. The concession authorizes the successful proposer to conduct an Airport Shuttle Service, as described in, and subject to, City Code Chapter 13-1 (Aviation Services) and Chapter 13-2 (Ground Transportation Passenger Services).

A single proposal was received from Carter Transportation Services, Inc. d/b/a SuperShuttle of Austin, the incumbent airport shuttle operator. After a thorough review of the proposal, the Aviation Department recommends awarding the concession agreement to SuperShuttle of Austin.

The contractor proposes to pay the City the greater of the Minimum Annual Guaranteed Concession Fee (MAGCF), or the percentage of gross revenue as reflected in the Attachment, Estimated Concession Revenue. In addition to the concession fees, the concessionaire shall also pay rent for the use and occupancy of space inside the Barbara Jordan terminal at the standard airport terminal rates. Estimated rental revenue for FY 2008–2009 is \$48,920.

MBE/WBE solicited: 0/1

MBE/WBE bid: 0/0

RFP No. BKH0024
PRICE ANALYSIS

- a. Sole proposal. The uncertainty in the aviation business, start-up costs, unstable fuel costs, and tight credit markets significantly restricted the number of responses to the shared ride solicitation.
- b. Sixteen notices were sent, including one WBE. There are no MBEs available for this service. One proposal was received, with no response from the WBE.

APPROVAL JUSTIFICATION

- a. Sole proposal received. Super Shuttle is the current provider of this concession.
- b. The Purchasing Office concurs with the Aviation Department's recommended award.