

**Purchasing Service Agreement
CITY OF AUSTIN**

**AGENDA
DATE: 4/20/2006**

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**RECOMMENDATION FOR
COUNCIL ACTION**

Subject: Authorize execution of a 12-month service agreement with UCG ASSOCIATES, INC., Chicago, IL, for airport financial consulting services in an amount not to exceed \$50,000 with two 12-month extension options, in an amount not exceed \$50,000 per extension option, for a total agreement amount not to exceed, \$150,000.

Amount and Source of Funding: Funding in the amount of \$20,833.33 is available in the Fiscal Year 2005-2006 Approved Operating Budget of the Aviation Department. Funding for the remaining seven months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

Requesting Department: Purchasing

For More Information:

Prior Council Action:

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

Purchasing Language: Best evaluated proposal of five proposals received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9 of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This is a Service Agreement to provide the Department of Aviation with specialized financial consulting related to the following tasks:

- Prepare yearly airline rates and charges to determine landing fees and terminal rents,
- Assist with recalculation and reconciliation of yearly airline rates and charges,
- Provide support and training as required for the Austin-Bergstrom International Airport (ABIA) Financial Department's airline rates and charges model,
- Provide research and information on the airport and airline industries,
- Provide advice upon request and make investigations, certifications and other determinations,
- Assist the ABIA Finance Division in developing and implementing industry benchmarks and best practices, and,
- Provide other consulting services that might include: surveys, research and commentary, participation in meetings and strategy sessions related to airport management, budgeting, revenue enhancement, concessions management and Airport Affairs committee.

This is a necessary service in order to provide specialized skills not available in a standard finance organization. Consultants specializing in airport finances provide a high level of expertise that is not required on a day-to-day basis, but is necessary at certain times.

MBE/WBE solicited: 12/6 MBE/WBE bid: 0/0

PROPOSAL ANALYSIS

- a. Adequate Competition.
- b. Thirty-nine notices were sent including twelve MBEs and six WBEs. Seven solicitations were issued. Five proposals were received with no MBEs/WBEs responding.

APPROVAL JUSTIFICATION

- a. Best evaluated proposal.
- b. The Purchasing Office concurs with the Department of Aviation's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.