



City of Austin

Purchasing Office

P.O. Box 1088, Austin, TX 78767

June 19, 2019

Campbell-Hill Aviation Group, LLC
Kevin J. Schorr
Vice President
700 North Fairfax Street, Suite 300
Alexandria, VA 22314
kschorr@av-econ.com

Dear Mr. Schorr:

The Austin City Council approved the execution of a contract with your company for air service market evaluation and development services in accordance with the referenced solicitation.

Responsible Department:	Aviation
Department Contact Person:	Jamy Kazanoff
Department Contact Email Address:	Jamy.Kazanoff@austintexas.gov
Department Contact Telephone:	(512) 530-6681
Project Name:	Air Service Market Evaluation and Development Services
Contractor Name:	Campbell-Hill Aviation Group, LLC
Contract Number:	MA-8100-NA190000162
Contract Period:	June 20, 2019 through June 19, 2022
Dollar Amount	\$1,072,000
Extension Options:	Two 12-month optional extemptions
Solicitation Type & Number:	RFP-8100-SMW3001
Agenda Item Number:	48
Council Approval Date:	June 19, 2019

Thank you for your interest in doing business with the City of Austin. If you have any questions regarding this contract, please contact the person referenced under Department Contact Person.

Sincerely,

Shawn Willett
Deputy Procurement Officer
City of Austin
Purchasing Office

cc: Jamy Kazanoff, Assistant Director
Tina Gamez, Contract Management Specialist

**CONTRACT BETWEEN THE CITY OF AUSTIN (“City”)
AND
Campbell-Hill Aviation Group, LLC (“Contractor”)
for
Air Service Market Evaluations and Development Services
MA 8100 NA190000162**

The City accepts the Contractor’s Offer (as referenced in Section 1.1.3 below) for the above requirement and enters into the following Contract.

This Contract is between Campbell-Hill Aviation Group, LLC having offices at Alexandria, VA 22314 and the City, a home-rule municipality incorporated by the State of Texas, and is effective as of the date executed by the City (“Effective Date”).

Capitalized terms used but not defined herein have the meanings given them in Solicitation Number RFP 8100 SMW3001.

1.1 This Contract is composed of the following documents:

- 1.1.1 This Contract
- 1.1.2 The City’s Solicitation, Request for Proposals, RFP 8100 SMW3001 including all documents incorporated by reference
- 1.1.3 Campbell-Hill Aviation Group, LLC Offer, dated April 9, 2019, including subsequent clarifications

1.2 Order of Precedence. Any inconsistency or conflict in the Contract documents shall be resolved by giving precedence in the following order:

- 1.2.1 This Contract
- 1.2.2 The City’s Solicitation as referenced in Section 1.1.2, including all documents incorporated by reference
- 1.2.3 The Contractor’s Offer as referenced in Section 1.1.3, including subsequent clarifications.

1.3 Term of Contract.

1.3.1 **Term of Contract.** The Contract shall commence upon execution, unless otherwise specified, and shall remain in effect for an initial term of 36 months. The Contract may be extended beyond the initial term for up to two additional 12-month periods at the City’s sole option

1.3.1.1 If the City exercises any extension option, all terms, conditions, and provisions of the Contract shall remain in effect for that extension period, subject only to any economic price adjustment otherwise allowed under the Contract.

1.3.1.2 Upon expiration of the initial term or any period of extension, the Contractor agrees to hold over under the terms and conditions of this Contract for such a period of time as is reasonably necessary for the City to re-solicit and/or complete the deliverables due under the Contract (not to exceed 120 calendar days unless mutually agreed to in writing).

1.3.1.3 Upon written notice to the Contractor from the City's Purchasing Officer or his designee and acceptance of the Contractor, the term of this contract shall be extended on the same terms and conditions for an additional period as indicated in paragraph 1.3.1 above.

1.3.1.4 This is a 36 month Contract. Prices are firm for the first twelve (12) months.

1.4 **Compensation.** The Contractor shall be paid a total Not-to-Exceed amount of \$1,072,000 for the initial Contract term, \$375,000 for the first optional extension, and \$380,000 for the final optional extension. Payment shall be made upon successful completion of services or delivery of goods as outlined in each individual Delivery Order.

1.5 **Quantity of Work.** There is no guaranteed quantity of work for the period of the Contract and there are no minimum order quantities. Work will be on an as needed basis as specified by the City for each Delivery Order

This Contract (including any Exhibits) constitutes the entire agreement of the parties regarding the subject matter of this Contract and supersedes all prior and contemporaneous agreements and understandings, whether written or oral, relating to such subject matter. This Contract may be altered, amended, or modified only by a written instrument signed by the duly authorized representatives of both parties.

In witness whereof, the parties have caused a duly authorized representative to execute this Contract on the date set forth below.

CAMPBELL-HILL AVIATION GROUP LLC

CITY OF AUSTIN

KEVIN SCHORR

Printed Name of Authorized Person

Kevin Schorr

Signature

VICE PRESIDENT

Title:

5/13/19

Date:

Shawn Willett

Printed Name of Authorized Person

Shawn Willett

Signature

Deputy Procurement Officer

Title:

6/19/19

Date:

Respondent, by submitting and signing below, acknowledges that he/she has received and read the entire document packet sections defined above including all documents incorporated by reference, and agrees to be bound by the terms therein.

Company Name: Campbell-Hill Aviation Group, LLC

Company Address: 700 N. Fairfax St., Suite 300

City, State, Zip: Alexandria, VA 22314

Vendor Registration No. CAM7138110

Printed Name of Officer or Authorized Representative: Kevin Schorr

Title: Vice President

Signature of Officer or Authorized Representative: Kevin Schorr

Date: 4/9/19

Email Address: kschorr@av-econ.com

Phone Number: 703-229-4043

*** Proposal response must be submitted with this signed Offer sheet to be considered for award**

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By submitting an Offer in response to the Solicitation, the Contractor agrees that the Contract shall be governed by the following terms and conditions. Unless otherwise specified in the Contract, Sections 3, 4, 5, 6, 7, 8, 20, 21, and 36 shall apply only to a Solicitation to purchase Goods, and Sections 9, 10, 11 and 22 shall apply only to a Solicitation to purchase Services to be performed principally at the City's premises or on public rights-of-way.

1. **CONTRACTOR'S OBLIGATIONS**. The Contractor shall fully and timely provide all Deliverables described in the Solicitation and in the Contractor's Offer in strict accordance with the terms, covenants, and conditions of the Contract and all applicable Federal, State, and local laws, rules, and regulations.
2. **EFFECTIVE DATE/TERM**. Unless otherwise specified in the Solicitation, this Contract shall be effective as of the date the contract is signed by the City, and shall continue in effect until all obligations are performed in accordance with the Contract.
3. **CONTRACTOR TO PACKAGE DELIVERABLES**: The Contractor will package Deliverables in accordance with good commercial practice and shall include a packing list showing the description of each item, the quantity and unit price. Unless otherwise provided in the Specifications or Supplemental Terms and Conditions, each shipping container shall be clearly and permanently marked as follows: (a) The Contractor's name and address, (b) the City's name, address and purchase order or purchase release number and the price agreement number if applicable, (c) Container number and total number of containers, e.g. box 1 of 4 boxes, and (d) the number of the container bearing the packing list. The Contractor shall bear cost of packaging. Deliverables shall be suitably packed to secure lowest transportation costs and to conform with requirements of common carriers and any applicable specifications. The City's count or weight shall be final and conclusive on shipments not accompanied by packing lists.
4. **SHIPMENT UNDER RESERVATION PROHIBITED**: The Contractor is not authorized to ship the Deliverables under reservation and no tender of a bill of lading will operate as a tender of Deliverables.
5. **TITLE & RISK OF LOSS**: Title to and risk of loss of the Deliverables shall pass to the City only when the City actually receives and accepts the Deliverables.
6. **DELIVERY TERMS AND TRANSPORTATION CHARGES**: Deliverables shall be shipped F.O.B. point of delivery unless otherwise specified in the Supplemental Terms and Conditions. Unless otherwise stated in the Offer, the Contractor's price shall be deemed to include all delivery and transportation charges. The City shall have the right to designate what method of transportation shall be used to ship the Deliverables. The place of delivery shall be that set forth in the block of the purchase order or purchase release entitled "Receiving Agency".
7. **RIGHT OF INSPECTION AND REJECTION**: The City expressly reserves all rights under law, including, but not limited to the Uniform Commercial Code, to inspect the Deliverables at delivery before accepting them, and to reject defective or non-conforming Deliverables. If the City has the right to inspect the Contractor's, or the Contractor's Subcontractor's, facilities, or the Deliverables at the Contractor's, or the Contractor's Subcontractor's, premises, the Contractor shall furnish, or cause to be furnished, without additional charge, all reasonable facilities and assistance to the City to facilitate such inspection.
8. **NO REPLACEMENT OF DEFECTIVE TENDER**: Every tender or delivery of Deliverables must fully comply with all provisions of the Contract as to time of delivery, quality, and quantity. Any non-complying tender shall constitute a breach and the Contractor shall not have the right to substitute a conforming tender; provided, where the time for performance has not yet expired, the Contractor may notify the City of the intention to cure and may then make a conforming tender within the time allotted in the contract.
9. **PLACE AND CONDITION OF WORK**: The City shall provide the Contractor access to the sites where the Contractor is to perform the services as required in order for the Contractor to perform the services in a timely and efficient manner, in accordance with and subject to the applicable security laws, rules, and regulations. The Contractor acknowledges that it has satisfied itself as to the nature of the City's service requirements and specifications, the location and essential characteristics of the work sites, the quality and quantity of materials, equipment, labor and facilities necessary to perform the services, and any other condition or state of fact which could in any way affect performance of the Contractor's obligations under the contract. The Contractor hereby releases and holds the City

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harmless from and against any liability or claim for damages of any kind or nature if the actual site or service conditions differ from expected conditions.

10. WORKFORCE

- A. The Contractor shall employ only orderly and competent workers, skilled in the performance of the services which they will perform under the Contract.
- B. The Contractor, its employees, subcontractors, and subcontractor's employees may not while engaged in participating or responding to a solicitation or while in the course and scope of delivering goods or services under a City of Austin contract or on the City's property .
 - i. use or possess a firearm, including a concealed handgun that is licensed under state law, except as required by the terms of the contract; or
 - ii. use or possess alcoholic or other intoxicating beverages, illegal drugs or controlled substances, nor may such workers be intoxicated, or under the influence of alcohol or drugs, on the job.
- C. If the City or the City's representative notifies the Contractor that any worker is incompetent, disorderly or disobedient, has knowingly or repeatedly violated safety regulations, has possessed any firearms, or has possessed or was under the influence of alcohol or drugs on the job, the Contractor shall immediately remove such worker from Contract services, and may not employ such worker again on Contract services without the City's prior written consent.

- 11. COMPLIANCE WITH HEALTH, SAFETY, AND ENVIRONMENTAL REGULATIONS:** The Contractor, its Subcontractors, and their respective employees, shall comply fully with all applicable federal, state, and local health, safety, and environmental laws, ordinances, rules and regulations in the performance of the services, including but not limited to those promulgated by the City and by the Occupational Safety and Health Administration (OSHA). In case of conflict, the most stringent safety requirement shall govern. The Contractor shall indemnify and hold the City harmless from and against all claims, demands, suits, actions, judgments, fines, penalties and liability of every kind arising from the breach of the Contractor's obligations under this paragraph.

12. INVOICES:

- A. The Contractor shall submit separate invoices in duplicate on each purchase order or purchase release after each delivery. If partial shipments or deliveries are authorized by the City, a separate invoice must be sent for each shipment or delivery made.
- B. **Proper Invoices must include a unique invoice number, the purchase order or delivery order number and the master agreement number if applicable, the Department's Name, and the name of the point of contact for the Department.** Invoices shall be itemized and transportation charges, if any, shall be listed separately. A copy of the bill of lading and the freight waybill, when applicable, shall be attached to the invoice. The Contractor's name and, if applicable, the tax identification number on the invoice must exactly match the information in the Vendor's registration with the City. Unless otherwise instructed in writing, the City may rely on the remittance address specified on the Contractor's invoice.
- C. Invoices for labor shall include a copy of all time-sheets with trade labor rate and Deliverables order number clearly identified. Invoices shall also include a tabulation of work-hours at the appropriate rates and grouped by work order number. Time billed for labor shall be limited to hours actually worked at the work site.
- D. Unless otherwise expressly authorized in the Contract, the Contractor shall pass through all Subcontract and other authorized expenses at actual cost without markup.
- E. Federal excise taxes, State taxes, or City sales taxes must not be included in the invoiced amount. The City will furnish a tax exemption certificate upon request.

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13. PAYMENT:

- A. All proper invoices received by the City will be paid within thirty (30) calendar days of the City's receipt of the Deliverables or of the invoice, whichever is later.
- B. **If payment is not timely made, (per paragraph A), interest shall accrue on the unpaid balance at the lesser of the rate specified in Texas Government Code Section 2251.025 or the maximum lawful rate; except, if payment is not timely made for a reason for which the City may withhold payment hereunder, interest shall not accrue until ten (10) calendar days after the grounds for withholding payment have been resolved.**
- C. If partial shipments or deliveries are authorized by the City, the Contractor will be paid for the partial shipment or delivery, as stated above, provided that the invoice matches the shipment or delivery.
- D. The City may withhold or set off the entire payment or part of any payment otherwise due the Contractor to such extent as may be necessary on account of:
 - i. delivery of defective or non-conforming Deliverables by the Contractor;
 - ii. third party claims, which are not covered by the insurance which the Contractor is required to provide, are filed or reasonable evidence indicating probable filing of such claims;
 - iii. failure of the Contractor to pay Subcontractors, or for labor, materials or equipment;
 - iv. damage to the property of the City or the City's agents, employees or contractors, which is not covered by insurance required to be provided by the Contractor;
 - v. reasonable evidence that the Contractor's obligations will not be completed within the time specified in the Contract, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay;
 - vi. failure of the Contractor to submit proper invoices with all required attachments and supporting documentation; or
 - vii. failure of the Contractor to comply with any material provision of the Contract Documents.
- E. Notice is hereby given of Article VIII, Section 1 of the Austin City Charter which prohibits the payment of any money to any person, firm or corporation who is in arrears to the City for taxes, and of §2-8-3 of the Austin City Code concerning the right of the City to offset indebtedness owed the City.
- F. Payment will be made by check unless the parties mutually agree to payment by credit card or electronic transfer of funds. The Contractor agrees that there shall be no additional charges, surcharges, or penalties to the City for payments made by credit card or electronic funds transfer.
- G. The awarding or continuation of this contract is dependent upon the availability of funding. The City's payment obligations are payable only and solely from funds Appropriated and available for this contract. The absence of Appropriated or other lawfully available funds shall render the Contract null and void to the extent funds are not Appropriated or available and any Deliverables delivered but unpaid shall be returned to the Contractor. The City shall provide the Contractor written notice of the failure of the City to make an adequate Appropriation for any fiscal year to pay the amounts due under the Contract, or the reduction of any Appropriation to an amount insufficient to permit the City to pay its obligations under the Contract. In the event of non or inadequate appropriation of funds, there will be no penalty nor removal fees charged to the City.

- 14. TRAVEL EXPENSES:** All travel, lodging and per diem expenses in connection with the Contract for which reimbursement may be claimed by the Contractor under the terms of the Solicitation will be reviewed against the City's Travel Policy as published and maintained by the City's Controller's Office and the Current United States General Services Administration Domestic Per Diem Rates (the "Rates") as published and maintained on the Internet at:

<http://www.gsa.gov/portal/category/21287>

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No amounts in excess of the Travel Policy or Rates shall be paid. All invoices must be accompanied by copies of detailed itemized receipts (e.g. hotel bills, airline tickets). No reimbursement will be made for expenses not actually incurred. Airline fares in excess of coach or economy will not be reimbursed. Mileage charges may not exceed the amount permitted as a deduction in any year under the Internal Revenue Code or Regulations.

15. FINAL PAYMENT AND CLOSE-OUT:

- A. If an MBE/WBE Program Compliance Plan is required by the Solicitation, and the Contractor has identified Subcontractors, the Contractor is required to submit a Contract Close-Out MBE/WBE Compliance Report to the Project manager or Contract manager no later than the 15th calendar day after completion of all work under the contract. Final payment, retainage, or both may be withheld if the Contractor is not in compliance with the requirements of the Compliance Plan as accepted by the City.
- B. The making and acceptance of final payment will constitute:
 - i. a waiver of all claims by the City against the Contractor, except claims (1) which have been previously asserted in writing and not yet settled, (2) arising from defective work appearing after final inspection, (3) arising from failure of the Contractor to comply with the Contract or the terms of any warranty specified herein, (4) arising from the Contractor's continuing obligations under the Contract, including but not limited to indemnity and warranty obligations, or (5) arising under the City's right to audit; and
 - ii. a waiver of all claims by the Contractor against the City other than those previously asserted in writing and not yet settled.

16. SPECIAL TOOLS & TEST EQUIPMENT: If the price stated on the Offer includes the cost of any special tooling or special test equipment fabricated or required by the Contractor for the purpose of filling this order, such special tooling equipment and any process sheets related thereto shall become the property of the City and shall be identified by the Contractor as such.

17. AUDITS and RECORDS:

- A. The Contractor agrees that the representatives of the Office of the City Auditor or other authorized representatives of the City shall have access to, and the right to audit, examine, or reproduce, any and all records of the Contractor related to the performance under this Contract. The Contractor shall retain all such records for a period of three (3) years after final payment on this Contract or until all audit and litigation matters that the City has brought to the attention of the Contractor are resolved, whichever is longer. The Contractor agrees to refund to the City any overpayments disclosed by any such audit.
- B. Records Retention:
 - i. Contractor is subject to City Code chapter 2-11 (Records Management), and as it may subsequently be amended. For purposes of this subsection, a Record means all books, accounts, reports, files, and other data recorded or created by a Contractor in fulfillment of the Contract whether in digital or physical format, except a record specifically relating to the Contractor's internal administration.
 - ii. All Records are the property of the City. The Contractor may not dispose of or destroy a Record without City authorization and shall deliver the Records, in all requested formats and media, along with all finding aids and metadata, to the City at no cost when requested by the City
 - iii. The Contractor shall retain all Records for a period of three (3) years after final payment on this Contract or until all audit and litigation matters that the City has brought to the attention of the Contractor are resolved, whichever is longer.
- C. The Contractor shall include sections A and B above in all subcontractor agreements entered into in connection with this Contract.

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18. SUBCONTRACTORS:

- A. If the Contractor identified Subcontractors in an MBE/WBE Program Compliance Plan or a No Goals Utilization Plan the Contractor shall comply with the provisions of Chapters 2-9A, 2-9B, 2-9C, and 2-9D, as applicable, of the Austin City Code and the terms of the Compliance Plan or Utilization Plan as approved by the City (the "Plan"). The Contractor shall not initially employ any Subcontractor except as provided in the Contractor's Plan. The Contractor shall not substitute any Subcontractor identified in the Plan, unless the substitute has been accepted by the City in writing in accordance with the provisions of Chapters 2-9A, 2-9B, 2-9C and 2-9D, as applicable. No acceptance by the City of any Subcontractor shall constitute a waiver of any rights or remedies of the City with respect to defective Deliverables provided by a Subcontractor. If a Plan has been approved, the Contractor is additionally required to submit a monthly Subcontract Awards and Expenditures Report to the Contract Manager and the Purchasing Office Contract Compliance Manager no later than the tenth calendar day of each month.
- B. Work performed for the Contractor by a Subcontractor shall be pursuant to a written contract between the Contractor and Subcontractor. The terms of the subcontract may not conflict with the terms of the Contract, and shall contain provisions that:
 - i. require that all Deliverables to be provided by the Subcontractor be provided in strict accordance with the provisions, specifications and terms of the Contract;
 - ii. prohibit the Subcontractor from further subcontracting any portion of the Contract without the prior written consent of the City and the Contractor. The City may require, as a condition to such further subcontracting, that the Subcontractor post a payment bond in form, substance and amount acceptable to the City;
 - iii. require Subcontractors to submit all invoices and applications for payments, including any claims for additional payments, damages or otherwise, to the Contractor in sufficient time to enable the Contractor to include same with its invoice or application for payment to the City in accordance with the terms of the Contract;
 - iv. require that all Subcontractors obtain and maintain, throughout the term of their contract, insurance in the type and amounts specified for the Contractor, with the City being a named insured as its interest shall appear; and
 - v. require that the Subcontractor indemnify and hold the City harmless to the same extent as the Contractor is required to indemnify the City.
- C. The Contractor shall be fully responsible to the City for all acts and omissions of the Subcontractors just as the Contractor is responsible for the Contractor's own acts and omissions. Nothing in the Contract shall create for the benefit of any such Subcontractor any contractual relationship between the City and any such Subcontractor, nor shall it create any obligation on the part of the City to pay or to see to the payment of any moneys due any such Subcontractor except as may otherwise be required by law.
- D. The Contractor shall pay each Subcontractor its appropriate share of payments made to the Contractor not later than ten (10) calendar days after receipt of payment from the City.

19. WARRANTY-PRICE:

- A. The Contractor warrants the prices quoted in the Offer are no higher than the Contractor's current prices on orders by others for like Deliverables under similar terms of purchase.
- B. The Contractor certifies that the prices in the Offer have been arrived at independently without consultation, communication, or agreement for the purpose of restricting competition, as to any matter relating to such fees with any other firm or with any competitor.
- C. In addition to any other remedy available, the City may deduct from any amounts owed to the Contractor, or otherwise recover, any amounts paid for items in excess of the Contractor's current prices on orders by others for like Deliverables under similar terms of purchase.

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20. **WARRANTY – TITLE:** The Contractor warrants that it has good and indefeasible title to all Deliverables furnished under the Contract, and that the Deliverables are free and clear of all liens, claims, security interests and encumbrances. The Contractor shall indemnify and hold the City harmless from and against all adverse title claims to the Deliverables.
21. **WARRANTY – DELIVERABLES:** The Contractor warrants and represents that all Deliverables sold the City under the Contract shall be free from defects in design, workmanship or manufacture, and conform in all material respects to the specifications, drawings, and descriptions in the Solicitation, to any samples furnished by the Contractor, to the terms, covenants and conditions of the Contract, and to all applicable State, Federal or local laws, rules, and regulations, and industry codes and standards. Unless otherwise stated in the Solicitation, the Deliverables shall be new or recycled merchandise, and not used or reconditioned.
- A. Recycled Deliverables shall be clearly identified as such.
 - B. The Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law; and any attempt to do so shall be without force or effect.
 - C. Unless otherwise specified in the Contract, the warranty period shall be at least one year from the date of acceptance of the Deliverables or from the date of acceptance of any replacement Deliverables. If during the warranty period, one or more of the above warranties are breached, the Contractor shall promptly upon receipt of demand either repair the non-conforming Deliverables, or replace the non-conforming Deliverables with fully conforming Deliverables, at the City's option and at no additional cost to the City. All costs incidental to such repair or replacement, including but not limited to, any packaging and shipping costs, shall be borne exclusively by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of discovery of the breach of warranty, but failure to give timely notice shall not impair the City's rights under this section.
 - D. If the Contractor is unable or unwilling to repair or replace defective or non-conforming Deliverables as required by the City, then in addition to any other available remedy, the City may reduce the quantity of Deliverables it may be required to purchase under the Contract from the Contractor, and purchase conforming Deliverables from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such Deliverables from another source.
 - E. If the Contractor is not the manufacturer, and the Deliverables are covered by a separate manufacturer's warranty, the Contractor shall transfer and assign such manufacturer's warranty to the City. If for any reason the manufacturer's warranty cannot be fully transferred to the City, the Contractor shall assist and cooperate with the City to the fullest extent to enforce such manufacturer's warranty for the benefit of the City.
22. **WARRANTY – SERVICES:** The Contractor warrants and represents that all services to be provided the City under the Contract will be fully and timely performed in a good and workmanlike manner in accordance with generally accepted industry standards and practices, the terms, conditions, and covenants of the Contract, and all applicable Federal, State and local laws, rules or regulations.
- A. The Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law, and any attempt to do so shall be without force or effect.
 - B. Unless otherwise specified in the Contract, the warranty period shall be at least one year from the Acceptance Date. If during the warranty period, one or more of the above warranties are breached, the Contractor shall promptly upon receipt of demand perform the services again in accordance with above standard at no additional cost to the City. All costs incidental to such additional performance shall be borne by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of discovery of the breach warranty, but failure to give timely notice shall not impair the City's rights under this section.
 - C. If the Contractor is unable or unwilling to perform its services in accordance with the above standard as required by the City, then in addition to any other available remedy, the City may reduce the amount of services it may be

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required to purchase under the Contract from the Contractor, and purchase conforming services from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such services from another source.

23. **ACCEPTANCE OF INCOMPLETE OR NON-CONFORMING DELIVERABLES:** If, instead of requiring immediate correction or removal and replacement of defective or non-conforming Deliverables, the City prefers to accept it, the City may do so. The Contractor shall pay all claims, costs, losses and damages attributable to the City's evaluation of and determination to accept such defective or non-conforming Deliverables. If any such acceptance occurs prior to final payment, the City may deduct such amounts as are necessary to compensate the City for the diminished value of the defective or non-conforming Deliverables. If the acceptance occurs after final payment, such amount will be refunded to the City by the Contractor.
24. **RIGHT TO ASSURANCE:** Whenever one party to the Contract in good faith has reason to question the other party's intent to perform, demand may be made to the other party for written assurance of the intent to perform. In the event that no assurance is given within the time specified after demand is made, the demanding party may treat this failure as an anticipatory repudiation of the Contract.
25. **STOP WORK NOTICE:** The City may issue an immediate Stop Work Notice in the event the Contractor is observed performing in a manner that is in violation of Federal, State, or local guidelines, or in a manner that is determined by the City to be unsafe to either life or property. Upon notification, the Contractor will cease all work until notified by the City that the violation or unsafe condition has been corrected. The Contractor shall be liable for all costs incurred by the City as a result of the issuance of such Stop Work Notice.
26. **DEFAULT:** The Contractor shall be in default under the Contract if the Contractor (a) fails to fully, timely and faithfully perform any of its material obligations under the Contract, (b) fails to provide adequate assurance of performance under Paragraph 24, (c) becomes insolvent or seeks relief under the bankruptcy laws of the United States or (d) makes a material misrepresentation in Contractor's Offer, or in any report or deliverable required to be submitted by the Contractor to the City.
27. **TERMINATION FOR CAUSE:** In the event of a default by the Contractor, the City shall have the right to terminate the Contract for cause, by written notice effective ten (10) calendar days, unless otherwise specified, after the date of such notice, unless the Contractor, within such ten (10) day period, cures such default, or provides evidence sufficient to prove to the City's reasonable satisfaction that such default does not, in fact, exist. The City may place Contractor on probation for a specified period of time within which the Contractor must correct any non-compliance issues. Probation shall not normally be for a period of more than nine (9) months, however, it may be for a longer period, not to exceed one (1) year depending on the circumstances. If the City determines the Contractor has failed to perform satisfactorily during the probation period, the City may proceed with suspension. In the event of a default by the Contractor, the City may suspend or debar the Contractor in accordance with the "City of Austin Purchasing Office Probation, Suspension and Debarment Rules for Vendors" and remove the Contractor from the City's vendor list for up to five (5) years and any Offer submitted by the Contractor may be disqualified for up to five (5) years. In addition to any other remedy available under law or in equity, the City shall be entitled to recover all actual damages, costs, losses and expenses, incurred by the City as a result of the Contractor's default, including, without limitation, cost of cover, reasonable attorneys' fees, court costs, and prejudgment and post-judgment interest at the maximum lawful rate. All rights and remedies under the Contract are cumulative and are not exclusive of any other right or remedy provided by law.
28. **TERMINATION WITHOUT CAUSE:** The City shall have the right to terminate the Contract, in whole or in part, without cause any time upon thirty (30) calendar days' prior written notice. Upon receipt of a notice of termination, the Contractor shall promptly cease all further work pursuant to the Contract, with such exceptions, if any, specified in the notice of termination. The City shall pay the Contractor, to the extent of funds Appropriated or otherwise legally available for such purposes, for all goods delivered and services performed and obligations incurred prior to the date of termination in accordance with the terms hereof.
29. **FRAUD:** Fraudulent statements by the Contractor on any Offer or in any report or deliverable required to be submitted by the Contractor to the City shall be grounds for the termination of the Contract for cause by the City and may result in legal action.

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30. DELAYS:

- A. The City may delay scheduled delivery or other due dates by written notice to the Contractor if the City deems it is in its best interest. If such delay causes an increase in the cost of the work under the Contract, the City and the Contractor shall negotiate an equitable adjustment for costs incurred by the Contractor in the Contract price and execute an amendment to the Contract. The Contractor must assert its right to an adjustment within thirty (30) calendar days from the date of receipt of the notice of delay. Failure to agree on any adjusted price shall be handled under the Dispute Resolution process specified in paragraph 48. However, nothing in this provision shall excuse the Contractor from delaying the delivery as notified.
- B. Neither party shall be liable for any default or delay in the performance of its obligations under this Contract if, while and to the extent such default or delay is caused by acts of God, fire, riots, civil commotion, labor disruptions, sabotage, sovereign conduct, or any other cause beyond the reasonable control of such Party. In the event of default or delay in contract performance due to any of the foregoing causes, then the time for completion of the services will be extended; provided, however, in such an event, a conference will be held within three (3) business days to establish a mutually agreeable period of time reasonably necessary to overcome the effect of such failure to perform.

31. INDEMNITY:

- A. Definitions:
 - i. "Indemnified Claims" shall include any and all claims, demands, suits, causes of action, judgments and liability of every character, type or description, including all reasonable costs and expenses of litigation, mediation or other alternate dispute resolution mechanism, including attorney and other professional fees for:
 - (1) damage to or loss of the property of any person (including, but not limited to the City, the Contractor, their respective agents, officers, employees and subcontractors; the officers, agents, and employees of such subcontractors; and third parties); and/or
 - (2) death, bodily injury, illness, disease, worker's compensation, loss of services, or loss of income or wages to any person (including but not limited to the agents, officers and employees of the City, the Contractor, the Contractor's subcontractors, and third parties),
 - ii. "Fault" shall include the sale of defective or non-conforming Deliverables, negligence, willful misconduct, or a breach of any legally imposed strict liability standard.
- B. **THE CONTRACTOR SHALL DEFEND (AT THE OPTION OF THE CITY), INDEMNIFY, AND HOLD THE CITY, ITS SUCCESSORS, ASSIGNS, OFFICERS, EMPLOYEES AND ELECTED OFFICIALS HARMLESS FROM AND AGAINST ALL INDEMNIFIED CLAIMS DIRECTLY ARISING OUT OF, INCIDENT TO, CONCERNING OR RESULTING FROM THE FAULT OF THE CONTRACTOR, OR THE CONTRACTOR'S AGENTS, EMPLOYEES OR SUBCONTRACTORS, IN THE PERFORMANCE OF THE CONTRACTOR'S OBLIGATIONS UNDER THE CONTRACT. NOTHING HEREIN SHALL BE DEEMED TO LIMIT THE RIGHTS OF THE CITY OR THE CONTRACTOR (INCLUDING, BUT NOT LIMITED TO, THE RIGHT TO SEEK CONTRIBUTION) AGAINST ANY THIRD PARTY WHO MAY BE LIABLE FOR AN INDEMNIFIED CLAIM.**

32. INSURANCE: (reference Section 0400 for specific coverage requirements). The following insurance requirement applies. (Revised March 2013).

- A. General Requirements.
 - i. The Contractor shall at a minimum carry insurance in the types and amounts indicated in Section 0400, Supplemental Purchase Provisions, for the duration of the Contract, including extension options and hold over periods, and during any warranty period.
 - ii. The Contractor shall provide Certificates of Insurance with the coverages and endorsements required in Section 0400, Supplemental Purchase Provisions, to the City as verification of coverage prior to contract execution and within fourteen (14) calendar days after written request from the

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City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or hold over period is exercised, as verification of continuing coverage.

- iii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
- iv. The City may request that the Contractor submit certificates of insurance to the City for all subcontractors prior to the subcontractors commencing work on the project.
- v. The Contractor's and all subcontractors' insurance coverage shall be written by companies licensed to do business in the State of Texas at the time the policies are issued and shall be written by companies with A.M. Best ratings of B+VII or better.
- vi. The "other" insurance clause shall not apply to the City where the City is an additional insured shown on any policy. It is intended that policies required in the Contract, covering both the City and the Contractor, shall be considered primary coverage as applicable.
- vii. If insurance policies are not written for amounts specified in Section 0400, Supplemental Purchase Provisions, the Contractor shall carry Umbrella or Excess Liability Insurance for any differences in amounts specified. If Excess Liability Insurance is provided, it shall follow the form of the primary coverage.
- viii. The City shall be entitled, upon request, at an agreed upon location, and without expense, to review certified copies of policies and endorsements thereto and may make any reasonable requests for deletion or revision or modification of particular policy terms, conditions, limitations, or exclusions except where policy provisions are established by law or regulations binding upon either of the parties hereto or the underwriter on any such policies.
- ix. The City reserves the right to review the insurance requirements set forth during the effective period of the Contract and to make reasonable adjustments to insurance coverage, limits, and exclusions when deemed necessary and prudent by the City based upon changes in statutory law, court decisions, the claims history of the industry or financial condition of the insurance company as well as the Contractor.
- x. The Contractor shall not cause any insurance to be canceled nor permit any insurance to lapse during the term of the Contract or as required in the Contract.
- xi. The Contractor shall be responsible for premiums, deductibles and self-insured retentions, if any, stated in policies. Self-insured retentions shall be disclosed on the Certificate of Insurance.
- xii. The Contractor shall provide the City thirty (30) calendar days' written notice of erosion of the aggregate limits below occurrence limits for all applicable coverages indicated within the Contract.
- xiii. The insurance coverages specified in Section 0400, Supplemental Purchase Provisions, are required minimums and are not intended to limit the responsibility or liability of the Contractor.

B. Specific Coverage Requirements: Specific insurance requirements are contained in Section 0400, Supplemental Purchase Provisions

33. **CLAIMS:** If any claim, demand, suit, or other action is asserted against the Contractor which arises under or concerns the Contract, or which could have a material adverse affect on the Contractor's ability to perform thereunder, the Contractor shall give written notice thereof to the City within ten (10) calendar days after receipt of notice by the

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Contractor. Such notice to the City shall state the date of notification of any such claim, demand, suit, or other action; the names and addresses of the claimant(s); the basis thereof; and the name of each person against whom such claim is being asserted. Such notice shall be delivered personally or by mail and shall be sent to the City and to the Austin City Attorney. Personal delivery to the City Attorney shall be to City Hall, 301 West 2nd Street, 4th Floor, Austin, Texas 78701, and mail delivery shall be to P.O. Box 1088, Austin, Texas 78767.

34. **NOTICES**: Unless otherwise specified, all notices, requests, or other communications required or appropriate to be given under the Contract shall be in writing and shall be deemed delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested. Notices delivered by other means shall be deemed delivered upon receipt by the addressee. Routine communications may be made by first class mail, telefax, or other commercially accepted means. Notices to the Contractor shall be sent to the address specified in the Contractor's Offer, or at such other address as a party may notify the other in writing. Notices to the City shall be addressed to the City at P.O. Box 1088, Austin, Texas 78767 and marked to the attention of the Contract Administrator.
35. **RIGHTS TO BID, PROPOSAL AND CONTRACTUAL MATERIAL**: All material submitted by the Contractor to the City shall become property of the City upon receipt. Any portions of such material claimed by the Contractor to be proprietary must be clearly marked as such. Determination of the public nature of the material is subject to the Texas Public Information Act, Chapter 552, Texas Government Code.
36. **NO WARRANTY BY CITY AGAINST INFRINGEMENTS**: The Contractor represents and warrants to the City that: (i) the Contractor shall provide the City good and indefeasible title to the Deliverables and (ii) the Deliverables supplied by the Contractor in accordance with the specifications in the Contract will not infringe, directly or contributorily, any patent, trademark, copyright, trade secret, or any other intellectual property right of any kind of any third party; that no claims have been made by any person or entity with respect to the ownership or operation of the Deliverables and the Contractor does not know of any valid basis for any such claims. The Contractor shall, at its sole expense, defend, indemnify, and hold the City harmless from and against all liability, damages, and costs (including court costs and reasonable fees of attorneys and other professionals) arising out of or resulting from: (i) any claim that the City's exercise anywhere in the world of the rights associated with the City's ownership, and if applicable, license rights, and its use of the Deliverables infringes the intellectual property rights of any third party; or (ii) the Contractor's breach of any of Contractor's representations or warranties stated in this Contract. In the event of any such claim, the City shall have the right to monitor such claim or at its option engage its own separate counsel to act as co-counsel on the City's behalf. Further, Contractor agrees that the City's specifications regarding the Deliverables shall in no way diminish Contractor's warranties or obligations under this paragraph and the City makes no warranty that the production, development, or delivery of such Deliverables will not impact such warranties of Contractor.
37. **CONFIDENTIALITY**: In order to provide the Deliverables to the City, Contractor may require access to certain of the City's and/or its licensors' confidential information (including inventions, employee information, trade secrets, confidential know-how, confidential business information, and other information which the City or its licensors consider confidential) (collectively, "Confidential Information"). Contractor acknowledges and agrees that the Confidential Information is the valuable property of the City and/or its licensors and any unauthorized use, disclosure, dissemination, or other release of the Confidential Information will substantially injure the City and/or its licensors. The Contractor (including its employees, subcontractors, agents, or representatives) agrees that it will maintain the Confidential Information in strict confidence and shall not disclose, disseminate, copy, divulge, recreate, or otherwise use the Confidential Information without the prior written consent of the City or in a manner not expressly permitted under this Agreement, unless the Confidential Information is required to be disclosed by law or an order of any court or other governmental authority with proper jurisdiction, provided the Contractor promptly notifies the City before disclosing such information so as to permit the City reasonable time to seek an appropriate protective order. The Contractor agrees to use protective measures no less stringent than the Contractor uses within its own business to protect its own most valuable information, which protective measures shall under all circumstances be at least reasonable measures to ensure the continued confidentiality of the Confidential Information.
38. **PUBLICATIONS**: All published material and written reports submitted under the Contract must be originally developed material unless otherwise specifically provided in the Contract. When material not originally developed is included in a report in any form, the source shall be identified.

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39. **ADVERTISING**: The Contractor shall not advertise or publish, without the City's prior consent, the fact that the City has entered into the Contract, except to the extent required by law.
40. **NO CONTINGENT FEES**: The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon any agreement or understanding for commission, percentage, brokerage, or contingent fee, excepting bona fide employees of bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the City shall have the right, in addition to any other remedy available, to cancel the Contract without liability and to deduct from any amounts owed to the Contractor, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.
41. **GRATUITIES**: The City may, by written notice to the Contractor, cancel the Contract without liability if it is determined by the City that gratuities were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the City of Austin with a view toward securing the Contract or securing favorable treatment with respect to the awarding or amending or the making of any determinations with respect to the performing of such contract. In the event the Contract is canceled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold the amount of the cost incurred by the Contractor in providing such gratuities.
42. **PROHIBITION AGAINST PERSONAL INTEREST IN CONTRACTS**: No officer, employee, independent consultant, or elected official of the City who is involved in the development, evaluation, or decision-making process of the performance of any solicitation shall have a financial interest, direct or indirect, in the Contract resulting from that solicitation. Any willful violation of this section shall constitute impropriety in office, and any officer or employee guilty thereof shall be subject to disciplinary action up to and including dismissal. Any violation of this provision, with the knowledge, expressed or implied, of the Contractor shall render the Contract voidable by the City.
43. **INDEPENDENT CONTRACTOR**: The Contract shall not be construed as creating an employer/employee relationship, a partnership, or a joint venture. The Contractor's services shall be those of an independent contractor. The Contractor agrees and understands that the Contract does not grant any rights or privileges established for employees of the City.
44. **ASSIGNMENT-DELEGATION**: The Contract shall be binding upon and enure to the benefit of the City and the Contractor and their respective successors and assigns, provided however, that no right or interest in the Contract shall be assigned and no obligation shall be delegated by the Contractor without the prior written consent of the City. Any attempted assignment or delegation by the Contractor shall be void unless made in conformity with this paragraph. The Contract is not intended to confer rights or benefits on any person, firm or entity not a party hereto; it being the intention of the parties that there be no third party beneficiaries to the Contract.
45. **WAIVER**: No claim or right arising out of a breach of the Contract can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved party. No waiver by either the Contractor or the City of any one or more events of default by the other party shall operate as, or be construed to be, a permanent waiver of any rights or obligations under the Contract, or an express or implied acceptance of any other existing or future default or defaults, whether of a similar or different character.
46. **MODIFICATIONS**: The Contract can be modified or amended only by a writing signed by both parties. No pre-printed or similar terms on any the Contractor invoice, order or other document shall have any force or effect to change the terms, covenants, and conditions of the Contract.
47. **INTERPRETATION**: The Contract is intended by the parties as a final, complete and exclusive statement of the terms of their agreement. No course of prior dealing between the parties or course of performance or usage of the trade shall be relevant to supplement or explain any term used in the Contract. Although the Contract may have been substantially drafted by one party, it is the intent of the parties that all provisions be construed in a manner to be fair to both parties, reading no provisions more strictly against one party or the other. Whenever a term defined by the Uniform Commercial Code, as enacted by the State of Texas, is used in the Contract, the UCC definition shall control, unless otherwise defined in the Contract.

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48. **DISPUTE RESOLUTION:**

- A. If a dispute arises out of or relates to the Contract, or the breach thereof, the parties agree to negotiate prior to prosecuting a suit for damages. However, this section does not prohibit the filing of a lawsuit to toll the running of a statute of limitations or to seek injunctive relief. Either party may make a written request for a meeting between representatives of each party within fourteen (14) calendar days after receipt of the request or such later period as agreed by the parties. Each party shall include, at a minimum, one (1) senior level individual with decision-making authority regarding the dispute. The purpose of this and any subsequent meeting is to attempt in good faith to negotiate a resolution of the dispute. If, within thirty (30) calendar days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will proceed directly to mediation as described below. Negotiation may be waived by a written agreement signed by both parties, in which event the parties may proceed directly to mediation as described below.
- B. If the efforts to resolve the dispute through negotiation fail, or the parties waive the negotiation process, the parties may select, within thirty (30) calendar days, a mediator trained in mediation skills to assist with resolution of the dispute. Should they choose this option, the City and the Contractor agree to act in good faith in the selection of the mediator and to give consideration to qualified individuals nominated to act as mediator. Nothing in the Contract prevents the parties from relying on the skills of a person who is trained in the subject matter of the dispute or a contract interpretation expert. If the parties fail to agree on a mediator within thirty (30) calendar days of initiation of the mediation process, the mediator shall be selected by the Travis County Dispute Resolution Center (DRC). The parties agree to participate in mediation in good faith for up to thirty (30) calendar days from the date of the first mediation session. The City and the Contractor will share the mediator's fees equally and the parties will bear their own costs of participation such as fees for any consultants or attorneys they may utilize to represent them or otherwise assist them in the mediation.

49. **JURISDICTION AND VENUE:** The Contract is made under and shall be governed by the laws of the State of Texas, including, when applicable, the Uniform Commercial Code as adopted in Texas, V.T.C.A., Bus. & Comm. Code, Chapter 1, excluding any rule or principle that would refer to and apply the substantive law of another state or jurisdiction. All issues arising from this Contract shall be resolved in the courts of Travis County, Texas and the parties agree to submit to the exclusive personal jurisdiction of such courts. The foregoing, however, shall not be construed or interpreted to limit or restrict the right or ability of the City to seek and secure injunctive relief from any competent authority as contemplated herein.

50. **INVALIDITY:** The invalidity, illegality, or unenforceability of any provision of the Contract shall in no way affect the validity or enforceability of any other portion or provision of the Contract. Any void provision shall be deemed severed from the Contract and the balance of the Contract shall be construed and enforced as if the Contract did not contain the particular portion or provision held to be void. The parties further agree to reform the Contract to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this section shall not prevent this entire Contract from being void should a provision which is the essence of the Contract be determined to be void.

51. **HOLIDAYS:** The following holidays are observed by the City:

<u>Holiday</u>	<u>Date Observed</u>
New Year's Day	January 1
Martin Luther King, Jr.'s Birthday	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11

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Thanksgiving Day	Fourth Thursday in November
Friday after Thanksgiving	Friday after Thanksgiving
Christmas Eve	December 24
Christmas Day	December 25

If a Legal Holiday falls on Saturday, it will be observed on the preceding Friday. If a Legal Holiday falls on Sunday, it will be observed on the following Monday.

52. **SURVIVABILITY OF OBLIGATIONS:** All provisions of the Contract that impose continuing obligations on the parties, including but not limited to the warranty, indemnity, and confidentiality obligations of the parties, shall survive the expiration or termination of the Contract.

53. **NON-SUSPENSION OR DEBARMENT CERTIFICATION:**

The City of Austin is prohibited from contracting with or making prime or sub-awards to parties that are suspended or debarred or whose principals are suspended or debarred from Federal, State, or City of Austin Contracts. By accepting a Contract with the City, the Vendor certifies that its firm and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.

54. **EQUAL OPPORTUNITY**

A. **Equal Employment Opportunity:** No Contractor, or Contractor's agent, shall engage in any discriminatory employment practice as defined in Chapter 5-4 of the City Code. No Offer submitted to the City shall be considered, nor any Purchase Order issued, or any Contract awarded by the City unless the Offeror has executed and filed with the City Purchasing Office a current Non-Discrimination Certification. Non-compliance with Chapter 5-4 of the City Code may result in sanctions, including termination of the contract and the Contractor's suspension or debarment from participation on future City contracts until deemed compliant with Chapter 5-4.

B. **Americans with Disabilities Act (ADA) Compliance:** No Contractor, or Contractor's agent, shall engage in any discriminatory practice against individuals with disabilities as defined in the ADA, including but not limited to: employment, accessibility to goods and services, reasonable accommodations, and effective communications.

55. **BUY AMERICAN ACT-SUPPLIES (Applicable to certain Federally funded requirements)**

A. Definitions. As used in this paragraph –

i. "Component" means an article, material, or supply incorporated directly into an end product.

ii. "Cost of components" means -

- (1) For components purchased by the Contractor, the acquisition cost, including transportation costs to the place of incorporation into the end product (whether or not such costs are paid to a domestic firm), and any applicable duty (whether or not a duty-free entry certificate is issued); or
- (2) For components manufactured by the Contractor, all costs associated with the manufacture of the component, including transportation costs as described in paragraph (1) of this definition, plus allocable overhead costs, but excluding profit. Cost of components does not include any costs associated with the manufacture of the end product.

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- iii. "Domestic end product" means-
 - (1) An unmanufactured end product mined or produced in the United States; or
 - (2) An end product manufactured in the United States, if the cost of its components mined, produced, or manufactured in the United States exceeds 50 percent of the cost of all its components. Components of foreign origin of the same class or kind as those that the agency determines are not mined, produced, or manufactured in sufficient and reasonably available commercial quantities of a satisfactory quality are treated as domestic. Scrap generated, collected, and prepared for processing in the United States is considered domestic.
- iv. "End product" means those articles, materials, and supplies to be acquired under the contract for public use.
- v. "Foreign end product" means an end product other than a domestic end product.
- vi. "United States" means the 50 States, the District of Columbia, and outlying areas.
- B. The Buy American Act (41 U.S.C. 10a - 10d) provides a preference for domestic end products for supplies acquired for use in the United States.
- C. The City does not maintain a list of foreign articles that will be treated as domestic for this Contract; but will consider for approval foreign articles as domestic for this product if the articles are on a list approved by another Governmental Agency. The Offeror shall submit documentation with their Offer demonstrating that the article is on an approved Governmental list.
- D. The Contractor shall deliver only domestic end products except to the extent that it specified delivery of foreign end products in the provision of the Solicitation entitled "Buy American Act Certificate".

56. PROHIBITION OF BOYCOTT ISRAEL VERIFICATION

Pursuant to Texas Government Code §2270.002, the City is prohibited from contracting with any "company" for goods or services unless the following verification is included in this **Contract**.

- A. For the purposes of this Section only, the terms "company" and "boycott Israel" have the meaning assigned by Texas Government Code §2270.001.
- B. If the **Principal Artist** qualifies as a "company", then the **Principal Artist** verifies that he:
 - i. does not "boycott Israel"; and
 - ii. will not "boycott Israel" during the term of this **Contract**.
- C. The **Principal Artist's** obligations under this Section, if any exist, will automatically cease or be reduced to the extent that the requirements of Texas Government Code Chapter 2270 are subsequently repealed, reduced, or declared unenforceable or invalid in whole or in part by any court or tribunal of competent jurisdiction or by the Texas Attorney General, without any further impact on the validity or continuity of this Contract.

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SUPPLEMENTAL PURCHASE PROVISIONS
RFP 8100 SMW3001**

1. **EXPLANATIONS OR CLARIFICATIONS:** (reference paragraph 5 in Section 0200)

All requests for explanations or clarifications must be submitted in writing to the Purchasing Office by March 22, 2019 at 5:00pm CST.

2. **INSURANCE:** Insurance is required for this solicitation.

A. **General Requirements:** See Section 0300, Standard Purchase Terms and Conditions, paragraph 32, entitled Insurance, for general insurance requirements.

- i. The Contractor shall provide a Certificate of Insurance as verification of coverages required below to the City at the below address prior to contract execution and within 14 calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award
- ii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
- iii. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or holdover period is exercised, as verification of continuing coverage.
- iv. The Certificate of Insurance, and updates, shall be mailed to the following address:

City of Austin Purchasing Office
P. O. Box 1088
Austin, Texas 78767

OR

PURInsuranceCompliance@austintexas.gov

B. **Specific Coverage Requirements:** The Contractor shall at a minimum carry insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over periods, and during any warranty period. These insurance coverages are required minimums and are not intended to limit the responsibility or liability of the Contractor.

- i. **Worker's Compensation and Employers' Liability Insurance:** Coverage shall be consistent with statutory benefits outlined in the Texas Worker's Compensation Act (Section 401). The minimum policy limits for Employer's Liability are \$100,000 bodily injury each accident, \$500,000 bodily injury by disease policy limit and \$100,000 bodily injury by disease each employee.
 - (1) The Contractor's policy shall apply to the State of Texas and include these endorsements in favor of the City of Austin:
 - (a) Waiver of Subrogation, Form WC420304, or equivalent coverage
 - (b) Thirty (30) days Notice of Cancellation, Form WC420601, or equivalent coverage
- ii. **Commercial General Liability Insurance:** The minimum bodily injury and property damage per occurrence are \$500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injury).
 - (1) The policy shall contain the following provisions:
 - (a) Contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project.
 - (b) Contractor/Subcontracted Work.
 - (c) Products/Completed Operations Liability for the duration of the warranty period.

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- (d) If the project involves digging or drilling provisions must be included that provide Explosion, Collapse, and/or Underground Coverage.
 - (2) The policy shall also include these endorsements in favor of the City of Austin:
 - (a) Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage
 - (b) Thirty (30) days Notice of Cancellation, Endorsement CG 0205, or equivalent coverage
 - (c) The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage
 - iii. **Business Automobile Liability Insurance:** The Contractor shall provide coverage for all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternate acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident.
 - (1) The policy shall include these endorsements in favor of the City of Austin:
 - (a) Waiver of Subrogation, Endorsement CA0444, or equivalent coverage
 - (b) Thirty (30) days Notice of Cancellation, Endorsement CA0244, or equivalent coverage
 - (c) The City of Austin listed as an additional insured, Endorsement CA2048, or equivalent coverage.
 - C. **Endorsements:** The specific insurance coverage endorsements specified above, or their equivalents must be provided. In the event that endorsements, which are the equivalent of the required coverage, are proposed to be substituted for the required coverage, copies of the equivalent endorsements must be provided for the City's review and approval.
3. **TERM OF CONTRACT:**
- A. The Contract shall commence upon execution, unless otherwise specified, and shall remain in effect for an initial term of 36 months. The Contract may be extended beyond the initial term for up to 2 additional 12 month periods at the City's sole option. If the City exercises any extension option, all terms, conditions, and provisions of the Contract shall remain in effect for that extension period, subject only to any economic price adjustment otherwise allowed under the Contract.
 - B. Upon expiration of the initial term or any period of extension, the Contractor agrees to hold over under the terms and conditions of this Contract for such a period of time as is reasonably necessary for the City to re-solicit and/or complete the deliverables due under this Contract. Any hold over period will not exceed 120 calendar days unless mutually agreed on by both parties in writing.
 - C. Upon written notice to the Contractor from the City's Purchasing Officer or his designee and acceptance of the Contractor, the term of this contract shall be extended on the same terms and conditions for an additional period as indicated in paragraph A above.
 - D. Prices are firm and fixed for the first 12 months. Thereafter, price changes are subject to the Economic Price Adjustment provisions of this Contract.
4. **INVOICES and PAYMENT:** (reference paragraphs 12 and 13 in Section 0300)
- A. Invoices shall contain a unique invoice number and the information required in Section 0300, paragraph 12, entitled "Invoices." Invoices received without all required information cannot be processed and will be returned to the vendor.

Invoices shall be emailed to the email address below:

**CITY OF AUSTIN
PURCHASING OFFICE
SUPPLEMENTAL PURCHASE PROVISIONS
RFP 8100 SMW3001**

	City of Austin
Department	Department of Aviation
Attn:	Accounts Payable
Address	3600 Presidential Blvd. Suite 411
City, State Zip Code	Austin, Texas 78719
Email	abia.invoices@austintexas.gov

- B. The Contractor agrees to accept payment by either credit card, check or Electronic Funds Transfer (EFT) for all goods and/or services provided under the Contract. The Contractor shall factor the cost of processing credit card payments into the Offer. There shall be no additional charges, surcharges, or penalties to the City for payments made by credit card.

5. **NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING:**

- A. On June 14, 2018, the Austin City Council adopted Ordinance No. 20180614-056 replacing Chapter 2.7, Article 6 of the City Code relating to Anti-Lobbying and Procurement. The policy defined in this Code applies to Solicitations for goods and/or services requiring City Council approval under City Charter Article VII, Section 15 (Purchase Procedures). The City requires Offerors submitting Offers on this Solicitation to certify that the Offeror has not in any way directly or indirectly had communication restricted in the ordinance section 2-7-104 during the No-Lobbying Period as defined in the Ordinance. The text of the City Ordinance is posted on the Internet at: https://assets.austintexas.gov/purchase/downloads/New_ALO_Ordinance_No_20180614-056.pdf and is also included in the Solicitation, [Section 0200 V2, Solicitation Instructions June 26, 2018](#).

6. **WORKFORCE SECURITY CLEARANCE AND IDENTIFICATION (ID):**

- A. **Airport Security:** Access to the premises must be strictly controlled. Officers, employees, or agents of the Contractor shall never enter a restricted or operational area of the airport without the express permission of ABIA or any governmental bodies having jurisdiction. Contractor assumes full liability from any such unauthorized incursions.
- B. **Security Badges:** Contractor and employees assigned to work on this contract shall be required to obtain a security badge which must be worn at all times while within security restricted areas of ABIA premises. Security badge access will be limited to the minimum amount of access portals necessary. All Contractor employees, subcontractors or agents must comply with all airport and related Federal security restrictions. Violations may result in the Contractor receiving a TSA fine and/or the dismissal of the employee from the ABIA premises. Contractor shall reimburse ABIA for any fines or penalties assessed against ABIA that are attributed to the Contractor's non-compliance.
- C. **Background Investigation:** An application for each security badge can be obtained from the Airport Security and I.D. Section. A minimum ten (10) year background investigation and fingerprinting will be conducted on all applications for security badges. The City of Austin, Department of Aviation shall incur the costs of fingerprint check and administrative fee for Contractor personnel that require access to the airport site.
- D. **Badge Fees:** The City of Austin, Department of Aviation shall incur the cost of the airport security badge, for each Contractor employee, subcontractor or agent assigned to work on this contract

**CITY OF AUSTIN
PURCHASING OFFICE
SUPPLEMENTAL PURCHASE PROVISIONS
RFP 8100 SMW3001**

and requires access to the airport site. Contractor is responsible for replacement costs and any other fees associated with lost security items. Any lost, stolen, or misplaced security badges will be replaced at an additional cost to the Contractor as follows: 1st replacement - \$65; 2nd replacement - \$90; 3rd replacement - \$115; etc. Upon expiration of this contract, the Contractor shall return all security badges to the Airport Security and I.D. Section. Loss or failure to return a non-expired security access badge or other security item will result in a fee of \$500.00 per badge to be deducted from contract payment after the contract has expired/closed.

- E. Each employee, subcontractor or agent who receives an airport security badge will be required to attend and successfully complete an Airport Safety and Security Training and Familiarization class, approximately one (1) hour in length, at no cost to the Contractor.
- F. The Contractor shall comply with all other security requirements imposed by the City. The City will provide the Contractor with written notice of any revision to the security requirements. Contractor shall ensure that all employees and subcontractors are kept fully informed of all security requirements and shall update employees, subcontractors and agent as those requirements are revised.

7. ECONOMIC PRICE ADJUSTMENT:

- A. **Price Adjustments:** Prices shown in this Contract shall remain firm for the first 36 months of the Contract. After that, in recognition of the potential for fluctuation of the Contractor's cost, a price adjustment (increase or decrease) may be requested by either the City or the Contractor on the anniversary date of the Contract or as may otherwise be specified herein. The percentage change between the contract price and the requested price shall not exceed the percentage change between the specified index in effect on the date the solicitation closed and the most recent, non-preliminary data at the time the price adjustment is requested. The requested price adjustment shall not exceed twenty-five percent (25%) for any single line item and in no event shall the total amount of the contract be automatically adjusted as a result of the change in one or more line items made pursuant to this provision. Prices for products or services unaffected by verifiable cost trends shall not be subject to adjustment.
- B. **Effective Date:** Approved price adjustments will go into effect on the first day of the upcoming renewal period or anniversary date of contract award and remain in effect until contract expiration unless changed by subsequent amendment.
- C. **Adjustments:** A request for price adjustment must be made in writing and submitted to the other Party prior to the yearly anniversary date of the Contract; adjustments may only be considered at that time unless otherwise specified herein. Requested adjustments must be solely for the purpose of accommodating changes in the Contractor's direct costs. Contractor shall provide an updated price listing once agreed to adjustment(s) have been approved by the parties.
- D. **Indexes:** In most cases an index from the Bureau of Labor Standards (BLS) will be utilized; however, if there is more appropriate, industry recognized standard then that index may be selected.
 - i. The following definitions apply:
 - (1) **Base Period:** Month and year of the original contracted price (the solicitation close date).
 - (2) **Base Price:** Initial price quoted, proposed and/or contracted per unit of measure.
 - (3) **Adjusted Price:** Base Price after it has been adjusted in accordance with the applicable index change and instructions provided.
 - (4) **Change Factor:** The multiplier utilized to adjust the Base Price to the Adjusted Price.
 - (5) **Weight %:** The percent of the Base Price subject to adjustment based on an index change.
 - ii. **Adjustment-Request Review:** Each adjustment-request received will be reviewed and compared to changes in the index(es) identified below. Where applicable:

**CITY OF AUSTIN
PURCHASING OFFICE
SUPPLEMENTAL PURCHASE PROVISIONS
RFP 8100 SMW3001**

- (1) Utilize final Compilation data instead of Preliminary data
 (2) If the referenced index is no longer available shift up to the next higher category index.
 iii. **Index Identification:** Complete table as they may apply.

Weight % or \$ of Base Price: 100%	
Database Name: Employment, Hours, and Earnings from the Current Employment Statistics survey (National)	
Series ID: CEU0800000001	
<input checked="" type="checkbox"/> Not Seasonally Adjusted	<input type="checkbox"/> Seasonally Adjusted
Geographical Area: United States (National)	
Description of Series ID: Private service-providing	
This Index shall apply to the following items of the Bid Sheet / Cost Proposal: All	

- E. **Calculation:** Price adjustment will be calculated as follows:

Single Index: Adjust the Base Price by the same factor calculated for the index change.

Index at time of calculation
Divided by index on solicitation close date
Equals Change Factor
Multiplied by the Base Rate
Equals the Adjusted Price

Adjustment of a Portion of the Base Price: A portion of the Base Price changes such that only part of the price is adjusted, while the balance of the Base Price remains fixed. The portion of the Base Price subject to adjustment is defined in D iii. above.

Index at time of calculation
Divided by index on solicitation close date
Equals change factor
Multiply the Base Price by the portion of Base Price subject to change = weighted portion
Multiply the weighted portion times the change factor
Equals the Adjusted Price for the portion of the Base Price subject to the Index change
Add the portion of the Base Price not subject to adjustment
Equals the Adjusted Price

- F. If the requested adjustment is not supported by the referenced index, the City, at its sole discretion, may consider approving an adjustment on fully documented market increases.

8. **INTERLOCAL PURCHASING AGREEMENTS:** (applicable to competitively procured goods/services contracts).

- A. The City has entered into Interlocal Purchasing Agreements with other governmental entities, pursuant

**CITY OF AUSTIN
PURCHASING OFFICE
SUPPLEMENTAL PURCHASE PROVISIONS
RFP 8100 SMW3001**

to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Contractor agrees to offer the same prices and terms and conditions to other eligible governmental agencies that have an interlocal agreement with the City.

- B. The City does not accept any responsibility or liability for the purchases by other governmental agencies through an interlocal cooperative agreement.

38. **CONTRACT MANAGER**: The following person is designated as Contract Manager, and will act as the contact point between the City and the Contractor during the term of the Contract:

City of Austin
Department of Aviation
Jamy Kazanoff-Assistant Director
Phone: 512-530-6681 or Email: jamy.kazanoff@austintexas.gov

*Note: The above listed Contract Manager is not the authorized Contact Person for purposes of the **NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING Provision** of this Section; and therefore, contact with the Contract Manager is prohibited during the no contact period.

CITY OF AUSTIN
SECTION 0500 SCOPE OF WORK

SOLICITATION NO. RFP 8100 SMW3001
AIR SERVICE MARKET EVALUATION AND DEVELOPMENT SERVICES

1. Purpose

The City of Austin, Texas, Department of Aviation (City) seeks responses from qualified, experienced air service development marketing firms to assist in the development and presentation of marketing strategies to attract underserved destination markets for commercial air traffic and air cargo at Austin-Bergstrom International Airport (ABIA).

About the City of Austin

The City of Austin, Texas, USA is the 11th largest city in the country. The fastest growing large city in the U.S. (five of the last six years), the Austin MSA (Metropolitan Statistical Area) grew 21.3% since 2010, far outpacing the 7% average growth for MSAs over 1 million. Today the metro area surpasses 2 million residents. Nearby Pflugerville and San Marcos and Georgetown are cities in the area are growing exceptionally fast as well. Additionally, from 2010-2017, Austin had the highest net migration per 10,000 population in the nation. Since 1900, Austin's population has doubled every 20 years, with continued projected record-breaking growth into the next decade and beyond.

Austin continues to outperform the U.S. and Texas unemployment rate at 3.1% (July 2018). Major private employers include Dell, Amazon, Samsung, Oracle, Indeed, Applied Materials, Merck, Apple, 3M, National Instruments, IBM, Charles Schwab, Intel, Seton Healthcare Family, St. David's Healthcare Systems, the Army Futures Command, and more. Since January 2013, nearly 49,000 new high-paying jobs have been announced by new and expanded companies.

This vibrant and dynamic city tops numerous "Best" lists for business, entertainment, cost of living and quality of life. Austin is America's 'Best Place to Live' for the second year in a row as ranked by U.S. News, and second best U.S. City for Jobs in 2018, ranked by Forbes. The city enjoys the second highest percentage of millennial residents.

New high-end hotel capacity in Austin will increase by over 3,500 rooms in 2018-2020. Hotel growth is fueled in part by major annual events setting Austin on the global stage: Austin City Limits Music Festival, SXSW, Circuit of the Americas (Formula One, MotoGP, IndyCar), and University of Texas athletics.

ABIA takes pride in showcasing local branding, music, art, and technology in the airport. TravelandLeisure.com respondents rank ABIA the sixth best U.S. Airport, for its access, check-in/security, restaurants/bars, shopping, and design.

Austin continues its vision of being the "Most Livable City in the Country". From the home of state government to the "Live Music Capital of the World", and its growth as a film center, Austin has gained worldwide attention as a hub for education, business, health, and sustainability.

Austin continues to set passenger records, achieving positive growth in 102 of the last 105 months. July 2018 was a new record with 1,511,634 monthly passengers, up 15% year-over-year.

Austin has an active and dynamic air service development program. Efforts include air service presentations to domestic and international carriers and membership in Airports Council International—North America (ACI-NA). The Air Services Development Team pursues and participates in one-on-one route planning meetings with air carriers available through air service

**CITY OF AUSTIN
SECTION 0500 SCOPE OF WORK**

**SOLICITATION NO. RFP 8100 SMW3001
AIR SERVICE MARKET EVALUATION AND DEVELOPMENT SERVICES**

conferences and communicates with airline planners and executives at corporate headquarters meetings, and provides regular communication via electronic newsletter, email, social media, and phone outreach. It produces airport hosted events for airlines to visit the Austin area. Strategic publicity in aviation trade journals helps effectively convey the Austin message.

About Austin-Bergstrom International Airport

Austin-Bergstrom International Airport (ABIA), the airport of choice for Central Texas, is owned and operated by the City of Austin, through its Department of Aviation. ABIA is located approximately 8 miles southeast of Austin's central business district. ABIA opened on May 23, 1999 and occupies 4,242 acres of land. Customer and community value, operational excellence, economic sustainability, and environmental stewardship govern the strategic focus of ABIA and daily practices.

ABIA continues to experience passenger activity levels above the national average growth rate. Between 2012 and 2017, ABIA has grown at an 8% average annual growth rate and had 13.94 million annual passengers (MAP) in 2017. This growth rate exceeds the national average growth rate of 2.8% for the same time period. For the first nine months in 2018, ABIA has been setting monthly passenger growth records from the previous year with an average monthly growth rate of 15.3%. The ABIA Master Plan approved by the Austin City Council on November 1, 2018 documents the forecasted growth and the needs to meet that growth.

In addition to strong passenger growth, Austin's yield data indicates the ABIA is in a position for airline profitability.

The Federal Aviation Administration classifies the ABIA as a medium hub. The ABIA primarily serves passengers whose travel originates and terminates in Austin.

ABIA currently ranks as the 33rd busiest airport in the United States (U.S.) and one of the fastest growing medium-hub airports, by passenger percentage increase, in the nation (source: ACI-NA). ABIA currently serves 84 non-stop passenger destinations (seasonal, special event, and year-round) with 19 air carriers. This service includes connecting Austin with all major U.S. metropolitan areas and hub airports, as well as international destinations including year-round transatlantic nonstop service to London, United Kingdom and Frankfurt, Germany; as well as service to Canada and Mexico. ABIA's largest carrier, by seat capacity is Southwest Airlines, 35%, followed by American 18%, United 14%, and Delta 12%. ABIA enjoys service from all carrier types—ultra low-cost carriers, low cost carriers, hybrid carriers, regional carriers, and network carriers.

ABIA currently has an "A" rating from Standard & Poor and "A1" rating from Moody's which improves ABIA's ability to secure funding at lower borrowing costs for improving and developing airport infrastructure.

ABIA is rising to meet anticipated growth of terminal, airfield and landside needs. A 9-gate terminal expansion opened in early 2019, and the Master Plan formal process for implementing further growth is underway.

Recent improvements include apron expansion, US Customs facility expansion, commercial development, expanded cell phone parking lot, new public parking areas, and the consolidated rental car facility.

**CITY OF AUSTIN
SECTION 0500 SCOPE OF WORK**

**SOLICITATION NO. RFP 8100 SMW3001
AIR SERVICE MARKET EVALUATION AND DEVELOPMENT SERVICES**

Public private partnerships at ABIA include the low-cost South Terminal, Retail Complex, off/on Airport parking, and a pet hotel.

ABIA is self-sustaining, generating its own revenue to fund its operating costs and future improvements. ABIA generated more than a \$7.6 Billion economic impact to Central Texas in 2017 and supports more than 74,000 jobs in the Austin area.

Air cargo traffic increased 22% from 2012 to 2017. ABIA is ranked 44th among U.S. Cargo Airports for 2017. In FY2017, 188.73 million pounds of freight and mail cargo moved through ABIA. FedEx accounted for 55%, UPS 18%, Kalitta Air 4%. The remaining 11% was transported by other all-cargo carriers and as belly cargo by passenger carriers such as British Airways, Southwest Airlines and others. International air cargo more than doubled based on 40% growth for all-cargo flights and the addition of London passenger flights.

The air cargo facilities can accommodate up to a B747 aircraft. Most cargo at ABIA serves the commercial air carriers, some general aviation, specialized aeronautical and aircraft service providers, and postal carriers. ABIA expects more cargo to be utilized at ABIA, reversing some leakage to large hubs. International events Austin will be hosting, including Circuit of the Americas' Formula 1 race, Moto GP, and more, increase cargo demand.

ABIA has retained air service consulting services for specific route presentations to key airlines. Aviation staff has held meetings with local, federal, and foreign government officials and business and tourism leaders to develop relationships and an understanding of and support for the air service needs of Central Texas. Air Cargo marketing efforts are done in conjunction with the private air cargo developers at ABIA.

ABIA was awarded "Airport with the Best Customer Service, Medium Airport Division" from Airport Experience News (formerly Airport Revenue News) at the ARN 2018 Revenue Conference & Exhibition in Orlando. This award recognizes ABIA for its focus on creating a culture of customer service through its efforts in training staff, communicating initiatives to its tenants, and maintaining adherence to its mission.

World's Best Airports for Customer Service 2016 ranked Austin-Bergstrom International Airport third (tied) in North America. The ranking comes from Airports Council International (ACI) ASQ (Airport Service Quality) customer survey.

ABIA has been environmentally conscientious from the start. ABIA was constructed using 100% recycled steel in its primary structure. More than 250,000 tons of old concrete was crushed and reused for the base under new pavement. In 2011, ABIA recycled 171 tons of waste and switched its electrical supply entirely to wind power. Additionally, ABIA's Hilton Hotel is 1 of only three Green Seal certified hotels in Texas. ABIA participates in the Purple Pipe Project that allows ABIA to use reclaimed or recycled water to irrigate sustainable landscaping or recharge groundwater aquifers – this saved over 35 million gallons of drinking water in 2017. In 2017, ABIA's recycling efforts kept 270 million pounds of materials out of the landfill.

ABIA participates in an international carbon accreditation program, which sets goals to reduce carbon emissions. For 2018, ABIA set a goal to further reduce its carbon footprint by 1%.

**CITY OF AUSTIN
SECTION 0500 SCOPE OF WORK**

**SOLICITATION NO. RFP 8100 SMW3001
AIR SERVICE MARKET EVALUATION AND DEVELOPMENT SERVICES**

2. Scope of Work

The Contractor shall provide the following scope of services:

- 2.1 Review available market data and identify underserved areas in commercial passenger service and air cargo opportunities that are within economic parameters for Austin.
- 2.2 Develop marketing strategies and presentations for commercial airline and air cargo carriers aimed at capturing the identified underserved destinations and identifying current routes at risk.
- 2.3 Provide advice to the Department of Aviation upon request from the Director and/or his designee and make such investigations, certifications, and determinations as necessary or required throughout the term of the contract.
- 2.4 Respond within 24 hours to the Department of Aviation's requests, either by phone call or email.
- 2.5 As directed by the Director and/or his designee, prepare materials including Power Point presentations, video, data analysis, and other necessary information for and participate in meetings and strategy sessions related to air service development activities as related to commercial passenger service destinations.
- 2.6 Participate in-person and on tele-conferences for air carrier verbal and written presentations (including Power Point presentations, video, data analysis, and other necessary information) relating to the commercial passenger service destinations as required by ABIA staff.
- 2.7 Assist the ABIA in developing, setting, and implementing benchmarks and best practices to ensure a competitive program.
- 2.8 Conduct and provide research and information on air service development relating to the commercial passenger service and air cargo opportunities as requested by the Director and/or his designee throughout the term of the contract.
- 2.9 As requested, provide written reports or high level synopsis on the overall assessment of Austin's long-term future air service development opportunities as it relates to commercial passenger service destinations and air cargo.
- 2.10 Utilize existing contacts at the highest levels at target airlines to facilitate meetings concerning new and/or improved air service at ABIA.
- 2.11 Analyze industry trends and assist in recommending air service marketing strategies.
- 2.12 Monitor local and regional air cargo activities.
- 2.13 Other consulting services as required such as providing advice on regulatory requirements and incentive programs, drafting correspondence to federal agencies and/or officials, and identifying new and unique opportunities to retain or improve air service.

3. Acceptance of Work

**CITY OF AUSTIN
SECTION 0500 SCOPE OF WORK**

**SOLICITATION NO. RFP 8100 SMW3001
AIR SERVICE MARKET EVALUATION AND DEVELOPMENT SERVICES**

Contractor shall present complete presentations, including but not limited to, photos, slides, narratives, etc., that portray Austin as a viable place to provide additional air cargo and commercial passenger service to the Contract Manager on as needed basis for airline business. Any of these deliverables must be accepted by a confirmation provided in writing by the appropriate Aviation staff.

4. Progress Reports

Contractor shall communicate to the Contract Manager at least bi-weekly with results of consulting efforts currently underway. Results reported should be sufficiently detailed to assure that directions being pursued are in compliance with established and/or projected systems. Reports may also include quarterly updates of achievements, in written form.

RFP 8100 SMW3001

AIR SERVICE MARKET EVALUATION AND DEVELOPMENT SERVICES

Price Proposal

Submitted to:



City of Austin, Department of Aviation

Submitted by:



9 April 2019

1 PRICE PROPOSAL

1.1 Hourly rates for Campbell-Hill personnel categories:

TITLE	HOURLY RATE
Principal	\$350
President	\$350
Vice President	\$295
Director	\$250
Senior Consultant	n.a.
Consultant	n.a.
Senior Analyst	\$200
Analyst	n.a.
Project Manager	n.a.
Attorney	n.a.
Administration	\$65
Research Director	\$225
Research Manager	\$210
Project Analyst	\$195

1.2 Estimated cost for air service development tasks

Estimated costs for air service development tasks:

ITEM NO.	TITLE	ESTIMATED ANNUAL QUANTITY	UNIT	UNIT PRICE	ESTIMATED ANNUAL PRICE
1	Airline corporate visits presentation preparation, scheduling, follow up notes, etc.	4	ea	\$17,500	\$70,000
2	Airline Routes airline/airport meetings (Routes World)	1	ea	\$32,500	\$32,500
3	Airline Routes airline/airport meetings (Routes Asia)	1	ea	\$27,500	\$27,500
4	Airline Routes airline/airport meetings (Routes Europe)	1	ea	\$25,000	\$25,000
5	Airline Routes airline/airport meetings (Routes Americas)	1	ea	\$20,000	\$20,000
6	Monthly report detailing scheduled services for the Austin Aviation Department	1	ea	\$4,200	\$4,200
7	ACI-NA Jumpstart airline/airport annual meeting	1	ea	\$17,500	\$17,500
8	Airline Networking Conference annual meeting	1	ea	\$25,000	\$25,000
9	CNS Air Cargo Partnership airline/freightforwarder meetings	1	ea	\$10,000	\$10,000
10	TIACA Air Cargo airline/freightforwarder meetings	1	ea	\$10,000	\$10,000

The price estimates above do not include travel related expenses, registration fees or data cost. Expenses will be submitted for reimbursement at actual cost.

1.3 Other services

The estimated costs for other services below is provided for informational purposes:

ITEM NO.	TITLE	ESTIMATED ANNUAL QUANTITY	UNIT	UNIT PRICE	ESTIMATED ANNUAL PRICE
1	Economic impact study (route specific) – economic impact analysis of a specific route, much like the one performed for AUS-LHR when BA first launched nonstop service	1	ea	\$2,500-\$5,000	\$2,500-\$5,000
2	Incentive program benchmarking and review – review current incentive program, benchmark to peer airports, recommend design/structure for new program	1	ea	\$7,500	\$7,500
3	Cargo study update – update of the recent cargo market study with/without interview program	1	ea	\$20,000-\$35,000	\$20,000-\$35,000
4	Quarterly O&D report – report that analyzes O&D data for AUS – top domestic/international markets, O&D passenger/fare/revenue history, load factors, etc.	4	ea	\$700	\$2,800
5	Monthly T-100 report – report that analyzes T-100 data for most recent 12 month period and year-over year changes	12	ea	\$350	\$4,200
6	Route case support – regulatory filings to support airline applications for limited slots/designations leading to new AUS nonstop service	1	ea	\$25,000-50,000	\$25,000-50,000

Travel related expenses and data purchases will be submitted for reimbursement at actual cost.

RFP 8100 SMW3001

AIR SERVICE MARKET EVALUATION AND DEVELOPMENT SERVICES

Submitted to:



City of Austin, Department of Aviation

Submitted by:



9 April 2019

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April 9, 2019

Shawn Willett
Deputy Procurement Officer
City of Austin
124 W 8th Street, Rm 308
Austin, TX 78701

RE: RFP 8100 SMW3001 Air Service Market Evaluation and Development Services

Dear Mr. Willett:

Campbell-Hill Aviation Group, a Virginia LLC, is pleased to submit this proposal to continue providing air service development consulting services to the City of Austin Department of Aviation (“City” or “Department”) for Austin-Bergstrom International Airport (“AUS” or “ABIA”). Our firm is exceptionally well qualified to continue this engagement for the City. In addition to currently holding the air service development consulting contract with the City, Campbell-Hill successfully performs the services described in the Request for Proposals for other airports across the U.S. as well as Central America and Europe. We have a strong record of air service development success, having helped our airport clients win 314 new nonstop routes since 2013 and winning 46 new routes for Austin during the current contract period. Campbell-Hill offers the City the following:

- A continuous string of successive new route wins for ABIA since we started as the City’s air service development consultants in 1998, over twenty years ago;
- A proposed project manager with over seventeen years of air service development experience including over a decade providing such services to ABIA and is known and trusted by both Airport staff, Austin community stakeholders and ABIA’s target airlines;
- A firm with no airport clients that could potentially conflict with ABIA’s air service development priorities and no plans to pursue such work with any airports;
- A professional staff proficient with the analytical methods and databases used in the aviation industry to evaluate route opportunities, passenger traffic leakage, and economic benefits generated for the community;
- An understanding of the market dynamics in Central Texas having conducted multiple catchment area analyses and leakage studies for ABIA;
- A firm with an exceptional understanding of ABIA’s largest and most desired airlines;
- A proposed project team that comes from within the commercial aviation industry (airlines, trade associations and aircraft manufacturers) and collectively possess over one hundred and fifty years of direct airline experience, mostly within the network planning and revenue management functions;
- A thorough market analysis capability with which to identify and evaluate opportunities for new passenger and cargo air service markets;
- Unparalleled expertise in developing nonstop routes and analyzing passenger traffic leakage for airports comparable in size to ABIA, especially those with contested catchment areas;



Campbell-Hill Aviation Group, LLC
700 North Fairfax Street, Suite 300
Alexandria, Virginia 22314
P: 703-229-4043 • F: 703-229-4307
kschorr@av-econ.com

- An experienced team of experts that can prepare well-documented and focused presentations to key target airlines, detailed and well-supported market forecasts highlighting the potential traffic, revenue and other benefits to each airline;
- A firm with a wide range of contacts and professional associations with airline planners and executives for the benefit of our air service development clients;
- The professional respect of airline decision-makers because we have been airline route planners and decision-makers ourselves; and
- A proven track record in developing strategic marketing plans as well as community and business support for new air service with our other airport clients, and in presenting airline route proposals which are successful.

Campbell-Hill performs all air service development work at its offices located at:

Campbell-Hill Aviation Group, LLC
700 N. Fairfax St., Suite 300
Alexandria, VA 22314

The contact person proposed for this contract is:

Kevin J. Schorr
Phone: 703-229-4043
Email: kschorr@av-econ.com

We have a clear understanding of the scope of work and the role we would perform in executing those tasks. We sincerely hope the City of Austin Department of Aviation re-selects our team as its air service consultant for another contract term. We welcome the opportunity to continue assisting the Department in responding to its community's air service development needs.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Kevin J. Schorr'.

Kevin J. Schorr
Vice President

TAB 1

City of Austin Purchasing Office Documents

1 CITY OF AUSTIN PURCHASING OFFICE DOCUMENTS

- A. Signed Offer Sheet
- B. Section 0605 Local Business Presence Identification Form
- C. Section 0800 Non-Discrimination and Non-Retaliation Certification
- D. Section 0835 Nonresident Bidder Provisions
- E. Section 0840 Service-Disabled Veteran Business Enterprise
- F. Section 0900 Subcontracting/Sub-consulting Utilization Form
- G. Section 0905 Subcontracting/Sub-consulting Utilization Plan – only required to be returned if your firm is subcontracting
- H. Signed Addendums



B. Section 0605 Local Business Presence Identification Form

Not submitted

**City of Austin, Texas
Section 0800
NON-DISCRIMINATION AND NON-RETALIATION CERTIFICATION**

City of Austin, Texas

Equal Employment/Fair Housing Office

To: City of Austin, Texas,

I hereby certify that our firm complies with the Code of the City of Austin, Section 5-4-2 as reiterated below, and agrees:

- (1) Not to engage in any discriminatory employment practice defined in this chapter.
- (2) To take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without discrimination being practiced against them as defined in this chapter, including affirmative action relative to employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training or any other terms, conditions or privileges of employment.
- (3) To post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Equal Employment/Fair Housing Office setting forth the provisions of this chapter.
- (4) To state in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sexual orientation, gender identity, disability, sex or age.
- (5) To obtain a written statement from any labor union or labor organization furnishing labor or service to Contractors in which said union or organization has agreed not to engage in any discriminatory employment practices as defined in this chapter and to take affirmative action to implement policies and provisions of this chapter.
- (6) To cooperate fully with City and the Equal Employment/Fair Housing Office in connection with any investigation or conciliation effort of the Equal Employment/Fair Housing Office to ensure that the purpose of the provisions against discriminatory employment practices are being carried out.
- (7) To require of all subcontractors having 15 or more employees who hold any subcontract providing for the expenditure of \$2,000 or more in connection with any contract with the City subject to the terms of this chapter that they do not engage in any discriminatory employment practice as defined in this chapter

For the purposes of this Offer and any resulting Contract, Contractor adopts the provisions of the City's Minimum Standard Non-Discrimination and Non-Retaliation Policy set forth below.

**City of Austin
Minimum Standard Non-Discrimination and Non-Retaliation in Employment Policy**

As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations.

The Contractor will not discriminate against any applicant or employee based on race, creed, color, national origin, sex, age, religion, veteran status, gender identity, disability, or sexual orientation. This policy covers all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising, selection for training and apprenticeship, rates of pay or other forms of compensation, and layoff or termination.

The Contractor agrees to prohibit retaliation, discharge or otherwise discrimination against any employee or applicant for employment who has inquired about, discussed or disclosed their compensation.

Further, employees who experience discrimination, sexual harassment, or another form of harassment should immediately report it to their supervisor. If this is not a suitable avenue for addressing their complaint, employees are advised to contact another member of management or their human resources representative. No employee shall be discriminated against, harassed, intimidated, nor suffer any reprisal as a result of reporting a violation of this policy. Furthermore, any employee, supervisor, or manager who becomes aware of any such discrimination or harassment should immediately report it to executive management or the human resources office to ensure that such conduct does

not continue.

Contractor agrees that to the extent of any inconsistency, omission, or conflict with its current non-discrimination and non-retaliation employment policy, the Contractor has expressly adopted the provisions of the City's Minimum Non-Discrimination Policy contained in Section 5-4-2 of the City Code and set forth above, as the Contractor's Non-Discrimination Policy or as an amendment to such Policy and such provisions are intended to not only supplement the Contractor's policy, but will also supersede the Contractor's policy to the extent of any conflict.

UPON CONTRACT AWARD, THE CONTRACTOR SHALL PROVIDE THE CITY A COPY OF THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICIES ON COMPANY LETTERHEAD, WHICH CONFORMS IN FORM, SCOPE, AND CONTENT TO THE CITY'S MINIMUM NON-DISCRIMINATION AND NON-RETALIATION POLICIES, AS SET FORTH HEREIN, **OR** THIS NON-DISCRIMINATION AND NON-RETALIATION POLICY, WHICH HAS BEEN ADOPTED BY THE CONTRACTOR FOR ALL PURPOSES WILL BE CONSIDERED THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICY WITHOUT THE REQUIREMENT OF A SEPARATE SUBMITTAL.

Sanctions:

Our firm understands that non-compliance with Chapter 5-4 and the City's Non-Retaliation Policy may result in sanctions, including termination of the contract and suspension or debarment from participation in future City contracts until deemed compliant with the requirements of Chapter 5-4 and the Non-Retaliation Policy.

Term:

The Contractor agrees that this Section 0800 Non-Discrimination and Non-Retaliation Certificate of the Contractor's separate conforming policy, which the Contractor has executed and filed with the City, will remain in force and effect for one year from the date of filing. The Contractor further agrees that, in consideration of the receipt of continued Contract payment, the Contractor's Non-Discrimination and Non-Retaliation Policy will automatically renew from year-to-year for the term of the underlying Contract.

Dated this ninth day of April, 2019

CONTRACTOR Campbell-Hill Aviation Group, LLC

Authorized Signature Kevin Sahan

Title Vice President

Section 0835: Non-Resident Bidder Provisions

Company Name Campbell-Hill Aviation Group, LLC

- A. Bidder must answer the following questions in accordance with Vernon's Texas Statutes and Codes Annotated Government Code 2252.002, as amended:

Is the Bidder that is making and submitting this Bid a "Resident Bidder" or a "non-resident Bidder"?

Answer: non-resident bidder

- (1) Texas Resident Bidder- A Bidder whose principle place of business is in Texas and includes a Contractor whose ultimate parent company or majority owner has its principal place of business in Texas.
(2) Nonresident Bidder- A Bidder who is not a Texas Resident Bidder.

- B. If the Bidder is a "Nonresident Bidder" does the state, in which the Nonresident Bidder's principal place of business is located, have a law requiring a Nonresident Bidder of that state to bid a certain amount or percentage under the Bid of a Resident Bidder of that state in order for the nonresident Bidder of that state to be awarded a Contract on such bid in said state?

Answer: no Which State: _____

- C. If the answer to Question B is "yes", then what amount or percentage must a Texas Resident Bidder bid under the bid price of a Resident Bidder of that state in order to be awarded a Contract on such bid in said state?

Answer: n.a.

Section 0840, Service-Disabled Veteran Business Enterprise Preference

Offeror Name
Campbell-Hill Aviation Group, LLC

Additional Solicitation Instructions.

- ☒ By checking this box, Offeror states they are NOT a certified Service-Disabled Veteran Business Enterprise seeking to claim preference points under the City of Austin's SDVBE Program.
- Offerors seeking to claim the Service-Disabled Veteran Business Enterprise (SDVBE) preference shall be certified **under one of the two following scenarios**. Offerors shall check one of the following boxes, input the data in the applicable table below and include this completed form in their Proposal.
 - ☐ **HUB/SV**. Offeror is certified as a Service-Disabled Veteran (SV) Historically Underutilized Business (HUB) by the Texas State Comptroller of Public Accounts.

Texas State HUB/SV Certification	
13-Digit Vendor ID (VID)	
HUB/SV Issue Date	
HUB/SV Expiration Date	

- ☐ **HUB/OTHER + Federal SDVOSB**. Offeror is certified by the Texas State Comptroller of Public Accounts as a Historically Underutilized Business in a HUB Eligibility Category other than Service-Disabled Veteran (SV) AND is verified by the US Veterans Administration as a Service-Disabled Veteran-Owned Small Business (SDVOSB). **Texas HUB Eligibility Categories:** HUB/BL (Black), HUB/AS (Asian), HUB/HI (Hispanic), HUB/AI (Native American), or HUB/WO (Women Owned).

Texas State HUB/OTHER Certification	
13-Digit Vendor ID (VID)	
HUB Eligibility Category	
HUB Issue Date	
HUB Expiration Date	

Federal SDVOSB Verification	
9-Digit DUNS	
SDVOSB Issue Date	
SDVOSB Expiration Date	

- Offeror Identity.** The Offeror submitting the Proposal shall be the same entity that is certified by the Texas State Comptroller of Public Accounts, AND if applicable as verified by the US Veterans Administration.
- Certification Status.** Offeror's certification(s) must be active on or before the Solicitation's due date for Proposals and shall not expire prior to the award and execution of any resulting contract.
- Confirmation of Certification(s).** Upon receipt of this completed form, the City will confirm the Offeror's certification(s): State: <https://mycpa.cpa.state.tx.us/tpasscmblsearch>. Federal: <https://www.vip.vetbiz.gov/> The City will direct any questions concerning an Offeror's State or Federal certification status to the Offeror's contact person as designated on the Offer Form of their Proposal.
- Misrepresentation.** If the City determines that the Offeror requesting this preference is not certified by the State or Federal government if applicable, the Offeror will not receive the preference points. If the City determines that this misrepresentation was intentional, the City may also find the Offeror not responsible and may report the Offeror to the Texas State Comptroller of Public Accounts or if applicable to the US Veterans Administration. If the misrepresentation is discovered after contract award, the City reserves the right to void the contract.

Section 0900: SUBCONTRACTING/SUB-CONSULTING UTILIZATION FORM

MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)

PROCUREMENT PROGRAM

Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form

SOLICITATION NUMBER: RFP 8100 SMW3001

SOLICITATION TITLE: Air Service Market Evaluation and Development Services

In accordance with the City of Austin's Minority and Women-Owned Business Enterprises (M/WBE) Procurement Program (Program), Chapters 2-9A/B/C/D of the City Code and M/WBE Program Rules, this Solicitation was reviewed by the Small and Minority Business Resources Department (SMBR) to determine if M/WBE Subcontractor/Sub-Consultant ("Subcontractor") Goals could be applied. Due to insufficient subcontracting/subconsultant opportunities and/or insufficient availability of M/WBE certified firms, SMBR has assigned no subcontracting goals for this Solicitation. However, Offerors who choose to use Subcontractors must comply with the City's M/WBE Procurement Program as described below. Additionally, if the Contractor seeks to add Subcontractors after the Contract is awarded, the Program requirements shall apply to any Contract(s) resulting from this Solicitation.

Instructions:

- a.) Offerors who do not intend to use Subcontractors shall check the "NO" box and follow the corresponding instructions.
 b.) Offerors who intend to use Subcontractors shall check the applicable "YES" box and follow the instructions. **Offers that do not include the following required documents shall be deemed non-compliant or nonresponsive as applicable, and the Offeror's submission may not be considered for award.**

☒ **NO, I DO NOT intend to use Subcontractors/Sub-consultants.**

Instructions: Offerors that do not intend to use Subcontractors shall complete and sign this form below (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form) and include it with their sealed Offer.

☐ **YES, I DO intend to use Subcontractors /Sub-consultants.**

Instructions: Offerors that do intend to use Subcontractors shall complete and sign this form below (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form), and follow the additional Instructions in the (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Plan). Contact SMBR if there are any questions about submitting these forms.

Offeror Information			
Company Name	Campbell-Hill Aviation Group, LLC		
City Vendor ID Code	CAM7138110		
Physical Address	700 N. Fairfax St., Suite 300		
City, State Zip	Alexandria, VA 22314		
Phone Number	703-229-4043	Email Address	kschorr@av-econ.com
If the Offeror City of Austin M/WBE certified?	<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES Indicate one: <input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> MBE/WBE Joint Venture		

Offeror Certification: I understand that even though SMBR did not assign subcontract goals to this Solicitation, I will comply with the City's M/WBE Procurement Program if I intend to include Subcontractors in my Offer. I further agree that this completed **Subcontracting/Sub-Consulting Utilization Form**, and if applicable my completed **Subcontracting/Sub-Consulting Utilization Plan**, shall become a part of any Contract I may be awarded as the result of this Solicitation. Further, if I am awarded a Contract and I am not using Subcontractor(s) but later intend to add Subcontractor(s), before the Subcontractor(s) is hired or begins work, I will comply with the City's M/WBE Procurement Program and submit the **Request For Change** form to add any Subcontractor(s) to the Project Manager or the Contract Manager for prior authorization by the City and perform Good Faith Efforts (GFE), if applicable. I understand that, if a Subcontractor is not listed in my **Subcontracting/Sub-Consulting Utilization Plan**, it is a violation of the City's M/WBE Procurement Program for me to hire the Subcontractor or allow the Subcontractor to begin work, unless I first obtain City approval of my **Request for Change** form. I understand that, if a Subcontractor is not listed in my **Subcontracting/Sub-Consulting Utilization Plan**, it is a violation of the City's M/WBE Procurement Program for me to hire the Subcontractor or allow the Subcontractor to begin work, unless I first obtain City approval of my **Request for Change** form.

Kevin Schorr, Vice President

Kevin Schorr

Name and Title of Authorized Representative (Print or Type)

Signature/Date



G. Section 0905 Subcontracting/Sub-consulting Utilization Plan – only required to be returned if your firm is subcontracting

Not submitted



**ADDENDUM
PURCHASING OFFICE
CITY OF AUSTIN, TEXAS**

Solicitation: RFP 8100 SMW3001 Addendum No: # 1 Date of Addendum: March 25, 2019

This addendum is to incorporate the following changes to the above referenced solicitation:

- I. Clarifications:** Section 0600, Proposal Preparation Instructions and Evaluation Factors has been replaced with Section 0600, Proposal Preparation Instructions and Evaluation Factors V2 032519. The following changes have been made:

- A.** Section 1, Tab 1, Row D has been removed as Living Wages do not apply to this solicitation:

Section I

Tab 1 – City of Austin Purchasing Office Documents - Complete and submit the following documents in Tab 1:

- A. Signed Offer Sheet
- B. Section 0605 Local Business Presence Identification Form
- C. Section 0800 Non-Discrimination and Non-Retaliation Certification
- ~~D. Section 0815 Living Wages Contractor Certification~~
- ~~E.D.~~ Section 0835 Nonresident Bidder Provisions
- ~~F.E.~~ Section 0840 Service-Disabled Veteran Business Enterprise
- ~~F.H.~~ Section 0900 Subcontracting/Sub-consulting Utilization Form
- ~~G.I.~~ Section 0905 Subcontracting/Sub-consulting Utilization Plan – only required to be returned if your firm is subcontracting
- ~~H.J.~~ Signed Addendums

- B.** Section 1, Tab 4, line 2 has been changes as follows to clarify that it is referencing Tab 4, line 1 directly above it:

Tab 4 – Program: Define in detail your understanding of the requirements presented in the Scope of Work Section 0500, parts 2, 3, and 4. Describe your approach and methodology for each section. Include such time-related displays, graphs, and charts as necessary to show tasks, sub-tasks, milestones, and decision points related to the Scope of Work and your plan for accomplishment. Specifically indicate:

1. A description of your work program by tasks. Detail the steps you will take in accomplishing each requirement.
2. The technical factors that will be considered in ~~line~~section 1 above, and the depth to which each will be treated.

C. Section 2, part 2 has been updated and changed as follows:

2. Cost for the following based on annual estimates provided below and your hourly rates in section 1 above:

Item No.	Item Description	Estimated Annual Quantity	Unit	Unit Price	Estimated Annual Price
1	Airline Corporate Visits presentation preparation, scheduling, follow up notes, etc.	4	EA		
2	Airline Routes airline/airport meetings (Routes World, Routes Asia, Routes Europe, and Routes Americas)	1	EA		
3	Airline Routes airline/airport meetings (Routes Asia.)	1	EA		
4	Airline Routes airline/airport meetings (Routes Europe)	1	EA		
5	Airline Routes airline/airport meetings (Routes Americas)	1	EA		
63	Monthly report detailing scheduled services for the Austin Aviation Department	12	EA		
74	ACI-NA JumpStart airline/airport annual meeting	1	EA		
85	Airlines Networking Conference annual meeting	1	EA		
96	CNS Air Cargo Partnership airline/freightforwarder meetings	1	EA		
107	TIACA Air Cargo airline/freightforwarder meetings	1	EA		
8	Professional services as needed by the hour cost	1	HR		

II. Questions:

Q1. Section 0600, Section II, Item 2 (on page 3), the City requests pricing to support the Airline Networking and Routes Europe conferences, both of which are occurring in 2019 between the release of the Solicitation and the Proposal Due Date. Firms providing Air Service Market Evaluation and Development Services will be working diligently with their current clients in support of these events. Might the City please consider extending the Proposal Due Date to avoid this timing conflict?

A1. No, the City is not able to extend the proposal due date at this time.

III. Add Contact: The following person is hereby added as an additional Authorized Contact through April 5, 2019:

Authorized Contact: Lynnette Hicks
Procurement Specialist IV
(512) 974-3349
Lynnette.hicks@austintexas.gov

IV. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

ACKNOWLEDGED BY:

Kevin Schorr

Name

Kevin Schorr

Authorized Signature

4/9/19

Date

RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.

TAB 2

Authorized Negotiator



2 AUTHORIZED NEGOTIATOR

Campbell-Hill Aviation Group proposes Kevin Schorr as the Project Manager for AUS work.

<i>Offeror Name:</i>	Campbell-Hill Aviation Group, LLC
<i>Authorized Negotiator:</i>	Kevin J. Schorr, Vice President
<i>Address:</i>	700 N. Fairfax St., Suite 300, Alexandria, VA 22314
<i>Email Address:</i>	kschorr@av-econ.com
<i>Phone number:</i>	703-229-4043
<i>Fax number:</i>	703-229-4307

TAB 3

Executive Summary

3 EXECUTIVE SUMMARY

Campbell-Hill Aviation Group, LLC (“Campbell-Hill”) is pleased to offer this proposal to the City of Austin (“City”) and the Austin-Bergstrom International Airport (“ABIA” or “AUS” or “Airport”), a valued client we have been privileged to work with since 1998. Our firm hopes to continue providing ABIA with unsurpassed expertise in air service development, airport marketing, air cargo service development and other corollary services.

Campbell-Hill is a privately-owned U.S. consulting firm providing a wide range of services to the aviation industry for over 25 years. Campbell-Hill's client base includes airports, passenger airlines, all-cargo carriers, industry associations, as well as city, state, and federal government agencies. The company is located in the Washington, D.C. area, which provides ready access to U.S. government agencies, law firms, and leading transportation and public policy research centers. Our strategic location once provided ABIA with an opportunity to meet Willie Walsh, then CEO of British Airways, at an Aero Club luncheon in Washington, DC.

Campbell-Hill has recently performed air service development work for 32 airports throughout the Americas and Europe. The firm has participated in literally hundreds of air service development related projects for ABIA. Full air service presentation meetings have been held with nearly all domestic US carriers and many foreign flag carriers in addition to nearly 500 meetings at the various air service development conferences.

At the time of the last RFP in December 2012, ABIA's international service was limited to Cancun (CUN) only. Since then, British Airways has started London-Heathrow (LHR), Norwegian has started London-Gatwick (LGW), Condor has served Frankfurt (FRA) and Lufthansa will start nonstop service on May 3, Air Canada re-entered the Toronto-Pearson (YYZ) market and has doubled frequencies, Aeromexico has re-entered the Mexico City (MEX) market, Vacation Express has started Punta Cana (PUJ), WestJet will soon start Calgary (YYC) and Southwest has started service to Cabo San Lucas (SJD). Domestic service has also blossomed with legacy carriers serving all of their hubs and increasing aircraft size, Alaska Airlines serving each hub/focus city with mainline aircraft, Spirit Airlines' entry with ten markets and significant service increases by carriers like Allegiant, Frontier, Sun Country and ViaAir. In 2012, approximately 9.4 million passengers utilized ABIA. In 2018, that number has skyrocketed to 15.8 million, for a gain of 6.4 million passengers or 68%. ABIA has long been admired as the poster child for U.S. air service development programs and we have been fortunate to work alongside the Airport to pursue new business, leisure and VFR service from both domestic and foreign flag carriers.

Since its inception, the firm has made nearly 600 presentations to various airlines at their headquarters and has a strong track record of achieving results for airport clients. The airline background of the firm's principals makes Campbell-Hill uniquely qualified to prepare air service presentations. Campbell-Hill has an unparalleled track record in



terms of air service development success. Since 2013, our efforts have resulted in 314 new routes from 33 different airlines for our airport clients. Our record of achievement demonstrates that we know how airlines make route decisions and that we know how to connect our airport client's interests with the airline decision-maker.

If our firm is re-selected, Kevin Schorr, Vice President, will continue to serve as the project manager for all passenger related air service development work. Mr. Schorr has become synonymous with ABIA air service development and is well known to most airlines as an integral part of the Airport's air service development team. Rex Edwards will continue to lead any air cargo related work. The firm's staff of research directors, managers and analysts will support Messrs. Edwards and Schorr.

Because of our previous and ongoing work for AUS, we know we can "hit the ground running" with no ramp-up time required. We know Austin, its economics and demographics, and the Airport's staff and air service objectives. We are also well known to community stakeholders like Visit Austin and the Greater Austin Chamber of Commerce having participated in multiple airline headquarters meetings and air service conference meetings with both groups. Therefore, most of our time can go directly into analyzing and developing new domestic and international route opportunities, and to presenting these route proposals to key airline decision makers.

We invite the Austin Selection Committee to verify Campbell-Hill's reputation for a quality work product with any of the airport and airline contacts set forth in Section 5.0. We especially urge the Selection Committee to focus on Campbell-Hill's relationship with Austin's largest carriers (Southwest, American, United, Delta and Spirit) and highly sought-after new carriers, (Air France/KLM, Copa, Hawaiian, JAL and Korean) because those carriers hold the key to a major portion of Austin's future growth. We believe that the combination of Campbell-Hill's experience with ABIA's aviation issues and Campbell-Hill's reputation with ABIA's largest airlines will provide the City with the most effective and efficient air service development program.



TAB 4

Program

4 PROGRAM

Much like the work we have been doing for ABIA since 1998, the ultimate objective of this RFP is to secure new and enhanced economically viable air service. Our project concept and solution for air service development typically begins with a detailed understanding of the client airport's air service objectives, balanced by the constraints of the local passenger market potential and the availability of airport facilities. Campbell-Hill has an excellent understanding of the requirements presented in the scope of work because we perform the same work on an on-going basis for other airport clients and have performed these services very successfully for ABIA since 1998.

For ABIA, we would continue to periodically perform informal, low-cost air service deficiency reviews, airline route feasibility studies, and route expansion studies. We would continue to review general and detailed market trends, including airport constraints, as well as analyze airline traffic, schedules, yields, load factors and varying airline route systems and expansion/alliance strategies. The evolving airline regulatory environment would also be considered as part of any air service evaluation, especially when evaluating service to Tokyo, Beijing or even New York-LaGuardia. The study products range from a detailed marketing plan to a brief outline or e-mail of "what to do next."

We would continue to analyze each quarterly release of DOT Origin and Destination (O&D) statistics to determine market deficiencies and to identify problematic trends. Campbell-Hill subscribes to all the industry traffic databases such as the DOT O&D Survey, DOT T-100 and DOT Form 41. Campbell-Hill also subscribes to schedule data via Innovata, which enables us to perform highly technical schedule analyses quickly and at low-cost. In addition to extracting the basic O&D data, we would continue to match the O&D Survey with the schedule data to identify current nonstop markets that are being underserved as well as identify and target potential new nonstop markets based on current demand. ARC data has also been acquired for AUS to assess the impact of service at nearby airports and the geographic dispersion of bookings throughout Central Texas. This analysis becomes particularly useful when meeting with foreign flag carriers who are legally prohibited from seeing market-level DOT O&D Survey data.

Our approach includes an analysis of service potential in every air service proposal. We define service in a broad sense to include not only schedule frequency and load factor but also schedule timing, fare level, and segment traffic composition. Campbell-Hill has developed several screening techniques to identify service opportunities and deficiencies quickly and at low-cost. We also use a highly sophisticated route-forecasting model for more complex hub-related service proposals.

Mr. Schorr has performed air service development work for fifty-six different airport clients pursuing new or enhanced service from every U.S. based carrier as well as a host of foreign flag ones. Throughout his career, Mr. Schorr has attended over 1,000 air service meetings on behalf of airports, either at airline headquarters or air service



development conferences, and nearly 500 of these meetings have been on behalf of ABIA. With over 17 years of aviation consulting experience, he was previously the Director of Domestic Strategies and Alliances at Trans World Airlines (TWA), where he focused on route planning and codeshare related projects.

In addition to assessing underserved markets and developing route proposals, Campbell-Hill would be available to ABIA to perform other duties, including the preparation of strategic marketing plans; review and benchmarking of incentive programs; providing quarterly or periodic management reports which track and assess passenger and cargo traffic data and air service changes; performing economic impact studies; and a full range of regulatory services. We also have the capability to support airport marketing initiatives, including advertising campaigns, promotions, special events, sales activities, media relations, and community relations as might be necessary when requested.

Much like we do today, we guarantee a response within 24 hours to any Airport request, 7 days a week, no matter how big or how small. ABIA already knows to contact Mr. Schorr or his colleagues should he be temporarily unavailable for any air service related request.

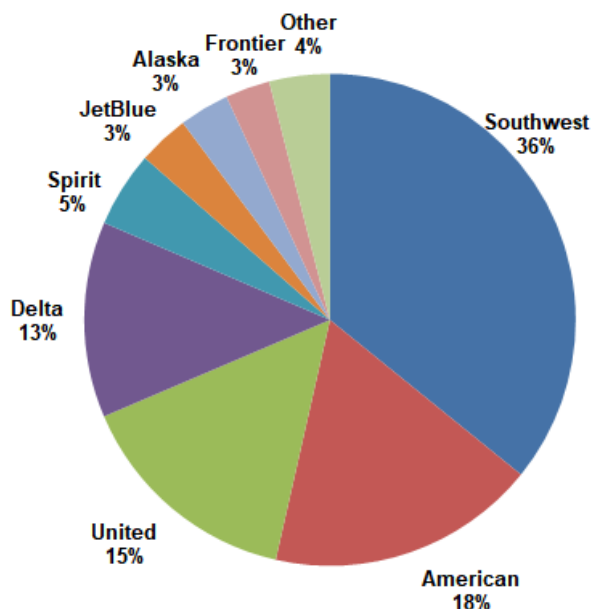
Campbell-Hill Has Austin Experience

Because we have done air service development work for ABIA since 1998, Campbell-Hill would be able to move quickly to the route proposal stage for any airline, without spending a lot of time and budget developing a strategic marketing plan. Our work for ABIA gives us an excellent background on the economics and demographics of the Central Texas region, the facilities and air service objectives at the Airport, and a very good working relationship with the Airport staff and community stakeholders.

At the time of the last RFP in December 2012, ABIA's international service was limited to Cancun (CUN). Since then, British Airways has started London-Heathrow (LHR), Norwegian has started London-Gatwick (LGW), Condor has served Frankfurt (FRA) and Lufthansa will start nonstop service on May 3, Air Canada re-entered the Toronto-Pearson (YYZ) market and has doubled frequencies, Aeromexico has re-entered the Mexico City (MEX), WestJet will soon start Calgary (YYC) and Southwest has started service to Cabo San Lucas (SJD). Domestic service has also blossomed with legacy carriers serving all of their hubs and increasing aircraft size, combined Alaska Airlines serving each hub/focus city with mainline aircraft, Spirit Airlines' entry with ten markets and significant service increases by carriers like Allegiant, Frontier, Sun Country and ViaAir. In 2012, approximately 9.4 million passengers utilized ABIA. In 2018, that number has skyrocketed 15.8 million, for a gain of 6.4 million passengers or 68%, and year-ended February 2019 passenger traffic has exceeded 16.0 million for the first time in airport history.

As Figure 1 on the next page, ABIA’s largest carriers are Southwest, American, United and Delta.

Figure 1: Airline Capacity Shares at ABIA (Scheduled Seats).



Source: Innovata schedule data, March 2019.

Campbell-Hill has extremely strong professional relationships with all four of Austin’s largest carriers and, perhaps more importantly, excellent contacts and credibility with Spirit, Alaska, Allegiant and Frontier – four of Austin’s smaller carriers with the most potential for growth. We also have strong relationships with most of the “other” carriers – such as Aeromexico, Air Canada, British Airways and Sun Country.

We encourage the selection committee to contact any of the airport or airline representatives listed in Section 5.0 to verify Campbell-Hill’s reputation for consistently producing quality work products; especially Austin’s largest carriers (American, Delta, United and Southwest) as well as smaller incumbents like Spirit and Alaska as they will be the primary catalysts for generating future growth at the Airport. The combination of our experience and reputation within the industry coupled with the current challenging aviation environment will provide ABIA with the most effective air service development program possible.

Proposed Air Service Development Plan for Austin

Air service development work should always emphasize a focus on maintaining current service and growing seats and/or frequencies as well as seasonal service in existing markets. Based on our recent work with ABIA and the additional analyses presented in

the sections which follow, we believe the air service program should be organized around the following air service priorities for new markets:

ABIA's Air Service Priorities

<u>Carrier</u>	<u>Primary Objective(s)</u>
Air Canada	Vancouver (YVR)
Air China	Beijing (PEK)
Air France	Paris (CDG)
Alaska	Point-to-point markets (non-hub)
Allegiant	New point-to-point markets
American	New York-LaGuardia (LGA), dual-brand service to London-Heathrow (LHR), Sao Paulo (GRU)
ANA/JAL	Tokyo-Narita (NRT)
Copa	Panama City (PTY)
Delta	New York-LaGuardia (LGA), point-to-point markets (non-hub), Amsterdam (AMS)/Paris (CDG)
Frontier	New point-to-point markets
Hainan	Beijing (PEK)
Hawaiian	Honolulu (HNL)
Icelandair	Reykjavik (KEF)
KLM	Amsterdam (AMS)
Korean	Seoul-Incheon (ICN)
LATAM	Sao Paulo (GRU)
Southwest	New York-LaGuardia (LGA), Latin America/Caribbean, other large unserved markets
Spirit	Caribbean/Latin America, large domestic O&D markets, larger top unserved markets
Sun Country	Caribbean/Latin America, Fort Myers (RSW)
WestJet	Vancouver (YVR)

If awarded this contract, we would recommend a meeting with the Airport's air service development staff to achieve concurrence on priorities and timing.

In each of these cases for new air service, Campbell-Hill will essentially follow the various tasks in the work program outlined below, utilizing the technical factors referenced in each step in the process.

Strategic Assessment and Air Service Deficiency Analysis

Campbell-Hill's primary expertise is aviation research combined with strategic thinking and analytical insight. We have prepared numerous strategic marketing plans, which document an airport's existing nonstop service, its top Origin and Destination (O&D) markets, its top markets without nonstop service in priority order, and a technical analysis of airline load factor and yield data. Typically, these plans are designed to educate airport staff and board of directors or commissioners and to frame the air service development program to follow. We believe this step can be minimized for ABIA, because it has an ongoing air service development effort and Campbell-Hill has a historic understanding of the AUS market. As a general rule, we recommend channeling as much budget as possible to airline presentations and minimizing budget spent on internal studies.

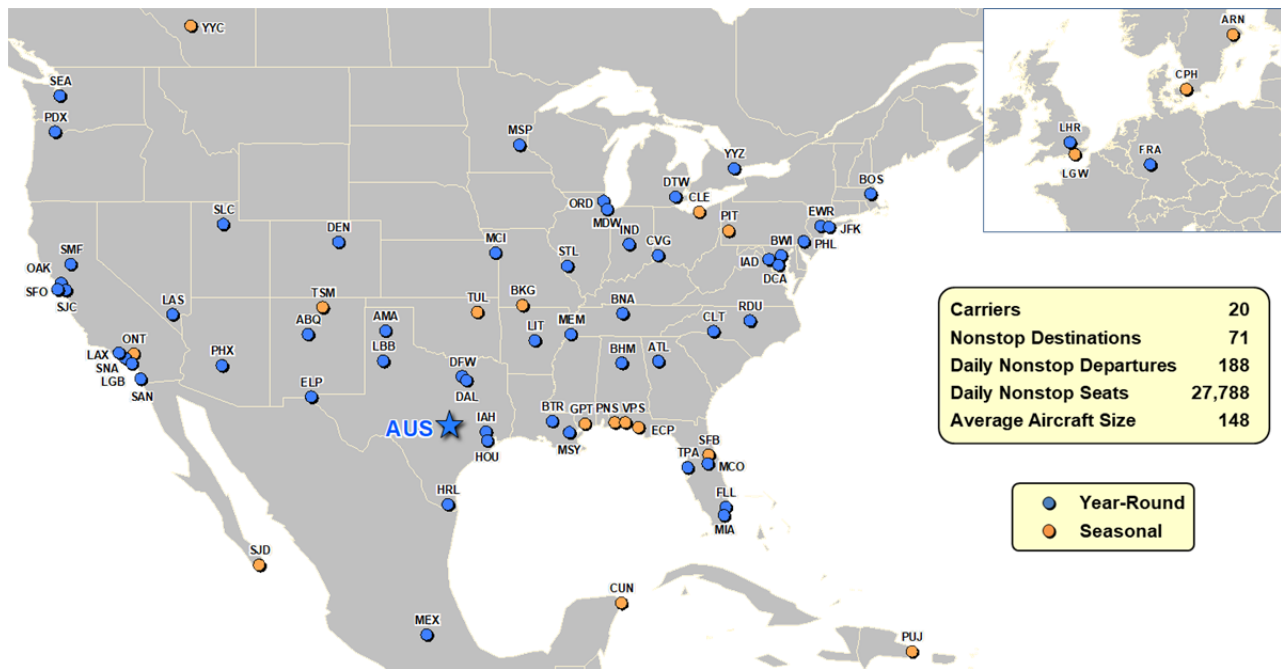
For any strategic assessment or air service deficiency analysis, we will employ our ready access to virtually every recognized industry database. These databases include Innovata schedule data, DOT O&D Survey, DOT T-100 Data, DOT Form 41, INS Statistics, Dept. of Commerce ITA Trade Data and Travel Survey, MapInfo Geographic Information System (GIS) and drive time analysis, Woods & Poole Demographics, Dun & Bradstreet Business Database, and Rand McNally Milemarker Household Goods Routing Software. Campbell-Hill has the proven experience in producing and analyzing annual Origin and Destination (O&D) statistics for airport clients to determine market deficiencies. Perhaps, more importantly, we have demonstrated success in taking these data and translating them into air service proposals, which produce the desired result – additional air service. In addition to extracting the basic O&D data, we match the O&D Survey with schedule data to identify both existing service deficiencies and/or new opportunities. By employing this technique, we are able to identify current nonstop markets that are being under-served as well as identify and target potential new nonstop markets based on current demand. ARC data is also acquired when necessary to assess the impact of service at nearby airports or the geographic dispersion of bookings for a client airport.

For cargo projects, we use U.S. Bureau of Census and other government statistics (including the Commodity Flow Survey) and have developed a proprietary air trade database that provides state-level imports and exports by commodity and foreign market with the capability to allocate those flows to airport-specific market hinterlands. These trade flows can also be forecast for both general planning and market development purposes. We know how to mold basic research into a cost-effective and results-oriented strategy that is targeted to airline and airport planners and decision-makers. Frequently we incorporate client specific proprietary databases in the analysis. For example, in numerous projects for Federal Express we have blended company data and public data sources in performing our analyses and strategic recommendations.

Figure 2 presents an example of combining schedule data and mapping software. As shown in Figure 2, based on schedules for the week of March 11-17, 2019, ABIA

currently has 71 nonstop destinations, with 188 daily nonstop departures and roughly 27,788 daily nonstop seats.

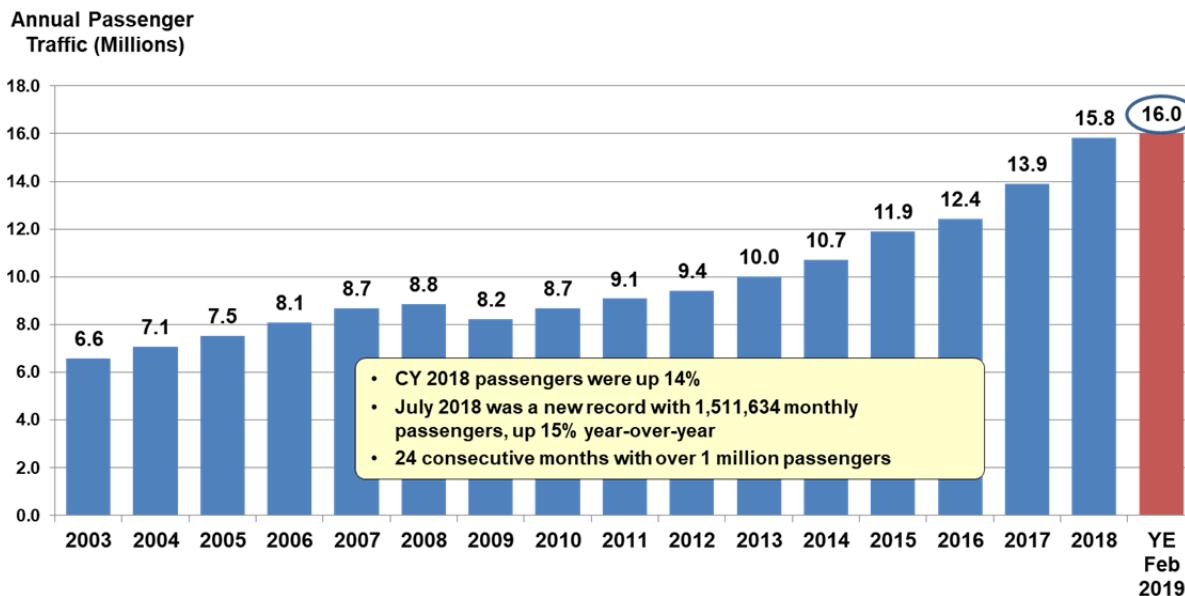
Figure 2: Austin Has 71 Nonstop Destinations



Source: Innovata, schedules for the week of March 11-17, 2019.

This growing pattern of nonstop service has been driven by a very strong and steady passenger base as shown in Figure 3 on the next page.

Figure 3: ABIA's Passenger Traffic Has Grown to Record High Levels (12-months moving total).



Source: ABIA Airport Statistics.

For 2018, passenger traffic increased 14% on 14% more capacity – a factor pointing to a very healthy passenger market, much of which is driven by a thriving business community and impressive demographics. Austin is forecast to grow faster than Dallas, Houston or San Antonio and also ranks as the number one city in Texas in terms of median household income. The Austin area boasts a lower unemployment rate than the State of Texas and the United States as a whole.

The demographics of Austin and the surrounding region, as well as the travel times to the airport, allow us to identify the capture market for potential new air service markets. Typically, we use our sophisticated software mapping database to create visually compelling charts to show this information graphically. We develop one-hour, 90 minute, and two-hour drive-time contours because long haul domestic and international flights have the potential to draw passengers from greater distances. As Figure 4 on the next page shows, the three-hour drive time from Austin allows it to tap passenger traffic from nearby San Antonio, a key consideration in terms of international air service development and has helped ABIA become the airport of choice in Central Texas.

Figure 4: Nearly 5.4 Million People Live Within a Two-Hour Drive of Austin.



Source: Drive time via MapInfo, TargetPro; population from Diio demographics. Lines denote counties.

Targeting New Domestic Route Opportunities

There are a number of potential new route opportunities which Campbell-Hill proposes to analyze in detail if we are selected for this contract. Figure 5 on the next page shows Austin's top 10 domestic markets without nonstop service, a number of which may ultimately be developed into route proposals.

**Figure 5: Austin's Top 15 Domestic Markets Without Nonstop Service
(Year-ended September 30, 2018).**

RANK	MARKET	O&D PASSENGERS	PDEWs
1	New York (LGA)	94,732	130
2	Milwaukee (MKE)	77,905	107
3	Columbus (CMH)	74,363	102
4	Jacksonville (JAX)	58,830	81
5	Reno (RNO)	54,365	74
6	San Juan, P.R. (SJU)	54,221	74
7	Richmond (RIC)	50,302	69
8	Hartford (BDL)	49,501	68
9	Buffalo (BUF)	47,350	65
10	Charleston (CHS)	47,250	65

Source: U.S. DOT Origin-Destination Passenger Survey, Year-ended 9/30/18;
 Innovata for week of March 11-17, 2019.

At 1,520 miles, New York LaGuardia-Austin is located just beyond the perimeter restriction of 1,500 miles. Hopefully this locally enacted restriction will be relaxed sometime soon much like the slot exemptions that have been awarded at Washington-Reagan/National Airport (DCA), which led to Austin's first nonstop service to DCA on Southwest in 2012. Delta would be the most logical carrier to pursue for this service given its presence at LGA. Nonetheless, both American and Southwest would be viable candidates as well. American is ABIA's second largest carrier and is still the second largest operator at LGA. New service to LGA would be well received by American's corporate client base in Austin, especially since American operated direct service to LGA for quite some time via Houston-Hobby Airport (HOU). As a limited incumbent carrier at LGA, Southwest is also looking for opportunities to expand nonstop service in large, high-fare markets with inconvenient service. Much, like Denver, Kansas City, Milwaukee, Nashville and St. Louis currently do, Austin would fit this profile for LGA.

As Austin's largest carrier, many service opportunities await Southwest. Southwest continues to expand its footprint at ABIA recently adding service to Indianapolis (IND), Raleigh-Durham (RDU) and Sacramento (SMF). Current Southwest markets without nonstop service include Detroit (DTW), Minneapolis-St. Paul (MSP), Philadelphia (PHL) and Salt Lake City (SLC). Many other opportunities exist where Southwest flies one or

fewer daily frequencies from ABIA as well as new/expanded service to Latin American or Caribbean destinations like Cabo San Lucas (SJD) and Costa Rica (LIR/SJO).

American, Delta and United now serve every one of their hubs and focus cities from ABIA and have also up-gauged in nearly every market to large regional jets or mainline aircraft. Opportunities still exist for Delta in point-to-point or non-hub markets and with the 9-gate expansion, it is likely that Delta will soon start taking advantage of this new gate capacity. American and United will more likely build upon current hub service with additional frequencies and/or larger aircraft.

Most of the markets without nonstop service in Figure 5 would be of interest to ULCC carriers like Allegiant, Frontier, Spirit, and Sun Country, especially if they have the capability to start such service on a less-than-daily and/or seasonal basis. Some of these markets have already been tried by one airline at AUS but could be better served by a different one. For example, Frontier experimented with nonstop service to Columbus (CMH) and it was not successful. This service may perform better with Spirit, a new airline to both AUS and CMH but which is doing very well in both markets.

Hawaiian Airlines has expanded throughout the West Coast and has essentially run out of opportunities on the coast. It has looked at the East Coast but few opportunities justify the aircraft investment besides Boston (BOS) and New York-Kennedy (JFK). Hawaiian would also like to avoid head-to-head competition with a legacy hub carrier, which would likely respond irrationally to competing Hawaiian service. Thus, the airline is actively looking at less-than-daily service to markets in the middle of the country which have the passenger traffic and wealthy population to support nonstop service to Hawaii. Austin also has the benefit of a large population base that has relocated from California and already has an affinity with the Hawaiian market and brand awareness for Hawaiian Airlines. Initial meetings have proven fruitful and Hawaiian should be a near-term target for new service.

Air Service Proposals

Campbell-Hill specializes in route studies for airport clients. Our methodology includes an analysis of service potential in every air service proposal. We define service in a broad sense to include not only schedule frequency and load factor but also schedule timing, fare level, and segment traffic composition. Campbell-Hill has developed several screening techniques to identify service opportunities and deficiencies quickly and at a low cost to the client. We also use a highly sophisticated route-forecasting model for more complex hub proposals.

Air service development programs include a variety of components and depend on a variety of factors such as the target carrier and the amount budgeted for air service development. The central element, however, will almost always be the air service presentation meeting.

The air service presentation meeting is designed to direct the airline's attention to factors favoring the airport. Because of the investment required, the airline will make its own internal analysis but we still do our own analysis because it is important that our clients know in advance how the airline's analysis will turn out. The presentation also helps insure that the airport's good points are not overlooked.

Airlines screen route opportunities because the sheer number of opportunities normally outstrips the capacity of the planning staff. Thus, important decision factors could be missed. The overriding objective of the air service presentation will be to induce the target airline to seriously evaluate providing service to ABIA. A second level objective is to tactfully show how the airline could approach the analysis in a way favorable to ABIA.

While each presentation should be tailored to a specific airline for a specific route and level of service, the most effective presentations will contain the following elements:

- A. Introduction – This is an opening section that frames the issues to be presented and sets the tone for the meeting.
- B. Demographics – The section describes the size and other characteristics of the Austin market including comparisons, if appropriate, with other markets that are familiar to the carrier. The purpose of this section is to educate the audience about the ABIA service area or market, and to generate an interest in further investigating new service.
- C. Airport and Airline Background – This section describes the favorable attributes of the airport, the size and type of airline market using Austin, and how air travelers currently move between ABIA and the proposed destination. The section is designed to continue building interest in ABIA but from more of an airline perspective than the previous section.
- D. Market Analysis – ABIA's present and/or proposed markets will be analyzed and presented in this section. The purpose of this section is to identify the market opportunities at ABIA. Each analysis should be tailored to the market and carriers at issue. The charts typically show how passengers move in selected ABIA markets, how much they have paid, and the need for additional services. The primary sources for the analyses are the DOT O&D and T-100 databases, ARC data and published airline schedules.
- E. Proposal – This section specifically describes what service ABIA would like the target carrier to provide and how such service would benefit the target carrier. Specific schedules are frequently proposed that would maximize online connections with other services of the target carrier. While detailed traffic forecasts will have been made, the amount of detail actually presented will vary from presentation to presentation.
- F. Exhibits – Any supporting statistical detail and tables would be placed in the printed books for reference by the airline's staff. It is important that the airline decision maker know that ABIA has done its homework, however, the limited

time that the airport has with the decision maker can be more effectively used focusing on promoting Austin and the service proposal. The exhibit section is physical evidence that the underlying work has been done and can be left behind for further study by the decision-maker's staff.

We always utilize a PowerPoint type of presentation and sometimes copy presentation files to airport client branded flash drives as leave behind items for staff review and reference.

International Air Service Development

As ABIA's domestic market continues to grow along with the economic development and popularity of the Central Texas region, nonstop service to key markets in Europe, Asia, Latin America and Canada should continue to be targeted.

Since the last RFP, regularly scheduled nonstop service to London-Heathrow (LHR), London-Gatwick (LGW) and Frankfurt (FRA) has started. The FRA market was initially served seasonally by Condor Airlines but soon will have five weekly flights on Lufthansa. ABIA has progressed from no service to Europe in 2012 to 15 weekly flights as of May 2019. Discussions should continue with Delta and its JV partners – Air France and KLM – to ensure each of the global alliances has a competitive product in the marketplace. Initial indications suggest that SkyTeam service to AMS or CDG could start as early as 2021 but the recent announcement by Lufthansa could delay that by a year or two. Service should also be pursued with Icelandair as the carrier is very interested in the market and would be an ideal destination for Austin based tourists and also provide another lower cost alternative for connections throughout Europe. The B757 can reach ABIA from KEF without payload penalties so this new service would not create a glut of capacity in the transatlantic market.

Meetings and discussions have been held with a number of foreign flag carriers regarding potential nonstop service to Asia and three points have become readily apparent – (1) the local market will need to be supported by connecting opportunities, (2) the market must be willing to purchase premium tickets and (3) the business community must be willing to transfer business to any carrier willing to fly nonstop to Asia – be it Japan, South Korea or China. Campbell-Hill's in-depth analysis of various data, including ARC booking data, has shown airlines that AUS has the passenger traffic, including the premium passenger traffic, to support nonstop service to a hub in Asia. Campbell-Hill has worked with the Airport to partner with the business community to show airlines a willingness to support new nonstop service and these efforts should be continued as they have been well received. Initial discussions with carriers about nonstop service to Asia have been productive but it's time for ABIA to embrace a more strategic approach outside of network planning meetings with carriers. While such meetings need to continue in regular intervals, a more detailed strategic plan should be developed for nonstop service to Asia to further incorporate community stakeholders,

local companies, US based representatives of foreign flag airlines, US alliance/JV partners of foreign flag airlines and anything else to help increase the awareness of ABIA's Asian market with potential carriers. Campbell-Hill has similar experience with other client airports that either already have nonstop service to Asia or are actively pursuing such service.

In their application to the U.S. Department of Transportation (DOT) for an immunised joint venture, American Airlines and LATAM Airlines group highlighted AUS to Sao Paulo (GRU) as a potential new market that could be served should the application be approved. This would provide a much more convenient option for AUS passengers to deep South America and the resounding success of British Airways' service to AUS has been touted as an indicator of potential success for this JV as well. Initial discussions with LATAM have been productive and should continue in earnest to reap the benefits of this potential partnership.

Another key international air service priority nonstop service to a Latin American hub such as Copa to Panama City (PTY). Initial meetings with Copa have proven fruitful and as Copa finalizes its joint venture with Avianca and United, ABIA needs to position itself to be an early beneficiary of the JV and the already impressive presence of the Star Alliance at ABIA. Work has already been done to show that Copa service to PTY would have a minimal effect on existing United service to Latin America at IAH. The Central Texas Service Area encompasses nearly 300,000 Central/South American annual O&D passengers and is now the largest U.S. market without nonstop service to Central/South America.

There are also many other opportunities for leisure service to international markets. Top priorities include Vancouver (YVR), San Jose (SJO), Liberia (LIR), Puerto Vallarta (PVR) and Montego Bay (MBJ). Besides new markets, ABIA desperately needs more seats and/or frequencies to Cabo San Lucas (SJD) on Southwest or a new carrier.

Campbell-Hill has been very successful in working with airports to form partnerships with the business community. We were closely involved at Portland (for Frankfurt and Tokyo services), Pittsburgh (for Paris), San Diego (for London and Tokyo) and Hartford-Bradley (for Dublin and Amsterdam). We worked with ABIA on a similar partnership in the recruitment of British Airways.

Cargo Analysis and Strategy

Campbell-Hill has performed numerous cargo studies for airports primarily with the objective of expanding cargo capabilities and activity. These studies have ranged from generalized analyses to provide a better understanding of an airport's cargo market and opportunities for expansion, to targeting marketing for new services.

The recent air cargo study for AUS performed by Campbell-Hill provided an analysis of the status of air cargo demand and supply patterns for the regional market that is currently (or possibly) served via AUS. The analysis was based on secondary data sources covering cargo flows, airport activity, and cargo services supplemented with an interview program of local service providers and users. The results were summarized in a final report that included recommendations for further research and marketing.

Overview of Campbell-Hill's International Air Cargo Capabilities

Our air cargo assignments typically cover five principal economic issues:

- (a) estimating and forecasting origin/destination traffic flows by commodity, routing, and competitive gateway (including traffic leakage analysis);
- (b) developing air cargo service presentations on behalf of airports to general all-cargo airlines and the cargo division of combination carriers, integrated air express carriers, air freight forwarders, trucking companies that specialize in serving the air cargo markets, and intermodal carriers;
- (c) Local, regional and country-wide economic impact studies to develop support for new and/or improved air cargo and air express services;
- (d) Conducting analysis and forecasting related to facility and infrastructure planning for master plans, multi-modal studies and regional planning studies; and
- (e) Regulatory research and support in adversarial and advocacy proceedings before the domestic and international agencies (e.g., European Commission) on behalf of all-cargo airlines and integrated express carriers, and as part of litigation.

Overview of Potential Air Cargo Support Services for Airports

The following is a list of general cargo market development activities that may be appropriate and for which Campbell-Hill has experience and capabilities.

Market Intelligence/Surveillance

- Market Monitoring Reports – To the extent that detailed data is available monthly or quarterly, short-term trends and opportunities could be monitored using standard monthly or quarterly reports. This information could be used by airport staff, or even provided to airlines, forwarders and brokers to assist in their marketing efforts or to help in identifying expansion opportunities or assist in service retention.

- General Market Analysis – We have extensive in-house capabilities for analyzing air trade flows by origin/destination, commodity and carrier/airport routing. While the most detail is available for U.S.-based trade, we have also worked with EU and other international cargo sources. This analysis could identify historical trends and current patterns of air trade for the airport and its competitors, providing an overview of the market as well as identifying areas of potential expansion. A detailed description of the airport's service hinterland could also be included.
- Market Survey – We could assist or conduct a “know your customer” market survey of regional shippers, carriers and freight forwarders in order to determine their current and future needs and identify opportunities for expansion and relevant decision criteria. Past experience has emphasized the importance of confidentiality concerns (“don’t be too intrusive”) coupled with the value of maintaining contact with “indirect” customers that may influence service and routing decisions.

Market Strategy/Promotion

- We could work with airport staff in developing strategies, tools and action plans for attracting cargo services. This effort could range from identifying carriers or markets for further investigation or marketing efforts to innovative concepts to expand connectivity to domestic and international markets (e.g., expansion of air trucker ground network, or facility-based market catalysts). One objective would be to establish a concept of the airport as an intermodal distribution hub that distinguishes the airport from competing gateways and highlights multi-modal and industrial advantages.
- We could assist in the preparation and/or presentation of cargo market opportunities to carriers, both passenger and all-cargo.
- We could also assist with general cargo-oriented marketing pieces and activities including the development of the airport's image as a cargo airport, both locally and abroad.
- We could work with airport staff in forging a multi-modal strategy as part of a long-term vision for expanding air cargo activity with particular attention to leveraging general economic development assets. Opportunities for improving intermodal access and efficiency could also be pursued, particularly if the airport can piggyback on general transportation projects and funding.



- We also have experience in providing input to general master and strategic planning efforts, as well as economic impact analyses.

Technical Factors

In developing the above referenced tasks, Campbell-Hill will employ all of the technical factors typically considered by an airline in making a route decision. These include a traffic forecast based on the local O&D market as well as a market share of connecting traffic if applicable. We also utilize demographic data, load factor and yield data, schedule information, fleet and capacity analysis, scheduling issues, block hour times, and other relevant operational parameters. Campbell-Hill applies the foregoing technical factors to the entire Central Texas area.

Degree of Definition Provided

Campbell-Hill has access to all of the traditional databases used by the airlines in assessing new market opportunities. We also have a proprietary route forecasting model which provides the greatest degree of definition possible in technical elements considered essential by the airlines. For that reason, our reputation with the airlines is so strong that they hire us for their projects and they often recommend our firm to airports for air service development. We believe this validates our belief that we will provide the highest degree of definition in each technical element of our plan for air service development at Austin.

TAB 5

Experience and Qualifications

5 EXPERIENCE AND QUALIFICATIONS

5.1 Developing and Presenting Air Service Development Marketing Initiatives for Airports

Campbell-Hill Aviation Group, LLC, has been providing airport clients with air service development expertise since 1993. Campbell-Hill specializes in developing strategies for air service expansion, air service deficiency studies, leakage studies, comparative airport analyses, incentive program review/benchmarking, route proposals and presentations, air cargo analyses, and marketing. The firm also provides national and international policy analysis, regulatory analysis, traffic forecasting, economic and demographic research, master planning support, and survey research. In addition, Campbell-Hill prepares exhibits and testimonies for contested DOT route cases, civil litigation, and congressional hearings. We have provided most if not all of these services to ABIA since our contract first started.

Campbell-Hill has fourteen aviation professionals, nine of whom have airline backgrounds. Collectively, the firm possesses over one hundred and fifty years of direct airline experience, mostly within the network planning and revenue management functions. Our consultants have worked at AirTran Airways, American Airlines, Alaska Airlines, Delta Air Lines, Iberia, Northwest Airlines, Southwest Airlines, United Airlines, TWA, and US Airways, among others.

Campbell-Hill's success comes from its core philosophy of speaking the language of the airlines. Given this, our presentations are extremely data driven. We understand that our job is to supplement analysis that the airline network planners are working on and to help push the route over the finish line using justification that the planners can use with their bosses. With that in mind, we have developed forecasting and leakage techniques that stand out compared to our competitors. We understand that every airport and every route is different and we customize our forecasting approach for each situation. For airports such as ABIA that experience leakage, we have developed unique methods that integrate leakage analysis into our forecasts and present these analyses in ways that are easy for airlines to use. These types of methods have been used in helping clients such as ABIA get its first transatlantic flight on British Airways, San Diego secure its first transpacific flight, Hartford obtain service to Los Angeles and Richmond get service to Denver as well as ultra-low cost carrier service from Allegiant and Spirit. Our diverse mix of large, medium and small airports has allowed us to build relationships with airline planners of all seniority levels which we find is valuable to our air service clients.

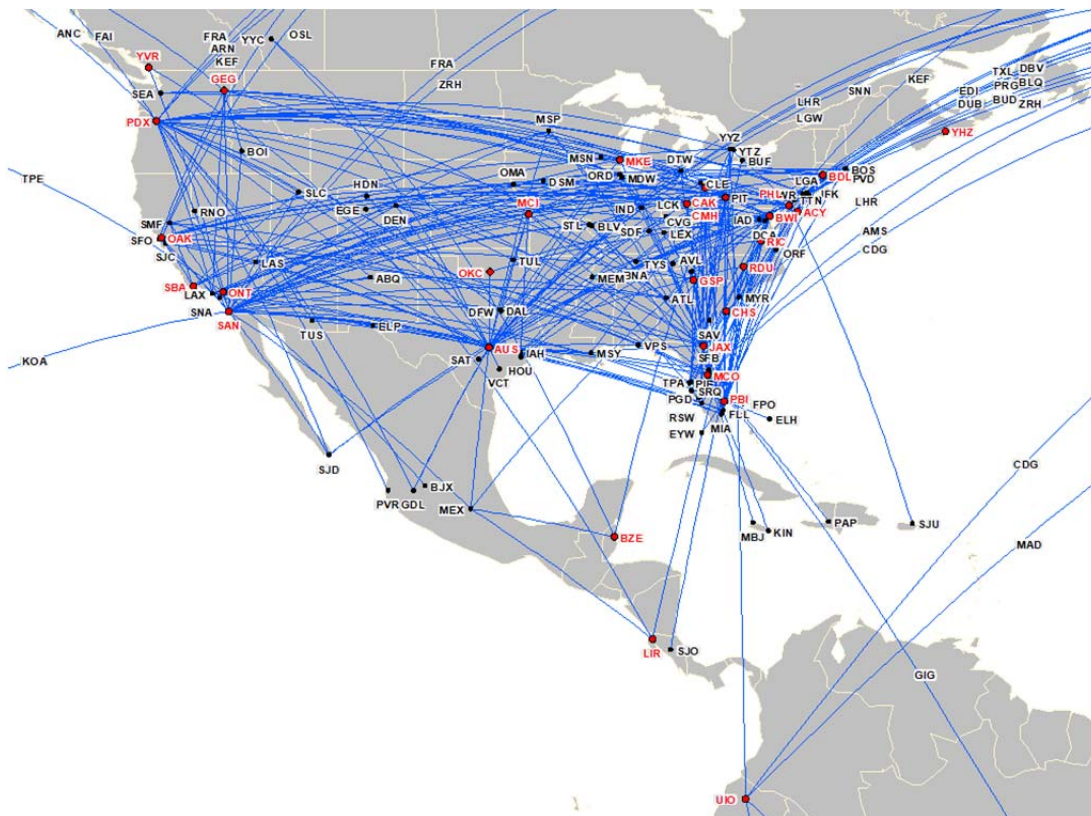
Our air service development efforts cover a wide range of activities from periodic schedule and traffic reports, to regular carrier discussions concerning important services, to air service conferences, airline headquarters presentations, market catchment area or leakage studies and analysis, community presentations and strategy sessions with the senior airport/authority management. In addition, Campbell-Hill

functions as an extension of each airport's staff and we are in frequent email and phone contact at all hours irrespective of time zone.

Campbell-Hill regularly participates in many air service development conferences throughout the year including JumpStart, regional Routes events, World Routes, Airline Total Networking and the Allegiant Conference. Our firm has represented clients in thousands of conference meetings with airlines. Even though these meetings only last approximately 20 minutes, we design presentations that provide the most critical facts and figures to airlines to maximize every minute of our allotted time.

Campbell-Hill has long been one of the most experienced and effective air service development consultancies in the United States. As shown in the map below, our efforts have produced 314 new routes from 33 different airlines for our airport clients since 2013 and we expect additional announcements in the next few weeks.

314 New Routes from 33 Different Airlines Since 2013



Campbell-Hill has extensive experience working with airports and communities on air service development efforts. We have been providing air service development consulting services since 1993. This work has covered all types of airports from large hubs such as Philadelphia and Orlando, to medium hubs like ABIA and Jacksonville and Portland and small hubs like Richmond, Ontario, Spokane, Oklahoma City and Santa Barbara.

It is also important to note that the airlines have respected our work so much that they have hired us. We do work for Southwest Airlines, United Airlines, Hawaiian Airlines, Allegiant Airlines, Spirit Airlines and Silver Airways to name a few.

We utilize both direct experience and the lessons learned from our employees with over 150 combined years of airline experience to speak the language of the airline network planner. This data-driven, analytic approach has contributed to significant success for our airport clients.

Cargo Air Service Experience

Airport Projects

Campbell-Hill has conducted international air cargo analysis and data development for various airports ranging from detailed baseline market studies to targeted data analysis used for presentations to combination and all-cargo carriers. In 2017, the firm has completed cargo analysis and forecasts of part of master plan updates for two airports (Allentown and Hartford-Bradley). As part of general market development efforts, Campbell-Hill has prepared international and/or domestic traffic analyses to estimate cargo volumes flowing through a particular airport and through competing gateways. In many cases, a detailed cargo study was conducted as a prelude to designing and implementing market development efforts, while other clients received air cargo market data and supporting analysis as part of ongoing airline marketing. The ability to interact with air shippers and transportation providers is a critical advantage for the team based on numerous interview programs and related efforts for airport and airline clients.

Airline and Aviation Sector Projects

The firm has performed numerous studies for FedEx over 30 years including support in all-cargo route cases¹, impact analyses for various policies and airport development options, and assistance in regulatory proceedings involving DHL's U.S. operating authority and its assumption of the USPS service contract. In 2015, Campbell-Hill produced the analysis and summary report filed by FedEx in support of maintaining Open Skies agreements with the Gulf States including a detailed analysis of worldwide air cargo flows. The firm conducted a detailed economic impact analysis of UPS's proposed new hub in Shenzhen, China, after it had conducted a similar study for FedEx concerning the relocation of their intra-Asian hub to China in 2004. In the regulatory arena, the firm provides ongoing support to the Cargo Airline Association and the

¹ Campbell-Hill has participated on behalf of Federal Express in most DOT route cases involving the Company since 1986.

Rechargeable Battery Association (a group of major U.S. electronic companies shipping lithium ion batteries and associated consumer products), and has provided expert testimony on cargo-related matters. Campbell-Hill also participated in the market analysis for the first industrial airports that are the predecessors of the Aerotropolis concept.

Campbell-Hill's knowledge of the key issues driving the future of air cargo is enhanced by its involvement in numerous studies for air cargo industry groups involving regulatory and security issues including:

- Conducted a detailed impact analysis of a proposed rule limiting the air transport of lithium ion batteries for a coalition of the top U.S. electronics manufacturers and U.S. cargo airlines that was updated and successfully used to support a revised rule.
- Provided detailed analysis of the potential impact from liberalization of U.S.-EU air cargo markets for a European Commission study.
- Developed a worldwide aircraft database and analytical models to estimate the economic impact of proposed noise and emissions regulations on the world airline industry for the Airlines For America (A4A, formerly ATA); the fourth update of the Campbell-Hill fleet database for A4A was released in 2017.
- Provided a detailed review of the FAA's regulatory impact analysis for a proposed flight and duty time rule including revised benefits and costs and an estimate of the economic impact of the rule on the U.S. all-cargo industry and on the U.S. economy (Cargo Airline Association).
- Analyzed the flow of in-bond air imports into the U.S. in support of a DHS project looking at security risks.
- Developed economic impact analysis of proposed cargo screening policies on the air express industry and the economic impact analysis of NAFTA on U.S. air trade (for FedEx).

Air Service Project Descriptions Within Past 5 Years

The following section describes previous work with U.S. airports within the past five years for which our firm has completed similar projects.

Jacksonville International Airport (JAX)

Contact: Barbara Halverstadt, Director, Marketing
Phone: (904) 741-2703 Email: barbara.halverstadt@flyjax.com
14201 Pecan Park Road
Jacksonville, FL 32218

- a. August 2013 to present
- b. Type of service provided: Domestic and international passenger air service development. Campbell-Hill supports JAX for all air service headquarters visits and air service development conferences including leakage analysis to other airports serving Northeast Florida. JAX typically attends World Routes, Routes Americas, Routes Europe or Airline Networking, JumpStart and the Allegiant Conference. Campbell-Hill prepares the business case and overall presentation for all carrier meetings.
- c. JAX has attracted new nonstop service to Toronto-Pearson (YYZ) on Air Canada, Denver (DEN) on United, Dallas-Love (DAL) on Southwest and multiple markets with Allegiant, Frontier and Spirit, as well as significant capacity increases by all incumbent carriers.

Portland International Airport (PDX)

Contact: David Zielke, Director, Air Service Development
Phone: (503) 415-6884 Email: David.Zielke@portofportland.com
7200 NE Airport Way
Portland, OR 97218

- a. June 1995 to present
- b. Type of service provided: Domestic and international for both passenger and air cargo air service development. Campbell-Hill supports PDX for all airline headquarters visits and air service development conferences. PDX visits all incumbent carriers at least annually (Alaska and Delta every 6 months) and participates in World Routes and Routes Americas. Campbell-Hill prepared the business case and overall presentation for each of the 110 carrier meetings in the past five years. PDX involves the community for support of key objectives with regular and targeted planning meetings. Campbell-Hill is on the Executive Committee of the community's International Air Service Committee (IASC) and attends all community air service development meetings either in person or via conference call. We also provide complete route case regulatory services including case strategy, preparation of all pleadings and supporting exhibits, and filing with the DOT.



- d. Campbell-Hill has assisted PDX in 33 new carrier/route additions in the past 5 years. Notable wins include London, Frankfurt, Reykjavik, Toronto, Orlando, four Hawaiian islands and cargo service to Hong Kong.

Orlando International Airport (MCO)

Contact: Vicki Jaramillo, Senior Director, Marketing & Air Service Development

Phone: (407) 825-3898 Email: vjaramillo@goaa.org

One Jeff Fuqua Boulevard

Orlando, FL 32827-4399

- a. May 2015 to present
- b. Type of service provided: International and domestic passenger air service development, strategic air service planning, incentive reviews, catchment analysis, etc. Campbell-Hill supports MCO for all air service headquarters visits and air service development conferences. MCO visits a wide variety of top target new entrant carriers as well as key incumbent carriers at least annually and participates in the World Routes, Routes Americas, and Jumpstart conferences. Campbell-Hill supplements the business case and overall presentation for each of the high priority carrier meetings in the past 3 years. MCO involves the stakeholders through an organization called Air Team Orlando, which Campbell-Hill also supports.
- d. C-H has assisted MCO in 8 new carrier/route additions in the past 2 years. Notable wins include Amsterdam, Rio de Janeiro re-launch, Portland, Paris and Tel Aviv.

Philadelphia International Airport (PHL)

Contact: Jim Tyrrell, Chief Revenue Officer

Phone: (215) 937-5420 Email: James.Tyrrell@phl.org

Terminal D, 3rd Floor

Philadelphia, PA 19153

- a. July 2016 to present
- b. Type of service provided: Domestic and international passenger air service development, catchment area analysis, strategic planning. Campbell-Hill supports PHL for all aspects of the air service development process at PHL. This includes multiple headquarters visits and air service development conferences. Campbell-Hill also works closely with PHL's relationship with its hub carrier, American, and travels with the airport to DFW three times a year to meet with network planning. PHL participates in the World Routes, Routes Americas, Airline Networking 2019, and Jumpstart conferences. Campbell-Hill prepares the business case and overall presentation for all carrier meetings.

- d. Notable wins include new market entry by international flag carriers and multiple new destinations including Dublin, Dubrovnik, Berlin, Reykjavik, Budapest, Prague and many domestic markets.

Hartford Bradley International Airport (BDL)

Contact: Kevin Dillon, Executive Director

Phone: (860) 292-2054 Email: kdillon@ctairports.org

Terminal A, 3rd Floor, Administrative Offices

Windsor Locks, CT 06096

- a. September 1995 to present
- b. Type of service provided: Domestic and international passenger air service development. Campbell-Hill supports BDL for all air service headquarters visits and air service development conferences. BDL attends 3-4 conferences annually including World Routes, Routes Americas, Airline Networking 2018 and ACI-NA Jumpstart. Campbell-Hill prepares the business case and overall presentation for all carrier meetings.
- d. Notable wins include Dublin, Houston, Los Angeles and San Francisco.

5.2 Airports Currently Under Contract

Campbell-Hill has not performed air service development work for San Antonio International Airport (SAT), Houston-Bush Intercontinental Airport (IAH), Houston Hobby International Airport (HOU), Dallas/Ft. Worth International Airport (DFW), Dallas Love Field (DAL) nor do we intend to pursue such work with these airports.

Campbell-Hill is currently under contract for air service development to the following domestic airports:

Austin (AUS)	Baltimore/Washington (BWI)	Charleston (CHS)
Columbus (CMH)	Denver (DEN)	Greenville/Spartanburg (GSP)
Hartford (BDL)	Jacksonville (JAX)	Kansas City (MCI)
Oklahoma City (OKC)	Ontario (ONT)	Orlando (MCO)
Palm Beach (PBI)	Philadelphia (PHL)	Phoenix (PHX)
Portland (PDX)	Raleigh-Durham (RDU)	Richmond (RIC)
Sacramento (SMF)	San Francisco (SFO)	Santa Barbara (SBA)
Spokane (GEG)	Syracuse (SYR)	

In addition to U.S. clients, Campbell-Hill is currently under contract to the following international airports/tourism bureaus:

Aruba (AUA)	Belize Tourism Board	Dominican Republic (Minister of Tourism)
Edmonton, Canada (YEG)	Halifax, Canada (YHZ)	Kingston, Jamaica (KIN)
Liberia, Costa Rica (LIR)	Quito, Ecuador (UIO)	San Jose, Costa Rica (SJO)
Shannon, Ireland (SNN)	Tenerife Tourism	Vancouver, Canada (YVR)
Winnipeg (YWG)		

Recent airport clients include:

Akron-Canton (CAK)	Greensboro (GSO)	San Diego (SAN)
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Airline Clients

In addition to airports, Campbell-Hill performs consulting services for airlines and associations. Recent airline clients include United, Spirit, Southwest, Allegiant, JAL, Silver, Emirates, FedEx, Hawaiian and Omni. Our work with airlines includes regulatory policy issues, economic impact analysis, business and strategic planning, route cases, and merger cases. Our association clients include the Airlines for America (A4A) and the Cargo Airlines Association.

- Spirit Airlines – Campbell-Hill provides ongoing business and strategic planning services for Spirit, working directly with the CEO, President and Chief Commercial Officer.
- Southwest Airlines - Southwest is the firm's largest client. We have worked for Southwest on major endeavors such as new route authorities for Cuba, slots at DCA and LGA, repeal of the Wright Amendment, slot swap proceedings, and TSA issues. In June 2010, Southwest retained us for extensive work on the AirTran merger.
- Allegiant Air – Campbell-Hill performed a study to measure the economic impact of Allegiant on the U.S. and selected state economies combining internal airport-level employment, income and spending levels in support of traffic and aircraft activities with stimulated passenger spending. The national level impacts were presented at Allegiant's annual media day while the state-level impacts have been used to promote airport and legislative support for expansion initiatives.
- Hawaiian Airlines - We supplied economic support for Hawaiian's successful Tokyo-Haneda (HND) route applications for service from both Honolulu (HNL)

and Kona (KOA). We were retained in the recent HND allocation proceeding as well. We continue to support Hawaiian on a number of other regulatory issues.

- Japan Airlines (JAL) – We were hired by JAL and Hawaiian to support their joint Anti-Trust Immunity application.
- Silver Airways – We provided strategic advisory services.
- FedEx – Campbell-Hill examined the potential impact of a FedEx Express air express hub to the South China and China economies. This analysis and other support led to the successful opening of the FedEx Asia One hub at Guangzhou Airport in 2008 with the full support of the Chinese government. Campbell-Hill provided an economic impact analysis of the Dubai hub and fifth freedom rights to FedEx's international operations.
- Emirates Airline – Campbell-Hill performed a study to measure the economic impact of Emirates Airline on the U.S. economy including U.S. airport-level employment, income and spending supporting passenger and cargo activities, direct/indirect purchase of U.S. merchandise and service exports, stimulated passenger spending, and stimulated U.S. trade based on increased connectivity to world markets. The July 2017 study was an update to a 2016 study based on 2015 activity and spending data. The study is being used to promote the value of Emirates' continued access to U.S. markets.
- Omni Air International - We performed business and strategic planning services.

5.3 Campbell-Hill Airline References

Airlines are the target market for all air service development programs. Credibility with airlines is absolutely essential when presenting detailed and sophisticated analyses to support multimillion-dollar investments. The Campbell-Hill team has developed a very high level of credibility with airline planning staffs. We have been retained by multiple airlines over the years and currently Southwest is our largest airline client. We also do a large amount of planning work with Spirit Airlines and regulatory support for Hawaiian Airlines. Some of our key airline contacts relevant to AUS include:

Aer Lingus

- Greg Kaldahl, Chief Strategy & Planning Officer (greg.kaldahl@aerlingus.com)
- Valerie Ni Fhaolain, Infrastructure & Planning Manager (Valerie.NiFhaolain@aerlingus.com)

Aeromexico

- Loren Aandahl, SVP Corporate Strategy (laandahl@aeromexico.com)

Air Canada

- Eric Bordeleau, Director, Network Planning (eric.bordeleau@aircanada.ca)
- Andrei Lazar, Manager, Network Planning and Scheduling (Andrei.Lazar@aircanada.ca)

Alaska Airlines

- Nicholas Haan, Director-Network Strategy (Nicholas.haan@alaskair.com)
- Noelle Fredrickson, Manager, Network Planning (noelle.fredrickson@alaskaair.com)

Allegiant Air

- Daniel Meier, Manager of Airports (Daniel.Meier@allegiantair.com)

All Nippon Airways (ANA)

- Haruo Konishi, Director, Network Planning (konishi@ana.co.jp)

American Airlines

- Vasu Raja, Vice President, Network & Schedule Planning (vasu.raja@aa.com)
- Jason Reisinger, Director, Route Planning (Jason.reisinger@aa.com)
- Henning Greiser, Manager, Network Planning (Henning.Greiser@aa.com)
- Margaret Muir, Manager, Domestic Route Planning (Margaret.muir@aa.com)
- Marius Jasevicius, Manager, Domestic Route Planning (marius.jasevicius@aa.com)
- Philippe Puech, Manager, Domestic Network Planning (philippe.puech@aa.com)
- Mitch Goodman, Manager, Domestic Network Planning (Mitchell.Goodman@aa.com)

British Airways

- David Smith, Head of Longhaul Network (david.m.smith@ba.com)
- Martin Picken, Network Planning Manager, Heathrow Longhaul (martin.picken@ba.com)

Copa Airlines

- Gabriel Varela, Senior Director - Planning and Alliances (gvarela@copaair.com)
- Daniel Tapia, Planning Manager (dtapia@copaair.com)

Delta Air Lines

- Joe Esposito, Senior Vice President, Network and Schedule Planning (Joe.Esposito@delta.com)
- Amy Martin, Managing Director, Domestic Network Planning (amy.martin@delta.com)
- Murphy Grisham, General Manager, Network Planning (murphy.grisham@delta.com)

Emirates Airline

- Scott Swagerty, Manager Routes Planning & Analysis, (scott.swagerty@emirates.com)

Frontier Airlines

- Daniel Shurz, Senior Vice President, Commercial, (daniel.shurz@flyfrontier.com)
- Josh Flyr, Vice President, Network and Revenue (Joshua.flyr@flyfrontier.com)
- Jonathon Nield, Senior Manager of Network Planning, Frontier Airlines, Jonathon.nield@flyfrontier.com

Hainan Airlines

- Joel Chusid, Executive Director, USA (JMCHUSID@aol.com)

Hawaiian Airlines

- Brent Overbeek, SVP Revenue management, Network planning And Cargo (Brent.Overbeek@hawaiianair.com)
- Chris Foess, Director, Network Planning (christopher.foess@hawaiianair.com)

Japan Airlines (JAL)

- Kenichiro Naito, Vice President, International Route Marketing (naito.nj5r@jal.com)

JetBlue Airways

- Marty St. George, Executive Vice President - Commercial and Planning (Marty.Stgeorge@jetblue.com)
- Scott Laurence, Sr. Vice President, Airline Planning (scott.laurence@jetblue.com)
- Andrea Lusso, Director, Route Planning (andrea.lusso@jetblue.com)

Korean Air

- Jongman Park, General Manager, Network Center America (jmanpark@koreanair.com)

Lufthansa

- Daniel Pauli, Manager Intercontinental Network Planning (daniel.pauli@dlh.de)

Southwest Airlines

- Robert Kneisley, Esq., Assistant General Counsel (bob.kneisley@wnco.com)
- Andrew Watterson, EVP Chief Revenue Officer (Andrew.watterson@wnco.com)
- Adam Decaire, Managing Director, Network Planning (adam.decaire@wnco.com)
- Steven Swan, Director-Strategic Planning & Airline Partnerships (steve.swan@wnco.com)
- Nate Barker, Senior Manager, Capacity Planning (nate.barker@wnco.com)
- John Parker, Senior Manager, Capacity Planning (john.parker@wnco.com)

Spirit Airlines

- Ted Christie, Chief Executive Officer (Ted.Christie@spirit.com)
- Matt Klein, Chief Commercial Officer (Matt.Klein@spirit.com)
- John Kirby, Vice President, Network Planning (john.kirby@spirit.com)
- Nick Bartolotta, Director, Network Planning (Nick.Bartolotta@spirit.com)

Sun Country Airlines

- Joe Beckendorf, Manager Network Planning (joe.beckendorf@suncountry.com)

United Airlines

- Mark Weithofer, Director, Domestic Network Planning (mark.weithofer@united.com)
- Dan Malinowski, Director, Domestic Network Planning (daniel.malinowski1@united.com)
- Kevin Thompson, Principal, Network Planning (kevin.thompson@united.com)
- Kirk Craig, Principal, Network Planning (kirk.craig@united.com)
- Clark Johns, Manager, Network Planning (clark.johns@united.com)

Volaris

- Barbara Acosta, Head of Strategy and Network Planning (barbara.acosta@volaris.com)

WestJet

- Chris Hedlin, Director, Network Planning (chedlin@westjet.com)

Representative Sample

For our representative sample of air service development work we have included the Lufthansa presentation for Austin-Bergstrom International Airport (AUS) that helped secure new nonstop service to Frankfurt (FRA). This presentation was utilized during the second headquarters meeting with Lufthansa. Nonstop service was announced approximately five months after this meeting. Representatives from ABIA, Great Austin Chamber of Commerce and Visit Austin all participated in this meeting and subsequent calls with Lufthansa. This presentation includes examples of our approach to catchment area analysis, market analysis and route forecasts. The presentation is included in Appendix A.





TAB 6

Personnel

6 PERSONNEL

If Campbell-Hill is selected, Kevin Schorr, Vice President, will continue to serve as Project Manager and will be Campbell-Hill's primary point of contact with the Airport. He will lead all of Campbell-Hill's air service development work for AUS and will receive support as required from the firm's other aviation consulting professionals, nearly all of whom have participated in projects for AUS over the current contract.

Based on our previous work for Austin, we expect that Campbell-Hill's personnel participation in Austin projects will be approximately as follows:

President/Vice Presidents	25%
Research Directors	25%
Research Managers	25%
Senior Analysts	<u>25%</u>
Total	100%

The precise mix of personnel on any individual project will vary by the nature of the current project. Resumes of all Campbell-Hill personnel that could have direct contact with ABIA staff are provided below.

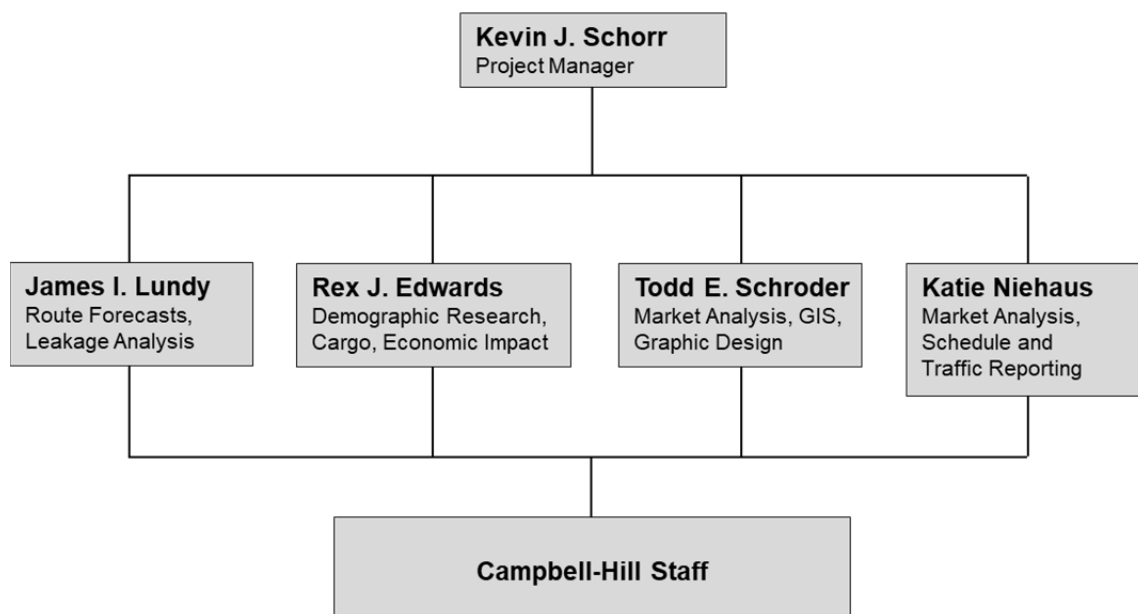
Campbell-Hill is uniquely qualified to prepare air service presentations because of its main air service principal's background and the analytical and marketing skills of the firm's associates. Kevin Schorr has nearly twenty years of wide-ranging airline industry and aviation consulting experience. Mr. Schorr has participated in over one thousand airline headquarters and air service conference presentations with airport clients. Prior to consulting, he held a management position at Trans World Airlines (TWA), where he served as Director of Domestic Strategies and Alliances. Mr. Schorr currently works closely with the Austin, Aruba, Greenville-Spartanburg, Jacksonville (FL), Kansas City, Oklahoma City, Phoenix, Raleigh-Durham, Sacramento, Santa Barbara, Spokane and Syracuse air service development programs. Throughout his career, Mr. Schorr has provided air service development consulting services to fifty-six different airports including many similar in size to ABIA.

Mr. Schorr will be primarily assisted by James Lundy, Vice President; Rex Edwards, Vice President; Todd Schroder, Research Director; and Katie Niehaus, Research Director, all of whom have participated in numerous air service development projects for

ABIA over the past twenty years. It is anticipated that other Campbell-Hill staff will assist as necessary, especially our analytical support staff.

Mr. Lundy and Ms. Niehaus manage all leakage analysis projects for Campbell-Hill clients. They were early adopters of embracing ARC as a better alternative to using MIDT data and developed cutting edge techniques for adjusting ARC data to fully represent low-cost carriers. Leakage analysis is performed for nearly every air service development client and airlines have also sought our guidance on using booking data to analyze potential new markets. Campbell-Hill defines catchment areas based on natural breaks or boundaries identified in the booking data as opposed to simply assuming drive time based catchment areas, which is the methodology employed by most other firms. This technique injects real world booking trends and airport choice in the definition of an airport's natural catchment area. Leakage analysis is the one aspect of air service development that combines both science and art, and a firm's methodology must be transparent and credible to the airline. Airlines have always accepted the validity of our methodology and most have complimented our leakage analyses, especially our integration of realistic and justifiable catchment area definitions.

Campbell-Hill Team Organization Chart



Campbell-Hill takes cost control, quality of work, and the ability to meet schedules very seriously. All clients are provided with a cost estimate, when requested, prior to the beginning of any project work. Campbell-Hill utilizes a time and expense management system so our project managers can view accumulated project cost information in real time. Quality of work is of paramount importance as this impacts our credibility with the

airlines, which are ultimately ABIA's target market. Project deliverables are typically reviewed by multiple Campbell-Hill consultants for accuracy and quality. This process is easier for Campbell-Hill since almost every consultant works from the Alexandria office, and the few that don't are in constant contact with employees in Alexandria and nearly every project requires contributions from multiple senior level professionals. We strive to meet any schedule as dictated by client needs and we urge ABIA to corroborate this with our airport clients.

Subcontractors

The use of subcontractors is not being proposed at this time. Should any future work assignments from ABIA include tasks that are to be subcontracted, Campbell-Hill would make every effort to utilize MBE/WBE firms certified by the City of Austin to the extent feasible.

Summary of Staff Skills

All staff members have worked on and participated in numerous air service presentations and air service projects for our clients. The following table summarizes the range of skills and services for each Campbell-Hill staff member:

Area of Expertise	K. Schorr	E. Ford	R. Edwards	J. Lundy	H. Mann	R. Appleby	K. Healy	D. Hill	B. Campbell	N. Gurwicz	T. Schroder	K. Niehaus	B. Hill	G. Stacy
Airport Strategic Planning	✓	✓		✓	✓	✓	✓	✓		✓				
Route Planning & Analysis	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓		
Passenger Air Service Presentation	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓		
Analysis of Industry Issues	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	
Airline Schedule Analysis & Design	✓	✓			✓	✓	✓	✓		✓				
Federal Regulation & Oversight				✓	✓		✓	✓	✓					
Application Support for Federal Funding	✓			✓	✓		✓							
Business Plan Development & Analysis	✓	✓		✓	✓	✓	✓	✓	✓	✓				
Litigation Support & Expert Testimony		✓	✓	✓		✓	✓	✓	✓					
Cargo Air Service Development			✓	✓					✓					
Model Development and Programming		✓	✓	✓		✓	✓	✓	✓	✓		✓		✓
Geographic Information Systems			✓								✓			
Demographic Research	✓	✓	✓	✓	✓	✓	✓				✓	✓	✓	✓
Graphic Design											✓			
Database Development & Analysis		✓	✓	✓		✓				✓	✓	✓	✓	✓

The resumes of all key staff members follow.

Kevin J. Schorr, Vice President

Mr. Schorr specializes in creating and delivering air service presentations and strategic advice for airport clients of all sizes. He has been involved with air service development efforts for nearly sixty different airports, targeting service from every U.S. domestic carrier and many international airlines. Mr. Schorr has been performing air service development consulting services for airports since 2001. Prior to that, he was the Director of Domestic Strategies and Alliances for Trans World Airlines (“TWA”). Mr. Schorr is also a recent member of the ACI-NA Marketing and Communications Committee Steering Group and is regularly invited to speak at industry events and interviewed by the press.

Most recently, Mr. Schorr has managed or been involved with air service related projects for Austin-Bergstrom International Airport (AUS), Aruba (AUA), Sacramento International Airport (SMF), Jacksonville International Airport (JAX), Raleigh-Durham International Airport (RDU), Phoenix International Airport (PHX), Kansas City International Airport (MCI), Spokane International Airport (GEG), Oklahoma City Will Rogers World Airport (OKC), Greenville-Spartanburg International Airport (GSP), Santa Barbara Airport (SBA) and Syracuse Hancock International Airport (SYR).

Mr. Schorr has assisted airports with many recent new routes including AUS to Frankfurt (FRA) on Lufthansa and Condor; AUS to London-Gatwick (LGW) on Norwegian; AUS to London-Heathrow (LHR) on British Airways; AUS, GSP and JAX to multiple destinations on Allegiant, Frontier and Spirit; AUS to Calgary (YYC) on WestJet; AUS to Mexico City (MEX) on Aeromexico; JAX to Dallas-Love (DAL) on Southwest; GEG to Chicago-O’Hare (ORD) and San Francisco (SFO) on United; GSP to Chicago-O’Hare (ORD) and Miami (MIA) on American; AUS to Toronto (YYZ) on Air Canada; OKC to Washington-Reagan/National (DCA) on Southwest; AUS and SBA to Minneapolis/St. Paul (MSP) on Sun Country; and, SBA to Salt Lake City (SLC) on Delta.

Education

B.S. Civil Engineering

M.S. Civil Engineering (Transportation Systems)

M.B.A. from Washington University in St. Louis



James I. Lundy, Vice President

Mr. Lundy specializes in economic research, analysis, and the presentation of transportation data. During the course of his employment at Campbell-Hill, he has provided and directed research and analysis for over 500 air service presentations to passenger airlines and freight airlines on behalf of the firm's airport clients.

He regularly prepares route forecasts and estimates total market sizes for air service presentations. Mr. Lundy has developed industry-leading methods in developing an airport's service area and forecasting traffic with potential new nonstop services. This analysis has been successful in recruiting new air service for Campbell-Hill's airport clients.

Mr. Lundy is experienced in presenting and developing exhibits and reports used in regulatory filings. He has developed and prepared exhibits in a majority of the contested route proceedings before the U.S. Department of Transportation over the past ten years. He also has prepared a number of additional regulatory filings and anti-trust analyses to government agencies including the U.S. Federal Aviation Administration, the U.S. Department of Justice and the U.S. Transportation Security Administration and the Japan Fair Trade Commission.

Mr. Lundy also regularly contributes to expert witness testimony and reports in commercial aviation and rail matters. These projects often involve calculating damages, estimating consumer benefits, cost-benefit analysis or economic impacts. He also provides expert assistance in preparation for case depositions.

Education

B.B.A., Finance, Minor in Economics, James Madison University

M.B.A., University of Maryland Robert H. Smith School of Business

Howard K. Mann, Vice President

Mr. Mann joined Campbell-Hill in February 2015 as a Vice President. He brings more than eighteen years of aviation consulting and Washington experience. Before he joined Campbell-Hill, Mr. Mann held the role of Vice President with the InterVISTAS Consulting Group where he specialized in air service development, strategic planning and regulatory policy to airport, airline and industry clients. Mr. Mann has played a role in supporting air service work for U.S. Airport clients since he began work at the firm including conference support, airline headquarters support and air service development tasks. Mr. Mann, also brings direct air service development experience with DEN to our project team. Mr. Mann currently supports work in Philadelphia, Columbus, Denver, Orlando, Quito, and Vancouver. Mr. Mann was on the official U.S. delegation representing U.S. airport interests through ACI-NA for the 2003, 2004 and 2005 negotiations between the U.S. and China.

Throughout his career, he has created and implemented strategies to grow and retain traffic for both incumbent and potential new entrant carriers at airports around the world. In his current role at Campbell-Hill, he led numerous successful air service and aeropolitical projects across many domestic and international clients. Mr. Mann has an in-depth comprehension of market data from government and community sources, an understanding of the changing business models of target air carriers and forecasting skills to work with carriers on expected performance. He is a frequent speaker at airport community events, board meetings and industry conferences regarding air service development strategy. Mr. Mann brings a unique approach to air service development by incorporating aeropolitical and passenger facilitation policies into route proposals to ensure new itineraries are sustainable in the future.

Prior to joining InterVISTAS, he served with ACI-NA where he worked extensively with U.S. and Canadian airport members on a wide variety of issues including bilateral air service policy, domestic air service and passenger facilitation. While at ACI-NA, Mr. Mann managed the JumpStart program for three years as well as worked with member airports on U.S. passport and visa policy, US-VISIT and various other CBP Issues.

Mr. Mann has been involved in many recent new routes including the market entry of Air China, Turkish, SAS, Korean, EVA Airways to Houston, Aer Lingus, Icelandair, Spirit, Alaska and JetBlue market entry in Philadelphia, Delta Airlines Orlando – Amsterdam, Air Canada and WestJet in Belize, Sun Country in Palm Beach, and, Economic Impact of International service at Houston Hobby, Volaris market entry at Reno/Tahoe and Austin, Southwest market entry at San Jose, CR, Southwest Mexican launches and WestJet market entry at Orange County. He has also done extensive regulatory support work for the Transportation Research Board and Association of Asia Pacific Airlines across multiple federal agencies in Washington, DC.

Education

B.A. Dual Major, Business Management & American History, University of Pittsburgh

Kevin P. Healy, President & CEO

Kevin P. Healy joined Campbell-Hill in October 2011 as a Senior Vice President and was named President & CEO in March 2017. Previously, Mr. Healy served as Senior Vice President of Marketing and Planning at AirTran Airways. At AirTran, Mr. Healy was pivotal in implementing the airline's successful low-cost business model. Starting in 1999, he directed all aspects of AirTran's commercial and strategic planning and was part of the team that led the turnaround and eventual sale of the company to Southwest Airlines.

Mr. Healy led AirTran's innovative strategy of providing low fares and quality service on all of its routes. Under Mr. Healy's leadership, AirTran developed and adapted strategies, as needed, to maintain profitable growth in a highly competitive and increasingly complex market. As a result, in January 2010, AirTran was awarded the prestigious Market Leadership Award from *Air Transport World (ATW)*, a leading monthly magazine covering the global airline industry.

Mr. Healy developed AirTran's growth strategy with service to over 70 cities across the United States, Mexico, and the Caribbean. Mr. Healy has extensive experience in both conventional and emerging travel distribution systems. He was named by *Business Travel News* to the list of "Most Influential Executives in Business Travel" in 2005.

Mr. Healy offers Campbell-Hill's clients the benefit of his senior level airline perspective gained through his thirty years of wide-ranging airline experience involving route strategy, scheduling, pricing, revenue management, distribution, sales, public relations, and government affairs.

In addition to airline and airport clients, Mr. Healy has testified before the U.S. Senate Committee on the Judiciary, provided expert assistance to the U.S. Department of Justice and Competition Bureau of Canada, addressed numerous Federal, State and Local officials and worked with various law firms and clients on airline anti-trust issues. Mr. Healy has presented papers and addressed numerous aviation organizations including Airlines for America (A4A), Airports Council International (ACI), and American Association of Airport Executives (AAAE).

Mr. Healy has gained insight into economic development and public-private partnerships through service to numerous civic organizations. Mr. Healy was appointed by Governor Jeb Bush to the Florida Commission on Tourism and served on the Commission as well as the Board of Directors for Visit Florida from 2002 to 2011. Mr. Healy served on the Board of the Orlando-Orange County Convention & Visitors Bureau and the Board of Directors for Central Florida Partnership. Before joining AirTran, Mr. Healy held management positions at US Airways and Piedmont Airlines involving pricing, revenue analysis, and yield management.

Education

Spring Hill College

Eric K. Ford, Vice President

Joining Campbell-Hill in September 2011 as a Vice President, Mr. Ford specializes in economic research and analysis. Through consulting work, Mr. Ford has prepared domestic and international air service proposals for numerous medium and large U.S. airport clients. He has developed short- and long-term traffic forecasts for master plans, bond Issuance and airport cost, revenue, and operational benchmarking projects. In addition, Mr. Ford has produced studies of passenger diversion trends between airports (airport leakage), analyzed impacts of airline merger scenarios, and provided financial strengths and competitive assessments to airports, government entities, and investors.

He has nearly thirty-five years of wide-ranging airline industry and aviation consulting experience involving air service development, pricing, planning, and financial analysis. Before joining Campbell-Hill, Mr. Ford was a Senior Manager at Oliver Wyman and a Vice President at Eclat Consulting. Prior to consulting, he held management positions at United, Northwest, and US Airways, where he last served as Director of Pricing and Pricing Development (Revenue Analysis).

Mr. Ford's airline expertise is in Revenue Management, particularly from an analytical perspective. At US Airways, he was responsible for all domestic pricing activity, domestic and international fare rule development, and strategic and tactical revenue analysis. He also has led an inter-airline team that reviewed federal ticket alternatives. Mr. Ford has served in a leadership role for a market feasibility analysis tasked with the design and launch of a new airline. Mr. Ford's additional airline expertise includes constructing tracking models of diversion trends between airports (airport leakage), analyzing and executing pricing experiments to stimulate traffic and revenue growth, and examining all corporate incentive programs.

Education

B.A., Computer Science and Economics, DePauw University

Reid S. Appleby, Vice President

Mr. Appleby joined Campbell-Hill in 2015 as a Vice President. He brings 28 years of experience at American Airlines in a variety of management roles at its head office and at DFW Airport. He specializes in network planning, route forecasting and air service development.

Most recently, Mr. Appleby managed AA's Atlantic Joint Business network planning activities with British Airways, Iberia and Finnair. This role encompassed strategy, planning and route selection to increase market share and optimize financial returns. Examples of transatlantic routes analyzed, recommended and implemented include Miami-Barcelona, Miami-Milan and New York-Dublin. Mr. Appleby also served as American's manager of route planning, leading a staff of analysts to identify and forecast route opportunities for AA's U.S. and worldwide network, including both mainline and regional flying.

During his tenure at American Airlines, Mr. Appleby attended numerous industry conferences where he met with airports, tourism and business groups from around the globe to discuss and develop route proposals. For example, he worked with a wide variety of domestic airports as well as Dublin, Dusseldorf and Milan Malpensa leading to the inauguration of additional transatlantic service at those airports.

Mr. Appleby has also been active in International Air Transport Association (IATA) forums. He served for three years as Vice Chairman of IATA's Schedules Information Standards Committee. In this role, he helped develop industry standards and practices to best meet the business objectives of airlines, airports, air traffic control, schedule aggregators and GDS companies.

In addition to his extensive airline route planning background, Mr. Appleby has experience in competitive analysis, flight scheduling, marketing development, revenue management and airline budgeting.

Education

B.A. Middlebury College

Rex J. Edwards, Vice President

Rex J. Edwards is the firm's expert in the development of economic impact and cost/benefit methodologies. He has developed analytical methods for adapting proven economic impact models for the unique requirements of all aspects of commercial aviation. He has recently completed studies showing the impacts of two airlines (Emirates and Allegiant) on the U.S., including passenger and trade stimulation effects. Mr. Edwards has managed a number of studies on the economic impact of airports and multi-airport systems, as well as analyses related to new airport or facility development, specific service initiatives, regulatory liberalization and operating procedures. Mr. Edwards has modelled competitive and economic impact for multiple airline merger analyses as well as national studies measuring the impact of all commercial aviation activity at the state and congressional district level.

Mr. Rex Edwards has nearly 40 years of experience in the economic analysis, forecasting and modeling of existing and proposed freight transportation systems and facilities. He is proficient in creating transportation databases for market development strategies, infrastructure development planning and transportation systems analysis. He produces an annual data base of air trade flows by market, commodity type, and U.S. state of origin/destination, and supplies extracts of these data for airport market analysis and route case proceedings.

Mr. Edwards directs the firm's analysis and modeling of air cargo systems, as well as providing general feasibility and economic impact analysis to airports, airlines and industry groups. He has been responsible for air cargo analysis and data development for 17 U.S. airports ranging from detailed baseline market studies to targeted data analysis used for presentations to combination and all-cargo carriers.

Education

B.A. Mathematics and Economics, College of William and Mary

Nicolas Gurwicz, Director

Mr. Gurwicz brings 10 years of diverse travel industry experience from his work at both legacy and low-cost carriers. Most recently, he served as the Business Development Manager for Iberia, a part of the International Airlines Group, with responsibilities for Iberia and LEVEL's North American point of sale and British Airways' Mexico point of sale. Previously, Nicolas worked as a Business Consultant at Southwest Airlines in their International Network Planning department. In that role, Nicolas contributed to Southwest's successful entry to international markets, Latin and Caribbean expansion, trans-border growth at Houston Hobby, its historic initiation of service to Cuba as well as the company's short-term and long-term plans. Nicolas represented Southwest at numerous route development conferences where he discussed new market opportunities presented by airport authorities and tourism boards.

Education

M.Sc. Air Transport Management, School of Engineering, Cranfield University, UK

B.A. Geography and Environmental Studies, University of Haifa, Israel



Todd E. Schroder, Research Director

Mr. Schroder joined the firm in June of 1996. He works extensively on competition issues in the domestic air service market, international aviation agreements, and trade negotiations. Mr. Schroder is involved in nearly all of Campbell-Hill's airport marketing presentations performing database research, preparing technical information, defining airport service areas, demographic research, information mapping, and graphic design.

His work involves the use of DOT air carrier databases, Airlines Reporting Corporation (ARC) and MIDT passenger booking data, Innovata flight schedules, and geographical information systems (GIS). He is Campbell-Hill's expert on information systems and networks.

Mr. Schroder brings strong marketing and research skills to the firm from Saab Aircraft of America, where he spent eight years in the marketing group. There, he held positions in technical sales, market research, and airline sales. His research involved analyzing airline operations and financial information, analyzing and evaluating the aircraft industry, and assessing competitive issues. His marketing activities included data base development, developing marketing strategies, creating marketing presentations, and directing sales campaigns.

Education

B.S. Aviation Business Administration, Embry-Riddle Aeronautical University

Katie Niehaus, Research Director

Katie Niehaus is a senior research professional specializing in airline route, financial, and marketing analysis. Ms. Niehaus brings to the firm broad analytical experience in the airline industry.

At Continental Airlines, she worked in distribution planning, specializing in online sales strategies, international sales channel development, and Global Distribution System relationships. And at Alaska Airlines, she focused on inventory management and route planning and performance analysis.

Finally, at US Airways she managed the revenue analysis team, which provided analytical and strategic support to the pricing, codeshare, route planning, inventory management, and sales departments. Ms. Niehaus also worked closely with America West staff during the implementation of the merger with US Airways.

Prior to joining the airline industry, Ms. Niehaus worked for American Management Systems, an information technology consulting firm, where she was responsible for system implementations, user training, documentation, and programming.

Education

B.S., Commerce, University of Virginia

M.B.A, University of Texas





TAB 7

Exceptions

7 EXCEPTIONS

Campbell-Hill has no exceptions to any portion of the Solicitation.

GOAL DETERMINATION REQUEST FORM

Buyer Name/Phone	Lynnette Hicks, 512-974-3349	PM Name/Phone	Tina Gamez, 512-530-6717
Sponsor/User Dept.	Aviation	Sponsor Name/Phone	Jamy Kazanoff, 512-530-6681
Solicitation No	RFP 5800 LNH3009	Project Name	Air Service Market Evaluation & Development Services for ABIA
Contract Amount	\$1,200,000	Ad Date (if applicable)	2/25/19
Procurement Type			
<input type="checkbox"/> AD – CSP <input type="checkbox"/> AD – Design Build Op Maint <input type="checkbox"/> IFB – IDIQ <input checked="" type="checkbox"/> Nonprofessional Services <input type="checkbox"/> Critical Business Need <input type="checkbox"/> Sole Source*			
<input type="checkbox"/> AD – CM@R <input type="checkbox"/> AD – JOC <input type="checkbox"/> PS – Project Specific <input type="checkbox"/> Commodities/Goods <input type="checkbox"/> Interlocal Agreement			
<input type="checkbox"/> AD – Design Build <input type="checkbox"/> IFB – Construction <input type="checkbox"/> PS – Rotation List <input type="checkbox"/> Cooperative Agreement <input type="checkbox"/> Ratification			
Provide Project Description**			
Professional services to provide assistance in the development and presentation of marketing strategies in order to attract the underserved destination markets for air cargo and commercial air traffic at Austin-Bergstrom International Airport (ABIA).			
Project History: Was a solicitation previously issued; if so were goals established? Were subcontractors/subconsultants utilized? Include prior Solicitation No.			
Previous solicitation RFP PAX0107 issued on 12/03/2012. <u>No goals were established.</u>			
List the scopes of work (commodity codes) for this project. (Attach commodity breakdown by percentage; eCAPRIS printout acceptable)			
91876 - 100%			
Lynnette Hicks		1/18/2019	
Buyer Confirmation		Date	

* Sole Source must include Certificate of Exemption

**Project Description not required for Sole Source

FOR SMBR USE ONLY		
Date Received	1/18/2019	Date Assigned to BDC
		1/18/2019
In accordance with Chapter2-9(A-D)-19 of the Austin City Code, SMBR makes the following determination:		
<input type="checkbox"/> Goals	% MBE	% WBE
<input type="checkbox"/> Subgoals	% African American	% Hispanic
	% Asian/Native American	% WBE

GOAL DETERMINATION REQUEST FORM

This determination is based upon the following:

- ☐ Insufficient availability of M/WBEs
☐ Insufficient subcontracting opportunities
☐ Sufficient availability of M/WBEs
☐ Sole Source

- ☐ No availability of M/WBEs
☒ No subcontracting opportunities
☐ Sufficient subcontracting opportunities
☐ Other

If Other was selected, provide reasoning:

MBE/WBE/DBE Availability

Subcontracting Opportunities Identified

91876 Marketing Consulting B

John Wesley Smith 01.22.19

SMBR Staff

John Wesley Smith
 Signature/ Date

SMBR Director or Designee

Date

Returned to/ Date:



City of Austin

Purchasing Office

P.O. Box 1088, Austin, TX 78767

COST PROPOSAL BEST AND FINAL OFFER

All the instructions included in the solicitation Cost Proposal are included in this attached document, and will continue to apply to any revised price proposal you may submit.

1. Manpower. Itemize to show the hourly rates for each category of personnel (or your equivalent title) listed below. If no equivalent title exists please state as such and add any additional categories of personnel which you believe will be needed to complete the Scope of this contract:

- a. Principal \$ 350 PER HOUR
- b. President \$ 350 PER HOUR
- c. Vice-President \$ 295 PER HOUR
- d. Director \$ 250 PER HOUR
- e. Senior Consultant \$ n.a. PER HOUR
- f. Consultant \$ n.a. PER HOUR
- g. Senior Analyst \$ 200 PER HOUR
- h. Analyst \$ n.a. PER HOUR
- i. Project Manager \$ n.a. PER HOUR
- j. Attorney \$ n.a. PER HOUR
- k. Administration \$ 65 PER HOUR

Additional Categories:

Research Director \$225
Research Manager \$210
Project Analyst \$195

2. Cost for the following based on annual estimates provided below and your hourly rates in section 1 above:

Item No.	Item Description	Estimated Annual Quantity	Unit	Unit Price	Estimated Annual Price
1	Airline Corporate Visits presentation preparation, scheduling, follow up notes, etc.	4	EA	\$17,500	\$70,000
2	Airline Routes airline/airport meetings (Routes World)	1	EA	\$32,500	\$32,500
3	Airline Routes airline/airport meetings (Routes Asia,)	1	EA	\$27,500	\$27,500
4	Airline Routes airline/airport meetings (Routes Europe)	1	EA	\$25,000	\$25,000
5	Airline Routes airline/airport meetings (Routes Americas)	1	EA	\$20,000	\$20,000
6	Monthly report detailing scheduled services for the Austin Aviation Department	12	EA	\$4,200	\$4,200
7	ACI-NA JumpStart airline/airport				



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	annual meeting	1	EA	\$17,500	\$17,500
8	Airlines Networking Conference annual meeting	1	EA	\$25,000	\$25,000
9	CNS Air Cargo Partnership airline/freightforwarder meetings	1	EA	\$10,000	\$10,000
10	TIACA Air Cargo airline/freightforwarder meetings	1	EA	\$10,000	\$10,000

The price estimates above do not include travel related expenses, registration fees or data cost.

I am confirming that per my response, Tab 7, Campbell-Hill Aviation Group, LLC has no exceptions to any portion of the solicitation

☒ Yes
☐ No (If no, please explain on a separate submittal)

The undersigned, by his/her signature, represents that he/she is submitting a binding offer and is authorized to bind the respondent to fully comply with the solicitation document

Company Name: Campbell-Hill Aviation Group, LLC

Printed Name of Officer or Authorized Representative: Kevin J. Schorr

Title: Vice President

Signature of Officer or Authorized Representative: Kevin J. Schorr