



Austin Airport Advisory Commission

REGULAR MEETING MINUTES

February 10, 2015

The Austin Airport Advisory Commission convened in a regular meeting on February 10, 2015 at 2716 Spirit of Texas Drive, in Room 160 in Austin, Texas.

Board Members in Attendance:

Dale Murphy, Chair
Stephanie Trinh

Ernest Saulmon
James Kelsey

Teddy McDaniel, III

Board Members Absent:

Steven Hart

George Farris

Staff in Attendance:

Susana Carbajal, Jim Smith, Becky Nagel, Robert Hengst, Billy Agüero, Matt Coldwell, Dowana Trantham, Phillip Bays, Jennifer Williams, Francisco Garza, Stephanie Tucker, Brian Levy, Royce Traywick and Jason Zielinski.

Others Present:

Chris Coons, KSA
Sean Brennan, Reynolds Smith & Hill
Josh Crawford, Garver
Jim Nias, Jackson Walker, LLP
Brice Allen, Atlantic
Paul Bielamowicz, Page Southerland Page, Inc.

Welcome & Call the Meeting to Order:

Dale Murphy called the meeting to order at 5:02 p.m.

1. CITIZENS COMMUNICATIONS:

None.

2. APPROVAL OF MINUTES –

a) January 13, 2015

Motion to approve the minutes. Motion made by Ernest Saulmon and seconded by Stephanie Trinh. Motion passed 4-0. (Commission Members George Farris, Steven Hart, and Teddy McDaniel, III were absent at this vote).

3. STAFF BRIEFING, REPORTS AND PRESENTATIONS

- a) Planning & Engineering Capital Improvement Project Monthly Status Reports – Jennifer Williams with the Aviation Department, provided an updates on Phase I and Phase II of the Connectivity Project. Matt Coldwell with the Aviation Department provided an update on the Art in Public Places (AIPP) Master Plan.

Teddy McDaniel, III arrived at 5:03 p.m.

- b) Airport Tenant Updates – presented by Stephanie Tucker, Aviation Department.
- c) Finance & Operations Reports for Fiscal Year 2014 to date – presented by Brian Levy, Aviation Department.
- d) Ground Transportation Staging Area (GTSA) Transactions Report for January, 2015 – presented by Royce Traywick, Aviation Department.
- e) Presentation on the Current State of the Airport and its Future Plans – presented by Jim Smith, Aviation Department.

Commission Chair Dale Murphy recessed the Commission Meeting to go into Executive Session at 5:17 p.m.

EXECUTIVE SESSION

The Austin Airport Advisory Commission went into Executive Session, pursuant to Chapter 551 of the Texas Government Code, to discuss or deliberate regarding commercial or financial information that the City has received from business prospects that the governmental body seeks to have locate, stay, or expand in the City and with which the City is conducting economic development negotiations.

Executive Session ended and Commission Chair Dale Murphy called the Commission Meeting back to order at 5:54 p.m.

- f) ABIA Investor Presentation – presented by Jim Smith, Aviation Department.

4. ABIA Action Items

- a) Election for Commission Secretary.

Motion to elect Stephanie Trinh as Commission Secretary made by Ernest Saulmon and seconded by Teddy McDaniel, III. Motion passed 4-0-1.

Commission Member Stephanie Trinh abstained from this vote. (Commission Members George Farris and Steven Hart were absent at this vote).

- b) Authorize execution of a construction contract with R.E.C. Industries, INC., for the ABIA Terminal Boiler Replacement project in the amount of \$422,487 (base bid + alternate) plus a \$42,248 contingency, for a total contract amount not to exceed \$464,735.

Motion to approve action item made by Teddy McDaniel, III and seconded by James Kelsey. Motion passed 5-0 (Commission Members George Farris and Steven Hart were absent at this vote).

- c) Authorize award, negotiation, and execution of a concession agreement with E-Z Rent-A-Car, or one of the other qualified offerors to the Consolidated Rental Car Facility New Entrant Request for Proposal, to operate an on-airport rental car concession at Austin-Bergstrom International Airport.

Jim Nias, a representative of Sixt Rent-A-Car, was allotted 3 minutes to speak on this topic. He provided a 6-page document that he wished to be included as part of the official minutes. Please see the attached document.

Motion to approve action item made by Teddy McDaniel, III and seconded by Ernest Saulmon. Motion passed 5-0 (Commission Members George Farris and Steven Hart were absent at this vote).

- d) Authorize award, negotiation, and execution of a concession agreement with Fox Rent-A-Car, or one of the other qualified offerors to the Consolidated Rental Car Facility New Entrant Request for Proposal, to operate an on-airport rental car concession at Austin-Bergstrom International Airport.

Motion to approve action item made by Teddy McDaniel, III and seconded by Ernest Saulmon. Motion passed 5-0 (Commission Members George Farris and Steven Hart were absent at this vote).

- e) Authorize award and execution of a 36-month contract with CDW GOVERNMENT, LLC. to provide electric visual display systems for Austin-Bergstrom International Airport in an amount not to exceed \$1,600,000, with two 12-month extension options in an amount not to exceed \$200,000 per extension option, for a total contract amount not to exceed \$2,000,000.

Motion to approve action item made by Teddy McDaniel, III and seconded by Ernest Saulmon. Motion passed 5-0 (Commission Members George Farris and Steven Hart were absent at this vote).

- f) Authorize award and execution of a 12-month contract through the Texas Local Government Purchasing Cooperative (BuyBoard) with ARNOLD OIL

COMPANY OF AUSTIN, LP, for oil, grease, and lubricants in an amount not to exceed \$349,031, with two 12-month extension options in a total amount not to exceed \$349,031 per extension option, for a total contract amount not to exceed \$1,047,093.

Motion to approve action item made by James Kelsey and seconded by Stephanie Trinh. Motion passed 5-0 (Commission Members George Farris and Steven Hart were absent at this vote).

5. NEW BUSINESS

Commission Chair Dale Murphy gave a gentle reminder to committee members to submit their Boards and Commissions Applications if they wish to continue service as a board member under the new Council administration.

6. OLD BUSINESS

- a) Status of action items upon which the Commission has made a recommendation to Council.

Authorize the negotiation and execution of all documents and instrument necessary or desirable to sell 0.600 acre (26,149 square feet) tract of Austin-Bergstrom International Airport (ABIA) undeveloped land out of the Santiago Del Valle Grant, in Austin, Travis County and being a portion of a 1500.870 acres of land known as Parcel 7 conveyed from the United States of America/Secretary of the Air Force to the City of Austin on July 27, 2001 in Deed recorded in TRV2002002218, to the TEXAS DEPARTMENT OF TRANSPORTATION for the amount of \$126,315. **[Item went to City Council on January 29, 2015 and passed.]**

Authorize award and execution of a 36-month requirements supply contract with QA SYSTEMS, INC., to provide electric visual display systems for Austin-Bergstrom International Airport in an amount not to exceed \$1,600,000, with two 12-month extension options in a total amount not to exceed \$200,000 per extension option, for a total contract amount not to exceed \$2,000,000. **[Item not scheduled to go to City Council.]**

Authorize award, negotiation and execution of a 60-month requirements service contract with SIEMENS POSTAL PARCEL & AIRPORT LOGISTICS LLC to provide telephone technical support and on-site services for the baggage handling system at Austin-Bergstrom International Airport in an amount not to exceed \$431,250. **[Item went to City Council on January 29, 2015 and passed.]**

Authorize award and execution of a 24-month requirements supply contract with MCADAMS GROUP, LLC DBA TEXAS ALTERNATOR STARTER SERVICE to provide remanufactured parts for alternators and starters in an

amount not to exceed \$308,086, with four 12-month extension options in a total amount not to exceed \$154,043 per extension option, for a total contract amount not to exceed \$924,258. **[Item went to City Council on January 29, 2015 and passed.]**

Authorize the use of the construction manager-at-risk method of contracting for construction of the new ABIA Parking Garage with Administration Offices Project at the Austin-Bergstrom International Airport (ABIA). **[Item scheduled to go before City Council on February 26, 2015.]**

7. FUTURE AGENDA ITEMS

ADJOURNMENT.

Motion to adjourn was made by Ernest Saulmon and seconded by Teddy McDaniel, III. Motion passed 5-0 (Commission Members George Farris and Steven Hart were absent at this vote).

Meeting was adjourned at 6:26 p.m.

Date of next meeting: March 10, 2015



James M. Nias
(512) 236-2350 (Direct Dial)
jnias@jw.com

February 10, 2015

Via Hand Delivery

City of Austin Airport Advisory Commission
2716 Spirit of Texas Drive, Room No. 160
Austin, Texas

Re: Items 4.(c) and 4.(d) on Airport Advisory Commission agenda of February 10;
rental car concessions at Austin Airport

Dear Commissioners:

I represent Sixt Rent a Car, LLC (“Sixt”), which was one of the respondents to a recent request for proposals (“RFP”) for additional rental car companies to serve the Airport.

Sixt is one of the largest, oldest and strongest car rental companies in the world. Its international presence would be a particular asset to the Airport due to the anticipated increase in its international travel. We were disappointed to have been evaluated as only the third best choice, based on criteria and judgments which seem arbitrarily misplaced in some instances, but even more disappointed by the way that our formal protest of the decision as allowed under the City’s purchasing procedures was treated.

The City staff initially refused to respond to our request for information about (1) the identities of the other proposers, (2) the scoring for each proposer under the various evaluation criteria, and (3) the amounts of the “minimum annual guaranteed concession fee” which each proposer purported to promise. The strategy employed to withhold this public information was to have the City Law Department request a Texas Attorney General’s opinion under the Public Information Act (“PIA”) concerning whether the requested information fell within one of the exceptions to the disclosure requirements of the PIA (see the attached Exhibit A). That has the legal effect of putting an automatic temporary hold on the disclosure of the public information until the Attorney General’s decision is made, which of course usually takes months. The purported exception to the PIA on which this request to the Attorney General was made was that disclosure “would give advantage to a competitor or bidder”, even though that could not be the case as the bidding was already finalized.

Nevertheless, the requested information was withheld during the short window of time which is afforded under the City’s purchasing rules to present a formal written protest. With all the pertinent information being withheld, the protest was unavoidably general, mainly pointing out the unfairness of withholding the pertinent information and otherwise trying to bring certain facts about Sixt to light which we believed may have been insufficiently considered. The Financial Services Department’s written response to the protest was that it was denied as being too unspecific (see the attached Exhibit B), which was of course guaranteed by the very strategy being employed to withhold the relevant public information.

100 Congress Avenue, Suite 1100 • Austin, Texas 78701 • (512) 236-2000 • fax (512) 236-2002

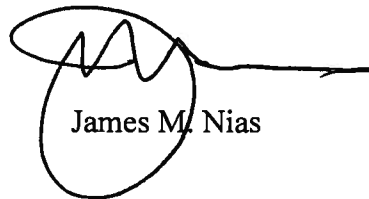
After the period for asserting a protest had elapsed and the protest was denied, the identities of the other proposers and the scoring for each proposer under the various evaluation criteria were then disclosed. These items in fact appear in the City Council agenda materials for February 12 for all the world to see, clearly illustrating the disingenuous basis on which the information was withheld during the period of time allowed for asserting a protest.

However, the amounts of the “minimum annual guaranteed concession fee” offered by each proposer is still being kept secret. This factor was accorded the largest “point range” of all the evaluation criteria in the RFP by far and should be critically examined to assess whether the offered fees are realistic or just “pie in the sky” promises which cannot be kept. There should be transparency with respect to **all** the scoring criteria in order to ensure that Austin citizens and Airport users receive the best services at the best price and that all proposers are treated fairly.

This process has been far less than transparent, open and fair and should be reconsidered. We respectfully request the Airport Advisory Commission to recommend to the City Council that all proposals be rejected and that the RFP be re-issued and administered in a lawful and appropriate manner, which could also have the benefit of providing a chance for a more thoughtful evaluation of what should be the meaningful and important criteria.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'James M. Nias', is written over a circular stamp. The signature is stylized with a large initial 'J' and a long horizontal stroke extending to the right. The circular stamp is partially obscured by the signature.

James M. Nias

cc: Mr. Matthias Lenk
Sixt Rent a Car, LLC

Sara Stinnett (Firm)

Katherine Loayza (Firm)



City of Austin

Law Department

City Hall, 301 West 2nd Street, P.O. Box 1088
Austin, Texas 78767-8828
(512) 974-2268

EXHIBIT A

Writer's Direct Line
(512) 974-6463

Writer's Fax Line
(512) 974-6491

January 14, 2015

VIA FIRST CLASS MAIL

Honorable Greg Abbott
Attorney General of Texas
Open Records Division
MC-014
P.O. Box 12548
Austin, Texas 78711-2548

Re: Open Records Request from Mr. Jerome Copelan received December 31, 2014

Dear Attorney General Abbott,

The City of Austin (the "City") received a request for information from Mr. Jerome Copelan on December 31, 2014. The City's administrative offices were closed on January 1, 2015, in observance of New Year's Day. Thus, today is the ninth business day since the City's receipt of this request. The City believes some of the requested information is excepted from disclosure under section 552.104 of the Government Code. This letter is a request for a determination under section 552.301 of the Government Code that some of the requested information is so excepted. A copy of the request and copies of the information at issue are enclosed.

By copy of this letter the City is notifying the requestor that the City wishes to withhold some of the requested information and has asked for a decision from the Attorney General about whether the enclosed information is within an exception to public disclosure.

Section 552.104 excepts from disclosure "information that, if released, would give advantage to a competitor or bidder." The purpose of section 552.104 is to protect a governmental body's interests in competitive bidding situations. *See* Open Records Decision No. 592 (1991). Moreover, section 552.104 requires a showing of some actual or specific harm in a particular competitive situation; a general allegation that a competitor will gain an unfair advantage will not suffice. Open Records Decision No. 541 at 4 (1990). Section 552.104 does not except information relating to competitive bidding situations once a contract has been awarded. Open Records Decision Nos. 306 (1982), 184 (1978). The submitted information pertains to competitive bids the city has received concerning the City's selection, through a request for proposal, for car rental concessions at Austin Bergstrom

Letter to Honorable Greg Abbott
January 14, 2015
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International Airport. A contract has not been executed. The requestor is seeking the names of all parties submitting proposals, each proposers evaluation scores by category, and the amount each proposer submitted as their Minimum Annual Guaranteed Concession Fee paid to the City. Release of the responsive information could undermine the selection process, to the detriment of the public and the City. Accordingly, the City seeks to withhold the submitted information under section 552.104 of the Government Code until the contract at issue has been executed.

If you have any questions concerning this matter, please feel free to contact me at 512-974-6463.

Sincerely,

A handwritten signature in black ink, appearing to read 'Elaine Nicholson', written over a horizontal line.

Elaine Nicholson
Assistant City Attorney

cer/
Enclosures

cc: *(without enclosures)*
Mr. Jerome Copelan
Sixt Rent a Car LLC
1850 SE 17th Street, Suite 207
Ft. Lauderdale, FL 33316

EXHIBIT B



City of Austin

Financial Services Department

Purchasing Office

P.O. Box 1088, Austin, TX 78767

January 30, 2015

Delivered Via email 'jniaas@jw.com'
and Certified Mail No. 7013 2250 0002 1953 8165

James M. Nias
Jackson Walker L.L.P.
100 Congress Ave., Ste. 1100
Austin, TX 78701

Subject: Protest of Award Decision Concerning Rental Car Concession at Austin-Bergstrom International Airport

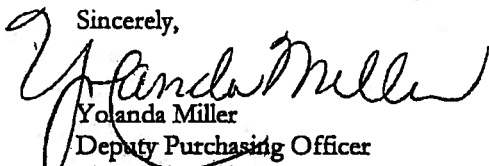
Dear Mr. Nias:

On January 21, your firm submitted a formal protest of the results of the City of Austin Department Aviation Request for Proposals for Rental Car Concessions. This protest is in response to a proposal submitted by Sixt Rent a Car, LLC ("Sixt").

In the letter, Sixt disagreed with the Airport's evaluation of their proposal and requested reconsideration of the evaluation given to their proposal. The evaluation criteria was clearly stated in the solicitation documents and the evaluation was conducted according to that criteria. After reviewing the specific details of the solicitation and evaluation, in accordance with instruction given in Section 10.2, I have determined that the grounds for the protest are insufficient to proceed. Therefore, the protest is denied and we consider this matter closed.

Attached is the evaluation matrix for your review. I appreciate Sixt interest in doing business with the City of Austin and responding to the solicitation. Should you have any questions, you may contact me by phone at (512) 974-2033 or by email at yolanda.miller@austintexas.gov.

Sincerely,


Yolanda Miller
Deputy Purchasing Officer
Financial Services Department

Attachment: Evaluation Matrix

cf: Urcha Dunbar-Crespo, Acting Purchasing Officer
Teresa Reddy, Contract Compliance Manager Corp.
Stephanie Tucker, Airport Properties Manager
Francisco Garza, Airport Properties Program Manager

City of Austin, Texas
Department of Aviation

Request for Proposal ("RFP") for Rental Car Concessions at
Austin-Bergstrom International Airport

RFP Evaluation Report

Proposers:

- E-Z Rent-A-Car
- Fox Rent-A-Car
- Longhorn Car and Truck Rentals
- Sixt Rent a Car

Evaluation Results (Averaged)

	Fox	E-Z	Sixt	Longhorn
Qualifications and Experience (Point Range 0-20)	14.75	13.75	17.50	17
Financial Information (Point Range 0-20)	17.50	20	20	15
Proposed MAGCF (Point Range 0-50)	50	45.74	39.44	16
Local Business Presence (Point Range 0-10)	0	0	0	10
<u>Total Points:</u>	<u>82.25</u>	<u>79.49</u>	<u>76.94</u>	<u>58</u>