



Recommendation for Action

File #: 19-3519, **Agenda Item #:** 46.

11/14/2019

Posting Language

Authorize negotiation and execution of three contracts, for airport financial and consulting services, with Ricondo & Assoc Inc., Unison Consulting Inc., and LeighFisher Inc., each for a term of two years for total contract amounts not to exceed \$1,500,000 divided among the contractors.

(Note: These procurements were reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for these procurements, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Aviation.

Fiscal Note

Funding in the amount of \$1,050,000 is available in the Fiscal Year 2019-2020 Operating Budget of Aviation. Funding in the amount of \$450,000 is available in the Fiscal Year 2019-2020 Capital Budget of Aviation. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Professional Services.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov <<mailto:AgendaOffice@austintexas.gov>> or to Shawn Willett, at 512-974-2021 or Shawn.Willett@austintexas.gov <<mailto:Shawn.Willett@austintexas.gov>>.

Council Committee, Boards and Commission Action:

November 12, 2019 - To be reviewed by the Airport Advisory Commission.

Additional Backup Information:

These contracts will provide airport financial and consulting services for Aviation. These contracts are necessary to provide specialized airport financial skills on an as needed basis, which are not available from Aviation finance staff. Services under these contracts include the development and calculation of airline rates and charges to determine landing fees and terminal rental fees, assisting and advising on strategies and implementation of airport financial goals of improving credit ratings and increasing net surplus, assisting with development of capital project financing strategies, and evaluating and recommending the adjustment of the consolidated rental car facility and customer facility charges. These contracts will provide for information, research, and advice related to airport and airline industries. In addition, they will provide for certifications and

other determinations as needed. The contractors will assist the Aviation Finance Division in developing and implementing industry benchmarks and best practices and provide other consulting services including: surveys, research and commentary, participation in meetings and strategy sessions related to airport management, budgeting, revenue enhancement, and concessions management.

The Aviation Department requires multiple contractors due to the specialized expertise of each firm. LeighFisher, Inc. will provide airport financial rates and charges services including the evaluation and recommendation of airline landing fee and terminal rental fees as well as airport financial planning services to improve credit ratings and increase net surplus. LeighFisher Inc. will also assist Aviation staff in determining the preferred passenger terminal area facilities development concept for the Airport.

Unison Consulting, Inc. (Unison) will provide airport financial and strategic planning for the capital improvement program including preparation of financial plans related to the construction and financing of capital projects. Unison will also provide assistance to the department in reviewing, identifying, coding and properly accounting for all the costs related to the Austin-Bergstrom International Airport (ABIA) Terminal/Apron Expansion and Improvements capital program. Unison will also assist in identifying the ABIA Terminal/Apron Expansion and Improvement costs applicable to the various funding sources (including Passenger Facility Charges). It will also involve implementing an on-going capital program financial recording system for future Aviation capital programs.

Ricondo & Assoc Inc. (Ricondo) will provide annual reports and recommendations of annual rates for the consolidated rental car facility and customer facility charges. Ricondo will also provide assistance with the preparation of the Letter of Intent application consistent with Federal Aviation Administration requirements. In addition, Ricondo will develop potential Benefit-Cost Analysis strategy and approaches to supplement the Letter of Intent application.