



City of Austin

Recommendation for Action

File #: 24-6478, Agenda Item #:

1/30/2025

Posting Language

Authorize a contract for original equipment manufacturer baggage handling system parts for the Department of Aviation with Siemens Logistics, LLC, for an initial term of three years with up to two one-year extension options, for a total contract amount not to exceed \$2,500,000. Funding: \$375,000 is available in the Fiscal Year 2024-2025 Operating Budget of the Department of Aviation. Funding for the remaining contract term is contingent upon available funding in future budgets.

Lead Department

Financial Services Department.

Client Department(s)

Department of Aviation.

Fiscal Note

Funding in the amount of \$375,000 is available in the Fiscal Year 2024-2025 Operating Budget of the Department of Aviation.

Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Sole Source.

MBE/WBE:

Sole source contracts are exempt from the City Code Chapter 2-9B (Minority-Owned and Women-Owned Business Enterprise Procurement Program); therefore, no subcontracting goals were established.

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500.

Council Committee, Boards and Commission Action:

January 8, 2025 - To be reviewed by the Airport Advisory Commission.

Additional Backup Information:

The contract is for original equipment manufactured parts for the baggage handling system required for maintenance as well as baggage handling system repairs. The Austin-Bergstrom International Airport currently has a Siemens Logistics, LLC baggage conveyor system for processing and screening passenger checked luggage prior to loading on outbound aircrafts and for delivering passenger luggage from inbound flights. The parts provided under the contract are critical components of the baggage handling system.

Siemens Logistics, LLC is the original equipment manufacturer for the baggage handling system. The

replacement parts from Siemens Logistics, LLC, as well as maintenance training for the baggage handling system, are only available from the original equipment manufacturer.

Without this replacement sole source contract, the Austin-Bergstrom International Airport will not be able to maintain the baggage conveying system effectively and meet the department's goals to ensure that facility systems are always functioning and available.

Contract Term	Length of Term	Contract Authorization
Initial Term	3 years	\$1,500,000
Optional Extension 1	1 year	\$500,000
Optional Extension 2	1 year	\$500,000
Total	5 years	\$2,500,000

Note: Contract Authorization amounts are based on the City's estimated annual usage.