



Aviation Rates and Charges Study

Briefing to the Finance, Audit and Accountability Committee

May 14, 2007



Purpose

- The purpose of this briefing is to update the Finance, Audit and Accountability Committee on the results of the procurement process for the Aviation Rates and Charges Study

Background

- On January 8, 2007 the Department of Aviation briefed the Council Finance, Audit and Accountability Committee (FAA) on the Scope of Services and Deliverables for a Rates and Charges Study for the Dallas Airport System
- On January 22, the Business Development & Procurement Services Department Updated the FAA Committee on the planned vendor selection process for the Aviation Rates and Charges Study

Scope of Study

- Determine the cost of service for the Dallas Airport System, and establish a financial model for covering fiscal obligations in a manner that is equitable across all airport users and is based on its financial position
- Conduct a comprehensive review of all current contractual agreements at Love Field and Dallas Executive (Concessions, Long-Term leases, Month-to-Month leases)
- Conduct a survey of comparable airports and benchmarking to include airports that serve the same customers or which are similar operationally and/or financially

Scope of Study (Continued)

- Review reserve funding policies/strategies at other airports
- Coordinate efforts with the Master Plan Consultant for the Love Field Modernization Program which will prioritize facility enhancements to address the phase-out of the Wright Amendment by 2014

Procurement Activities

- February 1, 2007, Business Development and Procurement (BDPS) Staff advertised the RFP
- Notified all registered vendors by email
- February 8, 2007, BDPS Staff issued second advertisement of the RFP
- February 12, 2007, BDPS conducted pre-proposal conference
- February 22, 2007, received five proposals

Procurement Activities (Continued)

- BDPS established a Proposal Review and Selection Committee consisting of five members, two Assistant Directors from Aviation, one Manager from Office of Financial Services, the Director of Convention Center, and one Manager from Public Works and Transportation
- March 22, 2007, Presentations were made to the Selection Committee by all five of the proposers

Selection Criteria

- The successful proposer was selected by the committee on the basis of demonstrated competence and qualifications under the following criteria:
- Consultant's expertise – 25%
- Cost to the City - 20%
- Consultant's capabilities, resources and responsiveness - 15%
- Consultant's approach to the project - 15%

Selection Criteria (Continued)

- Consultant's work plan and proposed timeline - 10%
- Consultant's current contracts - 10%
- Prior and current litigation, including litigation with the City - 5%

Analysis & Recommendation

- The proposers were ranked with Unison – Maximus, Inc., receiving the highest score

Vendor	Average Score
– Maximus	75.95
– John F. Brown	75.00
– Jacobs	74.55
– Ricondo	66.33
– Airport Solutions	48.05

- City has negotiated a contract at a price of \$191,600

Maximus – Unison, Inc.

- Providing consulting services to airports since 1989
- 150 years of staff experience in assisting more than 80 airports with rates and charges
- Prepared more than 70 successful PFC applications, resulting in more than \$2 billion in revenue to fund airport improvements

Next Steps

- Item recommending award will be put on the May 23, 2007 Council Agenda Addendum
- The Aviation staff would add a second action to the May 23 Council item, a request for Council to authorize additional consulting services with Maximus Inc. (on a time and material basis as needed) for the negotiation of new airline lease agreements in the amount not to exceed \$48,000

Recommendation

- It is recommended the Finance, Audit and Accountability Committee support the approval of the May 23, 2007 Council Agenda Addendum Item authorizing (1) a professional services contract for the airport rates and charges study to Unison-Maximus in the amount of \$191,600 and (2) additional consulting services with Maximus Inc. (on a time and material basis as needed) for the negotiation of new airline lease agreements in the amount not to exceed \$48,000.