



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: William F. Sherry, A.A.E.

SUBJECT: SEE BELOW

DATE: November 8, 2010

Approved

Date

11/10/10

COUNCIL DISTRICT: City-Wide

SUBJECT: FIRST AMENDMENT TO THE AGREEMENT WITH AIRPORT & AVIATION PROFESSIONALS, INC. DBA AVAIRPROS FOR CONSULTING SERVICES FOR THE NORMAN Y. MINETA SAN JOSE INTERNATIONAL AIRPORT

RECOMMENDATION

Approve a first amendment to the master consultant agreement with Airport & Aviation Professionals, Inc. dba AvAirpros, to expand the scope of services to include other services as necessary to facilitate ongoing coordination, discussion, and management of issues with the Airlines serving the Norman Y. Mineta San Jose International Airport with no increase in total compensation.

OUTCOME

Approval of the recommendation will expand the scope of services beyond the capital program to items determined reasonable by the Director for the coordination and representation of operational, contractual, financial, and technical issues with the Airlines serving the Norman Y. Mineta San José International Airport.

BACKGROUND

On June 5, 2007 Council approved the master consultant agreement with Airport & Aviation Professionals, Inc. dba AvAirpros (AvAirpros) to provide for the coordination and representation of technical and operational issues with the Airlines serving the Norman Y. Mineta San José International Airport (Airport) during the implementation of the Airport's capital development program. The majority of work included in the capital development program has been completed, much of it on time and under budget. During the program, AvAirpros has served as the single "bridge" between the Airlines and the Airport in the coordination and resolution of the many technical and operational issues inherent to the program. AvAirpros has performed well in

its role as communications facilitator on technical issues between the Airlines and the Airport so that collaboration can take place.

ANALYSIS

The scope of services included in the master agreement is focused on capital development issues, and limits the work that AvAirpros can perform to these areas. The Airport is currently involved in other issues and initiatives impacting the Airlines where third party, neutral coordination and facilitation would be beneficial to the Airport. AvAirpros has the knowledge, skills, and ability to provide these services. The proposed amendment expands the scope of services in the master agreement to include services related to the ongoing coordination, discussion, and management of operational, contractual, financial, and technical issues of the Airlines serving the Airport. AvAirpros' services will continue to be authorized by task order, with no increase in total compensation to the master agreement.

AvAirpros was originally selected through a competitive request for proposals process. At that time, three firms submitted proposals, and AvAirpros was selected as the most qualified firm based, among other things, on the firm's depth of experience in working with the airlines. The proposed revised scope of work requires the depth of experience in working with the airlines and AvAirpros is uniquely qualified to provide these services. In addition, AvAirpros is familiar with the issues at San Jose and can most effectively provide the services needed as a continuity of the work previously provided. For these reasons, it is not recommended that a new selection process be undertaken to procure the services required.

POLICY ALTERNATIVES

Alternative: Direct City staff to provide the required services with in-house resources

Pros: Increased work options for current staff.

Cons: Existing City staff does not possess the expertise required.

Reason for not recommending: The industry specific issues with the Airlines are unique and require specialized expertise and experience in that area. Existing City staff does not possess expertise in Airlines' technical or operational issues.

Alternative: Direct City staff to perform a new selection process to procure the services required

Pros: Provides opportunity for other consulting firms to provide the services required.

Cons: The process to procure the services will not meet the schedule for when the services are required. Also, this alternative would be more costly due to the time required for a new consultant to get up to speed on the specific issues at San Jose.

Reason for not recommending: This alternative is neither cost effective nor meets the schedule requirements for the services.

PUBLIC OUTREACH/INTEREST

Criteria 1: Requires Council action on the use of public funds equal to \$1 million or greater.

(Required: Website Posting)

Criteria 2: Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**

Criteria 3: Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This item does not meet the above criteria requiring additional notification; however, it will be posted on the City's Council Agenda Website for the November 30, 2010 Council Meeting.

COORDINATION

This amendment and memo have been coordinated with the City Attorney's Office and the City Manager's Budget Office.

FISCAL/POLICY ALIGNMENT

This project is consistent with the Guiding Principals for Budget and Financial Management, Mayor's 2006-2007 Revised June Budget Message, in that it supports economic recovery and job creation.

This project is consistent with several initiatives identified in the Economic Development Strategy adopted by Council in November 2003, and aligns most significantly with:

- Strategic Initiative #1: Build a World-Class Airport and Air Services, and
- Strategic Initiative #5: Support the Growth (and Start-up) of Local Businesses – Small and Large (5.12 - increase access to City contracting and purchasing opportunities through improvements to communication and the procurement process).

COST SUMMARY/IMPLICATIONS

There are no additional costs associated with the proposed amendment.

BUDGET REFERENCE

Not applicable.

HONORABLE MAYOR AND CITY COUNCIL

11-08-10

Subject: The agreement with Airport & Aviation Professionals, Inc. DBA AvAirPros for consulting services for the Norman Y. Mineta San José International Airport.

Page 4

CEQA

Not a project, File No. PP10-066(d), Consultant Services for Design/Study/Research/Inspection.

/s/

WILLIAM F. SHERRY, A.A.E.

Director of Aviation

Airport Department

Please direct questions to William Sherry, Director of Aviation, at (408) 501-7669.