

AN ORDINANCE 2012 - 08 - 30 - 0656

AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH INTERVISTAS CONSULTING, LLC IN AN AMOUNT NOT TO EXCEED \$900,000.00 FOR AIR SERVICES DEVELOPMENT FOR THE SAN ANTONIO INTERNATIONAL AIRPORT.

* * * * * *

WHEREAS, the Aviation Department wishes to develop new air service markets for San Antonio International Airport; and

WHEREAS, a Request for Proposals for an air service development and airline analysis consultant was issued in June 2012 and from the three proposals that were received an evaluation team has recommended the selection of InterVISTAS Consulting, LLC.

WHEREAS, the proposed agreement with InterVISTAS Consulting, LLC will provide the Aviation Department with air service development and airline route analysis as well as technical and specialized expertise when meeting with airlines to make a business case for new air services to San Antonio; and

WHEREAS, it is necessary to authorize the execution of a Professional Services Agreement in an amount not to exceed \$900,000.00 with InterVISTAS Consulting, LLC for this work; **NOW THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager, or her designee, is authorized to execute a 4 year Professional Services Agreement with InterVISTAS Consulting, LLC in an amount not to exceed \$900,000.00 for air services development for the San Antonio International Airport, a copy of which is set out in **Exhibit 1**.

SECTION 2. Funding in the amount of \$225,000.00 for each year of this Agreement is contingent upon approval of the City Budgets for Fiscal Year 2013-2016 for Fund 51001000, Cost Center 3305010002 and General Ledger 5201040.

SECTION 3. If funding is approved by City Council in the City Budget for each fiscal year of the contract, payment not to exceed the budgeted amount of \$225,000.00 is authorized to InterVISTAS Consulting, LLC each year of the contract and should be encumbered with a purchase order.

SECTION 4. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers,

KRH
8/30/12
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SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance

SECTION 5. This Ordinance shall be effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED and APPROVED this 30th day of August, 2012.



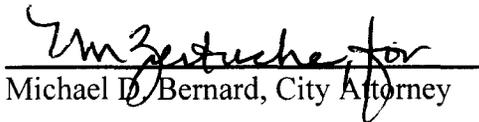
M A Y O R
Julián Castro

ATTEST:

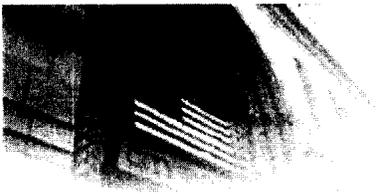


Leticia M. Vadek, City Clerk

APPROVED AS TO FORM:

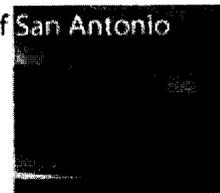


Michael D. Bernard, City Attorney



Request for
COUNCIL
ACTION

City of San Antonio



Agenda Voting Results - 21

Name:	21						
Date:	08/30/2012						
Time:	10:15:13 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance authorizing a four-year professional services agreement with InterVISTAS Consulting, LLC in an amount not to exceed \$900,000.00 for air service consulting services at the San Antonio International Airport. [Ed Belmares, Assistant City Manager; Frank Miller, Director, Aviation]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor		x				
Diego Bernal	District 1		x				
Ivy R. Taylor	District 2		x				
Leticia Ozuna	District 3		x				
Rey Saldaña	District 4	x					
David Medina Jr.	District 5	x					
Ray Lopez	District 6		x				x
Cris Medina	District 7		x				
W. Reed Williams	District 8	x					
Elisa Chan	District 9		x			x	
Carlton Soules	District 10		x				

KRH
8/30/12
Item No. 21

EXHIBIT 1

**PROFESSIONAL SERVICES AGREEMENT
FOR
AIR SERVICE DEVELOPMENT AND AIRLINE ANALYSIS SERVICES
AT
SAN ANTONIO INTERNATIONAL AIRPORT**

This Agreement is made and entered into by and between the City of San Antonio (hereinafter referred to as "City"), a Texas Municipal Corporation acting by and through its City Manager, and InterVISTAS Consulting LLC (hereinafter referred to as "Consultant") by and through its designated officer(s) pursuant to its by-laws or a resolution of its Board of Directors, both of which may be referred to herein collectively as the "Parties".

IN CONSIDERATION of the mutual covenants, terms, conditions, privileges and obligations herein contained, City and Consultant do hereby agree as follows:

I. DEFINITIONS

As used in this Agreement, the following terms shall have meanings as set out below:

- 1.1 "Airport" means the San Antonio International Airport.
- 1.2 "Director" means the director of the City's Aviation Department.
- 1.3 "Project" means the provision Air Service Development and Airline Analysis for the San Antonio International Airport, as more fully described in Article III, Scope of Services.

II. PERIOD OF SERVICE

This Agreement shall take effect on October 1, 2012 and shall continue for a period of forty-eight (48) months. Consultant shall complete all work required pursuant to this Agreement in said period. This Agreement shall terminate upon the expiration of the aforementioned term and upon written acceptance by City of Consultant's work product or services rendered, unless extension or earlier termination shall occur pursuant to any of the provisions hereof.

III. SCOPE OF SERVICES

- 3.1 Consultant, in consideration for the compensation herein provided, as outlined in Article V. Compensation, shall render the required professional services in connection with the Project, as more specifically outlined in Exhibit 1, Scope of Services.
- 3.2 The Director, with concurrence of the Consultant, may make revisions to the Scope of Services which do not substantially alter the nature of the work or increase the amount of the work or associated compensation.
- 3.3 Consultant shall complete all Project work within the Scope of Services in compliance with this Agreement, and agrees to staff the Project with sufficient necessary, qualified personnel to the Project, in order not to delay or disrupt the progress of the Project and to complete this Project in a timely manner. Time is of the essence.
- 3.4 All work performed and reports and deliverables required pursuant to this Agreement shall be in compliance with all laws, rules, regulations and FAA Advisory Circulars.

3.5 All services and work performed under this Agreement must be conducted in full conformance with the Texas Occupations Code. Persons retained by Consultant to perform work pursuant to this Agreement shall be employees or subconsultants of Consultant.

3.6 Acceptance of any deliverables by City shall not constitute nor be deemed a release of the responsibility and liability of Consultant, its employees, associates, agents or subconsultants for the accuracy and competency of their deliverables or associated services; nor shall such acceptance be deemed an assumption of responsibility or liability by City for any defect in the deliverables prepared by said Consultant, its employees, subconsultants, and agents.

IV. COORDINATION WITH THE CITY

4.1 Consultant shall hold periodic conferences with Director or his designee, so that the Project, as developed, shall have the full benefit of City's experience, and knowledge of existing needs and facilities, and be consistent with the City's current policies and standards.

4.2 The Director or his designee shall act on behalf of City with respect to the work performed under this Agreement, and shall have complete authority to transmit instructions, receive information, and interpret and define City's policies and decisions with respect to materials, equipment elements and systems pertinent to Consultant's services.

4.3 City shall provide written notice to the Consultant of any insufficiencies, inadequacies, errors or omissions discovered in the Consultant's services, or performance, or of any development that affects the scope or timing of Consultant's services.

4.4 Consultant shall make such revisions as are necessary to meet the reasonable needs of the City.

V. COMPENSATION

5.1 For and in consideration of the services to be rendered by Consultant, City shall pay Consultant the not to exceed fee set forth in this Article V, COMPENSATION. Nothing contained in this Agreement shall require City to pay for any unsatisfactory work, as determined solely by Director, or for work that is not in compliance with the terms of this Agreement. City shall not be required to make any payments to Consultant at any time Consultant is in default under this Agreement.

5.2 The total compensation for all work to be performed by Consultant as fully defined in the Scope of Services, to include all travel and other expenses, shall not exceed NINE HUNDRED THOUSAND AND 00/100 DOLLARS (\$900,000.00). Consultant acknowledges that such not to exceed fee shall be sufficient compensation for all services, travel and other expense to be performed pursuant to or associated with the Scope of Services.

5.3 Consultant shall bill all services in accordance with the rates set out in Exhibit 2, Price Schedule. Consultant may submit invoices no more than once monthly. Such invoices must be for work actually performed and actual travel and other expenses incurred and not previously invoiced and must show: a) the hours being billed delineated by task performed, employee name and position, b) a summary of the services performed during the period covered by the invoice, c) travel and other expenses with supporting documentation attached; and d) the total amount due for services, travel and expenses. Allowable travel and other expenses shall be invoiced at the actual cost incurred without markup and must be in compliance with the Aviation Department Consultant and Contractor Reimbursable Expense Policy to be eligible for reimbursement. City reserves the right to request such additional information as the City deems necessary to support the invoiced charges. City shall pay all undisputed amounts due under this

Agreement within 30 days of receipt of a properly addressed invoice. Payment is deemed to be made on the date of mailing of the check or electronic fund transfer.

5.4 Consultant shall adhere to the Aviation Department Consultant and Contractor Reimbursable Expense Policy, attached hereto as Exhibit 3, governing expenditures.

5.5 Consultant shall adhere to the Aviation Department Consultant and Contractor Reimbursable Expense Policy, attached hereto as Exhibit 1, governing expenditures.

VI. OWNERSHIP AND RETENTION OF DOCUMENTS

6.1 Any and all documents, papers, records, writings, media or information in whatever form and character created by Consultant pursuant to the provisions of this Agreement and pertinent to the services rendered hereunder, (hereinafter "Documents") shall be the exclusive property of City; and such Documents shall not be the subject of any copyright or proprietary claim by Consultant. Consultant understands and acknowledges that as the exclusive owner of any and all Documents, City has the right to use all Documents as City desires, without restriction and that City will be providing reports developed pursuant to this Agreement to third parties.

6.2 All of the Consultant's documentary work product reports and correspondence to City under this Agreement shall be the property of the City and, upon completion of this Agreement; such documentary work product shall be promptly delivered to City in a reasonably organized form, without restriction on its future use by City. The above notwithstanding, the Consultant shall retain all rights in any standard drawing details, designs, specifications, databases, computer software and any other proprietary information it may provide pursuant to this Agreement, whether or not such proprietary information was modified during the course of providing the services hereunder. The Consultant may retain for its files any copies of documents it chooses to retain and may use Consultant's work product as it deems fit. Any materially significant work product lost or destroyed by the Consultant shall be replaced or reproduced at the Consultant's non-reimbursable, sole cost.

6.3 Consultant agrees and covenants to protect any and all proprietary rights of the City in any materials provided to the Consultant. Such protection of proprietary rights by the Consultant shall include, but not be limited to, the inclusion in any copy intended for publication of copyright mark reserving all rights to the City. Additionally, any materials provided to the Consultant by the City shall not be released to any third party without the written consent of the City and shall be returned intact to the City upon termination or completion of this Agreement or if instructed to do so by the Director

6.4 Consultant hereby assigns all statutory and common law copyrights to any copyrightable work that in part or in whole was produced from this Agreement to the City, including all equitable rights. No reports, maps, documents or other copyrightable works produced in whole or in part by this Agreement shall be subject of an application for copyright by the Consultant. All reports, maps, project logos, drawings or other copyrightable work produced under this Agreement shall become the property of the City (excluding any prior owned instrument of services, unless otherwise specified herein). **THE CONSULTANT SHALL, AT ITS EXPENSE, INDEMNIFY CITY AND DEFEND ALL SUITS OR PROCEEDINGS INSTITUTED AGAINST THE CITY AND PAY ANY AWARD OF DAMAGES OR LOSS RESULTING FROM AN INJUNCTION, AGAINST THE CITY, INsofar AS THE SAME ARE BASED ON ANY CLAIM THAT MATERIALS OR WORK PROVIDED UNDER THIS AGREEMENT CONSTITUTE AN INFRINGEMENT OF ANY PATENT, TRADE SECRET, TRADEMARK, COPYRIGHT OR OTHER INTELLECTUAL PROPERTY RIGHTS.**

6.5 Upon completion or termination of the Project, or upon request by the City, all documents and information, in whatever form, given to, prepared or assembled by the Consultant in connection with its

performance of its duties under this Agreement shall become the sole property of the City and shall be delivered at no cost to the City without restriction on future use. The City shall have free and immediate access to all such information at all times during the term of this Agreement with the right to make and retain copies documents, notes and data, whether or not the Project has been completed. Prior to surrender of the documents and information, Consultant may make copies of any and all documents for its files, at its sole cost and expense.

6.6 The Consultant agrees to maintain all books, records and reports required under this Agreement for a period of not less than four (4) years after final payment is made and all pending matters are closed. In addition, the Consultant shall maintain an acceptable cost accounting system during the term of this Agreement. The Consultant agrees to provide the City, the Federal Aviation Administration and the Comptroller General of the United States, or any of their duly authorized representatives, access to any books, documents, papers and records of the Consultant which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts and transcriptions.

6.7 Notwithstanding anything to the contrary contained herein, all previously owned intellectual property of Consultant, including but not limited to any computer software (object code and source code), tools, systems, equipment or other information used by Consultant or its suppliers in the course of delivering the Services hereunder, and any know-how, methodologies, or processes used by the Consultant to provide the services or protect deliverables to City, including without limitation, all copyrights, trademarks, patents, trade secrets, and any other proprietary rights inherent therein and appurtenant thereto shall remain the sole and exclusive property of Consultant or its suppliers.

6.8 Consultant shall notify City, immediately, in the event Consultant receives any requests for information from a third party, which pertain to the documentation and records referenced herein. Consultant understands and agrees that City will process and handle all such requests.

VII. TERMINATION OF AGREEMENT

7.1 Termination Without Cause.

7.1.1 This Agreement may be terminated by City without cause, prior to Director giving Consultant written Notice to Proceed, should Director, in his sole discretion, determine that it is not in City's best interest to proceed with this Agreement. Such notice shall be provided in accordance with the notice provisions contained in this Agreement, and shall be effective immediately upon delivery to the Consultant.

7.1.2 This Agreement may be terminated by the City at any time after issuance of the Director's Notice to Proceed, either for the City's convenience or because of Consultant's failure to fulfill the contract obligations. Upon receipt of such notice services shall be immediately discontinued (unless the notice directs otherwise) and all materials as may have been accumulated in performing this Agreement, whether completed or in progress, delivered to the City.

7.1.3 If the termination is for the convenience of the City, and following inspection and acceptance of Consultant's services properly performed prior to the effective date of termination an equitable adjustment in the contract price shall be made. Consultant shall not, however, be entitled to lost or anticipated profit on unperformed services, should City choose to exercise its option to terminate, nor shall Consultant be entitled to compensation for any unnecessary or unapproved work, performed during time between the issuance of the City's notice of termination and the actual termination date.

7.1.4 If the termination is due to Consultant's failure to fulfill its obligations, the City may take over the work and prosecute the same to completion by contract or otherwise. In such case, the Consultant shall be liable to the City for any additional cost occasioned to the City thereby.

7.1.5 If, after notice of termination for failure to fulfill contract obligations, it is determined that the Consultant had not so failed, the termination shall be deemed to have been effected for the convenience of the City. In such event, an equitable adjustment in the contract price shall be made as provided in paragraph 7.1.3 of this clause.

7.1.6 The rights and remedies of the City provided in this clause are in addition to any other rights and remedies provided by law or under this Agreement.

7.1.7 This Agreement may be terminated by the Consultant, at any time after issuance of the Director's Notice to Proceed, upon ninety (90) calendar days written notice provided in accordance with the Notice provisions contained in this Agreement.

7.2 Defaults With Opportunity for Cure. Should Consultant fail, as determined by the Director, to satisfactorily perform the duties set out in Article III. Scope of Services; or comply with any covenant herein required, such failure shall be considered an Event of Default. In such event, the City shall deliver written notice of said default, in accordance with the notice provisions contained in this Agreement, specifying the specific Events of Default and the action necessary to cure such defaults. Consultant shall have ten (10) calendar days after receipt of the written notice to cure such default. If Consultant fails to cure the default within such cure period, or take steps reasonably calculated to cure such default, City shall have the right, without further notice, to terminate this Agreement in whole or in part as City deems appropriate, and to contract with another Consultant to complete the work required by this Agreement. City shall also have the right to offset the cost of said new agreement with a new Consultant against Consultant's future or unpaid invoice(s), subject to any statutory or legal duty, if any, on the part of City to mitigate its losses.

7.3 Termination For Cause. Upon the occurrence of one (1) or more of the following events, and following written notice to Consultant given in accordance with the notice provisions contained in this Agreement, City may immediately terminate this Agreement, in whole or in part, "for cause":

7.3.1 Consultant makes, directly or indirectly through its employees or representatives, any material misrepresentation or provides any materially misleading information to City in connection with this Agreement or its performance hereunder; or

7.3.2 Consultant violates or materially fails to perform any covenant, provision, obligation, term or condition of a material nature contained in this Agreement, except those events of default for which an opportunity to cure is provided herein; or

7.3.3 Consultant fails to cure, or initiate steps reasonably calculated to cure, a default listed in Section 9.3 below, within the time period required for cure; or

7.3.4 Consultant violates any rule, regulation or law to which Consultant is bound or shall be bound under the terms of this Agreement; or

7.3.5 Consultant attempts the sale, transfer, pledge, conveyance or assignment of this Agreement contrary to the terms of the Agreement; or

7.3.6 Consultant ceases to do business as a going concern; makes an assignment for the benefit of creditors; admits in writing its inability to pay debts as they become due; files a petition in

bankruptcy or has an involuntary bankruptcy petition filed against it (except in connection with a reorganization under which the business of such party is continued and performance of all its obligations under this Agreement shall continue) and such petition is not dismissed within forty-five (45) days of filing; or if a receiver, trustee or liquidator is appointed for it, or its joint venture entity, or any substantial part of Consultant's assets or properties; or

7.3.6 Consultant fails to comply in any respect with the insurance requirements set forth in this Agreement.

7.4 Termination By Law. If any state or federal law or regulation is enacted or promulgated which prohibits the performance of any of the duties herein, or, if any law is interpreted to prohibit such performance, this Agreement shall automatically terminate as of the effective date of such prohibition.

7.5 Orderly Transfer Following Termination. Regardless of how this Agreement is terminated, Consultant shall effect an orderly transfer to City or to such person(s) or firm(s) as the City may designate, at no additional cost to City. Upon the effective date of expiration or termination of this Agreement, Consultant shall cease all operations of work being performed by Consultant, or any of its subcontractors, pursuant to this Agreement. All completed or partially completed documents, papers, records, charts, reports, and any other materials or information produced, or provided to Consultant, in connection with the services rendered by Consultant under this Agreement, regardless of storage medium, shall be transferred to City. Such record transfer shall be completed within thirty (30) calendar days of the termination date and shall be completed at Consultant's sole cost and expense. Payment of compensation due or to become due to Consultant is conditioned upon delivery of all such documents.

7.6 Claims for Outstanding Fees. Within forty-five (45) calendar days of the effective date of completion, or termination or expiration of this Agreement, Consultant shall submit to City its claims, in detail, for the monies owed by City for services performed under this Agreement through the effective date of termination. **Failure by Consultant to submit its claims within said forty-five (45) calendar days shall negate any liability on the part of City and constitute a Waiver by Consultant of any and all right or claims to collect moneys that Consultant may rightfully be otherwise entitled to for services performed pursuant to this Agreement.**

7.7 Termination not sole remedy. In no event shall City's action of terminating this Agreement, whether for cause or otherwise, be deemed an election of City's remedies, nor shall such termination limit, in any way, at law or at equity, City's right to seek damages from or otherwise pursue Consultant for any default hereunder or other action.

VIII. SUSPENSION OF WORK UNDER AGREEMENT

8.1 Right of City to Suspend. City may suspend this Agreement for any reason, with or without cause upon the issuance of written Notice of Suspension in accordance with the Notice provisions contained in this Agreement. Such suspension shall take effect upon the date specified in such notice; provided, however, such date shall not be earlier than the tenth (10th) day following receipt by Consultant of said notice. The Notice of Suspension will set out the reason(s) for the suspension and the anticipated duration of the suspension, but will in no way guarantee the total number of days of suspension. Such suspension shall take effect upon the date set forth in the notice, or if no date is set forth, immediately upon Consultant's receipt of said notice.

8.2 Consultant's Right to Terminate In Event of Suspension of Agreement. In the event such suspension exceeds one hundred and twenty (120) calendar days, Consultant shall have the right to terminate this Agreement. Consultant may exercise this right to terminate by issuing a written Notice of Termination to the City, delivered in accordance with the Notice provisions contained in this Agreement

after the expiration of one hundred and twenty (120) calendar days from the effective date of the suspension. Termination pursuant to this paragraph shall become effective immediately upon receipt of said written notice by City and such termination shall be subject to all the requirements set out in Paragraphs 7.5 and 7.6 above, related to the Orderly Transfer and Fee Payment.

8.3 Procedures Upon Receipt of Notice of Suspension.

8.3.1 Upon receipt of a notice of suspension and prior to the effective date of the suspension, Consultant shall, unless otherwise directed, immediately begin to phase-out and discontinue all services in connection with the performance of this Agreement and shall proceed to promptly cancel all existing orders and contracts insofar as such orders and contracts are chargeable to this Agreement.

8.3.2 Consultant shall prepare a statement showing in detail the services performed under this Agreement prior to the effective date of suspension.

8.3.3 Copies of all completed or partially completed studies, plans and other documents prepared under this Agreement prior to the effective date of suspension shall be prepared for possible delivery to the City but shall be retained by Consultant until such time as Consultant may exercise the right to terminate.

8.3.4 During the period of Suspension, Consultant shall have the option to at any time submit the above referenced statement to the City for payment of any unpaid portion of the prescribed fee for services which have actually been performed to the benefit of the City under this Agreement, adjusted for any previous payments of the fee in question.

8.3.5 Any documents prepared in association with this Agreement shall be delivered to City by Consultant, as a pre-condition to final payment, within thirty (30) calendar days after receipt by City of Consultant's notice of termination.

8.3.6 In the event Consultant exercises its right to terminate this Agreement at any time after the effective Suspension date, Consultant shall submit, within forty-five (45) calendar days after receipt by City of Consultant's notice of termination (if he has not previously done so) the above referenced statement showing in detail the services performed under this Agreement prior to the effective date of suspension. Failure by Consultant to submit its claims within said forty-five (45) calendar days shall negate any liability on the part of City and constitute a Waiver by Consultant of any and all right or claims to collect moneys that Consultant may rightfully be otherwise entitled to for services performed pursuant to this Agreement.

8.3.7 Upon the above conditions being met, the City's review of the submissions and finding the claimed compensation to be appropriate to the terms of this agreement, the City shall pay Consultant that portion of the agreed prescribed fee for those as yet uncompensated services actually performed under this Agreement to the benefit of the City, adjusted for any previous payments of the fee in question.

8.3.8 City, as a public entity, has a duty to document the expenditure of public funds. Consultant acknowledges this duty on the part of City. To this end, Consultant understands that failure of Consultant to substantially comply with the submittal of the statements and documents as required herein shall constitute a waiver by Consultant of any portion of the fee for which Consultant did not supply such necessary statements and/or documents.

IX. INSURANCE REQUIREMENTS

9.1 Prior to the commencement of any work under this Agreement, Consultant shall furnish copies of all required endorsements and completed Certificate(s) of Insurance to the City's Aviation Department, which shall be clearly labeled "Air Services Development and Airline Development Consultant" in the Description of Operations block of the Certificate. The Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. The City will not accept a Memorandum of Insurance or Binder as proof of insurance. The certificate(s) must have the agent's signature and phone number, and be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative to the City. The City shall have no duty to pay or perform under this Agreement until such certificate and endorsements have been received and approved by the City's Aviation Department. No officer or employee, other than the City's Risk Manager, shall have authority to waive this requirement.

9.2 The City reserves the right to review the insurance requirements of this Article during the effective period of this Agreement and any extension or renewal hereof and to modify insurance coverages and their limits when deemed necessary and prudent by City's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this Agreement. In no instance will City allow modification whereby City may incur increased risk.

9.3 A Consultant's financial integrity is of interest to the City; therefore, subject to Consultant's right to maintain reasonable deductibles in such amounts as are approved by the City, Consultant shall obtain and maintain in full force and effect for the duration of this Agreement, and any extension hereof, at Consultant's sole expense, insurance coverage written on an occurrence basis, unless otherwise indicated, by companies authorized to do business in the State of Texas and with an A.M Best's rating of no less than A- (VII), in the following types and for an amount not less than the amount listed below:

<u>TYPE</u>	<u>AMOUNTS</u>
1. Workers' Compensation	Statutory
2. Employers' Liability	\$500,000/\$500,000/\$500,000
3. Broad form Commercial General Liability Insurance to include coverage for the following: a. Premises/Operations b. Independent Contractors c. Products/Completed Operations d. Personal Injury e. Contractual Liability f. Damage to property rented by you	For <u>Bodily Injury</u> and <u>Property Damage</u> of \$1,000,000 per occurrence; \$2,000,000 General Aggregate, or its equivalent in Umbrella or Excess Liability Coverage f. \$100,000
4. Business Automobile Liability a. Owned/leased vehicles b. Non-owned vehicles c. Hired Vehicles	<u>Combined Single Limit</u> for <u>Bodily Injury</u> and <u>Property Damage</u> of \$1,000,000 per occurrence
5. Professional Liability (Claims-made basis) To be maintained and in effect for no less than two years subsequent to the completion of the professional service.	\$1,000,000 per claim, to pay on behalf of the insured all sums which the insured shall become legally obligated to pay as damages by reason of any act, malpractice, error, or omission in professional services.

9.4 Consultant agrees to require, by written contract, that all subcontractors providing goods or services hereunder obtain the same insurance coverages required of Consultant herein, and provide a certificate of insurance and endorsement that names the Consultant and the City as additional insureds. Consultant shall provide the City with said certificate and endorsement prior to the commencement of any work by the subcontractor. This provision may be modified by City's Risk Manager, without subsequent City Council approval, when deemed necessary and prudent, based upon changes in statutory law, court decisions, or circumstances surrounding this agreement. Such modification may be enacted by letter signed by City's Risk Manager, which shall become a part of the contract for all purposes.

9.5 As they apply to the limits required by the City, the City shall be entitled, upon request and without expense, to receive copies of the policies, declaration page, and all endorsements thereto and may require the deletion, revision, or modification of particular policy terms, conditions, limitations, or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies). Consultant shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to City at the address provided below within 10 days of the requested change. Consultant shall pay any costs incurred resulting from said changes.

City of San Antonio
Attn: Aviation Department
9800 Airport Boulevard
San Antonio, Texas 78216

9.6 Consultant agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following provisions:

- Name the City, its officers, officials, employees, volunteers, and elected representatives as additional insureds by endorsement, as respects operations and activities of, or on behalf of, the named insured performed under contract with the City, with the exception of the workers' compensation and professional liability policies;
- Provide for an endorsement that the "other insurance" clause shall not apply to the City of San Antonio where the City is an additional insured shown on the policy;
- Workers' compensation, employers' liability, general liability and automobile liability policies will provide a waiver of subrogation in favor of the City.
- Provide advance written notice directly to City of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance notice for nonpayment of premium.

9.7 Within five (5) calendar days of a suspension, cancellation or non-renewal of coverage, Consultant shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Consultant's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this Agreement.

9.8 In addition to any other remedies the City may have upon Consultant's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Consultant to stop work hereunder, and/or withhold any payment(s) which become due to Consultant hereunder until Consultant demonstrates compliance with the requirements hereof.

9.9 Nothing herein contained shall be construed as limiting in any way the extent to which Consultant may be held responsible for payments of damages to persons or property resulting from Consultant's or its subcontractors' performance of the work covered under this Agreement.

9.10 It is agreed that Consultant's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of San Antonio for liability arising out of operations under this Agreement.

9.11 It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this Agreement and that no claim or action by or on behalf of the City shall be limited to insurance coverage provided..

9.12 Consultant and any Subcontractors are responsible for all damage to their own equipment and/or property.

X. INDEMNIFICATION

10.1 Consultant covenants and agrees to FULLY INDEMNIFY, DEFEND and HOLD HARMLESS, the City and the elected officials, employees, officers, directors, volunteers and representatives of the City, individually and collectively, from and against any and all costs, claims, liens, damages (including but not limited to direct, indirect, special, exemplary, incidental and consequential damages), losses, expenses, fees (including reasonable attorney's fees and costs of defense, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death, intellectual property violations, and property damage, made upon the City directly or indirectly arising out of, resulting from or related to Consultant' activities under this Agreement, including any acts or omissions of Consultant, any agent, officer, director, representative, employee, consultant or subcontractor of Consultant, and their respective officers, agents employees, directors and representatives while in the exercise of the rights or performance of the duties under this Agreement. The indemnity provided for in this paragraph shall not apply to any liability resulting from the negligence of City, its officers or employees, in instances where such negligence causes personal injury, death, or property damage. IN THE EVENT CONSULTANT AND CITY ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS FOR THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.

10.2 The provisions of this indemnity are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. Consultant shall advise the City in writing within 24 hours of any claim or demand against the City or Consultant known to Consultant related to or arising out of Consultant' activities under this Agreement and shall see to the investigation and defense of such claim or demand at Consultant's cost. The City shall have the right, at its option and at its own expense, to participate in such defense without relieving Consultant of any of its obligations under this paragraph.

10.3 Acceptance of the final report by the City shall not constitute nor be deemed a release of the responsibility and liability of the Consultant, its employees, associates, agents or subcontractors for the accuracy and competency of their reports or other documents and Work; nor shall such acceptance be deemed an assumption of responsibility or liability by the City for any defect in the report or other documents and Work prepared by said Consultant.

XI. CONSULTANT'S LIABILITY AND STANDARD OF CARE

Consultant warrants that the services provided by Consultant under this Agreement will be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. For breach of this warranty, the City shall have the right to terminate this Agreement under the provisions of this Agreement.

XII. CONSULTANT'S WARRANTY UNDER THE PROFESSIONAL SERVICES PROCUREMENT ACT

Consultant warrants that it has not employed or retained any company or person other than a bona fide employee working solely for Consultant to solicit or secure this Agreement, and that it has not, for the purpose of soliciting or securing this Agreement, paid, compensated, or agreed to pay or compensate, any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift, for any other consideration contingent upon or resulting from the award or making of this Agreement. For breach of the foregoing warranty, the City shall have the right to terminate the Agreement under the provisions of this Agreement. However, breach of the warranty required in this provision constitutes fraud by operation of law; therefore, any Consultant found in breach of such warranty, by a final judgment of a Court of Competent Jurisdiction, shall take no compensation under this Agreement for any services rendered and such forfeiture shall not bar the City from pursuit and collection of any and all other damages, at law and in equity, to which it may be justly entitled. This Agreement is entered into under competency requirements of the Texas Professional Services Procurement Act governing municipal employment of professional and other professionals. Accordingly, Consultant further pledges and warrants its best and most competent professional efforts to secure to the City the benefits of the agreement.

XIII. ASSIGNMENT OF RIGHTS OR DUTIES

13.1 By entering into this Agreement, City has approved the use of any subcontractors identified in Consultant's Proposal. No further approval shall be needed for Consultant to use such subcontractors as are identified in Consultant's Proposal.

13.2 Except as otherwise required herein, Consultant may not sell, assign, pledge, transfer or convey any interest in this Agreement nor delegate the performance of any duties hereunder, by transfer, by subcontracting or any other means, without the prior written consent of City. Professional services required by law to be performed by a licensed engineer, or services which, by law, require the supervision and approval of a licensed engineer, may only be subcontracted upon the prior written approval of the San Antonio City Council, by approval and passage of an ordinance therefore. Any other services to be performed under this Agreement may be subcontracted upon the written approval of Director. As a condition of consent, if same is given, Consultant shall remain liable for completion of the services outlined in this Agreement in the event of default by the successor consultant, assignee, transferee or subcontractor. Any references in this Agreement to an assignee, transferee, or subcontractor, indicate only such an entity as has been approved by City in accordance with this Article.

13.3 Any attempt to assign, transfer, pledge, convey or otherwise dispose of any part of, or all of its right, title, interest or duties to or under this Agreement, without said written approval, shall be void, and shall confer no rights upon any third person. Should Consultant assign, transfer, convey or otherwise dispose of any part of, or all of its right, title or interest or duties to or under this Agreement, City may, at its option, terminate this Agreement as provided herein, and all rights, titles and interest of Consultant shall thereupon cease and terminate, notwithstanding any other remedy available to City under this Agreement. The violation of this provision by Consultant shall in no event release Consultant from any

obligation under the terms of this Agreement, nor shall it relieve or release Consultant from the payment of any damages to City, which City sustains as a result of such violation.

13.4 Consultant agrees to notify Director of any changes in ownership interest greater than thirty percent (30%), or control of its business entity not less than sixty (60) days in advance of the effective date of such change. Notwithstanding any other remedies that are available to City under this Agreement, any such change of ownership interest or control of its business entity may be grounds for termination of this Agreement in accordance with Article VIII, Termination.

XIV. INDEPENDENT CONTRACTOR

14.1 Consultant covenants and agrees that it is an independent contractor and not an officer, agent, servant, or employee of City; that Consultant shall have exclusive control of and exclusive right to control the details of the work performed hereunder and all persons performing same, and shall be responsible for the acts and omissions of its officers, agents, employees, contractors, and subcontractors; that the doctrine of *respondeat superior* shall not apply as between City and Consultant, its officers, agents, employees, contractors, and subcontractors, and nothing herein shall be construed as creating a partnership or joint enterprise between City and Consultant. No term or provision of this Agreement or act of the Consultant in the performance of this Agreement shall be construed as making the Consultant the agent, servant or employee of the City, or as making the Consultant or any of its agents or employees eligible for any fringe benefits, such as retirement, insurance and worker's compensation, which the City provides to or for its employees.

14.2 No Third Party Beneficiaries - For purposes of this Agreement, including its intended operation and effect, the Parties specifically agree and contract that: (1) this Agreement only affects matters/disputes between the Parties to this Agreement, and is in no way intended by the Parties to benefit or otherwise affect any third person or entity, notwithstanding the fact that such third person or entities may be in a contractual relationship with City or Consultant or both, or that such third parties may benefit incidentally by this Agreement; and (2) the terms of this Agreement are not intended to release, either by contract or operation of law, any third person or entity from obligations owing by them to either City or Consultant.

XV. RESERVED

XVI. EQUAL EMPLOYMENT OPPORTUNITY

Consultant shall not engage in employment practices which have the effect of discriminating against any employee or applicant for employment, and, will take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to their race, color, religion, national origin, sex, age, handicap, or political belief or affiliation. Specifically, Consultant agrees to abide by all applicable provisions of San Antonio City ordinance number 69403 on file in the City Clerk's office.

XVII. AMENDMENTS

Any alterations, additions, or deletions to the terms of this Agreement shall be effected by amendment, in writing, executed by City and Consultant. The Director shall have the authority to execute amendments that require up to \$25,000.00 in increased cost on behalf of the City without further action by the San Antonio City Council, subject to appropriation of funds for the increase in cost. Any other change will require approval of the City Council by passage of an ordinance therefore.

XVIII. NOTICES

Unless otherwise expressly provided elsewhere in this Agreement, any election, notice or communication required or permitted to be given under this Agreement shall be in writing and deemed to have been duly given if and when delivered personally (with receipt acknowledged), or on receipt after mailing the same by certified mail, return receipt request with proper postage prepaid, or three (3) days after mailing the same by first class U.S. mail, postage prepaid (in accordance with the "Mailbox Rule"), or when sent by a national commercial courier service (such as Federal Express or DHL Worldwide Express) for expedited delivery to be confirmed in writing by such courier.

If intended for CITY, to:

City of San Antonio
Aviation Department
Aviation Director
9800 Airport Boulevard
San Antonio, Texas 78216

If intended for Consultant, to:

InterVISTAS Consulting LLC
Attn:

XIX. CONFLICTS OF INTEREST

19.1 No officer or employee of the City shall have a financial interest, directly or indirectly, in any contract with the City, or shall be financially interested, directly or indirectly, in the sale to the City of any land, materials, supplies or service, except on behalf of the City as an officer or employee. This prohibition extends to the City Public Service Board, the SAWS, and other City boards and commissions, which are more than purely advisory. The prohibition also applies to subcontracts on City projects.

19.2 Consultant acknowledges that it is informed that the Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as those terms are defined in Section 2-52 of the Ethics Code, from having a financial interest in any contract with City or any City agency such as City owned utilities. An officer or employee has a "prohibited financial interest" in a contract with City or in the sale to City of land, materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale: a City officer or employee; his parent, child or spouse; a business entity in which the officer or employee, or his parent, child or spouse owns ten (10) percent or more of the voting stock or shares of the business entity, or ten (10) percent or more of the fair market value of the business entity; a business entity in which any individual or entity above listed is a subcontractor on a City contract, a partner or a parent or subsidiary business entity.

19.3 Pursuant to the subsection above, Consultant warrants and certifies, and this Agreement is made in reliance thereon, that it, its officers, employees and agents are neither officers nor employees of City. Consultant further warrants and certifies that it has tendered to City's a Discretionary Contracts Disclosure Statement in compliance with City's Ethics Code.

XX. RIGHT OF REVIEW AND AUDIT

20.1 The Consultant grants the City, or its designees, the right to audit, examine or inspect, at the City's election, all of the Consultant's records relating to the performance of the Work under the Agreement during the term of the Agreement and retention period herein. The audit, examination or

inspection may be performed by a City designee, which may include its internal auditors or an outside representative engaged by the City. The Consultant agrees to retain its records for a minimum of four (4) years following termination of the Agreement, unless there is an ongoing dispute under the contract, then, such retention period shall extend until final resolution of the dispute. "Consultant's records" include any and all information, materials and data of every kind and character generated as a result of the work under this Agreement. Example of Consultant records include but are not limited to billings, books, general ledger, cost ledgers, invoices, production sheets, documents, correspondence, meeting notes, subscriptions, agreements, purchase orders, leases, contracts, commitments, arrangements, notes, daily diaries, reports, drawings, receipts, vouchers, memoranda, time sheets, payroll records, policies, procedures, federal and state tax filings for issue in question, and any and all other agreements, sources of information and matters that may in the City's judgment have any bearing on or pertain to any matters, rights, duties or obligations under or covered by any Agreement Documents.

20.2 The City agrees that it will exercise the right to audit, examine or inspect only during regular business hours. The Consultant agrees to allow the City's designee access to all of the Consultant's Records, Consultant's facilities, and current or former employees of Consultant, deemed necessary by City or its designee(s), to perform such audit, inspection or examination. Consultant also agrees to provide adequate and appropriate work space necessary to City or its designees to conduct such audits, inspections or examinations.

XXI. AIRPORT SECURITY

21.1 To the extent Consultant will be responsible for work which necessitates entrance to the Air Operations Area or other secure area of the Airport, this Agreement is expressly subject to the airport security requirements of Title 49 of the United States Code, Chapter 449, as amended ("Airport Security Act"), the provisions of which govern airport security and are incorporated by reference, including without limitation the rules and regulations promulgated under it. Consultant is subject to, and further must conduct with respect to its Subcontractors and the respective employees of each, such employment investigations, including criminal history record checks, as the Aviation Director, the TSA or the FAA may deem necessary. Further, in the event of any threat to civil aviation, Consultant must promptly report any information in accordance with those regulations promulgated by the FAA, the TSA and the City. Consultant must, notwithstanding anything contained in this Agreement to the contrary, at no additional cost to the City, perform under this Agreement in compliance with those guidelines developed by the City, the TSA and the FAA with the objective of maximum security enhancement.

21.2 Consultant must comply with, and require compliance by its Subcontractors, with all present and future laws, rules, regulations, or ordinances promulgated by the City, the TSA or the FAA, or other governmental agencies to protect the security and integrity of the Airport, and to protect against access by unauthorized persons. Subject to the approval of the TSA, the FAA and the Aviation Director, Consultant must adopt procedures to control and limit access to the Airport Premises utilized by Consultant and its Subcontractors in accordance with all present and future City, TSA and FAA laws, rules, regulations, and ordinances. At all times during the Term, Consultant must have in place and in operation a security program for the Airport Premises utilized by Consultant that complies with all applicable laws and regulations. All employees of Consultant that require regular access to sterile or secure areas of the Airports must be badged in accordance with City and TSA rules and regulations.

21.3 Gates and doors located in and around the Airport Premises utilized by Consultant that permit entry into sterile or secured areas at the Airports, if any, must be kept locked by Consultant at all times when not in use, or under Consultant's constant security surveillance. Gate or door malfunctions must be reported to the Aviation Director or the Aviation Director's designee without delay and must be kept under constant surveillance by Consultant until the malfunction is remedied.

21.4 In connection with the implementation of its security program, Consultant may receive, gain access to or otherwise obtain certain knowledge and information related to the City's overall Airport security program. Consultant acknowledges that all such knowledge and information is of a highly confidential nature. Consultant covenants that no person will be permitted to gain access to such knowledge and information, unless the person has been approved by the City or the Aviation Director in advance in writing. Consultant further must indemnify, hold harmless and defend the City and other users of the Airport from and against any and all claims, reasonable costs, reasonable expenses, damages and liabilities, including all reasonable attorney's fees and costs, resulting directly or indirectly from the breach of Licensee's covenants and agreements as set forth in this section.

XXII. CONTRACT CONSTRUCTION

All parties have participated fully in the review and revision of this Agreement. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply to the interpretation of this Agreement.

XXIII. FAMILIARITY WITH LAW AND CONTRACT TERMS

Consultant represents that, prior to signing this Agreement; Consultant has become thoroughly acquainted with all matters relating to the performance of this Agreement, all applicable laws, regulations and FAA Advisory Circulars and guidelines, and all of the terms and conditions of this Agreement and will comply therewith.

XXIV. APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with the laws and court decisions of the State of Texas.

XXV. VENUE

The obligations of the parties to this Agreement shall be performable in San Antonio, Bexar County, Texas, and if legal action, such as civil litigation, is necessary in connection therewith, exclusive venue shall lie in Bexar County, Texas.

XXVI. SEVERABILITY

In the event any one or more paragraphs or portions of this Agreement are held invalid or unenforceable, such shall not affect, impair or invalidate the remaining portions of this Agreement, but such shall be confined to the specific section, sentences, clauses or portions of this Agreement held invalid or unenforceable, and this Agreement shall be enforced as if such invalid, illegal, or unenforceable provision was not included in this Agreement.

XXVII. FORCE MAJEURE

In the event that performance by either party of any of its' obligations or undertakings hereunder shall be interrupted or delayed by any occurrence and not occasioned by the conduct of either party hereto, whether such occurrence be an act of God or the common enemy or the result of war, riot, civil commotion, sovereign conduct, or the act or conduct of any person or persons not party or privy hereto, then such party shall be excused from performance for a period of time as is reasonably necessary after such occurrence to remedy the effects thereof, and each party shall bear the cost of any expense it may

incur due to the occurrence.

XXVIII. SUCCESSORS

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and, except as otherwise provided in this Agreement, their assigns.

XXIX. NON-WAIVER OF PERFORMANCE

29.1 A waiver by either Party of a breach of any of the terms, conditions, covenants or guarantees of this Agreement shall not be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, condition, covenant or guarantee herein contained. Further, any failure of either Party to insist in any one or more cases upon the strict performance of any of the covenants of this Agreement, or to exercise any option herein contained, shall in no event be construed as a waiver or relinquishment for the future of such covenant or option. In fact, no waiver, change, modification or discharge by either party hereto of any provision of this Agreement shall be deemed to have been made or shall be effective unless expressed in writing and signed by the party to be charged. In case of CITY, such changes must be approved by the San Antonio City Council.

29.2 No act or omission by a Party shall in any manner impair or prejudice any right, power, privilege, or remedy available to that Party hereunder or by law or in equity, such rights, powers, privileges, or remedies to be always specifically preserved hereby.

XXX. PARAGRAPH HEADINGS

The headings of this Agreement are for the convenience of reference only and shall not affect in any manner any of the terms and conditions hereof.

XXXI. LEGAL AUTHORITY

The signer of this Agreement for City and Consultant each represents, warrants, assures and guarantees that he has full legal authority to execute this Agreement on behalf of City and Consultant respectively, and to bind City and Consultant to all of the terms, conditions, provisions and obligations herein contained.

XXXII. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS

32.1 By execution of this Agreement, the undersigned authorized representative of Consultant certifies, and the City relies thereon, that neither Consultant, nor its Principals are presently debarred, suspended, proposed for debarment, or declared ineligible, or voluntarily excluded for the award of contracts by any Federal governmental agency or department;

“Principals”, for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

32.2 Consultant shall provide immediate written notice to City, in accordance the notice provisions of this Agreement, if, at any time during the term of this Agreement, including any renewals hereof, Consultant learns that this certification was erroneous when made or has become erroneous by reason of changed circumstances.

32.3 Consultant's certification is a material representation of fact upon which the City has relied in entering into this Agreement. Should City determine, at any time during this Agreement, including any renewals hereof, that this certification is false, or should it become false due to changed circumstances, the City may terminate this Agreement in accordance the terms of this Agreement.

XXXIII. ENTIRE AGREEMENT

33.1 This Agreement, together with its authorizing ordinance, Exhibits and Attachments, embodies the complete Agreement of the Parties hereto, superseding all oral or written previous and contemporary agreements between the Parties relating to matters herein; and except as otherwise provided herein, cannot be modified without written consent of the parties and approved by ordinance passed by the San Antonio City Council.

33.2 It is understood and agreed by the Parties hereto that changes in local, state or federal rules, regulations or laws applicable hereto may occur during the term of this Agreement and that any such changes shall be automatically incorporated into this Agreement without written amendment hereto, and shall become a part hereof as of the effective date of the rule, regulation or law.

EXECUTED ON THIS, THE _____ DAY OF _____, 2012.

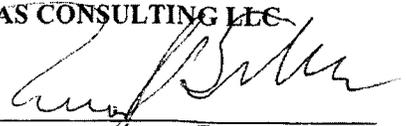
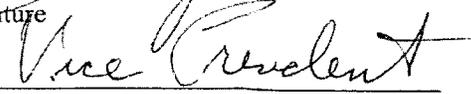
CITY OF SAN ANTONIO, TEXAS

Sheryl L. Sculley
City Manager

APPROVED AS TO FORM:

By: _____
City Attorney

INTERVISTAS CONSULTING LLC

By: 
Signature

Title

Federal Tax ID#: 90-1878546

EXHIBIT 1

SCOPE OF SERVICES

Consultant shall provide the following services in accordance with the terms and conditions set out herein:

A. Annually provide the City's Aviation Department with an Air Service Strategic Development Work Plan to Identify Priorities for the Coming Year

Plan should include:

1. A list of viable domestic and international markets that will be targeted for new non-stop service and/or additional flights to support an under served market situation
2. A list of airlines per targeted market best strategically positioned for soliciting improved services
3. A time table for airline meetings at industry conferences and at air carrier's headquarters
4. Performance monitoring of existing air service and mile-stone actions needed to retain air carriers and/or non-stop flights
5. Analysis of SAT's competitive position with other markets
6. Proposed AdHoc services with a full description of each project
7. Not later than March 30th of each contract year, deliver a final draft Plan for the subsequent fiscal year (beginning each Oct 1st) to the Aviation Department to be finalized and approved and subsequently used in conjunction with the City's annual budgeting process.

B. Develop City-Pair Target Market Analyses and Technical Presentations for Airline Meetings Held at Industry Conferences

The Aviation Department may elect to participate in various industry conferences, some of which may include Network USA, JumpStart, Network Latin America and ROUTES venues. Consultant may be asked to develop between 7 and 12 technical presentations using route modeling software similar to that which is available to the airline industry and participate at selected industry airport-airline conferences. For each ROUTES, Network, Jumpstart Airline or similar airport-airline industry meeting venues, Consultant will:

1. Assist the Aviation Department in determining which air carriers and underserved markets are to be targeted for the 20 to 30 minute meetings
2. Prepare and produce brief technical-data presentations (no larger than 35 pages each) tailored to selected air carriers, which will include an analysis of supportable city-pair route analysis for the particular targeted route(s) and information on San Antonio's socio-demographic data, economy, industries and national economic standing as evidence in published research.
3. Submit drafts of the presentations to the Aviation Department for review and approval at least five (5) working days prior to the conference start dates

4. Finalize, produce, and transport to the industry conference locations, a minimum of two (2) copies of the approved presentations in printed and bound reports and provide airlines with take-away electronic copies of the presentations, in a PowerPoint version on compact discs
5. Upon request, attend and participate along with Aviation Department representatives in scheduled 20/30-minute meetings with each air carrier
6. Advance announcements of Airport-Airline conferences and the locations where they will be held are a well established practice by the industry providers. Consultant, if requested to attend industry conference and airline meetings, is expected to take advantage of registration discounts and advanced travel reservations following prior budget approval for such registration and travel by City.
7. Submit meeting minutes along with appropriate “next steps” and follow up with the airlines.

C. Develop City-Pair Targeted Domestic and International Market Analyses and Prepare Technical Presentations for Meetings at Air Carrier Headquarters

1. Assist in making appointments with targeted airline’s planners and schedulers for the headquarter meetings
2. Using route-modeling software, prepare in-depth targeted city-pair technical analysis (80 to 90 pages) along with:
 - i. Descriptions of San Antonio economic and industry drivers along with synergies associated with targeted markets
 - ii. Information regarding city-pair industry and economic synergies
 - iii. Talking points provided by community representatives participating in the meeting
 - iv. Detailed route analysis and profit potential data for selected route(s)
 - v. Photos, charts and maps as appropriate
3. Submit drafts of the presentations to the Aviation Department for review and approval at least five (5) working days prior to the scheduled meeting
4. Finalize, produce, and transport to the airline meeting location, a minimum of one copy of the approved presentation for each meeting attendee in a formal, printed and bound report and provide the airline and Aviation Department electronic copies of the presentation, in a PowerPoint version on compact discs
5. Upon request, accompany Department staff and community leaders to the air carrier’s headquarters and participate in the presentation.
6. Submit meeting minutes along with appropriate “next steps” and follow up with the airline.

D. 12-Month San Antonio Origin & Destination (O&D) Domestic and International Traffic Reports

As requested, use U.S. DOT and T-100 data sources to prepare quarterly historical 12-month ended San Antonio traffic reports. Data analysis should include: top 100 domestic O&D passenger markets at San Antonio, areas where two or more airport consolidations of O&D passengers is appropriate, fare and yield analyses with annual comparisons, analyses of connecting versus originating passengers, top 50 O&D passengers originating at San Antonio and visiting San Antonio from top 50 O&D markets, top 100 domestic O&D revenue markets at San Antonio, average fare and yield analysis of top 50 domestic O&D passenger markets at San Antonio; analysis of top domestic O&D passenger airlines by passengers, revenues, yields, passenger share, seats available, type of aircraft utilized per airline, load factors, passengers daily each way, fare and fare yields at San Antonio, carrier shares at top 50 O&D passenger markets at San Antonio and San Antonio's overall ranking for O&D domestic passengers. For each quarterly report period, deliver four (4) bound copies and one PDF file on a CD to the City of San Antonio Aviation Department. Annually provide traffic reports detailing San Antonio's top international markets and primary gateways.

E. Airline Daily Time Tables of SAT Airline Departure and Arrival Schedules

Prepare reports detailing daily domestic and international time-table airline departure (out bound) and arrival (in bound) schedules by air carrier, non-stop destinations and continuing same plane flight destinations, seat capacity, types of aircraft, year-over-year changes in nonstop flights and seat capacity. These reports will capture a weekly period and be provided on a monthly basis as requested and directed by the Aviation Department.

F. Prepare Catchment and Leakage Studies

As requested, prepare detailed Catchment and Leakage Studies to include one or several markets, which include but may not be limited to: Austin, Houston, Dallas, Corpus Christi, Laredo or Harlingen. Include in the report analyses and recommended strategies to:

1. Retain San Antonio area passengers using another airport
2. Attract neighboring market passengers to use the San Antonio International Airport

G. AdHoc Airline Consulting Services

On occasion, there may be a need to prepare technical analysis and reports or other on-call air service development initiatives. Upon request by the Department, the Consultant will provide a set not-to-exceed fee per project.

1. Usually requested by telephone or electronic mail, the Consultant will be asked to respond to a need for information, data and research. Preparation of an appropriate response to the inquiry or other assistance may be requested by the Aviation Department.
2. The Consultant may be asked to develop and present a briefing report to city leaders or may be requested to develop a regional strategic positioning plan for SAT.

H. Deliverables and Communications for A through F

Deliverables may be in the form of published and/or electronic presentations, basic research, written opinions, forecasts, forecast tools, verbal opinions, etc. All printed deliverables will be simultaneously provided in Microsoft Word, PDF and/or PowerPoint format.

I. Project Work for B through G

Work will only begin upon the issuance of a written notice to proceed by the Aviation Department. Due to the nature of services to be provided and the City's focused efforts to continue air service improvements, the Consultant must be able to rapidly respond to multiple requests for services. In such cases, the Aviation Department will stipulate a required deadline for completion of the projects. To the extent possible and with the Aviation Department's approval, the Consultant may be allowed to establish individual project deadlines.

EXHIBIT 2
PRICE SCHEDULE

Service	Proposed Price
A. Annual Air Service Strategic Development Work Plan	\$ <u>17,500.00</u> Per Year
<p data-bbox="248 573 1057 632">B. City-Pair Target Domestic and International Market Analyses and Technical Presentations for Industry Conferences (*)</p> <ol style="list-style-type: none"> <li data-bbox="248 663 1057 821">1. A set price for Selected Proposer's preparation of each conference technical presentation. The pricing shall include Selected Proposer's research time, use of data sources and route analysis software for route planning, graphics and charts, print production, and shipment of presentations to conference site. <li data-bbox="248 852 1057 1073">2. Fee per day to cover Selected Proposer' time allocated on behalf of the San Antonio International Airport at the selected airport-airline conference meetings. (NOTE: For all airline-airport conference meetings, it is recommended that Selected Proposer make every effort to combine representation of the San Antonio International Airport with other airport representation for the purpose of controlling registration and travel expenses.) <li data-bbox="248 1104 1057 1314">3. For Selected Proposer's airport-airline conference registration fee and travel expenses, specify what percentage will be charged to the City of San Antonio Aviation Department. (NOTE: For all airline-airport conferences with scheduled meetings, it is recommended that Selected Proposer make every effort to combine representation of the San Antonio International Airport with other airport representation for the purpose of controlling registration and travel expenses.) 	<p data-bbox="1084 663 1382 695">\$ <u>1,950.00</u> Per Presentation</p> <p data-bbox="1084 852 1295 884">\$ <u>550.00</u> Per Day</p> <p data-bbox="1084 1167 1373 1226">(*) Not to exceed <u>50</u> % of Total</p>
<p data-bbox="248 1381 1049 1440">C. City-Pair Target Market Analyses and Technical Presentations for Meetings at Air Carrier Headquarters (*)</p> <p data-bbox="248 1472 1057 1598">Inclusive of all fees and costs including but not limited to: Consultant's research, data collection for route planning, use of graphics, materials, print production, and shipping/transportation of business cases to City or meeting location (the latter to be specified by City of San Antonio).</p>	\$ <u>12,500.00</u> Per Case
<p data-bbox="248 1665 1057 1724">D. Quarterly San Antonio O&D Domestic and International Traffic Reports beginning January 1, 2014</p>	\$ <u>2,000.00</u> Per Report (4 reports per year)
<p data-bbox="248 1770 1036 1829">E. Monthly Airline Daily Time Tables of SAT Airline Departure and Arrival Schedules beginning October 2012</p>	\$ <u>400.00</u> Per Monthly Report

<p>F. Catchment and Leakage Studies</p> <p>1. Single Market Leakage and Reverse Leakage Study</p> <p>2. Additional Charge for each Leakage and Reverse Leakage Market Added to A above</p>	<p><u>\$12,500.00</u> Per Study</p> <p><u>\$ 8,500.00</u> Per Added Market</p>
<p>G. AdHoc Airline Consulting Services (*)</p> <p>These type projects will be compensated based on the hourly rates below. All requests will require an advance quote from Consultant. Consultant will utilize the Job Classifications and associated hourly rates listed below to perform work for these types of projects.</p>	
<p>Job Classification</p>	<p>Hourly Rate</p>
<p>Project Manager</p>	<p>\$215.00</p>
<p>Deputy Project Manager</p>	<p>\$215.00</p>
<p>Strategic Advisor</p>	<p>\$200.00</p>
<p>Research Director</p>	<p>\$175.00</p>
<p>Senior Analyst</p>	<p>\$160.00</p>
<p>Junior Analyst</p>	<p>\$150.00</p>
<p>Production Coordinator</p>	<p>\$100.00</p>
<p>Graphic Artist</p>	<p>\$70.00</p>
<p><i>(*)All Domestic and International travel estimates shall be approved by the Aviation Director in advance of booking. All reimbursable travel expenses shall be invoiced separately and include copies of travel receipts. City's Consultant and Contractor Reimbursable Expense Policy shall apply, except where superseded by the terms and conditions of the Contract's Scope of Services or this Price Schedule.</i></p>	