



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: December 17, 2013

TO: Mayor and Councilmembers

FROM: Airport Administration, Airport Department

SUBJECT: Contract With InterVISTAS Consulting LLC For Air Service Development

RECOMMENDATION:

That Council authorize the Airport Director to execute a contract, subject to approval as to form by the City Attorney, with InterVISTAS Consulting LLC for specialized air service development support for the Santa Barbara Airport in an amount not to exceed \$40,000.

DISCUSSION:

Background

Since 1979 the Airport has contracted with three firms for specialized air carrier development services to assist the Airport in meeting its strategic goals of maintaining existing service and attracting new domestic service. The current contract with *InterVISTAS* has expired and based on interest from other companies to compete for this service, staff solicited Requests for Qualifications (RFQ) from experienced firms providing air service development consulting services.

Solicitation Process

The RFQ was distributed to known consultants and was also listed on the American Association of Airport Executives website. Due to the competitive nature of air service development, and as is typical in the industry when seeking this kind of service to airports, the successful proposer and its sub-consultants were prohibited from providing any directly related services to any airport located within 110 miles of Santa Barbara.

The scope of services outlined consultant support for the Airport to implement an effective, comprehensive passenger development program to maintain and improve domestic air service, including:

- Obtaining economic and transportation data;
- Evaluating specific passenger routes and services at SBA and recommending strategic action to address deficiencies and competitive opportunities;

- Preparing merger analyses and market analyses related to air carrier or market changes which impact SBA and identifying business strategies to respond to rapidly changing industry conditions;
- Providing in-depth analysis of the Santa Barbara market and preparing a detailed plan to reach local target markets to stimulate outbound travel from Santa Barbara;
- Assisting the Airport in scheduling and facilitating meetings at the highest levels with domestic air carriers regarding potential new and/or improved air service routes, including developing detailed written proposals and professional presentations; and
- Preparing additional market analyses and conducting research, as needed, related to airport business and operational issues.

Due to the restriction on competitive airport services, two RFQs were received and both companies, InterVISTAS Consulting, LLC and Campbell-Hill aviation Group, LLC, were selected for interviews by Airport Department staff.

The proposals were evaluated based on the experience and qualifications of the consultant's team, the approach to the project scope of services, the project manager's experience and references

As a result of the interviews and reference check, staff is recommending that InterVISTAS continue to provide air service consulting services for the Department. The project manager has 15 years of airline related experience in commercial and financial roles, including American Airlines, Continental Airlines, and Express Jet Airlines. He works closely with airline corporate executives and keeps pace with trends in the airline industry. InterVISTAS' 80 employees have experience in a wide range of applicable fields, including airports, airlines, government, academia, and tourism.

BUDGET/FINANCIAL INFORMATION:

The work under the contract will be at the direction of the Airport Director and will be charged on a time and materials basis, not to exceed \$40,000. Funding for the contract was established in the Airport Department's Fiscal Year 2014 Operating Fund.

PREPARED BY: Hazel Johns, Assistant Airport Director

SUBMITTED BY: Karen Ramsdell, Airport Director

APPROVED BY: City Administrator's Office