

Memorandum



Date: May 23, 2013

To: Mario Goderich, Assistant Director
Business Affairs, Regulatory Economic Resources Department

From: Milton L. Collins, Associate Director *MLC*
Miami-Dade Aviation Department, Minority Affairs Division

Subject: Request for Qualifications for Air Service Development Consulting Services
Project No. RFQ-MDAD-13-01

RECOMMENDATION:

This is a request for the Review Committee (RC) to approve the attached Small Business Enterprise (SBE) Program Contract Measure in order for the Department to proceed with the Request for Qualifications (RFQ) advertisement for **Air Service Development Consulting Services, RFQ-MDAD-13-01**. Miami-Dade County, as represented by the Miami-Dade Aviation Department (MDAD), requires the services of one qualified firm to assist the Miami-Dade Aviation Department in securing new international air service to major world markets to which no non-stop flights now exist, and to secure domestic air service inclusive of low cost airlines.

In pursuit of such international and domestic service, the Aviation Department invites proposals from qualified persons or qualified firms interested in providing consultant services to develop air service strategies, reports, plans and the like for the Airport system. Consulting Services are required to evaluate and report on the passenger and cargo traffic potential between MIA and targeted top international markets not currently linked via non-stop service to Miami. Moreover, the Successful Respondent will be required to evaluate and report on the feasibility of attracting targeted low cost air carriers to MIA and to prepare complete proposals about said carriers as requested.

The Respondent should have a **minimum of five (5) years** in conducting airport air service development studies. The **term of this Agreement shall be for five (5) years** and shall begin upon execution by the parties and shall be in effect until all Services are completed or until those Service Orders in force at the end of the stated period of time have been completed and the Services accepted, whichever may be later. **The estimated amount of this project is \$750,000.00**. The County shall have no obligation to issue any Service Order(s). The total amount authorized for Services and reimbursable expenses is not to exceed seven hundred and fifty thousand dollars (\$750,000.00), unless otherwise adjusted by the County.

The Minority Affairs Division staff has evaluated the subject project and recommends a **10% SBE Goal** as the Contract measure, also attached are MDAD's Contract Measure Analysis Worksheet and other supporting documents.

BACKGROUND:

The Miami-Dade Aviation Department operates five airports in Miami-Dade County; Miami International Airport; Kendall-Tamiami Executive Airport; Homestead General Airport; Opa-Locka Executive Airport and the Training & Transition Airport in Collier County.

Miami International Airport (MIA) is the only commercial airport within the Airport system. MIA serves as the economic engine of Miami-Dade County with a 2012 annual economic impact of over \$32 billion and directly/indirectly generates over 272,000 jobs.

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BACKGROUND Continued:

MIA sustains Miami-Dade County's top leading industries of tourism and international trade/commerce with 48 domestic and 86 international destinations linked by non-stop passenger air service. Additionally, MIA provides cargo freighter services to 94 US and global destinations. All primary and most secondary markets/cities in Latin America and the Caribbean are served by non-stop air service from MIA with service provided from MIA to major European destinations and none to Asia or Africa. Asia is served with three cargo routes.

In addition to creating jobs and providing fast and affordable transportation in a dynamic global marketplace, new air service serves as a catalyst for foreign direct investment and trade development between Miami-Dade and other world markets.

It is therefore in the best economic interest of Miami-Dade County, through its economic engine Miami International Airport, to pursue new non-stop air service to link major international markets with Miami-Dade, and new domestic service, inclusive of low cost carriers, to ensure affordable air transportation for business and leisure travelers.

SCOPE OF SERVICES:

The Successful Respondent shall:

- Prepare a five-year Air Service Development Strategy for MIA inclusive of plans for attracting and securing new international passenger and cargo routes; new domestic service inclusive of low cost carrier engagement and recruitment, along with anticipated efforts/resources/timeline needed to complete the tasks with input/collaboration from the Air Service Project Manager at MIA.
- Update, thereafter, on an annual basis the Air Service Development Strategy with input/collaboration from the Air Service Project Manager at MIA.
- Prepare new international air service feasibility studies and route forecast, including but not limited to traffic (passenger and cargo) and revenue forecasts, behind/beyond connecting traffic flows, ethnic population numbers and centers in MIA primary/secondary catchment areas, carrier market share projections, aircraft/route operating costs, load factor performance, profit margin/yield estimates and recommended service frequencies.
- Upon request, update on an annual or periodic basis, international passenger and air cargo service feasibility studies that have been previously presented by MDAD or its representatives to air carriers.
- Conduct new domestic air service feasibility studies and route forecasts (inclusive of low-cost carriers) including, but not limited to, traffic and revenue forecasts, carrier market share projections, aircraft/route operating costs, load factor performance and profit margin/yield estimates.
- Upon request, update on an annual or periodic basis, domestic air service feasibility studies that have been previously presented to air carriers.
- Identify constraints to air service development where applicable.

SCOPE OF SERVICES Continued:

The Successful Respondent shall:

- Upon request, make recommendations on strategies to increase the speed of effecting new air service in different markets.
- Assist with and strategize plans for engagement of greater Miami-Dade community interests, associations, agencies for community-wide support base to recruit a new carrier.
- Prepare and package targeted air carrier presentation materials, including research, charts, graphs, reports in electronic and print formats utilizing PowerPoint and/or other high image formats.
- Schedule and accompany (travel) MDAD to airline meetings at headquarter levels of the carrier, and/or represent MDAD at meetings as needed.

International destinations targeted for new or updated studies may include:

Europe; Asia, Africa; Middle East/Gulf; Belgium; China; Ethiopia; Israel; Czech Republic; Hong Kong; Ghana; Jordan; Denmark; India; Kenya; Qatar; Finland; Japan; Morocco; UAE; Ireland; Singapore; Nigeria; Norway; South Korea; Senegal; Poland; Taiwan; South Africa; Sweden; Turkey.

The Miami-Dade Aviation Department will reserve the right to substitute any of the above destinations during the contract period.

Low cost carriers that may be targeted for new or updated studies may include:

JetBlue, WestJet, Virgin America, Southwest or others that may be recommended by the Successful Respondent or substituted by the Miami-Dade Aviation Department.

ADDITIONAL SCOPE OF SERVICES:

Upon request, the Successful Respondent will conduct analysis of local, national or international activities that may impact air service at MIA. Examples may include but are not limited to:

- A Miami airline employee strike or bankruptcy.
- The short, medium or long term impact of an economic turndown in an air service market served from MIA.
- The formation or breakup of an airline alliance or entry/exit of a subject airline to/from an alliance, and associated impact(s) on the industry and/or MIA.
- The formation or changes to a major trade agreement between the USA and another country or region.
- A competitive action by another airport.

ADDITIONAL SCOPE OF SERVICES Continued:

- Civil unrest, terrorist activities, war or natural disasters within a major market with service from MIA.

Upon request, the Successful Respondent will provide the MIA air service project manager with government and/or industry data (non-restricted), raw or formatted for use by MIA in its own projects/analyses.

Implementation:

The Successful Respondent shall be responsible for all aspects of the studies, including data acquisition, travel and quality control. The project manager assigned by the Successful Respondent will coordinate all information requests and be the liaison between the Miami-Dade Aviation Department and all persons working on the studies.

Presentation and Presentation Materials:

The Successful Respondent will submit a draft report of each study and a final report and will report the findings of the study to the Director of Marketing for the Miami-Dade Aviation Department. Reports will be made in a timely and user-friendly, manner. They will include summaries and detailed tabulations relevant to the dissemination of meaningful study results to the Department.

Reports: Successful Respondent will deliver the following reports upon completion of the annual strategic plan and each airline feasibility study:

- Upon request, an Executive Summary of findings (electronic)
- A detailed report of findings (electronic)
- A PowerPoint presentation (electronic or up to six (6) hard copies in color)
- Up to two (2) oral presentations as requested to airline and/or Miami-Dade Aviation Department staff.

Additional Reports: Successful Respondent will provide a written and electronic (e-mail) report of analyses conducted on local, national or international activities/events (as cited above in Additional Scope of Services) that may impact air service at Miami International Airport. Reports will include relating tables, charts and images that will work to produce a better understanding of the information. A personal presentation by the Successful Respondent will not be required, but the Department will reserve the right to make such a request.

Respondents shall provide documentation that demonstrates their ability to satisfy all of the minimum qualification requirements. Respondents who do not meet the minimum qualification requirements or who fail to provide supporting documentation may not be considered for award.

This project was previously submitted to the RC on February 3, 2010. The Commodity Codes that were utilized were **918-00 Consulting Services; 918-17 Aviation Consulting and 91875 Management Consulting.** The project worksheet is attached.

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If additional information is needed for the contract measure portion of this project, please call me at (305) 876-7221 or C. Corrales at (305) 876-7991. Any other questions concerning this Request for Qualification should be directed to AnaMaria Saks, Sr. Procurement Contract Officer at (305) 876-7048.

Attachments (3)

cc: V. Clark, SBD
L. Johnson, SBD
V. Walters, SBD
C. Mangos, MDAD
M. Clark-Vincent, MDAD
A. M. Saks, MDAD
C. Corrales, MDAD
Project File

MDAD's CONTRACT MEASURES AND ANALYSIS WORKSHEET

To: Mario Goderich, Assistant Director
Business Affairs, Regulatory Economic Resources Department
Small Business Development

From: Milton L. Collins, Associate Director
Miami-Dade Aviation Department
Minority Affairs Division



PROJECT/CONTRACT TITLE: Air Service Development
Consulting Services

PROJECT/CONTRACT NUMBER: RFQ-MDAD-13-01

DEPARTMENT: Miami Dade Aviation Department

ESTIMATED PROJECT COST: \$750,000.00

FUNDING SOURCE: Revenue Funds

DESCRIPTION OF PROJECT/BID:

The Aviation Department invites proposals from qualified persons or qualified firms interested in providing consultant services to develop air service strategies, reports, plans and the like for the Airport System. Consulting services are required to evaluate and report on the passenger and cargo traffic potential between MIA and targeted top international markets not currently linked via non-stop service to Miami. Moreover, the Successful Respondent will be required to evaluate and report on the feasibility of attracting targeted low cost air carriers to MIA, and to prepare complete proposals about said carriers as requested.

CONTRACT MEASURES RECOMMENDATION:

Measures 10% SBE Goal

REASONS FOR RECOMMENDATION:

Analysis of the factors contained in Implementing Order #3-41 indicates that an SBE Goal is appropriate for this contract.

ANALYSIS FOR RECOMMENDATION OF ASUBCONTRACTOR GOAL:

Estimated Cost	% of Item to Base Bid	Availability
\$750,000.00	10%	3

**MIAMI-DADE AVIATION DEPARTMENT
ANTICIPATED SERVICES BREAKDOWN**

Project Name: AIR SERVICE DEVELOPMENT RFQ

Project Number: RFQ 13-01

Estimated Fee: Maximum of \$750,000 over five (5) years

Type of Services (Consulting, etc.) Consulting

DESCRIPTION OF SERVICES (BREAKDOWN)	PRIME WORK %	SUB WORK %	TOTAL % OF WORK REQUIRED
1 Prepare initial comprehensive five-year air service development strategies for MIA, inclusive of new international passenger & cargo service and new domestic & LCC service.	5 %	0 %	5 %
2 Update annually, comprehensive air service development strategies for MIA, inclusive of new international passenger & cargo service and new domestic & LCC service.	5 %	0 %	5 %
3 Conduct new international air service feasibility and route forecasts for passenger and cargo service.	30 %	0 %	30 %
4 As requested, update on annual or periodic basis international passenger and cargo feasibility studies perceived to be under consideration by said carriers.	25 %	0 %	25 %
5 Conduct new domestic & LCC air service feasibility studies and route forecasts including, but not limited to traffic & revenue forecasts and related analyses.	10 %	0 %	10 %
6 As requested, update on an annual or periodic basis domestic and LCC air service feasibility studies perceived to be under consideration by said carriers.	10 %	0 %	10 %
7 Research, compile, update state & local market info, socio-economic & business trends, ethnic profiles & growth outlooks Provide census & demographic of pertinent data as available and required.	0 %	5 %	5 %

8 Strategize & assist with recruitment & engagement of local community interests, businesses, associations, chambers and agencies for community-wide support, focus groups to recruit new carriers.	5 %	5 %	10 %
User PM (Initial) 			TOTAL 100%