



## Legislation Details (With Text)

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**Title:** Approve the Second Amendment to the Agreement between the City of Fresno and Amadeus Airport IT Americas, Inc., to provide Maintenance and Technical Support for shared use facilities and resource management software at Fresno Yosemite International Airport in the amount of \$2,684,050

**Sponsors:** Airports Department

**Indexes:**

**Code sections:**

**Attachments:** 1. 04-19-18 Second Amendment to Agreement Amadeus Air-IT.pdf

Date	Ver.	Action By	Action	Result
4/19/2018	1	City Council	approved	Pass

## REPORT TO THE CITY COUNCIL

**April 19, 2018**

**FROM:** KEVIN R. MEIKLE, Director of Aviation  
Airports Department

## SUBJECT

Approve the Second Amendment to the Agreement between the City of Fresno and Amadeus Airport IT Americas, Inc., to provide Maintenance and Technical Support for shared use facilities and resource management software at Fresno Yosemite International Airport in the amount of \$2,684,050 (Council District 4)

## RECOMMENDATION

Staff recommends that City Council authorize the Director of Aviation to Execute a Second Amendment to the Agreement between the City of Fresno and Amadeus Airport IT Americas, Inc. (Amadeus), to provide Maintenance and Technical Support for shared use facilities and Resource Management Software (Second Amendment) at Fresno Yosemite International Airport (FAT) in the amount of \$2,684,050.

## EXECUTIVE SUMMARY

FAT currently has eight airlines and on May 22, 2018, Frontier Airlines will be the ninth airline. The Amadeus shared use platform was first installed at the passenger check-in/ticketing counters in 2008 and was extended to the gates in 2013. The airline shared use platform has proven to be an invaluable operational tool for both the airport and the airlines, and has extended the useful life of the terminal facility. The Second Amendment also includes Amadeus' Resources Management System (RMS), which allows the Airport to more efficiently manage aircraft parking positions at the gates.

The Second Amendment will provide continued shared use capabilities through 2023. The Second Amendment will incorporate all new and existing Amadeus systems, as well as the RMS.

## **BACKGROUND**

The Amadeus System (System) at FAT (previously known as AirIT) has been instrumental in accommodating the growth of airline service without having to physically expand the facility and has resulted in new efficiencies by enabling airlines to operate out of vacant counters, which is essential during peak processing times and to accommodate additional flights. This capability has the direct effect of expanding the capacity of the facility by making it more efficient and sustainable, instead of investing in capital infrastructure and physical facility expansion at a much greater and long-term cost. The System also allows new airlines to begin operations at FAT without costly and time consuming infrastructure changes. The System was proven invaluable when Volaris and Aeromexico started service in 2011 and is playing an important role in the return of Frontier Airlines and the ability to accommodate larger aircraft.

Expanding the System to include the RMS module is the next logical step as this capability does not yet exist at FAT. RMS will provide Airports with real time data on resource requirements such as gate usage and flight arrivals to better enable operational planning and control. With the larger aircraft, growth in flights and airlines that FAT is experiencing, it is becoming more challenging to manage aircraft parking positions when flights are delayed, rescheduled or for unscheduled operations.

Amadeus is the only company that provides a shared use system whereby the airlines can operate in their native Departure Control System (DCS) environment. This type of system is not available from any other vendor. Without this capability, airlines would need to revert back to using their proprietary systems, which is no longer possible or desirable because FAT does not have sufficient counter or gate space to accommodate all flights and airlines without making a significant and expensive expansion to the terminal facility. There are other forms of shared use systems but they do not allow the airlines to operate from their native DCS environment. These other systems are specifically designed for use primarily at large international terminals where hundreds of flights occur per week and airlines interface with multiple foreign destinations.

This Second Amendment has been reviewed and approved as to form by the City Attorney's office, and the insurance and indemnity provisions have been reviewed and approved by the City of Fresno Risk Management Division.

## **ENVIRONMENTAL FINDINGS**

This is not a "project" pursuant to CEQA Guidelines Section 15378.

## **LOCAL PREFERENCE**

Local preference is not applicable to this project pursuant to Fresno Municipal Code 4-109(b)(3).

## **FISCAL IMPACT**

Payments for the Second Amendment (\$2,684,050) will be made in installments over a five year period. Total payments for year one will be \$572,166, which includes a one-time RMS licensing and setup cost of \$46,780. Payments for years two through five will total \$527,971 each year. Funding for year one is included in the Airports Department Adopted FY 2018 budget. Funding for subsequent years will be budgeting in future fiscal year budgets. There is no impact to the General Fund from this action.

Attachments: Second Amendment to Agreement