



Milwaukee County

Legislation Text

File #: 11-431, **Version:** 1

From the Director, Department of Transportation and Public Works, and the Airport Director requesting authorization to enter into a Professional Service Contract with Anderson & Kreiger, LLP, for support services in the negotiation for new hydrant fuel agreements.

POLICY

Professional Service Contracts (operating) require County Board approval.

BACKGROUND

On December 1, 1986, Milwaukee County entered into agreements with the signatory airlines serving General Mitchell International Airport (GMIA) to construct, operate, and maintain a new hydrant fuel system (HFS). The HFS provides a fuel hydrant at each gate, which is fed by an underground fuel pipeline system from the fuel pumping station and tanks located north of Concourse C. These in-field tanks are fed from the large holding facilities located at College and Pennsylvania Avenues.

These agreements expire on November 30, 2011, and airline participants have been provided a draft copy of a new agreement for the continued operation of the HFS. The airlines have provided the following draft agreements:

1. Fuel System Lease Agreement;
2. Fuel System Interline Agreement;
3. Non-Contracting User Agreement;
4. Into-Plane Agent Agreement;
5. Fuel System Access Agreement; and
6. Gasoline Facility Access Agreement

These agreements are highly technical and are typically negotiated with the assistance of outside counsel with specialized experience. The airlines have already retained a national law firm with significant experience in negotiating such HFS agreements on behalf of airlines. In order to obtain the necessary expertise to negotiate these agreements, GMIA issued an RFP for professional consulting services from law firms that have a background and expertise in HFS agreements. Two responses were received and evaluated by Airport staff: Anderson & Kreiger (Cambridge, MA) and Morrison & Foerster (San Francisco, CA). After review of the qualifications and experience of the firms, Airport staff recommends Anderson & Kreiger be retained.

Although the length of negotiations is difficult to predict at this time, it would not be unreasonable to estimate that legal fees related to this transaction may approach \$125,000.00.

The Anderson Kreiger proposal also contains a commitment for the County DBE requirement (set at 17%) by contracting with a certified DBE law firm: Hall, Bruce & Olson, SC.

RECOMMENDATION

Airport staff recommends entering into a professional services contract with Anderson & Kreiger, LLP for support services in the negotiations for the new hydrant fuel agreements.

FISCAL NOTE

Sufficient funding is available in Airport Professional Services - Recurring Operations Account 5041-6148 A1HL. There is no tax levy impact.

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