



**AUSTIN AIRPORT ADVISORY COMMISSION
MINUTES**

**REGULAR MEETING
TUESDAY, FEBRUARY 14, 2012**

The Austin Airport Advisory Commission convened in a regular meeting on Tuesday, February 14, 2012 at 2716 Spirit of Texas Drive, in Room 160 in Austin, Texas.

Commission Member Ernest Saulmon called the meeting to order at 4:00 p.m. Commission Member Ernest Saulmon conducted the Austin Airport Advisory Commission Meeting during the absence of Chair Dale Murphy.

Commission Members in Attendance:

George Farris
James Kelsey
Ernest Saulmon
Rose Marie Klee

Commission Members Absent:

Dale Murphy, Chair
Steven Hart, Vice Chair
D'Ann Johnson, Secretary

Staff in Attendance:

Delma Alvarez
Monica Castillo
Yolanda Tovar
Jerry Dinse
Shane Harbinson
Kellye Mireles

Others Present:

Lynn Foster
Laura Pressley

1. CITIZENS COMMUNICATIONS: GENERAL

The following citizen spoke under this item concerning the health and safety of Advance Imaging Technology that was installed at ABIA at the end of October. The speaker was given three minutes to talk.

Laura Pressley

2. APPROVAL OF MINUTES

The minutes from the regular meeting of January 10, 2012 were approved with the following amendments on Commission Member George Farris' motion, Commission Member James Kelsey's second on a 3-0-4 vote. The amendments were: Changing the date of the minutes to be voted on from January 10, 2011 to January 10, 2012. Commission Member Rose Marie Klee abstained because this is her first meeting to attend. Chair Dale Murphy, Vice Chair Steven Hart and Secretary D'Ann Johnson were absent.

Rose Marie Klee gave a brief bio and introductions were made from all commission members that were present.

3. STAFF BRIEFING, REPORTS AND PRESENTATIONS

- a) **Planning & Engineering Capital Improvement Project Status Report.** The report was presented by Shane Harbinson, Assistant Director, Aviation Department. Shane Harbinson hit on several highlights from Planning & Engineering projects. The terminal infield project - we have asked one of our rotational consultants from Corrigan to come up with a design criteria manual. The passenger boarding bridges AC (air-conditioning) units need to be replaced - this is requested by all airlines. They are thirteen years old and are meeting their life expectancy but also the refrigerant that is used is difficult to purchase. We are working with a consultant and with the loading bridge manufacturer to come up with the specs on what will be a good solution to our AC unit needs. The goal is to have the AC units replaced by July before it gets to the 100 degree temperature. The IT building is being worked on to improve the emergency power since it is a critical building. There was a kick-off meeting with the consultant for the terminal expansion joint improvements. We are at 15% - hopefully we will be at 30% and then 60% design by March. If you walk the terminal you will see that we inject flexible molding into the expansion joints. The terminal itself, because of the crescent shape that's in the middle of the linear design - it causes expansion joint issues. So as the terminal moves we are getting cracking in some of the granite - and finding superior expansion joint that can take the abuse of the terminal moving has been a challenge. The next biggest issue is the terminal fire protection improvements. The original construction of the pipe was very thin and what is happening is it is pitting from the inside to the outside and creating a little pinhole that releases air. The plan is to replace the pipe with a more robust heavier duty pipe; this is a very expensive project costing nearly six million dollars. The wildlife hazard assessment is an incentive by the FAA. We have the report and are reviewing the draft report now. The final report will be submitted to the FAA around March or April when we get our part 139 safety inspection. This is the FAA requirement to see if we have to create a formal wildlife hazard management program. We have an informal wildlife program now. The campus signage improvement - we are going to job order contract to get the new signs installed in the terminal that should be in by May 2012.

This is just around some landside campus - bids are due – actually they should be in now and will be coming to you next month for approval to go to council. The new employee parking lot is at 90% design – so we are hoping to go out and advertise in about two months. We are hoping to start construction – our goal is to have everything in place by the holidays of 2013. We are going up for bids for Presidential pavement rehab and resurfacing. This is one of the grant projects we are going after. We want bids to go out on the street in April so we can have a grant application to submit to the FAA around August. We are about to go out on the street for the Information Technology Master Plan. It is the perfect time to do an IT master plan – the terminal is meeting its design capacity. Now is a very good time for an IT master plan and to take a look at how the terminal is designed, how the airlines are using the terminal, and to take a look at what technology is out there before we do any type of major expansion to the terminal. The down side of the IT master plan is they are really only good for five to seven years compared to an airport master plan that is good for about twenty years. The airfield lighting control and monitoring system – we are going through with the contractors preparing submittals to be both a monitoring system and control system. There is a new ARFF vehicle that we are purchasing, bids are due end of the month. On Thursday we are having our first pre-submittal conference with all the manufacturers for ARFF vehicles. We are still working with Ascend hangar. We made an offer to them to pay a 50/50 split of the FAA duct cable line.

- b) **Finance & Operations Reports.** The report was presented by Yolanda Tovar, Financial Manager, Aviation Department. Yolanda Tovar gave highlights from the December financial reports. The Operating income statement was presented – this being only the second time it has been presented to the commission. The operating income statement shows the operating profit for the three months. This particular report doesn't show the debt service which is the loans, the principle and the interest that we pay for the debt of the airport. It doesn't show the interest in the revenue section. The total operating revenue is 23.1 million which represents 2.6 percent higher than we budgeted. The operating expenses, \$13,359,653, represents a 7% savings compared to the budget so we're doing well as of December but we had to take into account that the managers start spending the money in the summer. The operating income – the profit for the quarter is 8.6 million and that gave us an operating margin of 37.23% which that percentage represents the profit representing the percentage of the total operating revenue. Our budget is 30.5 but we are doing well at 37.23. The next report is the income statement. That is basically the same report but it shows the interest income in the revenue. It also shows the debt service. With that it gave us a 4.5 million in profit which is the excess of total available funds over total requirements. The next report compares the same financial statement compared to the quarters of last year so you can see that the revenue is 5% higher than last years. The expenses are flat and same as last year which gave us 1.1 million higher than last years profit. On the monthly comparisons we are \$220,000 higher than last year. The next report is the non-airline revenue detail that shows the revenue by category – the parking, the concessions and the other rentals. You can see that parts of the revenue are higher than others especially like parking we are 12% higher than last year and concessions are 4% higher than last year. We are making a little money on the hotel – they are paying us rent. It is about \$150,000 per quarter but sometimes if we don't get the report on time we just estimate for the hotel. The enplanements activity reports shows that for the month of December we were 1.5% higher than last year on enplanements. The year to date is 2.17% higher than last year.

- c) **GTSA Transactions Report.** The report was presented by Shane Harbinson, Assistant Director, Aviation Department. Shane Harbinson discussed the GTSA Transactions for January 2012. See below for a year-to-year comparison. Overall our ground transportation was up 2.5%. The limousine service includes your town cars – the large suburban type of vehicles. The other shuttles are– the special shuttle buses that come from Leander, San Marcos, etc. The limo service is very competitive with downtown fares since the taxi cabs now have minimum business district charge rate of around \$25.00.

YEAR TO YEAR COMPARISON			
SERVICE CATEGORY	JANUARY 2012	JANUARY 2011	% Increase/(decrease)
TAXICAB	23,306	24,866	(6.3%)
LIMOUSINE	2,508	1,835	36.7%
HOTEL SHUTTLE	2,926	2,814	4.0%
OTHER SHUTTLE	401	338	(15.7%)
CHARTER BUS	0	31	(100.0)%
OVERALL TOTAL	29,141	29,884	2.5%

4. ABIA Action Items

- a) Authorize award and execution of a 12-month requirements service contract with **INLAND TECHNOLOGIES LTD.**, for runway derubberization for the Aviation Department in an estimated amount not to exceed \$81,500, with three 12-month extension options in an estimated amount not to exceed \$81,500 per extension option, for a total estimated contract amount not to exceed \$326,000. **The motion authorizing action item 4a was approved on Commission Member George Farris' motion, Commission Member Rose Marie Klee's second on a 4-0-3 vote. Chair Dale Murphy, Vice Chair Steven Hart and Secretary D'Ann Johnson were absent.**
- b) Authorize award and execution of a 36-month requirements supply contract with **STATEWIDE MATERIALS TRANSPORT LTD.**, for dolomite limestone crushed aggregate for the Street and Bridge Division of Public Works and the Aviation Departments used to minimize ice/snow build-up on streets in an estimated amount not to exceed \$120,000, with three 12-month extension options in an estimated amount not to exceed \$40,000 per extension option, for a total estimated contract amount not to exceed \$240,000. **The motion authorizing action item 4b was approved on Commission Member Rose Marie Klee's motion, Commission Member James Kelsey's second on a 4-0-3 vote. Chair Dale Murphy, Vice Chair Steven Hart and Secretary D'Ann Johnson were absent.**

- c) Approve Capital Improvement Program 2013. Shane Harbinson, Assistant Director, Aviation Department gave a presentation on the 2013 Capital Improvement Program. The airport is 13 years old and has gently aged. Projects are broken down into categories. Safety and committed are urgent needs. Safety is where we want to prevent and hazards to the public or employees and committed is something where if the executive team says we are committed to do this because it fits in our Austin style strategy. The essential maintenance – basically that is the reason of being essential that if we do not do something then that infrastructure will lead to a serious degradation of equipment where it would lead to a higher cost if we didn't do something now. Regulatory and environmental criteria's include our noise program and any type of environmental initiatives such as air and water quality. The airport has a master plan and then there is an Imagine Austin Comprehensive plan that has not been approved yet but is going through stages of review and discussion. That is where we look at it and see if it falls into our master plan and is it connected to the Austin Comprehensive plan. The other is preventative maintenance – we consider those a business priority with the constant changes at ABIA maybe upgrading older pavements to meet the loading they receive today, and to avoid larger, disruptive project in the future. Operational improvements are projects with various aspects of the airport basically oriented to customer service. **The motion authorizing action item 4c was approved on Commission Member James Kelsey's motion, Commission Member George Farris' second on a 4-0-3 vote. Chair Dale Murphy, Vice Chair Steven Hart and Secretary D'Ann Johnson were absent.**

5. NEW BUSINESS

- a) **CONRAC Project Update.** The Car Rental Design-Build Team and Aviation staff have started the design phase. The administrative side we are going through the concession agreement with Rental Car Companies. We want design to be complete by October and then they want to go out for special facility bonds by November.
- b) **Status on Taxi's Permits.** Overall in the City of Austin there are about 675 taxi cab permits. There are three cab companies: Yellow cab, Austin cab, and Lone Star cab. Yellow cab has the majority of the permits – they have close to 450. City Council is going to introduce about 45 more permits into the system. Staff continues to reviews options to reduce the waiting time for taxi trips for the drivers. Our operation costs to manage the ground transportation activities is approximately \$800,000 a year, therefore lose about \$400,000 a year.

6. OLD BUSINESS (updates)

- a) Status of action items upon which the Commission has made a recommendation to Council.
(Please note the progress of the following items)

Authorize award, negotiation, and execution of a contract with **SIEMENS INDUSTRY, INC**, DFW Airport, TX for the purchase of fault tolerant servers and software for the Department of Aviation in an amount not to exceed \$292,635. SIEMENS INDUSTRY, INC. is the sole source provider for these services. *[Item went before City Council on January 15, 2012 and passed.]*

Authorize award, negotiation, and execution of a contract through the STATE OF TEXAS DEPARTMENT OF INFORMATION RESOURCES (DIR) with **TIME WARNER TELECOM** through the cooperative purchasing program, Austin, TX, for the purchase of telecommunications and internet services for term of 60-month contract in an estimated amount not to exceed \$450,000 with four 12-month extension renewal options in an estimated amount not to exceed \$90,000 for an estimated total not to exceed contract amount of \$810,000. *[Item went before City Council on January 12, 2012 and passed.]*

Authorize the negotiation and execution of a lease agreement with the **United States Transportation Security Administration** for administrative office and support space at the Austin-Bergstrom International Airport for a term of five years commencing on February 28, 2012. *[Item went before City Council on January 12, 2012 and passed.]*

Authorize award and execution of Amendment No. 11 to add the final year of funding to a lease agreement through the Texas Local Government Purchasing Cooperative (BuyBoard) with **IKON OFFICE SOLUTIONS INC.**, Austin, TX with to provide for the lease of copiers for the Aviation Department in an estimated not to exceed \$35,000, for a total revised contract amount not to exceed \$175,211.64. *[Item went before City Council on January 12, 2012 and passed.]*

Authorize award, negotiation, and execution of a 12-month requirements service contract **ARINC ENGINEERING SERVICES, LLC**, Annapolis, MD, to provide radio frequency engineering support for Austin-Bergstrom International Airport in the amount of \$171,026 with four 12-month extension options in an amount of \$176,202, \$181,534, \$187,026, \$192,707 respectively total estimated contract amount not to exceed \$908,495. *[Item went before City Council on January 26, 2012 and passed.]*

- b) **Properties Lease Agreements** – United is finalized with their merger with Continental.
- c) **General Aviation** – Jet Black has submitted a team, a schedule and letter of credit. Their 20 acre facility should be operational in about two years.

7. FUTURE AGENDA ITEMS

- a) Hotel
- b) Taxi Cab permits
- c) Discussion of AAAC Start Time

8. ADJOURNMENT

Motion to adjourn the meeting was made by Commission Member George Farris, Commission Member James Kelsey's second on a 4-0-3 vote. Chair Dale Murphy, Vice Chair Steven Hart and Secretary D'Ann Johnson were absent. Meeting was adjourned at 5:53 p.m.

Date of next meeting: March 13, 2012.