

A G E N D A



Recommendation for Council Action

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|--|---|---------|-------|---------------|----------|
| Austin City Council | | Item ID | 68955 | Agenda Number | 3. |
| Meeting Date: | 3/23/2017 | | | Department: | Aviation |
| Subject | | | | | |
| Approve an ordinance amending the Fiscal Year 2016-2017 Aviation Department Capital Budget (Ordinance Number 20160914-002) to appropriate \$72,000,000 from the City of Austin Airport System Revenue Bonds for airport capital improvements projects. Related to Item(s): 2, 5, 6, 7 | | | | | |
| Amount and Source of Funding | | | | | |
| Funding is available from City of Austin Airport System Revenue Bonds, Series 2017A and Series 2017B and future Bond financing. | | | | | |
| Fiscal Note | | | | | |
| A fiscal note is attached. | | | | | |
| Purchasing Language: | N/A | | | | |
| Prior Council Action: | December 15, 2016 – Approved ordinance authorizing issuance and sale of Airport Revenue Bonds. | | | | |
| For More Information: | David Arthur, Assistant Director and Chief Financial Officer, (512) 530-6688 | | | | |
| Council Committee, Boards and Commission Action: | March 14, 2017 – Recommended by the Airport Advisory Commission on a 7-0-0-1 vote with Commissioner Sepulveda absent. | | | | |
| MBE / WBE: | N/A | | | | |
| Related Items: | Related to Items 67565, 68879, 68860, 68954. | | | | |

Additional Backup Information

This request for council action is to amend the Aviation Department Capital Budget by \$72,000,000. This action will allow the department to proceed with contract amendments for Hensel Phelps, Gensler and Austin Commercial and related to the Terminal/Apron Expansion and Parking Garage & Administration Building projects.

\$28,000,000 in appropriation is needed to move forward with the Hensel Phelps (related item 68879) and Gensler (related item 68860) contract amendments for the increased scope of work for Terminal/Apron Expansion project. The Aviation Department and Airlines have identified additional needs that increases the construction cost limitation contract with Hensel Phelps and also the design contract with Gensler. The additional scope of work includes gate modifications, modifications to the mezzanine level, a centralized operations center, build-out of apron level airline tenant space and the replacement of aging baggage claim devices.

\$44,000,000 in appropriation is needed to move forward with the Construction Manager-at-Risk contract with Austin Commercial (related item 68565) for the construction of a parking garage, administration building and other garage entrance roadway improvements. A new 6,000 space public parking garage with highly desirable protected spaces will be constructed near the terminal building. A 70,000 square foot administration office building will be adjacent to the new garage and allow the Airport to free up revenue generating space on the mezzanine level of the terminal (currently occupied by several administrative groups).

Improvements to the entrances to the long term and close-in parking lots to improve traffic flows and new overhead signage on Presidential Boulevard are also part of the scope of the parking garage project.

PARKING GARAGE AND ADMINISTRATION BUILDING PROJECT

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|---|-----------------------------|
| Current Project Appropriation | \$ 143,000,000 |
| Current Appropriation re-allocated to project : | |
| Projects delayed to FY18 & FY19 | |
| Baggage Handling System Design | \$ 25,000,000 |
| P&E HVAC & Office Space | 3,500,000 |
| Consolidated Maintenance Facility | 27,000,000 |
| IT Building Remodel Design | 7,500,000 |
| Appropriation re-allocated to Project | <u>\$ 63,000,000</u> |
| Total available Project appropriation | <u>\$ 206,000,000</u> |
| Amended Project Budget | <u>\$ 250,000,000</u> |
| Budget Amendment required | <u><u>\$ 44,000,000</u></u> |

TERMINAL/APRON EXPANSION PROJECT

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|-------------------------------|-----------------------------|
| Current Project Appropriation | \$ 350,000,000 |
| Amended Project Budget | <u>\$ 378,000,000</u> |
| Budget Amendment required | <u><u>\$ 28,000,000</u></u> |

TOTAL BUDGET AMENDMENT REQUEST

| | |
|--|-----------------------------|
| Garage and Administration Building Project | \$ 44,000,000 |
| Airport Terminal Expansion Project | <u>\$ 28,000,000</u> |
| TOTAL BUDGET AMENDMENT REQUEST | <u>\$ 72,000,000</u> |