



Airport Advisory Commission

REGULAR MEETING MINUTES

October 10, 2017

The Airport Advisory Commission convened in a regular meeting on October 10, 2017, at 2716 Spirit of Texas Drive, in Room 174-A in Austin, Texas.

Board Members in Attendance:

Ernest Saulmon, Chair	Jeremy Hendricks	John Walewski
Mike Rodriguez	Bradley Tegeler	Frank Maldonado
Billy Owens	Dominique Bobbio	Vicky Sepulveda

Board Members Absent:

Michael Watry, Secretary	Nadia Barrera-Ramirez
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Staff in Attendance:

Susana Carbajal, David Arthur, Jessica BlueBird, Janice White, Jennifer Williams, Lyn Estabrook, Diana Heath, Carlton Thomas, Kaela Harmon, Kane Carpenter, Francisco “Kiko” Garza, Luze Davis

Others Present:

Janette Goodall, City of Austin City Clerk
Lynn Carter, City of Austin Asst. City Attorney
Clayton Singleton, RS&H, Inc.
Grayson Cox, KSA
Lawrence Deeter, Cap Metro
Andrew Kirchhoff, L&B
Sam Sargent, Cap Metro
Russell Blanch, L&B
Kimberly Petras, Atkins
Aiden Cohen, City of Austin Capital Contracting Office

Welcome & Call the Meeting to Order:

Ernest Saulmon called the meeting to order at 5:00 p.m.

1. CITIZENS COMMUNICATIONS:

None.

2. APPROVAL OF MINUTES – September 12, 2017

Motion to approve. Motion made by Frank Maldonado and seconded by Dominique Bobbio. Motion passed 8-0-0-3 (Commission Members Vicky Sepulveda, Michael Watry, and Nadia Barrera-Ramirez were absent at this vote).

3. STAFF BRIEFING, REPORTS AND PRESENTATIONS

- a) City Code Chapter 4-8: Registered Lobbyists Requirements.
(City Clerk Jannette Goodall and Assistant City Attorney Lyn Carter)
- b) Capital Metro Presentation (Connections 2025).
(Capital Metro Interim Program Manager Sam Sargent and Capital Metro Transportation Planner Lawrence Deeter)

Vicky Sepulveda arrived at 5:21 p.m.

- c) Finance & Operations Reports for Fiscal Year 2017 to date.
(David Arthur, Assistant Director)
- d) Planning & Engineering Capital Improvement Project Monthly Status Reports.
(Lyn Estabrook, Project Manager Supervisor)
- e) Airport Tenant Updates.
(Francisco “Kiko” Garza, Div. Manager, Properties, Advertising, & Bus. Dev.)
- f) Ground Transportation Staging Area (GTSA) Monthly Update.
(Carlton Thomas, Airport Landside Operations Manager)

4. FOR RECOMMENDATION

- a) Authorize negotiation and execution of a contract with GCR, Inc., to provide system upgrade and continued maintenance and support on the property and revenue management software system for a term of five years in an amount not to exceed \$468,543.

Motion to approve. Motion made by Frank Maldonado and seconded by Mike Rodriguez. Motion passed 9-0-0-2 (With Commission Members Michael Watry and Nadia Barrera-Ramirez absent at this vote).

- b) Authorize negotiation and execution of an amendment to the professional services agreement with Terracon Consultants, Inc., for additional engineering services for the Construction Materials Testing for ABIA Terminal and Apron Expansion in the amount of \$2,400,000, for a total contract amount not to exceed \$3,458,000.

Motion to approve. Motion made by Frank Maldonado and seconded by Mike Rodriguez. Motion passed 9-0-0-2 (With Commission Members Michael Watry and Nadia Barrera-Ramirez absent at this vote).

- c) Authorize the use of the construction manager-at-risk method of contracting in accordance with the Texas Government Code Chapter 2269, for the construction of the Information Technology Building at the Austin-Bergstrom International Airport.

Motion to approve. Motion made by Frank Maldonado and seconded by Mike Rodriguez. Motion passed 9-0-0-2 (With Commission Members Michael Watry and Nadia Barrera-Ramirez absent at this vote).

- d) Authorize the use of the competitive sealed proposal procurement method for solicitation of the new construction of the Consolidated Maintenance Facility for the Aviation Department located at Austin-Bergstrom International Airport.

Motion to approve. Motion made by Frank Maldonado and seconded by Mike Rodriguez. Motion passed 9-0-0-2 (With Commission Members Michael Watry and Nadia Barrera-Ramirez absent at this vote).

5. NEW BUSINESS

October 12, 2017 – Airport 2040 Master Plan Public Workshop
2716 Spirit of Texas Dr., Conference Room 174, 6:00 p.m. – 8:00 p.m.

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)

Approve a resolution declaring the City of Austin's official intent to reimburse itself from revenue bonds in an amount not to exceed \$24,800,000 for Austin Bergstrom International Airport improvements. **[Item went before City Council on September 13, 2017 and was approved.]**

Authorize negotiation and execution of a contract with GateKeeper Systems, Inc., to provide a ground transportation management system, for a term of three years in an amount not to exceed \$310,000. **[Item went before City Council on October 19, 2017 and was approved.]**

Authorize negotiation and execution of a contract with ARC DOCUMENT SOLUTIONS, LLC., or one of the other qualified offerors to Request for Proposals (RFP) PAX 0142, to provide records digitization electronic conversion services, for a term of three years in an amount not to exceed \$432,256. **[Item went before City Council on October 5, 2017 and was approved.]**

Authorize exempted sole source procurements for the Department of Aviation's membership in Airports Council International - North America in a total amount not to exceed \$100,000. **[Item went before City Council on October 12, 2017 and was approved.]**

Approve a resolution authorizing acceptance of grants from the Federal Aviation Administration, the Department of Homeland Security, and other state and federal agencies to the City of Austin, Department of Aviation, for Austin-Bergstrom International Airport for Fiscal Year 2017-2018 in an amount not to exceed \$30,000,000. Grant reimbursement will apply to projects in the Fiscal Year 2017-2018 Approved Capital and/or Operating Budgets of the Aviation Department. Grant funds will be placed in the Airport Capital Fund, the ABIA Improvement Funds and/or the ABIA Operating Fund. **[Item went before City Council on October 5, 2017 and was approved.]**

Authorize negotiation and execution of a contract with JMR Technology, Inc., to provide an upgrade to the planning guidelines and design standard reporting software for the checked baggage inspection system, in an amount not to exceed \$292,430. **[Item went before City Council on October 5, 2017 and was approved.]**

Authorize negotiation and execution of a contract with Honeywell International, Inc., to provide maintenance, support, and related parts for the Honeywell energy management system, for a term of five years in an amount not to exceed \$570,283. **[Item went before City Council on October 5, 2017 and was approved.]**

7. FUTURE AGENDA ITEMS

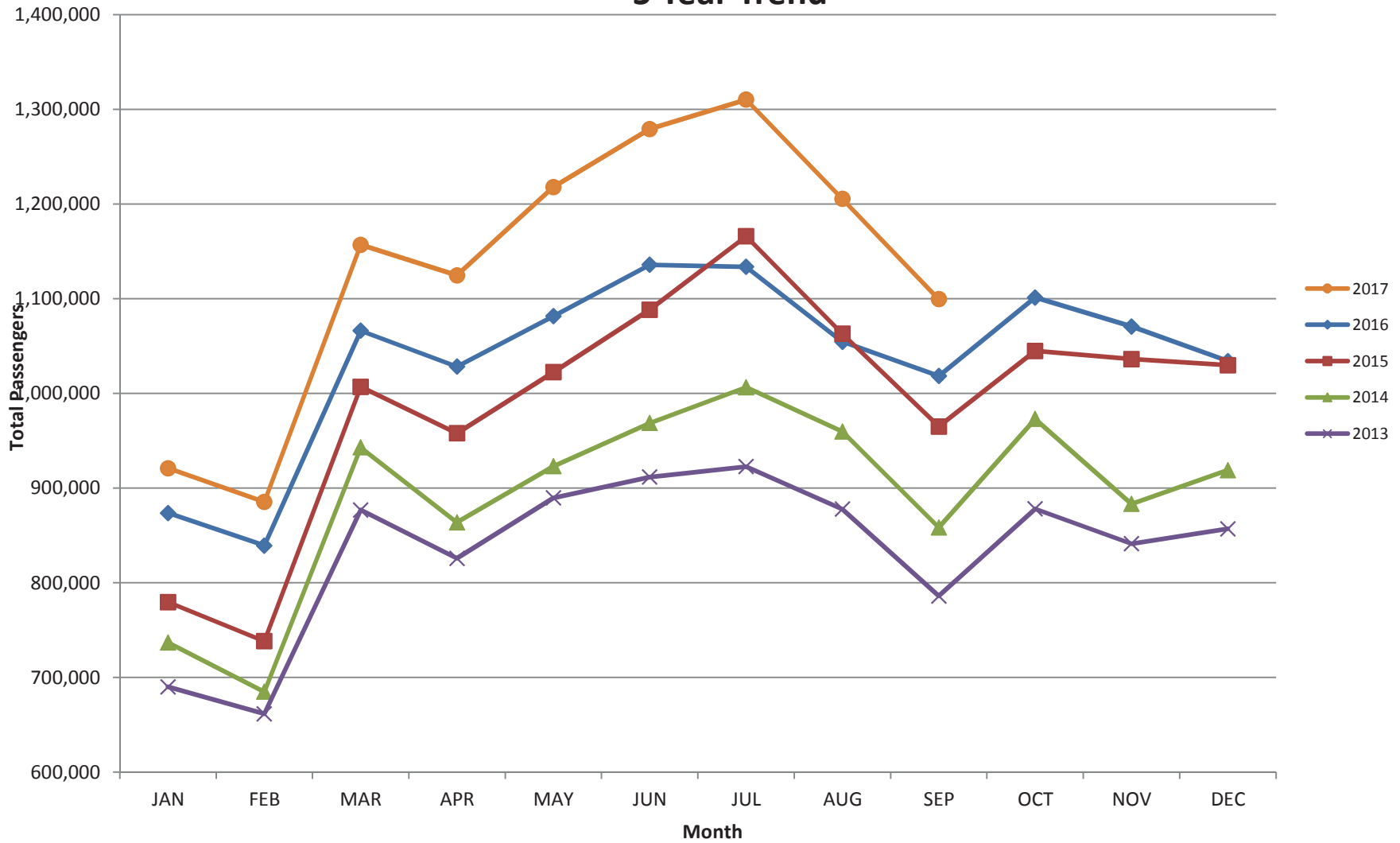
Date of next meeting: November 14, 2017

ADJOURNMENT.

Meeting was adjourned at 6:08 p.m.

AUSTIN PASSENGER TRAFFIC

5 Year Trend



**Austin-Bergstrom International Airport
Aviation Activity Report
Calendar Year 2017 vs 2016**

Combined Terminals

	9/2017	9/2016	Percent Change	01/2017 - 09/2017	01/2016 - 09/2016	Percent Change
ABIA						
Total Passenger Activity						
Domestic Enplaned Revenue	517,266	485,437	6.56	4,794,893	4,410,162	8.72
Domestic Deplaned Revenue	523,015	494,179	5.84	4,772,423	4,412,062	8.17
International Enplaned Revenue	8,722	6,405	36.17	111,451	84,772	31.47
International Deplaned Revenue	8,680	8,064	7.64	112,276	90,699	23.79
Domestic Enplaned Non-Revenue	12,327	10,371	18.86	121,962	100,092	21.85
Domestic Deplaned Non-Revenue	11,894	9,980	19.18	116,184	100,722	15.35
International Enplaned Non-Revenue	54	66	-18.18	887	736	20.52
International Deplaned Non-Revenue	62	59	5.08	757	739	2.44
Intl Enplaned Pre-Cleared Revenue	1,713	1,688	1.48	14,887	14,355	3.71
Intl Deplaned Pre-Cleared Revenue	1,812	2,014	-10.03	15,643	16,092	-2.79
Intl Enplaned Pre-Cleared Non-Revenue	13	14	-7.14	201	238	-15.55
Intl Deplaned Pre-Cleared Non-Revenue	23	15	53.33	214	262	-18.32
South Terminal Domestic Enplaned Revenue	6,861	0	0.00	69,143	0	0.00
South Terminal Domestic Deplaned Revenue	7,038	0	0.00	68,877	0	0.00
South Terminal Domestic Enplaned Non-Revenue	1	0	0.00	37	0	0.00
South Terminal Domestic Deplaned Non-Revenue	0	0	0.00	13	0	0.00
ABIA Passenger Totals	1,099,481	1,018,292	7.97	10,199,848	9,230,931	10.50
<i>ABIA Enplaned Passenger Totals</i>	<i>546,957</i>	<i>503,981</i>	<i>8.53</i>	<i>5,113,461</i>	<i>4,610,355</i>	<i>10.91</i>
<i>ABIA Deplaned Passenger Totals</i>	<i>552,524</i>	<i>514,311</i>	<i>7.43</i>	<i>5,086,387</i>	<i>4,620,576</i>	<i>10.08</i>
<i>ABIA Domestic Passenger Totals</i>	<i>1,078,402</i>	<i>999,967</i>	<i>7.84</i>	<i>9,943,532</i>	<i>9,023,038</i>	<i>10.20</i>
<i>ABIA International Passenger Totals</i>	<i>21,079</i>	<i>18,325</i>	<i>15.03</i>	<i>256,316</i>	<i>207,893</i>	<i>23.29</i>

CURRENT PASSENGER RECORD = 1,310,174 RECORD SET = JULY 2017

Total Aircraft Operations

Air Carrier	9,870	8,904	10.85	91,765	84,950	8.02
Commuter & Air Taxi	1,243	1,550	-19.81	11,014	12,155	-9.39
Military	968	980	-1.22	7,575	8,099	-6.47
General Aviation						
Itinerant	4,198	4,470	-6.09	36,920	36,153	2.12
Local	112	204	-45.10	1,979	1,966	0.66
Total G.A.	4,310	4,674	-7.79	38,899	38,119	2.05
Total Operations	16,391	16,108	1.76	149,253	143,323	4.14

**Austin-Bergstrom International Airport
Aviation Activity Report
Calendar Year 2017 vs 2016**

By Terminal

	9/2017	9/2016	Percent Change	01/2017 - 09/2017	01/2016 - 09/2016	Percent Change
<u>Barbara Jordan Terminal (BJT)</u>						
Passenger Activity						
Domestic Enplaned Revenue	517,266	485,437	6.56	4,794,893	4,410,162	8.72
Domestic Deplaned Revenue	523,015	494,179	5.84	4,772,423	4,412,062	8.17
International Enplaned Revenue	8,722	6,405	36.17	111,451	84,772	31.47
International Deplaned Revenue	8,680	8,064	7.64	112,276	90,699	23.79
Domestic Enplaned Non-Revenue	12,327	10,371	18.86	121,962	100,092	21.85
Domestic Deplaned Non-Revenue	11,894	9,980	19.18	116,184	100,722	15.35
International Enplaned Non-Revenue	54	66	-18.18	887	736	20.52
International Deplaned Non-Revenue	62	59	5.08	757	739	2.44
Intl Enplaned Pre-Cleared Revenue	1,713	1,688	1.48	14,887	14,355	3.71
Intl Deplaned Pre-Cleared Revenue	1,812	2,014	-10.03	15,643	16,092	-2.79
Intl Enplaned Pre-Cleared Non-Revenue	13	14	-7.14	201	238	-15.55
Intl Deplaned Pre-Cleared Non-Revenue	23	15	53.33	214	262	-18.32
Barbara Jordan Terminal Passenger Totals	1,085,581	1,018,292	6.61	10,061,778	9,230,931	9.00
<i>BJT Enplaned Passenger Totals</i>	<i>540,095</i>	<i>503,981</i>	<i>7.17</i>	<i>5,044,281</i>	<i>4,610,355</i>	<i>9.41</i>
<i>BJT Deplaned Passenger Totals</i>	<i>545,486</i>	<i>514,311</i>	<i>6.06</i>	<i>5,017,497</i>	<i>4,620,576</i>	<i>8.59</i>
<i>BJT Domestic Passenger Totals</i>	<i>1,064,502</i>	<i>999,967</i>	<i>6.45</i>	<i>9,805,462</i>	<i>9,023,038</i>	<i>8.67</i>
<i>BJT International Passenger Totals</i>	<i>21,079</i>	<i>18,325</i>	<i>15.03</i>	<i>256,316</i>	<i>207,893</i>	<i>23.29</i>
<u>South Terminal (ST)</u>						
Passenger Activity						
South Terminal Domestic Enplaned Revenue	6,861	0	0	69,143	0	0
South Terminal Domestic Deplaned Revenue	7,038	0	0	68,877	0	0
South Terminal Domestic Enplaned Non-Revenue	1	0	0	37	0	0
South Terminal Domestic Deplaned Non-Revenue	0	0	0	13	0	0
South Terminal Passenger Totals	13,900	0	0.00	138,070	0	0.00
<i>ST Enplaned Passenger Totals</i>	<i>6,862</i>	<i>0</i>	<i>0</i>	<i>69,180</i>	<i>0</i>	<i>0</i>
<i>ST Deplaned Passenger Totals</i>	<i>7,038</i>	<i>0</i>	<i>0</i>	<i>68,890</i>	<i>0</i>	<i>0</i>

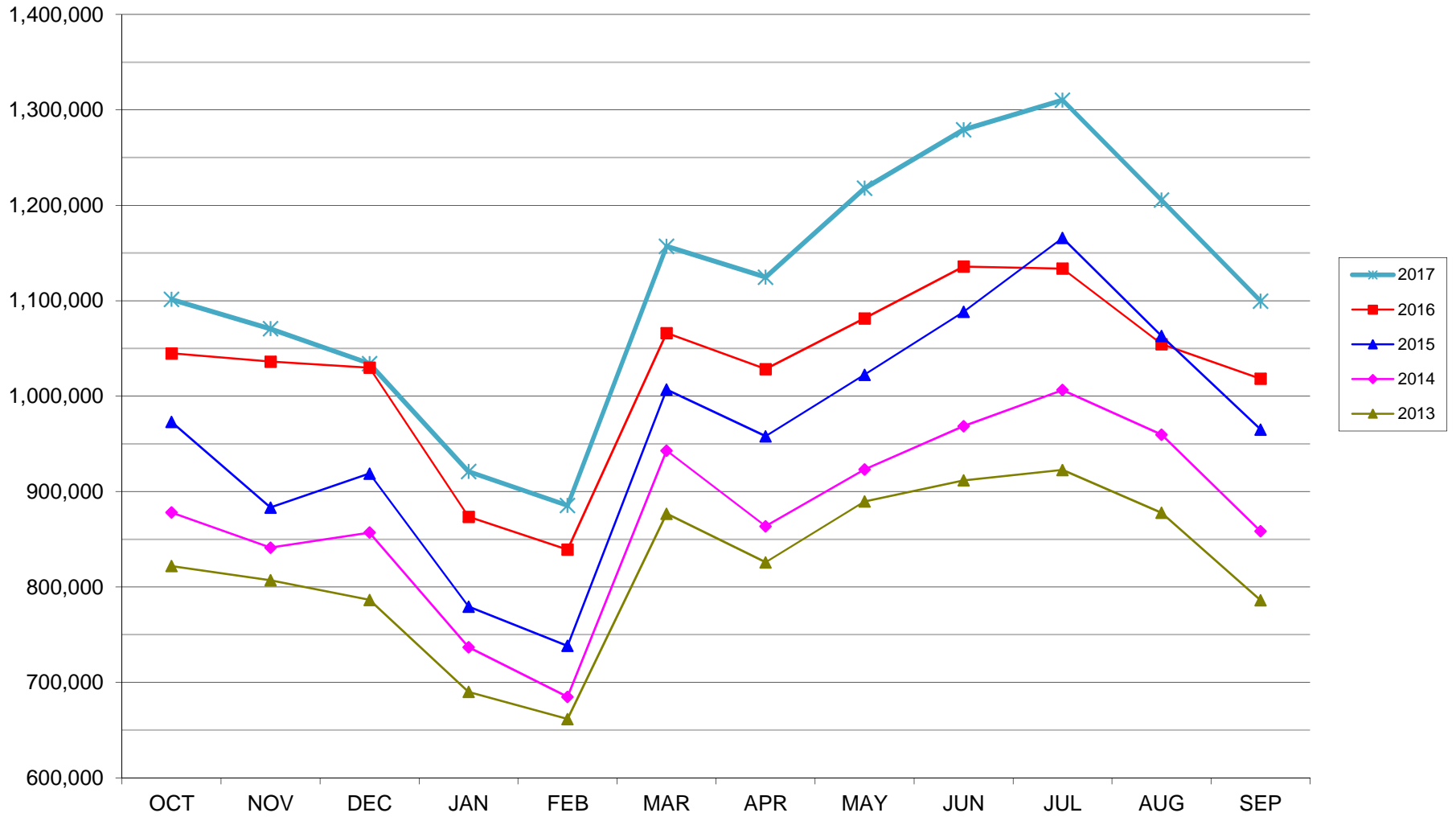
**Austin-Bergstrom International Airport
Aviation Activity Report
Calendar Year 2017 vs 2016**

	9/2017	9/2016	Percent Change	01/2017 - 09/2017	01/2016 - 09/2016	Percent Change
<u>Total Cargo Activity</u>						
Mail						
Domestic Enplaned Mail	183,558	152,644	20.25	1,739,002	1,171,438	48.45
Domestic Deplaned Mail	387,830	283,359	36.87	3,320,216	2,061,721	61.04
International Enplaned Mail	0	0	0.00	0	0	0.00
International Deplaned Mail	0	0	0.00	2	2	0.00
South Terminal-Intl Enplaned Mail	0	0	0.00	0	0	0.00
South Terminal-Intl Deplaned Mail	0	0	0.00	0	0	0.00
Mail Totals	571,388	436,003	31.05	5,059,220	3,233,161	56.48
Cargo						
Domestic Enplaned Cargo	6,314,785	6,233,823	1.30	46,799,576	46,334,423	1.00
Domestic Deplaned Cargo	7,206,354	6,743,432	6.86	63,260,529	57,821,566	9.41
International Enplaned Cargo	519,111	304,656	70.39	5,904,906	3,364,640	75.50
International Deplaned Cargo	900,853	1,072,591	-16.01	3,628,959	3,355,847	8.14
South Terminal-Intl Enplaned Cargo	0	0	0.00	0	0	0.00
South Terminal-Intl Deplaned Cargo	0	0	0.00	0	0	0.00
Cargo Totals	14,941,103	14,354,502	4.09	119,593,970	110,876,476	7.86
Belly Freight						
Domestic Enplaned Belly Freight	290,805	232,816	24.91	2,496,653	2,138,684	16.74
Domestic Deplaned Belly Freight	496,065	447,695	10.80	4,582,764	4,183,888	9.53
International Enplaned Belly Freight	230,364	106,311	116.69	2,061,702	1,336,066	54.31
International Deplaned Belly Freight	729,001	574,226	26.95	6,415,879	4,450,161	44.17
South Terminal-Intl Enplaned Belly Freight	0	0	0.00	0	0	0.00
South Terminal-Intl Deplaned Belly Freight	0	0	0.00	0	0	0.00
Belly Freight Totals	1,746,235	1,361,048	28.30	15,556,998	12,108,799	28.48
Cargo Totals (Mail, Cargo, Belly Freight)	17,258,726	16,151,553	6.85	140,210,188	126,218,436	11.09
<i>Enplaned Cargo Totals</i>	<i>7,538,623</i>	<i>7,030,250</i>	<i>7.23</i>	<i>59,001,839</i>	<i>54,345,251</i>	<i>8.57</i>
<i>Deplaned Cargo Totals</i>	<i>9,720,103</i>	<i>9,121,303</i>	<i>6.56</i>	<i>81,208,349</i>	<i>71,873,185</i>	<i>12.99</i>
<i>Domestic Cargo Totals</i>	<i>14,879,397</i>	<i>14,093,769</i>	<i>5.57</i>	<i>122,198,740</i>	<i>113,711,720</i>	<i>7.46</i>
<i>International Cargo Totals</i>	<i>2,379,329</i>	<i>2,057,784</i>	<i>15.63</i>	<i>18,011,448</i>	<i>12,506,716</i>	<i>44.01</i>

CURRENT CARGO RECORD = 40,215,518

RECORD SET = MARCH 2001

AUSTIN PASSENGER TRAFFIC 5 Year Trend



**Austin-Bergstrom International Airport
Aviation Activity Report
Fiscal Year 2017 vs 2016**

Combined Terminals

	9/2017	9/2016	Percent Change	10/2016 - 09/2017	10/2015 - 09/2016	Percent Change
ABIA						
Total Passenger Activity						
Domestic Enplaned Revenue	517,266	485,437	6.56	6,345,196	5,921,201	7.16
Domestic Deplaned Revenue	523,015	494,179	5.84	6,298,278	5,894,062	6.86
International Enplaned Revenue	8,722	6,405	36.17	139,589	109,519	27.46
International Deplaned Revenue	8,680	8,064	7.64	139,761	114,031	22.56
Domestic Enplaned Non-Revenue	12,327	10,371	18.86	153,578	130,002	18.14
Domestic Deplaned Non-Revenue	11,894	9,980	19.18	146,927	130,438	12.64
International Enplaned Non-Revenue	54	66	-18.18	1090	972	12.14
International Deplaned Non-Revenue	62	59	5.08	946	959	-1.36
Intl Enplaned Pre-Cleared Revenue	1,713	1,688	1.48	20,205	18,147	11.34
Intl Deplaned Pre-Cleared Revenue	1,812	2,014	-10.03	21,585	21,119	2.21
Intl Enplaned Pre-Cleared Non-Revenue	13	14	-7.14	270	623	-56.66
Intl Deplaned Pre-Cleared Non-Revenue	23	15	53.33	271	631	-57.05
South Terminal Domestic Enplaned Revenue	6,861	0	0.00	69,143	0	0.00
South Terminal Domestic Deplaned Revenue	7,038	0	0.00	68,877	0	0.00
South Terminal Domestic Enplaned Non-Revenue	1	0	0.00	37	0	0.00
South Terminal Domestic Deplaned Non-Revenue	0	0	0.00	13	0	0.00
ABIA Passenger Totals	1,099,481	1,018,292	7.97	13,405,766	12,341,704	8.62
<i>ABIA Enplaned Passenger Totals</i>	<i>546,957</i>	<i>503,981</i>	<i>8.53</i>	<i>6,729,108</i>	<i>6,180,464</i>	<i>8.88</i>
<i>ABIA Deplaned Passenger Totals</i>	<i>552,524</i>	<i>514,311</i>	<i>7.43</i>	<i>6,676,658</i>	<i>6,161,240</i>	<i>8.37</i>
<i>ABIA Domestic Passenger Totals</i>	<i>1,078,402</i>	<i>999,967</i>	<i>7.84</i>	<i>13,082,049</i>	<i>12,075,703</i>	<i>8.33</i>
<i>ABIA International Passenger Totals</i>	<i>21,079</i>	<i>18,325</i>	<i>15.03</i>	<i>323,717</i>	<i>266,001</i>	<i>21.70</i>

CURRENT PASSENGER RECORD = 1,310,174 RECORD SET = JULY 2017

Total Aircraft Operations

Air Carrier	9,870	8,904	10.85	120,242	114,150	5.34
Commuter & Air Taxi	1,243	1,550	-19.81	15,181	16,194	-6.26
Military	968	980	-1.22	9,830	10,435	-5.80
General Aviation						
Itinerant	4,198	4,470	-6.09	49,980	48,323	3.43
Local	112	204	-45.10	2729	2908	-6.16
Total G.A.	4,310	4,674	-7.79	52,709	51,231	2.88
Total Operations	16,391	16,108	1.76	197,962	192,010	3.10

**Austin-Bergstrom International Airport
Aviation Activity Report
Fiscal Year 2017 vs 2016**

By Terminal

	9/2017	9/2016	Percent Change	10/2016 - 09/2017	10/2015 - 09/2016	Percent Change
<u>Barbara Jordan Terminal (BJT)</u>						
Passenger Activity						
Domestic Enplaned Revenue	517,266	485,437	6.56	6,345,196	5,921,201	7.16
Domestic Deplaned Revenue	523,015	494,179	5.84	6,298,278	5,894,062	6.86
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International Deplaned Revenue	8,680	8,064	7.64	139,761	114,031	22.56
Domestic Enplaned Non-Revenue	12,327	10,371	18.86	153,578	130,002	18.14
Domestic Deplaned Non-Revenue	11,894	9,980	19.18	146,927	130,438	12.64
International Enplaned Non-Revenue	54	66	-18.18	1,090	972	12.14
International Deplaned Non-Revenue	62	59	5.08	946	959	-1.36
Intl Enplaned Pre-Cleared Revenue	1,713	1,688	1.48	20,205	18,147	11.34
Intl Deplaned Pre-Cleared Revenue	1,812	2,014	-10.03	21,585	21,119	2.21
Intl Enplaned Pre-Cleared Non-Revenue	13	14	-7.14	270	623	-56.66
Intl Deplaned Pre-Cleared Non-Revenue	23	15	53.33	271	631	-57.05
Barbara Jordan Terminal Passenger Totals	1,085,581	1,018,292	6.61	13,267,696	12,341,704	7.50
<i>BJT Enplaned Passenger Totals</i>	<i>540,095</i>	<i>503,981</i>	<i>7.17</i>	<i>6,659,928</i>	<i>6,180,464</i>	<i>7.76</i>
<i>BJT Deplaned Passenger Totals</i>	<i>545,486</i>	<i>514,311</i>	<i>6.06</i>	<i>6,607,768</i>	<i>6,161,240</i>	<i>7.25</i>
<i>BJT Domestic Passenger Totals</i>	<i>1,064,502</i>	<i>999,967</i>	<i>6.45</i>	<i>12,943,979</i>	<i>12,075,703</i>	<i>7.19</i>
<i>BJT International Passenger Totals</i>	<i>21,079</i>	<i>18,325</i>	<i>15.03</i>	<i>323,717</i>	<i>266,001</i>	<i>21.70</i>
<u>South Terminal (ST)</u>						
Passenger Activity						
South Terminal Domestic Enplaned Revenue	6,861	0	0	69,143	0	0
South Terminal Domestic Deplaned Revenue	7,038	0	0	68,877	0	0
South Terminal Domestic Enplaned Non-Revenue	1	0	0	37	0	0
South Terminal Domestic Deplaned Non-Revenue	0	0	0	13	0	0
South Terminal Passenger Totals	13,900	0	0.00	138,070	0	0.00
<i>ST Enplaned Passenger Totals</i>	<i>6,862</i>	<i>0</i>	<i>0</i>	<i>69,180</i>	<i>0</i>	<i>0</i>
<i>ST Deplaned Passenger Totals</i>	<i>7,038</i>	<i>0</i>	<i>0</i>	<i>68,890</i>	<i>0</i>	<i>0</i>

**Austin-Bergstrom International Airport
Aviation Activity Report
Fiscal Year 2017 vs 2016**

	9/2017	9/2016	Percent Change	10/2016 - 09/2017	10/2015 - 09/2016	Percent Change
<u>Total Cargo Activity</u>						
Mail						
Domestic Enplaned Mail	183,558	152,644	20.25	2,267,428	1,861,887	21.78
Domestic Deplaned Mail	387,830	283,359	36.87	4,312,420	2,882,381	49.61
International Enplaned Mail	0	0	0.00	0	0	0.00
International Deplaned Mail	0	0	0.00	2	2	0.00
South Terminal-Intl Enplaned Mail	0	0	0.00	0	0	0.00
South Terminal-Intl Deplaned Mail	0	0	0.00	0	0	0.00
Mail Totals	571,388	436,003	31.05	6,579,850	4,744,270	38.69
Cargo						
Domestic Enplaned Cargo	6,314,785	6,233,823	1.30	63,047,310	61,592,215	2.36
Domestic Deplaned Cargo	7,206,354	6,743,432	6.86	85,461,868	74,201,081	15.18
International Enplaned Cargo	519,111	304,656	70.39	8,547,732	5,697,333	50.03
International Deplaned Cargo	900,853	1,072,591	-16.01	4,778,874	5,180,832	-7.76
South Terminal-Intl Enplaned Cargo	0	0	0.00	0	0	0.00
South Terminal-Intl Deplaned Cargo	0	0	0.00	0	0	0.00
Cargo Totals	14,941,103	14,354,502	4.09	161,835,784	146,671,461	10.34
Belly Freight						
Domestic Enplaned Belly Freight	290,805	232,816	24.91	3,265,619	2,918,158	11.91
Domestic Deplaned Belly Freight	496,065	447,695	10.80	5,901,430	5,567,585	6.00
International Enplaned Belly Freight	230,364	106,311	116.69	2,461,724	1,899,860	29.57
International Deplaned Belly Freight	729,001	574,226	26.95	8,687,027	5,711,996	52.08
South Terminal-Intl Enplaned Belly Frt	0	0	0.00	0	0	0.00
South Terminal-Intl Deplaned Belly Frt	0	0	0.00	0	0	0.00
Belly Freight Totals	1,746,235	1,361,048	28.30	20,315,800	16,097,599	26.20
Cargo Totals (Mail, Cargo, Belly Freight)	17,258,726	16,151,553	6.85	188,731,434	167,513,330	12.67
<i>Enplaned Cargo Totals</i>	<i>7,538,623</i>	<i>7,030,250</i>	<i>7.23</i>	<i>79,589,813</i>	<i>73,969,453</i>	<i>7.60</i>
<i>Deplaned Cargo Totals</i>	<i>9,720,103</i>	<i>9,121,303</i>	<i>6.56</i>	<i>109,141,621</i>	<i>93,543,877</i>	<i>16.67</i>
<i>Domestic Cargo Totals</i>	<i>14,879,397</i>	<i>14,093,769</i>	<i>5.57</i>	<i>164,256,077</i>	<i>149,023,309</i>	<i>10.22</i>
<i>International Cargo Totals</i>	<i>2,379,329</i>	<i>2,057,784</i>	<i>15.63</i>	<i>24,475,359</i>	<i>18,490,023</i>	<i>32.37</i>

CURRENT CARGO RECORD = 40,215,518

RECORD SET = MARCH 2001

CITY OF AUSTIN
AUSTIN-BERGSTROM INTERNATIONAL AIRPORT
Airport Operating Fund 5070
Income Statement - For Internal Use Only
Fiscal Year to Date for 12 Month(s) ended September 30, 2017 - Close 2

	Amended Budget	Year to Date w/ Encumb	Y-T-D Variance Fav (Unfav)	Y-T-D % Variance Fav (Unfav)
REVENUE				
AIRLINE REVENUE				
Landing Fees	27,743,000.00	28,545,079.98	802,079.98	2.9%
Terminal Rental & Other Fees	36,210,000.00	37,691,853.31	1,481,853.31	4.1%
TOTAL AIRLINE REVENUE	63,953,000.00	66,236,933.29	2,283,933.29	3.6%
NON-AIRLINE REVENUE				
Parking	37,583,609.00	40,542,478.16	2,958,869.16	7.9%
Other Concessions	27,150,069.00	28,174,637.34	1,024,568.34	3.8%
Other Rentals and Fees	11,956,138.00	13,917,233.89	1,961,095.89	16.4%
TOTAL NON-AIRLINE REVENUE	76,689,816.00	82,634,349.39	5,944,533.39	7.8%
Interest Income	217,814.00	651,548.61	433,734.61	199.1%
TOTAL REVENUE	140,860,630.00	149,522,831.29	8,662,201.29	6.1%
OPERATING REQUIREMENTS				
Fac Mgmt, Ops and Airport Security	52,194,691.00	48,684,998.70	3,509,692.30	6.7%
Airport Planning and Development	4,162,285.00	3,698,408.51	463,876.49	11.1%
Support Services	21,342,367.00	17,242,051.03	4,100,315.97	19.2%
Business Services	13,576,502.00	12,294,258.10	1,282,243.90	9.4%
TOTAL OPERATING EXPENSES	91,275,845.00	81,919,716.34	9,356,128.67	10.3%
Debt Service				
GO Debt Service Fund	26,940.00	26,940.00	0.00	0.0%
2013A Revenue Refunding Bonds	16,906,054.00	16,906,100.00	(46.00)	(0.0%)
2013 Prosperity Bank Loan	5,242,472.00	5,242,400.00	72.00	0.0%
2014 Bond Issuance	1,022,380.00	1,022,100.00	280.00	0.0%
2017 Bond Issuance	45,226.00	0.00	45,226.00	100.0%
2005 Variable rate Notes (Swap)	11,367,213.00	10,495,001.00	872,212.00	7.7%
2005 Variable rate Notes Fees	1,339,682.00	1,335,598.68	4,083.32	0.3%
PFC Debt Service Funding	(12,746,311.00)	(12,417,068.56)	(329,242.44)	(2.6%)
TOTAL Net Debt Service	23,203,656.00	22,611,071.12	592,584.88	2.6%
OTHER REQUIREMENTS				
Workers' Compensation	438,392.00	438,392.00	0.00	0.0%
Citywide Administrative Support	4,426,720.00	4,426,720.00	0.00	0.0%
Communications & Technology Mgmt	1,665,952.00	1,665,952.00	0.00	0.0%
Accrued Payroll	185,220.00	218,312.49	(33,092.49)	(17.9%)
Compensation Adjustment	592,680.00	0.00	592,680.00	100.0%
Wage Adjustment Markets	133,472.00	0.00	133,472.00	100.0%
Operating Reserve	1,967,212.00	1,294,135.75	673,076.25	34.2%
CTECC	144,161.00	144,161.00	0.00	0.0%
Trunked Radio Allocation	124,230.00	124,230.00	0.00	0.0%
Public Works Capital Projects Mgmt Fund	771,082.00	771,082.00	0.00	0.0%
TOTAL OTHER REQUIREMENTS	10,449,121.00	9,082,985.24	1,366,135.76	13.1%
TOTAL REQUIREMENTS	124,928,622.00	113,613,772.70	11,314,849.30	9.1%
EXCESS (DEFICIT) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	15,932,008.00	35,909,058.59	19,977,050.60	125.4%

Note: Columns may not add to totals shown because of rounding

ENPLANEMENTS	Passengers	% Inc/(Dec)
September, 2017 (Month over Month)	546,957	8.53%
September, 2017 - Year-to-Date	6,729,108	8.88%

**CITY OF AUSTIN
AUSTIN-BERGSTROM INTERNATIONAL AIRPORT
INCOME STATEMENT COMPARISON THIS YEAR VS. LAST YEAR**

**This month - This Year vs. Last Year
FY17 (Sep 17) vs FY16 (Sep 16)**

Fiscal YTD - This Year vs. Last Year

FY17 (Oct 16 - Sep 17) vs FY16 (Oct 15 - Sep 16) - Close 2

	FY17 Sep-17	FY16 Sep-16	Fav (Unfav) \$ Variance	Fav (Unfav) % Variance	FY17 YTD Sep-17	FY16 YTD Sep-16	Fav (Unfav) \$ Variance	Fav (Unfav) % Variance
Airline Revenue								
Landing Fees	2,577,976.24	1,527,615.37	1,050,360.87	68.8%	28,545,079.98	23,699,135.49	4,845,944.49	20.4%
Terminal Rental & Other Fees	3,181,541.95	446,702.60	2,734,839.35	612.2%	37,691,853.31	29,986,396.99	7,705,456.32	25.7%
Total Airline Revenue	5,759,518.19	1,974,317.97	3,785,200.22	191.7%	66,236,933.29	53,685,532.48	12,551,400.81	23.4%
Non-Airline Revenue								
Parking	2,170,077.90	3,623,654.04	(1,453,576.14)	(40.1%)	40,542,478.16	39,381,677.25	1,160,800.91	2.9%
Food/Beverage & Retail	1,035,906.86	889,314.48	146,592.38	16.5%	11,542,048.05	10,366,170.08	1,175,877.97	11.3%
Rental Car	1,028,910.39	1,493,655.35	(464,744.96)	(31.1%)	13,960,701.71	13,746,099.54	214,602.17	1.6%
Advertising	141,216.74	132,406.79	8,809.95	6.7%	1,694,055.38	1,568,931.75	125,123.63	8.0%
Ads Barter Revenue	0.00	0.00	0.00	N/A	29,000.00	40,000.00	(11,000.00)	(27.5%)
Other Concessions	84,506.76	75,575.19	8,931.57	11.8%	948,832.20	817,236.41	131,595.79	16.1%
Other Rentals and Fees	2,276,452.43	1,979,389.01	297,063.42	15.0%	13,917,233.89	11,392,223.94	2,525,009.95	22.2%
Total Non-Airline Revenue	6,737,071.08	8,193,994.86	(1,456,923.78)	(17.8%)	82,634,349.39	77,312,338.97	5,322,010.42	6.9%
Interest Income	85,295.55	38,936.40	46,359.15	119.1%	651,548.61	312,193.09	339,355.52	108.7%
Total Operating Revenue	12,581,884.82	10,207,249.23	2,374,635.59	23.3%	149,522,831.29	131,310,064.54	18,212,766.75	13.9%
Operating Requirements								
Fac Mgmt, Ops and Airport Security	4,652,245.33	4,364,141.23	(288,104.10)	(6.6%)	48,684,998.70	45,352,117.10	(3,332,881.60)	(7.3%)
Airport Planning and Development	393,903.31	268,223.45	(125,679.86)	(46.9%)	3,698,408.51	2,384,513.95	(1,313,894.56)	(55.1%)
Support Services	2,959,188.67	1,760,872.59	(1,198,316.08)	(68.1%)	17,242,051.03	15,532,978.87	(1,709,072.16)	(11.0%)
Business Services	1,025,730.24	1,207,029.83	181,299.59	15.0%	12,294,258.10	12,514,174.50	219,916.40	1.8%
Total Operating Expense	9,031,067.55	7,600,267.10	(1,430,800.45)	(18.8%)	81,919,716.34	75,783,784.42	(6,135,931.92)	(8.1%)
Debt Service								
GO Debt Service Fund	2,245.00	2,191.09	(53.91)	(2.5%)	26,940.00	26,304.00	(636.00)	(2.4%)
2013A Revenue Refunding Bonds	1,408,763.96	1,409,398.85	634.89	0.0%	16,906,100.00	14,950,400.03	(1,955,699.97)	(13.1%)
2013 Prosperity Bank Loan	451,113.51	336,650.04	(114,463.47)	(34.0%)	5,242,400.00	3,814,000.00	(1,428,400.00)	(37.5%)
2014 Bond Issuance	96,058.27	25,717.94	(70,340.33)	(273.5%)	1,022,100.00	133,500.00	(888,600.00)	(665.6%)
2005 Variable rate Notes (Swap)	828,874.00	914,724.00	85,850.00	9.4%	10,495,001.00	12,004,627.00	1,509,626.00	12.6%
2005 Variable rate Notes Fees	108,875.12	106,274.13	(2,600.99)	(2.4%)	1,335,598.68	1,377,636.00	42,037.32	3.1%
PFC Debt Service Funding	(1,009,291.27)	(1,093,033.43)	(83,742.16)	(7.7%)	(12,417,068.56)	(12,740,275.32)	(323,206.76)	(2.5%)
Total Debt Service	1,886,638.59	1,701,922.62	(184,715.97)	(10.9%)	22,611,071.12	19,566,191.71	(3,044,879.41)	(15.6%)
Other Requirements								
Workers' Compensation	36,535.00	35,400.00	(1,135.00)	(3.2%)	438,392.00	424,869.00	(13,523.00)	(3.2%)
Citywide Administrative Support	368,900.00	315,560.00	(53,340.00)	(16.9%)	4,426,720.00	3,786,716.00	(640,004.00)	(16.9%)
Communications & Technology Mgmt	138,830.00	104,015.00	(34,815.00)	(33.5%)	1,665,952.00	1,248,165.00	(417,787.00)	(33.5%)
Accrued Payroll	48,527.49	46,752.17	(1,775.32)	(3.8%)	218,312.49	269,331.67	51,019.18	18.9%
Operating Reserve	(509,141.92)	(394,885.38)	114,256.54	28.9%	1,294,135.75	1,367,772.95	73,637.20	5.4%
CTECC	12,015.00	11,565.00	(450.00)	(3.9%)	144,161.00	138,767.00	(5,394.00)	(3.9%)
Trunked Radio Allocation	10,352.50	9,560.00	(792.50)	(8.3%)	124,230.00	114,693.00	(9,537.00)	(8.3%)
Public Works Capital Projects Mgmt Fund	64,260.00	0.00	(64,260.00)	N/A	771,082.00	0.00	(771,082.00)	N/A
Liability Reserve	0.00	1,416.67	1,416.67	100.0%	0.00	17,000.00	17,000.00	100.0%
Total Other Requirements	170,278.07	129,383.46	(40,894.61)	(31.6%)	9,082,985.24	7,367,314.62	(1,715,670.62)	(23.3%)
Total Requirements	11,087,984.21	9,431,573.18	(1,656,411.03)	(17.6%)	113,613,772.70	102,717,290.75	(10,896,481.95)	(10.6%)
SURPLUS (DEFICIT) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	\$ 1,493,900.61	\$ 775,676.05	\$ 718,224.56	92.6%	\$ 35,909,058.59	\$ 28,592,773.79	\$ 7,316,284.80	25.6%

Note: Columns may not add to totals shown because of rounding



Austin-Bergstrom
International Airport

BUSINESS DEVELOPMENT AND TENANT MANAGEMENT
Austin Airport Advisory Commission Report
November 14, 2017

Tenant Updates and Business Development Events

1. On October 10, 2017, Second Bar + Kitchen, by Paradies Lagardere, celebrated its grand opening with a ribbon cutting ceremony. Second Bar + Kitchen is inspired by its original downtown Austin location and menu is a critically acclaimed restaurant with an eclectic mix of cuisines and Texas flavors.
2. On October 12, 2017, Frontier Airlines launched new non-stop service between Austin-Bergstrom International Airport (AUS) and Ontario International Airport (ONT) in Ontario, CA.
3. Austin Article, operated by Paradies Lagardere, has relocated to a new 2,467 square foot location next to the east terminal exit doors, across from Gate 9. The store offers University of Texas apparel, best-selling books, magazines and snacks, Austin themed gifts, jewelry, hats and comfort travel items. Local Austin area products and brands include Lammes Candies, Epic chicken and bison jerky and Jardines sauces and salsa.
4. Tyler's and Austin Warehouse, operated by Delaware North Companies, a new location next to the west terminal exit doors, opened for business on Sunday, November 5th.



AIRPORT ADVISORY COMMISSION MEETING
5:00 PM
ROOM No. 174-A
2716 SPIRIT OF TEXAS DRIVE
AUSTIN, TEXAS

2018 MEETING DATES

January 9, 2018

February 13, 2018

March 13, 2018

April 10, 2018

May 8, 2018

June 12, 2018

July 10, 2018

August 14, 2018

September 11, 2018

October 9, 2018

November 13, 2018

December 11, 2018



Recommendation for Action

File #: 17-1263, **Agenda Item #:**

12/14/2017

Posting Language

Authorize negotiation and execution of a professional services agreement with AECOM Technical Services, Inc., (staff recommendation) for Request for Qualifications Solicitation No. CLMP231A to provide consulting services for the Austin-Bergstrom International Airport Terminal Centralized Baggage Handling System Design Criteria Manual in amount not to exceed \$700,000.

(Note: This contract will be awarded in compliance with City Code Chapter 2-9B (Minority Owned and Women Owned Business Enterprise Procurement Program) by meeting the goals with 12.11% DBE participation.)

Lead Department

Capital Contracting Office

Managing Department(s)

Public Works Department

Fiscal Note

Funding is available in the Fiscal Year 2018-2019 Capital Budget of the Department of Aviation.

Purchasing Language:

Staff recommendation is the most qualified firm out of three firms evaluated through the City's qualification-based selection process.

Prior Council Action:

N/A

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov.

NOTE: Respondents to this solicitation, and their representatives, shall direct inquiries to Rolando Fernandez, 512-974-7749 or Aiden Cohen, 512-974-1929.

Council Committee, Boards and Commission Action:

To be reviewed by the Airport Advisory Commission on November 14, 2017.

Additional Backup Information:

Austin-Bergstrom International Airport is experiencing unprecedented growth rate in passengers over the past three years and has one of the highest growth rates in the nation. Growth is exceeding the airport's existing airline, passenger, and infrastructure system capabilities. The current Baggage Handling System is nearing its capacity to handle domestic and international passenger traffic and is expected to exceed its current ability by 2025. The system is separated into two conveyor sections, east and west with no systemic method for crossover

between the two conveyors. Existing system capacity, aging equipment, technology changes and security requirements necessitate a new baggage handling system. As vital infrastructure, a new centralized baggage handling system will improve airport flow of baggage and passengers, support TSA efficiency, and the future growth of the airport.

The selected firm will assist Aviation in working with the airport and airline stakeholders to define the scope, cost and schedule of the future baggage handling system project through the creation of a Design Criteria Manual/Project Definition Manual. The objective will be to safeguard the interest of the airport and ensure that the baggage handling system is defined, planned, and developed to effectively serve the airport, airlines and passengers. In addition, the consultant will represent and advise the airport during the design and construction phases of the project.

This authorization provides for funding of the above listed services. This request allows for the development of an agreement with the qualified responder that Council selects. If the City is unsuccessful in negotiating a satisfactory agreement with the selected responder, negotiations will cease with that provider. Staff will return to Council so that Council may select another qualified responder and authorize contract negotiations with that provider.

TOP RANKED FIRM: AECOM Technical Services, Inc. is located in Austin, Texas.

SECOND RANKED FIRM: CORGAN is located in Dallas, Texas.

Information on this solicitation is available through the City's Austin Finance Online website. Link: [Solicitation Documents](https://www.ci.austin.tx.us/financeonline/vendor_connection/solicitation/solicitation_details.cfm?sid=120928)
<https://www.ci.austin.tx.us/financeonline/vendor_connection/solicitation/solicitation_details.cfm?sid=120928>.



Recommendation for Action

File #: 17-1232, **Agenda Item #:** 8.

12/7/2017

Posting Language

Authorize award, negotiation, and execution of a concession agreement with Fara Coffee, LLC and its joint venturers (Fara) or one of the other qualified offerors to the Request for Proposals for Terminal Concessions (RFP-8100-ABIA-004), to lease, design, construct, and maintain a food, beverage, and retail concession at Austin-Bergstrom International Airport for a term not to exceed ten years.

This contract will be awarded in compliance with the Federal Aviation Administration's Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program requirements (49 CFR Part 23) by meeting the goals with 11.06% ACDBE participation.

Lead Department

Aviation

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

This is a revenue generating lease.

Purchasing Language

Best evaluated proposal received

Prior Council Action:

Click or tap here to enter text.

For More Information:

Francisco "Kiko" Garza, Aviation Division Manager, 512-530-7526

Council Committee, Boards and Commission Action:

To be reviewed by the Austin Airport Advisory Commission on November 14, 2017.

Additional Backup Information:

In accordance with federal law, the Airport is self-sustaining, generating its own revenue to fund its operating costs and capital improvements. Accordingly, the Airport generates revenue from such sources as parking, rental cars, and retail and food and beverage concessions. The Airport supports the City of Austin's commitment to live music performances, local food venues, art, and Austin's keeping it weird vibe.

As the airport of choice for Central Texas, the Airport's passenger traffic continues to grow with over 13 million passengers to date, and both domestic and international passenger traffic expected to double in 20 years. The Airport experienced consistent passenger growth for 83 of the last 86 months, and continues to outperform passenger growth trends with 68 nonstop domestic and international destinations and 19 different air carriers serving our community.

To address air service demand and passenger growth, the Airport is investing approximately \$830 million dollars toward

its Capital Improvement Plan over the next 5 years. Currently, the Airport is undergoing a major terminal expansion project to add nine additional gates.

In anticipation of the Airport's nine gate terminal expansion, the Airport issued a Request for Proposals for Terminal Concessions Programs at the Barbara Jordan Terminal (RFP) for the design, construction, operation and maintenance of retail, and food and beverage concessions at the Airport in new locations in the nine gate expansion and in existing locations inside the terminal that are available due to lease expirations.

The RFP consisted of 15 packages including 4 retail packages, 8 food and beverage packages, 2 personal services packages, and 1 Duty Free package. The RFP focused on the Airport's desire to promote Austin and Central Texas by highlighting a strong business environment, regional products, and tourism opportunities. Offerors were evaluated on their ability to use these concepts and materials while demonstrating their ability to meet the following overall goals and objections:

1. Economic Development

Goal: Optimize concession revenue generation.

Objectives:

- Create strong total financial return for the City;
- Create opportunities that encourage Airport Concessions Disadvantaged Business Enterprises; ("ACDBE") in all aspects of the Concession Program;
- Generate growing revenue to make the Airport as self-sustaining as possible;
- Convey a positive sense of Austin, Central Texas;
- Create a Concessions Program that is reflective of the diverse local and international community;
- Structure the Concession Program to produce a strong financial return for the operator while creating potential opportunities for small and local businesses.

2. Customer Satisfaction

Goals:

- An attractive and inviting environment for the traveling public;
- Create a positive travel experience;
- High-quality food, merchandise, and personal services;
- Healthy food options including, but not limited to, gluten free, vegan, dairy free, etc.;
- Ethnically diverse food offerings; and
- High level of customer service aligned with the Airport's customer service values.

Objectives:

- Provide quality Austin-style service and a variety of shopping and dining concepts and experiences to the traveling public;
- The participation of local companies and concepts while accommodating the growing domestic and international passenger community's interest for diverse local, national, and international brand offerings;
- Ensure that venue design showcases the spirit of Austin and architecturally blends/compliments the Terminal and its public spaces; and
- Provide aesthetically pleasing restaurant and store designs with high-quality, durable materials.

A total of 18 offerors responded to the RFP and 2 offerors were disqualified for failure to submit a response which met

the minimum requirements for the applicable package.

Package F3 contains one location intended for a locally or nationally known brand gourmet coffee shop.

Fara, one of 2 offerors who submitted proposals in response to RFP Package F3 - National or Local Specialty Coffee, is winning Offeror for Package F3, having been awarded the highest number of points pursuant to the evaluation criteria set forth in Section 0600 of the RFP. Fara proposes to operate Fara Café at this location.

Package F7 contains one location on the mezzanine level for a full-service liquor bar offering a wide variety of beer, cocktails, and wine with a limited food menu of appetizer-style, small-plate food items, snacks, and made-to-go sandwiches.

Fara is the sole offeror to submit a proposal in response to RFP Package F7 - Bar (Pre-Security) and is winning Offeror for Package F7, having been awarded the highest number of points pursuant to the evaluation criteria set forth in Section 0600 of the RFP. Fara proposes to operate the Sky Bar.

Fara is locally owned and has been operating both Fara Café and Sky Bar at these locations since 2006.

This request allows for the award, negotiation, and execution of an agreement with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory agreement with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that Council may select another qualified offeror and authorize contract negotiations with this provider.

Airport concessions are subject to the Federal Airport Concession Disadvantaged Business Enterprise (ACDBE) regulations (49 CFR Part 23), and the federally approved City of Austin ACDBE plan. Fara will comply with the Airport's ACDBE plan and meet the 3.08% ACDBE goal met through Good Faith Efforts under that plan for on-airport concession.



Recommendation for Action

File #: 17-1234, **Agenda Item #:** 9.

12/7/2017

Posting Language

Authorize award, negotiation, and execution of a concession agreement with ABIA Duty Free, LLC and its joint venturers (ABIA Duty Free) or one of the other qualified offerors to the Request for Proposals for Terminal Concessions (RFP-8100-ABIA-004), to lease, design, construct, and maintain a food, beverage, and retail concession at Austin-Bergstrom International Airport for a term not to exceed ten years.

This contract will be awarded in compliance with the Federal Aviation Administration's Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program requirements (49 CFR Part 23) by meeting the goals with 11.06% ACDBE participation.

Lead Department

Aviation

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

This is a revenue generating lease.

Purchasing Language:

Best evaluated proposal received

Prior Council Action:

Click or tap here to enter text.

For More Information:

Francisco "Kiko" Garza, Aviation Division Manager, 512-530-7526

Council Committee, Boards and Commission Action:

To be reviewed by the Austin Airport Advisory Commission on November 14, 2017.

Additional Backup Information:

In accordance with federal law, the Airport is self-sustaining, generating its own revenue to fund its operating costs and capital improvements. Accordingly, the Airport generates revenue from such sources as parking, rental cars, and retail and food and beverage concessions. The Airport supports the City of Austin's commitment to live music performances, local food venues, art, and Austin's keeping it weird vibe.

As the airport of choice for Central Texas, the Airport's passenger traffic continues to grow with over 13 million passengers to date, and both domestic and international passenger traffic expected to double in 20 years. The Airport experienced consistent passenger growth for 83 of the last 86 months, and continues to outperform passenger growth trends with 68 nonstop domestic and international destinations and 19 different air carriers serving our community.

To address air service demand and passenger growth, the Airport is investing approximately \$830 million dollars toward its Capital Improvement Plan over the next 5 years. Currently, the Airport is undergoing a major terminal expansion project to add nine additional gates.

In anticipation of the Airport's nine gate terminal expansion, the Airport issued a Request for Proposals for Terminal Concessions Programs at the Barbara Jordan Terminal (RFP) for the design, construction, operation and maintenance of retail, and food and beverage concessions at the Airport in new locations in the nine gate expansion and in existing locations inside the terminal that are available due to lease expirations.

The RFP consisted of 15 packages including 4 retail packages, 8 food and beverage packages, 2 personal services packages, and 1 Duty Free package. The RFP focused on the Airport's desire to promote Austin and Central Texas by highlighting a strong business environment, regional products, and tourism opportunities. Offerors were evaluated on their ability to use these concepts and materials while demonstrating their ability to meet the following overall goals and objections:

1. Economic Development

Goal: Optimize concession revenue generation.

Objectives:

- Create strong total financial return for the City;
- Create opportunities that encourage Airport Concessions Disadvantaged Business Enterprises; ("ACDBE") in all aspects of the Concession Program;
- Generate growing revenue to make the Airport as self-sustaining as possible;
- Convey a positive sense of Austin, Central Texas;
- Create a Concessions Program that is reflective of the diverse local and international community;
- Structure the Concession Program to produce a strong financial return for the operator while creating potential opportunities for small and local businesses.

2. Customer Satisfaction

Goals:

- An attractive and inviting environment for the traveling public;
- Create a positive travel experience;
- High-quality food, merchandise, and personal services;
- Healthy food options including, but not limited to, gluten free, vegan, dairy free, etc.;
- Ethnically diverse food offerings; and
- High level of customer service aligned with the Airport's customer service values.

Objectives:

- Provide quality Austin-style service and a variety of shopping and dining concepts and experiences to the traveling public;
- The participation of local companies and concepts while accommodating the growing domestic and international passenger community's interest for diverse local, national, and international brand offerings;
- Ensure that venue design showcases the spirit of Austin and architecturally blends/compliments the Terminal and its public spaces; and
- Provide aesthetically pleasing restaurant and store designs with high-quality, durable materials.

A total of 18 offerors responded to the RFP and 2 offerors were disqualified for failure to submit a response which met

the minimum requirements for the applicable package.

Package D1 consists of one duty free store in the terminal expansion for the sale of duty free merchandise, including but not limited to, tobacco products, fragrances, cosmetics, gourmet foods, leather goods, fashion accessories, clothing, crystal, jewelry, chocolates, etc. The Airport currently does not have a duty free store.

ABIA Duty Free is the sole offeror to submit a proposal in response to RFP Package D1 - Duty Free and is the winning Offeror for Package D1, having been awarded the highest number of points pursuant to the evaluation criteria set forth in Section 0600 of the RFP.

This request allows for the development of an agreement with a qualified offeror that Council selects. If the City is This request allows for the development of an agreement with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory agreement with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that Council may select another qualified offeror and authorize contract negotiations with this provider.

Airport concessions are subject to the Federal Airport Concession Disadvantaged Business Enterprise (ACDBE) regulations (49 CFR Part 23), and the federally approved City of Austin ACDBE plan. ABIA Duty Free is a certified ACDBE company and will comply with the Airport's ACDBE plan and meet the 57.00% ACDBE goal under that plan for on-airport concession.



Recommendation for Action

File #: 17-1249, **Agenda Item #:** 10.

12/7/2017

Posting Language

Authorize award, negotiation, and execution of a concession agreement with Delaware North Companies Travel Hospitality Services, Inc. and its joint venturers (DNC), or one of the other qualified offerors to the Request for Proposals for Terminal Concessions (RFP-8100-ABIA-004), to lease, design, construct, and maintain a food, beverage, and retail concession at Austin-Bergstrom International Airport for a term not to exceed ten years.

This contract will be awarded in compliance with the Federal Aviation Administration's Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program requirements (49 CFR Part 23) by meeting the goals with 11.06% ACDBE participation.

Lead Department

Aviation

Managing Department(s)

Click or tap here to enter text.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

This is a revenue generating lease.

Purchasing Language:

Best evaluated proposal received

Prior Council Action:

Click or tap here to enter text.

For More Information:

Francisco "Kiko" Garza, Aviation Division Manager, 512-530-7526

Council Committee, Boards and Commission Action:

To be reviewed by the Austin Airport Advisory Commission on November 14, 2017.

Additional Backup Information:

In accordance with federal law, the Airport is self-sustaining, generating its own revenue to fund its operating costs and capital improvements. Accordingly, the Airport generates revenue from such sources as parking, rental cars, and retail and food and beverage concessions. The Airport supports the City of Austin's commitment to live music performances, local food venues, art, and Austin's keeping it weird vibe.

As the airport of choice for Central Texas, the Airport's passenger traffic continues to grow with over 13 million passengers to date, and both domestic and international passenger traffic expected to double in 20 years. The Airport

experienced consistent passenger growth for 83 of the last 86 months, and continues to outperform passenger growth trends with 68 nonstop domestic and international destinations and 19 different air carriers serving our community.

To address air service demand and passenger growth, the Airport is investing approximately \$830 million dollars toward its Capital Improvement Plan over the next 5 years. Currently, the Airport is undergoing a major terminal expansion project to add nine additional gates.

In anticipation of the Airport's nine gate terminal expansion, the Airport issued a Request for Proposals for Terminal Concessions Programs at the Barbara Jordan Terminal (RFP) for the design, construction, operation and maintenance of retail, and food and beverage concessions at the Airport in new locations in the nine gate expansion and in existing locations inside the terminal that are available due to lease expirations.

The RFP consisted of 15 packages including 4 retail packages, 8 food and beverage packages, 2 personal services packages, and 1 Duty Free package. The RFP focused on the Airport's desire to promote Austin and Central Texas by highlighting a strong business environment, regional products, and tourism opportunities. Offerors were evaluated on their ability to use these concepts and materials while demonstrating their ability to meet the following overall goals and objectives:

1. Economic Development

Goal: Optimize concession revenue generation.

Objectives:

- Create strong total financial return for the City;
- Create opportunities that encourage Airport Concessions Disadvantaged Business Enterprises; ("ACDBE") in all aspects of the Concession Program;
- Generate growing revenue to make the Airport as self-sustaining as possible;
- Convey a positive sense of Austin, Central Texas;
- Create a Concessions Program that is reflective of the diverse local and international community;
- Structure the Concession Program to produce a strong financial return for the operator while creating potential opportunities for small and local businesses.

2. Customer Satisfaction

Goals:

- An attractive and inviting environment for the traveling public;
- Create a positive travel experience;
- High-quality food, merchandise, and personal services;
- Healthy food options including, but not limited to, gluten free, vegan, dairy free, etc.;
- Ethnically diverse food offerings; and
- High level of customer service aligned with the Airport's customer service values.

Objectives:

- Provide quality Austin-style service and a variety of shopping and dining concepts and experiences to the traveling public;
- The participation of local companies and concepts while accommodating the growing domestic and international passenger community's interest for diverse local, national, and international brand offerings;
- Ensure that venue design showcases the spirit of Austin and architecturally blends/compliments the Terminal and its public spaces; and
- Provide aesthetically pleasing restaurant and store designs with high-quality, durable materials.

A total of 18 offerors responded to the RFP and 2 offerors were disqualified for failure to submit a response which met the minimum requirements for the applicable package.

Package R1 consists of three locations for distinct retail stores offering recognized, popular local, regional, national, and international brands and concepts as well as a news/convenience store for the sale of traditional newsstand items.

DNC, one of 2 offerors who submitted proposals in response to RFP Package R1 - Retail Market, Specialty Retail, and News/Convenience, is winning Offeror for Package R1, having been awarded the highest number of points pursuant to the evaluation criteria set forth in Section 0600 of the RFP. DNC proposes to operate Toy Joy & Yummy Joy as one of retail stores featuring a local favorite toy store along with candy and snack offerings. DNC also proposes to operate Hammer Made as a specialty men's store offering high-quality shirts, socks, and accessories. For the news/convenience store, DNC proposes to operate an Austin Chronicle offering reading materials, travel accessories, gifts, and stationary including exclusive Austin City Limits and South by Southwest merchandise.

Package F4 consists of a new location in the terminal expansion for a locally known branded gourmet coffee shop and reflects a family friendly environment which appeals to adults and children under the age of 10.

DNC, one of 3 offerors who submitted proposals in response to RFP Package F4 - Local Specialty Coffee, is winning Offeror for Package F4, having been awarded the highest number of points pursuant to the evaluation criteria set forth in Section 0600 of the RFP. DNC proposes to operate a local coffee shop favorite Caffe Medici and partner with Toy Joy to include a "Kids Zone" inside the restaurant.

This request allows for the development of an agreement with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory agreement with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that Council may select another qualified offeror and authorize contract negotiations with this provider.

Airport concessions are subject to the Federal Airport Concession Disadvantaged Business Enterprise (ACDBE) regulations (49 CFR Part 23), and the federally approved City of Austin ACDBE plan. DNC will comply with the Airport's ACDBE plan and meet the 15.00% ACDBE goals under that plan for on-airport concession.



Recommendation for Action

File #: 17-1250, **Agenda Item #:** 11.

12/7/2017

Posting Language

Authorize award, negotiation, and execution of a concession agreement with Host International, Inc. and its joint venturers (Host) or one of the other qualified offerors to the Request for Proposals for Terminal Concessions (RFP-8100-ABIA-004), to lease, design, construct, and maintain a food, beverage, and retail concession at Austin-Bergstrom International Airport for a term not to exceed ten years.

This contract will be awarded in compliance with the Federal Aviation Administration's Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program requirements (49 CFR Part 23) by meeting the goals with 11.06% ACDBE participation.

Lead Department

Aviation

Managing Department(s)

Click or tap here to enter text.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

This is a revenue generating lease.

Purchasing Language:

Best evaluated proposal received

Prior Council Action:

Click or tap here to enter text.

For More Information:

Francisco "Kiko" Garza, Aviation Division Manager, 512-530-7526

Council Committee, Boards and Commission Action:

To be reviewed by the Austin Airport Advisory Commission on November 14, 2017.

Additional Backup Information:

In accordance with federal law, the Airport is self-sustaining, generating its own revenue to fund its operating costs and capital improvements. Accordingly, the Airport generates revenue from such sources as parking, rental cars, and retail and food and beverage concessions. The Airport supports the City of Austin's commitment to live music performances, local food venues, art, and Austin's keeping it weird vibe.

As the airport of choice for Central Texas, the Airport's passenger traffic continues to grow with over 13 million passengers to date, and both domestic and international passenger traffic expected to double in 20 years. The Airport

experienced consistent passenger growth for 83 of the last 86 months, and continues to outperform passenger growth trends with 68 nonstop domestic and international destinations and 19 different air carriers serving our community.

To address air service demand and passenger growth, the Airport is investing approximately \$830 million dollars toward its Capital Improvement Plan over the next 5 years. Currently, the Airport is undergoing a major terminal expansion project to add nine additional gates.

In anticipation of the Airport's nine gate terminal expansion, the Airport issued a Request for Proposals for Terminal Concessions Programs at the Barbara Jordan Terminal (RFP) for the design, construction, operation and maintenance of retail, and food and beverage concessions at the Airport in new locations in the nine gate expansion and in existing locations inside the terminal that are available due to lease expirations.

The RFP consisted of 15 packages including 4 retail packages, 8 food and beverage packages, 2 personal services packages, and 1 Duty Free package. The RFP focused on the Airport's desire to promote Austin and Central Texas by highlighting a strong business environment, regional products, and tourism opportunities. Offerors were evaluated on their ability to use these concepts and materials while demonstrating their ability to meet the following overall goals and objectives:

1. Economic Development

Goal: Optimize concession revenue generation.

Objectives:

- Create strong total financial return for the City;
- Create opportunities that encourage Airport Concessions Disadvantaged Business Enterprises; ("ACDBE") in all aspects of the Concession Program;
- Generate growing revenue to make the Airport as self-sustaining as possible;
- Convey a positive sense of Austin, Central Texas;
- Create a Concessions Program that is reflective of the diverse local and international community;
- Structure the Concession Program to produce a strong financial return for the operator while creating potential opportunities for small and local businesses.

2. Customer Satisfaction

Goals:

- An attractive and inviting environment for the traveling public;
- Create a positive travel experience;
- High-quality food, merchandise, and personal services;
- Healthy food options including, but not limited to, gluten free, vegan, dairy free, etc.;
- Ethnically diverse food offerings; and
- High level of customer service aligned with the Airport's customer service values.

Objectives:

- Provide quality Austin-style service and a variety of shopping and dining concepts and experiences to the traveling public;
- The participation of local companies and concepts while accommodating the growing domestic and international passenger community's interest for diverse local, national, and international brand offerings;
- Ensure that venue design showcases the spirit of Austin and architecturally blends/compliments the Terminal and its public spaces; and
- Provide aesthetically pleasing restaurant and store designs with high-quality, durable materials.

A total of 18 offerors responded to the RFP and 2 offerors were disqualified for failure to submit a response which met the minimum requirements for the applicable package.

Package F2 consists of one location for a branded gourmet coffee shop to include café seating.

Host is the sole offeror to submit a proposal in response to RFP Package F2 - National Specialty Coffee and is winning Offeror for Package F2, having been awarded the highest number of points pursuant to the evaluation criteria set forth in Section 0600 of the RFP. Host proposes to operate a Starbucks.

Package F6 consists of two new locations in the terminal expansion: (1) a food hall/market offering various “live action kitchens” with distinct and popular cuisines from the Central Texas region and (2) a juice bar offering fresh juices, smoothies, and snacks in a casual-service restaurant setting.

Host is the sole qualified offeror to submit a proposal in response to RFP Package F6 - Food Hall & Market, and Juice & Snacks, and is winning Offeror for Package F6, having been awarded the highest number of points pursuant to the evaluation criteria set forth in Section 0600 of the RFP. Host proposes to operate local favorites such as Torchy’s Tacos, Noble Sandwich Co., Hardies Fresh Foods, Sushi A-Go-Go, and Beer Drop in the “Austin Kitchen” food hall/market. For the juice bar, Host proposes to operate “Jugo” - a local juice bar from the heart of downtown Austin offering fresh juices, smoothies, salads, protein snacks, and other healthy treats.

Package F8 consists of two new locations in the terminal expansion offering casual dining with table service.

Host, one of 3 offerors who submitted proposals in response to RFP Package F8 - 2 Casual Dining locations, is winning Offeror for Package F8, having been awarded the highest number of points pursuant to the evaluation criteria set forth in Section 0600 of the RFP. Host proposes to operate two local favorite restaurants - 24 Diner and Parkside.

This request allows for the award, negotiation, and execution of an agreement with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory agreement with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that Council may select another qualified offeror and authorize contract negotiations with this provider.

Airport concessions are subject to the Federal Airport Concession Disadvantaged Business Enterprise (ACDBE) regulations (49 CFR Part 23), and the federally approved City of Austin ACDBE plan. Host will comply with the Airport’s ACDBE plan and meet the 25.00% ACDBE goal under that plan for on-airport concession.



Recommendation for Action

File #: 17-1251, **Agenda Item #:** 12.

12/7/2017

Posting Language

Authorize award, negotiation, and execution of a concession agreement with InMotion Entertainment Group, LLC and its joint venturers (InMotion) or one of the other qualified offerors to the Request for Proposals for Terminal Concessions (RFP-8100-ABIA-004), to lease, design, construct, and maintain a food, beverage, and retail concession at Austin-Bergstrom International Airport for a term not to exceed ten years.

This contract will be awarded in compliance with the Federal Aviation Administration's Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program requirements (49 CFR Part 23) by meeting the goals with 11.06% ACDBE participation.

Lead Department

Aviation

Managing Department(s)

Click or tap here to enter text.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

This is a revenue generating lease.

Purchasing Language:

Best evaluated proposal received

Prior Council Action:

Click or tap here to enter text.

For More Information:

Francisco "Kiko" Garza, Aviation Division Manager, 512-530-7526

Council Committee, Boards and Commission Action:

To be reviewed by the Austin Airport Advisory Commission on November 14, 2017.

Additional Backup Information:

In accordance with federal law, the Airport is self-sustaining, generating its own revenue to fund its operating costs and capital improvements. Accordingly, the Airport generates revenue from such sources as parking, rental cars, and retail and food and beverage concessions. The Airport supports the City of Austin's commitment to live music performances, local food venues, art, and Austin's keeping it weird vibe.

As the airport of choice for Central Texas, the Airport's passenger traffic continues to grow with over 13 million passengers to date, and both domestic and international passenger traffic expected to double in 20 years. The Airport

experienced consistent passenger growth for 83 of the last 86 months, and continues to outperform passenger growth trends with 68 nonstop domestic and international destinations and 19 different air carriers serving our community.

To address air service demand and passenger growth, the Airport is investing approximately \$830 million dollars toward its Capital Improvement Plan over the next 5 years. Currently, the Airport is undergoing a major terminal expansion project to add nine additional gates.

In anticipation of the Airport's nine gate terminal expansion, the Airport issued a Request for Proposals for Terminal Concessions Programs at the Barbara Jordan Terminal (RFP) for the design, construction, operation and maintenance of retail, and food and beverage concessions at the Airport in new locations in the nine gate expansion and in existing locations inside the terminal that are available due to lease expirations.

The RFP consisted of 15 packages including 4 retail packages, 8 food and beverage packages, 2 personal services packages, and 1 Duty Free package. The RFP focused on the Airport's desire to promote Austin and Central Texas by highlighting a strong business environment, regional products, and tourism opportunities. Offerors were evaluated on their ability to use these concepts and materials while demonstrating their ability to meet the following overall goals and objectives:

1. Economic Development

Goal: Optimize concession revenue generation.

Objectives:

- Create strong total financial return for the City;
- Create opportunities that encourage Airport Concessions Disadvantaged Business Enterprises; ("ACDBE") in all aspects of the Concession Program;
- Generate growing revenue to make the Airport as self-sustaining as possible;
- Convey a positive sense of Austin, Central Texas;
- Create a Concessions Program that is reflective of the diverse local and international community;
- Structure the Concession Program to produce a strong financial return for the operator while creating potential opportunities for small and local businesses.

2. Customer Satisfaction

Goals:

- An attractive and inviting environment for the traveling public;
- Create a positive travel experience;
- High-quality food, merchandise, and personal services;
- Healthy food options including, but not limited to, gluten free, vegan, dairy free, etc.;
- Ethnically diverse food offerings; and
- High level of customer service aligned with the Airport's customer service values.

Objectives:

- Provide quality Austin-style service and a variety of shopping and dining concepts and experiences to the traveling public;
- The participation of local companies and concepts while accommodating the growing domestic and international passenger community's interest for diverse local, national, and international brand offerings;
- Ensure that venue design showcases the spirit of Austin and architecturally blends/compliments the Terminal and its public spaces; and
- Provide aesthetically pleasing restaurant and store designs with high-quality, durable materials.

A total of 18 offerors responded to the RFP and 2 offerors were disqualified for failure to submit a response which met

the minimum requirements for the applicable package.

Package R4 consists of one location for the sale of personal electronics and technology related products, including but not limited to, portable digital media players and viewers; personal computers; cameras and video recorders; cellular telephones and smartphones; game toys; music, movies, and video; software; and personal electronics accessories such as rechargeable batteries, battery chargers, headphones, ear buds, wall and car charges, cell phone cases and holsters, and cables.

InMotion is the sole offeror to submit a proposal in response to RFP Package R4 - Tech/Electronics and is the winning Offeror for Package R4, having been awarded the highest number of points pursuant to the evaluation criteria set forth in Section 0600 of the RFP. InMotion is a well-known store operator of electronic products and accessories in airports nationwide.

This request allows for the development of an agreement with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory agreement with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that Council may select another qualified offeror and authorize contract negotiations with this provider.

Airport concessions are subject to the Federal Airport Concession Disadvantaged Business Enterprise (ACDBE) regulations (49 CFR Part 23), and the federally approved City of Austin ACDBE plan. InMotion will comply with the Airport's ACDBE plan and meet the 12.00% ACDBE goal under that plan for on-airport concession.



Recommendation for Action

File #: 17-1252, **Agenda Item #:** 13.

12/7/2017

Posting Language

Authorize award, negotiation, and execution of a concession agreement with Paradies Lagardere and its joint venturers (Paradies), or one of the other qualified offerors to the Request for Proposals for Terminal Concessions (RFP-8100-ABIA-004), to lease, design, construct, and maintain a food, beverage, and retail concession at Austin-Bergstrom International Airport (Airport) for a term not to exceed ten years.

This contract will be awarded in compliance with the Federal Aviation Administration's Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program requirements (49 CFR Part 23) by meeting the goals with 11.06% ACDBE participation.

Lead Department

Aviation

Managing Department(s)

Click or tap here to enter text.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

This is a revenue generating lease.

Purchasing Language:

Best evaluated proposal received

Prior Council Action:

Click or tap here to enter text.

For More Information:

Francisco "Kiko" Garza, Aviation Division Manager, 512-530-7526

Council Committee, Boards and Commission Action:

To be reviewed by the Austin Airport Advisory Commission on November 14, 2017.

Additional Backup Information:

In accordance with federal law, the Airport is self-sustaining, generating its own revenue to fund its operating costs and capital improvements. Accordingly, the Airport generates revenue from such sources as parking, rental cars, and retail and food and beverage concessions. The Airport supports the City of Austin's commitment to live music performances, local food venues, art, and Austin's keeping it weird vibe.

As the airport of choice for Central Texas, the Airport's passenger traffic continues to grow with over 13 million passengers to date, and both domestic and international passenger traffic expected to double in 20 years. The Airport

experienced consistent passenger growth for 83 of the last 86 months, and continues to outperform passenger growth trends with 68 nonstop domestic and international destinations and 19 different air carriers serving our community.

To address air service demand and passenger growth, the Airport is investing approximately \$830 million dollars toward its Capital Improvement Plan over the next 5 years. Currently, the Airport is undergoing a major terminal expansion project to add nine additional gates.

In anticipation of the Airport's nine gate terminal expansion, the Airport issued a Request for Proposals for Terminal Concessions Programs at the Barbara Jordan Terminal (RFP) for the design, construction, operation and maintenance of retail, and food and beverage concessions at the Airport in new locations in the nine gate expansion and in existing locations inside the terminal that are available due to lease expirations.

The RFP consisted of 15 packages including 4 retail packages, 8 food and beverage packages, 2 personal services packages, and 1 Duty Free package. The RFP focused on the Airport's desire to promote Austin and Central Texas by highlighting a strong business environment, regional products, and tourism opportunities. Offerors were evaluated on their ability to use these concepts and materials while demonstrating their ability to meet the following overall goals and objectives:

1. Economic Development

Goal: Optimize concession revenue generation.

Objectives:

- Create strong total financial return for the City;
- Create opportunities that encourage Airport Concessions Disadvantaged Business Enterprises; ("ACDBE") in all aspects of the Concession Program;
- Generate growing revenue to make the Airport as self-sustaining as possible;
- Convey a positive sense of Austin, Central Texas;
- Create a Concessions Program that is reflective of the diverse local and international community;
- Structure the Concession Program to produce a strong financial return for the operator while creating potential opportunities for small and local businesses.

2. Customer Satisfaction

Goals:

- An attractive and inviting environment for the traveling public;
- Create a positive travel experience;
- High-quality food, merchandise, and personal services;
- Healthy food options including, but not limited to, gluten free, vegan, dairy free, etc.;
- Ethnically diverse food offerings; and
- High level of customer service aligned with the Airport's customer service values.

Objectives:

- Provide quality Austin-style service and a variety of shopping and dining concepts and experiences to the traveling public;
- The participation of local companies and concepts while accommodating the growing domestic and international passenger community's interest for diverse local, national, and international brand offerings;
- Ensure that venue design showcases the spirit of Austin and architecturally blends/compliments the Terminal and its public spaces; and
- Provide aesthetically pleasing restaurant and store designs with high-quality, durable materials.

A total of 18 offerors responded to the RFP and 2 offerors were disqualified for failure to submit a response which met the minimum requirements for the applicable package.

Package R2 contains 4 locations inside the terminal to provide two Specialty Realty stores and two News/Convenience stores - one Post-Security and the other Pre-Security. This package reflects the Airport's intention to group specialty shops located in the vicinity of Checkpoint #1 to promote retail synergy among the stores. To achieve balance in retail offerings and respond to a growing diverse passenger demographic, the Airport encouraged the inclusion of well-known branded specialty concepts in categories such as clothing, accessories, cosmetics, athletic wear, etc. The News/Convenience stores are intended for the sale of traditional newsstand items, travel accessories, pre-packaged snacks, and bottled water, juices, and soft drinks.

Paradies was the sole offeror to submit a proposal in response to RFP Package R2 - Specialty Retail, Specialty Retail, News/Convenience, and News/Convenience (Pre-Security), and is winning Offeror for Package R2, having been awarded the highest number of points pursuant to the evaluation criteria set forth in Section 0600 of the RFP. For the Specialty Realty stores, Paradies proposes The Scoreboard to sell athletic wear from local teams and Brighton Collections to sell travel accessories and women's accessories. For the News/Convenience stores, Paradies proposes the CNBC store and Barton Springs Express.

Package F5 contains one new location in the terminal expansion to provide a quick-service, carry-out restaurant specializing in the preparation and sale of pizza, related side dishes, and beverages.

Paradies, one of 4 offerors who submitted proposals in response to RFP Package F5 - Quick Service Restaurant (Pizza), is winning Offeror for Package F5, having been awarded the highest number of points pursuant to the evaluation criteria set forth in Section 0600 of the RFP. Paradies proposes to operate Salvation Pizza - a local favorite.

This request allows for the award, negotiation, and execution of an agreement with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory agreement with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that Council may select another qualified offeror and authorize contract negotiations with this provider.

Airport concessions are subject to the Federal Airport Concession Disadvantaged Business Enterprise (ACDBE) regulations (49 CFR Part 23), and the federally approved City of Austin ACDBE plan. Paradies will comply with the Airport's ACDBE plan and meet the 12.00% ACDBE goal under that plan for on-airport concession.



Recommendation for Action

File #: 17-1253, **Agenda Item #:** 14.

12/7/2017

Posting Language

Authorize award, negotiation, and execution of a concession agreement with Prevost Consulting Group, LLC and its joint venturers (Prevost) or one of the other qualified offerors to the Request for Proposals for Terminal Concessions (RFP-8100-ABIA-004), to lease, design, construct, and maintain a food, beverage, and retail concession at Austin-Bergstrom International Airport for a term not to exceed ten years.

This contract will be awarded in compliance with the Federal Aviation Administration's Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program requirements (49 CFR Part 23) by meeting the goals with 11.06% ACDBE participation.

Lead Department

Aviation

Managing Department(s)

Click or tap here to enter text.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

This is a revenue generating lease.

Purchasing Language:

Best evaluated proposal received

Prior Council Action:

Click or tap here to enter text.

For More Information:

Francisco "Kiko" Garza, Aviation Division Manager, 512-530-7526

Council Committee, Boards and Commission Action:

To be reviewed by the Austin Airport Advisory Commission on November 14, 2017.

Additional Backup Information:

In accordance with federal law, the Airport is self-sustaining, generating its own revenue to fund its operating costs and capital improvements. Accordingly, the Airport generates revenue from such sources as parking, rental cars, and retail and food and beverage concessions. The Airport supports the City of Austin's commitment to live music performances, local food venues, art, and Austin's keeping it weird vibe.

As the airport of choice for Central Texas, the Airport's passenger traffic continues to grow with over 13 million passengers to date, and both domestic and international passenger traffic expected to double in 20 years. The Airport experienced consistent passenger growth for 83 of the last 86 months, and continues to outperform passenger growth trends with 68 nonstop domestic and international destinations and 19 different air carriers serving our community.

To address air service demand and passenger growth, the Airport is investing approximately \$830 million dollars toward its Capital Improvement Plan over the next 5 years. Currently, the Airport is undergoing a major terminal expansion project to add nine additional gates.

In anticipation of the Airport's nine gate terminal expansion, the Airport issued a Request for Proposals for Terminal Concessions Programs at the Barbara Jordan Terminal (RFP) for the design, construction, operation and maintenance of retail, and food and beverage concessions at the Airport in new locations in the nine gate expansion and in existing locations inside the terminal that are available due to lease expirations.

The RFP consisted of 15 packages including 4 retail packages, 8 food and beverage packages, 2 personal services packages, and 1 Duty Free package. The RFP focused on the Airport's desire to promote Austin and Central Texas by highlighting a strong business environment, regional products, and tourism opportunities. Offerors were evaluated on their ability to use these concepts and materials while demonstrating their ability to meet the following overall goals and objections:

1. Economic Development

Goal: Optimize concession revenue generation.

Objectives:

- Create strong total financial return for the City;
- Create opportunities that encourage Airport Concessions Disadvantaged Business Enterprises; ("ACDBE") in all aspects of the Concession Program;
- Generate growing revenue to make the Airport as self-sustaining as possible;
- Convey a positive sense of Austin, Central Texas;
- Create a Concessions Program that is reflective of the diverse local and international community;
- Structure the Concession Program to produce a strong financial return for the operator while creating potential opportunities for small and local businesses.

2. Customer Satisfaction

Goals:

- An attractive and inviting environment for the traveling public;
- Create a positive travel experience;
- High-quality food, merchandise, and personal services;
- Healthy food options including, but not limited to, gluten free, vegan, dairy free, etc.;
- Ethnically diverse food offerings; and
- High level of customer service aligned with the Airport's customer service values.

Objectives:

- Provide quality Austin-style service and a variety of shopping and dining concepts and experiences to the traveling public;
- The participation of local companies and concepts while accommodating the growing domestic and international passenger community's interest for diverse local, national, and international brand offerings;
- Ensure that venue design showcases the spirit of Austin and architecturally blends/compliments the Terminal and its public spaces; and

- Provide aesthetically pleasing restaurant and store designs with high-quality, durable materials.

A total of 18 offerors responded to the RFP and 2 offerors were disqualified for failure to submit a response which met the minimum requirements for the applicable package.

Package R3 allows Respondent to propose one distinct specialty retail concept at 450 square feet or two distinct specialty retail concepts for a total of 500 square feet post-security adjacent to Checkpoint #1. To achieve balance in retail offerings and respond to a growing diverse passenger demographic, the Airport encouraged the inclusion of well-known branded specialty concepts in categories such as clothing, accessories, cosmetics, athletic wear, jewelry, etc.

Prevost, one of 2 offerors who submitted proposals in response to RFP Package R3 -Specialty Retail, is winning Offeror for Package R3, having been awarded the highest number of points pursuant to the evaluation criteria set forth in Section 0600 of the RFP. Prevost proposes to operate a James Avery jewelry store at this location. The James Avery company headquarters was originally constructed in the heart of the Texas Hill Country in Kerrville, Texas. James Avery now has five manufacturing plants-one each in Hondo, Fredericksburg, and Kerrville, Texas and two in Comfort, Texas.

This request allows for the award, negotiation, and execution of an agreement with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory agreement with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that Council may select another qualified offeror and authorize contract negotiations with this provider.

Airport concessions are subject to the Federal Airport Concession Disadvantaged Business Enterprise (ACDBE) regulations (49 CFR Part 23), and the federally approved City of Austin ACDBE plan. Prevost is a certified ACDBE company and will comply with the Airport's ACDBE plan and meet the 100% ACDBE goals under that plan for on-airport concession.



Recommendation for Action

File #: 17-1254, **Agenda Item #:** 15.

12/7/2017

Posting Language

Authorize award, negotiation, and execution of a concession agreement with Vino Volo Texas, LLC and its joint venturers (Vino Volo) or one of the other qualified offerors to the Request for Proposals for Terminal Concessions (RFP-8100-ABIA-004), to lease, design, construct, and maintain a food, beverage, and retail concession at Austin-Bergstrom International Airport for a term not to exceed ten years.

This contract will be awarded in compliance with the Federal Aviation Administration's Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program requirements (49 CFR Part 23) by meeting the goals with 11.06% ACDBE participation.

Lead Department

Aviation

Managing Department(s)

Click or tap here to enter text.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

This is a revenue generating lease.

Purchasing Language:

Best evaluated proposal received

Prior Council Action:

Click or tap here to enter text.

For More Information:

Francisco "Kiko" Garza, Aviation Division Manager, 512-530-7526

Council Committee, Boards and Commission Action:

To be reviewed by the Austin Airport Advisory Commission on November 14, 2017.

Additional Backup Information:

In accordance with federal law, the Airport is self-sustaining, generating its own revenue to fund its operating costs and capital improvements. Accordingly, the Airport generates revenue from such sources as parking, rental cars, and retail and food and beverage concessions. The Airport supports the City of Austin's commitment to live music performances, local food venues, art, and Austin's keeping it weird vibe.

As the airport of choice for Central Texas, the Airport's passenger traffic continues to grow with over 13 million passengers to date, and both domestic and international passenger traffic expected to double in 20 years. The Airport experienced consistent passenger growth for 83 of the last 86 months, and continues to outperform passenger growth trends with 68 nonstop domestic and international destinations and 19 different air carriers serving our community.

To address air service demand and passenger growth, the Airport is investing approximately \$830 million dollars toward its Capital Improvement Plan over the next 5 years. Currently, the Airport is undergoing a major terminal expansion project to add nine additional gates.

In anticipation of the Airport's nine gate terminal expansion, the Airport issued a Request for Proposals for Terminal Concessions Programs at the Barbara Jordan Terminal (RFP) for the design, construction, operation and maintenance of retail, and food and beverage concessions at the Airport in new locations in the nine gate expansion and in existing locations inside the terminal that are available due to lease expirations.

The RFP consisted of 15 packages including 4 retail packages, 8 food and beverage packages, 2 personal services packages, and 1 Duty Free package. The RFP focused on the Airport's desire to promote Austin and Central Texas by highlighting a strong business environment, regional products, and tourism opportunities. Offerors were evaluated on their ability to use these concepts and materials while demonstrating their ability to meet the following overall goals and objections:

1. Economic Development

Goal: Optimize concession revenue generation.

Objectives:

- Create strong total financial return for the City;
- Create opportunities that encourage Airport Concessions Disadvantaged Business Enterprises; ("ACDBE") in all aspects of the Concession Program;
- Generate growing revenue to make the Airport as self-sustaining as possible;
- Convey a positive sense of Austin, Central Texas;
- Create a Concessions Program that is reflective of the diverse local and international community;
- Structure the Concession Program to produce a strong financial return for the operator while creating potential opportunities for small and local businesses.

2. Customer Satisfaction

Goals:

- An attractive and inviting environment for the traveling public;
- Create a positive travel experience;
- High-quality food, merchandise, and personal services;
- Healthy food options including, but not limited to, gluten free, vegan, dairy free, etc.;
- Ethnically diverse food offerings; and
- High level of customer service aligned with the Airport's customer service values.

Objectives:

- Provide quality Austin-style service and a variety of shopping and dining concepts and experiences to the traveling public;
- The participation of local companies and concepts while accommodating the growing domestic and international passenger community's interest for diverse local, national, and international brand offerings;
- Ensure that venue design showcases the spirit of Austin and architecturally blends/compliments the Terminal and its public spaces; and

- Provide aesthetically pleasing restaurant and store designs with high-quality, durable materials.

A total of 18 offerors responded to the RFP and 2 offerors were disqualified for failure to submit a response which met the minimum requirements for the applicable package.

Package F1 contains two locations in the terminal intended for wine bars and retail sale of wine, accessories, and associated specialty retail items.

Vino Volo, one of 3 offerors who submitted proposals in response to RFP Package F1 - 2 Wine Bar & Specialty Retail locations, is winning Offeror for Package F1, having been awarded the highest number of points pursuant to the evaluation criteria set forth in Section 0600 of the RFP. Vino Volo proposes to operate both locations and branded as the two most notable wine regions of Texas: Hill Country and High Plains. Local Texas wineries are to be promoted through displays, placements, and staff knowledge.

This request allows for the development of an agreement with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory agreement with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that Council may select another qualified offeror and authorize contract negotiations with this provider.

Airport concessions are subject to the Federal Airport Concession Disadvantaged Business Enterprise (ACDBE) regulations (49 CFR Part 23), and the federally approved City of Austin ACDBE plan. Vino Volo will comply with the Airport's ACDBE plan and meet the 11.06% ACDBE goal under that plan for on-airport concession.



Recommendation for Action

File #: 17-1255, **Agenda Item #:** 16.

12/7/2017

Posting Language

Authorize award, negotiation, and execution of a concession agreement with XpressSpa Austin Airport, LLC and its joint venturers (XpressSpa) or one of the other qualified offerors to the Request for Proposals for Terminal Concessions (RFP-8100-ABIA-004), to lease, design, construct, and maintain a food, beverage, and retail concession at Austin-Bergstrom International Airport for a term not to exceed ten years.

This contract will be awarded in compliance with the Federal Aviation Administration's Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program requirements (49 CFR Part 23) by meeting the goals with 11.06% ACDBE participation.

Lead Department

Aviation

Managing Department(s)

Click or tap here to enter text.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

This is a revenue generating lease.

Purchasing Language:

Best evaluated proposal received

Prior Council Action:

Click or tap here to enter text.

For More Information:

Francisco "Kiko" Garza, Aviation Division Manager, 512-530-7526

Council Committee, Boards and Commission Action:

To be reviewed by the Austin Airport Advisory Commission on November 14, 2017.

Additional Backup Information:

In accordance with federal law, the Airport is self-sustaining, generating its own revenue to fund its operating costs and capital improvements. Accordingly, the Airport generates revenue from such sources as parking, rental cars, and retail and food and beverage concessions. The Airport supports the City of Austin's commitment to live music performances, local food venues, art, and Austin's keeping it weird vibe.

As the airport of choice for Central Texas, the Airport's passenger traffic continues to grow with over 13 million

passengers to date, and both domestic and international passenger traffic expected to double in 20 years. The Airport experienced consistent passenger growth for 83 of the last 86 months, and continues to outperform passenger growth trends with 68 nonstop domestic and international destinations and 19 different air carriers serving our community.

To address air service demand and passenger growth, the Airport is investing approximately \$830 million dollars toward its Capital Improvement Plan over the next 5 years. Currently, the Airport is undergoing a major terminal expansion project to add nine additional gates.

In anticipation of the Airport's nine gate terminal expansion, the Airport issued a Request for Proposals for Terminal Concessions Programs at the Barbara Jordan Terminal (RFP) for the design, construction, operation and maintenance of retail, and food and beverage concessions at the Airport in new locations in the nine gate expansion and in existing locations inside the terminal that are available due to lease expirations.

The RFP consisted of 15 packages including 4 retail packages, 8 food and beverage packages, 2 personal services packages, and 1 Duty Free package. The RFP focused on the Airport's desire to promote Austin and Central Texas by highlighting a strong business environment, regional products, and tourism opportunities. Offerors were evaluated on their ability to use these concepts and materials while demonstrating their ability to meet the following overall goals and objections:

1. Economic Development

Goal: Optimize concession revenue generation.

Objectives:

- Create strong total financial return for the City;
- Create opportunities that encourage Airport Concessions Disadvantaged Business Enterprises; ("ACDBE") in all aspects of the Concession Program;
- Generate growing revenue to make the Airport as self-sustaining as possible;
- Convey a positive sense of Austin, Central Texas;
- Create a Concessions Program that is reflective of the diverse local and international community;
- Structure the Concession Program to produce a strong financial return for the operator while creating potential opportunities for small and local businesses.

2. Customer Satisfaction

Goals:

- An attractive and inviting environment for the traveling public;
- Create a positive travel experience;
- High-quality food, merchandise, and personal services;
- Healthy food options including, but not limited to, gluten free, vegan, dairy free, etc.;
- Ethnically diverse food offerings; and
- High level of customer service aligned with the Airport's customer service values.

Objectives:

- Provide quality Austin-style service and a variety of shopping and dining concepts and experiences to the traveling public;
- The participation of local companies and concepts while accommodating the growing domestic and international passenger community's interest for diverse local, national, and international brand offerings;
- Ensure that venue design showcases the spirit of Austin and architecturally blends/compliments the Terminal and its public spaces; and
- Provide aesthetically pleasing restaurant and store designs with high-quality, durable materials.

A total of 18 offerors responded to the RFP and 2 offerors were disqualified for failure to submit a response which met the minimum requirements for the applicable package.

Package P1 consists of two locations in the existing terminal for the sale and performance of personal care services such as massage services, aromatherapy, manicure/pedicure services, and similar personal care services offered in salons.

XpressSpa, one of 4 offerors who submitted proposals in response to RFP Package P1 - 2 Massage Services locations, is winning Offeror for Package P1, having been awarded the highest number of points pursuant to the evaluation criteria set forth in Section 0600 of the RFP. XpressSpa is one of the most well-known and experienced companies providing day spa services at airports. XpressSpa is committed to using local Austin retail products from local vendors and Austin artists to develop unique and iconic graphics for the space.

This request allows for the development of an agreement with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory agreement with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that Council may select another qualified offeror and authorize contract negotiations with this provider.

Airport concessions are subject to the Federal Airport Concession Disadvantaged Business Enterprise (ACDBE) regulations (49 CFR Part 23), and the federally approved City of Austin ACDBE plan. XpressSpa will comply with the Airport's ACDBE plan and meet the 12.00% ACDBE goal under that plan for on-airport concession.