



Recommendation for Action

File #: 19-3550, **Agenda Item #:** 7.

1/23/2020

Posting Language

Authorize negotiation and execution of a concession agreement with MAG US Lounge Management LLC to lease, design, construct, operate, and maintain a Shared Use Lounge Service Concession at Austin-Bergstrom International Airport (RFP-8100-ABIA-005).

(Note: This contract will be awarded in compliance with 49 CFR Part 23 - Airport Concessions Disadvantaged Business Enterprise program by meeting goal with 13% participation.).

Lead Department

Department of Aviation

Fiscal Note

This item has no fiscal impact.

For More Information:

Inquiries should be directed to Julie Harris, 512-530-6322.

Council Committee, Boards and Commission Action:

Reviewed by Austin Airport Advisory Commission on November 12, 2019.

Austin Airport Advisory Commission agreed on a neutral vote on December 10, 2019.

Additional Backup Information:

The City of Austin, Department of Aviation (Airport) issued Request for Proposals for the design, development and operation of a common-use airport lounge facility in the Barbara Jordan Terminal. The lounge will provide traveling passengers a comfortable and inviting environment, in addition to high-quality food, drinks and other airport lounge amenities.

The common shared-use lounge will highlight the spirit of Austin. The space will be designed with a “Zoning Concept” theme. Each zone will be named after a recognizable Austin neighborhood and will feature Austin-inspired design, e.g. Downtown District, South Congress Café, Rainey Street. Additionally, the traveling public will enjoy a food menu created by a local Austin chef using local purveyors. The space will also offer public meeting rooms and a non-denominational prayer room. The offeror intends to use sustainable practices during construction and while operating.

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 contact 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. MAG US Lounge Management LLC will comply with the Airport’s ACDBE plan and meet the goals under that plan for on

-airport concession.