

Regular Meeting of the Airport Advisory Commission

November 10, 2020

Airport Advisory Commission to be held November 10, 2020 with Social Distancing Modifications

Public comment will be allowed via telephone; no in-person input will be allowed. **All speakers must register in advance** (11/09/2020 by noon). All public comment will occur at the beginning of the meeting.

To speak remotely at the November 10, 2020 **Airport Advisory Commission Meeting**, residents must:

- Call or email the board liaison at **(512) 530-6605** or **ammie.calderon2@austintexas.gov** no later than noon, (the day before the meeting). The information required is the speaker name, item number(s) they wish to speak on, whether they are for/against/neutral, and a telephone number or email address.
- Once a request to speak has been called in or emailed to the board liaison, residents will receive either an email or phone call providing the telephone number to call on the day of the scheduled meeting.
- Speakers must call in at least 15 minutes prior to meeting start in order to speak, late callers will not be accepted and will not be able to speak.
- Speakers will be placed in a queue until their time to speak.
- Handouts or other information may be emailed to **ammie.calderon2@austintexas.gov** by Noon the day before the scheduled meeting. This information will be provided to Board and Commission members in advance of the meeting.
- If this meeting is broadcast live, residents may watch the meeting here:
<http://www.austintexas.gov/page/watch-atxn-live>

Reunión del Airport Advisory Commission (November 10, 2020)

La junta se llevará con modificaciones de distanciamiento social. Se permitirán comentarios públicos por teléfono; no se permitirá ninguna entrada en persona. Todos los oradores deben registrarse con anticipación (11/9/2020 antes del mediodía). Todos los comentarios públicos se producirán al comienzo de la reunión.

Para hablar de forma remota en la reunión, los residentes deben:

- Llame o envíe un correo electrónico al enlace de la junta en **(512) 530-6605** or **ammie.calderon2@austintexas.gov** a más tardar al mediodía (el día antes de la reunión). La

información requerida es el nombre del orador, los números de artículo sobre los que desean hablar, si están a favor / en contra / neutrales, y un número de teléfono o dirección de correo electrónico.

- Una vez que se haya llamado o enviado por correo electrónico una solicitud para hablar al enlace de la junta, los residentes recibirán un correo electrónico o una llamada telefónica con el número de teléfono para llamar el día de la reunión programada.

- Los oradores deben llamar al menos 15 minutos antes del inicio de la reunión para poder hablar, no se aceptarán personas que llamen tarde y no podrán hablar.

- Los oradores se colocarán en una fila hasta que llegue el momento de hablar.

- Los folletos u otra información pueden enviarse por correo electrónico a **ammie.calderon2@austintexas.gov** antes del mediodía del día anterior a la reunión programada. Esta información se proporcionará a los miembros de la Junta y la Comisión antes de la reunión.

- Si esta reunión se transmite en vivo, los residentes pueden ver la reunión aquí:

<http://www.austintexas.gov/page/watch-atxn-live>



**AIRPORT ADVISORY COMMISSION MEETING
NOVEMBER 10, 2020 5:30 PM
VIA VIDEOCONFERENCING**

CURRENT BOARD MEMBERS:

Eugene Sepulveda, Chair	Ernest Saulmon
Scott Madole, Vice-Chair	Brian Stoller
Vicky Sepulveda, Secretary	Billy Owens
Wendy Price Todd	Frank Maldonado
Michael Watry	Jeremy Hendricks
	Jonathan Coon

AGENDA

CALL TO ORDER

CITIZEN COMMUNICATION: GENERAL

The first three (3) speakers who register to speak no later than noon the day before the meeting will be allowed a three-minute allotment to address their concerns regarding items not posted on the agenda.

1. APPROVAL OF MINUTES

September 28, 2020 - Meeting

2. DEPARTMENT OF AVIATION WRITTEN STAFF BRIEFINGS

- a) Chief Executive Officer's Report
(Prepared by Jacqueline Yaft, Chief Executive Officer)
- b) AUS September 2020 Financial Results
(Prepared by Rajeev Thomas, Deputy Chief – Finance)
- c) AUS Air Service Update
(Prepared by Jamy Kazanoff, Air Service Development)

3. ACTION ITEMS

- a) Discuss and approve a Regular Meeting Schedule for the Airport Advisory Commission for calendar year 2021.

Meetings will be held virtually until such time as the City Clerk notifies the Department of Aviation that in-person meetings are authorized. The month following such notification, meetings will cease to be virtual and will be held in-person at Austin-Bergstrom International Airport, at 2716 Spirit of Texas Drive, Room No. 174-A, Austin, Texas.

(Note: Once in-person meetings are authorized, the Airport Advisory Commission Meeting start time is subject to change as approved by the Airport Advisory Commission.)

- b) Discuss and approve the establishment of the Airport Advisory Commission working group, the participating Board members, and delegating defined matter(s) for consideration and recommendation, pursuant to Section 2-1-2 of the City Code.
- c) Discuss and approve revisions to the Airport Advisory Commission Bylaws.

4. FOR RECOMMENDATION

No Items

5. DEPARTMENT OF AVIATION VERBAL BRIEFINGS

- a) Fiscal Year 2020 Year End Financial Recap
(Presented by Rajeev Thomas – Deputy Chief, Finance)
- b) Hilton Hotel Update
(Presented by Tracy Thompson – Chief, Admin. & External Affairs and Rajeev Thomas, Deputy Chief – Finance)

6. NEW BUSINESS

- a) Review of Commission Recommendations and Actions to discuss with appointing City Council Member
- b) Future Agenda Items
- c) Next scheduled meeting December 8, 2020 5:30 PM.

ADJOURNMENT

The City of Austin is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. Meeting locations are planned with wheelchair access. If requiring Sign Language Interpreters or alternative formats, please give notice at least 2 days before the meeting date. Please call Ammie Calderon, Aviation Department, at (512) 530-6605 for additional information; TTY users route through Relay Texas at 711.

For more information on the Airport Advisory Commission, please contact Tracy Thompson at (512) 530-5023.



**AIRPORT ADVISORY COMMISSION
SPECIAL MEETING MINUTES
MONDAY, SEPTEMBER 28, 2020**

The Airport Advisory Commission convened in a Virtual Special Meeting on Monday, September 28, 2020.

CALL TO ORDER

Eugene Sepulveda, Chair called the Commission Meeting to order at 3:02 p.m.

Commission Members in Attendance:

Eugene Sepulveda – Chair	Frank Maldonado
Scott Madole – Vice-Chair	Wendy Price Todd
Vicky Sepulveda - Secretary	Jeremy Hendricks
Michael Watry	Jonathan Coon
Ernest Saulmon	

Commission Members Absent:

Brian Stoller
Billy Owens

Aviation Staff in Attendance:

Jacqueline Yaft	Shane Harbinson
Tracy Thompson	Brian Long
Ammie Calderon	
Ghizlane Badawi	

CITIZENS COMMUNICATIONS:

None

1. APPROVAL OF MINUTES (3:00 – 3:05 p.m.)

- a) The minutes from the meeting of August 21, 2020 were approved on Commission Member Saulmon's motion, Commission Member Maldonado seconds on a vote. Commission Member Todd made an amendment to note only staff giving verbal briefings are considered attendees. Motion passed on passed on a 9-0-0-2 vote. Commission Members Stoller, and Owen's were absent at this vote.

- b) The minutes from the meeting of August 28, 2020 were approved on Commission Member Hendricks's motion, Commission Member Saulmon seconds on a vote. Commission member Watry abstained. Motion passed on a 8-0-1-2 vote. Commission Members Stoller, and Owen's were absent at this vote.

2. DEPARTMENT OF AVIATION STAFF VERBAL BRIEFINGS (3:05 – 3:20 p.m.)

- a) AUS Covid Update.
(Prepared by Ghizlane Badawi, Chief Operations Officer)

3. DEPARTMENT OF AVIATION STAFF WRITTEN BRIEFINGS (3:20 – 3:30 p.m.)

- a) AUS Passenger Traffic Update and July 2020 Financial Results.
(Prepared by Rajeev Thomas, Deputy Chief – Finance)
- b) AUS Air Service Update.
(Prepared by Jamy Kazanoff, Assistant Director, Air Service)
- c) Planning and Development Update – FAA AIP Grant Award.
(Prepared by Shane Harbinson, Deputy Chief – Planning & Development)
- d) Concessionaire Relief Update.
(Prepared by Mookie Patel, Chief Business & Finance Officer)

4. FOR RECOMMENDATION (3:30 – 3:40 p.m.)

- a) Authorize award of a multi-term contract with Swarco Reflex LLC, to provide reflective glass beads, for up to five years for a total contract amount not to exceed \$497,000.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D of Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this solicitation, there were no subcontracting opportunities therefore, no subcontracting goals were established).

A motion to approve was made by Commission Member Maldonado's motion, Commission Member Madole seconds on a vote. Motion passed on a 9-0-0-2 vote. Commission Members Stoller, and Owen's were absent at this vote.

- b) Approve a resolution declaring the City of Austin's official intent to reimburse itself from revenue bonds in an amount not to exceed \$26,900,000 for Austin-Bergstrom International Airport capital improvements.

A motion to approve was made by Commission Member Saulmon's motion, Commission Member Maldonado seconds on a vote. Commission Member Coon abstained. Motion passed on a 8-0-1-2 vote. Commission Members Stoller, and Owen's were absent at this vote.

- c) Authorize award of a multi-term contract with AGSA LLC D/B/A/PAGE GSE, to provide parts for ground power unit equipment for passenger boarding bridges, for up to five years for a total contract amount not to exceed \$501,970.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

A motion to approve was made by Commission Member Madole's motion, Commission Member Maldonado seconds on a vote. Motion passed on a 9-0-0-2 vote. Commission Members Stoller, and Owen's were absent at this vote.

5. ACTION ITEMS (3:40 – 3:50 p.m.)

- a) Nominate and vote Wendy Price Todd as Finance Working Group Chair.

A motion to approve was made by Commission Member E. Sepulveda's motion, Commission Member Saulmon seconds on a vote. Commission Member Todd abstained. Motion passed on a 8-0-1-2 vote. Commission Members Stoller, and Owen's were absent at this vote.

6. WORKING SESSION – Discussion and determination of Airport Advisory Commission Goals and Objectives. (3:50 – 4:20 p.m.)

- a) Review and Vote new draft Council Mandate.

A motion to approve was made by Commission Member Todd's motion, Commission Member Maldonado seconds on a vote. Motion passed on a 9-0-0-2 vote. Commission Members Stoller, and Owen's were absent at this vote.

- b) **Part 3 - What tools and information do we need to make informed decisions on recommendations for Council?**

7. NEW BUSINESS (4:20 – 4:30 p.m.)

- a) Review of Commission Recommendations and Actions to discuss with appointing City Council Member

b) Next scheduled meeting October 13, 2020

ADJOURNMENT

Eugene Sepulveda, Chair adjourned the meeting at 4:33 p.m.

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DRAFT



MEMORANDUM

TO: Chair Eugene Sepulveda and Airport Advisory Commissioners

FROM: Jacqueline Yaft, Chief Executive Officer, Department of Aviation

DATE: Nov. 10, 2020

SUBJECT: Austin-Bergstrom International Airport (AUS) Update

Austin-Bergstrom International Airport remains as committed to the health and safety of passengers and employees as ever and we continue to implement health and safety protocols and make operational, financial and business changes as we adapt to the pandemic and the resulting operational and economic impacts. We look forward to providing you with regular updates. We thank you for your continued support, especially as AUS navigates these.

COVID-19 Financial Impact and September 2020 Financial Results

Passenger numbers from August to September remained more or less steady month over month. Passenger numbers for September were down 70.4% when compared to 2019.

Last month we also finalized CARES Act draws for Fiscal Year 2020 totaling \$21.5 million.

We are considering the need to raise the Customer Facility Charge (a component of our revenues for the Rental Car Center) rate from \$5.95 to \$8.50 starting on January 1, 2021. This increase is designed to meet the FY21 revenue requirements of the Rental Car Center Special Facility Bond Indenture. We have met with the developer of the Consolidated Rental Car Center and the rental car companies regarding the recommendation to increase the Customer Facility Charge rate to \$8.50, and are finalizing a timetable for debt restructuring.

Air Service

Air service continues a gradual comeback at AUS, with more than a dozen routes resuming in Austin this month. From an air cargo perspective, cargo numbers remain robust, up 58.9% in September compared to 2019, with Amazon Air

remaining in the top position at AUS. We have included the Air Service Report as a separate Commission written briefing.

Airport Concessions

As passenger traffic continues to increase and state and local governments continue to modify guidelines for restaurant and retail business operations, AUS concessionaires are adjusting their hours of operations and are continuing to reopen some previously suspended venues based on actual and projected traffic flows and gate re-openings. We are keeping passengers up-to-date on concession offerings and availability through AUS social media platforms.

Current Airport Construction & Airport Expansion Program

Repaving and electrical improvements are wrapping up on the East runway and crews have begun the physical work to rename it from 17L-35R to 18L-36R, including updating painted numbers and sign panels to match the new name. The East runway is scheduled to reopen in late November, shifting all aircraft traffic to take off and land on the reopened runway as work begins on the West runway.

Operations

ABIA Parking continues to offer special discounted rates for the Red and Blue Garages while Economy Parking and valet services are temporarily suspended.

AUS has relaunched in-terminal music with AUS Live & Instrumental, featuring new safety protocols. The goal of the program is to provide passengers with local entertainment while in the terminal, and to continue providing paid gigs for the Austin creative community during a challenging time. AUS anticipates music performances to return to the Asleep at the Wheel main stage and restaurant locations throughout the Barbara Jordan Terminal soon, with new COVID-19 safety protocols in place to protect performers and passengers.

For up to date information on the airport, please continue to check our website at www.austintexas.gov/airport. Please stay healthy and strong.

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, 2020 - Close II

	Amended Budget	Current Year Estimate	Year to Date w/ Accruals	Y-T-D Variance to Budget Fav (Unfav)	Y-T-D % Variance Fav (Unfav)	Y-T-D Variance to CYE Fav (Unfav)	Y-T-D % Variance Fav (Unfav)
REVENUE							
AIRLINE REVENUE							
Landing Fees	36,137,000.00	32,339,000.00	24,318,648.40	(11,818,351.60)	(32.7%)	(8,020,351.60)	(24.8%)
Terminal Rental & Other Fees	55,696,000.00	42,261,000.00	49,381,268.27	(6,314,731.73)	(11.3%)	7,120,268.27	16.8%
TOTAL AIRLINE REVENUE	91,833,000.00	74,600,000.00	73,699,916.67	(18,133,083.33)	(19.7%)	(900,083.33)	(1.2%)
NON-AIRLINE REVENUE							
Parking	42,063,829.00	22,067,987.00	23,813,247.04	(18,250,581.96)	(43.4%)	1,745,260.04	7.9%
Ground Transportation for Hire	6,758,576.00	4,344,652.00	3,912,753.50	(2,845,822.50)	(42.1%)	(431,898.50)	(9.9%)
Rental Cars	15,389,147.00	7,788,914.00	10,259,194.77	(5,129,952.23)	(33.3%)	2,470,280.77	31.7%
Food & Beverage	15,306,786.00	10,152,482.00	7,044,921.70	(8,261,864.30)	(54.0%)	(3,107,560.30)	(30.6%)
Retail	4,563,595.00	5,037,006.00	3,241,391.81	(1,322,203.19)	(29.0%)	(1,795,614.19)	(35.6%)
Advertising	2,457,056.00	1,750,000.00	2,108,647.91	(348,408.09)	(14.2%)	358,647.91	20.5%
Other Concessions, Rentals & Fees	15,959,811.00	13,914,771.00	15,273,567.93	(686,243.07)	(4.3%)	1,358,796.93	9.8%
TOTAL NON-AIRLINE REVENUE	102,498,800.00	65,055,812.00	65,653,724.66	(36,845,075.34)	(35.9%)	597,912.66	0.9%
Interest Income	1,509,788.00	1,208,114.00	812,923.95	(696,864.05)	(46.2%)	(395,190.05)	(32.7%)
TOTAL REVENUE	195,841,588.00	140,863,926.00	140,166,565.28	(55,675,022.72)	(28.4%)	(697,360.72)	(0.5%)
OPERATING REQUIREMENTS							
Fac Mgmt, Ops and Airport Security	71,245,679.00	59,086,928.00	58,573,742.81	(12,671,936.19)	(17.8%)	513,185.19	0.9%
Airport Planning and Development	7,966,822.00	6,564,159.00	5,773,640.59	(2,193,181.41)	(27.5%)	790,518.41	12.0%
Support Services	28,900,318.00	24,887,639.00	24,833,178.27	(4,067,139.73)	(14.1%)	54,460.73	0.2%
Business Services	16,261,823.00	11,168,473.00	10,272,506.61	(5,989,316.39)	(36.8%)	895,966.39	8.0%
TOTAL OPERATING EXPENSES	124,374,642.00	101,707,199.00	99,453,068.28	(24,921,573.71)	(20.0%)	2,254,130.73	2.2%
Debt Service							
2013 Prosperity Bank Loan	5,409,080.00	5,409,080.00	5,409,100.00	20.00	0.0%	(20.00)	0.0%
2014 Bond Issuance	7,077,869.00	7,077,869.00	7,077,794.00	(75.00)	0.0%	75.00	0.0%
2017 Bond Issuance	9,962,554.00	9,962,554.00	9,962,559.00	5.00	0.0%	(5.00)	0.0%
2019 Refunding Bonds	16,050,619.00	16,050,619.00	16,049,688.00	(931.00)	0.0%	931.00	0.0%
2019 New Money	0.00	4,320,633.00	4,326,750.00	4,326,750.00	N/A	(6,117.00)	(0.1%)
TOTAL Net Debt Service	38,500,122.00	42,820,755.00	42,825,891.00	4,325,769.00	11.2%	(5,136.00)	(0.0%)
OTHER REQUIREMENTS							
Workers' Compensation	459,386.00	459,386.00	459,386.00	0.00	0.0%	0.00	0.0%
Citywide Administrative Support	5,749,656.00	5,749,656.00	5,749,656.00	0.00	0.0%	0.00	0.0%
Communications & Technology Mgmt	1,817,925.00	1,817,925.00	1,817,925.00	0.00	0.0%	0.00	0.0%
Accrued Payroll	354,511.00	354,511.00	354,511.00	0.00	0.0%	0.00	0.0%
Wage Adjustment Markets	401,369.00	0.00	0.00	(401,369.00)	(100.0%)	0.00	N/A
Operating Reserve	3,400,100.00	40,700.00	0.00	(3,400,100.00)	(100.0%)	40,700.00	100.0%
CTECC	205,514.00	205,514.00	205,514.00	0.00	0.0%	0.00	0.0%
Trunked Radio Allocation	317,231.00	317,231.00	317,231.00	0.00	0.0%	0.00	0.0%
Public Works Capital Projects Mgmt Fund	3,399,372.00	3,399,372.00	3,399,372.00	0.00	0.0%	0.00	0.0%
TOTAL OTHER REQUIREMENTS	16,105,064.00	12,344,295.00	12,303,595.00	(3,801,469.00)	(23.6%)	40,700.00	0.3%
TOTAL REQUIREMENTS	178,979,828.00	156,872,249.00	154,582,554.28	(24,397,273.72)	(13.6%)	2,289,694.72	1.5%
EXCESS (DEFICIT) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS							
	16,861,760.00	(16,008,323.00)	(14,415,989.00)	(31,277,749.00)	(185.5%)	1,592,334.00	(9.9%)
CARES Act Reimbursement (Parking)							
	0.00	0.00	(2,787,153.49)	(2,787,153.49)	N/A	2,787,153.49	N/A
CARES Act Reimbursement (Debt Service)							
	0.00	(6,383,292.00)	(18,759,627.98)	(18,759,627.98)	N/A	12,376,335.98	(193.9%)
TOTAL CARES ACT REIMBURSEMENT	0.00	(6,383,292.00)	(21,546,781.47)	(21,546,781.47)	N/A	15,163,489.47	(237.5%)
EXCESS (DEFICIT) OF TOTAL AFTER CARES ACT	16,861,760.00	(9,625,031.00)	7,130,792.47	(9,730,967.53)	(57.7%)	16,755,823.47	(174.1%)

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

ENPLANEMENTS	Passengers	% Inc/(Dec)
September, 2020 (Month over Month)	207,968	-70.45%
September, 2020 - Year-to-Date	4,723,544	-44.20%

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

This month - This Year vs. Last Year
FY20 (Sep 20) vs FY19 (Sep 19)

Line Item	FY20 Sep-20	FY19 Sep-19	Fav (Unfav) \$ Variance	Fav (Unfav) % Variance
Airline Revenue				
Landing Fees	1,334,862.12	2,871,761.15	(1,536,899.03)	(53.5%)
Terminal Rental & Other Fees	3,792,956.92	4,455,165.68	(662,208.76)	(14.9%)
Total Airline Revenue	5,127,819.04	7,326,926.83	(2,199,107.79)	(30.0%)
Non-Airline Revenue				
Parking	1,267,166.79	3,749,604.81	(2,482,438.02)	(66.2%)
Ground Transportation for Hire	133,212.00	606,852.50	(473,640.50)	(78.0%)
Rental Cars	(95,327.42)	962,784.84	(1,058,112.26)	(109.9%)
Food & Beverage	326,680.93	973,872.75	(647,191.82)	(66.5%)
Retail	198,836.79	422,216.60	(223,379.81)	(52.9%)
Advertising	81,892.33	222,007.32	(140,114.99)	(63.1%)
Other Concessions, Rentals & Fees	1,902,175.70	2,235,422.40	(333,246.70)	(14.9%)
Total Non-Airline Revenue	3,814,637.12	9,172,761.22	(5,358,124.10)	(58.4%)
Total Operating Revenue	8,963,247.04	16,683,325.88	(7,720,078.84)	(46.3%)
Operating Requirements				
Fac Mgmt, Ops and Airport Security	6,709,086.70	7,456,279.35	747,192.65	10.0%
Airport Planning and Development	538,398.50	575,453.64	37,055.14	6.4%
Support Services	2,516,594.43	3,297,699.61	781,105.18	23.7%
Business Services	350,932.98	1,790,148.46	1,439,215.48	80.4%
Total Operating Expense	10,115,012.61	13,119,581.06	3,004,568.45	22.9%
Debt Service				
GO Debt Service Fund	0.00	142.64	142.64	100.0%
2013A Revenue Refunding Bonds	0.00	0.00	0.00	N/A
2013 Prosperity Bank Loan	450,700.00	451,306.25	606.25	0.1%
2014 Bond Issuance	589,839.62	589,820.17	(19.45)	(0.0%)
2017 Bond Issuance	836,388.20	788,119.03	(48,269.17)	(6.1%)
2019 Refunding Bonds	1,401,131.04	1,614,477.31	213,346.27	13.2%
2019 New Money	474,000.00	165,695.83	(308,304.17)	(186.1%)
2005 Variable rate Notes (Swap)	0.00	(247.26)	(247.26)	100.0%
2005 Variable rate Notes Fees	0.00	0.00	0.00	N/A
Total Debt Service	3,752,058.86	3,609,313.97	(142,744.89)	(4.0%)
Other Requirements				
Workers' Compensation	38,284.00	39,060.00	776.00	2.0%
Citywide Administrative Support	479,138.00	470,465.00	(8,673.00)	(1.8%)
Communications & Technology Mgmt	151,491.00	156,780.00	5,289.00	3.4%
Accrued Payroll	29,542.58	39,956.50	10,413.92	26.1%
Operating Reserve	0.00	27,478.09	27,478.09	100.0%
CTECC	17,128.00	17,670.00	542.00	3.1%
Trunked Radio Allocation	26,435.00	25,130.00	(1,305.00)	(5.2%)
Public Works Capital Projects Mgmt Fund	283,281.00	182,960.00	(100,321.00)	(54.8%)
Total Other Requirements	1,025,299.58	959,499.59	(65,799.99)	(6.8%)
Total Requirements	14,892,371.05	17,688,394.62	2,796,023.57	15.8%
SURPLUS (DEFICIT) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	\$ (5,929,124.01)	\$ (1,005,068.74)	\$ (4,924,055.27)	489.9%
CARES Act Reimbursement (Parking)	0.00	0.00	0.00	N/A
CARES Act Reimbursement (Debt Service)	(3,796,902.79)	0.00	3,796,902.79	N/A
Total CARES Act	(3,796,902.79)	0.00	3,796,902.79	N/A
TOTAL SURPLUS (DEFICIT) AFTER CARES ACT	\$ (2,132,221.22)	\$ (1,005,068.74)	\$ (1,127,152.48)	112.1%

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

Fiscal YTD - This Year vs. Last Year
FY20 (Oct 19 - Sep 20) vs FY19 (Oct 18 - Sep 19)

Line Item	FY20 YTD Sep-20	FY19 YTD Sep-19	Fav (Unfav) \$ Variance	Fav (Unfav) % Variance
Airline Revenue				
Landing Fees	24,318,648.40	34,220,831.77	(9,902,183.37)	(28.9%)
Terminal Rental & Other Fees	49,381,268.27	51,321,078.52	(1,939,810.25)	(3.8%)
Total Airline Revenue	73,699,916.67	85,541,910.29	(11,841,993.62)	(13.8%)
Non-Airline Revenue				
Parking	23,813,247.04	41,682,341.52	(17,869,094.48)	(42.9%)
Ground Transportation for Hire	3,912,753.50	6,369,974.50	(2,457,221.00)	(38.6%)
Rental Cars	10,259,194.77	14,784,392.52	(4,525,197.75)	(30.6%)
Food & Beverage	7,044,921.70	11,773,086.40	(4,728,164.70)	(40.2%)
Retail	3,241,391.81	4,530,436.17	(1,289,044.36)	(28.5%)
Advertising	2,108,647.91	2,648,154.10	(539,506.19)	(20.4%)
Other Concessions, Rentals & Fees	15,273,567.93	15,959,628.43	(686,060.50)	(4.3%)
Total Non-Airline Revenue	65,653,724.66	97,748,013.64	(32,094,288.98)	(32.8%)
Total Operating Revenue	140,166,565.28	185,048,336.76	(44,881,771.48)	(24.3%)
Operating Requirements				
Fac Mgmt, Ops and Airport Security	58,573,742.81	58,694,991.26	121,248.45	0.2%
Airport Planning and Development	5,773,640.59	4,339,021.80	(1,434,618.79)	(33.1%)
Support Services	24,833,178.27	23,909,872.43	(923,305.84)	(3.9%)
Business Services	10,272,506.61	15,313,930.51	5,041,423.90	32.9%
Total Operating Expense	99,453,068.28	102,257,816.00	2,804,747.72	2.7%
Debt Service				
GO Debt Service Fund	0.00	1,712.00	1,712.00	100.0%
2013A Revenue Refunding Bonds	0.00	91,461.90	91,461.90	100.0%
2013 Prosperity Bank Loan	5,409,100.00	5,322,666.86	(86,433.14)	(1.6%)
2014 Bond Issuance	7,077,794.00	6,120,135.19	(957,658.81)	(15.6%)
2017 Bond Issuance	9,962,569.00	3,779,013.97	(6,183,545.03)	(163.6%)
2019 Refunding Bonds	16,049,688.00	7,162,631.43	(8,887,056.57)	(124.1%)
2019 New Money	4,326,750.00	745,631.25	(3,581,118.75)	(480.3%)
2005 Variable rate Notes (Swap)	0.00	9,196,426.01	9,196,426.01	100.0%
2005 Variable rate Notes Fees	0.00	756,911.12	756,911.12	100.0%
Total Debt Service	42,825,891.00	33,176,589.73	(9,649,301.27)	(29.1%)
Other Requirements				
Workers' Compensation	459,386.00	468,733.00	9,347.00	2.0%
Citywide Administrative Support	5,749,656.00	5,645,592.00	(104,064.00)	(1.8%)
Communications & Technology Mgmt	1,817,925.00	1,861,346.00	63,421.00	3.4%
Accrued Payroll	354,511.00	479,478.00	124,967.00	26.1%
Operating Reserve	0.00	2,735,678.09	2,735,678.09	100.0%
CTECC	205,514.00	212,066.00	6,552.00	3.1%
Trunked Radio Allocation	317,231.00	301,549.00	(15,682.00)	(5.2%)
Public Works Capital Projects Mgmt Fund	3,399,372.00	2,195,522.00	(1,203,850.00)	(54.8%)
Total Other Requirements	12,303,595.00	13,919,964.09	1,616,369.09	11.6%
Total Requirements	154,582,554.28	149,354,369.82	(5,228,184.46)	(3.5%)
SURPLUS (DEFICIT) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	\$ (14,415,989.00)	\$ 35,693,966.94	\$ (50,109,955.94)	(140.4%)
CARES Act Reimbursement (Parking)	(2,787,153.49)	0.00	2,787,153.49	N/A
CARES Act Reimbursement (Debt Service)	(18,759,627.98)	0.00	18,759,627.98	N/A
Total CARES Act	(21,546,781.47)	0.00	21,546,781.47	N/A
TOTAL SURPLUS (DEFICIT) AFTER CARES ACT	\$ 7,130,792.47	\$ 35,693,966.94	\$ (28,563,174.47)	(80.0%)



November 2020 Air Service Snapshot

After months of COVID-19 impacts, including airline cost reduction initiatives, capacity constraint and business model adaptations, and in spite of surging Covid-19 cases and government restrictions, traffic and capacity at AUS is ever so slowly increasing in November 2020, compared to previous months.

All carriers significantly reduced capacity at all U.S. airports in April and May of 2020. Since then, carriers have slowly reinstated capacity. The chart below shows the peak of capacity cuts: in May 2020, AUS monthly seat capacity was down 77% compared to May 2019. Months since May 2020 has seen slight improvement (note that November and December 2020 figures are preliminary as carriers have been adjusting close-in schedules).

Airlines are responding pretty much real-time with schedule changes, last minute. AUS schedules are dynamic.

The challenge is airlines do not have nearly the insight on passenger booking behavior. Customers are booking very close in. Airlines are in a survivable and sustainable position as long as they maintain capacity discipline.

International air service has evaporated with exception of Mexico leisure. Leisure markets in Mexico such as Cancun and Cabo San Lucas (SJD) return to AUS this Fall.

November includes the Thanksgiving holiday, and Southwest Airlines, AUS's largest carrier by capacity and passengers, is increasing its AUS holiday capacity (seats for sale) by 32% Thanksgiving week compared to other weeks in its November schedule. AUS also will see reinstatement in November by various carriers of some routes not flown in the last several months.

Reinstated domestic routes—have not been operated for two months or more—that will be reintroduced in November 2020 include:

American-LAX

Alaska-PDX

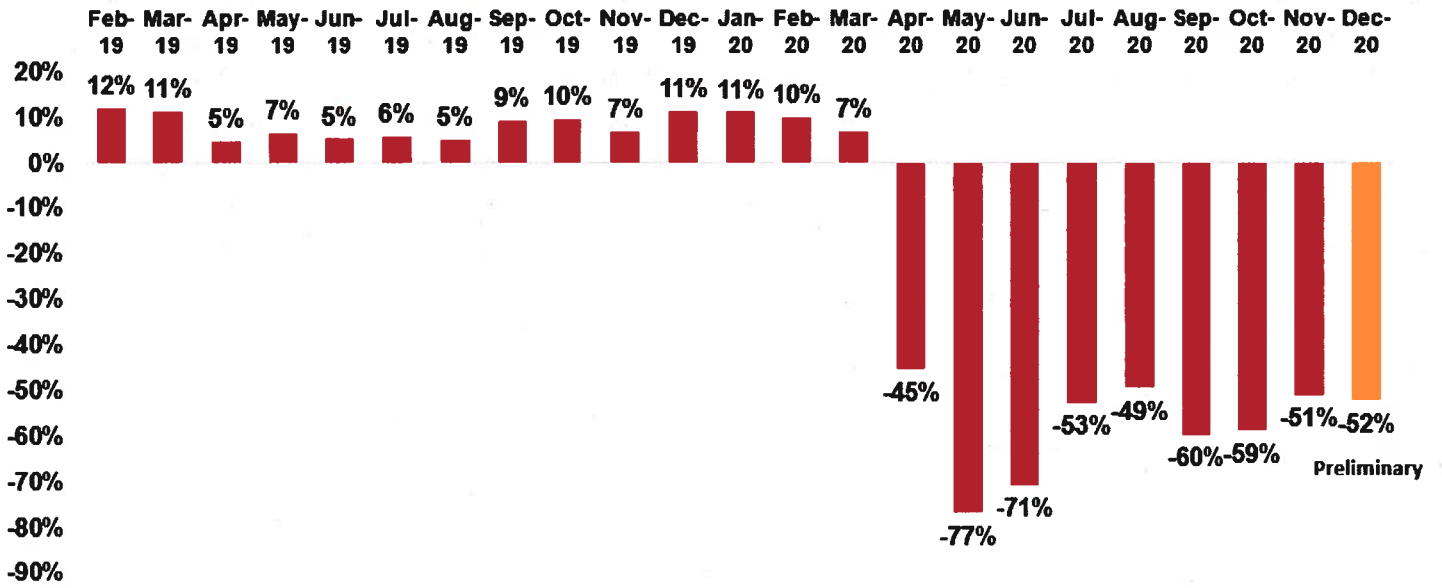
Spirit-EWR

Southwest-ABQ, CUN, DCA, FLL, HRL, IND, LGB, MCI, MCO, RDU, SJD, SLC, SMF, TPA

Overall, AUS capacity/seats are down -51% November 2020 vs. November 2019, and frequencies/departures are down -49.9% November 2020 vs. November 2019.

AUS Capacity had been Growing Before COVID

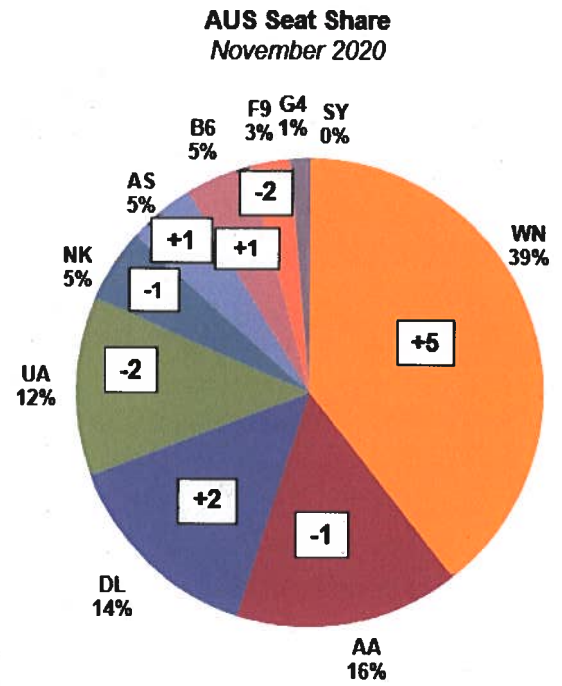
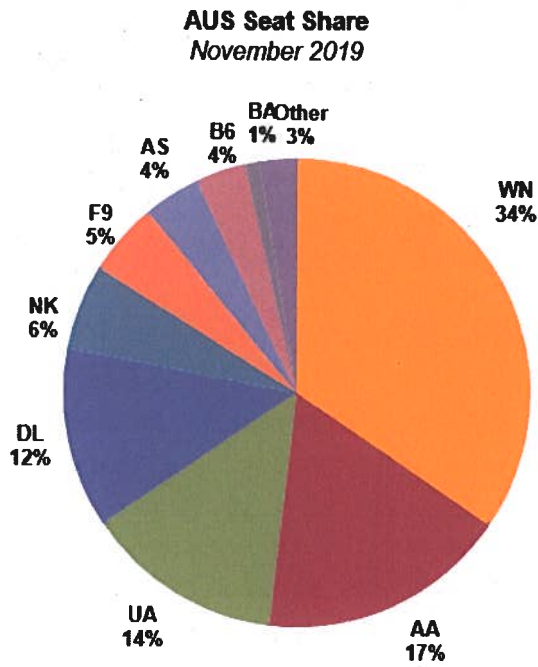
Year Over Year Change in Seat Capacity



Source: Cirium schedules.



November 2019 and 2020 AUS Seat Share



**Point
Change**

1 Source: Cirium schedules for November 2019 and 2020.



BYLAWS OF THE
Austin Airport Advisory Board Commission

ARTICLE 1. NAME.

The name of the board is the **Austin Airport Advisory Board (AAB) Commission**

ARTICLE 2. PURPOSE AND DUTIES.

~~The purpose of the board is to review and make recommendations to the Council on aviation projects that the Department of Aviation proposes for the capital improvements program, proposed aviation contracts, annual operating budget and quality of services at Austin Bergstrom International Airport.~~

- (A) The Austin Airport Advisory Board (AAB) reviews, assesses and makes recommendations to Austin City Council concerning the Austin-Bergstrom International Airport (AUS):
- Capital improvement projects,
 - Proposed aviation grants,
 - Proposed aviation contracts,
 - Annual operating budgets, and
 - Quality of services and customer experience.
- (B) In its recommendations, AAB ensures consistency with good business practices, integrity and the values of the City of Austin and AUS, including:
- Safety,
 - Public service & engagement,
 - Responsibility & accountability,
 - Innovation & sustainability,
 - Diversity & inclusion, and
 - Ethics & integrity.
- (C) The AAB advises and offers help to solve problems and advance the mission and initiatives of AUS.
- (D) The AAB brings citizen input to the airport leadership and engages community stakeholders as needed to promote public awareness and good decision making.

- (E) The AAB facilitates and promotes communication between the AUS staff and Austin City Council.
- (F) In all their work, members of the AAB advocate the interests of the airport's customers, City of Austin citizens, and the Austin City Council.

ARTICLE 3. MEMBERSHIP.

- (A) The board is composed of eleven members appointed by the city council.
- (B) A member serves at the pleasure of the city council.
- (C) Board members serve for a term of four years beginning March 1st on the year of appointment.
- (D) An individual board member may not act in an official capacity except through the action of the board.
- (E) A board member who is absent for three consecutive regular meetings or one-third of all regular meetings in a "rolling" twelve month timeframe automatically vacates the member's position subject to the holdover provisions in Section 2-1-27 of the City Code. This does not apply to an absence due to illness or injury of the board member, an illness or injury of a board member's immediate family member, active military service, or the birth or adoption of the board member's child for 90 days after the event. The board member must notify the staff liaison of the reason for the absence not later than the date of the next regular meeting of the board. Failure to notify the liaison before the next regular meeting of the board will result in an unexcused absence.
- (F) At each meeting, each board member shall sign an attendance sheet which indicates that the member does not have a conflict of interest with any item on that agenda, or identifies each agenda item on which the member has a conflict of interest. Failure to sign the sheet results in the member being counted as absent and his/her votes are not counted.
- (G) A member who seeks to resign from the board shall submit a written resignation to the chair of the board, the staff liaison, or the city clerk's office. If possible, the resignation should allow for a thirty day notice so the city council can appoint a replacement.

ARTICLE 4. OFFICERS.

- (A) The officers of the board shall consist of a chair and a vice-chair.
- (B) Officers shall be elected annually by a majority vote of the board at the first regular meeting after April 1st. In the event a current officer becomes ineligible to serve as an officer, the board may hold an emergency election as needed.
- (C) The term of office shall be one year, beginning May 1st and ending April 30th. An officer may continue to serve until a successor is elected. A person may not serve as an officer in a designated position of a board for more than four consecutive one-year terms. A person who has served as an officer in a designated position of a board for four consecutive terms is not eligible for re-election to

that designated office until the expiration of two years after the last date of the person's service in that office. The board may override the term limit provision for an officer by an affirmative vote of two-thirds of the authorized board members.

- (D) A member may not hold more than one office at a time.

ARTICLE 5. DUTIES OF OFFICERS.

- (A) The chair shall preside at board meetings, appoint all committees, represent the board at ceremonial functions and approve each final meeting agenda.
- (B) In the absence of the chair, the vice-chair shall perform all duties of the chair.

ARTICLE 6. AGENDAS.

- (A) Two or more board members may place an item on the agenda by oral or written request to the staff liaison at least five days before the meeting. After first consulting with and receiving input from the staff liaison, the chair shall approve each final meeting agenda.
- (B) The board liaison shall submit the meeting agenda through the online agenda posting system for each meeting not less than 72 hours before the meeting.
- (C) Posting of the agenda must comply with Texas Government Code Chapter 551 (Texas Open Meetings Act).

ARTICLE 7. MEETINGS.

- (A) The board meetings shall comply with Texas Government Code Chapter 551 (Texas Open Meetings Act).
- (B) Board meetings shall be governed by Robert's Rules of Order.
- (C) The board may not conduct a closed meeting without the approval of the city attorney.
- (D) The board shall meet monthly. In November of each year, the board shall adopt a schedule of the meetings for the upcoming year, including makeup meeting dates for the holidays and cancelled meetings.
- (E) The chair may call a special meeting, and the chair shall call a special meeting if requested by three or more members. The call shall state the purpose of the meeting. A board may not call a meeting in addition to its regular scheduled meetings as identified in its adopted meeting schedule, more often than once a quarter, unless the meeting is required to comply with a statutory deadline or a deadline established by Council.

- (F) Six members constitute a quorum.
- (G) If a quorum for a meeting does not convene within one-half hour of the posted time for the meeting, then the meeting may not be held.
- (H) To be effective, a board action must be adopted by an affirmative vote of the number of members necessary to provide a quorum.
- (I) The chair has the same voting privilege as any other member.
- (J) The board shall allow citizens to address the board on agenda items and during a period of time set aside for citizen communications. The chair may limit a speaker to three minutes.
- (K) The staff liaison shall prepare the board minutes. The minutes of each board meeting must include the vote of each member on each item before the board and indicate whether a member is absent or failed to vote on an item.
- (L) The city clerk shall retain agendas, approved minutes, internal review reports and bylaws. The Aviation Department shall retain all other board documents. The documents are public records under Texas Local Government Code Chapter 552 (Texas Public Information Act).
- (M) The chair shall adjourn a meeting not later than 10 p.m., unless the board votes to continue the meeting.
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- (O) A member of the public may not address a board at a meeting on an item posted as a briefing.

ARTICLE 8. COMMITTEES/WORKING GROUPS.

COMMITTEES

- (A) The Airport Advisory Commission will have no committees.
- (AB) Each committee must be established by an affirmative vote of the board. A committee cannot meet until its creation is approved by the Council Audit and Finance Committee. Each committee shall consist of at least three board members appointed by the chair. A staff member shall be assigned to each committee by the director of the Department of Aviation.
- (C) The board chair shall appoint a board member as the committee chair, with the member's consent.
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ARTICLE 9. PARLIAMENTARY AUTHORITY.

The rules contained in the current edition of Robert’s Rules of Order shall govern the board in all cases to which they are applicable, except when inconsistent with these bylaws or with special rules of procedure which the board or city council may adopt.

ARTICLE 10. AMENDMENT OF BYLAWS.

A bylaw amendment is not effective unless approved by the Council Audit and Finance Committee.

The bylaws were approved by the **Austin Airport Advisory Commission** at their meeting held on **November 10, 2020**.

(Signature of Executive or Staff Liaison)

Tracy Thompson, Esq.
Airport Chief Officer
Administrative & External Affairs
Department of Aviation

**BYLAWS OF THE
Austin Airport Advisory Board**

ARTICLE 1. NAME.

The name of the board is the Austin Airport Advisory Board (AAB)

ARTICLE 2. PURPOSE AND DUTIES.

- (A) The Austin Airport Advisory Board (AAB) reviews, assesses and makes recommendations to Austin City Council concerning the Austin-Bergstrom International Airport (AUS):
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(Signature of Executive or Staff Liaison)

Tracy Thompson, Esq.
Airport Chief Officer
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AUS September 2020 Financials



Austin-Bergstrom
International Airport



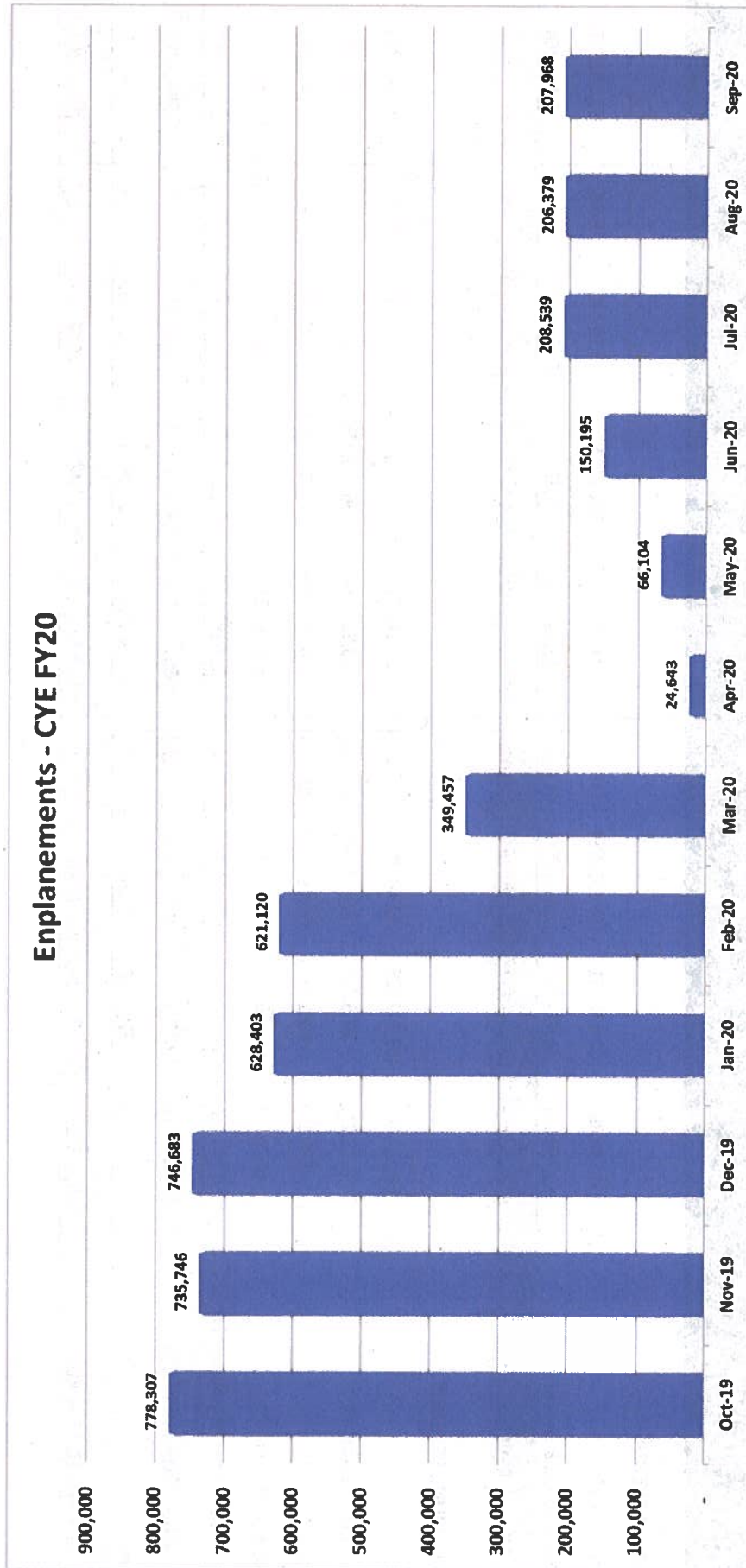
SEPTEMBER 2020 STATS

	Full Year Sep 20 Fiscal Yr	Full Year Sep 19 Fiscal Yr	Inc/(Dec)	Inc/(Dec) %
Enplaned Passengers	4,723,544	8,464,615	(3,741,071)	(44.2%)
Deplaned Passengers	4,711,341	8,442,060	(3,730,719)	(44.2%)
Total Passengers	9,434,885	16,906,675	(7,471,790)	(44.2%)
South Terminal Enplaned Pax	250,341	477,426	(227,085)	(47.6%)
ST - % of Total Enplaned Pax	5.3%	5.6%		
<i>in tons</i>				
Cargo	89,033	74,393	14,640	19.7%
Mail	4,132	4,947	(815)	(16.5%)
Belly Freight	7,305	10,782	(3,477)	(32.2%)
Landing Weights (lbs)	7,014,192,094	9,898,843,864	(2,884,651,770)	(29.1%)

	Sep-20	Sep-19	Inc/(Dec)	Inc/(Dec) %
Enplaned Passengers	207,968	703,770	(495,802)	(70.4%)
Deplaned Passengers	209,069	709,940	(500,871)	(70.6%)
Total Passengers	417,037	1,413,710	(996,673)	(70.5%)
South Terminal Enplaned Pax	8,540	48,328	(39,788)	(82.3%)
ST - % of Total Enplaned Pax	4.1%	6.9%		
<i>in tons</i>				
Cargo	10,131	5,488	4,643	84.6%
Mail	300	419	(119)	(28.4%)
Belly Freight	246	814	(567)	(69.7%)
Landing Weights (lbs)	378,925,681	848,899,951	(469,974,270)	(55.4%)



FY20 Passenger Trend



Austin-Bergstrom
International Airport

SEPTEMBER 2020 REVENUE

REVENUE - FY20		Var %	YTD Variance	YTD Var	YTD Variance v	YTD Var %
Sep-20	Sep-19	B/(W)	B/(W)	% B/(W)	CYE B/(W)	B/(W)
AIRLINE REVENUE						
Landing Fees	\$1,334,862	\$2,871,761	(\$1,536,899)	(53.5%)	(\$8,020,352)	(24.8%)
Terminal Rental & Other Fees	\$3,792,957	\$4,455,166	(\$662,209)	(14.9%)	\$7,120,268	16.8%
TOTAL AIRLINE REVENUE	\$5,127,819	\$7,326,927	(\$2,199,108)	(30.0%)	(\$900,083)	(1.2%)
NON-AIRLINE REVENUE						
Parking	\$1,267,167	\$3,749,605	(\$2,482,438)	(66.2%)	\$1,745,260	7.9%
Ground Transportation	\$133,212	\$606,853	(\$473,641)	(78.0%)	(\$431,899)	(9.9%)
Rental Cars	(\$95,327)	\$962,785	(\$1,058,112)	(109.9%)	\$2,470,281	31.7%
Food, Bev & Retail	\$525,518	\$1,396,089	(\$870,572)	(62.4%)	(\$4,544,527)	(26.8%)
Advertising, Other Rentals and Fees	\$1,984,068	\$2,457,430	(\$473,362)	(19.3%)	\$1,358,797	9.8%
TOTAL NON-AIRLINE REVENUE	\$3,814,637	\$9,172,761	(\$5,358,124)	(58.4%)	\$597,913	0.9%
Interest	\$20,791	\$183,638	(\$162,847)	(88.7%)	(\$395,190)	(32.7%)
TOTAL OPERATING REVENUE	\$8,963,247	\$16,683,326	(\$7,720,079)	(46.3%)	(\$697,361)	(0.5%)



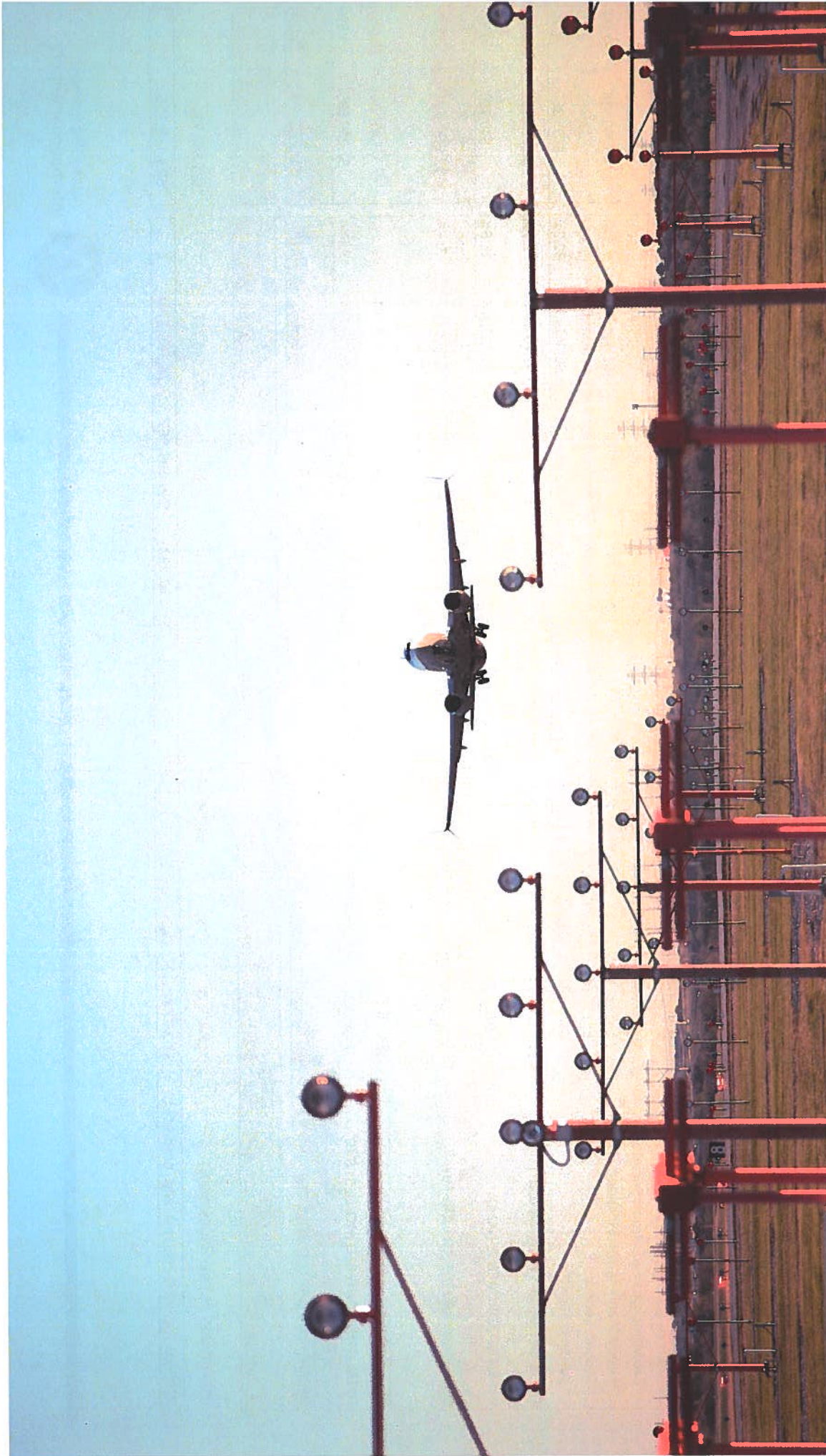
Austin-Bergstrom
International Airport

SEPTEMBER 2020 OPEX and NET INCOME

EXPENSES & INCOME FY20	Sep-20		Sep-19		Variance		Var %		Sep 20 YTD	Sep 19 YTD	YTD Variance		YTD Var		YTD Variance v		
	B/(W)	B/(W)	B/(W)	B/(W)	B/(W)	B/(W)	B/(W)	B/(W)	B/(W)	B/(W)	B/(W)	B/(W)	B/(W)	B/(W)	B/(W)	B/(W)	
OPERATING REQUIREMENTS																	
Fac Mgmt, Ops and Airport Security	\$6,709,087	\$7,456,279	\$747,193	10.0%	\$58,573,743	\$58,694,991	\$121,248	0.2%	\$513,185	\$513,185	\$0	0.0%	\$513,185	\$513,185	\$0	0.0%	
Airport Planning and Development	\$538,398	\$575,454	\$37,055	6.4%	\$5,773,641	\$4,339,022	(\$1,434,619)	(33.1%)	\$790,518	\$790,518	\$0	0.0%	\$790,518	\$790,518	\$0	0.0%	
Support Services	\$2,516,594	\$3,297,700	\$781,105	23.7%	\$24,833,178	\$23,909,872	(\$923,306)	(3.9%)	\$54,461	\$54,461	\$0	0.0%	\$54,461	\$54,461	\$0	0.0%	
Business Services	\$350,933	\$1,790,148	\$1,439,215	80.4%	\$10,272,507	\$15,313,931	\$5,041,424	32.9%	\$895,966	\$895,966	\$0	0.0%	\$895,966	\$895,966	\$0	0.0%	
TOTAL OPERATING REQ (AIRPORT)	\$10,115,013	\$13,119,581	\$3,004,568	22.9%	\$99,453,068	\$102,257,816	\$2,804,748	2.7%	\$2,254,131	\$2,254,131	\$0	0.0%	\$2,254,131	\$2,254,131	\$0	0.0%	
OTHER REQUIREMENTS (COA)	\$1,025,300	\$959,500	(\$65,800)	(6.9%)	\$12,303,595	\$13,919,964	\$1,616,369	11.6%	\$40,700	\$40,700	\$0	0.0%	\$40,700	\$40,700	\$0	0.0%	
OPERATING REQ BEFORE DEBT SVC	\$11,140,312	\$14,079,081	\$2,938,768	20.9%	\$111,756,663	\$116,177,780	\$4,421,117	3.8%	\$2,294,831	\$2,294,831	\$0	0.0%	\$2,294,831	\$2,294,831	\$0	0.0%	
DEBT SERVICE																	
	\$3,752,059	\$3,609,314	(\$142,745)	(4.0%)	\$42,825,891	\$33,176,590	(\$9,649,301)	(29.1%)	(\$5,136)	(\$5,136)	\$0	0.0%	(\$5,136)	(\$5,136)	\$0	0.0%	
TOTAL OPERATING REQ INCL DEBT SVC	\$14,892,371	\$17,688,395	\$2,796,024	15.8%	\$154,582,554	\$149,354,370	(\$5,228,184)	(3.5%)	\$2,289,695	\$2,289,695	\$0	0.0%	\$2,289,695	\$2,289,695	\$0	0.0%	
OPERATING INCOME BEFORE DEBT SVC	(\$2,177,065)	\$2,604,245	(\$4,781,310)	(183.6%)	\$28,409,902	\$68,870,557	(\$40,460,655)	(58.7%)	\$1,597,470	\$1,597,470	\$0	0.0%	\$1,597,470	\$1,597,470	\$0	0.0%	
SURPLUS (DEFICIT) - NET INCOME	(\$5,929,124)	(\$1,005,069)	(\$4,924,055)	489.9%	(\$14,415,989)	\$35,693,967	(\$50,109,956)	(140.4%)	\$1,592,334	\$1,592,334	\$0	0.0%	\$1,592,334	\$1,592,334	\$0	0.0%	
TOTAL CARES ACT REIMBURSEMENT	(\$3,796,903)	\$0	\$3,796,903		(\$21,546,781)	\$0	\$21,546,781		\$21,546,781	\$0	\$21,546,781		\$21,546,781	\$0	\$21,546,781		\$21,546,781
SURPLUS (DEFICIT) - Net Inc. with CARES Act	(\$2,132,221)	(\$1,005,069)	(\$1,127,152)		\$7,130,792	\$35,693,967	(\$28,563,174)		\$23,139,115	\$23,139,115	\$0		\$23,139,115	\$23,139,115	\$0		\$23,139,115



Austin-Bergstrom
International Airport



Hilton Austin Airport

Information for
Austin Airport Advisory Commission

City of Austin, Department of Aviation
November 10, 2020



Austin-Bergstrom
International Airport



AGENDA

- **Background information**
 - Property and Facility Information
 - Current Renovation
 - Structure and Operation
- **Current Financial Information**
 - ABLE 2020 Operating Budget – COVID-19 Impacts
 - ABLE 2020 Bond Program – COVID – 19 Impacts
- **Hotel Resiliency Program 2021-2022 (Proposed)**
 - Outline of Program
 - Next Steps
 - Potential future Austin City Council Actions



Hilton Austin Airport – Property Information

- **Summary of Salient Property Data**
 - Property Name: Hilton Austin Airport (Hilton)
 - Address: 9515 Hotel Drive, Austin, Texas 78719
 - Location: Austin-Bergstrom Intl. Airport (AUS)
 - Occupancy Rights: AUS Ground Lease
 - Title to Improvements: Vested in City of Austin as part of AUS operations



- **Land Description**
 - Area: 10.61 acres, or 462,019 square feet
 - Zoning: AV - Aviation Services
 - Assessor's Parcel Number(s): 855896
 - FEMA Flood Zone: Zone X



Austin-Bergstrom
International Airport

Hilton Austin Airport – Facility Information

- **Improvements Description**
 - Year Opened: 2001
 - Property Type: Full-service lodging facility
 - Building Area: 206,608 square feet
 - Guestrooms: 262
 - Number of Stories: Four
 - Meeting Space: 17,505 square feet
 - Parking Spaces: 278 (Surface)
 - Additional Facilities:
 - Outdoor pool, an outdoor whirlpool, fitness center, a lobby workstation, guest laundry room, and vending areas
 - Food and Beverage Facilities:
 - Restaurant and lounge, coffee shop



Hilton Austin Airport – Current Renovation Program

- **Phase 1: Guestrooms Renovation – \$11.0 million**

- Comprehensive renovations to all guestrooms, including:
 - Renovations to bathrooms
 - Furniture replacement
 - Soft goods replacement
- Anticipated Completion: **November 2020**

- **Phase 2: Meeting Spaces/Etc. – \$2.3 million**

- Renovations include:
 - Carpet and furniture replacement
 - Refinish of doors and wood trim
 - Replace outdoor brand signage
 - Rehabilitation of outdoor pool
- Anticipated Completion: **March 2021**



Hilton Austin Airport – Structure & Operations

- **Austin-Bergstrom Landhost Enterprises, Inc. (ABLE)**
 - Texas nonprofit public facility corporation created by City of Austin (City) in 1998
 - Authorized under Chapter 303 of Texas Local Government Code
- **ABLE acts on behalf of the Department of Aviation (Aviation Department)**
 - Created to be the Issuer of tax exempt bonds
 - Construct/improve public facilities at the Airport (Hilton Austin Airport)
 - Original bonds (1999) were refinanced in 2017 - \$45,600,000 (Bonds)
 - Aviation Department guarantees Bond payments – (Grant Agreement)
 - Ground lease/administrative payments are paid to Aviation Department

- **ABLE primary contracts for Hotel operations**

- Franchise Agreement - Hilton Franchise Holdings, LLC.
- Hotel Management Agreement – Boykin Prospera, LLC.



Austin-Bergstrom
International Airport

Hilton Austin Airport Current Operating Budget

- **COVID-19 Impacts 2020 operations (March – September)**

- Overall average occupancy has reduced to 28% of 2019 pre-COVID levels
- Revenues reflect 22% of 2019 pre-COVID levels
- Occupancy and revenues show modest increases since July, 2020

- **ABLE reduced Opex by 41%**

- Reductions in staffing
- Renegotiation of contracts
- Deferral of services and capital program
- Deferral of fees to franchisor/vendors

- **ABLE received PPP loan under CARES Act - \$907,555**

- **ABLE has implemented safety/cleaning measures for COVID impacts**



Hilton Austin Airport Current Bond Program

- **COVID -19 Impact to Calendar Year 2020 Bond Indenture requirements**
 - Grant Agreement between ABLE and Aviation Department
 - Requires payment by the Aviation Department to the Indenture Debt Service Reserve Fund (DSRF) in the event:
 - ABLE draws upon the DSRF to pay a Debt Service payments under the Bonds
 - Reimbursement to be made out of Aviation Department Surplus Airport System Revenues
 - October 1, 2020 payment amount of \$1,561,101 to DSRF to be paid by January, 2021
 - April 1, 2021 payment in the amount of \$1,084,500 to DSRF anticipated to be required
 - Future potential Grant payments will be analyzed in CY21 Q2
 - Indenture required consultant Reports and Contracts
 - Deferred fees/payments
 - Audit, Facility Assessment, and Revenue reports – compliance requirement
- **Deferred ABLE corporate consultant and legal fees**



Hilton Austin Airport Resiliency Program (Proposed)

• Resiliency Program - Calendar Years 2021 – 2022

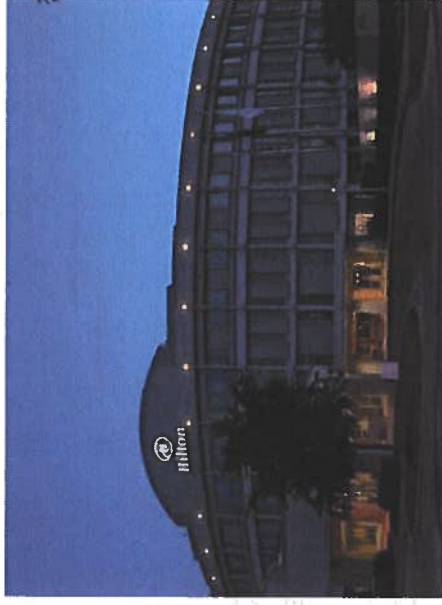
- Forecast period for Hotel economic recovery - two years
- Forecasted “break-even” revenues for Opex estimated to be mid-year 2021*

**assumptions include moderate timing for vaccine and economic recovery*

- Break-even operating revenues will not address debt service and other ABLE corporate costs

• Required measures for Aviation Department

- Grant Agreement - Required funding for DSRF
- Ground Lease – Continued waiver of Ground Lease payments
- Active management support - Aviation Department Staff
- New Loan Agreement – To cover short fall in revenues for Opex & ABLE corporate costs



Hilton Austin Airport Resiliency Program (Proposed)

- **Proposed Loan Agreement - Calendar Years 2021 – 2022**
 - Authorized under Chapter 380, Texas Local Government Code
 - Loan amount to be determined based on Opex forecast, accounts payable, and ABLE corporate requirements
 - Loan structure is intended to reflect “working capital line of credit”
 - Repayment time frame to be modeled – based on Bond Indenture flow of funds
 - Loan Agreement Process –
 - To be negotiated with Law Dept., Aviation Dept., and ABLE legal counsel
 - Program and documentation to be approved by Austin City Council
- **Actions for City Council**
 - Nov or Dec. 2020 – ABLE corporate ancillary documents
 - Jan. 2021 - Loan Agreement and related briefing materials



Thank You
City of Austin, Department of Aviation
Austin-Bergstrom International Airport

