

Regular Meeting of the Airport Advisory Commission

February 9, 2021

Airport Advisory Commission to be held February 9, 2021 with Social Distancing Modifications

Public comment will be allowed via telephone; no in-person input will be allowed. **All speakers must register in advance** (2/8/2021 by noon). All public comment will occur at the beginning of the meeting.

To speak remotely at the February 9, 2021 **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 (February 9, 2021)

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 (2/8/2021 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
February 9, 2021 3:00 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

January 12, 2021 - Meeting

2. DEPARTMENT OF AVIATION WRITTEN STAFF BRIEFINGS

- a) Chief Executive Officer's Report regarding Air Service, Concessions, Parking, COVID-19 Financial Impact, Construction Highlights, and Media
(Prepared by Jacqueline Yaft, Chief Executive Officer)
- b) AUS December 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) Airport Advisory Commission Bylaws to go to City Council February 18, 2021.

4. FOR RECOMMENDATION

- a) Approve a resolution authorizing negotiation and execution of a Local On-System Improvement Project with the Texas Department of Transportation in an amount not to exceed \$50,951 for improvements on US 183 at Metropolis Drive that will allow access to a new fuel storage facility.

Funding in the amount of \$50,951 is available in the Fiscal Year 2020-2021 Capital Budget of the Aviation Department.

5. DEPARTMENT OF AVIATION VERBAL BRIEFINGS

- a) Capital Metro Project Connect – Blue Line Briefing
(Introduction by Shane Harbinson, Deputy Chief – Planning, Presented by David Couch-Project Connect Program Officer, and Stephen Roth-Associate Vice President, Group Director at HNTB)

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 March 9, 2021 at 3:00 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

ITEM 1. APPROVAL OF MINUTES

JANUARY 12, 2021 - MEETING





**AIRPORT ADVISORY COMMISSION
REGULAR MEETING MINUTES
TUESDAY, JANUARY 12, 2021**

The Airport Advisory Commission convened in a Virtual Regular Meeting on Tuesday, January 12, 2021.

CALL TO ORDER

Eugene Sepulveda, Chair called the Commission Meeting to order at 3:05 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	Brian Stoller

Commission Members Absent:

Billy Owens

Aviation Staff in Attendance:

Jacqueline Yaft	Brian Long
Tracy Thompson	Ammie Calderon
Rajeev Thomas	
Shane Harbinson	

CITIZENS COMMUNICATIONS:

Marshall Fein with Conrac spoke on item 4.a

1. APPROVAL OF MINUTES

- a) The minutes from the meeting of January 12, 2021 were approved on Commission Member Saulmon’s motion, Commission Member Hendricks seconds on a vote. Motion passed on passed on a 10-0-0-1 vote. Commission Member Owens was absent at this vote.

2. DEPARTMENT OF AVIATION STAFF WRITTEN BRIEFINGS

- a) Chief Executive Officer's Report
(Prepared by Jacqueline Yaft, Chief Executive Officer)
- b) AUS November 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

No Items

4. FOR RECOMMENDATION

- a) Airport Advisory Commission recommendation to Austin City Council regarding approval of an ordinance authorizing the issuance and sale of City of Austin Rental Car Special Facility Revenue Bonds, Taxable Series 2021, in a par amount not to exceed \$170,000,000 in accordance with the parameters set out in the ordinance, authorizing related documents, approving the payment of related fees and costs of issuance, and providing that the issuance and sale be accomplished by June 30, 2021.

The City of Austin Rental Car Special Facility Revenue Bonds, Taxable Series 2021, (the "Bonds") are being issued to refund the outstanding \$137,565,000 City of Austin Rental Car Special Facility Revenue Bonds, Taxable Series 2013 (the "2013 Bonds"). The City's financial advisor, PFM Financial Advisors LLC, has advised that refunding the 2013 Bonds will provide cash flow relief in the next few years to offset the loss in revenue due to COVID-19.

A motion to approve was made by Commission Member Madole's motion, Commission Member Stoller seconds on a vote. Motion passed on a 10-0-0-1 vote. Commission Member Owen's was absent at this vote.

- b) Airport Advisory Commission recommendation to Austin City Council regarding approval for the award of multi-term contracts with Austin Armature Works, LP and Liber Holdings, LLC to provide heating, ventilation air conditioning and conveyor parts, and repairs for up to five years for a total contract amount not to exceed \$413,000 divided between the contractors.

Funding in the amount of \$53,250 is available in the Fiscal Year 2020-2021 Operating Budget of the Aviation Department. Funding in the amount of \$592 is available in the Fiscal Year 2020-2021 for the Austin Convention Center Department. Funding for the remaining contract term is contingent upon available funding in future budgets.

A motion to approve was made by Commission Member Madole's motion, Commission Member Watry seconds on a vote. Motion passed on a 10-0-0-1 vote. Commission Member Owen's was absent at this vote.

5. DEPARTMENT OF AVIATION VERBAL BRIEFINGS

- a) AUS Capital Improvement Program Environmental Assessment (EA) Briefing
(Presented by Kane Carpenter – Environmental Manager)

6. NEW BUSINESS

- a) Review of Commission Recommendations and Actions to discuss with appointing City Council Member
- CEO gave a report of great holiday traffic, the continuation of focusing on employee, customer, and partner safety. Encouragement has given by the announcement of new routes by several carriers.
 - Financial Report – Passenger traffic is of course lower than last year while cargo traffic continues to increase. Revenues and expenses are coming in at the new budget as well as net.
 - Refinancing – The Working Group unanimously approved the refinance of the Rental Car Facility.
 - Briefing was given on the Environmental Assessment that will be taking place over the next year. A final report is to be given February 2022.
- b) Future Agenda Items
- c) Next scheduled meeting February 9, 2020 at 3:00 p.m.

ADJOURNMENT

Eugene Sepulveda, Chair adjourned the meeting at 4:13 p.m.

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

DRAFT



AIRPORT ADVISORY COMMISSION

ITEM 2a. DEPARTMENT OF AVIATION WRITTEN STAFF BRIEFINGS

- a) Chief Executive Officer's Report
Air Service, Concessions, Parking, COVID-19 Financial Impact,
Construction Highlights, and Media
(Prepared by Jacqueline Yaft, Chief Executive Officer)





MEMORANDUM

TO: Chair Eugene Sepulveda and Airport Advisory Commissioners

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

DATE: February 9, 2021

SUBJECT: Austin-Bergstrom International Airport (AUS) Update

To keep Airport Advisory Commission members apprised of updates from the Department of Aviation, we intend to share monthly updates with you. Please accept the following the memo as the latest update from Aviation staff. We thank you for your continued support, especially as AUS navigates the challenges we face due to the pandemic.

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 changes as we adapt to the pandemic. We look forward to providing you with regular updates of our operations.

Air Service

The AUS incentive program designed to retain and recruit air service in a competitive environment has been successfully adopted. The revised incentive program includes a new section, *International Reinstatements*, which targets international carriers.

Alaska Airlines announced service between AUS and LAX. The service starts March 18, and will start at 1x daily and will increase to 3x daily by summer. The LAX-AUS route is one of our busier services, with other airlines offering this service. The high demand remains and we are proud to provide our customers with options. The smaller carrier growth also signals good news.

American Airlines is resuming service to LAX and PHL in March, and Delta Air Lines is resuming service to BOS. American and Delta are projected to experience a seat capacity increase of 59% and 54% for March 2021 compared to February 2021,

respectively.

Airport Concessions

Whataburger is the newest AUS concession to open. Located in the Cell Phone Lot, Whataburger employs 100 local employees and is serving passengers flying in, flying out as well as the surrounding community from 7 a.m. to 11 p.m. daily, and in the drive-thru 24/7. Delivery and curbside pick-up are available at this location.

Constructions walls have been removed around Austin City Market in the nine-gate expansion. The area will feature Zocalo Café, Kome Sushi, and Noble Sandwich Co. Beerdrop, featuring local craft beer, is currently the only open location in Austin City Market.

Parking Operations

Blue Garage reservations are now available on Level 2 in rows A and B near the main walkway to the terminal. The overhead Park Assist lights are gold and the spaces have been signed for customers to easily distinguish the reserved spaces. Parking can be reserved online with a small fee in advance. Blue Garage reserved parking was implemented after continuous success with Red Garage reserved parking.

COVID-19 Financial Impact

During the last week of January, AUS met with rating agencies on the CONRAC refunding and met with the Controller's Office to discuss ABLE concerns.

Current Airport Construction & Airport Expansion Program

As discussed in last month's presentation from Kane Carpenter, Environmental Manager, aviation staff continues to prepare an Environmental Assessment (EA) covering anticipated development needs to ensure the level of service is acceptable throughout AUS facilities under both existing and future condition through the year 2030.

The Federal Aviation Administration requires an approved EA before awarding any federal grants. For FAA fiscal years 2023-2024, AUS is preparing a grant submittal for enabling projects such as the demolition of old former Air Force buildings, upgrade utilities for power, water and drainage improvements. These enabling projects include the physical preparation of the areas for taxiways, aprons and for future terminal expansion. The demolition of old former air force buildings is expected to start in 2023, and the heavy construction of a new taxiways and terminal construction has yet to be determined,

barring airline growth and funding.

Staff are currently working on the development of the required Purpose and Need statement and the FAA recommended public scoping meeting to host for the public in the spring to give our surrounding community and Austin residents an opportunity to provide feedback and share their ideas with us at the start of this process.

Media and Awards

AUS launched a new podcast, The Austin Approach, earlier this month. The podcast can be found on all major podcast streaming platforms with episodes to be released twice each month. The purpose of the podcast is to make AUS accessible, relatable and exciting to the general public and those who want a look inside life at an airport.

AUS has earned recognition in ACI World's Voice of the Customer initiative, which is a new initiative aimed at recognizing airports who have worked consistently during the COVID-19 pandemic to prioritize the customer experience and have ensured that customers' voices remain heard. This news is currently embargoed until ACI distributes a press release on February 8th. Afterwards, AUS plans to share the news of the recognition externally through our newsletter and on AUS social media pages.



AIRPORT ADVISORY COMMISSION

ITEM 2b. DEPARTMENT OF AVIATION WRITTEN STAFF BRIEFINGS

b) AUS December, 2020 Financial Results
(Prepared by Rajeev Thomas, Deputy Chief – Finance)





MEMORANDUM

TO: Airport Advisory Commissioners

FROM: Rajeev Thomas, Deputy Chief - Finance, Aviation Department

DATE: February 9, 2021

SUBJECT: Austin-Bergstrom International Airport (AUS) Update

COVID-19 Financial Impact and December 2020 Financial Results

December's passenger numbers continue to be low due to the pandemic. AUS experienced a passenger decline of 64.8% in December compared to last year. December's daily enplaned passengers averaged 8.5k, while December 2019 averaged 24k. AUS experienced about 6.8k daily enplaned passengers in January based on TSA numbers.

Please find attached the December 2020 financial results for AUS. As you will see, December 2020 enplanements were 64.79% lower, or 483,749, below December 2019. December 2020 enplanements Year to Date (YTD) are down 65.93% over prior year. Cargo tonnage increased 57.95% versus December 2019 due to seven full months of Amazon service, and YTD cargo tonnage is 37.71% higher than the prior year. Excluding mail and belly freight, cargo volume is up 59.36% over prior year December.

Operating revenues decreased 33.1% over the prior year month or (\$5.2M), and lower by 34.5% or (\$16.6M) December YTD. Year to Date revenues are 3.6% higher or \$1.1M above budget. The lower revenues were driven by lower landing weights (down 51%) as well as less parking and ground transportation services provided. Lower revenues are also a result of lower food, beverage, and retail concessions as well as lower rental car revenues and other rentals and fees.

We are on target with our expense reduction goals for FY2021. Accordingly, December's aviation related operating expenses were \$1.1M favorable to the budget

YTD, and 17.8% or \$5.0M lower than prior YTD. The City of Austin allocated costs were in line with the airport's budget and debt service costs were as forecasted. Overall, December 2020 net income was (\$1.7M) versus \$1.9M for December 2019. YTD net income is (\$5.7M) and (\$12.3M) lower than prior year due to lower revenue (\$16.6M). Net income December YTD is \$2.3M higher than budgeted. The Airport received YTD \$11.0M in Cares Act reimbursement funds for debt service of which \$3.6M was received in December; which is not reflected in the numbers above.

Attachments:

December 2020 - AAC Financial Report

CITY OF AUSTIN
AUSTIN-BERGSTROM INTERNATIONAL AIRPORT
Airport Operating Fund 5070
Income Statement - For Internal Use Only
Fiscal Year to Date for 3 Month(s) ended December 31, 2020

	FY 2021 Amended Budget	Budget Seasonalized 3 month(s)	FY 2021 CYE	CYE Seasonalized 3 month(s)	Year to Date w/ Accruals	Y-T-D to Budget		Y-T-D to CYE	
						Variance Fav (Unfav)	% Variance Fav (Unfav)	Variance Fav (Unfav)	% Variance Fav (Unfav)
REVENUE									
AIRLINE REVENUE									
Landing Fees	16,720,000	4,263,551	17,426,753	4,329,838	4,510,008	246,458	5.8%	180,170	4.2%
Terminal Rental & Other Fees	37,697,000	9,424,025	43,679,223	11,188,724	11,641,842	2,217,817	23.5%	453,118	4.0%
TOTAL AIRLINE REVENUE	54,417,000	13,687,576	61,105,976	15,518,562	16,151,850	2,464,275	18.0%	633,289	4.1%
NON-AIRLINE REVENUE									
Parking	21,107,271	5,130,739	18,337,134	3,677,678	3,722,835	(1,407,904)	(27.4%)	45,157	1.2%
Ground Transportation for Hire	4,487,041	1,074,977	2,019,053	408,231	490,972	(584,005)	(54.3%)	82,741	20.3%
Rental Cars	11,069,553	2,783,814	11,026,850	2,756,713	2,811,007	27,193	1.0%	54,294	2.0%
Food & Beverage	11,467,350	2,714,648	11,553,113	2,888,278	2,757,884	43,236	1.6%	(130,394)	(4.5%)
Retail	5,215,748	1,190,858	5,215,748	1,303,937	1,487,180	296,321	24.9%	183,243	14.1%
Advertising	1,750,000	428,662	1,897,783	474,446	478,618	52,957	12.4%	4,173	0.9%
Other Concessions, Rentals & Fees	14,598,015	3,149,605	14,812,320	3,477,223	3,603,791	454,186	14.4%	126,568	3.6%
TOTAL NON-AIRLINE REVENUE	69,694,978	16,470,302	64,862,001	14,986,505	15,352,287	(1,118,016)	(6.8%)	365,781	2.4%
Interest Income	1,208,114	302,029	318,429	79,607	53,394	(248,634)	(82.3%)	(26,213)	(32.9%)
TOTAL REVENUE	125,320,092	30,459,907	126,286,406	30,584,674	31,557,531	1,097,625	3.6%	972,857	3.2%
OPERATING REQUIREMENTS									
Fac Mgmt, Ops and Airport Security	59,744,143	14,575,737	57,964,074	14,106,608	13,720,390	855,347	5.9%	386,218	2.7%
Airport Planning and Development	5,391,192	1,361,980	5,303,206	1,338,296	1,087,070	274,910	20.2%	251,226	18.8%
Support Services	25,641,391	6,338,608	25,759,382	6,331,877	7,178,669	(840,060)	(13.3%)	(846,792)	(13.4%)
Business Services	8,046,651	1,727,066	4,329,647	955,973	930,224	796,842	46.1%	25,750	2.7%
TOTAL OPERATING EXPENSES	98,823,377	24,003,391	93,356,309	22,732,754	22,916,352	1,087,039	4.5%	(183,598)	(0.8%)
Debt Service									
GO Debt Service Fund	507	127	507	127	127	0	0.0%	0	0.0%
2013 Prosperity Bank Loan	5,412,895	1,352,714	5,412,895	1,352,714	1,352,714	(0)	(0.0%)	(0)	(0.0%)
2014 Bond Issuance	7,077,844	1,769,246	7,077,844	1,769,246	1,769,246	(0)	(0.0%)	(0)	(0.0%)
2017 Bond Issuance	10,034,715	2,508,679	10,034,715	2,508,679	2,508,679	0	0.0%	0	0.0%
2019 Refunding Bonds	15,470,348	3,966,142	15,459,157	3,963,169	3,963,035	3,107	0.1%	134	0.0%
2019 New Money	8,471,750	1,422,063	8,471,751	1,422,063	1,422,063	(0)	(0.0%)	(0)	(0.0%)
TOTAL Net Debt Service	46,468,059	11,018,970	46,456,869	11,015,997	11,015,863	3,107	0.0%	134	0.0%
OTHER REQUIREMENTS									
Workers' Compensation	435,740	108,935	435,740	108,935	108,936	(1)	(0.0%)	(1)	(0.0%)
Citywide Administrative Support	6,328,330	1,582,083	6,328,330	1,582,083	1,582,080	3	0.0%	3	0.0%
Communications & Technology Mgmt	1,879,259	469,815	1,879,259	469,815	469,815	(0)	(0.0%)	(0)	(0.0%)
Accrued Payroll	166,126	41,532	166,126	41,532	41,532	0	0.0%	0	0.0%
Additional Retirement Contribution	350,754	87,689	350,754	87,689	0	87,689	100.0%	87,689	100.0%
CTECC	307,939	76,985	307,939	76,985	76,986	(1)	(0.0%)	(1)	(0.0%)
Trunked Radio Allocation	301,150	75,288	301,150	75,288	75,288	(1)	(0.0%)	(1)	(0.0%)
Public Works Capital Projects Mgmt Fund	3,793,554	948,389	3,793,554	948,389	948,389	0	0.0%	0	0.0%
TOTAL OTHER REQUIREMENTS	13,562,852	3,390,713	13,562,852	3,390,713	3,303,025	87,688	2.6%	87,688	2.6%
TOTAL REQUIREMENTS	158,854,288	38,413,074	153,376,030	37,139,465	37,235,241	1,177,834	3.1%	(95,776)	(0.3%)
EXCESS (DEFICIT) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS									
	(33,534,196)	(7,953,168)	(27,089,624)	(6,554,791)	(5,677,709)	2,275,458	(28.6%)	877,081	(13.4%)
CARES Act Reimbursement (Parking)									
	0	0	0	0	0	0	N/A	0	N/A
CARES Act Reimbursement (Debt Service)									
	(30,950,446)	(11,018,970)	(30,950,446)	(11,015,997)	(11,017,537)	(1,433)	0.0%	1,540	(0.0%)
TOTAL CARES ACT REIMBURSEMENT	(30,950,446)	(11,018,970)	(30,950,446)	(11,015,997)	(11,017,537)	(1,433)	0.0%	1,540	(0.0%)
EXCESS (DEFICIT) OF TOTAL AFTER CARES ACT	(2,583,750)	3,065,803	3,860,822	4,461,207	5,339,828	2,274,025	74.2%	878,621	19.7%

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

ENPLANEMENTS	Passengers	% Inc/(Dec)
December, 2020 (Month over Month)	262,934	-64.79%
December, 2020 - Year-to-Date	770,313	-65.93%

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

**This month - This Year vs. Last Year
FY21 (Dec 20) vs FY20 (Dec 19)**

**Fiscal YTD - This Year vs. Last Year
FY21 (Oct 20 - Dec 20) vs FY20 (Oct 19 - Dec 19)**

	FY21 Dec-20	FY20 Dec-19	Fav (Unfav) \$ Variance	Fav (Unfav) % Variance	FY21 YTD Dec-20	FY20 YTD Dec-19	Fav (Unfav) \$ Variance	Fav (Unfav) % Variance
Airline Revenue								
Landing Fees	1,521,731	2,824,765	(1,303,033)	(46.1%)	4,510,008	8,709,153	(4,199,145)	(48.2%)
Terminal Rental & Other Fees	3,900,965	4,399,884	(498,919)	(11.3%)	11,641,842	13,122,676	(1,480,834)	(11.3%)
Total Airline Revenue	5,422,696	7,224,649	(1,801,952)	(24.9%)	16,151,850	21,831,829	(5,679,979)	(26.0%)
Non-Airline Revenue								
Parking	1,211,279	3,506,201	(2,294,923)	(65.5%)	3,722,835	10,474,697	(6,751,862)	(64.5%)
Ground Transportation for Hire	168,859	559,210	(390,351)	(69.8%)	490,972	1,811,706	(1,320,734)	(72.9%)
Rental Cars	927,401	1,306,041	(378,640)	(29.0%)	2,811,007	4,275,319	(1,464,312)	(34.3%)
Food & Beverage	925,419	1,027,392	(101,973)	(9.9%)	2,757,884	3,168,917	(411,033)	(13.0%)
Retail	482,336	424,319	58,017	13.7%	1,487,180	1,347,700	139,480	10.3%
Advertising	158,149	210,509	(52,360)	(24.9%)	478,618	688,794	(210,176)	(30.5%)
Other Concessions, Rentals & Fees	1,258,644	1,455,370	(196,726)	(13.5%)	3,603,791	4,281,263	(677,472)	(15.8%)
Total Non-Airline Revenue	5,132,086	8,489,041	(3,356,955)	(39.5%)	15,352,287	26,048,396	(10,696,109)	(41.1%)
Interest Income	13,962	84,705	(70,743)	(83.5%)	53,394	317,357	(263,963)	(83.2%)
Total Operating Revenue	10,568,745	15,798,395	(5,229,650)	(33.1%)	31,557,531	48,197,582	(16,640,050)	(34.5%)
Operating Requirements								
Fac Mgmt, Ops and Airport Security	4,254,877	5,025,649	770,772	15.3%	13,720,390	15,825,401	2,105,011	13.3%
Airport Planning and Development	334,830	544,708	209,878	38.5%	1,087,070	1,897,701	810,631	42.7%
Support Services	2,655,960	2,118,131	(537,829)	(25.4%)	7,178,669	6,286,194	(892,475)	(14.2%)
Business Services	307,198	1,274,158	966,960	75.9%	930,224	3,886,344	2,956,121	76.1%
Total Operating Expense	7,552,864	8,962,645	1,409,781	15.7%	22,916,352	27,895,640	4,979,288	17.8%
Debt Service								
GO Debt Service Fund	42	0	(42)	N/A	127	0	(127)	N/A
2013 Prosperity Bank Loan	451,131	450,700	(431)	(0.1%)	1,352,714	1,353,000	286	0.0%
2014 Bond Issuance	589,844	589,827	(17)	(0.0%)	1,769,246	1,769,278	32	0.0%
2017 Bond Issuance	836,226	836,217	(9)	(0.0%)	2,508,679	2,436,508	(72,171)	(3.0%)
2019 Refunding Bonds	1,277,467	1,401,081	123,614	8.8%	3,963,035	3,439,992	(523,043)	(15.2%)
2019 New Money	474,021	324,200	(149,821)	(46.2%)	1,422,063	734,800	(687,263)	(93.5%)
Total Debt Service	3,628,732	3,602,026	(26,706)	(0.7%)	11,015,863	9,733,578	(1,282,285)	(13.2%)
Other Requirements								
Workers' Compensation	36,312	38,282	1,970	5.1%	108,936	114,846	5,910	5.1%
Citywide Administrative Support	527,360	479,138	(48,222)	(10.1%)	1,582,080	1,437,414	(144,666)	(10.1%)
Communications & Technology Mgmt	156,605	151,494	(5,111)	(3.4%)	469,815	454,482	(15,333)	(3.4%)
Accrued Payroll	13,844	29,543	15,699	53.1%	41,532	88,628	47,096	53.1%
Additional Retirement Contribution	0	0	0	N/A	0	0	0	N/A
Operating Reserve	0	283,342	283,342	100.0%	0	850,025	850,025	100.0%
CTECC	25,662	17,126	(8,536)	(49.8%)	76,986	51,378	(25,608)	(49.8%)
Trunked Radio Allocation	25,096	26,436	1,340	5.1%	75,288	79,308	4,020	5.1%
Public Works Capital Projects Mgmt Fund	316,130	283,281	(32,849)	(11.6%)	948,389	849,843	(98,546)	(11.6%)
Total Other Requirements	1,101,008	1,308,641	207,633	15.9%	3,303,025	3,925,924	622,899	15.9%
Total Requirements	12,282,604	13,873,312	1,590,708	11.5%	37,235,241	41,555,142	4,319,902	10.4%
SURPLUS (DEFICIT) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS								
	(1,713,859)	1,925,083	(3,638,942)	(189.0%)	(5,677,709)	6,642,439	(12,320,149)	(185.5%)
CARES Act Reimbursement (Parking)								
	0	0	0	N/A	0	0	0	N/A
CARES Act Reimbursement (Debt Service)								
	(3,629,435)	0	3,629,435	N/A	(11,017,537)	0	11,017,537	N/A
Total CARES Act	(3,629,435)	0	3,629,435	N/A	(11,017,537)	0	11,017,537	N/A
TOTAL SURPLUS (DEFICIT) AFTER CARES ACT	1,915,576	1,925,083	(9,507)	(0.5%)	\$ 5,339,828	\$ 6,642,439	\$ (1,302,612)	(19.6%)

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



AIRPORT ADVISORY COMMISSION

ITEM 2c. DEPARTMENT OF AVIATION WRITTEN STAFF BRIEFINGS

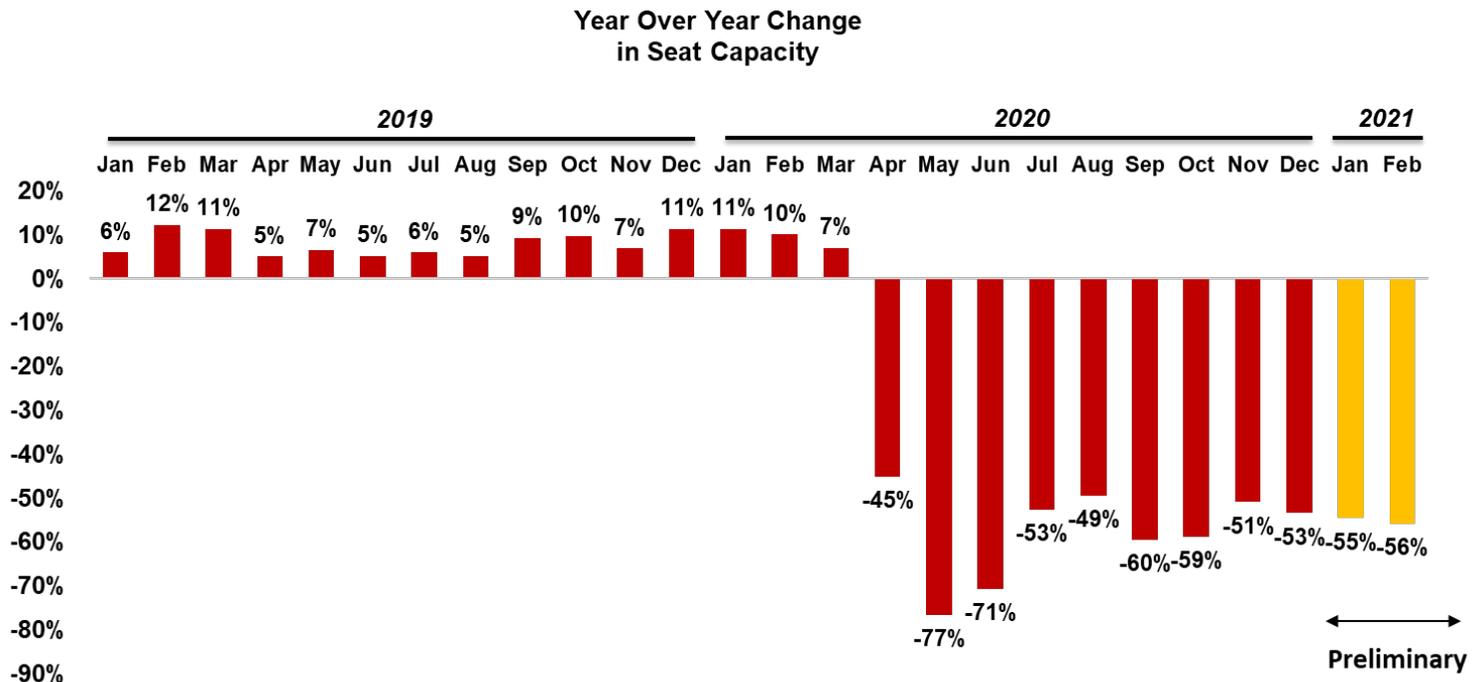
c) AUS Air Service Update
(Prepared by Jamy Kazanoff, Air Service Development)



February 2021 Air Service Snapshot

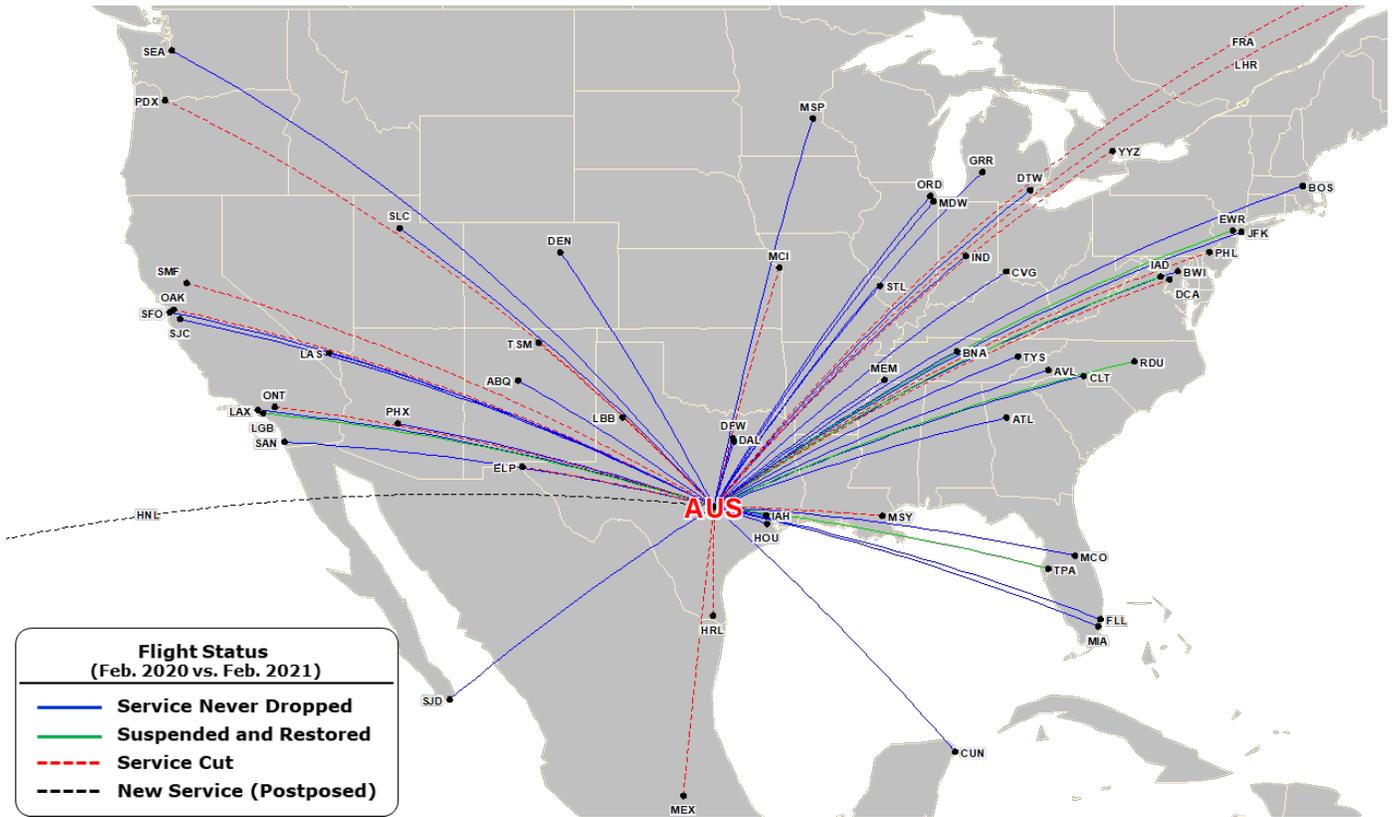
As vaccine distribution progresses throughout the country, airline network planners are showing some signs of confidence as they update February and March schedules. Some airlines will increase capacity in the latter half of February while American and Delta's domestic March schedules indicate an expectation of demand rebounding, most likely leisure demand not business traffic. American's domestic February capacity was down 46% YOY while March is only down 34% YOY and Delta's domestic February capacity was down 36% while March is only down 29%.

The chart below shows how COVID-19 has affected AUS capacity with year-over-year change in seat capacity, which peaked at -77% in May 2020. Year-over-year capacity recovered slightly during the summer but since then has plateaued at down 50% to 60%, which is where we assume it will remain for at least January and February. February 2021 schedules have been adjusted by all carriers and some have started making adjustments to March – including American and Delta. American's capacity at AUS is only down 37% YOY in March and Delta is only down 22%.



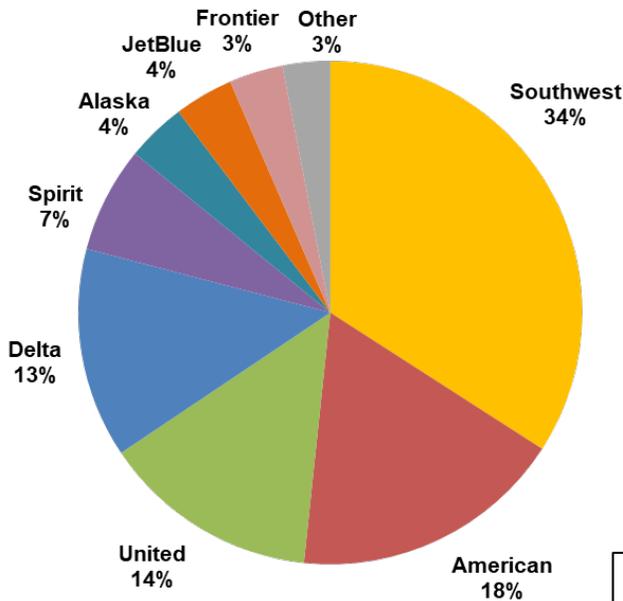
The map on the next page provides a summary of service changes at AUS between February 2020 and February 2021. Highlights of recent air service announcements/developments include:

- **Norwegian** has discontinued all longhaul flying therefore will not serve LGW nor start CDG in 2021
- **Alaska** will start service to LAX with one daily frequency on March 18, increasing to three on May 20; will also reinstate service to PDX on March 18
- **American** will reinstate service to LAX & PHL on March 4 and will serve MCO on Saturdays in March and April
- **Delta** will reinstate service to BOS on March 2 and will reinstate RDU service effective February 11
- **Hawaiian** will start nonstop service to HNL with 278-seat Airbus A330 aircraft twice weekly effective April 22 (AUS departures on Thursday and Sunday)
- **JetBlue** announced new service to CUN (March 4), RDU (February 11) & SFO (February 11); RDU & SFO will have daily service, CUN 3/week
- **KLM** will not serve AUS in 2021 but possibly 2022

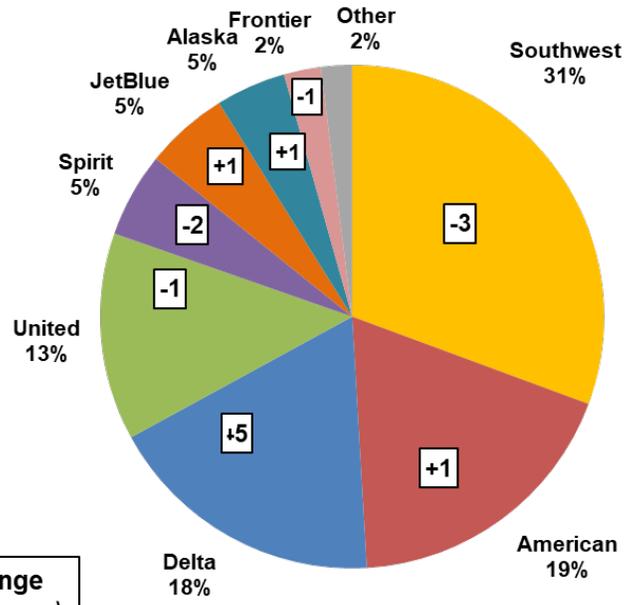


AUS capacity shares by airline in February 2021 are very similar to February 2020 except in the case of Delta, who has reduced capacity less than other carriers on average. Some airports have witnessed significant fluctuation in carrier shares pre- and post-COVID but the same cannot be said for AUS. Southwest and American are still the two largest carriers based on seat share and Delta has maintained its commitment to operate a focus city at AUS.

AUS Seat Share
February 2020



AUS Seat Share
February 2021



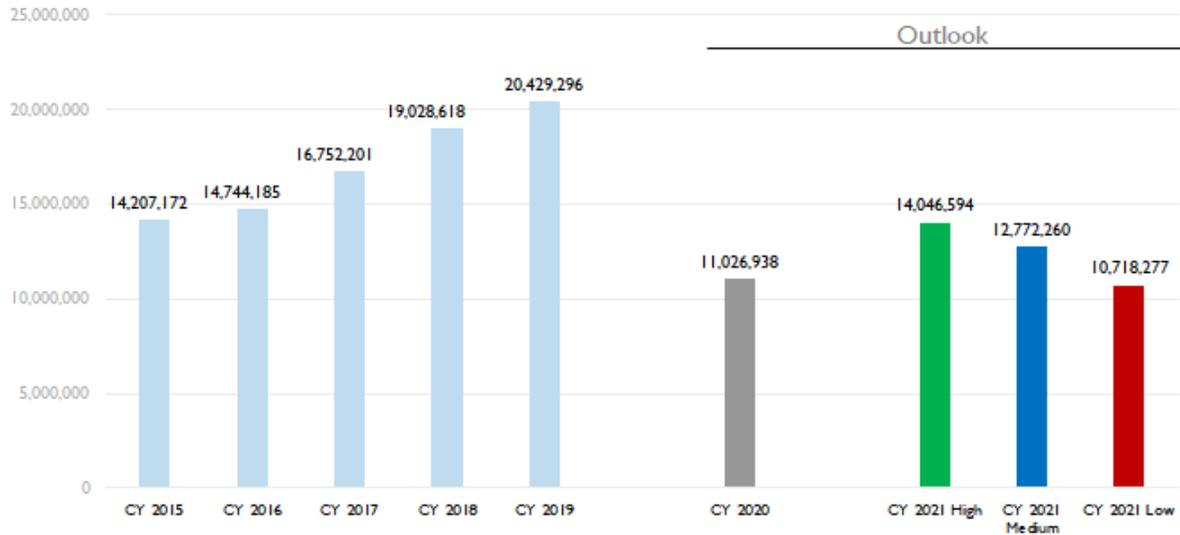
Point Change
(NC = No Change)

As shown below, a forecast for Calendar Year 2021 was recently performed by Campbell-Hill Aviation Group. Based on economic indicators/outlooks, air carrier service scenarios and currently filed schedules – they forecast capacity for 2021 will be down 31-47% from 2019 levels, which is an improvement from the estimated 46% decline in 2020.

AUS HISTORICAL SEATS AND OUTLOOK



Annual AUS Seats (Both Directions) on Scheduled Airlines



Compared to CY 2019:	-46%	-31%	-37%	-47%
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Source: Historical Seats Based on AUS Data, Future Seats Based on Campbell-Hill assessment of schedule and airline trends.



AIRPORT ADVISORY COMMISSION

ITEM 4a. RECOMMENDATIONS

Approve a resolution authorizing negotiation and execution of a Local On-System Improvement Project with the Texas Department of Transportation in an amount not to exceed \$50,951 for improvements on US 183 at Metropolis Drive that will allow access to a new fuel storage facility.

Posting Language

Approve a resolution authorizing negotiation and execution of a Local On-System Improvement Project with the Texas Department of Transportation in an amount not to exceed \$50,951 for improvements on US 183 at Metropolis Drive that will allow access to a new fuel storage facility.

Lead Department

Department of Aviation

Fiscal Note

Funding in the amount of \$50,951 is available in the Fiscal Year 2020-2021 Capital Budget of the Aviation Department.

Prior Council Action:

Click or tap here to enter text.

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 Tracy Thompson, 512-530-5023, Brian Long, 512-530-2422, or the Aviation Project Manager, David Smythe-Macaulay, 512-530-6601.

Council Committee, Boards and Commission Action:

To be reviewed by the Aviation Advisory Commission on 2/9/2021.

Additional Backup Information:

Austin-Bergstrom International Airport (AUS) is classified by the Federal Aviation Administration (FAA) as a medium-hub airport and is the fifth busiest airport in Texas. Passenger traffic at the airport has followed a consistent upward trend. The continued increase of passengers has resulted in the need for additional fuel storage. AUS executed a tenant lease agreement in December 2000 and amended it in October 2019 with AUS Fuel Company LLC (Tenant) which comprises a consortium of airline carriers, to provide fuel to the airline carriers.

The Airport Master Plan describes the need for additional fuel capacity due to continued growth of the airport. This growth results in a continuing need for more fuel capacity, which requires the expansion of the fuel storage facility. The current facility will no longer be able to handle the demand for jet fuel. As such, a larger facility is required to meet the needs up to 2040 and beyond. The Tenant has proposed improvements to their existing fuel storage facility on Spirit of Texas Drive, and construction of a new larger fuel storage facility along US 183 at Metropolis drive.

To facilitate the overall project objectives, this request will allow improvements within the TxDOT Right Of Way (ROW) for access to the proposed fuel storage facility. The proposed facility will include bulk fuel storage tanks, offloading racks, and two underground fuel transfer lines to the existing facility. Once complete, all offloading operations at the existing site will be moved to the US 183 facility. The method of fueling on-airport aircraft fueling vehicles will not change. Fuel will be pumped via the proposed fuel transfer line from the proposed fuel storage facility to the existing fuel storage facility where on-airport fuel trucks will be filled. The Tenant is responsible for the cost of all these improvements, including TxDOT direct costs.

An Environmental Assessment (EA) was performed as required by the FAA to document and evaluate the environmental impacts resulting from improvements to the fuel farm expansion. Implementation of this

expansion will not result in impacts that exceed any of the thresholds established within FAA Orders 1050.1F or 5050.4B. Additionally, no formal, agency required mitigation measures are required. To minimize potential impacts during construction, best management practices will be employed. Potential impacts resulting from the introduction of an additional access point at the intersection of Highway 183 and Metropolis drive will be minimized with the installation of a 4th traffic signal as well as acceleration and deceleration lanes for fuel trucks that will access the site.

Without approval, the Tenant may default on their agreement and airline carriers will incur higher cost for fuel.

This project is located within zip code 78719 (District 2).

Strategic Outcome(s):

Mobility.



AIRPORT ADVISORY COMMISSION

ITEM 5a. DEPARTMENT OF AVIATION VERBAL STAFF BRIEFINGS

Capital Metro Project Connect – Blue Line Briefing
(Introduction by Shane Harbinson, Deputy Chief – Planning, Presented
by David Couch-Project Connect Program Officer, and Stephen Roth-
Associate Vice President, Group Director at HNTB)

