



AIRPORT ADVISORY COMMISSION MEETING
October 12, 2021 3:00 PM
2716 SPIRIT OF TEXAS DRIVE, ROOM 174-A
AUSTIN, TEXAS 78719

(Note: The Mayor of the City of Austin Order No. 20210811-033 requires all individuals over the age of two to wear a face covering while present on or in City property unless expressly exempted in Section 2 of the order or by a City policy applicable to the premises or facility.)

CURRENT BOARD MEMBERS:

Eugene Sepulveda, Chair
Scott Madole, Vice-Chair
Jeremy Hendricks, Secretary
Wendy Price Todd
Vicky Sepulveda

Ernest Saulmon
Jonathan Coon
Billy Owens
Raymond Young
Chad Ennis

AGENDA

CALL TO ORDER

CITIZEN COMMUNICATION: GENERAL

Speakers signed up prior to the meeting being called to order will each be allowed a three minute allotment to address their concerns regarding items not posted on the agenda.

1. APPROVAL OF MINUTES

September 14, 2021 meeting.

2. WRITTEN STAFF BRIEFINGS

- a) August 2021 Financial Results.
(Prepared by Rajeev Thomas, Deputy Chief of Finance)
- b) AUS Air Service Update.
(Prepared by Jamy Kazanoff, Air Service Development)

3. VERBAL STAFF BRIEFINGS

- a) "Updates on the Airport Expansion and Development Program (AEDP)" presented by Tracy Thompson, Interim Chief of Planning and Development, and Shane Harbinson,

Deputy Chief of Planning and Development.

- b) “Contracting Methodologies” presented by Rolando Fernandez, Capital Contracting Officer and Cynthia Gonzales, Capital Contracting Deputy Officer.

4. CONSENT AGENDA

- a) Authorize negotiation and execution of a multi-term contract with Preferred Technologies LLC to provide an access control and identity management system for up to five years for a total contract amount not to exceed \$6,400,000.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. This solicitation listed one main scope of work. There were 4 MBEs and 4 WBEs available to bid on this solicitation. There were 7 bids submitted all of which were reviewed by SMBR. Out of the 7, there were 3 bidders that elected to utilize MWBEs on the contract. However, the contractor selected was not one of the bidders that will be using subcontractors. As such, no subcontracting goals were established.)

- b) Authorize negotiation and execution of a multi-term contract with Level 3 Financing, Inc. d/b/a Level 3 Telecom Holdings, LLC, a Lumen Technologies company, to Request for Proposals 8100 DDM3005, to provide data and telecommunications services, for up to ten years for a total contract amount not to exceed \$7,000,000.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. Aviation identified one main scope of work. SMBR reviewed and determined that there were no subcontracting opportunities, however, there were 12 MBEs and 1 WBE firms that would bid as a prime for this contract. All MWBEs were provided bid opportunity notifications. There were 3 responses to this solicitation. SMBR reviewed all 3, though no bidder elected to utilize MWBE subcontractors for the contract.)

- c) Authorize negotiation and execution of a Job Order Assignment with Hensel Phelps Construction Co., one of the City’s Facilities Improvement Job Order Contractors, to reconfigure Austin-Bergstrom International Airport Transportation Security Administration Checkpoints 1 & 2 for a total amount not to exceed \$1,500,000.

(Note: This contract will be awarded in compliance with City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program). MBE/WBE participation goals will be established prior to the issuance of this Job Order Assignment.)

- d) Authorize negotiation and execution of a Job Order Assignment with Alpha Building Corporation for the Barbara Jordan Terminal Vertical Circulation project for a total amount not to exceed \$3,000,000.

(Note: This contract will be awarded in compliance with City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program).)

MBE/WBE participation goals will be established prior to the issuance of this Job Order Assignment.)

- e) Authorize award and execution of a construction contract with Flintco, LLC, for the AUS Cargo Development East project in the amount of \$16,584,000 plus \$1,658,400 for contingency, for a total contract amount not to exceed \$18,242,400.

(Note: Public notice was given for this solicitation through the City's web portal. Three bids were received. Of the three bids received, none of the firms submitting were certified MBE/WBE. Flintco LLC submitted the lowest responsive bid. The contractor's choice of work methodology provides for 30 areas of contracting opportunities. This contract will be awarded in compliance with City Code Chapter 2-9A by meeting the goals with 12.73% MBE and 1.79% WBE participation.)

5. ACTION ITEMS

- a) Review of the Boards and Commissions Quick Guide provided by the City Clerk.

6. FOR RECOMMENDATION, AVIATION DEPARTMENT

None.

7. NEW BUSINESS

- a) Review of Commission Recommendations and Actions to discuss with appointing City Council Member.
- b) Future Agenda Items.
- c) Next scheduled meeting November 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 or tracy.thompson@austintexas.gov.



AIRPORT ADVISORY COMMISSION

ITEM 1. APPROVAL OF MINUTES

September 14, 2021 - MEETING





**AIRPORT ADVISORY COMMISSION
REGULAR MEETING MINUTES
TUESDAY, SEPTEMBER 14, 2021**

The Airport Advisory Commission convened in a Virtual Regular Meeting on Tuesday, September 14, 2021.

CALL TO ORDER

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

Commissioners in Attendance:

| | |
|------------------------------|-----------------|
| Eugene Sepulveda – Chair | Jonathan Coon |
| Scott Madole – Vice-Chair | Vicky Sepulveda |
| Jeremy Hendricks – Secretary | Chad Ennis |
| Billy Owens | Raymond Young |

Commissioners Absent:

| | |
|------------------|----------------|
| Frank Maldonado | Ernest Saulmon |
| Wendy Price Todd | |

Aviation Staff in Attendance:

| | | |
|-----------------|-----------------|-----------------------|
| Jacqueline Yaft | John Gallo | David Smythe-Macaulay |
| Tracy Thompson | Steve Khanoyan | Ammie Calderon |
| Ghizlane Badawi | Brian Long | Mukesh “Mookie” Patel |
| Rajeev Thomas | Shane Harbinson | Jamy Kazanoff |
| Kane Carpenter | Sam Haynes | |

CITIZENS COMMUNICATIONS:

None.

1. INTRODUCTION OF COMMISSIONER CHAD ENNIS

Commissioner Chad Ennis of District 6 was introduced to the Commission.

2. APPROVAL OF MINUTES

- a) The minutes from the meeting of August 10, 2021 were approved on Commissioner Young's motion, Commissioner Coon seconded. Motion passed on a 7-0-0-4 vote. Commissioners Maldonado, Saulmon, V. Sepulveda, and Todd were absent at this vote.

3. WRITTEN STAFF BRIEFINGS

- a) "July 2021 Financial Results" prepared by Rajeev Thomas, Deputy Chief, Finance.
- b) "AUS Air Service Update" prepared by Jamy Kazanoff, Air Service Development.

4. VERBAL STAFF BRIEFINGS

- a) "Updates on the Airport Expansion and Development Program (AEDP)" presented by Tracy Thompson, Interim Chief of Planning and Development.
- b) "Recap of 2022 Department of Aviation Budget" presented by Rajeev Thomas, Deputy Chief, Finance.
- c) "Update on Cargo Development Project" presented by Mookie Patel, Chief, Business and Finance.

5. ACTION ITEMS

None.

6. FOR RECOMMENDATION, AVIATION DEPARTMENT

- a) Approve a resolution finding the use of the Construction Manager-at-Risk method of contracting, as authorized by Subchapter F, Chapter 2269 of the Texas Government Code, is the project delivery method that provides the best value to the City for the Airport Development and Expansion Program, Airfield Construction project for airfield improvements.

A motion to approve was made by Secretary Hendricks, Commissioner Young seconded for a vote. Motion passed on an 8-0-0-3 vote. Commissioners Maldonado, Saulmon, and Todd were absent at this vote.

7. NEW BUSINESS

- a) Review of Commission Recommendations and Actions to discuss with appointing City Council Member
 - Aviation revenues have a strong upwardly trend.
 - Airline competing and expanding routes remains robust.
 - The AEDP has the potential to receive additional funds through the Infrastructure Investment and Jobs Act. AUS will compete for a fair share of funds. With shovel ready projects, AUS has a competitive advantage for grant applications.
 - The 2022 budget appears reasonable and achievable.
 - The Commission received an update on projects regarding cargo facilities.
- b) Future Agenda Items
- c) Next scheduled meeting October 12, 2021 at 3:00 p.m.

ADJOURNMENT

Chair E. Sepulveda adjourned the meeting at 4:06 p.m.

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



AIRPORT ADVISORY COMMISSION

ITEM 2a – WRITTEN STAFF BRIEFINGS

August 2021 Financial Results

Prepared by Rajeev Thomas, Deputy Chief,
Finance



MEMORANDUM

TO: Airport Advisory Commissioners

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

DATE: October 6, 2021

SUBJECT: Austin-Bergstrom International Airport (AUS) Update

COVID-19 Financial Impact and August 2021 Financial Results

August’s total passenger numbers were 209% higher than August 2020 which was significantly impacted by the pandemic. Enplaned passengers continue to increase and came in at 632,734. August 2021 enplanements were at 85% of August 2019 enplaned passengers. For the previous 3 months, including August, AUS had averaged 88% of 2019 passengers.

| | FY 2021 August | FY 2020 August | FY 21 vs 20 Var B/(W) | YTD FY21 | YTD FY20 | FY 21 vs 20 YTD Var B/(W) |
|--------------------|-------------------|-------------------|--------------------------|---------------|---------------|------------------------------|
| Enplanements | 632,734 | 206,379 | 206.6% | 4,606,037 | 4,515,576 | 2.0% |
| Landing Weights | 863,918,499 | 473,872,571 | 82.3% | 6,326,856,547 | 6,635,266,413 | (4.6%) |
| Cargo Tonnage | 9,040 | 9,971 | (9.3%) | 105,895 | 89,792 | 17.9% |
| Operating Revenue | \$17,344,630 | \$6,925,748 | \$10,418,882 | \$137,098,576 | \$131,203,318 | \$5,895,258 |
| Airport Opex | \$7,212,249 | \$7,474,246 | \$261,997 | \$75,405,005 | \$89,338,056 | \$13,933,051 |
| Total Requirements | \$12,560,384 | \$12,251,362 | (\$309,022) | \$129,725,413 | \$139,690,183 | \$9,964,770 |
| Net Income | \$4,784,246 | (\$5,325,615) | \$10,109,861 | \$7,373,163 | (\$8,486,865) | \$15,860,028 |

Please find attached the August 2021 financial results for AUS. This report outlines that August’s 2021 enplanements were 206.59% higher or 426,355 higher than August 2020. August 2021 enplanements Year to Date (YTD) are up 2.00% over prior year. Cargo volume decreased (9.34%) versus August 2020, and YTD cargo volume is 17.93% higher than the prior year. Excluding mail and belly freight, YTD cargo volume is up 24.67% over prior year.

Operating revenues increased 150.4% over the prior year month or \$10.4M, and increased by 4.5% or \$5.9M August YTD. Year to Date revenues are 18.4% higher or \$21.4M above budget. The increased revenues year over year are driven by increased landing fees, terminal rental and fees, parking, rental car and retail revenues.

Our operating expenses are currently tracking below our year end forecasts even though we have ramped up our hiring and staffing levels to meet the increase in passenger levels and aircraft operations. The continued focus on operational efficiencies and expense savings has resulted in favorable YTD expenses to budget and current year estimates. Accordingly, August's aviation related operating expenses were \$9.5M favorable to the budget YTD, and 15.6% or \$13.9M 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, August 2021 net income was \$4.8M versus (\$5.3M) in August 2020. YTD net income is \$7.4M, and \$15.8M higher than prior year due to increased revenues and lowered expenditures. August YTD net income is \$18M higher than budgeted due to higher revenues and lower expenses than budget. The Airport received \$27.1M and \$1.9M YTD in Cares Act reimbursement funds for debt service and parking, respectively.

Attachments:

August 2021 - 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 11 Month(s) ended August 31, 2021

| | FY 2021 | Budget | FY 2021 | CYE | Year to Date w/ Accruals | Y-T-D to Budget | | Y-T-D to CYE | |
|--|---------------------|-----------------------------|---------------------|-----------------------------|-----------------------------|-------------------------|---------------------------|-------------------------|---------------------------|
| | Amended Budget | Seasonalized 11 month(s) | CYE | Seasonalized 11 month(s) | | Variance Fav (Unfav) | % Variance Fav (Unfav) | Variance Fav (Unfav) | % Variance Fav (Unfav) |
| REVENUE | | | | | | | | | |
| AIRLINE REVENUE | | | | | | | | | |
| Landing Fees | 16,720,000 | 16,110,144 | 17,426,753 | 15,958,651 | 22,453,707 | 6,343,562 | 39.4% | 6,495,055 | 40.7% |
| Terminal Rental & Other Fees | 37,697,000 | 35,461,977 | 43,679,223 | 40,061,518 | 47,855,250 | 12,393,272 | 34.9% | 7,793,732 | 19.5% |
| TOTAL AIRLINE REVENUE | 54,417,000 | 51,572,122 | 61,105,976 | 56,020,169 | 70,308,956 | 18,736,835 | 36.3% | 14,288,787 | 25.5% |
| NON-AIRLINE REVENUE | | | | | | | | | |
| Parking | 21,107,271 | 19,293,972 | 18,337,134 | 16,051,416 | 24,063,927 | 4,769,955 | 24.7% | 8,012,512 | 49.9% |
| Ground Transportation for Hire | 4,487,041 | 4,079,566 | 2,019,053 | 1,792,185 | 3,113,862 | (965,704) | (23.7%) | 1,321,677 | 73.7% |
| Rental Cars | 11,069,553 | 10,295,725 | 11,026,850 | 10,107,946 | 12,634,924 | 2,339,199 | 22.7% | 2,526,978 | 25.0% |
| Food & Beverage | 11,467,350 | 10,483,677 | 11,553,113 | 10,590,354 | 6,778,543 | (3,705,135) | (35.3%) | (3,811,811) | (36.0%) |
| Retail | 5,215,748 | 4,741,542 | 5,215,748 | 4,781,102 | 5,226,138 | 484,596 | 10.2% | 445,036 | 9.3% |
| Advertising | 1,750,000 | 1,635,732 | 1,897,783 | 1,739,634 | 1,818,558 | 182,826 | 11.2% | 78,924 | 4.5% |
| Other Concessions, Rentals & Fees | 14,598,015 | 12,537,267 | 14,812,320 | 12,749,818 | 13,044,808 | 507,540 | 4.0% | 294,990 | 2.3% |
| TOTAL NON-AIRLINE REVENUE | 69,694,978 | 63,067,482 | 64,862,001 | 57,812,454 | 66,680,760 | 3,613,278 | 5.7% | 8,868,305 | 15.3% |
| Interest Income | 1,208,114 | 1,107,438 | 318,429 | 291,893 | 108,859 | (998,578) | (90.2%) | (183,034) | (62.7%) |
| TOTAL REVENUE | 125,320,092 | 115,747,041 | 126,286,406 | 114,124,516 | 137,098,576 | 21,351,534 | 18.4% | 22,974,059 | 20.1% |
| OPERATING REQUIREMENTS | | | | | | | | | |
| Fac Mgmt, Ops and Airport Security | 59,744,143 | 51,473,653 | 57,553,087 | 49,506,475 | 48,216,946 | 3,256,707 | 6.3% | 1,289,529 | 2.6% |
| Airport Planning and Development | 5,391,192 | 4,745,058 | 5,053,065 | 4,468,484 | 3,907,660 | 837,397 | 17.6% | 560,824 | 12.6% |
| Support Services | 25,641,391 | 22,315,272 | 26,068,947 | 22,626,957 | 19,283,475 | 3,031,797 | 13.6% | 3,343,483 | 14.8% |
| Business Services | 8,046,651 | 6,419,985 | 4,681,210 | 3,751,479 | 3,996,923 | 2,423,062 | 37.7% | (245,445) | (6.5%) |
| TOTAL OPERATING EXPENSES | 98,823,377 | 84,953,968 | 93,356,309 | 80,353,396 | 75,405,005 | 9,548,963 | 11.2% | 4,948,391 | 6.2% |
| Debt Service | | | | | | | | | |
| GO Debt Service Fund | 507 | 465 | 504 | 462 | 465 | 0 | 0.0% | (3) | (0.6%) |
| 2013 Prosperity Bank Loan | 5,412,895 | 4,961,764 | 5,412,895 | 4,961,764 | 4,961,764 | (0) | (0.0%) | (0) | (0.0%) |
| 2014 Bond Issuance | 7,077,844 | 6,487,999 | 7,077,844 | 6,487,999 | 6,487,999 | (0) | (0.0%) | (0) | (0.0%) |
| 2017 Bond Issuance | 10,034,715 | 9,198,489 | 10,034,715 | 9,198,489 | 9,198,489 | 0 | 0.0% | 0 | 0.0% |
| 2019 Refunding Bonds | 15,470,348 | 14,192,133 | 15,459,157 | 14,181,565 | 14,181,431 | 10,702 | 0.1% | 134 | 0.0% |
| 2019 New Money | 8,471,750 | 7,379,168 | 8,471,751 | 7,379,168 | 7,379,168 | (0) | (0.0%) | (0) | (0.0%) |
| TOTAL Net Debt Service | 46,468,059 | 42,220,018 | 46,456,866 | 42,209,448 | 42,209,316 | 10,702 | 0.0% | 131 | 0.0% |
| OTHER REQUIREMENTS | | | | | | | | | |
| Workers' Compensation | 435,740 | 399,428 | 435,740 | 399,428 | 399,432 | (4) | (0.0%) | (4) | (0.0%) |
| Citywide Administrative Support | 6,328,330 | 5,800,969 | 6,328,330 | 5,800,969 | 5,800,960 | 9 | 0.0% | 9 | 0.0% |
| Communications & Technology Mgmt | 1,879,259 | 1,722,654 | 1,879,259 | 1,722,654 | 1,722,655 | (1) | (0.0%) | (1) | (0.0%) |
| Accrued Payroll | 166,126 | 152,282 | 166,126 | 152,282 | 152,282 | (0) | (0.0%) | (0) | (0.0%) |
| Additional Retirement Contribution | 350,754 | 321,525 | 0 | 0 | 0 | 321,525 | N/A | 0 | N/A |
| CTECC | 307,939 | 282,277 | 307,939 | 282,277 | 282,282 | (5) | (0.0%) | (5) | (0.0%) |
| Trunked Radio Allocation | 301,150 | 276,054 | 301,150 | 276,054 | 276,056 | (2) | (0.0%) | (2) | (0.0%) |
| Public Works Capital Projects Mgmt Fund | 3,793,554 | 3,477,425 | 3,793,554 | 3,477,425 | 3,477,425 | 0 | 0.0% | 0 | 0.0% |
| TOTAL OTHER REQUIREMENTS | 13,562,852 | 12,432,614 | 13,212,098 | 12,111,090 | 12,111,092 | 321,523 | 2.6% | (2) | (0.0%) |
| TOTAL REQUIREMENTS | 158,854,288 | 139,606,600 | 153,025,273 | 134,673,933 | 129,725,413 | 9,881,188 | 7.1% | 4,948,521 | 3.7% |
| EXCESS (DEFICIT) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS | | | | | | | | | |
| | (33,534,196) | (23,859,559) | (26,738,867) | (20,549,417) | 7,373,163 | 31,232,722 | 130.9% | 27,922,580 | 135.9% |
| CARES Act Reimbursement (Parking) | | | | | | | | | |
| | 0 | 0 | 0 | 0 | (1,908,714) | 1,908,714 | N/A | 1,908,714 | N/A |
| CARES Act Reimbursement (Debt Service) | | | | | | | | | |
| | (30,950,446) | (28,371,242) | (33,618,983) | (30,817,401) | (27,129,523) | (1,241,719) | (4.4%) | (3,687,878) | (12.0%) |
| TOTAL CARES ACT REIMBURSEMENT | (30,950,446) | (28,371,242) | (33,618,983) | (30,817,401) | (29,038,237) | 666,995 | 2.4% | (1,779,164) | (5.8%) |
| EXCESS (DEFICIT) OF TOTAL AFTER CARES ACT | (2,583,750) | 4,511,683 | 6,880,116 | 10,267,984 | 36,411,400 | 31,899,717 | 707.0% | 26,143,416 | 254.6% |

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

| ENPLANEMENTS | Passengers | % Inc/(Dec) |
|---------------------------------|------------|-------------|
| August, 2021 (Month over Month) | 632,734 | 206.59% |
| August, 2021 - Year-to-Date | 4,606,037 | 2.00% |

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

| | This month - This Year vs. Last Year FY21 (Aug 21) vs FY20 (Aug 20) | | | | Fiscal YTD - This Year vs. Last Year FY21 (Oct 20 - Aug 21) vs FY20 (Oct 19 - Aug 20) | | | |
|---|--|---------------------------|----------------------------|---------------------------|--|---------------------------|----------------------------|---------------------------|
| | FY21 Aug-21 | FY20 Aug-20 | Fav (Unfav) \$ Variance | Fav (Unfav) % Variance | FY21 YTD Aug-21 | FY20 YTD Aug-20 | Fav (Unfav) \$ Variance | Fav (Unfav) % Variance |
| Airline Revenue | | | | | | | | |
| Landing Fees | 3,017,515 | 1,654,516 | 1,362,999 | 82.4% | 22,453,707 | 22,983,786 | (530,079) | (2.3%) |
| Terminal Rental & Other Fees | 5,120,717 | 3,855,137 | 1,265,581 | 32.8% | 47,855,250 | 45,588,311 | 2,266,938 | 5.0% |
| Total Airline Revenue | <u>8,138,232</u> | <u>5,509,653</u> | <u>2,628,580</u> | <u>47.7%</u> | <u>70,308,956</u> | <u>68,572,098</u> | <u>1,736,859</u> | <u>2.5%</u> |
| Non-Airline Revenue | | | | | | | | |
| Parking | 4,364,536 | 1,132,290 | 3,232,246 | 285.5% | 24,063,927 | 22,175,601 | 1,888,326 | 8.5% |
| Ground Transportation for Hire | 461,878 | 113,305 | 348,574 | 307.6% | 3,113,862 | 3,779,542 | (665,679) | (17.6%) |
| Rental Cars | 1,361,468 | (1,509,806) | 2,871,273 | 190.2% | 12,634,924 | 10,354,522 | 2,280,402 | 22.0% |
| Food & Beverage | 1,039,254 | 224,473 | 814,780 | 363.0% | 6,778,543 | 6,718,241 | 60,302 | 0.9% |
| Retail | 506,036 | 132,089 | 373,947 | 283.1% | 5,226,138 | 3,042,555 | 2,183,583 | 71.8% |
| Advertising | 179,554 | 126,998 | 52,555 | 41.4% | 1,818,558 | 2,026,756 | (208,198) | (10.3%) |
| Other Concessions, Rentals & Fees | 1,285,478 | 1,171,428 | 114,050 | 9.7% | 13,044,808 | 13,741,871 | (697,064) | (5.1%) |
| Total Non-Airline Revenue | <u>9,198,203</u> | <u>1,390,777</u> | <u>7,807,426</u> | <u>561.4%</u> | <u>66,680,760</u> | <u>61,839,088</u> | <u>4,841,672</u> | <u>7.8%</u> |
| Interest Income | 8,195 | 25,318 | (17,123) | (67.6%) | 108,859 | 792,133 | (683,274) | (86.3%) |
| Total Operating Revenue | <u>17,344,630</u> | <u>6,925,748</u> | <u>10,418,882</u> | <u>150.4%</u> | <u>137,098,576</u> | <u>131,203,318</u> | <u>5,895,257</u> | <u>4.5%</u> |
| Operating Requirements | | | | | | | | |
| Fac Mgmt, Ops and Airport Security | 4,435,736 | 4,361,779 | (73,957) | (1.7%) | 48,216,946 | 51,864,656 | 3,647,710 | 7.0% |
| Airport Planning and Development | 342,794 | 319,787 | (23,008) | (7.2%) | 3,907,660 | 5,235,242 | 1,327,582 | 25.4% |
| Support Services | 1,880,624 | 2,468,216 | 587,592 | 23.8% | 19,283,475 | 22,316,584 | 3,033,109 | 13.6% |
| Business Services | 553,094 | 324,464 | (228,630) | (70.5%) | 3,996,923 | 9,921,574 | 5,924,650 | 59.7% |
| Total Operating Expense | <u>7,212,249</u> | <u>7,474,246</u> | <u>261,997</u> | <u>3.5%</u> | <u>75,405,005</u> | <u>89,338,056</u> | <u>13,933,051</u> | <u>15.6%</u> |
| Debt Service | | | | | | | | |
| GO Debt Service Fund | 42 | 0 | (42) | N/A | 465 | 0 | (465) | N/A |
| 2013 Prosperity Bank Loan | 451,131 | 450,600 | (531) | (0.1%) | 4,961,764 | 4,958,400 | (3,364) | (0.1%) |
| 2014 Bond Issuance | 589,844 | 589,885 | 41 | 0.0% | 6,487,999 | 6,487,954 | (45) | (0.0%) |
| 2017 Bond Issuance | 836,226 | 836,229 | 3 | 0.0% | 9,198,489 | 9,126,171 | (72,318) | (0.8%) |
| 2019 Refunding Bonds | 1,277,299 | 1,401,053 | 123,753 | 8.8% | 14,181,431 | 14,648,557 | 467,126 | 3.2% |
| 2019 New Money | 1,092,583 | 474,050 | (618,533) | (130.5%) | 7,379,168 | 3,852,750 | (3,526,418) | (91.5%) |
| Total Debt Service | <u>4,247,127</u> | <u>3,751,817</u> | <u>(495,310)</u> | <u>(13.2%)</u> | <u>42,209,316</u> | <u>39,073,832</u> | <u>(3,135,484)</u> | <u>(8.0%)</u> |
| Other Requirements | | | | | | | | |
| Workers' Compensation | 36,312 | 38,282 | 1,970 | 5.1% | 399,432 | 421,102 | 21,670 | 5.1% |
| Citywide Administrative Support | 527,360 | 479,138 | (48,222) | (10.1%) | 5,800,960 | 5,270,518 | (530,442) | (10.1%) |
| Communications & Technology Mgmt | 156,605 | 151,494 | (5,111) | (3.4%) | 1,722,655 | 1,666,434 | (56,221) | (3.4%) |
| Accrued Payroll | 13,844 | 29,543 | 15,699 | 53.1% | 152,282 | 324,968 | 172,686 | 53.1% |
| CTECC | 25,662 | 17,126 | (8,536) | (49.8%) | 282,282 | 188,386 | (93,896) | (49.8%) |
| Trunked Radio Allocation | 25,096 | 26,436 | 1,340 | 5.1% | 276,056 | 290,796 | 14,740 | 5.1% |
| Public Works Capital Projects Mgmt Fund | 316,130 | 283,281 | (32,849) | (11.6%) | 3,477,425 | 3,116,091 | (361,334) | (11.6%) |
| Total Other Requirements | <u>1,101,008</u> | <u>1,025,300</u> | <u>(75,709)</u> | <u>(7.4%)</u> | <u>12,111,092</u> | <u>11,278,295</u> | <u>(832,796)</u> | <u>(7.4%)</u> |
| Total Requirements | <u>12,560,384</u> | <u>12,251,362</u> | <u>(309,022)</u> | <u>(2.5%)</u> | <u>129,725,413</u> | <u>139,690,183</u> | <u>9,964,771</u> | <u>7.1%</u> |
| SURPLUS (DEFICIT) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS | <u>4,784,246</u> | <u>(5,325,615)</u> | <u>10,109,860</u> | <u>189.8%</u> | <u>7,373,163</u> | <u>(8,486,865)</u> | <u>15,860,028</u> | <u>186.9%</u> |
| CARES Act Reimbursement (Parking) | (1,908,714) | (198,698) | 1,710,016 | 860.6% | (1,908,714) | (2,787,153) | (878,440) | (31.5%) |
| CARES Act Reimbursement (Debt Service) | 0 | (11,315,515) | (11,315,515) | N/A | (27,129,523) | (14,962,725) | 12,166,798 | 81.3% |
| Total CARES Act | <u>(1,908,714)</u> | <u>(11,514,214)</u> | <u>(9,605,500)</u> | <u>83.4%</u> | <u>(29,038,237)</u> | <u>(17,749,879)</u> | <u>11,288,359</u> | <u>63.6%</u> |
| TOTAL SURPLUS (DEFICIT) AFTER CARES ACT | <u>6,692,960</u> | <u>6,188,599</u> | <u>504,361</u> | <u>8.1%</u> | <u>36,411,400</u> | <u>9,263,014</u> | <u>27,148,387</u> | <u>293.1%</u> |

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



AIRPORT ADVISORY COMMISSION

ITEM 2b – WRITTEN STAFF BRIEFINGS

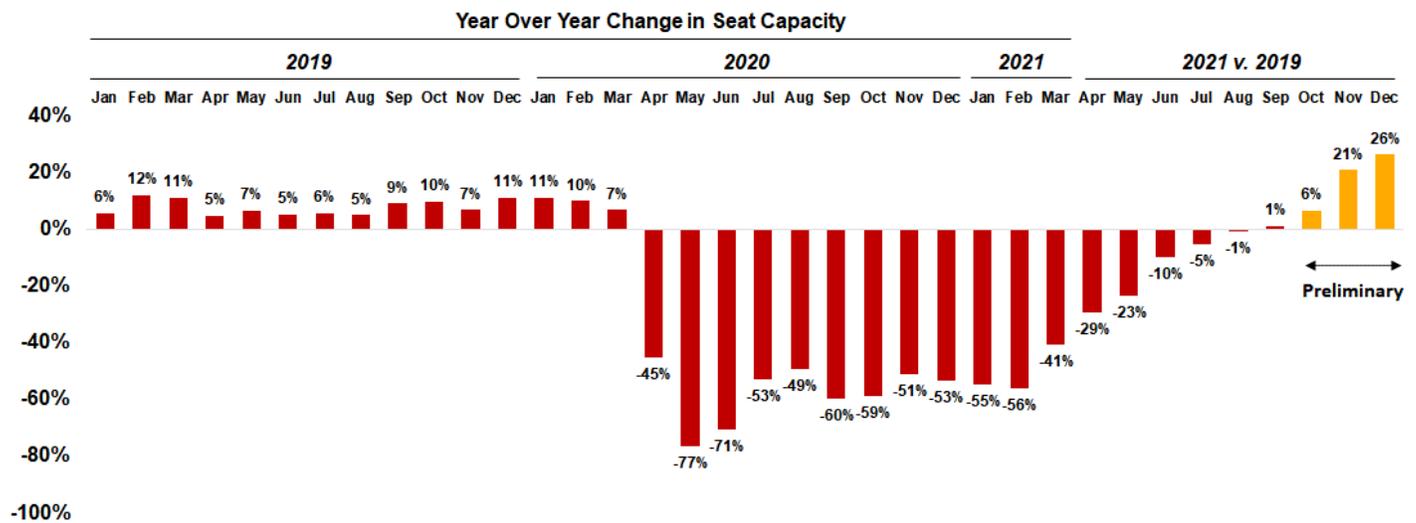
AUS Air Service Update

Prepared by Jamy Kazanoff, Air Service
Development

October 2021 Air Service Snapshot

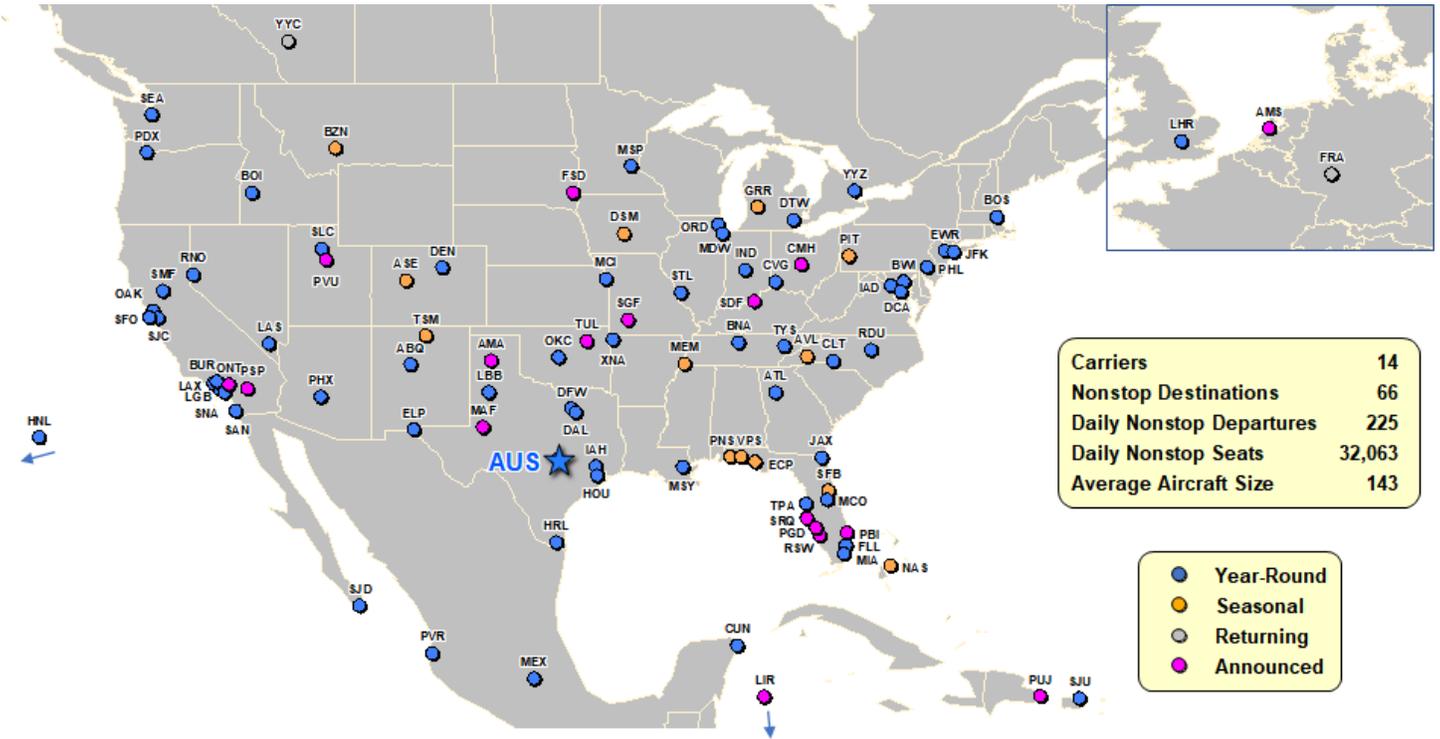
As the Summer and Labor Day are behind us, air travel moves into an annual transformational period with slower leisure travel and a return to business travel. With the nationwide rise in COVID-19 cases, companies slowing the return to offices and continued staffing shortages - airlines are increasingly cautious about Fall and Winter demand. Most carriers filed aggressive schedules for the upcoming months and continue to trim capacity for the Fall and early Winter. That being said, bookings are starting to trend up again as the delta variant impact is waning. We should also start seeing a bump in international trends as the US relaxed some travel restrictions. According to Bank of America, corporate bookings are now down roughly 55% compared to 2019 levels and seeing mild improvement.

The chart below shows how COVID-19 has affected AUS capacity with year-over-year change in seat capacity through March 2021, and then 2019 comparisons starting in April. November 2021 schedules have mostly been adjusted by all carriers and some have even adjusted schedules through early January 2022 and into the Spring. Based on currently filed schedules, capacity will be 6% above 2019 levels in October and a staggering 21% in November.

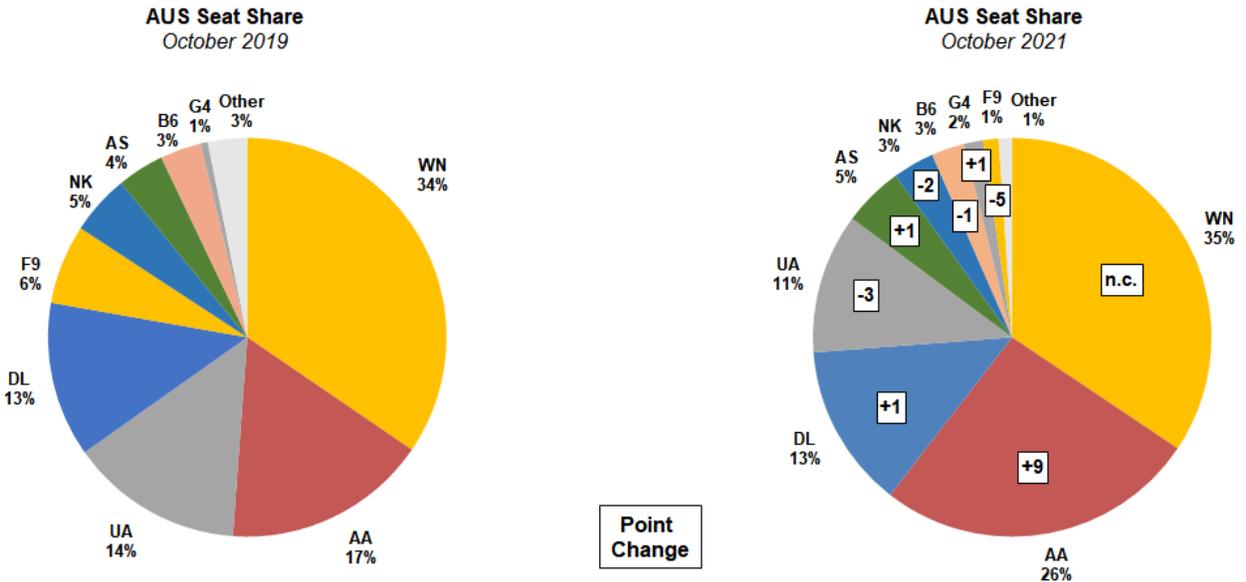


The route map on the next page provides a snapshot of current air service at AUS. Highlights of recent air service announcements/developments include:

- **British Airways** is resuming LHR service on Oct. 13 with 3 weekly flights
- **Air Canada** returned to AUS on Oct. 2 with 6 weekly flights, increasing to daily service on Oct. 28 and double daily service tentatively on May 1, 2022
- **KLM** has loaded AMS service for sale effective March 28, 2022 with 3/week on the 292-seat A330-300
- **Lufthansa** could resume service on Dec. 5 at the earliest; **WestJet** is scheduled to return on May 1, 2022
- **Hawaiian** added extra HNL frequencies for the holidays
- **VivaAerobus** announced year-round service to MTY and seasonal service to MEX which was supposed to launch June 19 with 2/week but due to the FAA downgrade of Mexico to Category 2 for aviation oversight and safety, that may be postponed for 4-6 months
- **Southwest** service to OKC starts on Oct. 7 and LBB will be restored earlier on Oct. 10. Nonstop service will also be added to AMA, CHS, CMH, MAF, ONT & PVR in early 2022.
- **American** this Fall will add 10 new domestic markets (CVG, ELP, IND, JAX, MCI, OKC, RNO, SJU, STL & TUL) and 4 new international markets (CUN, LIR, PUJ & PVR) up to 76 daily flights; will serve ASE, DEN & RSW for the holidays
- **Allegiant** announced new service to the following markets in November with the start of the new base: AMA, FSD, PBI, PGD, PVU, SDF, SGF, SNA & TUL
- **Alaska** will serve PSP 5/wk from November 19 – April 18



AUS capacity shares by airline in October 2021 are somewhat similar to October 2019 except that American's capacity share is up 9 percentage points due to the new domestic and international routes starting this Summer and Fall. Delta, Alaska and Allegiant have also gained capacity share since 2019. Shares will adjust further as additional new American and Southwest service is launched this Fall and the Allegiant base opens in November.





AIRPORT ADVISORY COMMISSION

ITEM 4a – CONSENT AGENDA

Authorize negotiation and execution of a multi-term contract with Preferred Technologies LLC to provide an access control and identity management system for up to five years for a total contract amount not to exceed \$6,400,000.



Recommendation for Action

File #: 21-3236, Agenda Item #: 6.

11/4/2021

Posting Language

Authorize negotiation and execution of a multi-term contract with Preferred Technologies LLC, to provide an access control and identity management system, for up to five years for a total contract amount not to exceed \$6,400,000.

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

Lead Department

Purchasing Office.

Client Department(s)

Aviation.

Fiscal Note

Funding in the amount of \$3,064,000 is available in the Fiscal Year 2021-2022 Capital Budget of Aviation. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Purchasing Office issued a Request for Proposals (RFP) 8100 JTH3001 for these goods and services. The solicitation issued on July 6, 2020 and it closed on October 6, 2020. Of the seven offers received, the recommended contractor submitted the best evaluated responsive offer. A complete solicitation package, including a log of offers received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](#)

https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=134428.

Prior Council Action:

For More Information:

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

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Sai Xoomsai Purcell, at 512-978-1524 or Sai.Xoomsai@austintexas.gov <mailto:Elisa.Folco@austintexas.gov>.

Council Committee, Boards and Commission Action:

October 12, 2021 - To be reviewed by the Airport Advisory Commission.

Additional Backup Information:

The contract will provide new access control and identity management systems for Austin-Bergstrom International Airport (ABIA). The new access control system will improve the security posture of ABIA through a strong integration with the existing video management and perimeter intrusion detection systems. The identity management system will enhance the efficiency of the Airport Badging Office by providing secure integrations between disparate applicant vetting systems, reducing duplicate manual data entry, and moving towards a paperless, structured workflow. This project supports ABIA's ongoing efforts to provide enhanced and improved security, situational awareness, and better managing and accounting for airport security credentials as mandated by federal authorities.

An evaluation team with expertise in this area evaluated the offers and scored Preferred Technologies LLC as the best to provide these goods and services based on prior experience and references, system description, price, concepts and solutions, local preference, and service-disabled veteran business enterprise.

This is a new contract. The requested authorization amount is based on pricing for equipment, implementation services and maintenance submitted in response to the solicitation and department estimates to cover anticipated growth for additional access points that may be required during the life of this technology solution.

Contract Detail:

| <u>Contract Term</u> | <u>Length of Term</u> | <u>Contract Authorization</u> |
|-----------------------------|------------------------------|--------------------------------------|
| Initial Term | 2 yrs. | \$3,073,446 |
| Optional Extension 1 | 1 yr. | \$1,099,818 |
| Optional Extension 2 | 1 yr. | \$1,108,718 |
| Optional Extension 3 | 1 yr. | \$1,118,018 |
| TOTAL | 5 yrs. | \$6,400,000 |

Note: Contract Authorization amounts are based on the City's estimated annual usage.

Strategic Outcome(s):

Mobility, Safety.



AIRPORT ADVISORY COMMISSION

ITEM 4b – CONSENT AGENDA

Authorize negotiation and execution of a multi-term contract with Level 3 Financing, Inc. d/b/a Level 3 Telecom Holdings, LLC, a Lumen Technologies company, to Request for Proposals 8100 DDM3005, to provide data and telecommunications services, for up to ten years for a total contract amount not to exceed \$7,000,000.



Recommendation for Action

File #: 21-3237, Agenda Item #: 7.

11/4/2021

Posting Language

Authorize negotiation and execution of a multi-term contract with Level 3 Financing, Inc. d/b/a Level 3 Telecom Holdings, LLC, a Lumen Technologies company, to Request For Proposals 8100 DDM3005, to provide data and telecommunications services, for up to ten years for a total contract amount not to exceed \$7,000,000.

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

Lead Department

Purchasing Office.

Client Department(s)

Aviation.

Fiscal Note

Funding in the amount of \$250,000 is available in the Fiscal Year 2021-2022 Operating Budget of Aviation. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Purchasing Office issued a Request for Proposals (RFP) 8100 DDM3005 for these services. The solicitation issued on September 20, 2020 and it closed on November 10, 2020. Of the three offers received, the recommended contractor submitted the best evaluated responsive offer. [Solicitation Documents <https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=134471>](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=134471).

Prior Council Action:

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or [AgendaOffice@austintexas.gov <mailto:AgendaOffice@austintexas.gov>](mailto:AgendaOffice@austintexas.gov)

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Daniel Dellemonache, at 512-974-2981 or [Daniel.Dellemonache@austintexas.gov <mailto:Daniel.Dellemonache@austintexas.gov>](mailto:Daniel.Dellemonache@austintexas.gov).

Council Committee, Boards and Commission Action:

October 12, 2021 - To be reviewed by the Airport Advisory Commission.

Additional Backup Information:

The contract will provide telecommunications and internet services for the Aviation Department to include the Austin-Bergstrom International Airport (ABIA) campus and its tenants. ABIA supports a shared tenant service business model that facilitates a variety of services delivered to Airport stakeholders, including access to private branch exchange services, local dial tone, long distance, and internet services. This contract will ensure continued operation of voice and data services at ABIA.

Level 3 Financing, Inc. is the previous provider for these services and the contract expired on October 30, 2021.

An evaluation team with expertise in this area evaluated the offers and scored Level 3 Financing, Inc., a Lumen Technologies Group, as the best to provide these services based on system description, prior experiences and references, price, concepts and solutions, local preference, and service-disabled veteran business enterprise.

Contract Detail:

| <u>Contract Term</u> | <u>Length of Term</u> | <u>Contract Authorization</u> |
|-----------------------------|------------------------------|--------------------------------------|
| Initial Term | 4 yrs. | \$2,900,000 |
| Optional Extension 1 | 2 yrs. | \$1,400,000 |
| Optional Extension 2 | 2 yrs. | \$1,400,000 |
| Optional Extension 3 | 2 yrs. | \$1,300,000 |
| TOTAL | 10 yrs. | \$7,000,000 |

Note: Contract Authorization amounts are based on the City's estimated annual usage.

Strategic Outcome(s):

Government that Works for All.



AIRPORT ADVISORY COMMISSION

ITEM 4c – CONSENT AGENDA

Authorize negotiation and execution of a Job Order Assignment with Hensel Phelps Construction Co., one of the City's Facilities Improvement Job Order Contractors, to reconfigure Austin-Bergstrom International Airport Transportation Security Administration Checkpoints 1 & 2 for a total amount not to exceed \$1,500,000.



Recommendation for Action

File #: 21-3191, Agenda Item #: 2.

11/4/2021

Posting Language

Authorize negotiation and execution of a Job Order Assignment with Hensel Phelps Construction Co., one of the City's Facilities Improvement Job Order Contractors, to reconfigure Austin-Bergstrom International Airport Transportation Security Administration Checkpoints 1 & 2 for a total amount not to exceed \$1,500,000.

[Note: This contract will be awarded in compliance with City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program). MBE/WBE goals will be established for this assignment prior to work commencing.]

Lead Department

Capital Contracting Office

Managing Department

Department of Aviation

Fiscal Note

Funding is available in the Fiscal Year 2021-2022 Capital Budget of the Department of Aviation.

Purchasing Language:

The original Job Order Contract was awarded through a Competitive Sealed Proposal solicitation process.

Prior Council Action:

June 15, 2017 - Council authorized negotiation and execution of the 2017 Job Order Contract Program

March 2, 2017 - Council authorized the Competitive Sealed Proposal methodology for the selection of the 2017 Job Order Contract for City of Austin Facilities Improvement solicitation.

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, Beverly Mendez, 512-974-3596, or the PM, Rohini Kumarage, 512-530-7547.

Council Committee, Boards and Commission Action:

To be reviewed by the Airport Advisory Commission on October 12, 2021.

Additional Backup Information:

This project will reconfigure Austin-Bergstrom International Airport (AUS) checkpoints accommodating new Transportation Security Administration (TSA) baggage scanners to maximize the number of security checkpoint lanes and install a new checkpoint to meet current passenger screening demands. During phase 1 of the project, a total of three new machines were installed to increase the passenger screening efficiently at

Checkpoints 1 and 2. During Phase 2 of the project, a new Security Screening Check Point (SSCP), encompassing three lanes, will be installed to meet the current passenger demands. This is based on additional flight schedules that is forecasted to begin from November 2021.

Currently during peak times, AUS is experiencing longer times than usual at the SSCPs resulting in passenger frustration and missing scheduled flights. Additionally, upcoming for 2021-2022 flight schedules from air carriers forecasts 135+ more flights during peak times. This project will expedite completion of the new Check Point 2-East with three passenger lanes to ease the extensive wait times at existing airport security check points.

Job Order Contracting is a highly responsive contracting method that allows for services where the work is for indefinite time and indefinite quantities and where job order assignments are awarded substantially on the basis of pre-described and pre-priced tasks. Work may consist of facility maintenance, repair, alteration, renovation, remediation, or minor construction of City facilities.

Pursuant to state statute, the City is required to obtain approval from Council for any individual job order assignment that exceeds \$500,000. This request is for Council's authorization to negotiate and execute one Job Order Assignment from the Job Order Contract program for an amount not-to-exceed \$1,500,000 inclusive of contingency.

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

Hensel Phelps Construction Co. is located in Austin, Texas.

Strategic Outcome(s):

Government That Works for All, Mobility



AIRPORT ADVISORY COMMISSION

ITEM 4d – CONSENT AGENDA

Authorize negotiation and execution of a Job Order Assignment with Alpha Building Corporation for the Barbara Jordan Terminal Vertical Circulation project for a total amount not to exceed \$3,000,000.



Recommendation for Action

File #: 21-3128, Agenda Item #: 8.

10/21/2021

Posting Language

Authorize negotiation and execution of a Job Order Assignment with Alpha Building Corporation for the Barbara Jordan Terminal Vertical Circulation project for a total amount not to exceed \$3,000,000.

[Note: This contract will be awarded in compliance with City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program). MBE/WBE participation goals will be established prior to the issuance of this job order assignment.]

Lead Department

Capital Contracting Office

Managing Department

Department of Aviation

Fiscal Note

For a single department funding: Funding is available in the Fiscal Year 2021-2022 Capital Budget of the Department of Aviation.

Purchasing Language:

Original contract was awarded through a competitive Invitation for Bid solicitation process.

Prior Council Action:

October 1, 2020 - Council authorized negotiation and execution of the 2020 Job Order Contract for City Facility Improvements.

January 23, 2020 - Authorized the use of Job Order Contracting Project Delivery Method.

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, Beverly Mendez, 512-974-3596, or the PM, Robert Mercado, (512) 530-2515.

Council Committee, Boards and Commission Action:

To be reviewed by the Airport Advisory Commission on October 12, 2021.

Additional Backup Information:

Austin-Bergstrom International Airport (AUS) has announced an Airport Expansion and Development Program (AEDP) to accommodate the needs of the growing Central Texas population. Phase A of the AEDP includes optimization of the Barbara Jordan Terminal (BJT). One of the projects to optimize the Terminal is to renovate an existing gate area to accommodate ground loading of airplanes.

Due to the growing demand for airline space at the existing Terminal and the travel surge in the short term, AUS needs to quickly renovate existing Gate 13 to handle passengers boarding planes on the Apron Level. To accommodate the movement and convenience of the airport customers who are to move to the ground loading area, there is an immediate need for the installation of an escalator by a Job Order Contractor (JOC) that can quickly be engaged to Perform the work.

Job Order Contracting is a highly responsive contracting method that allows for services where the work is for indefinite time and indefinite quantities and where job order assignments are awarded substantially on the basis of pre-described and pre-priced tasks. Work may consist of facility maintenance, repair, alteration, renovation, remediation, or minor construction of City facilities.

Pursuant to state statute, the City is required to obtain approval from Council for any individual job order assignment that exceeds \$500,000. This request is for Council's authorization to negotiate and execute one Job Order Assignment from the Job Order Contract program for an amount not-to-exceed \$3,000,000 inclusive of contingency.

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

Alpha Building Corporation is located in San Antonio, Texas.

Strategic Outcome(s):

Mobility



AIRPORT ADVISORY COMMISSION

ITEM 4e – CONSENT AGENDA

Authorize award and execution of a construction contract with Flintco, LLC, for the AUS Cargo Development East project in the amount of \$16,584,000 plus \$1,658,400 for contingency, for a total contract amount not to exceed \$18,242,400.



AIRPORT ADVISORY COMMISSION

ITEM 4e – CONSENT AGENDA

Authorize award and execution of a construction contract with Flintco, LLC, for the AUS Cargo Development East project in the amount of \$16,584,000 plus \$1,658,400 for contingency, for a total contract amount not to exceed \$18,242,400.



Recommendation for Action

File #: 21-3247, **Agenda Item #:** 8.

11/4/2021

Posting Language

Authorize award and execution of a construction contract with Flintco, LLC, for the AUS Cargo Development East project in the amount of \$16,584,000 plus a \$1,658,400 for contingency, for a total contract amount not to exceed \$18,242,400.

[Note: This contract will be awarded in compliance with City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program): by meeting the goals with 12.73% MBE and 1.79% WBE participation.]

Lead Department

Capital Contracting Office

Managing Department

Public Works Department

Fiscal Note

Funding is available in the Fiscal Year 2021-2022 Capital Budget of the Department of Aviation.

Purchasing Language:

Lowest responsive bid of three bids received through a competitive Invitation for Bid solicitation.

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, Garrett Cox, 512-974-9423, or the Project Manager, Murtha Donovan, 512-974-7251.

Council Committee, Boards and Commission Action:

To be reviewed by the Aviation Advisory Commission on October 12, 2021.

Additional Backup Information:

The need to expand cargo opportunities has been identified in the Department of Aviation's Master Plans in 2003 and 2019. This project was included in the Five-Year Capital Improvement Program in 2020 and updated in 2021. The update proposes a 90,000 square foot air cargo facility that can accommodate up to four operators or tenants (including 10,000 square feet of interior office space for one operator or tenant with 150 employees and 3 aircraft parking spaces), and associated drainage infrastructure. The facility is designed to achieve a 3-Star Austin Energy Green Building Rating. The proposed cargo building is located on a 12.35-acre site on the northwest side of Austin Bergstrom International Airport (AUS) at 9402 Freight Lane.

Cargo facilities at AUS were originally built through third party developer agreements with long-term leases. Historically, the Airport staff did not manage any cargo buildings or actively engage in lease rate setting, negotiations or revenue management. In 2018, the Department of Aviation repurchased a three-building complex on 14.3 acres, totaling 178,560 square feet, to control revenues and drive direct involvement in revenue generating leases.

The AUS Cargo facility, as it is known today, as well as other developer owned and operated facilities, are either completely full or near capacity with only small areas available that will not accommodate large tenants. For calendar year 2020, AUS growth in cargo was 36% over 2019 and is increasing. The current demand for cargo and airline support facilities exceeds capacity and would exceed the proposed 90,000 square foot facility, also known as the Cargo Development East project.

Multiple existing tenants have expressed an interest in expanding their presence at the airport. This development would keep an accelerated delivery schedule for those tenants needing the space within the next 12-18-month window. As stewards of the only cargo ramp in Austin, it is the Department of Aviation's duty to maximize its long-term potential and impact to the local economy.

In an effort to make the federal funding process more efficient and to maximize the federal grant participation by the Federal Aviation Administration for the overall project, the project team separated the project into two phases. Phase 1 will be performed by JE Dunn through a previously authorized change order and includes site preparation scope (drainage and utility improvements) that are eligible for federal grant funding. Phase 2 scope of work includes the construction of the vertical building and is the reason for this request for Council action.

Due to the need to expedite this project, a 10% contingency in funding has been included to allow for the expeditious processing of any change orders. A contingency is an additional amount of money added to the construction budget to cover any unforeseen construction costs associated with the project. By authorizing the additional contingency funding, Council is authorizing any change orders within the contingency amount.

Public impact of constructing this cargo facility will be minimal as the planned cargo location will maintain accessibility to existing facilities.

If this item is delayed, the required infrastructure needed to support the airport's demand for cargo capacity will not be met and the Airport could potentially lose needed revenue.

The contract allows 360 calendar days for completion of this project. This project is located within zip code 78719 (District 2).

Flintco, LLC is located in Austin, Texas

Strategic Outcome(s):

Safety, Mobility, Government That Works for All

BOARDS AND COMMISSIONS

A QUICK GUIDE

Thank you for your dedication and service to the City of Austin!



A FEW THINGS TO KEEP IN MIND:

- Every Board or Commission is assigned staff support by the City Manager's Office with the goal for all parties to work collaboratively together - boards/commissions and staff do not report to or supervise each other
- Individual members may not act in official capacity except through action of B/C majority
- Meetings may not extend beyond 10:00 pm, unless a majority votes to continue
- Special rules of procedure may be adopted as needed - must not be in conflict with state or federal law, bylaws, or City Code & may require review by A&F (approved rules will be posted online)
- A joint committee with another B/C can only be created by a formal action from Council
- Closed session requires prior approval from the City Attorney
- All B/C business (even on personal account) is subject to Public Information Requests

AGENDAS

Agendas are compiled by the staff liaison with input from executive liaison, B/C members, and department staff

- Items require sponsorship of at least 2 members
- Allow for citizen communication & speaker sign-up (not for briefings)
- ⚠ Send agenda items to liaison at least 5 days prior to a meeting

MEETINGS

All meetings require a quorum to convene, must be posted at least 72 hrs in advance, and be recorded (at least audio)

- Meeting must be cancelled if quorum is not obtained within 30 min of posted start time
- Please inform liaison if unable to attend or will be late to a meeting
- ⚠ Repeated unexcused absences may result in a vacancy of appointment



BOARDS AND COMMISSIONS

A QUICK GUIDE

CONFLICTS OF INTEREST

When personal interests intrude on the ability to adhere to the highest standards in decision making, or if it would appear so to an observer: there is a conflict of interest

- Conflicts can be financial relationships, occupational concerns or personal relationships

Consider the following:

- Do I personally stand to lose or gain anything substantial because of my decision?
- Do I have a close personal or financial relationship with an interested party?
- Will this influence any future opportunities for me?
- How would I feel if a story about my connection with this issue appeared in the media?
- Have I received a gift or hospitality from anyone who stands to gain or lose from this decision?

RECUSE OR ABSTAIN

A Conflict of Interest:

- May REQUIRE recusal
- May be a judgement call: perhaps voluntary recusal
- May be resolved by ABSTAINING

How to Recuse or Abstain:

- Indicate item of abstention or recusal on sign-in sheet - DON'T VOTE
- For recusal: leave the dais during discussion and vote
- ⚠ For Sovereign Boards: Affidavit 171 or 176 may be required prior to meeting

NEED ASSISTANCE?

For legal or ethical questions, especially conflicts of interest, please contact the Ethics & Compliance Team at 512-974-2180 or ethicscompliance@austintexas.gov

For trouble logging into your city email account, please contact the CTM Help Desk at 512-974-4357 (HELP)