



**AIRPORT ADVISORY COMMISSION
MEETING JUNE 14, 2022 3:00 PM
2716 SPIRIT OF TEXAS DRIVE
ROOM 160 (Board Room and Public Comments)
ROOM 174 (Public Viewing of Proceedings via Videoconference)
AUSTIN, TEXAS 78719**

Some members of the Commission may be participating via videoconference.

Live audio of the meeting will be available as an alternative to attending in person. Please email Steve Khanoyan at stephen.khanoyan@flyaustin.com by noon of the day of the meeting for dial-in details.

Any member of the public wishing to address the Commission in person may sign in before the meeting or, if via dial in, by noon of the meeting date by emailing Steve Khanoyan at stephen.khanoyan@flyaustin.com. Please include the phone number you will be calling from.

CURRENT BOARD MEMBERS

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

Ernest Saulmon
Jonathan Coon
Billy Owens

Vicky Sepulveda
Chad Ennis
Raymond Young

AGENDA

CALL TO ORDER

PUBLIC 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. Please see further instructions on registration above.

1. APPROVAL OF MINUTES

- a) May 10, 2022 meeting.

2. STAFF REPORTS

- a) April 2022 Financial Results prepared by Rajeev Thomas, Deputy Chief Finance Officer.
- b) AUS Air Service Update prepared by Jamy Kazanoff, Air Service Development.

3. STAFF BRIEFINGS

- a) Chief Executive Officer's Update on Item 63 on the City Council Agenda for June 16, 2022 Regarding the South Terminal presented by Jacqueline Yaft, Chief Executive Officer.
- b) Chief Operations Officer's Report on Airport Wi-Fi, TSA Screening, and Baggage Porter Services presented by Ghizlane Badawi, Chief Operating Officer.
- c) Airport Expansion and Development Program (AEDP) Terminal Optimization presented by Tracy Thompson, Interim Chief Planning and Development Officer.

4. CONSENT AGENDA

- a) Authorize negotiation and execution of a Construction Manager at Risk Agreement with Hensel Phelps Construction Co. for preconstruction and construction services for the Barbara Jordan Terminal (BJT) Optimization in an amount not to exceed \$46,000,000.
Scheduled for approval by the City Council at the June 16, 2022 meeting.

(Note: This contract will be awarded in compliance with 49 CFR Part 26 DBE Procurement Program and City Code Chapter 2-9B by meeting the goals with 22.33% DBE participation.)

- b) Authorize negotiation and execution of a professional services agreement with RS&H, Inc. (staff recommendation) or one of the other qualified respondents for Request for Qualifications No. CLMP326 to provide engineering design and construction phase services for AEDP Airfield Infrastructure in an amount not to exceed \$8,000,000.
Scheduled for approval by the City Council at the June 16, 2022 meeting.

(Note: This contract will be awarded in compliance with 49 CFR Part 26 DBE and City Code Chapter 2-9B by meeting the goals with 17.00% DBE participation.)

- c) Authorize award of two contracts with Trexxler Energy Solutions, LLC d/b/a Trexxler Logistics LLC and Cothrons Security Solutions, LLC to provide security system parts, each for a term of five years in an amount not to exceed \$850,000 divided between the contractors.
Scheduled for approval by the City Council at the July 28, 2022 meeting.

(Note: This solicitation was sent to over 400 vendors, 28 of whom are fully certified MBE/WBE vendors. None of them submitted an offer. This RCA was reviewed for subcontracting opportunities and there were no goals established.)

5. ACTION ITEMS

None.

6. OLD BUSINESS

- a) City Council meeting on May 19, 2022.
 - Authorize negotiation and execution of a cooperative contract with SHI-Government Solutions, Inc. for network management software, for a term of three years in an amount not to exceed \$330,000.
Approved on consent.

7. NEW BUSINESS

- a) Review of Commission Recommendations and Actions to discuss with appointing City Council Member.
- b) Future Agenda Items.
- c) Next regular meeting scheduled for 3:00 PM on July 12, 2022.

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 tracy.thompson@flyaustin.com.



AIRPORT ADVISORY COMMISSION

ITEM 1 - APPROVAL OF MINUTES

May 10, 2022 - MEETING





**AIRPORT ADVISORY COMMISSION
REGULAR MEETING MINUTES
TUESDAY, MAY 10, 2022**

The Airport Advisory Commission convened in a regular meeting on Tuesday, May 10, 2022.

CALL TO ORDER

Chair E. Sepulveda called the Commission Meeting to order at 3:03 p.m.

Commissioners in Attendance:

Eugene Sepulveda – Chair
Wendy Price Todd – Vice Chair*
Jeremy Hendricks*
(*attended via videoconference)

Vicky Sepulveda
Chad Ennis
Jonathan Coon*

Commissioners Absent:

Scott Madole – Vice Chair
Ernest Saulmon

Billy Owens
Raymond Young

CITIZENS COMMUNICATIONS:

- a) William Gonzalez was allotted 3 minutes to address the Commission regarding the AUS Hilton Hotel and UNITE HERE.

1. APPROVAL OF MINUTES

- a) The minutes from the meeting of April 12, 2022 were approved on Commissioner V. Sepulveda's motion; Commissioner Coon seconded. Motion passed on a 6-0-0-4 vote. Vice Chair Madole, and Commissioners Owens, Saulmon, and Young were absent.

2. STAFF REPORTS

- a) March 2022 Financial Results prepared by Rajeev Thomas, Deputy Chief of Finance.
- b) AUS Air Service Update prepared by Jamy Kazanoff, Air Service Development.

3. STAFF BRIEFINGS

- a) Project Connect Combined Maintenance Facility presented by Tracy Thompson, Chief Administrative and External Affairs Officer, Jocelyn Vokes, Public Involvement Manager, and Marcus Guerrero, Director of Facilities Expansion, Austin Transit Partnership.

- b) CEO Report on South Terminal Updates and TSA Staffing presented by Jacqueline Yaft, Chief Executive Officer.
- c) Hilton Hotel Update presented by Tracy Thompson, Chief Administrative and External Affairs Officer and Rajeev Thomas, Deputy Chief Finance Officer.
- d) Airport Expansion and Development Program (AEDP) RCA Schedule Update presented by Tracy Thompson, Interim Chief Planning and Development Officer.
- e) Airport System Revenue Bonds, Series 2022 (AMT) Results presented by Rajeev Thomas, Deputy Chief Finance Officer and Dennis Waley, Managing Director, PFM

4. CONSENT AGENDA

None.

5. ACTION ITEMS

- a) Commissioner Coon moved for the following changes to the AAC bylaws.

Article 4, Paragraph A: The officers of the Commission shall consist of a Chair, a Vice Chair, and a Secretary.

Article 5, Paragraph B: In the absence of the Chair, the Vice Chair shall perform all duties of the Chair. In the absence of the Chair and the Vice Chair, the Secretary shall perform all duties of the Chair.

(Amendments to the Bylaws will not take effect until approval of the City Council.)

Vice-Chair Todd seconded. Motion passed on a 6-0-0-4 vote. Vice Chair Madole, and Commissioners Owens, Saulmon, and Young were absent.

6. OLD BUSINESS

None.

7. NEW BUSINESS

- a) Review of Commission Recommendations and Actions to discuss with appointing City Council Member
 - With 25% more passengers than March 2019, March 2022 was the busiest month on record for AUS.
 - Year to date net income was \$34 million compared to a budgeted loss of \$5 million.
 - Connecting traffic at AUS is up from 8% in 2019 to 10% since 2021 driven by Southwest and American Airlines.

- AUS is the second fastest recovering airport in the country, second only to Fort Myers, FL (RSW).
- Enhanced TSA screening machines are expected to arrive at AUS in August.
- AUS expects to be up from 34 to 37 gates in 2024 with the addition of the western terminal gate expansion. In 2023, Gate 13 is expected to open with remote boarding. Concourse B will add at least 10 additional gates upon expected completion in 2027.

b) Future Agenda Items

- Aviation staff will review options to create an dashboard to review operational metrics.

c) Next scheduled meeting June 14, 2022 at 3:00 p.m.

ADJOURNMENT

Chair E. Sepulveda adjourned the meeting at 4:40 p.m.

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For more information on the Airport Advisory Commission, please contact Executive Liaison Tracy Thompson at tracy.thompson@flyaustin.com or Staff Liaisons Steve Khanoyan at (312) 723-2619 or stephen.khanoyan@flyaustin.com and Ammie Calderon at (512) 530-6605 or ammie.calderon@flyaustin.com.



AIRPORT ADVISORY COMMISSION

ITEM 2a – STAFF REPORTS

April 2022 Financial Results

Prepared by Rajeev Thomas, Deputy Chief
Finance Officer



MEMORANDUM

TO: Airport Advisory Commissioners
 FROM: Rajeev Thomas, Deputy Chief - Finance, Aviation Department
 DATE: June 14, 2022
 SUBJECT: Austin-Bergstrom International Airport (AUS) Update

April 2022 Financial Results

Total passenger traffic increased 121.7% in April 2022 compared to April 2021 (which was impacted by the decline in travel demand due to the COVID-19 pandemic) and 32.3% compared to April 2019. April 2022 was the busiest month in AUS’ history with 1,865,046 enplaned and deplaned passengers, exceeding the previous record set only a month before in March 2022. Passenger enplanements totaled 942,940 in April 2022, an increase of 32.0% or 228,468 passengers compared to April 2019. The increased passenger traffic is driven by multiple factors including the following:

- Resurgence in leisure travel due to the decline in the Omicron variant and improvement in business travel.
- Increase in daily average departures from 188 in April 2019 to 257 in April 2022. This is attributable to the launch of expanded non-stop flight schedules from multiple airlines, specifically American Airlines and Southwest Airlines.

Table #1	FY 2022 April	FY 2021 April	Variance Fav (Unfav)	FY 2022 YTD	FY 2021 YTD	YTD Variance Fav (Unfav)
Enplanements	942,940	426,351	121.2%	5,352,301	1,934,136	176.7%
Landing Weights	1,096,449,411	589,843,731	85.9%	6,960,189,494	3,120,468,264	123.0%
Cargo Tonnage	14,359	9,627	49.2%	89,175	70,127	27.2%
Operating Revenue	\$21,351,767	\$12,645,779	\$8,705,989	\$133,959,421	\$76,580,142	\$57,379,279
Airport OPEX	\$8,669,923	\$8,201,455	(\$468,468)	\$55,252,418	\$48,611,496	(\$6,640,922)
Total Requirements	\$14,285,550	\$12,931,028	(\$1,354,522)	\$92,628,813	\$81,848,675	(\$10,780,138)
Net Income Before Federal Relief	\$7,066,218	(\$285,249)	\$7,351,467	\$41,330,608	(\$5,268,533)	\$46,599,141
Federal Relief Reimbursement	\$1,899,908	\$3,629,335	(\$1,729,427)	\$29,821,968	\$25,535,432	\$4,286,536
Net Income After Federal Relief	\$8,966,126	\$3,344,086	\$5,622,040	\$71,152,577	\$20,266,899	\$50,885,677

Table #1 illustrates April 2022’s enplanements totaled 942,940 which is 121.2% higher than April 2021, serving an additional 516,589 enplaned passengers. Landing weights totaled 1,096 million pounds in April 2022 representing an increase of 85.9% compared to April 2021. Cargo volume totaled 14,359 tons in April 2022 representing an increase of 49.2% compared to April 2021.

Monthly operating revenues increased 68.8% or \$8.7M compared to April 2021. Totalling \$21.4M, April 2022 operating revenues reflect the impact of the record-

breaking passenger traffic in the month. AUS reported \$7.1M of net income (before federal relief funding) in April 2022 compared to a deficit of (\$285k) in April 2021.

Year-to-Date Fiscal Year 2022 Financial Results

Through the seventh month of Fiscal Year 2022 (FY2022) AUS delivered strong financial performance when compared to the same period in Fiscal Year 2021 (FY2021). FY2022 Year to Date (YTD) Operating Revenue totals \$134.0M compared to \$76.6M in FY2021, a 74.9% increase. Airport Operating Expenses totaled \$55.3M YTD in FY2022 compared to \$48.6M in FY2021, a 13.7% increase. Net income before federal relief funding totals \$41.3M YTD in FY2022 compared to a deficit of (\$5.3M) in FY2021, an increase of \$46.6M.

Table #2	FY 2022	FY 2022	FY 2022	Budget vs. YTD	Budget vs. YTD	CYE vs. YTD	CYE vs. YTD
	Approved Budget - Seasonalized	CYE - Seasonalized	YTD	Variance \$ Fav (Unfav)	Variance % Fav (Unfav)	Variance \$ Fav (Unfav)	Variance \$ Fav (Unfav)
Operating Revenue	\$91,774,021	\$121,102,776	\$133,959,421	\$42,185,400	46.0%	\$12,856,645	10.6%
Airport OPEX	\$58,017,516	\$55,895,691	\$55,252,418	\$2,765,098	4.8%	\$643,274	1.2%
Total Requirements	\$95,531,432	\$93,146,421	\$92,628,813	\$2,902,619	3.0%	\$517,608	0.6%
Net Income for Debt Service	\$27,018,828	\$58,732,594	\$72,106,848	(\$45,088,019)	(166.9%)	(\$13,374,254)	(22.8%)
Net Income Before Federal Relief	(\$3,757,411)	\$27,956,355	\$41,330,608	\$45,088,019	1200.0%	\$13,374,254	(47.8%)
Federal Relief Reimbursement	\$10,605,353	\$21,316,913	\$29,821,968	\$19,216,616	181.2%	\$8,505,055	39.9%
Net Income After Federal Relief	\$6,847,942	\$49,273,268	\$71,152,577	\$64,304,635	939.0%	\$21,879,309	44.4%

Through April 2022 AUS has delivered favorable YTD financial performance compared to FY2022 budget and current year estimate (CYE) on a seasonalized basis due to increased revenue and operating expense savings. As presented in Table #2, YTD FY2022 revenues exceed budgeted revenues by 46.0% or \$42.2M and exceeded CYE by 10.6% or \$12.9M. The increased revenues are driven by the strong passenger traffic and higher daily flight activity through the seventh month of the fiscal year. Airport operating expenses are 4.8% or \$2.8M below budgeted expenses and 1.2% or \$643k below CYE expenses due primarily to higher than anticipated personnel vacancy rates. Before federal relief funding application, AUS reports net income of \$41.3M, which exceeds the seasonalized budget estimate by \$45.1M and CYE by \$13.4M. Federal relief funding YTD through April 2022 totals \$29.8M contributing to net income after federal relief of \$71.2M, exceeding seasonalized budget estimate by \$64.3M and CYE by \$21.9M.

Attachments:

April 2022 - 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 7 Month(s) ended April 30, 2022

	FY 2022	Budget	FY 2022	CYE	Year to Date w/ Accruals	Y-T-D to Budget		Y-T-D to CYE	
	Amended Budget	Seasonalized 7 month(s)	CYE	Seasonalized 7 month(s)		Variance Fav (Unfav)	% Variance Fav (Unfav)	Variance Fav (Unfav)	% Variance Fav (Unfav)
REVENUE									
AIRLINE REVENUE									
Landing Fees	26,030,400	14,197,051	37,444,308	20,422,228	23,664,884	9,467,833	66.7%	3,242,657	15.9%
Terminal Rental & Other Fees	48,629,418	27,422,790	62,477,517	35,231,921	39,794,532	12,371,742	45.1%	4,562,611	13.0%
TOTAL AIRLINE REVENUE	74,659,818	41,619,841	99,921,825	55,654,149	63,459,416	21,839,575	52.5%	7,805,268	14.0%
NON-AIRLINE REVENUE									
Parking	38,325,261	21,979,040	54,063,848	29,554,093	29,944,025	7,964,984	36.2%	389,932	1.3%
Ground Transportation for Hire	4,983,334	2,668,189	7,256,248	3,885,158	4,456,423	1,788,234	67.0%	571,265	14.7%
Rental Cars	11,586,297	6,758,673	16,719,839	9,753,239	11,401,487	4,642,814	68.7%	1,648,247	16.9%
Food & Beverage	10,613,694	6,191,322	13,077,336	7,628,446	8,526,032	2,334,711	37.7%	897,586	11.8%
Retail	5,097,925	2,973,790	5,739,902	3,348,276	3,687,351	713,562	24.0%	339,075	10.1%
Advertising	2,059,095	1,201,139	2,679,243	1,562,892	1,912,551	711,412	59.2%	349,659	22.4%
Other Concessions, Rentals & Fees	15,532,040	8,175,890	18,390,238	9,680,413	10,477,739	2,301,849	28.2%	797,326	8.2%
TOTAL NON-AIRLINE REVENUE	88,197,646	49,948,042	117,926,654	65,412,517	70,405,607	20,457,565	41.0%	4,993,090	7.6%
Interest Income	353,379	206,138	61,903	36,110	94,398	(111,740)	(54.2%)	58,287	161.4%
TOTAL REVENUE	163,210,843	91,774,021	217,910,382	121,102,776	133,959,421	42,185,400	46.0%	12,856,645	10.6%
OPERATING REQUIREMENTS									
Fac Mgmt, Ops and Airport Security	62,598,260	35,363,649	62,579,105	33,357,668	33,119,691	2,243,958	6.3%	237,977	0.7%
Airport Planning and Development	6,445,332	3,367,775	8,182,246	3,148,606	3,601,939	(234,164)	(7.0%)	(453,334)	(14.4%)
Support Services	30,703,982	16,457,861	29,451,911	14,459,518	13,673,231	2,784,630	16.9%	786,287	5.4%
Business Services	6,135,897	2,828,231	9,426,099	4,929,900	4,857,556	(2,029,325)	(71.8%)	72,344	1.5%
TOTAL OPERATING EXPENSES	105,883,471	58,017,516	109,639,361	55,895,691	55,252,418	2,765,098	4.8%	643,274	1.2%
Debt Service									
2013 Prosperity Bank Loan	5,411,891	3,157,036	5,411,891	3,157,036	3,157,036	0	0.0%	0	0.0%
2014 Bond Issuance	6,654,005	3,881,503	6,654,005	3,881,503	3,881,503	0	0.0%	0	0.0%
2017 Bond Issuance	9,698,969	5,657,732	9,698,969	5,657,732	5,657,732	0	0.0%	0	0.0%
2019 Refunding Bonds	14,520,686	8,474,080	14,520,686	8,474,080	8,474,080	0	0.0%	0	0.0%
2019 New Money	16,919,848	9,605,888	16,919,848	9,605,888	9,605,888	0	0.0%	0	0.0%
TOTAL Net Debt Service	53,205,399	30,776,240	53,205,399	30,776,240	30,776,240	0	0.0%	0	0.0%
OTHER REQUIREMENTS									
Workers' Compensation	448,220	261,462	448,220	238,115	238,115	23,347	8.9%	0	0.0%
Citywide Administrative Support	6,154,467	3,590,106	6,154,467	3,590,106	3,590,106	0	0.0%	0	0.0%
Communications & Technology Mgmt	1,790,090	1,044,219	1,790,090	950,983	950,983	93,237	8.9%	0	0.0%
Accrued Payroll	342,887	200,017	342,887	200,017	325,683	(125,665)	(62.8%)	(125,665)	(62.8%)
Operating Reserve	0	0	88,004	0	0	0	N/A	0	N/A
CTECC	332,077	193,712	332,077	176,409	176,409	17,302	8.9%	0	0.0%
Trunked Radio Allocation	353,120	205,987	353,120	187,595	187,595	18,392	8.9%	0	0.0%
Public Works Capital Projects Mgmt Fund	2,129,441	1,242,174	2,129,441	1,131,265	1,131,265	110,909	8.9%	0	0.0%
Compensation Adjustment	427,505	0	0	0	0	0	N/A	0	N/A
Trf to Subordinate Obligation	3,392,000	0	0	0	0	0	N/A	0	N/A
TOTAL OTHER REQUIREMENTS	15,369,807	6,737,676	11,638,306	6,474,490	6,800,156	137,521	2.0%	(125,665)	(1.9%)
TOTAL REQUIREMENTS	174,458,677	95,531,432	174,483,066	93,146,421	92,628,813	2,902,619	3.0%	517,608	0.6%
EXCESS (DEFICIT) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS									
	(11,247,834)	(3,757,411)	43,427,316	27,956,355	41,330,608	45,088,019	1200.0%	13,374,254	47.8%
Federal Relief Reimbursement (Parking)	(3,569,365)	(2,082,130)	(6,897,750)	(4,023,688)	(3,947,988)	1,865,859	89.6%	(75,699)	1.9%
Federal Relief Reimbursement (Debt Service)	(14,611,240)	(8,523,223)	(29,645,530)	(17,293,226)	(25,873,980)	17,350,757	203.6%	8,580,754	(49.6%)
TOTAL FEDERAL RELIEF REIMBURSEMENT	(18,180,605)	(10,605,353)	(36,543,280)	(21,316,913)	(29,821,968)	19,216,616	181.2%	8,505,055	(39.9%)
EXCESS (DEFICIT) OF TOTAL AFTER FEDERAL RELIEF	6,932,771	6,847,942	79,970,596	49,273,268	71,152,577	64,304,635	939.0%	21,879,309	44.4%

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

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

	This month - This Year vs. Last Year FY22 (Apr 22) vs FY21 (Apr 21)				Fiscal YTD - This Year vs. Last Year FY22 (Oct 21 - Apr 22) vs FY21 (Oct 20 - Apr 21)			
	FY22	FY21	Fav (Unfav)	Fav (Unfav)	FY22	FY21	Fav (Unfav)	Fav (Unfav)
	Apr-22	Apr-21	\$ Variance	% Variance	Apr-22	Apr-21	\$ Variance	% Variance
Airline Revenue								
Landing Fees	3,699,998	2,123,962	1,576,036	74.2%	23,664,884	11,127,413	12,537,471	112.7%
Terminal Rental & Other Fees	6,138,302	4,409,326	1,728,976	39.2%	39,794,532	28,037,817	11,756,714	41.9%
Total Airline Revenue	9,838,300	6,533,288	3,305,012	50.6%	63,459,416	39,165,231	24,294,186	62.0%
Non-Airline Revenue								
Parking	4,536,141	1,853,361	2,682,780	144.8%	29,944,025	9,747,958	20,196,067	207.2%
Ground Transportation for Hire	834,888	306,137	528,752	172.7%	4,456,423	1,306,654	3,149,769	241.1%
Rental Cars	2,212,575	1,224,494	988,081	80.7%	11,401,487	6,911,510	4,489,977	65.0%
Food & Beverage	1,453,869	940,861	513,008	54.5%	8,526,032	6,498,648	2,027,385	31.2%
Retail	626,197	489,505	136,692	27.9%	3,687,351	3,418,906	268,445	7.9%
Advertising	252,718	158,149	94,569	59.8%	1,912,551	1,111,213	801,338	72.1%
Other Concessions, Rentals & Fees	1,556,060	1,137,195	418,866	36.8%	10,477,739	8,335,055	2,142,683	25.7%
Total Non-Airline Revenue	11,472,448	6,109,701	5,362,746	87.8%	70,405,607	37,329,944	33,075,663	88.6%
Interest Income	41,020	2,789	38,231	1370.6%	94,398	84,967	9,431	11.1%
Total Operating Revenue	21,351,767	12,645,779	8,705,989	68.8%	133,959,421	76,580,142	57,379,279	74.9%
Operating Requirements								
Fac Mgmt, Ops and Airport Security	4,729,218	5,293,392	564,174	10.7%	33,119,691	31,637,404	(1,482,288)	(4.7%)
Airport Planning and Development	1,310,076	440,138	(869,938)	(197.7%)	3,601,939	2,407,625	(1,194,315)	(49.6%)
Support Services	1,842,957	2,120,810	277,853	13.1%	13,673,231	12,380,479	(1,292,752)	(10.4%)
Business Services	787,672	347,116	(440,557)	(126.9%)	4,857,556	2,185,989	(2,671,567)	(122.2%)
Total Operating Expense	8,669,923	8,201,455	(468,468)	(5.7%)	55,252,418	48,611,496	(6,640,922)	(13.7%)
Debt Service								
GO Debt Service Fund	0	42	42	100.0%	0	296	296	100.0%
2013 Prosperity Bank Loan	450,971	451,131	160	0.0%	3,157,036	3,157,239	203	0.0%
2014 Bond Issuance	554,500	589,844	35,344	6.0%	3,881,503	4,128,623	247,120	6.0%
2017 Bond Issuance	808,247	836,226	27,979	3.3%	5,657,732	5,853,584	195,852	3.3%
2019 Refunding Bonds	1,209,263	1,277,299	68,037	5.3%	8,474,080	9,072,233	598,153	6.6%
2019 New Money	1,451,823	474,021	(977,802)	(206.3%)	9,605,888	3,318,146	(6,287,742)	(189.5%)
Total Debt Service	4,474,805	3,628,564	(846,241)	(23.3%)	30,776,240	25,530,120	(5,246,119)	(20.5%)
Other Requirements								
Workers' Compensation	42,020	36,312	(5,708)	(15.7%)	238,115	254,184	16,069	6.3%
Citywide Administrative Support	512,872	527,360	14,488	2.7%	3,590,106	3,691,520	101,414	2.7%
Communications & Technology Mgmt	167,820	156,605	(11,215)	(7.2%)	950,983	1,096,235	145,253	13.3%
Accrued Payroll	154,239	13,844	(140,395)	(1014.1%)	325,683	96,907	(228,776)	(236.1%)
CTECC	31,130	25,662	(5,468)	(21.3%)	176,409	179,634	3,225	1.8%
Trunked Radio Allocation	33,105	25,096	(8,009)	(31.9%)	187,595	175,672	(11,923)	(6.8%)
Public Works Capital Projects Mgmt Fund	199,635	316,130	116,495	36.9%	1,131,265	2,212,907	1,081,641	48.9%
Total Other Requirements	1,140,822	1,101,008	(39,813)	(3.6%)	6,600,156	7,707,058	1,106,903	14.4%
Total Requirements	14,285,550	12,931,028	(1,354,522)	(10.5%)	92,628,813	81,848,675	(10,780,138)	(13.2%)
SURPLUS (DEFICIT) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	7,066,218	(285,249)	7,351,467	2577.2%	41,330,608	(5,268,533)	46,599,141	884.5%
Federal Relief Reimbursement (Parking)	(589,356)	0	589,356	N/A	(3,947,988)	0	3,947,988	N/A
Federal Relief Reimbursement (Debt Service)	(1,310,552)	(3,629,335)	(2,318,783)	(63.9%)	(25,873,980)	(25,535,432)	338,548	1.3%
Total Federal Relief	(1,899,908)	(3,629,335)	(1,729,427)	(47.7%)	(29,821,968)	(25,535,432)	4,286,536	16.8%
TOTAL SURPLUS (DEFICIT) AFTER FEDERAL RELIEF	8,966,126	3,344,086	5,622,040	168.1%	\$ 71,152,577	\$ 20,266,899	\$ 50,885,677	251.1%

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



AIRPORT ADVISORY COMMISSION

ITEM 2b – STAFF REPORTS

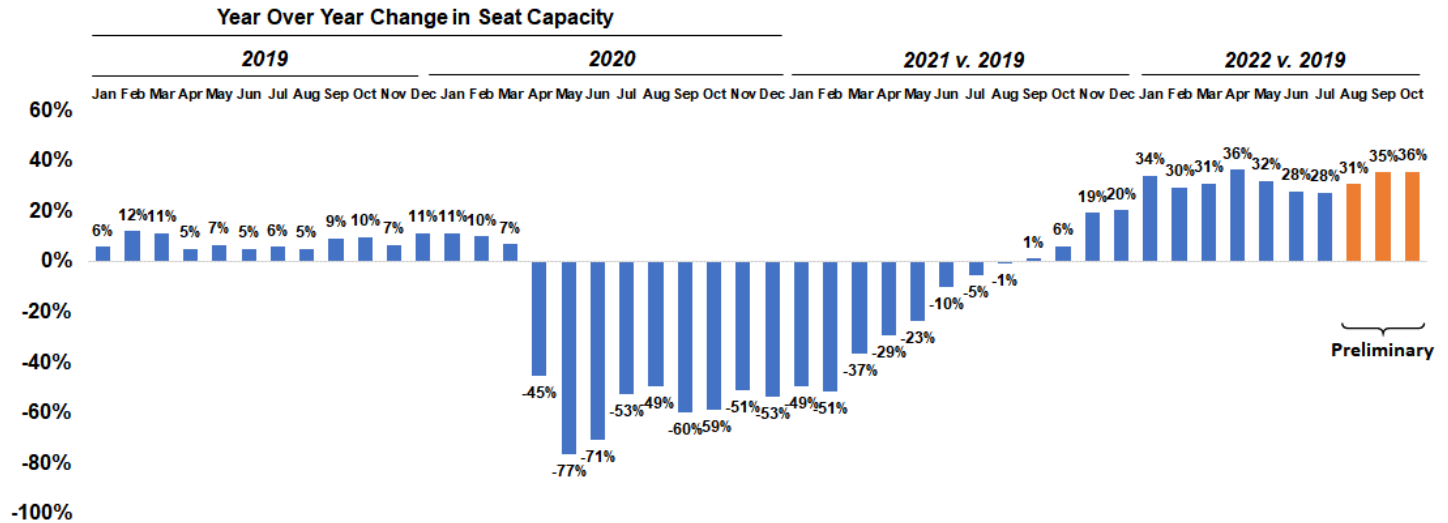
AUS Air Service Update

Prepared by Jamy Kazanoff, Air Service
Development

June 2022 Air Service Snapshot

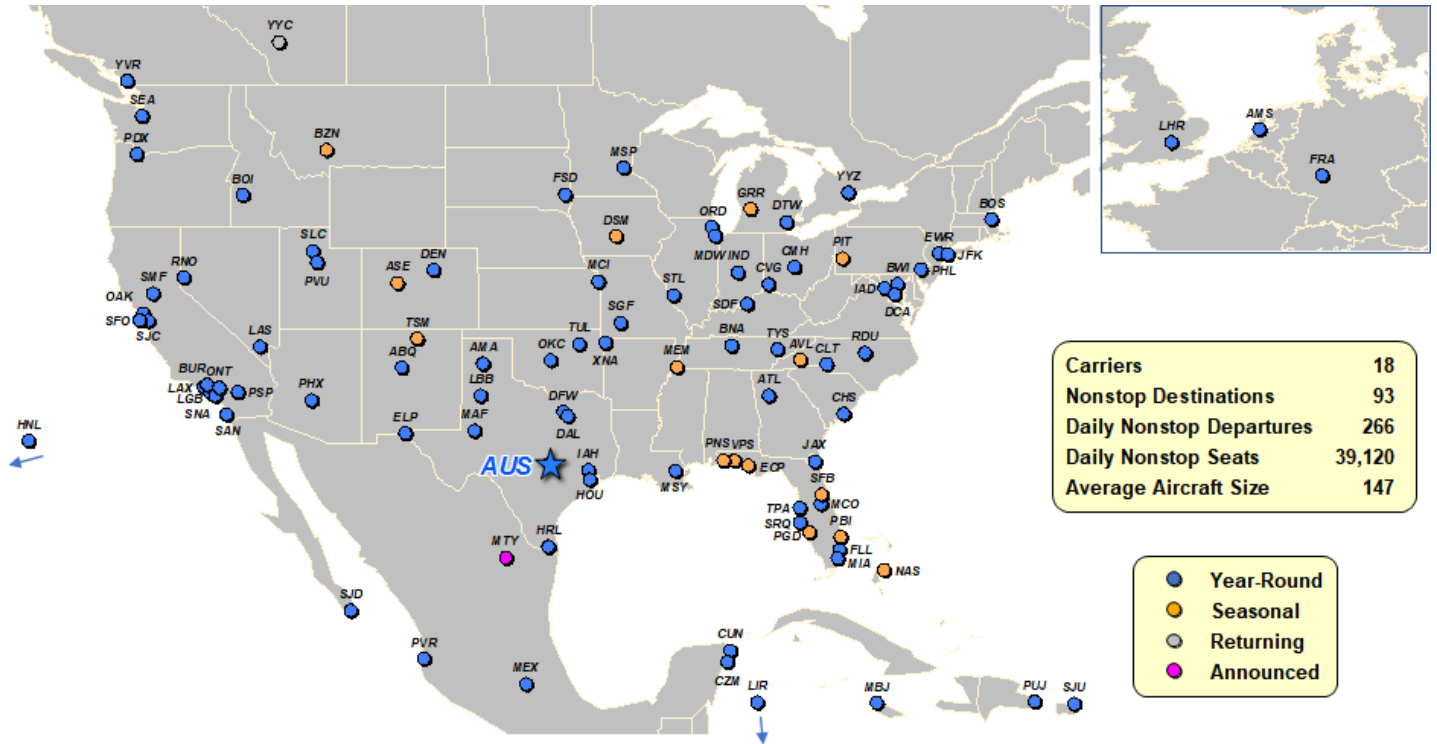
Industry recovery has maintained momentum. System net sales for air travel improved to +10.8% vs 2019 for the week ending May 22. Domestic and International channels are above 2019 levels. (Source: Bank of America)

The chart below shows how AUS capacity has recovered with monthly comparisons to 2019. Some carriers have returned to a more typical scheduling timeline where schedules are firmed three or more months out, but some are still making close-in changes due to staffing and aircraft constraints. Based on currently filed schedules, capacity will be 28% above 2019 levels in June and July, +31% in August and +35% in September – yet still subject to change.

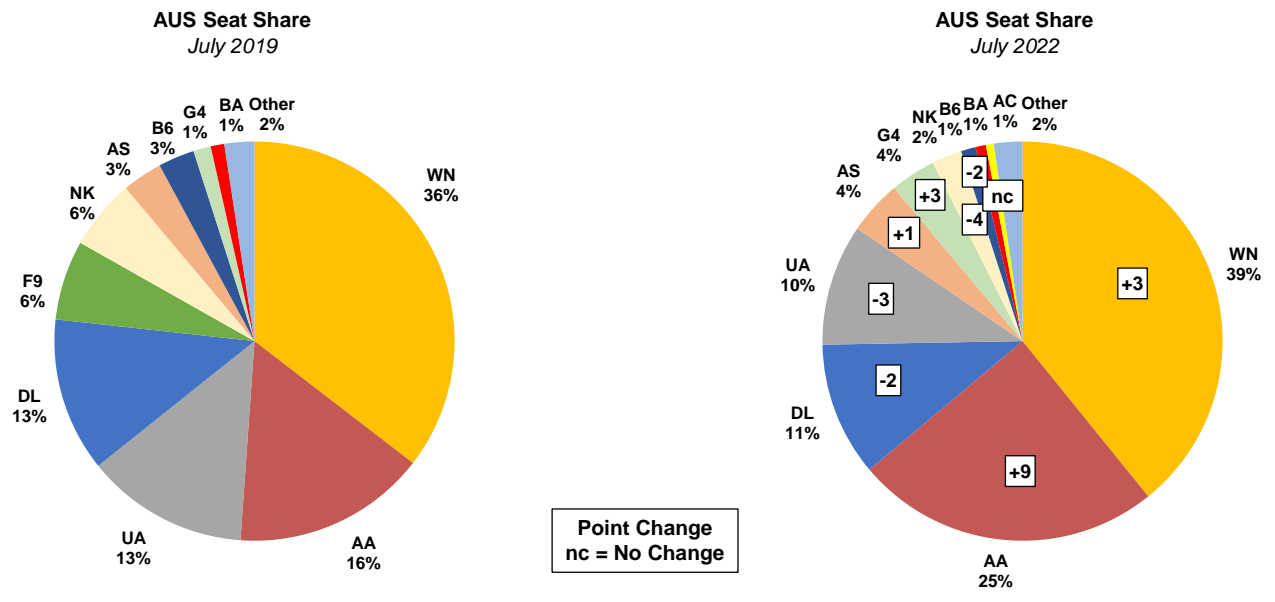


The route map provides a snapshot of current air service at AUS. Highlights of recent air service announcements/developments include:

- **Spirit** will start new daily service to MTY on October 5
- **Virgin Atlantic** started nonstop service to London (Heathrow) on May 25 with four weekly flights
- **Air Canada** increased YYZ to two daily flights on June 1, and started nonstop service to YVR
- **American** starts AVL, BZN, CZM, MBJ, and SNA in June
- **KLM** started AMS service on March 28, 2022 with 3/week on the 292-seat A330-300
- **Lufthansa** reinstated FRA service on April 8, 2022 with three weekly flights
- **Southwest** new Saturday only service to CZM starts June 11



Southwest is still the largest carrier at AUS by capacity but American is now much closer in size having gained 9 points of capacity share since 2019. United and Delta have lost capacity share as United has not reinstated pre-COVID capacity and Delta has grown since 2019 but less than other carriers. Also notable is that Alaska's share is up since 2019 as they have nearly doubled frequencies and grown capacity by 72%. Allegiant's share is also up as the base has opened and capacity increased by over 200%.



Based on U.S. DOT O&D Passenger Survey, Cirium *FM Traffic*, the following is a list of the top ten domestic and international connecting markets for Q4 2021:

Domestic			International	
Market	Carrier		Market	Carrier
ELPMCO	Southwest		LASCUN	American
HOULBB	Southwest		DFWPUJ	American
ELPHOU	Southwest		DALCUN	Southwest
LAXMIA	American		LAXPUJ	American
HOUMCI	Southwest		BNACUN	Southwest
LAXMSY	American		LAXCUN	American
DFWSJU	American		DFWLIR	American
BNAELP	Southwest		DFWNAS	American
LASMIA	American		LASPUJ	American
LAXSJU	American		DTWCUN	Spirit



AIRPORT ADVISORY COMMISSION

ITEM 3a – STAFF BRIEFINGS

CEO's Update on Item 63 on the City Council
Agenda for June 16, 2022 Regarding the South
Terminal

Presented by Jacqueline Yaft, Chief Executive
Officer



Recommendation for Action

File #: 22-2132, **Agenda Item #:** 63.

6/16/2022

Posting Language

Approve a resolution authorizing the filing of eminent domain proceedings and payment to acquire the property interest needed for the Airport Expansion and Development Program for the public use of constructing, improving, equipping, maintaining, operating, and regulating Austin-Bergstrom International Airport property to accommodate the relocation of airport taxiways, which results in the requirement of the acquisition of real property rights consisting of the leasehold interest related to 25.14 acres of land being a part the Santiago Del Valle Ten League Grant Survey, Abstract No. 24, Travis County, Texas being out of a called 1989.252 acre tract to the City of Austin in a Deed Without Warranty Recorded in Document Number 2002002218 of the Official Public Records of Travis County, Texas currently appraised at \$1,954,000 subject to an increase in value based on updated appraisals or a Special Commissioner's award. The owner of the needed property is LoneStar Airport Holdings, LLC, a Delaware limited liability company. The property is located at 10000 Logistics Lane, Austin, Texas 78719. The general route of the project is limited to 10000 Logistics Lane, Austin, Texas 78719.

Lead Department

Financial Services Department.

Fiscal Note

Funding in the amount of \$1,954,000 is available in the Fiscal Year 2021-2022 Capital Budget of the Department of Aviation.

For More Information:

Michael Gates, Financial Services Department, (512) 974-5639; Diana Justice, Financial Services Department, (512) 974-7170; Tracy Thompson, Department of Aviation, (512) 530-5023.

Additional Backup Information:

In March 2016, the City entered into a 30-year Lease and Concession Agreement (South Terminal Agreement) with the affiliate of LoneStar Airport Holdings LLC (Tenant) for improvements to and the operation of the South Terminal.

The City of Austin is currently pursuing the Airport Expansion and Development Program (AEDP) that provide for improvements to the Barbara Jordan Terminal and the building of a midfield concourse with 10+ new gates, new taxiways, and a connector tunnel. The AEDP requires the relocation of the existing midfield taxiways. Based on the advice of independent airfield design consultants, the Department of Aviation has determined that the safest, most operationally efficient, and most cost-effective alignment of the future taxiways require closure and removal of the South Terminal. To implement the closure and removal of the South Terminal building and related infrastructure, terminating Tenant's leasehold interest in the South Terminal will be necessary.

On July 13, 2021, the Department of Aviation sent a memorandum to the City Council providing an update on the AEDP and providing notice that the City intends to terminate Tenant's existing leasehold interests in the South Terminal by July 2023.

The City has attempted to purchase the needed property at 10000 Logistics Lane, Austin, Texas 78719. The City and property owner have been unable to agree on the value of the needed acquisition. The Law Department is requesting authorization to file an action in eminent domain on behalf of the City, and to authorize the City to pay for the property interest in an amount determined by the appraisal, updated appraisal (s), or a Special Commissioners' "award."

Strategic Outcome(s):

Mobility, Government that Works for All.



AIRPORT ADVISORY COMMISSION

ITEM 4a – CONSENT AGENDA

Authorize negotiation and execution of a Construction Manager at Risk Agreement with Hensel Phelps Construction Co. for preconstruction and construction services for the Barbara Jordan Terminal (BJT) Optimization in an amount not to exceed \$46,000,000.



Recommendation for Action

File #: 22-2030, **Agenda Item #:** 17.

6/16/2022

Posting Language

Authorize negotiation and execution of a Construction Manager-at-Risk Agreement with Hensel Phelps Construction Co. for preconstruction and construction services for the Barbara Jordan Terminal Optimization project in an amount not to exceed \$46,000,000.

[Note: This contract will be awarded in compliance with 49 CFR Part 26 DBE Procurement Program and City Code Chapter 2-9A of the MBE/WBE Procurement Program by meeting the goals with 22.33% DBE participation.]

Lead Department

Financial Services Department

Managing Department

Public Works Department

Fiscal Note

Funding is available in the Capital Budget of the Department of Aviation.

Purchasing Language:

Best Value to the City of Austin of six offers received.

Prior Council Action:

January 27, 2022 - City Council authorized negotiation and execution of a Construction Manager at Risk Agreement with JE Dunn/Clark BJT Optimization, a Joint Venture.

July 29, 2021 - City Council authorized use of Construction Manager-at-Risk alternative delivery procurement method.

For More Information:

NOTE: Respondents to this solicitation, and their representatives, shall direct inquiries to Rolando Fernandez, 512-974-7749, Beverly Mendez, 512-974-3596, or the Project Manager, Robert Mercado, 512-530-2515.

Council Committee, Boards and Commission Action:

To be reviewed by the Airport Advisory Commission on June 14, 2022.

Additional Backup Information:

This project is to optimize the Barbara Jordan Terminal (BJT) to design and build additional gates to the existing facility and to modify the BJT to support remote passenger hardstands (Bus Gates) to safely meet the evolving needs of airlines and the travelling public. The project schedule requires designing and starting construction concurrently to meet the expectation of airport tenants and stakeholders. Construction will take place in highly secure areas regulated by the Federal Aviation Administration, U.S. Department of Homeland Security, and the Transportation Security Administration. This project is on a critical path for building aircraft

gates that are in immediate demand by airlines. This is a complex renovation and expansion project in an existing terminal and is the initial investment in Austin's Airport Expansion and Development Program (AEDP). The complexity of this project being constructed in operating airport terminal locations will require a phased approach to the work to integrate the systems of existing facilities located in highly secured areas. This project requires collaboration between the design team and a highly qualified construction manager who have successfully constructed renovations in fully operational airport facilities. Due to the complexity, constraints, and renovation options available, the scope of this project will need to change and evolve as new information, regulatory requirements, and tenant expectations are clarified. The expected changes to scope require a flexible approach to project delivery.

On January 27, 2022, Council approved the negotiation and execution of a Construction Manager-at-Risk services agreement with JE Dunn/Clark BJT Optimization, a Joint Venture. The City and JE Dunn/Clark BJT Optimization, a Joint Venture, were unable to negotiate a satisfactory agreement. In accordance with Government Code 2269, the City formally ended negotiations with JE Dunn/Clark BJT Optimization, a Joint Venture and, upon Council approval of this request, the City will attempt to negotiate an agreement with the next most qualified firm, Hensel Phelps Construction Co.

Prior to entering into the Construction Phase, the City will establish Disadvantaged Business Enterprise goals for pre-construction and the Construction Manager-at-Risk firm will submit a Compliance Plan meeting the construction goals or documentation detailing their good faith effort(s) to meet the established goals.

Additional subcontracting opportunities will also arise during the Construction Phase of this project; however, the specific scopes and magnitude of the construction work cannot be determined until design has been sufficiently completed.

The construction manager at risk method is a project delivery method where the City will contract with an architect/engineer to perform design services and separately contract with a Construction Manager-at-Risk firm to perform preconstruction and construction phase services. The role of the Construction Manager-at-Risk firm goes beyond performing general contractor services. The Construction Manager firm is under contract early in the design process to perform key preconstruction phase services such as collaborating with the City and the design team on scope and constructability to optimize the design and control costs and budgets, and to provide quality assurance-quality control. After design, and before the Construction Manager firm begins construction, the City will negotiate and execute a Guaranteed Maximum Price for the remainder of the work, including actual construction.

The Construction Manager firm is recommended by a City-staffed evaluation panel that evaluated and scored proposals based on published evaluation criteria to determine the highest ranked proposer. As set forth in Government Code Chapter 2269, the City selects the construction manager firm that offers the "best value" to the City for preconstruction and construction services for the project.

The contract allows 760 calendar days for completion of this project. This project is located within zip code 78719 (District 2).

Strategic Outcome(s):

Safety, Mobility, Government that Works for All



AIRPORT ADVISORY COMMISSION

ITEM 4b – CONSENT AGENDA

Authorize negotiation and execution of a professional services agreement with RS&H, Inc. (staff recommendation) or one of the other qualified respondents for Request for Qualifications No. CLMP326 to provide engineering design and construction phase services for AEDP Airfield Infrastructure in an amount not to exceed \$8,000,000.



Recommendation for Action

File #: 22-2111, Agenda Item #: 27.

6/16/2022

Posting Language

Authorize negotiation and execution of a professional services agreement with RS&H, Inc. (staff recommendation) or one of the other qualified respondent(s) for Request for Qualifications Solicitation No. CLMP326 to provide engineering design and construction phase services for the Airport Expansion and Development Program Airfield Infrastructure in an amount not to exceed \$8,000,000.

[Note: This contract will be awarded in compliance with the requirements of 49 CFR Part 26 and City Code Chapter 2-9B (Minority Owned and Women Owned Business Enterprise Program) by meeting the goals with 17.00% DBE participation.]

Lead Department

Financial Services Department

Managing Department

Department of Aviation

Fiscal Note

Funding is available in the Capital Budget of Aviation.

Purchasing Language:

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

Prior Council Action:

October 14, 2021 - Council approved the Construction Manager-at-Risk (CMR) alternative delivery procurement methodology for this project.

For More Information:

NOTE: Respondents to this solicitation, and their representatives, shall direct inquiries to Rolando Fernandez, 512-974-7749, Beverly Mendez, 512-974-3596, or the Project Manager, Ellen Brunjes-Brandt, 512-530-6620.

Council Committee, Boards and Commission Action:

To be reviewed by the Airport Advisory Commission on June 14, 2022.

Additional Backup Information:

Austin-Bergstrom International Airport is the airport of choice for Central Texas and is expecting to serve more than 20 million passengers in 2022. The sustained business and population growth of the Austin and Central Texas Region continue to fuel the increase of both domestic and international air travel resulting in a forecasted need for 20 additional gates by the year 2030. An expansion of the terminal concourse is planned to be located directly south of the existing concourse over the existing midfield taxiway area. Relocation of these taxiways is required to preserve cross airfield connectivity both during and after the development of a second concourse. Airfield planning is underway to establish the airfield layout and spatial constraints for

ultimate development of the midfield area in accordance with FAA design criteria.

The Airport Expansion and Development Program (AEDP) Airfield Infrastructure Project is located on property transferred to the City of Austin from the US Government in 2002 during the conversion of Bergstrom Air Force Base to Austin-Bergstrom International Airport. AEDP will establish two new parallel Airplane Design Group V midfield taxiways to connect the east and west sides of the airfield and provide an entrance to the existing maintenance apron. The project includes design of taxiway pavement, aircraft rated bridge structures, service roads, utility relocation, drainage, security, airfield lighting, signage, and demolition of existing south campus infrastructure.

The consultant will provide project management, preliminary engineering, design, construction administration and FAA resident project representative throughout the life of the project. The consultant will also assist with FAA and stakeholder coordination including coordination of a safety risk management panel and construction safety planning.

The new taxiways and service roads will cross the airfield in an area approximately 800 feet wide by 4,000 feet long in general alignment with Taxiway J. The exact location is determined through an airport layout planning process influenced by the location of the second concourse and must be approved by the FAA for adherence to safety and separation criteria. A new airport security fence will be established along the south edge of the taxiways to restrict the public access to the airfield.

Emma Browning Ave. currently provides access to the Air Traffic Control Tower (ATC) and Aircraft Rescue and Fire Fighting (ARFF) facilities but is not used by the public at the north end of the roadway. Temporary access to these facilities will be maintained throughout the project and permanent access to the service core, ATC and ARFF will be under aircraft rated bridges designed to provide safe airside for employees utilizing the facilities.

The principal architect is currently tasked with conducting utility and storm water master planning that will influence the size and location of utility corridors on the south campus. The AEDP Airfield Infrastructure Project will design the south campus utilities and storm infrastructure for the capacity required by the new concourse and provide connection points as future projects come online. Austin Energy primary service infrastructure that is no longer needed due to the removal of Air Force Base structures will be removed and remaining primary service moved underground to accommodate the taxiways. If AEDP changes are required or should additional grant opportunities associated with airfield infrastructure work become available, Aviation Department will return to council for additional services to support the project.

The City will utilize the Construction Manager at Risk alternative delivery method for construction of the AEDP Airfield Infrastructure Project. The solicitation CLMA046 is issued to select the Construction Manager at Risk Contractor for Preconstruction and Construction Phase services and that will be recommended to Council soon.

The AEDP Airfield Infrastructure Project is considered an enabling project for the AEDP program to prepare for development of Concourse B and the tunnel between the two concourses. The construction of the new taxiways will enable the closure of the existing midfield taxiways while maintaining aircraft access to both ends of the runways and cross airport travel for both cargo and general aviation aircraft. If the item is not approved, the delivery of the new concourse accommodating phasing that can maintain aircraft circulation throughout each step of the delivery of the new concourse and supporting infrastructure will be delayed.

The project will be managed by the Department of Aviation in conjunction with the Department of Public Works.

This authorization provides for funding of the above listed services. This request allows for the development of

an agreement with the qualified responder that Council awards. If the City is unsuccessful in negotiating a satisfactory agreement with the awarded respondent, negotiations will cease with that provider. Staff will return to Council so that Council may award another qualified responder and authorize contract negotiations with that provider.

TOP RANKED FIRM: RS&H, Inc. is located in Austin, TX.

SECOND RANKED FIRM: AECOM Technical Services, Inc. is located in Austin, TX.

Strategic Outcome(s):

Safety, Mobility.



AIRPORT ADVISORY COMMISSION

ITEM 4c – CONSENT AGENDA

Authorize award of two contracts with Trexxler Energy Solutions, LLC d/b/a Trexxler Logistics LLC and Cothrons Security Solutions, LLC to provide security system parts, each for a term of five years in an amount not to exceed \$850,000 divided between the contractors.



Recommendation for Action

File #: 22-2265, Agenda Item #:

7/28/2022

Posting Language

Authorize award of two contracts with Trexxler Energy Solutions, LLC d/b/a Trexxler Logistics LLC and Cothrons Security Solutions, LLC to provide security system parts, each for a term of five years in an amount not to exceed \$850,000 divided between the contractors.

(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.)

Lead Department

Financial Services Department.

Client Department(s)

Aviation.

Fiscal Note

Funding in the amount of \$40,981 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 Financial Services Department issued an Invitation for Bids (IFB) 8100 AMA1070 for these goods. The solicitation was issued on February 14, 2022, and it closed on March 22, 2022. Of the three offers received, the recommended contractors submitted the lowest responsive offers. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=136401)
<https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=136401>.

Prior Council Action:

For More Information:

Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Persons: Ajani Aird, at 512-974-2965 or Ajani.Aird@austintexas.gov <<mailto:Ajani.Aird@austintexas.gov>> or to Sandy Wirtanen, at 512-974-7711 or sandy.wirtanen@austintexas.gov <<mailto:sandy.wirtanen@austintexas.gov>>.

Council Committee, Boards and Commission Action:

June 14, 2022 - To be reviewed by the Airport Advisory Commission.

Additional Backup Information:

These contracts will provide original equipment manufacturer security system parts at the Austin-Bergstrom International Airport (AUS) which are necessary for operational security. It is essential that a constant stock of security system parts is available and maintained to immediately address any downtime issues that may occur at AUS.

The security system parts serve as a crucial operational need at the airport for the various layers of security involving closed circuit television, access control, campus perimeter access controls, communications components, mounts, and related equipment that allow AUS personnel to actively monitor the airport campus. The current security system at AUS has been approved by the Transportation Security Administration (TSA). Without the security system parts provided by this contract AUS would have to seek approval from the TSA to modify their existing Airport Security Program which would require using Aviation staff to physically man various controlled access points into the secured areas of the airport.

The requested authorization amounts for these contracts were determined using departmental estimates and historical spend, with an allowance for growth at the AUS during the term of the contracts. As the AUS expands and passenger traffic increases, security concerns grow thereby identifying new areas that require security monitoring in compliance with the TSA directives.

These contracts will replace the current contract which will expire on August 14, 2022. If contracts are not secured, the City will have to perform repetitive spot purchases that increase administrative costs for procurement of equipment necessary to maintain the security of the airport.

Strategic Outcome(s):

Mobility.