



**REGULAR MEETING of the
AIRPORT ADVISORY COMMISSION (AAC)
AUGUST 9, 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.

Public comment will be allowed in-person or remotely via telephone. Speakers may only register to speak on an item once either in-person or remotely and will be allowed up to three minutes to provide their comments. Registration no later than noon the day before the meeting is required for remote participation by telephone. To register to speak remotely, email Steve Khanoyan, Stephen.Khanoyan@FlyAustin.com.

CURRENT BOARD MEMBERS

Eugene Sepulveda, Chair	Ernest Saulmon	Vicky Sepulveda
Wendy Price Todd, Vice-Chair	Jonathan Coon	Chad Ennis
Jeremy Hendricks, Secretary	Billy Owens	Raymond Young
Scott Madole	Bakari Brock	

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.

APPROVAL OF MINUTES

1. Approve the revised minutes of the AAC regular meeting on June 14, 2022.
2. Approve the minutes of the AAC regular meeting on July 12, 2022.

ACTION ITEMS

3. Discussion and possible approval of an AAC Resolution recognizing Stephen Khanoyan's service to the Commission.

STAFF BRIEFINGS

4. Identification of Prospective Action Items Regarding the AUS Fuel Facility Reflected in the Memos to Mayor and Council presented by Tracy Thompson, Chief Administration & External Affairs Officer.
5. June 2022 Financial Results presented by Rajeev Thomas, Deputy Chief Finance Officer.
6. Air Service Update presented by Jamy Kazanoff, Air Service Development.
7. The AUS Way: Committed, Focused, Together presented by Michele Lau, Program Manager, Performance Management
8. HNTB Introduction of the Jamboard Activity introduced by Tracy Thompson, Interim Chief Development Officer and presented by Julie Weinberg, HNTB.

CONSENT AGENDA

9. Authorize negotiation and execution of a contract with EMS Bruel & Kjaer Inc. d/b/a Envirosuite, Inc. to provide maintenance and support of the noise and operations monitoring system for a term of five years in an amount not to exceed \$520,000.
Scheduled for approval by the City Council at the September 1, 2022 meeting.

(Note: Bruel & Kjaer Inc. uses proprietary hardware and software for noise monitoring services at AUS. The hardware and software components form an integrated system. Changing to another vendor would require installation of new hardware, software, surveys, and data migration resulting in a significant cost increase. As such, this is considered to be a sole source contract and no subcontracting goals were established.)

10. Authorize negotiation and execution of a cooperative contract with DLT Solutions, LLC for enterprise applications services monitoring software for a term of three years in an amount not to exceed \$282,100.
Scheduled for approval by the City Council at the September 1, 2022 meeting.

(Note: DLT is the sole authorized reseller and distributor of the AppDynamics product, therefore no subcontracting goals were established. This cooperative contract has its own HUB program and satisfies SMBR's outreach to minorities criteria.)

11. Authorize negotiation and execution of a Construction Manager at Risk Agreement with Austin Bridge & Road, LP for preconstruction and construction services for the AEDP Airfield Infrastructure project in an amount not to exceed \$165,000,000.
Scheduled for approval by the City Council at the September 1, 2022 meeting.

(Note: This contract will be awarded in compliance with the requirements of 49 CFR Part 26 and

City Code Chapter 2-9A by meeting the goals with 11.12% DBE participation.)

DISCUSSION ITEMS

12. Review of City Council action on AAC items:

City Council meeting on July 28, 2022:

- Approve a resolution regarding amendments to the Amended and Restated Hotel Management Agreement between Austin-Bergstrom Landhost Enterprises, Inc. and Boykin Prospera, LLC for the operation of the Hilton Austin Airport Hotel, a full-service hotel located at Austin-Bergstrom International Airport.
Approved on consent.
- 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 \$1,100,000 divided between the contractors.
Approved on consent
- Authorize negotiation and execution of a contract with SKIDATA, Inc. to provide remote and onsite maintenance, support, and repair services of the parking revenue and control system, for a term of 10 years in an amount not to exceed \$4,008,200.
Approved on consent.
- Authorize negotiation and execution of an amendment to the legal services agreement with Winstead PC for representation regarding negotiations related to the City of Austin v. LoneStar Airport Holdings, LLC and Texas Capital Bank in the condemnation proceeding in Probate Court No. 1 in the amount of \$750,000, for a total contract amount not to exceed \$1,597,000.
Approved on consent.
- Approve proposed bylaw amendment to add the office of Secretary for the Airport Advisory Commission.
Approved.

DISCUSSION ITEMS

None.

FUTURE AGENDA ITEMS

NEXT REGULAR MEETING

The next regular meeting of the AAC is scheduled for September 13, 2022 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 tracy.thompson@flyaustin.com.



AIRPORT ADVISORY COMMISSION

ITEM 1 - APPROVAL OF MINUTES

June 14, 2022 Regular Meeting

Revised Minutes





**AIRPORT ADVISORY COMMISSION
REGULAR MEETING MINUTES
TUESDAY, JUNE 14, 2022**

The Airport Advisory Commission convened in a regular meeting on Tuesday, June 14, 2022.

CALL TO ORDER

Vice Chair Todd called the Commission Meeting to order at 3:02 p.m.

Commissioners in Attendance:

Wendy Price Todd – Vice Chair
Vicky Sepulveda
Chad Ennis
Raymond Young
Bakari Brock
(*attended via videoconference)

Ernest Saulmon
Jonathan Coon*
Billy Owens
Scott Madole

Commissioners Absent:

Eugene Sepulveda – Chair

Jeremy Hendricks

CITIZENS COMMUNICATIONS:

- a) Girard Kinney, AIA, was allotted 3 minutes to address the Commission regarding digital advertising.
- b) Jason Wills, Scenic Texas, was allotted 3 minutes to address the Commission regarding digital advertising.
- c) Jeff Pearse, LoneStar Airport Holdings, was allotted 3 minutes to address the Commission regarding agenda item 3a.

1. APPROVAL OF MINUTES

- a) The minutes from the meeting of May 10, 2022 were approved on Commissioner Ennis' motion; Commissioner Madole seconded. Motion passed on a 9-0-0-2 vote. Chair E. Sepulveda and Commissioner Hendricks were absent.

2. STAFF REPORTS

- a) April 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) 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 and TSA Screening 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

All three items were pulled by Vice Chair Todd for discussion.

- 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

A motion to approve was made by Commissioner Saulmon; Commissioner Young seconded. Motion passed on a 9-0-0-2 vote. Chair E. Sepulveda and Commissioner Hendricks were absent.

- 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.

A motion to approve was made by Commissioner Saulmon; Commissioner Brock seconded. Motion passed on a 9-0-0-2 vote. Chair E. Sepulveda and Commissioner Hendricks were absent.

- 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.

A motion to approve was made by Commissioner Saulmon; Commissioner Young seconded. Motion passed on a 9-0-0-2 vote. Chair E. Sepulveda and Commissioner Hendricks were absent.

5. ACTION ITEMS

None.

6. OLD BUSINESS

Actions taken by the City Council on AAC items were reviewed.

7. NEW BUSINESS

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

- There continues to be growth of flights and enplanements, well exceeding 2019 levels.

b) Future Agenda Items

- An update on HNTB Corp's AEDP work has been requested by Vice Chair Todd; Commissioner Brock seconded to add on a future agenda.

c) Next scheduled meeting July 12, 2022 at 3:00 p.m.

ADJOURNMENT

Vice Chair Todd adjourned the meeting at 4:32 p.m.

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 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 2 - APPROVAL OF MINUTES

July 12, 2022 Regular Meeting





**AIRPORT ADVISORY COMMISSION
REGULAR MEETING
MINUTES
JULY 12, 2022**

The Airport Advisory Commission convened in a regular meeting on July 12, 2022 at 2716 Spirit of Texas Drive in Austin, Texas.

Chair E. Sepulveda called the regular meeting to order at 3:00 p.m.

Commissioners in Attendance:

Eugene Sepulveda, Chair	Scott Madole
Wendy Price Todd, Vice Chair	Billy Owens
Chad Ennis	Raymond Young

Commissioners in Attendance Remotely:

Bakari Brock	Jeremy Hendricks
Jonathan Coon	

Commissioners Absent:

Ernest Saulmon	Vicky Sepulveda
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PUBLIC COMMUNICATION: GENERAL

None.

INTRODUCTION OF RICK BELLIOTTI, DEPUTY CHIEF OFFICER IT

APPROVAL OF MINUTES

1. Approve the minutes of the Airport Advisory Commission Regular Meeting on June 14, 2022. Vice Chair Todd recommended an edit to the minutes that was incorporated without objection.

The minutes from the meeting of June 14, 2022 were approved on Commissioner Ennis' motion, Commissioner Young second on a 9-0-0-2 vote. Commissioners Saulmon and V. Sepulveda were absent.

STAFF BRIEFINGS

2. May 2022 Financial Results presented by Rajeev Thomas, Deputy Chief Officer Finance, Department of Aviation.
3. Air Service Update presented by Jamy Kazanoff, Air Service Development, Department of Aviation.
4. Airport Expansion and Development Program (AEDP) Update – Environmental Assessment, Program Management Support Consultants, and HNTB Tasks presented by Tracy Thompson, Interim Chief Officer Planning and Development, Department of Aviation.

CONSENT AGENDA

Items 6 and 8 were pulled for discussion by Chair E. Sepulveda. Item 5 was pulled for discussion by Vice Chair Todd.

5. Authorize negotiation and execution of a contract with SKIDATA, Inc. to provide remote and onsite maintenance, support, and repair services of the parking revenue and control system for a term of 10 years in an amount not to exceed \$4,008,200

A motion to approve was made by Vice Chair Todd; Commissioner Madole seconded. Motion passed on a 9-0-0-2 vote. Commissioners Saulmon and V. Sepulveda were absent.

6. Approve a resolution approving amendments to the Amended and Restated Hotel Management Agreement between Austin-Bergstrom Landhost Enterprises, Inc. and Boykin Prospera, LLC.

A motion to approve was made by Commissioner Young; Commissioner Madole seconded. Motion passed on a 6-1-1-3 vote. Commissioner Ennis voted no. Vice Chair Todd abstained. Commissioners Hendricks, Saulmon, and V. Sepulveda were absent.

7. Authorize contingency in an amount of \$1,000,000 to the job order assignment for Barbara Jordan Terminal Optimization Vertical Circulation Project with Alpha Building Corporation for a total assignment amount not to exceed \$4,000,000.

A motion to approve the consent agenda was made by Commissioner Brock; Vice Chair Todd seconded. Motion passed on a 9-0-0-2 vote. Commissioners Saulmon and V. Sepulveda were absent.

8. Authorize negotiation and execution of a professional services agreement with WSP USA Inc. (staff recommendation) or one of the other qualified respondent(s) for Request for Qualifications Solicitation No. CLMP334 to provide Program Management and Staff Augmentation Services for the Airport Program Management Support Consultant Services contract in an amount not to exceed \$40,000,000.

A motion to approve was made by Commissioner Young; Commissioner Owens seconded. Motion passed on an 8-0-0-3 vote. Commissioners Hendricks, Saulmon, and V. Sepulveda were absent.

ACTION ITEMS

9. Discussion, amendments, and approval of the AAC Annual Review 2021-2022.

Chair E. Sepulveda and Vice Chair Todd agreed to present a separate, more specific list of goals, objectives, and topics to follow during the next year to the full Commission for discussion and approval at a near future AAC meeting.

A motion to approve the AAC Annual Review 2021-2022 was made by Commissioner Brock; Commissioner Coon seconded. Motion passed on a 6-0-2-3 vote. Vice Chair Todd and Commissioner Madole abstained. Commissioners Hendricks, Saulmon, and V. Sepulveda were absent.

REVIEW OF CITY COUNCIL ACTIONS

Actions taken by the City Council on AAC items were reviewed.

DISCUSSION ITEMS

10. Discussion to task the Business Working Group to identify Key Performance Indicators (KPIs) and performance metrics to be reviewed on a regular basis and report back to the AAC at a later time. Commissioner Ennis volunteered to join the Business Working Group.
11. Review of topics to discuss with appointing City Council Member. Commissioners were reminded to routinely speak to their appointing City Council Member.
- a. May 2022 passenger activity was the highest in AUS history.
 - b. AUS is the fastest growing airport in the United States.
 - c. Phase 1 of the AEDP projected for completion in 2027/2028 with a new concourse and new gates. The AAC expects updated cost estimates by October 2022.
 - d. Over the next year, the AAC will prioritize reviewing customer service metrics.

FUTURE AGENDA ITEMS

The AAC requests an update on the SMBR aspects of the AEDP at a future meeting.

NEXT REGULAR MEETING

The next regular meeting of the AAC is scheduled for August 9, 2022 at 3:00 p.m.

Chair E. Sepulveda adjourned the meeting at 4:52 p.m. without objection.

The minutes were approved at the August 9, 2022 meeting on BOARD MEMBER's motion, BOARD MEMBER second on a (vote count) vote.



AIRPORT ADVISORY COMMISSION

ITEM 3 – ACTION ITEMS

Discussion and possible approval of an AAC Resolution recognizing Stephen Khanoyan's service to the Commission.

Austin Airport Advisory Commission

Recognition of Stephen Khanoyan

WHEREAS, Stephen Khanoyan has served as Division Manager, Airport Affairs at the Austin Bergstrom International Airport since March 2021;

WHEREAS, Stephen has supported the Austin Airport Advisory Commission during his tenure;

WHEREAS, Stephen has served during especially tumultuous times of the COVID-19 pandemic;

WHEREAS, during this time Austin Bergstrom International Airport has relaunched its multibillion dollar Airport Expansion and Development Program and has operated under tremendous lockdown, then growth pressures, and the Airport Commission has increasingly engaged;

NOW THEREFORE BE IT RESOLVED, that the Austin Airport Advisory Commission wishes to express its appreciation to **Stephen Khanoyan** for a job well done and wishes him well in all future endeavors, and, further, that this resolution of Appreciation and Support be duly recorded and spread across the minutes of the Austin Airport Advisory Commission this 9th day of August, 2022.

Eugene Sepulveda, Chair

Wendy Todd Davis, Vice Chair

Jeremy Hendricks, Secretary



AIRPORT ADVISORY COMMISSION

ITEM 4 – STAFF BRIEFINGS

Identification of Prospective Action Items
Regarding the AUS Fuel Facility Reflected in
the Memos to Mayor and Council



MEMORANDUM

TO: Mayor and Council Members

FROM: Jacqueline Yaft, Chief Executive Officer
Aviation Department 

DATE: May 12, 2022

SUBJECT: Key Elements of the New Jet-A Fuel Storage Facility

The purpose of this memo is to provide information regarding key elements related to item 43 on the April 7, 2022, council agenda.

Per the discussion with Council, AUS is committed to ensuring that the new Jet-A Fuel Facility will be regulated, monitored and environmentally sound from pre-construction through operation. As a matter of transparency, AUS has publicly posted to the project website, the independent third-party validation of the Environmental Assessment of the new Jet-A Fuel Facility. AUS has also contracted with a third-party vendor, to provide independent monitoring, and auditing of the existing and new Jet-A Fuel Facilities for environmental and safety compliance. This includes installing water quality monitoring equipment at the new facility.

AUS is also in the process of creating an airport “Green Team”, with the goal of having this team established in FY23. The team will consist of community volunteer members, business partners, and City Staff, focused on the comprehensive environmental stewardship of the Airport with respect to future phases of airport development and expansion programs, as well as third-party developments on airport property. Along with the “Green Team,” AUS will hire a full-time community engagement professional for FY23 to ensure robust community engagement on airport projects going forward.

Additionally, AUS will mitigate visual impacts on the surrounding residential and commercial properties by improving the design of the new facility to include without limitation: screening, landscaping, and use of art in public places.

Construction and other project updates will be shared regularly with the community through the Airport’s [monthly email newsletter](#) and project website, SpeakUpAustin.org/AUSFuel.

Should you have any questions, please contact me at 512-530-5070.

Cc: Spencer Cronk, City Manager
Gina Fiandaca, Assistant City Manager



MEMORANDUM

TO: Mayor and Council Members

FROM: Jacqueline Yaft, Chief Executive Officer
Department of Aviation 

DATE: July 27, 2022

SUBJECT: Update to Key Elements of the New Jet-A Fuel Storage Facility

The purpose of this memo is to provide an update to the staff memo from May 12, 2022, regarding key elements related to item 43 on the April 7, 2022, council agenda.

Per the discussion with Council, AUS is committed to limiting the current expansion of the new Jet-A fuel storage facility to the Phase 1 development including two (2) storage tanks at the New Fuel Facility location, unless or until further authorized by Council. Any additional expansion of the Jet-A Fuel storage facility beyond Phase 1, will require a new Environmental Assessment process, which will include robust community engagement and participation by the Airport's Green Team.

AUS is also in the process of exploring any mitigation options for residential properties in close proximity to the New Fuel Facility considering, without prescribing or limitation, possible voluntary property buy-outs as appropriate by other than the Airport, available funding, reimbursement sources, proximity, individual site and total costs, regulations and laws, precedents and prioritization. AUS Staff will report back to Council regarding these mitigation options.

Construction and other project updates are available through the Airport's [monthly email newsletter](#) and project website, SpeakUpAustin.org/AUSFuel.

Should you have any questions, please contact me at 512-530-5070.

Cc: Spencer Cronk, City Manager
Anne Morgan, Acting City Manager
Gina Fiandaca, Assistant City Manager



AIRPORT ADVISORY COMMISSION

ITEM 5 – STAFF BRIEFINGS

June 2022 Financial Results



MEMORANDUM

TO: Airport Advisory Commissioners
 FROM: Rajeev Thomas, Deputy Chief - Finance, Aviation Department
 DATE: August 8, 2022
 SUBJECT: Austin-Bergstrom International Airport (AUS) Update

June 2022 Financial Results

Total passenger traffic increased 44.9% in June 2022 compared to June 2021 (which was in the early stages of the air travel industry recovery from the impacts of the COVID-19 pandemic) and 23.4% compared to June 2019. Passenger enplanements totaled 1,009,025 in June 2022, an increase of 23.8% or 193,822 passengers compared to June 2019. Average daily departures have increased from 203 in June 2019 to 261 in June 2022, an increase of 58 daily departures or 28.6%.

Table #1	FY 2022 June	FY 2021 June	Variance Fav (Unfav)	FY 2022 YTD	FY 2021 YTD	YTD Variance Fav (Unfav)
Enplanements	1,009,025	701,047	43.9%	7,393,199	3,199,010	131.1%
Landing Weights	1,113,085,341	791,280,681	40.7%	9,223,936,014	4,597,314,190	100.6%
Cargo Tonnage	13,057	8,486	53.9%	115,381	87,910	31.2%
Operating Revenue	\$23,340,998	\$15,864,396	\$7,476,602	\$180,112,954	\$106,901,208	\$73,211,747
Airport OPEX	\$8,366,926	\$6,415,909	(\$1,951,017)	\$71,390,194	\$61,282,878	(\$10,107,316)
Total Requirements	\$13,878,607	\$11,764,044	(\$2,114,563)	\$119,779,091	\$104,907,016	(\$14,872,075)
Net Income Before Federal Relief	\$9,462,391	\$4,100,352	\$5,362,039	\$60,333,863	\$1,994,192	\$58,339,672
Federal Relief Reimbursement	\$1,834,492	\$253,635	\$1,580,857	\$33,424,631	\$29,727,858	\$3,696,773
Net Income After Federal Relief	\$11,296,882	\$4,353,987	\$6,942,896	\$93,758,495	\$31,722,050	\$62,036,445

Table #1 illustrates June 2022's enplanements totaled 1,009,025 which is 43.9% higher than June 2021, serving an additional 307,978 enplaned passengers. Landing weights totaled 1,113 million pounds in June 2022 representing an increase of 40.7% compared to June 2021. Cargo volume totaled 13,057 tons in June 2022 representing an increase of 53.9% compared to June 2021.

Monthly operating revenues increased 47.1% or \$7.5M compared to June 2021. Totalling \$23.3M, June 2022 operating revenues reflect the impact of the strong passenger traffic in the month. Additionally, included in June operating revenue is \$0.5M of billing adjustments related to prior periods. AUS reported \$9.5M of net income (before federal relief funding) in June 2022 compared to net income of \$4.1M in June 2021.

Year-to-Date Fiscal Year 2022 Financial Results

Through the ninth 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 \$180.1M compared to \$106.9M in FY2021, a 68.5% increase. Airport Operating Expenses totaled \$71.4M YTD in FY2022 compared to \$61.3M in FY2021, a 16.5% increase. Net income before federal relief funding totals \$60.3M YTD in FY2022 compared to \$2.0M in FY2021, an increase of \$58.3M.

Table #2	FY 2022 Approved Budget - Seasonalized	FY 2022 CYE - Seasonalized	FY 2022 YTD	Budget vs. YTD Variance \$ Fav (Unfav)	Budget vs. YTD Variance % Fav (Unfav)	CYE vs. YTD Variance \$ Fav (Unfav)	CYE vs. YTD Variance \$ Fav (Unfav)
Operating Revenue	\$119,588,553	\$158,830,007	\$180,112,954	\$60,524,401	50.6%	\$21,282,948	13.4%
Airport OPEX	\$73,604,430	\$74,869,914	\$71,390,194	\$2,214,236	3.0%	\$3,479,720	4.6%
Total Requirements	\$122,011,287	\$123,357,072	\$119,779,091	\$2,232,196	1.8%	\$3,577,981	2.9%
Net Income for Debt Service	\$37,321,397	\$75,231,363	\$100,092,292	(\$62,770,896)	(168.2%)	(\$24,860,929)	(33.0%)
Net Income Before Federal Relief	(\$2,422,734)	\$35,472,934	\$60,333,863	\$62,756,597	2590.3%	\$24,860,929	(70.1%)
Federal Relief Reimbursement	\$13,635,454	\$27,407,460	\$33,424,631	\$19,789,177	145.1%	\$6,017,171	22.0%
Net Income After Federal Relief	\$11,212,720	\$62,880,394	\$93,758,495	\$82,545,775	736.2%	\$30,878,100	49.1%

Through June 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, operating expense savings, and federal relief funding. As presented in Table #2, YTD FY2022 revenues exceed budgeted revenues by 50.6% or \$60.5M and exceeded CYE by 13.4% or \$21.3M. The increased revenues are driven by the strong passenger traffic and higher daily flight activity through the ninth month of the fiscal year. Airport operating expenses are 3.0% or \$2.2M below budgeted expenses and 4.6% or \$3.5M below CYE expenses due primarily to higher than anticipated personnel vacancy rates. Before federal relief funding application, AUS reports net income of \$60.3M, which exceeds the seasonalized budget estimate by \$62.8M and CYE by \$24.9M.

Attachments:

June 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 9 Month(s) ended June 30, 2022

	FY 2022	Budget	FY 2022	CYE	Year to Date w/ Accruals	Y-T-D to Budget		Y-T-D to CYE	
	Budget	Seasonalized 9 month(s)	CYE	Seasonalized 9 month(s)		Variance Fav (Unfav)	% Variance Fav (Unfav)	Variance Fav (Unfav)	% Variance Fav (Unfav)
REVENUE									
AIRLINE REVENUE									
Landing Fees	26,030,400	18,807,804	37,444,308	27,054,720	31,322,418	12,514,615	66.5%	4,267,698	15.8%
Terminal Rental & Other Fees	48,629,418	35,803,309	62,477,517	45,998,944	52,314,445	16,511,135	46.1%	6,315,501	13.7%
TOTAL AIRLINE REVENUE	74,659,818	54,611,113	99,921,825	73,053,664	83,636,863	29,025,750	53.1%	10,583,199	14.5%
NON-AIRLINE REVENUE									
Parking	38,325,261	28,416,202	54,063,848	39,206,064	41,521,022	13,104,820	46.1%	2,314,958	5.9%
Ground Transportation for Hire	4,983,334	3,512,352	7,256,248	5,114,347	6,144,892	2,632,540	75.0%	1,030,545	20.2%
Rental Cars	11,586,297	8,689,723	16,719,839	12,539,879	15,138,543	6,448,821	74.2%	2,598,664	20.7%
Food & Beverage	10,613,694	7,960,271	13,077,336	9,808,002	11,564,274	3,604,003	45.3%	1,756,272	17.9%
Retail	5,097,925	3,823,444	5,739,902	4,304,927	5,039,253	1,215,809	31.8%	734,327	17.1%
Advertising	2,059,095	1,544,321	2,679,243	2,009,432	2,485,432	941,110	60.9%	475,999	23.7%
Other Concessions, Rentals & Fees	15,532,040	10,766,093	18,390,238	12,747,264	14,330,465	3,564,372	33.1%	1,583,201	12.4%
TOTAL NON-AIRLINE REVENUE	88,197,646	64,712,406	117,926,654	85,729,915	96,223,880	31,511,475	48.7%	10,493,965	12.2%
Interest Income	353,379	265,034	61,903	46,427	252,211	(12,823)	(4.8%)	205,784	443.2%
TOTAL REVENUE	163,210,843	119,588,553	217,910,382	158,830,007	180,112,954	60,524,401	50.6%	21,282,948	13.4%
OPERATING REQUIREMENTS									
Fac Mgmt, Ops and Airport Security	62,598,260	44,754,345	62,579,105	43,580,675	42,103,195	2,651,150	5.9%	1,477,479	3.4%
Airport Planning and Development	6,445,332	4,250,101	8,182,246	4,879,946	4,606,491	(356,390)	(8.4%)	273,455	5.6%
Support Services	30,703,982	20,916,842	29,451,911	19,753,985	18,106,428	2,810,414	13.4%	1,647,558	8.3%
Business Services	6,135,897	3,683,142	9,426,099	6,655,308	6,574,080	(2,890,938)	(78.5%)	81,228	1.2%
TOTAL OPERATING EXPENSES	105,883,471	73,604,430	109,639,361	74,869,914	71,390,194	2,214,236	3.0%	3,479,720	4.6%
Debt Service									
2013 Prosperity Bank Loan	5,411,891	4,058,978	5,411,891	4,058,978	4,058,978	0	0.0%	0	0.0%
2014 Bond Issuance	6,654,005	4,990,504	6,654,005	4,990,504	4,990,504	0	0.0%	0	0.0%
2017 Bond Issuance	9,698,969	7,274,227	9,698,969	7,274,227	7,274,227	0	0.0%	0	0.0%
2019 Refunding Bonds	14,520,686	10,892,606	14,520,686	10,892,606	10,892,606	0	0.0%	0	0.0%
2019 New Money	16,919,848	12,527,816	16,919,848	12,527,816	12,527,816	0	0.0%	0	0.0%
2022 New Money	0	0	42,895	14,298	14,298	(14,298)	N/A	0	0.0%
TOTAL Net Debt Service	53,205,399	39,744,130	53,248,294	39,758,429	39,758,429	(14,298)	(0.0%)	0	0.0%
OTHER REQUIREMENTS									
Workers' Compensation	448,220	336,165	448,220	336,165	322,155	14,010	4.2%	14,010	4.2%
Citywide Administrative Support	6,154,467	4,615,850	6,154,467	4,615,850	4,615,850	0	0.0%	0	0.0%
Communications & Technology Mgmt	1,790,090	1,342,568	1,790,090	1,342,568	1,286,623	55,945	4.2%	55,945	4.2%
Accrued Payroll	342,887	257,165	342,887	257,165	257,165	0	0.0%	0	0.0%
27th Payroll	0	0	0	0	125,665	(125,665)	N/A	(125,665)	N/A
Operating Reserve	0	0	88,004	66,003	0	0	N/A	66,003	100.0%
CTECC	332,077	249,058	332,077	249,058	238,669	10,389	4.2%	10,389	4.2%
Trunked Radio Allocation	353,120	264,840	353,120	264,840	253,805	11,035	4.2%	11,035	4.2%
Public Works Capital Projects Mgmt Fund	2,129,441	1,597,081	2,129,441	1,597,081	1,530,535	66,546	4.2%	66,546	4.2%
Compensation Adjustment	427,505	0	642,307	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	8,662,727	12,280,613	8,728,730	8,630,468	32,259	0.4%	98,262	1.1%
TOTAL REQUIREMENTS	174,458,677	122,011,287	175,168,268	123,357,072	119,779,091	2,232,196	1.8%	3,577,981	2.9%
EXCESS (DEFICIT) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS									
	(11,247,834)	(2,422,734)	42,742,114	35,472,934	60,333,863	62,756,597	(2590.3%)	24,860,929	(70.1%)
Federal Relief Reimbursement (Parking)									
	(3,569,365)	(2,677,024)	(6,897,750)	(5,173,313)	(5,104,601)	2,427,577	(90.7%)	(68,712)	(1.3%)
Federal Relief Reimbursement (Debt Service)									
	(14,611,240)	(10,958,430)	(29,645,530)	(22,234,148)	(28,320,030)	17,361,600	(158.4%)	6,085,883	27.4%
TOTAL FEDERAL RELIEF REIMBURSEMENT	(18,180,605)	(13,635,454)	(36,543,280)	(27,407,460)	(33,424,631)	19,789,177	(145.1%)	6,017,171	22.0%
EXCESS (DEFICIT) OF TOTAL AFTER FEDERAL RELIEF	6,932,771	11,212,720	79,285,394	62,880,394	93,758,495	82,545,775	736.2%	30,878,100	49.1%

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

	This month - This Year vs. Last Year FY22 (Jun 22) vs FY21 (Jun 21)				Fiscal YTD - This Year vs. Last Year FY22 (Oct 21 - Jun 22) vs FY21 (Oct 20 - Jun 21)			
	FY22 Jun-22	FY21 Jun-21	Fav (Unfav) \$ Variance	Fav (Unfav) % Variance	FY22 YTD Jun-22	FY21 YTD Jun-21	Fav (Unfav) \$ Variance	Fav (Unfav) % Variance
Airline Revenue								
Landing Fees	3,807,422	2,802,662	1,004,761	35.9%	31,322,418	16,388,870	14,933,549	91.1%
Terminal Rental & Other Fees	6,312,836	4,850,229	1,462,607	30.2%	52,314,445	37,591,163	14,723,282	39.2%
Total Airline Revenue	<u>10,120,258</u>	<u>7,652,890</u>	<u>2,467,368</u>	<u>32.2%</u>	<u>83,636,863</u>	<u>53,980,032</u>	<u>29,656,831</u>	<u>54.9%</u>
Non-Airline Revenue								
Parking	5,929,043	3,108,426	2,820,617	90.7%	41,521,022	15,424,355	26,096,667	169.2%
Ground Transportation for Hire	825,264	450,601	374,664	83.1%	6,144,892	2,170,538	3,974,354	183.1%
Rental Cars	1,731,695	1,501,840	229,855	15.3%	15,138,543	9,777,721	5,360,823	54.8%
Food & Beverage	1,514,183	1,067,803	446,380	41.8%	11,564,274	8,521,656	3,042,617	35.7%
Retail	664,865	538,049	126,816	23.6%	5,039,253	4,474,010	565,243	12.6%
Advertising	327,389	165,128	162,261	98.3%	2,485,432	1,434,489	1,050,942	73.3%
Other Concessions, Rentals & Fees	2,136,564	1,374,989	761,574	55.4%	14,330,465	11,022,987	3,307,478	30.0%
Total Non-Airline Revenue	<u>13,129,003</u>	<u>8,206,836</u>	<u>4,922,167</u>	<u>60.0%</u>	<u>96,223,880</u>	<u>52,825,756</u>	<u>43,398,125</u>	<u>82.2%</u>
Interest Income	91,736	4,669	87,067	1864.8%	252,211	95,420	156,791	164.3%
Total Operating Revenue	<u>23,340,998</u>	<u>15,864,396</u>	<u>7,476,602</u>	<u>47.1%</u>	<u>180,112,954</u>	<u>106,901,208</u>	<u>73,211,747</u>	<u>68.5%</u>
Operating Requirements								
Fac Mgmt, Ops and Airport Security	4,618,876	3,989,363	(629,513)	(15.8%)	42,103,195	39,733,737	(2,369,458)	(6.0%)
Airport Planning and Development	663,917	309,557	(354,360)	(114.5%)	4,606,491	3,017,201	(1,589,290)	(52.7%)
Support Services	2,272,356	1,688,054	(584,302)	(34.6%)	18,106,428	15,603,792	(2,502,636)	(16.0%)
Business Services	811,778	428,935	(382,843)	(89.3%)	6,574,080	2,928,148	(3,645,932)	(124.5%)
Total Operating Expense	<u>8,366,926</u>	<u>6,415,909</u>	<u>(1,951,017)</u>	<u>(30.4%)</u>	<u>71,390,194</u>	<u>61,282,878</u>	<u>(10,107,316)</u>	<u>(16.5%)</u>
Debt Service								
GO Debt Service Fund	0	42	42	100.0%	0	380	380	100.0%
2013 Prosperity Bank Loan	450,971	451,131	160	0.0%	4,058,978	4,059,502	523	0.0%
2014 Bond Issuance	554,500	589,844	35,344	6.0%	4,990,504	5,308,311	317,807	6.0%
2017 Bond Issuance	808,247	836,226	27,979	3.3%	7,274,227	7,526,037	251,810	3.3%
2019 Refunding Bonds	1,209,263	1,277,299	68,037	5.3%	10,892,606	11,626,832	734,226	6.3%
2019 New Money	1,464,011	1,092,583	(371,427)	(34.0%)	12,527,816	5,194,001	(7,333,815)	(141.2%)
2022 New Money	9,532	0	(9,532)	N/A	14,298	0	(14,298)	N/A
Total Debt Service	<u>4,496,524</u>	<u>4,247,127</u>	<u>(249,398)</u>	<u>(5.9%)</u>	<u>39,758,429</u>	<u>33,715,063</u>	<u>(6,043,366)</u>	<u>(17.9%)</u>
Other Requirements								
Workers' Compensation	42,020	36,312	(5,708)	(15.7%)	322,155	326,808	4,653	1.4%
Citywide Administrative Support	512,872	527,360	14,488	2.7%	4,615,850	4,746,240	130,390	2.7%
Communications & Technology Mgmt	167,820	156,605	(11,215)	(7.2%)	1,286,623	1,409,445	122,823	8.7%
Accrued Payroll	28,574	13,844	(14,730)	(106.4%)	257,165	124,595	(132,571)	(106.4%)
27th Payroll	0	0	0	N/A	125,665	0	(125,665)	N/A
CTECC	31,130	25,662	(5,468)	(21.3%)	238,669	230,958	(7,711)	(3.3%)
Trunked Radio Allocation	33,105	25,096	(8,009)	(31.9%)	253,805	225,864	(27,941)	(12.4%)
Public Works Capital Projects Mgmt Fund	199,635	316,130	116,495	36.9%	1,530,535	2,845,166	1,314,630	46.2%
Total Other Requirements	<u>1,015,156</u>	<u>1,101,008</u>	<u>85,852</u>	<u>7.8%</u>	<u>8,630,468</u>	<u>9,909,075</u>	<u>1,278,607</u>	<u>12.9%</u>
Total Requirements	<u>13,878,607</u>	<u>11,764,044</u>	<u>(2,114,563)</u>	<u>(18.0%)</u>	<u>119,779,091</u>	<u>104,907,016</u>	<u>(14,872,075)</u>	<u>(14.2%)</u>
SURPLUS (DEFICIT) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	<u>9,462,391</u>	<u>4,100,352</u>	<u>5,362,039</u>	<u>130.8%</u>	<u>60,333,863</u>	<u>1,994,192</u>	<u>58,339,672</u>	<u>2925.5%</u>
Federal Relief Reimbursement (Parking)	(611,392)	0	611,392	N/A	(5,104,601)	0	5,104,601	N/A
Federal Relief Reimbursement (Debt Service)	(1,223,100)	(253,635)	969,465	382.2%	(28,320,030)	(29,727,858)	(1,407,828)	(4.7%)
Total Federal Relief	<u>(1,834,492)</u>	<u>(253,635)</u>	<u>1,580,857</u>	<u>623.3%</u>	<u>(33,424,631)</u>	<u>(29,727,858)</u>	<u>3,696,773</u>	<u>12.4%</u>
TOTAL SURPLUS (DEFICIT) AFTER FEDERAL RELIEF	<u>11,296,882</u>	<u>4,353,987</u>	<u>6,942,896</u>	<u>159.5%</u>	<u>\$ 93,758,495</u>	<u>\$ 31,722,050</u>	<u>\$ 62,036,445</u>	<u>195.6%</u>

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



AIRPORT ADVISORY COMMISSION

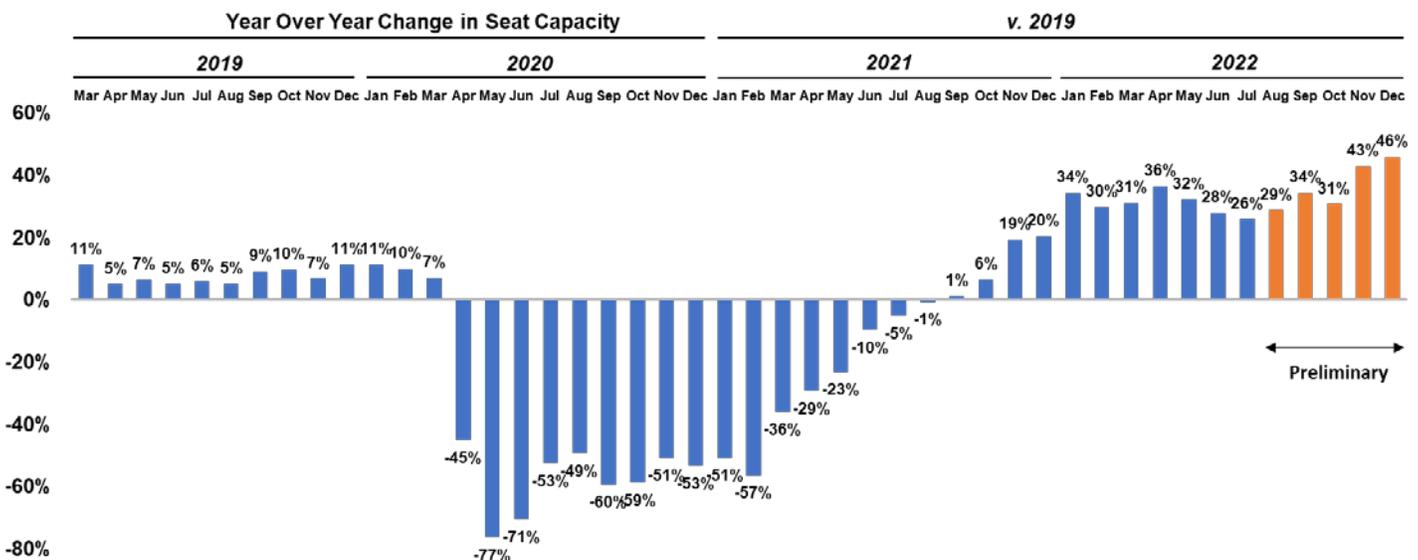
ITEM 6 – STAFF REPORTS

Air Service Update

August 2022 Air Service Snapshot

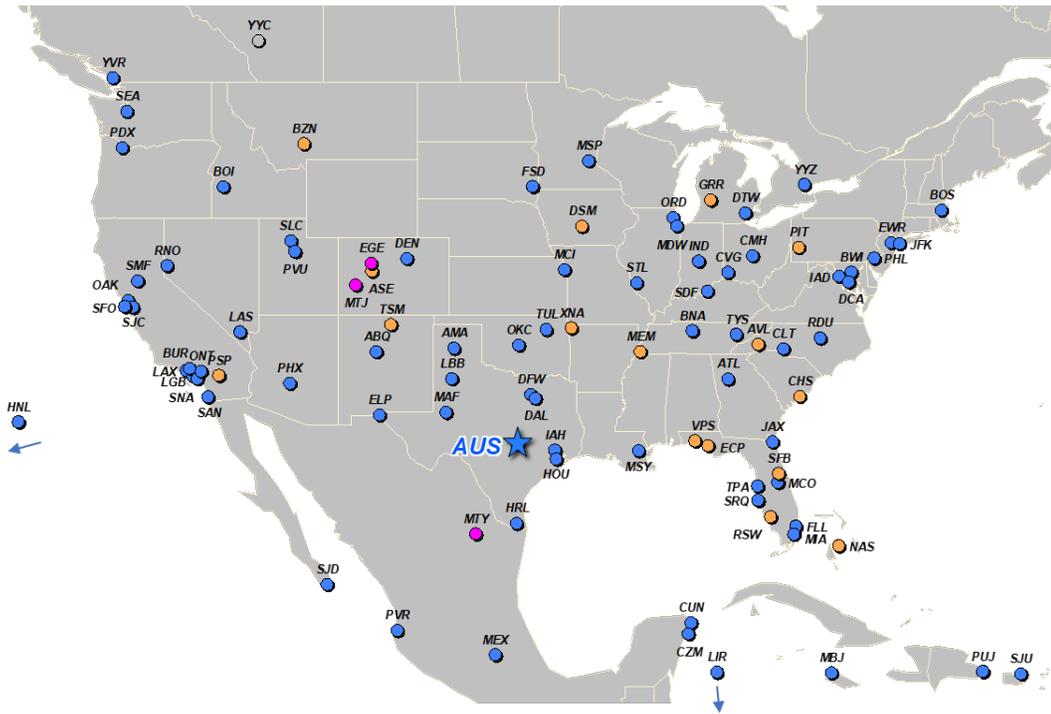
- According to Bank of America, ticket sales are showing signs of slowing down. Global system net sales were down -7.6% vs 2019 for the week ending 7/17/22.
- As we move past the holidays, we continue to see a flattening out of bookings in the U.S., after a meaningful acceleration from March through May.
- Although sales are still slightly down compared to 2019, last week United, American, and Alaska cited strong demand strength when reporting 2Q22 earnings, as did Delta the week before. However, United mentioned the rate of corporate improvement globally has slowed in the last few weeks.
- JetBlue has struck a deal to acquire Spirit Airlines, yet the move is subject to regulatory approval.

The chart below shows how AUS capacity has recovered with monthly comparisons to 2019. Based on currently filed schedules, capacity will be 29% above 2019 levels in August, 34% in September and 31% in September – yet still subject to change and expected to slightly decline as operational issues continue.



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

- **Air Canada** increased YYZ to two daily flights for the Summer on June 1 and started nonstop service to YVR
- **Alaska** will resume service to PSP in November
- **American** will serve PSP, RSW & SRQ, and AA added new to AUS nonstop, EGE (Vail) this Winter season
- **JetBlue** has suspended EWR & LAX until February, FLL until November – due to staffing constraints
- **KLM** started year-round 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** will serve new nonstop MTJ (gateway to Crested Butte and Telluride, CO) this Winter season
- **Spirit** will start new daily service to MTY on October 5; LAX is suspended until September
- **Virgin Atlantic** started nonstop service to London (Heathrow) on May 25 with four weekly flights

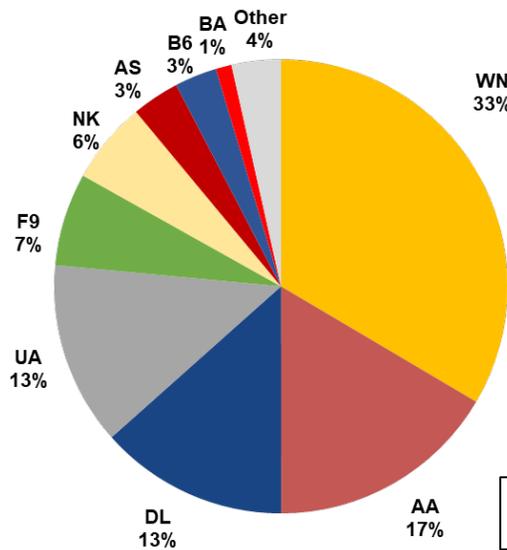


Carriers	18
Nonstop Destinations	92
Daily Nonstop Departures	263
Daily Nonstop Seats	38,422
Average Aircraft Size	146

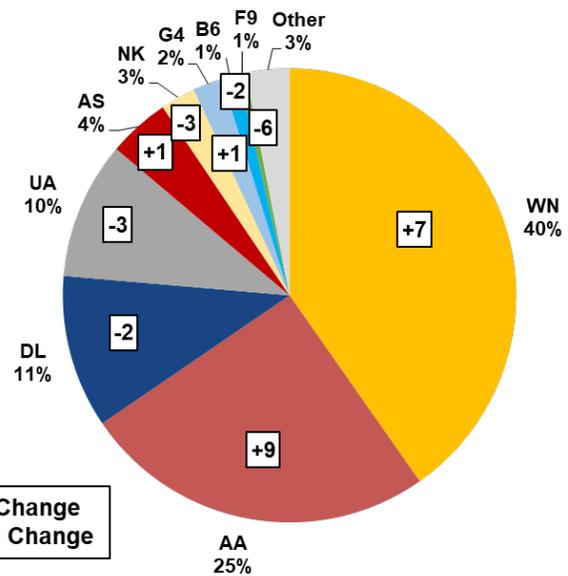
- Year-Round
- Seasonal
- Returning
- Announced

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. JetBlue's share is down as well since it has suspended service to a number of markets due to staffing issues. Also notable is that Alaska's share is up since 2019 as they have grown capacity by 67%. Allegiant's share is also up as the base has opened, and they have increased capacity by 225%.

AUS Seat Share
August 2019



AUS Seat Share
August 2022



Point Change
nc = No Change

Based on U.S. DOT O&D Passenger Survey, Cirium, and ABIA statistics: 17% of ABIA passengers in Q1 2022 were connecting between flights at the Airport. The following is a list of the top ten domestic and international AUS connecting markets for Q1 2022:

Domestic		International	
Market	Carrier	Market	Carrier
LASMCO	Spirit	DFWPUJ	American
MCOPHX	American	LAXPUJ	American
MCOPHX	Southwest	LASCUN	American
MIAPHX	American	RNOCUN	American
LAXMIA	American	DFWNAS	American
MCOSAN	Southwest	SANCUN	Southwest
LAXMCO	American	DFWLIR	American
DALHRL	Southwest	MSYCUN	Southwest
MCOSLC	Southwest	MIASJD	American
LAXMSY	American	PHXCUN	American



AIRPORT ADVISORY COMMISSION

ITEM 9 – CONSENT AGENDA

Authorize negotiation and execution of a contract with EMS Bruel & Kjaer Inc. d/b/a Envirosuite, Inc. to provide maintenance and support of the noise and operations monitoring system for a term of five years in an amount not to exceed \$520,000.



Recommendation for Action

File #: 22-2545, Agenda Item #:

9/1/2022

Posting Language

Authorize negotiation and execution of a contract with EMS Bruel & Kjaer Inc. d/b/a Envirosuite, Inc. to provide maintenance and support of the noise and operations monitoring system, for a term of five years in an amount not to exceed \$520,000.

(Note: Sole source contracts are exempt from the City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program; therefore, no subcontracting goals were established).

Lead Department

Financial Services Department.

Client Department(s)

Aviation.

Fiscal Note

Funding in the amount of \$94,000 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:

Sole Source.

For More Information:

Inquiries should be directed to Patricia Sustaita, at 512-978-1708 or patricia.sustaita@austintexas.gov [<mailto:patricia.sustaita@austintexas.gov>](mailto:patricia.sustaita@austintexas.gov).

Council Committee, Boards and Commission Action:

August 9, 2022 - To be reviewed by the Airport Advisory Commission.

Additional Backup Information:

The contract will provide maintenance and support for EMS Bruel & Kjaer's Airport Noise and Operations Monitoring System (ANOMS) currently in place at Austin-Bergstrom International Airport (ABIA). ANOMS is a complete solution for accurate monitoring and management of noise and operations. ANOMS allows Aviation Department staff to gather information on the movement of aircraft and noise levels at ABIA and the surrounding area to measure the success of noise reduction strategies in surrounding airport communities. EMS Bruel & Kjaer, Inc. is the sole provider for the ANOMS and is a sole provider for the maintenance and support.

This contract will replace an existing contract which is set to expire on November 16, 2022.

This contract is needed in order to meet the current Part 150 Noise Compatibility Program at ABIA approved by Federal Aviation Administration. One of the approved program management measures is a Noise and

Operations Track Monitoring System to allow the airport to continue their implementation and monitoring of the noise abatement program.

Strategic Outcome(s):

Mobility, Government that Works for All.



AIRPORT ADVISORY COMMISSION

ITEM 10 – CONSENT AGENDA

Authorize negotiation and execution of a cooperative contract with DLT Solutions, LLC for enterprise applications services monitoring software for a term of three years in an amount not to exceed \$282,100.



Recommendation for Action

File #: 22-2635, Agenda Item #:

9/1/2022

Posting Language

Authorize negotiation and execution of a cooperative contract with DLT Solutions, LLC for enterprise applications servers monitoring software, for a term of three years in an amount not to exceed \$282,100.

(Note: This procurement was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9 C Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for this procurement, 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 \$94,200 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:

Multiple cooperative purchase programs were reviewed for these services. The Financial Services Department has determined this contractor best meets the needs of the department to provide the services required at the best value for the City.

For More Information:

Inquiries should be directed to Patricia Sustaita, at 512-978-1708 or patricia.sustaita@austintexas.gov <<mailto:patricia.sustaita@austintexas.gov>>.

Council Committee, Boards and Commission Action:

August 9, 2022- To be reviewed by the Airport Advisory Commission.

Additional Backup Information:

The contract will provide cloud-based monitoring software for Austin-Bergstrom International Airport's enterprise application traffic. The software provides real-time alerts including automated, in-depth real-time information to assist Airport Information Systems staff troubleshoot server and application issues to reduce downtime and service disruptions.

The State of Texas Department of Information Services cooperative establishes competitively bid contracts that can be utilized by the State and other government agencies through a cooperative agreement. Cooperative agreements save taxpayer dollars by leveraging the State's volume-buying power to drive down costs on hundreds of contracts through a streamlined cooperative purchasing program.

Strategic Outcome(s):

Government that Works for All, Mobility.



AIRPORT ADVISORY COMMISSION

ITEM 11 – CONSENT AGENDA

Authorize negotiation and execution of a Construction Manager at Risk Agreement with Austin Bridge & Road, LP for preconstruction and construction services for the AEDP Airfield Infrastructure project in an amount not to exceed \$165,000,000.



Recommendation for Action

File #: 22-2632, Agenda Item #:

9/1/2022

Posting Language

Authorize negotiation and execution of a Construction Manager at Risk Agreement with Austin Bridge & Road, LP for preconstruction and construction services for the AEDP Airfield Infrastructure project in an amount not to exceed \$165,000,000.

[Note: This contract will be awarded in compliance with the requirements of 49 CFR Part 26 and City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program) by meeting the goals with 11.12% 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 three offers received.

Prior Council Action:

June 16, 2022 - City Council authorized negotiation and execution of a professional services agreement with RS&H Inc.

October 14, 2021 - City Council authorized use of Construction Manager at Risk Alternative Delivery Method.

For More Information:

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, Burton Jones, 512-974-7278.

Council Committee, Boards and Commission Action:

To be reviewed by the Airport Advisory Commission on August 8, 2022.

Additional Backup Information:

Austin Bergstrom International Airport (AUS) announced an Airport Expansion and Development Program (AEDP) to accommodate the needs of a growing Central Texas population. AUS forecasts the need for 20 additional gates in a new concourse planned for the midfield area directly south of the existing terminal requiring reconfiguration of the current midfield taxiways. The AEDP Airfield Infrastructure project will establish new midfield taxiways to preserve airfield connectivity. The project includes demolition of existing infrastructure and construction of new airfield taxiway pavement; aircraft rated bridge structures, service roads,

utilities, reconfiguration of the south campus drainage, security improvements and, updates to the airfield lighting and signage systems. Due to current economic conditions, the previously communicated project budget of \$130,000,000 is now estimated at \$165,000,000. As part of the overall AEDP, related program construction may be added to the Construction Manager at Risk firm's scope of work. AUS will return to council for additional authority for any additional work.

Prior to entering into the Construction Phase, the City will establish Disadvantaged Business Enterprise (DBE) goals for 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 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 and 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 Guaranteed Maximum Price packages 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 of Austin will select a construction manager firm that will provide the "best value" to the City for preconstruction and construction services for the project.

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 will be delayed accommodating phasing that can maintain aircraft circulation throughout each step of the delivery of the new concourse and supporting infrastructure.

The contract allows 730 calendar days for completion of this project. This project is located within zip code 78719 (District #4).

Austin Bridge & Road, LP is located in Irving, TX.

Strategic Outcome(s):

Safety, Government That Works for All, Mobility.