



# City of Austin

## Recommendation for Action

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**File #:** 26-1338, **Agenda Item #:** 3.

3/26/2026

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### Posting Language

Authorize a food service and retail concession lease agreement for the West Gate Expansion and Concourse M at Austin-Bergstrom International Airport with Air Star Concessions for a term of 10 years. Funding: This item is projected to result in annual revenue of \$395,000 in Austin Aviation's Operating Budget.

### Lead Department

Austin Aviation.

### Fiscal Note

This item is projected to result in annual revenue of \$395,000 in Austin Aviation's Operating Budget.

### Procurement :

Austin Aviation issued Request for Concessions Proposals solicitation RFCP 8100 CT 2025-01 for these services. The solicitation was published on September 17, 2025, and closed on December 22, 2025. Of the three offers received, the proposal submitted by the recommended contractor was the sole responsive offer.

### MBE/WBE :

This contract will be awarded in compliance with City Code Chapter 2-9A (Minority-Owned and Women-Owned Business Enterprise Procurement Program). Per 49 Code of Federal Regulations Part 23, Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program, ACDBE participation may not be considered.

### For More Information:

Direct questions regarding this Recommendation for Council Action to John Gallo, Deputy Chief Officer - Commercial Development, Austin Aviation, at [John.Gallo@FlyAustin.com](mailto:John.Gallo@FlyAustin.com). Respondents to the solicitation and their agents should direct all questions to the Authorized Contact Person identified in the solicitation.

### Council Committee, Boards and Commission Action:

March 11, 2026 - To be reviewed by the Airport Advisory Commission.

### Additional Backup Information:

This agreement is for a contractor to lease, develop, market, manage, and operate the offered concessions for use by airport passengers, employees, visitors, and other tenants. These concessions will be located in the new West Gate Expansion in the Barbara Jordan Terminal and the Temporary Holdroom Facility (Concourse M) at Austin-Bergstrom International Airport. Some of the contractor's requirements are as follows:

- Menu offerings shall be of high quality and offer good value to the customers, with items available for breakfast, lunch, and dinner.
- Portion sizes reflective of price.
- Items that meet a variety of dietary restrictions in a meaningful way, including gluten-free,

vegetarian, and vegan options.

- Contactless ordering and payment options, including the implementation of technology to offer paperless receipts
- Food products packaged “to go” in convenient and compostable packaging.
- Compostable food service ware and consumer-facing packaging, including but not limited to utensils, straws, and to-go containers

Air Star Concessions currently operates several retail and food and beverage concessions in large airports in the United States. This contract is needed in order to provide food service and retail products to members of the public using the newly constructed West Gate Expansion and Concourse M, and will include financial and performance compliance measures for Air Star. Air Star proposes to bring their AUS Pantry House concept to both the West Gate Expansion and Concourse M. The AUS Pantry House in the West Gate location will include Starbucks Coffee along with a travel essentials market offering grab-and-go food and beverages and travel essential items. Air Star has partnered with Rockman Bake Shop and Austinuts, both local Austin favorites, to provide their products within two unique kiosks that will be incorporated into this location. In Concourse M, Air Star will be partnering with Desnudo Coffee, a local Austin coffee brand, to anchor the concession market. They have also proposed an Amazon “Just Walk Out” store to provide 24-hour grab-and-go products or a centralized, high-end vending concept to provide similar products, as the airport chooses. Air Star will pay Austin Aviation the greater of a minimum annual concession fee or a specified percentage (11 percent) of its gross revenue from the AUS Pantry House Locations and six percent of its gross revenue from the Austinuts and Rockman Bake Shop kiosks.