

MARYLAND AVIATION COMMISSION
WEDNESDAY, NOVEMBER 9, 2022
ASSEMBLY ROOM A/B, THIRD FLOOR
BALTIMORE/WASHINGTON INTERNATIONAL THRUGOOD MARSHALL AIRPORT

OPEN SESSION

MARYLAND AVIATION COMMISSION MEMBERS

Jim Ports, Chairman
Vishal Amin
T. Chineta K. Davis
W. Drew Hawkins
Raymond C. Nichols
Calvin D. Peacock
Ivory E. Tucker
David L. Winstead

MARYLAND DEPARTMENT OF TRANSPORTATION
MARYLAND AVIATION ADMINISTRATION (MDOT MAA)

Ricky D. Smith, Sr.
Jeanette Cook
Annette Fisher
Staci Gorden
Jordan Kayloe
William Lindsey
Wayne Pennell
Hazel Robinson
Robert Sager
Paul Shank
James Walsh

OTHER EMPLOYEES OF THE STATE OF MARYLAND

Colter Menke, Department of Commerce

MEMBERS OF THE PUBLIC

Bill Alcorn, Hensel Phelps (*virtual attendance via MS Teams*)

Chairman Ports called the meeting to order at 1:00 p.m.

WELCOME AND APPROVAL OF MINUTES – Chairman Ports

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Chairman Ports welcomed commissioners to the meeting. Upon request for a motion to approve the minutes of the July 13 Commission meeting, it was so moved by Commissioner Winstead, seconded by Commissioner Hawkins and approved unanimously.

EXECUTIVE DIRECTOR'S REPORT – Ricky Smith

Ricky spoke about how the results of the November election could impact MAA, in particular with the new incoming Governor. He provided insight on the transition process and how new state leadership comes in with new philosophies and priorities.

The Maryland Aviation Commission meeting dates for 2023 were announced:

- 📅 Wednesday, February 15th, 1:00-3:00pm
- 📅 Wednesday, April 19th, 1:00-3:00pm
- 📅 Wednesday, July 12th, 1:00-3:00pm
- 📅 Wednesday, September 13th, 1:00-3:00pm
- 📅 Wednesday, November 15th, 1:00-3:00pm

MARKETING & AIR SERVICE DEVELOPMENT – Annette Fisher and Jordan Kayloe

Recent Media Coverage

Since the last Commission meeting in July 2022, MAA received news media coverage about:

- 📅 Governor Larry Hogan Announcing Board of Public Works Approval for Major Upgrades at BWI Thurgood Marshall Airport (A/B Connector and Baggage Handling / October 2022)
- 📅 Summer Youth Initiative (August 2022)
- 📅 Synergy BWI Business Networking Conference (Sept 2022)

The following highlight videos for the Summer Youth Initiative and the Synergy BWI Business Networking Conference were shown during the Commission meeting.

YouTube link - 2022 Summer Youth Initiative:

<https://www.youtube.com/watch?v=OYdYcRFYE1o>

YouTube link – 2022 Synergy BWI Business Networking Conference:

<https://www.youtube.com/watch?v=PGHtoWNFNeE>

Air Service and Traffic Statistics

TSA statistics provide the most immediate look at passenger volumes. While they do publish numbers daily, they only count departing passengers – not arriving or connecting passengers. September saw the lowest decline versus 2019 since the start of the pandemic.

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Total passenger numbers are recovering better than TSA numbers. September saw the best recovery since the start of the pandemic, from a relatively low base. The declines are a few points lower than TSA declines, meaning more passengers are connecting at BWI Marshall.

International traffic returned strong this spring. Play launched in April. Air Canada, British Airways, and Icelandair restarted in May. Condor restarted in June.

For air cargo, year-over-year cargo growth has slowed in the last few months. Shoppers are returning to brick-and-mortar stores, so airlines are carrying less cargo as online ordering flattens. Compared to 2019, cargo is generally up double digits. It remains much stronger than pre-pandemic levels.

Regarding flight capacity, total operations have generally fallen less than passenger numbers. February saw the lowest decline versus 2019 since the start of the pandemic, but from a low base. Looking at future capacity, fourth quarter seats are down 12%, while first quarter seats are up 1%. Carriers have been pulling back capacity to ensure staffing issues do not interrupt smooth operations.

The following eight airlines have launched at or returned to BWI Marshall this year:

- 🔍 PLAY
- 🔍 British Airways
- 🔍 Icelandair
- 🔍 Avelo
- 🔍 Air Canada
- 🔍 Condor
- 🔍 JetBlue
- 🔍 Sun Country

Airlines Have Launched Many New Routes since the Start of FY22:

Air Senegal launched a new route from BWI to JFK to:
-Dakar, Senegal

Southwest Airlines launched a new route from BWI to:
-Syracuse, NY

Delta launched a new route from BWI to:
-Boston, MA

Frontier launched new routes from BWI to:

- Cancun, Mexico
- Atlanta, GA
- Las Vegas, NV
- Phoenix, AZ
- Dallas/ Fort Worth, TX

Icelandair launched a new route from BWI to:

- Reykjavik

Spirit announced a new route from BWI to:

- Miami, FL

PLAY announced a new route from BWI to:

- Reykjavik, Iceland

Avelo announced new routes from BWI to:

- New Haven, CT
- Wilmington, DE
- Orlando, FL

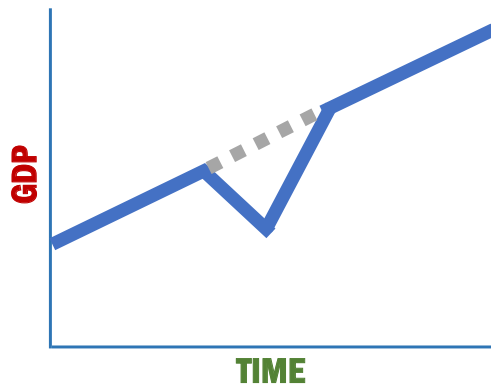
Incentives for Airlines:

The Office of Air Service Development is exploring an initiative to attract crew bases with incentives. Low-Cost Carrier networks are restricted by crew routings. Crew bases allow network growth and flexibility, with primarily pilots and flight attendants operating from our region, and potentially mechanics too. More indirect jobs would be created than direct jobs. The program would target low-cost carriers like Spirit, Frontier, and Allegiant. Airports can't pay airlines, so incentives would be from the Maryland Department of Commerce and the Anne Arundel Economic Development Corporation.

BUSINESS DEVELOPMENT & MANAGEMENT – James Walsh

Shape of Recovery:

Economists have labeled the shape of potential pandemic recovery scenarios. Within the aviation industry, analysts most often predict the V shape recovery. In this scenario, the economy recovers but activity is permanently lost.



The forecast projects BWI Marshall passenger traffic will return to 2019 levels by 2024.

MAA Profit & Loss Statement - Year end FY 2022 vs FY 2021

MAA operating revenue to the Transportation Trust Fund was \$275,372,046 in FY2022 and \$184,854,118, which is an increase of 49%. Contributing factors for the overall increase include: increases in flight activity, parking, retail, and food and beverage concessions. Landing fees are up almost 30%. Parking revenues are up because more people are parking in the hourly and daily garage. The hourly garage is 90% full on the weekends.

MAA operating expenses (TTF) totaled \$214,039,643 in FY 2022 and \$198,942,645. A contributing factor was the price increase in the cost of fuel.

In FY 2022, MAA had a Net TTF Operating Surplus of \$144,972,082. In FY 2021, MAA had a Net TTF Operating Surplus of \$7,373,541. This is an increase of 1,866.1%.

Martin State Profit & Loss Statement – Year end FY 2022 vs FY 2021

Aircraft operations and fuel sales have increased at Martin (MTN). In FY 2022, aircraft operations totaled 97,906. In FY 2021, aircraft operations totaled 86,451. In FY 2022, fixed based operations (FBO) gallons of fuel sold totaled 1,553,375 and in FY 2021, FBO gallons of fuel sold totaled 1,334,996. Martin State increased its gallons of fuel sold, even though aviation fuel expenses are rising. MTN has achieved record profits from aviation fuel.

Total MTN Revenue in FY 2022 was \$12,012,931, and in FY 2021 total revenue was \$8,996,269. Total MTN Expenses in FY 2022 was \$10,567,120 and in FY 2021 total expenses was \$8,326,659.

In FY 2022, MTN had a Net TTF Operating Surplus of \$1,540,974. In FY 2021, MTN had a Net TTF Operating Surplus of \$669,610. This is an increase of 130.1%.

Approval of MDOT MAA Six Year Capital Program FY 2023 – 2028

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The Maryland Aviation Commission is mandated to approve major capital projects at BWI Marshall Airport and Martin State airports prior to submitting the projects to the General Assembly.

The Maryland Department of Transportation Maryland Aviation Administration's (MDOT MAA) submitted its Final Consolidated Transportation Program (CTP) to The Secretary's Office (MDOT TSO) on November 4, 2022. The MDOT MAA's final capital program submission totals \$1.2 billion for the FY 2023-2028 period and includes ten (10) new major capital projects added to the Construction Program.

The ten (10) new Major capital projects added to the Construction Program and their Total Estimated Cost (TEC) are listed below:

- ☐ Taxilanes N and N1 Reconstruction at BWI Marshall Airport - \$29.3 Million
- ☐ Air Operations Area Fence Upgrade at BWI Marshall Airport - \$11.3M
- ☐ DX/DY Apron Pavement Rehab at BWI Marshall Airport - \$11.0M
- ☐ Amtrak Catenary Obstruction Removal at Martin State Airport - \$11.5M
- ☐ Deicing Pad Expansion at BWI Marshall Airport - \$29.0M
- ☐ 15L/33R & Associated TWs - Pavement Rehab at BWI Marshall Airport - \$15.0M
- ☐ Taxiway F Extension at Martin State Airport - \$14.6M
- ☐ Concourse A/B Baggage Carousels 0-5 Reconfiguration at BWI Marshall Airport - \$28.0M
- ☐ Snow Equipment Replacement - \$24.0M
- ☐ BGE Substation Reconstruction at BWI Marshall Airport - \$22.6M
- ☐ Taxiway T Reconstruction - \$68.7M
- ☐ Taxiway F Relocation - \$70.0M
- ☐ Conc. A/B Connector & Baggage Handling System Construction - \$452.5M
- ☐ MAA Shuttle Bus Replacement & Electric Infrastructure - \$37.5M
- ☐ Concourse D HVAC Replacement - \$26.5M
- ☐ Restroom Improvement Program - \$67.6M
- ☐ Residential Sound Mitigation Program - \$34.4M
- ☐ Aircraft Maintenance Facility Infrastructure - \$51.8M
- ☐ BC Apron Reconstruction, Infill and Taxiway Improvements - \$86.7M
- ☐ Fuel Storage Tank Additions - \$16.8M

Upon request for a motion to approve the Major Capital Projects and Existing Projects Previously Approved for inclusion in the Final FY 2023-2028 CTP, it was so moved by Commissioner Winstead, seconded by Commissioner Hawkins, and approved unanimously.

PLANNING & ENGINEERING – Paul Shank

Key Projects Update

Terminal A/B Connector and Baggage Handling System – Anticipated Completion-July 2026

This is a two-level terminal expansion project that includes a new connector between Concourses A and B, expanded holdrooms, new concessions, renovated restrooms, new in-line baggage system, and airline operations space. Project also includes capacity improvements to the Central Utility Plant and lighting improvements at the Lower Roadway. Program is using a Construction Manager at Risk (CMAR) project delivery method.

Final Funding Approved: BPW 100% Special (Transportation Trust Fund):

-The CMAR contract was initially awarded for the pre-construction costs. As the design progressed and design information became more available, the contractor sequentially and competitively bid construction packages.

-MDOT MAA returned to the Board on October 12, 2022, with a recommendation for approval of each package to include the actual construction costs, which included the CMAR construction fee.

Progress:

- 297 Days of Construction – Zero Safety Incidents.
- A1 – A7 ramp utility work ongoing. Working around fuel hydrant contractor.
- ☐ Domestic water and storm water relocations ongoing on ramp to A-7.
- ☐ Chlorination and testing of waterline pipe complete at B2.
- ☐ Electrical ductbank ongoing to tug tunnel and switchgear substation 50% complete.
- ☐ Jack and bore fuel line piping under Terminal A to connect pipe from new vault at A-6 to new line at A-5.
- ☐ Interior demolition of interior spaces is 95% complete.
- ☐ Enhanced interior signage is in development for public information.

Airline Maintenance Facility and Taxiway F (Phase 1/ Segment 1) – Anticipated completion – June 2025.

The project includes 26-acre site development for airline maintenance facility. MAA is preparing the site, and Southwest Airlines will build on it. Utilities brought into the site for connection to the facility. Construction of perimeter roads will be realigned to allow for both landside and airside access to the facility and connectivity to the existing perimeter road near Taxiway 'W'. In addition, a portion of Taxiway 'F' will be relocated.

Progress:

- ☐ Mass AMF site excavation is 40% complete and continues in 2023.
- ☐ Contract milestone: Completed TW-F Ph 1 Segment 1.
- ☐ Work at Ph. 2, 3, 4 and 6 ongoing.
- ☐ Stormwater pipe, sanitary line and waterline installation ongoing.
- ☐ Electrical ductbank and structures ongoing.
- ☐ Temp. VSR is complete.
- ☐ Turn over Phase 2 to SWA for permit work is scheduled for early 2023.

Airline Maintenance Facility and Taxiway F (Phase 1/ Segment 2) – Substantially complete by September 2022.

The project will relocate 1,300 feet of Taxiway F from the existing intersection with Taxiway G to a point east of the new taxiway entrance to the airline maintenance facility. It will also address taxiway/runway FAA geometric standards.

Progress:

- ☐ TW-F Ph 1 Segment 2 completed 9/22/22.
- ☐ Taxiway F and T/W G to Runway 10 reopened on schedule.
- ☐ Pavement complete.
- ☐ Asphalt shoulders complete.
- ☐ Grading tie-in complete.
- ☐ Electrical lighting complete.
- ☐ Grading and stabilization complete.

BWI Terminal Restroom Enhancement Program – Anticipated Completion – January 2024

Work includes the renovation of six sets of restrooms; two sets each in Concourses B, C, and D. A phased approach for construction is reducing the impact on operations.

Progress at B.R1 - Gate B1

Lower-Level Activities

- ☐ Piping for heat trace and trap primer
- ☐ Began sprinkler installation
- ☐ Began ceiling framing
- ☐ Exterior Activities
- ☐ Installed striping
- ☐ Installed metal panels and glazing
- ☐ Began railing

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- ☐ Upper-level Activities
- ☐ MEP Rough-In
- ☐ Wall and ceiling framing
- ☐ Fireproofing
- ☐ Began setting fixtures

Progress at B.R2 - Gate B8

- ☐ Mechanical, Electrical, Plumbing Rough-In
- ☐ Temporary roofing
- ☐ Fireproofing
- ☐ Interior framing
- ☐ Exterior sheathing installed
- ☐ Metal panel installation started this month
- ☐ Interior Demolition Starts when BR.1 is turned over

Progress at C.R2 - Gate C2

- ☐ Interior Activities
- ☐ Spray fireproofing
- ☐ Began framing walls and ceilings
- ☐ MEP Rough-in
- ☐ Running plumbing through floors
- ☐ Exterior Activities
- ☐ Install striping
- ☐ Install metal panel attachments and insulation

Progress at C.R3 - Gate C9

Exterior Activities

- ☐ Erect steel for building addition
- ☐ Pave AOA and closure pavement

Interior Activities

- ☐ Concrete foundation in Mech. Room
- ☐ Ceiling Framing in Mech. Room
- ☐ Pre-demolition TAB
- ☐ Cut/cap and make safe MEP
- ☐ Demolish existing Food Court
- ☐ Open Gate C9 Oct. 21

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Progress at DX.R2 - Gate D7

Site Activities

- ☐ Closure pavement demolition
- ☐ Started foundation piers and grade beams
- ☐ Structural steel starts this month

Progress at DY.R2 – D23

Exterior Activities

- ☐ Complete metal framing
- ☐ Began exterior sheathing and air barrier
- ☐ Roof installation ongoing

Interior Activities

- ☐ Rough-in mechanical
- ☐ Cut/cap and make safe
- ☐ Demolish existing restrooms
- ☐ Install mechanical hangers

DX-DY HVAC Upgrades – Anticipated Completion – July 2023

Work includes Concourse D Chiller Plant Expansion and replacement of existing air handlers in Concourse DY and the Commuter Concourse. Project also includes ceiling replacement and lighting improvements.

Progress:

- ☐ VAV Box Installation: 100% complete.
- ☐ Ceiling Replacement: DX hold rooms are complete.
- ☐ Central corridor ceiling ongoing.
- ☐ Chiller System: New system tested and accepted.
- ☐ Rooftop Air Handling Units: Installation started November 7th.

North Area Fuel Farm Storage Tanks

This contract will provide two new 700,000 gallon above ground storage tanks for storage of Jet-A aircraft fuel. The existing site will be improved to allow fuel truck delivery between the limits of the North Area Fuel Farm and Southwest Fuel Farm.

- ☐ Contract Value: \$20,240,000

- ☐ Contractor: Bolt Construction Inc.
- NORA: Sept. 28, 2022
- BPW: Dec 7, 2022
- ☐ CNTP: Pending BPW

Airfield Lighting Vault Relocation (ALV) – Building Package

Project includes building a new replacement ALV with dedicated rooms for each R/W system with fire separation for improved reliability and redundancy. The current program is being designed as a single project covering both the building and fit outs.

- ☐ Contract Value: \$23,997,000
- ☐ Contractor: Allan Myers MD, Inc.
- NORA: Sept. 28, 2022
- BPW: Nov. 16, 2022
- ☐ CNTP: Pending BPW

Upcoming Capital Projects at BWI Marshall

Taxilanes N & N1 Rehabilitation

Work includes concrete reconstruction of Taxilanes N & N1. Project includes all areas of existing asphalt and an evaluation of adjacent gate aprons that have significant cracking.

Project Status:

- ☐ In procurement
- ☐ Pre-bid Meeting June 14, 2022
- ☐ Bids received July 26, 2022
- ☐ NORA pending Procurement

Taxiway F Relocation - Phase 2

Work includes relocation of the taxiway to rectify deficiencies in geometry and pavement conditions. Project includes TW lighting and signage.

Project Status:

- ☐ Design complete.
- ☐ Advertisement pending Procurement and FAA funding.

Taxiway F Relocation - Phase 3

This is the final phase of Taxiway F Relocation projects. This phase rectifies deficiencies in geometry and pavement conditions for compliance with FAA standards. The construction

includes associated clearing, grading, pavement, airfield lighting, signage & marking improvements to support the realignment.

Project Status:

- ☐ Coordinating wetland and SWM permits with TW-F Phase 2
- ☐ Coordinating fees and grant funding with FAA
- ☐ Refined alignment to reduce impacts
- ☐ Anticipate March 2023 bid date

BGE Feeder Upgrade – Phase 2

The project will improve electric system reliability at the 34.5 kV down to (3) 13.8 kV switchgear lineups. Phase 1 is the replacement of transformer T1, which was in service for over 43 years. Add liquid containment for T1, install underground ducts for Phase 2, and upgrade site lighting to LED for added safety. Phase 2 is the installation of new double-ended 35kV switchgear housings at the north and south substations, new BGE service feeders into the north and south switchgears, replacement of meters and relays in the 15kV switchgears.

Project Status:

- ☐ In procurement
- ☐ Bids received August 16, 2022
- ☐ NORA pending Procurement and FAA concurrence

MDTA Police Relocation and D/E Bag Claim Improvements

The first phase of the project will relocate the Maryland Transportation Authority Police (MDTA) to Building 113 in the North Cargo area as well as a sub-station at the Central Terminal “Rabbit Warren.” The second phase of the project will install two (2) new baggage carousels between Concourses D and E.

Project Status:

- ☐ Design started for DE Baggage Claim.
- ☐ Design for the MDTA Police relocation 30% is complete.

Concourse E Baggage Handling System (BHS)

Expansion of the baggage handling system (BHS) on Concourse E to accommodate increased demand. Preferred alternative includes a third EDS, new diverter, and new make-up carousel. An expanded checked baggage reconciliation area (CBRA) may be necessary per TSA.

Project Status:

- ☐ Planning study complete
- ☐ Initiating design phase

- ☐ Pursuing waiver from TSA to reduce the number of resolution tables required for screening baggage. (potential \$8M savings)

Concourse A/B Bag Claim 0-5 Reconfiguration

This project will first provide and install a new Carousel 0 conveyor and controls, then demolish and replace Carousels 1-5 conveyors and controls. Existing carousels were installed in 2004 and have been used heavily by Southwest and are becoming unreliable.

Project Status:

- ☐ Initiated design

Concourse C/D Connector and Air Traffic Control Tower (ATCT)

This contract will construct the final secure-side connector in the BWI Terminal. Project also programmed to include a new Airport Traffic Control Tower, Airport Operations Center, FAA office space, relocated gates and holdrooms, TSA screening, new inline baggage system, new passenger bag claim, and Airport Hotel.

Project Status:

- ☐ Concept Schematic Design ongoing
- ☐ LIDAR survey of the terminal complete
- ☐ Office space programming complete
- ☐ Preparing Supplementary ATCT Program

Martin State Airport (MTN) – Harold Fowler

Former Chief of Maintenance and Operations Al Pollard has retired. After a recruitment process, Harold Fowler was hired as the new Chief.

Q1 MTN Operational Statistics

Fuel Activity and Terminal Operations (FY 2022 vs FY 2023):

There is an inverse relationship between gallons of fuel sold and the total number of aircraft operations. The majority of the gallons sold is Jet A fuel. Year-over-year comparisons for July thru September indicate operations are at about the same level as last year.

There is about a 50-50 split between local operations and transient operations. MTN would like to tap into a larger segment of the business population in the region. The airport plans to focus on targeted marketing for frequent travelers going in and out of nearby airports.

BWI OPERATIONS & MAINTENANCE – Wayne Pennell

Overview of the BWI Fuel Farm

Colonial Pipeline supplies the fuel. The pipeline is approximately 5,500 miles, from Houston, TX to Linden, NJ. There is a 5-day delivery cycle.

There are two separate fuel farms at BWI, with land in the middle. MAA owns the land in the middle. These are independent yet connected facilities.

Menzies Aviation owns one of the fuel farms. Menzies has one million gallons in fuel storage. This is approximately 3.4 days of fuel supply. It serves most air carriers at BWI airport.

Southwest Airlines owns the other fuel farm. It has five million gallons in fuel storage. This is approximately 13.4 days of fuel supply.

Combined onsite storage is 6,132,000 gallons or 8.7 days of fuel supply.

There is a crucial need for more on-airport storage for fuel in order to ensure continuity of operations at BWI Marshall. The Division of BWI Operations & Maintenance is working with the Division of Planning & Engineering and the Division of Business Development & Management to begin construction of the primary fuel farm expansion.

Due to growth, we will outpace the growth of Colonial Pipeline. Thus, the expansion is needed.

The expansion includes:

- ☐ Constructing two 16,800 bbl tanks (1,411,200 gallons) which will provide four days of fuel storage
- ☐ Utilizing two connected fueling facilities with new piping to connect all storage tanks.
- ☐ Having combined storage of 179,600 bbl or 10.8 days
- ☐ Having remote monitoring and automated valves to improve both receiving and distribution capabilities
- ☐ Minimizing downtime to Colonial Pipeline deliveries
- ☐ Resolving the fire suppression concerns and improving the overall fire suppression system

There being no further business, a motion to adjourn was made by Commissioner Hawkins, seconded by Commissioner Amin, and approved unanimously. The meeting adjourned at 2:37 p.m.