

MARYLAND AVIATION COMMISSION
TUESDAY, JUNE 11, 2024
VIRTUAL MEETING VIA MICROSOFT TEAMS

OPEN SESSION

MARYLAND AVIATION COMMISSION MEMBERS

Samantha Biddle, Acting Chairwoman
Ned Carey
Jesse Chancellor
T. Chineta K. Davis
Lisa Ellis
W. Drew Hawkins
José Morales
Mary Reese
Dr. Cedric Sims
David L. Winstead, Esq.
Dr. Zafar Zafari
Colter Menke, Department of Commerce (*representing Secretary Kevin Anderson*)

MARYLAND DEPARTMENT OF TRANSPORTATION (MDOT)

MARYLAND AVIATION ADMINISTRATION (MAA)

Ricky D. Smith, Sr.
Mark Allen
Royce Bassarab
Nya Bradshaw
DeShawn Boulware
Bernadette Bridges
Diana Brown
Kevin Clarke
Niqui Clark
Jonathan Dean
Jerome Fernandez
Harold Fowler
Rachel Goodman
Staci Gorden
Janean Hazelton
Jordan Kayloe
William Lindsey
Shanae Murray
Wayne Pennell
Bruce Rineer

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George Robinson, III
Raquel Robinson
Keiva Rodrigues
Paul Shank
Caleb Singer
LaTeesha Swann
Tanya Wojtulewicz

OTHER EMPLOYEES OF THE STATE OF MARYLAND

None

MEMBERS OF THE PUBLIC

None

Acting Chairwoman Biddle called the meeting to order at 2:31 p.m.

WELCOME AND APPROVAL OF MINUTES – Acting Chairwoman Biddle

There was a request for a minor correction of meeting minutes from the February 21st meeting. Commissioner Chancellor identified a misspelling of his name on page 9 and requested it be corrected.

Upon request for a motion to approve the minutes of the February 21st Commission meeting, it was so moved by Commissioner Winstead, seconded by Commissioner Hawkins, and approved unanimously.

EXECUTIVE DIRECTOR’S REPORT – Executive Director Ricky Smith

The Executive Director then provided an update on legislative activity pertaining to MAA.

State Activity

HB 573 - Citizens Committee for the Enhancement of Communities Surrounding Baltimore-Washington International Thurgood Marshall Airport – Membership (Del. Gary Simmons, D)

- Altering the membership of the Citizens Committee for the Enhancement of Communities Surrounding Baltimore-Washington International Thurgood Marshall Airport by increasing the total number of members from 11 to 12 and requiring the Committee to include one member each from legislative districts 12A and 12B instead of one member from legislative district 12.
- This bill passed and was signed into law by Governor Moore on May 9, 2024.

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HB 557 - Sales and Use Tax Exemption – Aircraft Parts and Equipment – Repeal of Reporting Requirement and Sunset (Del. Christopher T. Adams, R)

- Repealing a certain reporting requirement relating to an exemption from the sales and use tax for certain materials, parts, and equipment used to repair, maintain, or upgrade aircraft or certain aircraft systems; and repealing the termination date of the exemption.
- This bill passed and was signed into law by Governor Moore on May 16, 2024.

Federal Activity

On May 16, 2024, President Joe Biden signed the **FAA Reauthorization Act of 2024** into law. The bill reauthorizes the Federal Aviation Administration (FAA) through September 30, 2028.

- More than \$105 billion in appropriations is authorized for the FAA over FYs 2024-2028, including \$19.35 billion for Airport Improvement Program (AIP) grants to support more than 3,300 airports nationwide in meeting increasing demand and integration of emerging technologies.

Follow Up Questions/Comments for the Executive Director

Commissioner Chancellor asked for status updates on the master planning process as well as the policy framework that was discussed during the last Commission meeting.

Executive Director Smith explained that the meeting agenda included a presentation on the planning and development process. He also shared that the policy framework is something that MAA continues to work on in-house, however, it is a complicated process that may take a year to complete. As the organization makes progress on it, Commissioners will be engaged in the process.

Chairwoman Biddle recommended that progress updates be given as part of the Executive Director's update at the next Commission meeting as well as future Commission meetings as needed.

OVERVIEW OF COMMUNITY RELATIONS INITIATIVES – Diana Brown, Chief of Staff

Ms. Brown provided an update on MAA's community and stakeholder engagement activities. MAA is conducting targeted outreach to specific groups within the Baltimore-Washington region. The intent is to engage with stakeholders in a meaningful way in order to communicate with them about what the airport is doing and obtain their input.

Targeted stakeholders include:

- Airlines

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- Non-profits
- Citizens of Maryland
- Airport Tenants
- BWI Roundtable
- Maryland Aviation Commission
- Federal Government
- Business Community
- Airline Passengers
- International Business
- Elected Officials
- Community Partners
- Trade Associations
- BWI Employees
- Youth
- Seniors
- Military
- National Capital Region
- State Government
- County Government
- Local Government
- Partner Associations

MAA's 2023 Community Report provides a summary of the engagement efforts and highlights the four pillars of MAA's corporate social responsibility program. The four pillars are:

- Community
- Environment
- Youth
- Military

Ms. Brown highlighted some key community engagement events. In February 2024, MAA hosted an Economic Impact Reception in Annapolis. It was a wonderful opportunity for MAA leadership to engage with legislators and community members. Ms. Brown spoke about MAA's ribbon-cutting ceremony for a recently installed NSA Honor Wall display illustrating the National Security Agency's unique support to the Armed Forces through declassified archival imagery. She also highlighted the Summer Youth Initiative as an important component of MAA's youth engagement. Each summer, 50 students from Baltimore City participate in the weeklong program that immerses them in the exciting work environment at BWI Marshall Airport. This unique opportunity exposes kids to the wide range of jobs and careers available in the aviation industry. In the future, MAA is planning to expand the program in order to engage youth throughout the year. The 2024 MAA Summer Youth Initiative runs July 22- 26, 2024.

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Follow Up Questions/Comments for Ms. Brown

Commissioner Simms commended MAA for its role in the Honor Flight Program and expressed his appreciation for recognizing military veterans.

Commissioner Davis commended Ms. Brown on MAA's Summer Youth Initiative. She has ideas for how to expand the program, including possibly partnering with Northrup Grumman. She will follow up with Ms. Brown about this.

Chairwoman Biddle also commended Ms. Brown for the Summer Youth Initiative and expressed gratitude to the team that puts the program together.

BUSINESS DEVELOPMENT & MANAGEMENT – Tanya Wojtulewicz, Acting Chief, Business Development and Management

MAA Financials – Q3 FY 2024 Profit & Loss

TTF Operating Revenues of \$202 million increased 3.6% or \$7 million

TTF Operating Expenses of \$157.3 million increased 7.2% or \$10.5 million

Variance Explanations FY 2024 v. FY 2023

- Net TTF Operating Income \$44.7 million decreased \$3.5 million from FY 2023.
- Operating Expenses increased mainly due to salary increases.
- Operating costs are growing faster than revenue growth which is driving changes in financial position.
- A 51% increase in Capital costs contributed to running a Net TTF Loss of \$13.5million

MAA continues to operate on net income after operating expenses, which is a healthy financial position.

MAA Financials – Q3 FY 2024 Operating Revenue

The \$6.1 million increase in BWI revenues is mainly due to an increase in terminal rents & user fees as well as an increase in public parking (longer duration and higher usage). MAA also increased the per trip ground transportation fee from \$2.50 to \$3.50. There has also been an increase in retail, food and beverage concessions of almost \$2 million. These increases are offset by a decrease in rental car revenue.

Martin State (MTN) revenues decreased \$1.4 million primarily due to fuel sales.

MAA Financials – Q3 FY 2024 Operating Expenses

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Total Operating Expenses increased by \$10.5 million year-to-date compared to last fiscal year, primarily due to wages and salaries. Wages and salaries increased by 17.1% mainly due to mandated cost of living adjustments (COLA), step increases, and collective bargaining agreement increases. Snow costs were also higher in FY2024, than in FY 2023.

MTN Financials – Q3 FY 2024 Profit Loss

MTN operating revenues of \$8.0 million decreased 15.0% or \$1.4 million
MTN operating expenses of \$6.0 million decreased 22.1% or \$1.7 million

Variance Explanations FY 2024 v. FY 2023

- Revenues are down due to runway closures and a decline in fuel sales.
- MTN is running a TTF Operating Surplus of \$2 million. A \$296K increase over FY 2023.
- Reduced fuel and supply costs due to decreases in consumption and cost are driving surplus growth.
- After capital expenses, MTN is running a relatively balanced program with a Net TTF loss of \$854K.

FY 2024 – FY 2029 TTF Revenue Forecast - May 2024 compared to Oct 2023

The projected revenue of \$2.04 billion remains relatively flat, decreasing \$47.9 million or 2.3%. This is a six-year projection that is updated twice a year. The projected revenue relies heavily on the projection of landed weight. Changes with air carries including Jet Blue, Air Canada and Allegiant impact landed weight. Cargo activity also impacts landed weight.

Major changes include:

- FY24 airline activity projections decreased 5.7% over the October forecast. In the last quarter of FY 2024, airlines have been having scheduling issues due to the availability of aircraft. Their projections in the last quarter decreased by almost 3%.
- FY24 parking and rental car decreased as a result of projected decline in airline activity.

6 Year Profit & Loss Forecast

This forecast indicates that MAA continues to be self-sustaining and contributes over \$60 million, and in some years close to \$100 million (after operating expenses), to the TTF. The amount contributed to the TTF is cause for concern because in the out years, the capital budget is severely constrained. BWI is a grandfathered airport, and money can be comingled in the TTF. The airport has to make sure it is receiving more funds from the TTF than it is putting into the TTF.

FY 2024 – FY 2029 Non-TTF Revenue Forecast

Non-TTF revenue is comprised of Passenger Facility Charges (PFC) and Customer Facility Charges (CFC). The six-year forecast for Non-TTF Revenue is \$423 million, which decreased \$35.5 million or 7.7%. The PFC is currently \$4.50.

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Major changes include:

- Passenger activity forecasted decrease
- CFC rate increase to \$5.75 January 2024 and \$6.00 in FY26.

Revenues collected from these charges go toward paying outstanding debt, and then any monies that are leftover go into the facility fund and are used for capital projects.

Cost Per Enplanement (CPE)

- The CPE is hovering around \$10.58 for FY 2024. The aim is to keep the CPE low.
- FY 2027 includes A/B Connector Debt & O&M related expenses.
- Air Traffic Control Tower (ATCT) and C/D Connector debt included FY 2027 for design
- BWI's CPE is forecasted to average \$11 and then increase to \$12.60 after A/B program and future debt issuance comes online.
- In the near term, revenue is growing faster than enplanements, which is why the CPE will increase. In the long term, the change is relatively flat.
- Over the next couple of years CPE will level off with small growth. The exception is FY 2027. In FY 2027, MAA is planning to issue \$40 million debt for the ATCT and C/D Connector. The forecast includes the assumption that it would hit the rate base and the debt would come online FY 2027.
- MAA will be issuing debt this year for the A/B program. The full amount of the debt for the second issuance will also come online in FY 2027.
- MAA will be sending an analysis to The Secretary to make the case for more non-rate based investment in the airport's capital program, similar to what other states have done.

Follow Up Questions/Comments for Ms. Wojtulewicz

Commissioner Chancellor requested to see a year-to-date budget v. actual variance analysis for revenues and expenses in all the major categories. Executive Director Smith and Ms. Wojtulewicz agreed to respond to Commissioner Chancellor's request.

PLANNING & ENGINEERING – Paul Shank, Chief of Planning & Engineering

Construction Progress Report

Concourse 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. The project also includes capacity improvements

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to the Central Utility Plant and lighting improvements at the Lower Roadway. The program is using a Construction Manager at Risk (CMAR) project delivery method.

Key Milestones and Commitments:

- Design/Program Manager/CMAR Notice to Proceed: **January 2019**
- Mobilization, Selective Demo and Site Prep NTP (GMP-1 of 2): **January 2022**
- Connector Construction NTP (GMP-2 of 2): **November 2022**
- In-Line Screening Baggage Handling System Operational: **October 2025**
- Gates A1 through A5 with Open Market Concessions Operational: **December 2025**
- Project Complete: **July 2026**

Project Goals:

- Provide New & Increased Capacity In-line Screening Baggage Handling System
- Optimize BHS Tug Operations
- Consolidate SWA Facilities
- Connect Concourses A & B
- Relieve Passenger Congestion
- Increase Concessions Opportunities
- Enhance Passenger Level of Service
- Improve Inbound Baggage Performance
- Modernize Passenger Restrooms
- New Inbound Baggage Carousels 1 thru 6
- Improve Project Design and Delivery Methodology - CMAR

Highlights

- **SINGLE** Phase CBRA/CBIS Commissioning/Turnover
- Oversized BHS Screening
- Consolidated SWA Operations
- Badged Employee Entry
- Additional Substation
- Concession Storage
- Concession Receiving
- Concessions Freight Elevator
- Additional Outbound BHS Bag Make-Up Operations
- Improved Inbound Tug Operations
- Unrestricted Vehicle Service Road (VSR)

Progress:

- GMP-1 Mobilization, Selective Demo and Site Prep Complete
- GMP-2 Scope Progressing

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- Pavement –Started Gate A5 Ramp Area
- GMP-2 Steel Super Structure Complete – Building Roof Underway
- GMP-2 Steel Super Structure Complete – Building Glazing Underway
- Central Utility Plant Upgrades Underway

Current Activities

- Chiller 4 Reassembled and Charged with Nitrogen
- All Structural Steel Enhancements Completed and Passed IBC Inspections
- Chillers 1, 2, and 3 are all Operational with Ice Production for Peak Loads
- Upgrades to JCI Metasys System HTHW Continuing, Terminals Using Summer Boilers

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

The project includes 26-acre site development for an airline maintenance facility. MAA is preparing the site, and Southwest Airlines will build on it. Utilities are being 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:

- Phases 1-4 are substantially complete.
- Temporary security fence relocation completed/accepted.
- Permanent security fence installation ongoing.
- Security gate preparatory work (CCTV, light pole, conduits) ongoing.
- Stormwater management conversion ongoing
- Final BGE coordination ongoing
- Remaining Work: Final paving of VSR, entrance sign, fiber optic installation, and final site stabilization.

Taxiway F Reconstruction Phase 2 – Anticipated completion – January 2026

Relocation of the taxiway to rectify deficiencies in geometry and pavement conditions for compliance with FAA standards. Phase 2 includes a new connection to Runway 10, as well as relocation of the FAA ALSF-II, taxiway lighting, signage, and associated utilities.

Progress:

- Submittals ongoing for FAA Shelter, Transformer, and other long lead items.
- Survey layout / control ongoing.
- Ductbank/manhole installation ongoing.
- Stormwater structures and pipe installation ongoing.
- Excavation/fill ongoing.

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Airfield Lighting Vault (ALV) Relocation – Anticipated completion – September 2024

Building a 70' x 100' concrete shelter building with dedicated rooms for each R/W system with fire separation for improved reliability and redundancy. The program provides the building and fit outs. Also included is asphalt apron on all four sides and vehicle services road to the new building.

Progress:

- Phases 1, 2, 3 and 4 (Main Power Duct bank from Terminal to new ALV) Substantially Complete.
- Structural masonry and steel complete.
- Phase 5 Airfield electrical and communication (95% complete).
- Interior building MEP installation ongoing.
- Paving ongoing.

Taxilanes N & N1 Rehabilitation – Anticipated completion – Summer 2024.

Concrete reconstruction of Taxilanes N & N1. Project includes removal and replacement of deteriorated asphalt and concrete pavement including adjacent gate aprons that have significant cracking.

Progress:

- Phase 1, 2, 4 and 6 are complete.
- Phase 5 ongoing.
- Phase 3 starts mid July
- Phasing and Gate closures are coordinated with OPS to accommodate traffic volume.

Taxiway T Reconstruction Phase 2 & 3 – Anticipated completion – January 2026

The project involves comprehensive pavement reconstruction in PCC of Taxiway T in two locations. The project will also address geometric deficiencies, replace existing incandescent lighting/signage and demolish Taxiway F connector.

Progress:

- Submittals and Phasing Coordination with OPS started this month.

BGE Feeder and Substation Upgrades (Phase 2 at BWI) – Contract completion – January 30, 2025.

Improve electric system reliability at the 34.5 kV down to (3) 13.8 kV switchgear lineups. Phase 2 is the installation of new double-ended 35kV switchgear housings at the north and south

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substations, new BGE service feeders into the north and south switchgear, and replacement meters and relays in the 15kV switchgear.

Progress:

- 15kV door retrofit: Production underway. Switching plan under review by all stakeholders.
- 35KV Switchgear Replacement: Anticipated delivery October 2024 and January 2025.
- Life Safety/Security/HVAC at Switchgear Locations: Negotiations for SCADA and special systems complete.
- Switchgear Foundations and Fencing: South Substation drainage improvements to begin April 2024. Fence screening installation began this month.

North Area Fuel Farm – Estimated Completion – December 26, 2024

The contract provides 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. A new upsized waterline will be included for added fire suppression.

Progress

- Tanks #1 and #2 structure, appurtenances, and internal pipe are 100% complete.
- Ultrasonic Testing of tank shell welds completed
- Vacuum Box Testing of Tank Bottom completed
- Hydrostatic Testing Completed

Waterline Progress Update

Phase 1 Waterline Progress:

March: 28% Complete

April: 28% Complete

(from STA 1+40 to 1+94)

- Phase 1 night shift tie-in at Aviation Blvd. to begin Sun, 5/5.

Phase 2 Waterline Progress:

100% Complete including all tie-ins to existing and new services

Phase 3 Waterline Progress:

100% Complete including all tie-ins to existing and new services

Phase 4 Waterline Progress:

- Pending completion of Ph. 1.

Overall Waterline Progress:

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Approx. 81% of overall waterline installed to-date.

CMAA 2024 Project Achievement Award

CMAA is a collective of Maryland Construction Professionals. Established in 1982, CMAA sets the standard for managing capital construction projects. The 2024 Project Achievement Award for excellence in construction management in the category of “Transportation: Construction value greater than \$15 Million” was presented to JMT for the BWI Restroom Improvement Program. The award recognizes outstanding achievement in the practice of construction management.

MTN Runway 15-33 Rehabilitation – Estimated Completion – October 2024

This contract includes the full-length rehabilitation of Runway 15-33 at MTN to support the Maryland Air National Guard (MDANG) and General Aviation tenants.

Project Status:

- Field Survey / investigation work has been happening on Sunday & Monday nights (Runway closed)
- Pre-con meeting held on 1/22/24
- Construction mobilization 2/12/24

Work Area 1: R/W15-33 (Night Work)

- Installed Lift 1 & 2
- Installing Lift 3
 - Mill, Tack, Pave, Paint
- Installing light can bases along RW

Work Area 2: TW A/TW T (Night Work)

- Demo concrete
- Remove concrete
- Excavating underway

Work Area 3: Ductbank (Day Work)

- Excavating
- Placing MH structures
- Assembling & installing 8-way & 4-way conduit
- Pouring concrete
- Backfilling, Compacting, & Testing ductbank
- Precast Light cans & Junction Cans

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Follow Up Questions/Comments for Mr. Shank

Commissioner Chancellor asked who is reviewing and approving projects that are not financed with FAA AIP funds (e.g. A/B Connector), but instead use private activity bonds.

Executive Director Smith responded that a briefing on the planning and development process was next on the meeting agenda. He also shared that Commissioners would have the opportunity to tour some of the construction projects at the airport during the next Commission meeting on August 21.

Commissioner Reese asked if the tours would be held at BWI Marshall or Martin State Airport.

Executive Director Smith responded that the upcoming tour on August 21 is going to be held at BWI Marshall Airport, but that a separate tour of Martin State Airport could be held on a future date.

Commissioner Hawkins asked what kind of improvements are expected regarding wait times once the A/B Project is complete?

Executive Director Smith responded that part of the improvement would hinge on Southwest Airlines committing to an appropriate levels of staffing. It is not just about improving the facility, but it is about staffing as well. Both are needed to improve baggage handling service.

Mr. Shank also responded that MAA was working closely with Southwest Airlines on the development of the design of the A/B project. The results will be new technology, a better layout, twice the amount of space to operate in, and triple the amount of tug maneuvering space.

Major Capital Project Planning Process – Paul Shank, Chief of Planning & Engineering and Kevin Clarke, Director of Planning & Environmental Services

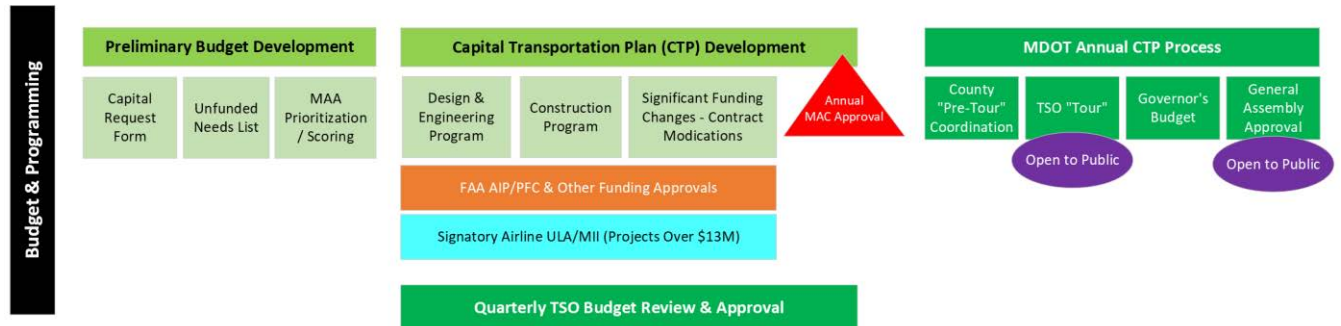
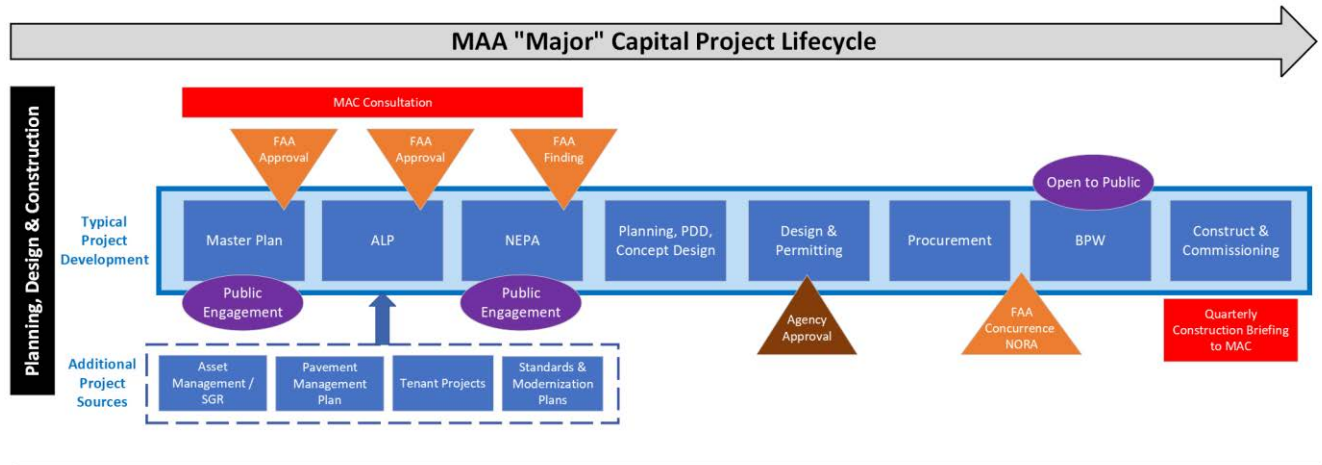
This presentation focused on the lifecycle of major capital projects at MAA.

Planning Principles

- MAA planning shares, and is founded on, the MDOT vision, mission and goals of the Maryland Transportation Plan (MTP)
- Planning is a continuous, iterative, evolving process.
- MAA prepares long range “master plans” to provide a blueprint to ensure our facilities meet our customers’ needs.
- MAA follows FAA standards and industry best planning practices which includes:
 - Demonstrating the need for a project before constructing

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- Ensuring stakeholder input
- Fiscal review



Planning & Development Process

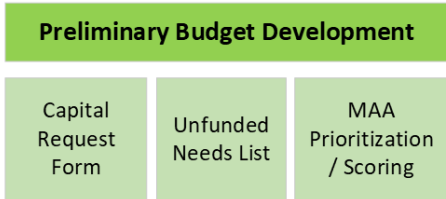
About the lifecycle process:

- Master planning includes public and stakeholder engagement, and the forecasts must be approved by the FAA.
- Master plan results in an Airport Layout Plan (ALP)
- When the need for a project materializes, we begin the NEPA process
- Once environmentally cleared, we complete design, pursue regulatory permitting, procure, get FAA and/or (BPW) concurrence, award for construction.

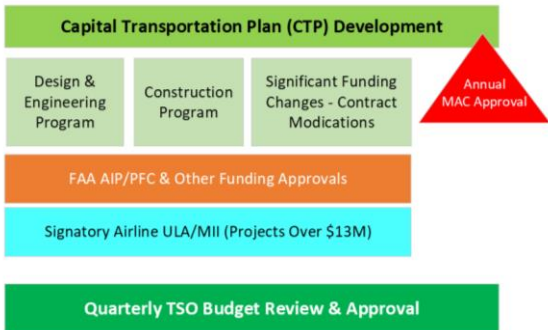
Budget and Programming Process

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Budget & Programming



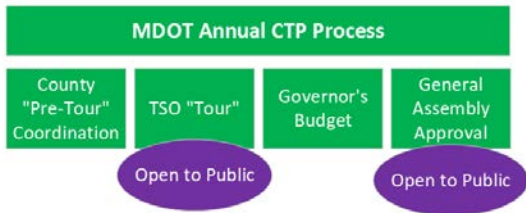
Projects are added to MAA’s unfunded needs list to be scored and prioritized for budgeting and inclusion in the CTP



Monthly coordination with the FAA on AIP, Airport Terminal Program, VALE and PFC funding programs.

Signatory airline review and approval of major projects

CTP is reviewed quarterly with MDOT. Project budgets and phase status (design, bid, construction) are adjusted as appropriate.



Six-year budget, prepared annually
 Approved by the MAC via a “Decision Paper”

Coordinated with each county in the state, through “pre-tour” meetings

TSO and the modal administrators “tour” the CTP with each county in a series of public/council meetings.

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About the Public Engagement Process:

Opportunities for public engagement in the development of major capital projects include the master planning process, NEPA process, Board of Public Works, and Consolidated Transportation Plan process

About the Commission Engagement Process:

One of the MAC's core functions is to annually approve the CTP prior to MDOT submission. Quarterly briefings of major projects in construction keeps the MAC apprised of the capital program's progress and performance.

Follow Up Questions/Comments for Mr. Clarke and Mr. Shank

Commissioner Reese asked if the "Planning, Design and Construction Process" and the "Budget and Programming Process" occur at the same time.

Mr. Clarke responded that both processes run parallel to each other, but certain projects may be in different phases.

Commissioner Reese also asked about when a project is greenlit, where does it enter the "Planning, Design and Construction Process"?

Mr. Clarke explained that a large capital project will usually have a concept design. And then it would go through advanced planning, or what is called a PDD – a project definition document. This identifies the feasibility, technical requirements, preliminary costs, etc. And at that point, once the time comes to move forward with a larger project, it would move to final design, contract documents, construction documents, and then permitting and procurement. So depending on the complexity of a project, its inception could be at different points.

Executive Director Smith explained that the Federal Aviation Administration (FAA) typically gives discretionary funding to "shovel ready" projects – projects that are already designed to a certain point so that they are ready to go. In order to position MAA to receive these federal funds, some MAA projects go through design and then sit on the shelf for a couple of years.

Commissioner Reese asked about the pre-planning and planning process for projects that are not in the Master Plan but are going to be added to the capital program. In particular, she wanted to know about the planning process regarding the announcement of BWI's terminal area hotel that received news coverage in January 2024.

Executive Director Smith responded that the hotel is in the pre-planning stage. It is going through a feasibility study and the schematic design process.

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Mr. Shank explained the history of on-airport hotels at BWI Marshall and provided details as to why a terminal area hotel is part of the airport's terminal modernization program, which is an adjunct to the original airport master plan.

Mr. Clarke explained that the terminal area hotel entered the planning process through a feasibility study. MAA coordinated with FAA while completing the airport layout plan (ALP) and through the NEPA process, in preparation should the market studies pan out and it is ripe and ready to go. MAA created a PDD (also known as concept schematic design) so that the organization has an idea of what the hotel would look like and how it would interact with the C-D Connector. Once the financing and business plan have been finalized, MAA will go forward with design and permitting.

Mr. Shank explained that MAA does not have to do a new Master Plan in order to do an ALP. MAA has done many ALPs since the airport completed its last Master Plan. The ALP is essentially an adjunct to the original Master Plan.

Ms. Reese asked if the ALP includes runway configurations and use of runway taxiways.

Executive Director Smith responded that the ALP includes the entire airport campus -- meaning everything related to the terminal, airfield and landside areas.

Chairwoman Biddle commented that each capital project has its own trajectory that is unique to it. The process for one project will look different than the process for another project. A project may start out being funded one way, and then end up funded another way. It is incumbent upon the team working on these projects to be agile, and it is important to pause and get feedback from the public and stakeholders along the way. That will help get the best result possible.

Commissioner Chancellor asked about the role of the Commissioners in pre-planning and planning for capital projects. Specifically, he inquired about where in the process they have responsibility and where do they make decisions. He also asked about the level of consultation that the Commission or the public has with projects that are not funded by the FAA. He followed-up asking which MAA staff review projects before it gets to the Commission to approve?

Executive Director Smith explained that each project has its own fingerprint. The Commission should have an opinion and some consent role in what ultimately becomes the airport's Master Plan. That does not mean the Commission preempts public input. MAA is going to go through a NEPA process and get public input. MAA does not predetermine what the preferred options will be on a particular aspect of a project. If MAA were to go to the Commission before going to the

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public, MAA would be predetermining the outcome of the process. The Commission should have a consent role over what the Master Plan is. That is the vision for the airport. The ALP is a product of the Master Plan and is the land use document for the airport. The Commission should also have a consent role in the ALP. With respect to NEPA, ultimately it is the FAA that will determine the findings. The role of the Commission is to make sure MAA is following the prescribed NEPA process. The level of engagement with the Commission varies depending on the project and where we are in the project cycle. The Consolidated Transportation Plan (CTP) that MAA brings to the Commission for approval – that is the Commission’s opportunity to opine on whether or not MAA is allowed to spend money on a planning, engineering or construction project. This decision point is codified in COMAR.

Commissioner Chancellor requested an update on the status of the new Master Plan.

Mr. Clarke responded that the last BWI Master Plan was completed in 2010-2011. MAA is now working with the FAA on a scope of work to obtain funding for a new Master Plan. He anticipates that in the next six months, the scope of work will be submitted for the FAA grant to fund it and start the process. The Master Planning process is probably 18 months to two years. There will be opportunities for public engagement and a lot of stakeholder feedback from various communities ranging from business communities to residential communities. The Division of Planning & Engineering can provide a briefing to the Commission about what the process will look like as we get the scope of work finalized.

Commissioner Chancellor commented that Commission was informed at a past meeting that the funding for the Master Plan was already in place. He asked why grant funding is needed if funding is already in place.

Mr. Clarke responded that MAA has a projected budget for the Master Plan Project and is seeking an FAA grant for the 75% share. There is a state match set aside for the remaining funding.

Mr. Shank explained that when MAA does projects, the organization does everything they can to maximize on available federal funding. It reduces the impact on state funds.

Chairwoman Biddle asked for the name of the federal program that MAA would be seeking funds from for the 75% / 25% split.

Mr. Clark explained that it is the Airport Improvement Program (AIP), which is discretionary funding from the FAA. FAA planning grants have a different pot of money than airfield improvement grants. Airports can submit applications annually and it usually falls within the August or September award timeframe.

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Executive Director Smith confirmed that there will be robust public engagement in MAA's capital program.

MARKETING AND AIR SERVICE DEVELOPMENT – Jonathan Dean, Director of Communications and Jordan Kayloe, Director of Air Service Development

Recent Media Coverage

Since the last Commission meeting in February 2024, MAA received the following media coverage:

- *BWI Marshall Welcomes CIAA Basketball Tournament to Baltimore*
- *Governor Moore Announces New International Passenger Record for BWI Marshall in 2023*
- *New Parking Rates at BWI Marshall Airport Effective July 1, 2024; First Increase Since 2009*
- *New Condor A330neo Touches Down in Baltimore/Washington*

Air Service and Traffic Statistics

Looking at future capacity, Q3 2024 seats are up 5% from last year. In accordance with basic supply and demand, passenger growth is limited by the seats in the market.

Southwest recently adjusted their future schedules (August - December 2024). System-wide they pulled back strongly because they are having trouble getting all of the aircraft they ordered from Boeing. Because BWI Marshall is a Cornerstone airport for Southwest, the airline didn't pull back that much at this airport. In Q3 2024, Southwest offered just under 70% of seat capacity at BWI Marshall. Frontier is BWI Marshall's fastest growing carrier.

In Q3 2024, BWI Marshall led the region in seat capacity. DCA's slot rules increased capacity artificially from 2021 to 2023. Now these slot rules cap DCA capacity, and BWI Marshall and IAD continue to grow to meet summer demand.

- BWI: 35.2%
- IAD: 33.5%
- DCA: 31.3%

In FY 2024, airlines added 18 new routes with 9 new destinations:

Copa Airlines launched a new route from BWI to:
-Panama City, Panama

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Southwest launched a new route from BWI to:

- Oakland, CA
- Seattle, WA
- Colorado Springs, CO
- Belize City, Belize

Frontier launched new routes from BWI to:

- Detroit, MI
- Chicago, IL
- Cleveland, OH
- Charlotte, NC
- Tampa, FL

Spirit launched a new route from BWI to:

- Portland, OR
- Sacramento, CA
- San Jose, CA
- San Diego, CA
- Richmond, VA
- New Orleans, LA
- Boston, MA

BermudAir launched a new route from BWI to:

- Bermuda

BermudAir is the Newest Airline at BWI Marshall.

BWI Marshall's route map now has 91 nonstop destinations

Total passenger growth is following capacity growth. Leap year gave February a 4-point bonus.

International traffic is setting new records. BWI Marshall set a new calendar year record in 2023 with 1.36 million international passengers.

Cargo growth followed declines across the industry. Shoppers returned to brick-and-mortar stores, so cargo airlines carried fewer packages.

Total operations continue to grow since last year.

[Follow Up Questions/Comments for Mr. Dean and Mr. Kayloe](#)

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Commissioner Winstead ask about international air service capacity and whether all of the gates in the international terminal were being utilized.

Mr. Kayloe explained that the international terminal is filled when the international carriers fly, but usually those flights are once a day maximum. All the European flights tend to go in a specific window. All the Caribbean flights tend to go in a specific window. Outside of those windows, there is plenty of capacity. We are also constrained by the taxiway construction that Mr. Shank spoke about earlier. That is taking out a couple of gates at a time.

Commissioner Simms asked about the impact on BWI Marshall of increasing landing slots at DCA.

Mr. Kayloe explained that MAA is waiting to see what the FAA awards in terms of new routes from DCA. Any new flights that are added will increase demand at DCA and reduce demand at BWI.

Executive Director Smith added that the estimated impact will be approximately 150,000 passengers.

Commissioner Reese asked what MAA's position was on slot controls.

Executive Director Smith responded that MAA opposed the legislation to expand slots at DCA. The addition of 14 slots was initially proposed and it was negotiated down to four. MAA opposed this, along with Metropolitan Washington Airports Authority (MWAA).

MTN Operations and Maintenance – Harold Fowler and LaTeesha Swann

Operational Statistics at MTN

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Operational Statistics **FY24 vs FY23**

Total Flight Operations are flat when compared to FY23 while gallons sold and the associated revenue is down 13%. 6% of this decrease can be attributed to YOY industry wide decrease in domestic Business Jet travel. The remaining 7% is a mix of multiple variables.



Discussion Metrics

- Flight Operations
- Gallons Sold (Volume)
- Gallons Sold (Revenue)
- Based Aircraft
- MTN Terminal Area Forecast (FAA)
- Business Jet Report (May 2024)

.05% —

Total Flight Operations
86,636 (FY – May)

13% ↓

Gallons Sold (Volume)
887,931 (FY – April)

13% ↓

Gallons Sold (Revenue)
\$5,278,319 (FY – April)

Variables affecting statistics include:

- **Weather**
- **Construction Activities**
- **Fleet repositioning**
- **Ground support system downtime**
- **Economic climate**



Maryland Fleet Week 2024

Mr. Fowler mentioned the upcoming Maryland Fleet Week, which features an exciting line-up of ship tours, festivals, flyovers, and educational activities, taking place June 12-18, 2024, at the Inner Harbor, Fells Point, North Locust Point, and Martin State Airport. Martin State will host an Open House and Festival on June 15-16 from 9am-4pm each day.

Overview of MTN Runway Rehabilitation

Ms. Swann provided an update on the MTN Runway Rehabilitation project. This project includes the full-length rehabilitation of Runway 15-33 at MTN to support the Maryland Air National Guard (MDANG) and General Aviation tenants.

Stakeholder Communication:

- Tenant Meetings
- Tenant Advisories
- NOTAMs (Notice to Air Missions)
- MTN Website (project specific webpage)
- Phone calls, emails and in person discussions.
- Partnering Sessions with project managers and contractors.

Construction Safety:

- Lighted X placed on both ends of the runway by contractors
- MTN ATIS
- Pilot control lighting deactivated
- Airport Operations monitors Air to Ground communications.

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- Airfield Inspections prior to reopening the runway.

Runway Impacts & Update:

- Currently on lift 4 – est. completion June 27th
- 15 entrance and exit unusable (work area 2). Aircraft may enter the runway and depart via taxiway Charlie with 5,500 feet available or back taxi to use full 6,997 feet.
- 4 additional nightly closures approved.
- Temporary areas of ungrooved pavement.

Taxiway Impacts & Update:

- Taxiway Alpha between Tango and ANG Ramp Closed.
- Safety area for runway 15 end modified temporarily.
- Taxiway Delta has been demolished and permanently closed.
- Taxiway Sierra between Foxtrot and runway closed for demolition.

Closed Session

Upon request for a motion by Acting Chairwoman Biddle to meet in closed session, it was so moved by Commissioner Hawkins seconded by Commissioner Carey, and approved unanimously.

The Maryland Aviation Commission met in closed session June 11 from 4:42 p.m. to 5:36 p.m., in accordance with §3-305 of the General Provisions Article, Annotated Code of Maryland, to consider the following:

- Legal Advice – To consult with counsel to obtain legal advice.

Besides the Commissioners, the following individuals were present for the entire closed session discussion: Ricky Smith, William Lindsey, and Staci Gorden. Only permitted items and actions were discussed and taken in the closed session.

Open Session

Upon request for a motion to return to Open Session, it was so moved by Commissioner Winstead, seconded by Commissioner Carey, and approved unanimously. The meeting returned to Open Session at 5:37 p.m.

Meeting Adjourned

There being no further business, a motion to adjourn was made by Commissioner Winstead, seconded by Commissioner Carey, and approved unanimously. The meeting adjourned at 5:38 p.m.