

MARYLAND AVIATION COMMISSION
WEDNESDAY, AUGUST 21, 2024
EXECUTIVE CONFERENCE ROOM, THIRD FLOOR
BALTIMORE/WASHINGTON INTERNATIONAL THURGOOD MARSHALL AIRPORT

OPEN SESSION

MARYLAND AVIATION COMMISSION MEMBERS

Paul Wiedefeld, Chairman
Ned Carey
Jesse Chancellor
T. Chineta K. Davis
W. Drew Hawkins
José Morales
Raymond Nichols
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.
Jonathan Dean
Annette Fisher
Harold Fowler
Rachel Goodman
Staci Gorden
Jordan Kayloe
Shanae Murray
Wayne Pennell
Keiva Rodriques
Robert Sager
Paul Shank
Tanya Wojtulewicz

OTHER EMPLOYEES OF THE STATE OF MARYLAND

None

MEMBERS OF THE PUBLIC

Laura Donovan

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

WELCOME AND APPROVAL OF MINUTES – Chairman Wiedefeld

Upon request for a motion to approve the minutes of the June 11 Commission meeting, it was so moved by Commissioner Winstead, seconded by Commissioner Carey, and approved unanimously.

EXECUTIVE DIRECTOR'S REPORT – Executive Director Ricky Smith

The Executive Director provided an update on legislative activity pertaining to MAA and as well as a progress update on MAA's policy framework for capital projects.

State Activity

The 447th session of the Maryland General Assembly will convene in Annapolis from January 8 - April 7, 2025. As a precursor to that, in early September MAA has a meeting with the agency's Legislative Budget Analyst and the CFO for MDOT. This meeting is held every year.

Policy Framework for Capital Projects

MAA plans to establish a framework for evaluating the health impacts of capital projects. This framework would be used as a tool in the decision-making process regarding whether or not to move forward with a capital project. Creating this type of framework is a complex process; it does not currently exist anywhere else. MAA is committed to taking on this endeavor. Currently, there is no national policy or metric in place for mapping or prioritizing projects in consideration of health impacts. This would be something new. The processes that are in place are related to the National Environmental Policy Act (NEPA) and the Council on Environmental Quality. Although they consider a host of environmental factors, they do not specifically consider the health impact of capital projects.

In response to the FAA's policy review on noise, MAA recommended that they consider the health impacts and that they study the health impacts of aviation-related noise on a national level.

MAA is also having an internal discussion on the possibility of recruiting industry partners to help MAA work with other states and airports to sponsor a research study on the health impacts of aviation-related activities.

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Commissioner Zafar Zafari led a study on the potential health impacts of aviation-related noise. That study has been peer reviewed, and MAA is currently reviewing the peer review. A peer review of a study is a critical step that brings validity and credibility to a scientific study. MAA looks forward to completing its review of the peer review. This too will inform the policy framework that we will create.

Based on all of these factors, MAA is still months away from being able to come to the Commission with a recommended policy framework that is defensible and reliable. Ultimately, the Commission will have to sign off on the final product.

Follow Up Questions/Comments for the Executive Director

Commissioner Chancellor indicated that the policy framework was intended not just for capital projects but for any decisions that impact the operations or capacities at the airport. He offered to work with Dr. Zafari in an effort to recommend additional scientific components that may be included in the final product.

Commissioner Winstead asked if there was a legal evaluation going on—either within the agency or the state—in terms of environmental exposure.

Executive Director Smith responded by saying that the goal of the policy framework is to look at the health impacts of aircraft operations and balance that with other impacts as well. That includes economic impacts and a host of other impacts. There will be a number of different factors including legal impacts that are part of the framework, it will not just be health impacts.

Commissioner Reese provided background information on SB-0162 pertaining to the changes to the composition and duties of the Maryland Aviation Commission. She commented on the importance of the Commission being symbiotic with the communities surrounding the airport. She referenced a Supreme Court case – Griggs v. Allegheny County (1962) – when making the point that legal responsibility for aircraft noise and other environmental impacts has fallen on airports since 1962.

Executive Director Smith responded that it is important to take a careful and comprehensive review of this policy framework process. He confirmed that MAA is going to take in all of the implications, legal and otherwise, before recommending a policy framework to the Commission.

Commissioner Sims urged the Commission to be cautious about any recommendations that may come out of the policy framework. He noted a distinction between understanding the implications of an issue and making decisions on an issue.

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Commissioner Chancellor reiterated that this is a completely new process, and that the airport should be careful, especially in light of the airport's unique position as a state-owned airport. He stated that based on the current circumstances, the airport does not have a choice but to move forward with the policy framework.

Commissioner Carey asked about the state budget cuts and if MAA leadership had been given any instructions about how to trim their budget.

Secretary Wiedefeld responded that MDOT would complete the draft budget for the FY 2026 Capital Program in the middle of September. The process started in early summer. The agency just updated their financial forecast. All of the modes are under financial constraints, not just the airport. By and large, all state agencies are looking for ways to cut costs.

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

Status of Funds - Operating Expenses & Revenues

MAA has just recently closed Fiscal Year 2024. Today, we will review the operating expenses and revenues and MAA's financial position. BWI Marshall almost hit double digit growth for both passengers and enplanements.

MAA's budget was \$226.8 million. 105.6% was spent or \$239.5 million. The categories that MAA overspent on were salaries and wages, land and structures, travel, fuel and utilities, and motor vehicles operations. Overspending was due to state-mandated cost of living increases, step increases, new firefighters transferred to MTN, fuel costs and snow events. Approximately 60% of the costs are recoverable from the airlines and will go back into the Transportation Trust Fund (TTF) next Fall.

On the revenue side, MAA's May forecast was \$297.6 million, and 98.5% was received or \$293 million. The forecasts are updated in May and October of each year. Actual revenue year-to-date is \$321 million. There are outstanding revenue bonds (debt service) of \$28 million. The net contribution to the TTF is \$293 million. MAA also reimbursed the TTF \$6 million for projects that they paid for upfront. Therefore, roughly \$300 million was contributed to the TTF.

MAA Financial Position

- TTF Operating Revenues of \$293.0 million increased 3.0% or \$8.5 million
- TTF Operating Expenses of \$239.7 million increased 6.6% or \$14.9 million

Variance Explanations:

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- In Fiscal Year 2023, MAA had \$8.0 million airline reconciliation impacts for yearly comparison. Revenues are up 6% or \$18 million excluding the reconciliation.
- Rents and user fees increased \$11.3 million due to Fiscal Year 2024 terminal rate increase. Strong parking (3.9%) and food, beverage and retail sales (15.7%) have increased revenue \$6 million over Fiscal Year 2023.
- Labor and staffing costs continue to drive operating increases in salaries.
- Net TTF operating income of \$59.3M decreased \$571,000 from Fiscal Year 2023.
- Operating costs are growing faster than revenue growth which is driving changes in financial position.
- An 18.4% (\$12.1 million) increase in capital costs contribute to running a Net TTF Loss of \$18.9 million.

Martin State Financial Position

- TTF MTN operating revenues of \$11.1 million decreased 9.0% or \$1.1 million
- TTF MTN operating expenses of \$9.1 million decreased 19.1% or \$2.1 million

Variance Explanations:

- FBO revenues decreased \$1.2 million from fuel sales. The majority of transient aircraft are fueled from home base as well as newer GA aircraft being more fuel-efficient lessening fuel consumption.
- A reduction in operating expenses is driven by a reduction of \$2 million in supplies and materials.
- Fuel consumption is down 12.9% mainly due to the self-service station being down, weather-related impacts and transient impact.
- MTN is running a TTF Operating Surplus of \$2 million. A \$1 million increase over FY23
- Reduced fuel and supply costs due to decreases in consumption and costs are driving surplus growth.
- MTN's Financial Position has not changed much since FY23 with a \$2.6M deficiency after capital expenses considered.

Follow Up Questions/Comments for Ms. Wojtulewicz and Mr. Fowler

Commissioner Sims asked how the runway construction has impacted projections. Mr. Fowler responded by saying that MTN is able to track and see that some of the volume has gone to the surrounding airports, including BWI Marshall. Grandview Aviation, which operates out of BWI Marshall is one example of this. They handled 1,100 flights over the past year that typically would have been arriving or departing from MTN. Mr. Fowler said that MTN is still surpassing the Federal Aviation Administration's terminal area forecast for operations and based aircraft.

Commissioner Chancellor asked about the distinction between what was forecasted for the fiscal year versus the actual results. He wanted to get confirmation that his understanding of

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the financial outlook was correct. Ms. Wojtulewicz indicated that a PowerPoint slide in her presentation needed to be updated, and that she would send an updated slide out to the Commissioners.

****NOTE:** The updated slide is copied below:

P&L – MAA

- TTF Operating Revenues **\$293.0 million** increased 3.0% or \$8.5 million
- TTF Operating Expenses **\$239.6 million** increased 6.6% or \$14.8 million

Year End	FY 2024	FY 2023	Variance	% Change	Forecast or Appropriation	% of Forecast
Enplaned Passengers	13,496,059	12,365,276	1,130,783	9.1%	13,388,925	100.8%
Landed Weight (000 lbs)	16,667,631	15,355,748	1,311,883	8.5%	16,573,453	100.6%
MAA Revenues - Prior to Debt	\$321,384,189	\$311,470,441	\$9,913,748	3.2%	\$325,993,460	98.6%
Revenue Bond Payment - From MAA Revenues	(\$28,335,061)	(\$26,879,261)	(\$1,455,800)	5.4%	(\$28,343,075)	100.0%
TTF Revenues - After Debt	\$293,049,128	\$284,591,180	\$8,457,948	3.0%	\$297,650,385	98.5%
TTF Revenue - Capital Reimbursement	\$5,868,507	\$0				
Federal Reimbursements to TTF	\$0	\$109,740				
TTF Operating Expenses MAA	\$239,525,927	\$224,782,291	\$14,743,636	6.6%	\$226,797,315	105.6%
Net TTF Operating Income/(Loss)	\$59,391,707	\$59,918,628	(\$526,921)	-0.9%	\$70,853,070	83.8%
TTF Capital Expenses MAA	\$78,200,004	\$66,073,428	\$12,126,576	18.4%	\$122,882,127	63.6%
Net TTF Income/(Loss)	(\$18,808,296)	(\$6,154,800)	(\$12,653,497)	205.6%	(\$52,029,057)	36.1%
Operating Margin (TTF Revenues/TTF Expenses)	122.3%	126.6%			131.2%	
Coverage Estimate (Rate Covenant 125%)	309.6%	322.9%			350.0%	



Commissioner Chancellor also inquired about if there was deviation relative to what was forecasted, how does that affect the revenue bonds. Ms. Wojtulewicz responded that it did not impact the bonds and there were no coverage issues. She explained that when things change and the forecast is updated, MAA notifies MDOT (The Secretary's Office) and Moody's Investors Service, Inc gets the information as well.

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)

Current Activities

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- Chiller 4 operating at capacity with no issues
- Existing Cooling Towers Supply\Return Water Flow balanced manually
- New Pumps On-Site, Installation to start immediately
- Existing Pump Pad Alteration continuing

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

Site development of a 26-acre site development for an airline maintenance facility. Includes utilities, landside access road, and vehicle service roadways. Taxiway F will be relocated to provide airfield access to the facility.

Progress:

- Phases 1-4 and 6 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.
- Final paving of VSR ongoing.
- Final site stabilization and SWM pond ongoing.

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:

- Ductbank/manhole installation ongoing.
- Stormwater structures and pipe installation ongoing.
- Excavation/fill ongoing.
- P-209 Stone placement ongoing.
- ALSF Shelter (FAA) and electrical transformer (BGE) coordination ongoing.

Airfield Lighting Vault (ALV) Relocation – Substantially completed – July 30, 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.

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Progress:

- Achieved Substantial Completion July 30, 2024.
- Main Power from Terminal to new ALV Substantially Complete.
- Temporary Use and Occupancy Permit issued 7/29/24.
- EMx accepted electrical ALCMS.
- Circuit cutover complete.
- MEP installation complete.
- Commissioning ongoing.

Taxilanes N & N1 Rehabilitation – Anticipated completion – September 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, 5 and 6 are complete.
- Phase 3 ongoing.
- Phasing and Gate closures 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:

- Phase 1 Substantially Complete.
- (Phase 2 (Gates B10/B12) – Pavement milling complete, electrical demolition complete.
- Multiple existing concrete structures have been evaluated and identified for additional concrete repairs and/or collar removal.

BGE Feeder and Substation Upgrades (Phase 2 at BWI) – Contract completion – January 30, 2025 (Includes 204 CD extension)

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

Progress:

- 15kV door retrofit ongoing.

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- 35KV Switchgear Replacement: Delivery October 2024 and January 2025.
- NS Temporary 35kV feeders complete.
- NS 35kV foundations 75% installed. NS conduit installation is ongoing.
- North Substation confirmed delivery on 9/16/24. Confirmed BGE power cutover beginning 10/8/24.
- Key Documentation: SCADA Submittal – submitted and is under review.
- Switchgear Foundations and Fencing: Ongoing

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. When complete, the Fuel Farm will have 8.5 days of usable fuel.

Progress:

Pump Pad

- Fuel Pumps & Filter Separators installed in July
- Pipe installation is ongoing at equip. pad.

Fuel Pipe – North Fuel Farm

- Pipe Support Footers: 0% Complete
- Pipe Supports: 0% Complete
- Pipe: 0% Complete
 - *Pipe support footers to be installed in August.*

Fuel Pipe – Southwest Fuel Farm

- Pipe Support Footers: 100% Complete
- Pipe Supports: 100% Complete
- Pipe: 0% Complete
 - *Fuel pipe will be installed in August.*

Fuel Pipe – City Fuel Farm

- Pipe Support Footers: 100% Complete
- Pipe Supports: 0% Complete
- Pipe: 0% Complete

MTN Runway 15-33 Rehabilitation – Estimated Completion – October 3, 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.

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Project Status:

- Work Area 1: Nightly R/W closures complete
- Work Area 1: 21-day R/W closure complete
- Work Area 1: Electrical work ongoing
- Work Area 2: Prep and place concrete ongoing
- Work Area 3: Ductbank work complete

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

Commissioner Reese asked about who was responsible for maintaining the back-up generators and inquired about the cause of the large power outage at BWI Marshall in July 2024.

Mr. Shank explained that the MAA is responsible for maintaining some of the back-up generators, and the FAA maintains some as well.

Mr. Pennell explained that because of the BGE feeder and substation upgrades currently being completed, every night the airport's electrical system has to go into a special configuration from an automatic switchover to a manual switchover. It is a routine process that is conducted daily. On this particular day as the airport hit peak temperature and peak power, it caused some parts of the system to malfunction. Currently, it requires a manual process to trace the power failure to the source. This takes a significant amount of time. The airport will no longer be vulnerable to this type of situation once the BGE feeder and substation upgrades are completed. After the upgrades, tracing power failures will be an automated process.

Commissioner Reese asked about whether or not the A-10 aircraft were still flying out of Martin State Airport. The A-10s have been based at Martin State for more than 40 years, piloted by the Maryland Air National Guard.

Mr. Fowler responded that the A-10s are currently still flying out of Martin. The A-10s had approximately 2,000 flying operations last year. They are still very active at Martin and will be until their mission changes.

Commissioner Reese also asked for a status update regarding the process of updating BWI Marshall's Master Plan.

Executive Director Smith explained that MAA is still in the early stages of updating the Master Plan. MAA is on the tail end of the scoping phase, which entails a lot of data collection. Existing conditions must be analyzed before launching into the master planning process.

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Commissioner Reese followed up by asking about what the current plans are for a new runway. She stated that there has been a parallel 28 runway depicted on all airport layout plans for BWI Marshall and wanted to know if it was ever going to be built?

Executive Director Smith responded that MAA has to be very careful not to get ahead of the process or predetermine the outcome of the master planning process. This is a federally-funded and sponsored master planning process. The FAA has very strict requirements. This includes obtaining public input and data to support any decisions that are made. MAA is not able to predict the outcome of the master planning process. As members of the Maryland Aviation Commission, all commissioners will be informed as soon as MAA can share the information.

Commissioner Reese referenced a Maryland General Assembly session, and stated that MAA provided information for a Budget Committee hearing that included an Airport Noise Zone (ANZ) with 5- and 10-year projections that included a parallel 28 runway.

Executive Director Smith explained that anything that MAA produces now is going to include the approved BWI Marshall Airport Layout Plan (ALP). ALPs can not be modified or altered. In order to make changes, the FAA would need to approve a new BWI Marshall Airport Layout Plan (ALP).

Commissioner Chancellor shared that he has dual roles as a member of the Maryland Aviation Commission and a member of the DC Metroplex BWI Community Roundtable. As a member of the Roundtable, he recalled Executive Director Smith expressing his commitment to having robust community engagement in the master planning process. Commissioner Chancellor stated that the Roundtable members accepted that commitment very graciously. However, the consensus of the Roundtable members was that the engagement needed to occur earlier in the process, as opposed to later. They also felt that the engagement needed to be wholesome and allow community members to weigh in.

Executive Director Smith expressed his commitment to having robust community engagement early in the master planning process. He also stated that there would be more community engagement than required.

Commissioner Winstead asked about the status of the federal grant that was awarded to MAA that funded the BWI Marshall Airport Multi-Modal Ground Transportation Center & Automated People Mover Planning Study.

Mr. Shank responded that it is moving from the grant process into a study process. The study will look at a number of things including what is needed to modernize key airport

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infrastructure, streamline the passenger journey to and from BWI Marshall Airport, and improve employment and visitor access at and surrounding the airport.

MARKETING AND AIR SERVICE DEVELOPMENT – Annette Fisher, Chief, Division of Marketing and Air Service Development and Jordan Kayloe, Director of Air Service Development

Recent Media Coverage

- *Governor Moore Announces Record-Breaking Passenger Traffic at BWI Thurgood Marshall Airport (2.6 million commercial passengers in June 2024)*
- *Governor Moore Celebrates Independence Day with Visit to BWI Marshall to Welcome Home Service Members*

Recent BWI Marshall Sponsorships

- Preakness Stakes – May 2024
- The Greater Baltimore Committee’s Annual Meeting – May 2024
- Maryland Fleet Week & Flyover Baltimore – June 2024
- WBAL-TV Coverage of Paris 2024 Olympics – July-August 2024
- BWI Marshall is the official airport of the Baltimore Ravens – 2024-2025 NFL Season

Recent Grand Openings

- 7-Eleven – Community celebrated the grand opening of a newly improved, 3,000-square-foot convenience store and gas station.

Recent CEO Speaking Engagements

- *Greater Baltimore Committee’s Investment Summit (June 2024)* – This “TED Talk” emphasized that the airport is an economic generator, creating jobs and supporting the growth and success of the entire region.
- Summer Travel Media Briefing (July 2024) – Press conference for the July 4th holiday provided travel tips for navigating flights, security checkpoints, and the peak summer travel season.

Air Service and Traffic Statistics

Looking at future capacity, Q3 2024 seats are up 4% from last year. In accordance with basic supply and demand, passenger growth is limited by the seats in the market. An early look at Q4 shows seats will down 4%. Southwest adjusted their future schedules (thru December 2024). System-wide they pulled back strongly because they are having trouble getting all of the aircraft they ordered from Boeing.

In Q3 2024, Southwest offered just over 70% of seat capacity at BWI Marshall.

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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 demand.

- BWI: 35.0%
- IAD: 33.6%
- DCA: 31.4%

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

Copa Airlines launched a new route from BWI to:

-Panama City, Panama

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

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BermudAir is the Newest Airline at BWI Marshall.

BWI Marshall's route map now has 91 nonstop destinations.

Air Canada has recently decided that they will resume service to Toronto on May 1, 2025.

Total passenger traffic is setting new records. 2.6 million passengers in June 2024 is a monthly record. Fiscal Year 2024 saw 27.05 million passengers. July numbers are preliminary, but showing 2.67 million passengers for another monthly record.

This May, BWI Marshall led regional airports in passengers:

- BWI 34.2%
- DCA 32.3%
- IAD 33.6%

BWI Marshall's passenger numbers are high because more people are connecting on Southwest Airlines flights, but BWI Marshall's share of the TSA local passengers has dropped slightly compared to the numbers before the pandemic.

International traffic is also setting new records. BWI Marshall set a new fiscal year record in 2024 with 1.38 million international passengers. In recent months, there have been double digit declines however, due to Frontier and Spirit both reducing flights to Cancún, and Air Canada suspending service to Cancún altogether.

Cargo is following industry trends, but stabilizing recently. Shoppers returned to brick and mortar stores, so cargo airlines carried fewer packages.

Total operations continue to grow since last year. Landed weight generally moves similarly to operations.

Follow Up Questions/Comments for Ms. Fisher and Mr. Kayloe

Commissioner Sims commended MAA for its work with the USO in coordinating the honor flights that come to and from BWI Marshall.

Commissioner Chancellor asked about the total percentage of Origin and Destination (O&D) passengers.

Mr. Kayloe said that BWI Marshall has 65% O&D passengers and 35% connecting passengers. Before the pandemic, BWI Marshall had roughly 30% connecting passengers.

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Commissioner Hawkins commented and gave kudos to MAA for organizing the airport tour for Commissioners in July. He thought it was extremely beneficial to see the construction projects and recommended that Commissioners participate in this type of tour annually.

Commissioner Hawkins asked if the airport would doing a marketing push to promote the new baggage handling system once the construction is complete.

Ms. Fisher responded that BWI Marshall would definitely promote the new baggage handling system.

Martin State Operations and Maintenance – Harold Fowler, Chief of Operations and Maintenance at Martin State Airport

Operational Statistics at Martin State

Total flight operations are up 3%. This is a big deal because the airport has been closed every night since April. This has had an impact on the number of transient flights. But Martin State was still able to surpass the number of flight operations last fiscal year. A major contributor has been the four flight schools.

A major decline has occurred in business aviation, and so increasing business aviation will be Mr. Fowler's focus going forward. He is creating strategies to increase revenue and increase the airport's economic impact.

Gallons of fuel sold (both volume and revenue) are down 13%.

The good news is that Martin State has still exceeded the terminal area forecast (created by the FAA) in all metrics including based aircraft, operations, etc.

For comparison, Martin State's main competitor is Signature Flight Support at BWI Marshall. Their main customer is NetJets which had over 13,000 operations last year.

In terms of economic impact, Martin State is taking steps to privatize the Fixed Based Operations (FBO). However, in the interim, the airport remains very focused on getting new business and bringing in new customers and highlighting Martin State's capability and services. To that end, the focus is on gaining international business aviation customers. Fuel sales for international business aviation is a what drives revenue.

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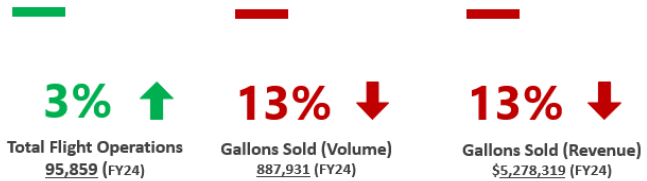
Operational Statistics **FY24 vs FY23**

*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 (July 2024)



Variables affecting statistics include:

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



Follow Up Questions/Comments for Mr. Fowler

Commissioner Morales asked if the Maryland Air National Guard (MDANG) purchased fuel from Martin State.

Mr. Fowler responded that MDANG does not purchase fuel from Martin because they have their own fuel farm. There are transient military operations that will come to Martin State to get fuel when they need to.

Commissioner Hawkins asked if things will pick back up after the construction is complete.

Mr. Fowler said that business is expected to pick back up. The airport is projected to end nightly closures at the end of September and complete construction entirely in October. Because of repositioning aircraft due to the construction, there are unique opportunities for expansion, especially with T-hangar tenants.

Closed Session

Upon request for a motion by Chairman Wiedefeld 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 August 21 from 2:38 p.m. to 2:51 p.m. p.m., in accordance with §3-305 of the General Provisions Article, Annotated Code of Maryland, to consider the following:

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- Legal Advice – To consult with counsel to obtain legal advice.
- Personnel Matters – To discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of employees or officials over whom it has jurisdiction.

Besides the Commissioners, the following individuals were present for the entire closed session discussion: Ricky Smith, Keiva Rodrigues, Robert Sager 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 Sims, seconded by Commissioner Chancellor, and approved unanimously. The meeting returned to Open Session at 2:51 p.m.

Meeting Adjourned

There being no further business, a motion to adjourn was made by Commissioner Morales, seconded by Commissioner Winstead, and approved unanimously. The meeting adjourned at 2:52 p.m.