PUBLIC NOTICE Date of Posting May 19, 2023

The Sarasota Manatee Airport Authority (the Authority) intends to file a new Passenger Facility Charge (PFC) application #7 with the Federal Aviation Administration (the FAA) to impose and use PFCs on nine (9) new projects at Sarasota-Bradenton International Airport (the Airport) at a \$4.50 PFC collection rate.

The proposed effective date for the new application is April 1, 2024, and the estimated charge expiration date is May 1, 2039. This date reflects the Authority's assessment of the impact of the COVID-19 pandemic on passenger traffic and PFC revenue. The application requests \$41,232,162 of PFC collection and use authority.

REQUEST FOR COMMENTS: The Authority welcomes the public's comments and support for the projects discussed below and will review all comments submitted in writing by no later than June 19, 2023. Please address any questions or comments to:

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PROJECT INFORMATION

In accordance with 14 CFR §158.30, the Authority will be requesting authorization to *impose and use* PFC funds for the following projects:

Project 7.01 – Terminal Concourse Expansion (Design and Construct)

Project Description: This project is to design and construct a terminal concourse expansion at SRQ. The initial phase of construction will include approximately 77,000 square feet (sf) of terminal expansion adding five new ground loading gates and associated hold room space, with approximately 3,000 sf of renovations and modifications to the existing Concourse B. The terminal expansion will also include adding additional 3 or 4 security checkpoint lanes, concessions, and six restrooms, two nursing rooms and two pet relief areas. The Concourse B renovations and modifications will include bump-outs adding hold room and concession areas, additional elevators and escalators, modifying gate counters, and other ancillary concourse renovations. The gates and hold rooms will be common use.

The Airport estimates that 79.9% of the project costs are eligible for federal funds or PFCs. Federal funds (including Bipartisan Infrastructure Law (BIL) Airport Terminal Program (ATP) and PFC funding account for 73.8% of project costs. The balance of the eligible costs and all ineligible costs will be funded with the state grants or local funds shown in the financing plan above.

Project Justification: This terminal expansion project is needed to meet the current and future demand of airline traffic activity. Terminal B currently provides 13 gates, and has been able to meet existing demand by utilizing a combination of gates and remote parking areas to park aircraft. Based on the projection of future gate requirements as described in Section 3.5.9 of the Demand Study, 3 additional gates will be needed to accommodate Planning Activity Level (PAL) 3 demand. In CY 2021, PAL 3 traffic level will be exceeded. Thus, the two additional gates will be needed to accommodate demand within the near-term planning horizon.

In March of 2018 SRQ had 6 airlines servicing 12 non-stop destinations. In 2021, SRQ began with 10 airlines servicing 47 non-stop destinations. SRQ was the fastest growing airport in the country from 2018 to 2019 with 43% passenger growth. In early 2020, SRQ was averaging 50% growth for the first 2 months of the year until COVID impacted commercial airline traffic. In February 2021, Southwest Airlines started service at SRQ and by March 2021, SRQ's passenger numbers were 40% higher than March of 2019

There are currently no constraints on competition at SRQ. The purpose of the project is to increase passenger handling capacity to meet current and projected demand.

\$85,000,000

PFC Collection Level:	\$4.50
Project Funding	

Project Funding:	Amount
Pay-As-You-Go PFCs	\$ 20,465,000
AIP Funds	\$ 22,250,000
Airport Funds	\$ 6,595,000
BIL ATP Funds	\$ 20,000,000
FDOT Funds	<u>\$ 15,690,000</u>

Total Project Funding

Project 7.02 - East Commercial Apron Expansion and Taxilane (Design and Construct)

Project Description: This project will expand the existing concrete commercial ramp to the east. The apron expansion to the east will provide an additional three overnight parking positions, and will also accommodate the terminal expansion project. The apron expansion will include approximately 10,000 square yards of concrete ramp and will accommodate an aircraft mix the includes 757's, 737's, and A-321's and other aircraft currently utilizing SRQ's thirteen gates. The ramp will expand into an existing dry pond that is part of SRQ's master stormwater system. The Airport's master stormwater system was designed to accommodate this expansion.

The project will also rehabilitate Taxiway R5 pavement with a PCI rating in the low 60's (fair); and remove Taxiway A8 to avoid direct connection from apron to runway. Marking and signage and taxiway lighting will be included in the project.

Project Justification: The apron is needed to provide gate parking for the five gates included in the new ground board facility (GBF) to be completed in Project 7.01.

The gates in turn are required to accommodate current demand and short-term growth. (MPU), presented two methodologies for determining gate requirements – departures per gate and enplanements per gate – to project gate requirements.

These methodologies are presented in the Transportation Research Board's Airport Cooperative Research Program *Report #25 Airport Passenger Terminal Planning and Design*. This guidance is also specifically referenced in FAA Advisory Circular 150/5360-13A, *Airport Terminal Planning* in the section addressing gate requirements.

Using the enplanement per gate methodology provides the Airport with more flexibility in the event that existing carriers desire additional gates or additional carriers desire to begin service), the MPU projected that five additional gates would be needed to accommodate Planning Activity Level (PAL) 3 enplanements or 1.75 million passengers. At 20 gates, this demand translates into 89,400 annual enplaned passengers per gate.

The Airport's CY 2022 enplanements were approximately 1.93 million., exceeding the PAL 3 enplanement level by approximately 0.18 million passengers. Using the PAL 3 enplanement per gate figure above, this translates into a need for 21-22 gates.

Several airlines at SRQ are currently interested in obtaining additional gates and current requests exceed the five gates proposed for the GBF. Thus, a minimum of five gates is needed to accommodate current demand, let alone expected growth.

The removal of Taxiway A8 was requested by FAA to remove the direct connection from Apron to Runway. Taxiway R5 pavement is being rehabilitated due to the PCI being in the low 60's (fair).

PFC Collection Level: \$4.50

Project Funding:	Amount
Pay-As-You-Go PFCs	\$ 547,803
AIP Funds	\$9,860,455
FDOT Funds	<u>\$ 547,803</u>
Total Project Funding	\$ 10,956,061

Project 7.03 - Baggage Handling System Project (Construction)

Project Description: This project will construct the replacement of SRQ's existing baggage handling system (BHS). The new BHS will provide for a consolidated checked baggage inspection system (CBIS). Currently SRQ has three separate in-line mini-systems that each include an explosive detection system (EDS) machine that is beyond its useful life. (Nodes A, B and C) The elements of the new consolidated system will include approximately 2,500 lf of conveyor belt, two new EDS machines and a centralized CBIS and checked baggage resolution area (CBRA). The project includes removal of the existing system and EDS machines, acquisition and installation of the new belts and EDSs, and structural modifications to the baggage handling facility to accommodate a consolidated system. The TSA will supply the EDS machines and related equipment and these costs are included in the "Baggage Handling & Inspection Systems" amount shown below.

Major cost elements are set forth below.

Cost Element	Amount

Baggage Handling & Inspection Systems	\$19,890,150
Construction Costs	\$17,325,000
Prime Contractor Markups	\$ 6,738,900
Soft Costs	\$ 2,979,6312
Total Costs	\$46,933,682

Project Justification: The EDS machines in SRQ's three in-line mini-systems are beyond their useful lives. The EDS machines are approximately 18 years old and have been in continual use approximately 18 hours per day/365 days per year since their installation in 2002. The systems are under contract with L3 for maintenance, but maintenance events and subsequent downtime are becoming more frequent. TSA identified 15 years as the useful life for EDS; therefore, the existing L3 machines are already three years beyond their useful life.

In addition, CBIS design and installation have matured since installation of the original in-line system at SRQ. In particular, consolidated systems are now TSA's preferred approach over SRQ's existing separate mini-systems. The consolidated systems will provide for cross-utilization and redundancy of the BHS and EDS equipment that will allow for operations to continue seamlessly in the event of EDS downtime. SRQ previously modified the BHS to allow transfer of bags between Node B and Node C when required, but Node A is isolated. The current system is no longer compliant with TSA Planning Guideline and Design Standards (PGDS) standards, which increases risk to security and potential personal injury.

In a letter dated October 21, 2020, the TSA indicated its support for the design (approved as PFC project 6.17) and construction of the project.

There are currently no constraints on competition at SRQ. The purpose of the project is to facilitate replacement of EDS machines that have reached the end of their useful lives and improve the efficiency of the checked baggage screening process.

PFC Collection Level: \$4.50

<u>Amount</u>
\$ 11,237,016
\$ 24,459,650
<u>\$</u> 11,237,016
\$ 46,933,682

Project 7.04 – General Aviation (GA) Federal Inspection Services (FIS) Facility (Design and Construct)

Project Description: This project will design and construct a new GA FIS Facility located in the Northquad Development north of the airfield. The new facility will be approximately 5,000 square feet and in alignment with the current version of the Customs and Border Protection (CBP) GA Facilities Design Guide. The customs facility will include office space, administration space, commons area, toilet/restroom facilities, screening and waiting areas, and required CBP equipment.

The project also includes the design of an HVAC heating and cooling system, electrical power and lighting systems with emergency backup, low voltage security and communications systems with interconnectivity to the main Terminal CBP FIS, and life safety systems as required for the new FIS Customs Facility.

The Airport Estimates that 64.0% of project space and costs are PFC eligible. The requested PFC amount represents 50% of the project cost. The balance of eligible costs and all ineligible costs will be funded with state grants.

The CBP equipment required for operation of the FIS is not PFC eligible and its costs are not included in this project. The costs will be paid for from other sources.

Project Justification: International passengers are processed at Gate B8 through the existing FIS. A majority of international passengers arrive on smaller General Aviation aircraft and are walked to the FIS for processing. The recent increases in commercial passenger traffic have required processing of GA traffic away from Gate B8, which has caused operational difficulties on CBP for processing international passengers. A GA FIS is needed to relocate the processing of these GA international passengers at a remote location to better serve international GA customers and improve operations for CBP. This will allow full use of Gate B8, and will eliminate operational constraints on CBP.

In a letter dated November 30, 2021, the CBP indicated its support for the project and its commitment to staff the facility.

PFC Collection Level: \$4.50

Project Funding:	<u>Amount</u>
Pay-As-You-Go PFCs	\$ 3,739,872
FDOT Funds	<u>\$ 3,739,872</u>
Total Project Funding	\$ 7,487,744

Project 7.05 - Relocate Automated Surface Observing System (ASOS)

Project Description: This project will relocate the Automated Surface Observing System (ASOS) from the Northquad development area south, near the Airport Surveillance Radar (ASR). The ASOS limits what is allowed within radii of 500' and 1000' around the ASOS, so that the sensor reports accurate information to the pilots.

The FAA along with the National Weather Service will conduct a siting study, design the site requirements for the new location, and will relocate all equipment from the existing location to the new location. The Airport will construct any site improvements needed for the new location, and remove any underground utilities and surface pads at the existing location. The siting study and design is currently underway.

Project Justification: The relocation of the ASOS from the Northquad development area to its new location will allow for needed aeronautical development within the Northquad, while assuring that the ASOS continues to perform its intended function of reporting accurate information to pilots.

PFC Collection Level: \$4.50

Project Funding:	Amount
Pay-As-You-Go PFCs	\$ 125,000
Airport Funds	<u>\$ 25,000</u>
Total Project Funding	\$ 150,000

Project 7.06 - Expand West Commercial Apron (Design and Construct)

Project Description: This project will expand the commercial apron's westerly side with an additional 9,500 SY of P-501concrete. The project will include lighting and marking, additional security cameras, and fencing. The project will also provide drainage infrastructure and relocation of a blast deflector. A separate element involves expansion and relocation of the employee parking lot.

The table below provides a breakdown of project costs.

Cost Element	Amount
Design	\$ 630,151
Apron Expansion	\$6,000,000
Employee Parking	\$2,700,000
Construction Phase Services	\$ 350,000
Total Costs	\$9,680,151

As shown, the employee parking lot element accounts for 31.0% of project costs, after proration of design and construction phase services costs. The apron expansion itself accounts for 69.0% of total costs. PFC funding accounts for 48.9% of project funding. Thus, the costs of the employee parking lot element will be fully paid for with state and non-PFC Airport funds.

Project Justification: The construction of the GBF will eliminate three RON parking positions on the east ramp. These RON positions are used for several purposes including:

- 1. Aircraft that do not fly every day,
- 2. Multiple morning flights from a single gate, and
- 3. Irregular Operations (IROPs).

With respect to item 1, all gates at SRQ are currently occupied at night. Two nights a week one or two Allegiant aircraft are using RON parking to free up gates for days they don't fly. Allegiant has four based aircraft at the Airport and soon will have a fifth. The fifth aircraft will need to use RON parking daily in addition to the two previously noted.

Some airlines are waiting for SRQ to allow them to use RON parking so they can add additional flights. Their goal is to make use of their leased gates for multiple originating flights in the morning, so once a flight has departed they can tow-in another aircraft from a RON position to their gate. Therefore, construction of the GBF will not decrease this demand. The GBF is likely to be occupied by low-cost carriers that prefer ground boarding. Other carriers will still desire to have multiple originating flights that can be accommodated using RON parking. SRQ management is aware that some air carriers have already stopped adding RON flights because of the lack of gates and RON positions.

SRQ also needs adequate RON positions to accommodate IROP's including FAA Air Traffic Control ground holds as well as aircraft having mechanical issues and awaiting repairs, sometimes for a few

days. SRQ also receives flight diversions from other surrounding airports especially during typical summer thunderstorms. RON parking enables the airport to accommodate these flights without blocking other operational pavements thereby contributing to the safety and efficiency of airfield operations. SRQ has few additional areas that can support air carrier parking.

Construction of the three proposed RON parking positions on the west ramp will allow SRQ to continue accommodating current RON demand that will otherwise be adversely impacted by the loss of three existing RON positions on the east ramp.

PFC Collection Level: \$4.50

Project Funding:	Amount
Pay-As-You-Go PFCs	\$ 4,680,151
Airport Funds	\$ 2,500,000
FDOT Funds	<u>\$ 2,500,000</u>
Total Project Funding	\$ 9,680,151

Project 7.07 - Taxiway C Rehabilitation (Design and Construct)

Project Description: This project is for the design and construction of a mill and overlay of Taxiway Charlie from Runway 14 End to Taxiway Juliet. The widening of taxiway intersection fillets to comply with the new FAA Advisory Circular 150/5300-13 requirements is also included in the project. The project will also include the replacement of existing taxiway edge lighting with new, LED taxiway edge lights, including installation of new homerun cables to the electrical vault. Replacement of the respective constant current regulators and associated vault modifications is included. Existing guidance signs will be replaced or have existing panels replaced depending on existing condition. Pavement markings will be restriped, as well.

- Approximately 67,894 square yards (sy) of Taxiway Charlie pavement will be rehabilitated.
- Approximately 70,990 linear feet of cabling and conduit will be installed.
- Approximately five regulators will be replaced.
- Approximately 46 guidance signs will be replaced or have panels replaced.

Project Justification: A pavement evaluation on Taxiway Charlie was conducted in 2019 and found longitudinal and traverse cracking and determined PCI values ranging from 57 to 69 (fair). As a result, a rehabilitation of Taxiway Charlie is required to correct pavement deficiencies and bring the pavement back to an acceptable level.

PFC Collection Level: \$4.50

Project Funding:	<u>Amount</u>
Pay-As-You-Go PFCs	\$ 256,878
AIP Funds	\$ 4,270,435
FDOT Funds	<u>\$ 256,877</u>
Total Project Funding	\$ 4,784,190

Project 7.08 – Taxiway F Reconstruction (Design and Construct)

Project Description: This project is for the design and construction of a full or partial depth reconstruction of Taxiway Foxtrot from Taxiway Charlie to Taxiway Hotel, due to subgrade or base failures. The widening of taxiway intersection fillets to comply with the new FAA Advisory Circular 150/5300-13 requirements is also included in the project. The project will also include the replacement of existing taxiway edge lighting with new, LED taxiway edge lights, including installation of new homerun cables to the electrical vault. Replacement of the respective constant current regulators and associated vault modifications is included. Existing guidance signs will be replaced or have existing panels replaced depending on existing condition. Pavement markings will be restriped, as well.

- Approximately 7,451 sy of Taxiway Foxtrot pavement will be reconstructed.
- Approximately 1,744 sy of Taxiway Foxtrot Pavement will be removed.
- Approximately 7,790 linear feet of cabling and conduit will be installed.
- Approximately five regulators will be replaced.
- Approximately 46 guidance signs will be replaced or have panels replaced.

Project Justification: A pavement study completed in 2020 found PCI values of 55-64 (poor to fair) for Taxiway F pavements. Based upon industry standards, pavements that fall within these values can require major rehabilitation including full depth reconstruction. An Engineering firm, Hanson Professional Services, conducted a field evaluation and collected pavement cores. Based upon their professional opinion, they recommend reconstruction of the pavement section.

PFC Collection Level: \$4.50

Project Funding:	<u>Amount</u>
Pay-As-You-Go PFCs	\$ 115,975
AIP Funds	\$ 1,823,605
FDOT Funds	<u>\$ 115,975</u>
Total Project Funding	\$ 2,159,965

Project 7.09 – PFC Administration

Project Description: This project is for reimbursement of fees for consulting services related to the preparation of to the preparation of the current PFC application.

Tasks associated with the project include:

- Collection and organization of project documentation
- Drafting of PFC meeting notice letter
- Preparation of airline consultation and public notice documents
- Participation in air carrier consultation
- Preparation of draft and final PFC application
- Coordination with Airport and FAA staff
- Preparation of airline notice of FAA decision

Project Justification: PFC funding has been selected to cover the costs of preparing and submitting this application. Funding the cost of preparing the PFC application and amendment with PFC revenues (i) helps the Airport keep operating costs down; (ii) increases the Airport's overall funding capacity; and (iii) enables the airport to keep airline costs as low as possible. PFC administration costs are eligible per the PFC regulations under 14 CFR §158.13(b).

PFC Collection Level: \$4.50

Project Funding: Pay-As-You-Go PFCs Total Project Funding Amount \$ 64,467 \$ 64,467