CITY AND BOROUGH OF SITKA
Rocky Gutierrez Airport (SIT) Terminal Improvements Project

Project Status Briefing
• Project History
• Schematic Design Renderings & Floor Plans
• Existing Conditions & Critical Deficiencies
• Anticipated Project Funding & Estimated Costs
• SIT Terminal Improvements & Potential Phasing
• Next Steps
Project History

2005: Airport Master Plan
2011: Airport Terminal Master Plan – Short term, correct critical deficiencies & long term, plan and develop design & financial plan for a new airport terminal.
2014: Baggage Screening Study
2015: Delta Airlines starts service to Sitka
2016: TSA Grant for the design for the TSA Baggage Screening Area & Inline baggage screening equipment.
2018: FAA/ State Approval of PFC Collection for SIT Terminal Improvements Project / Development of Schematic Design (35% Design milestone) Submitted to State Aviation With AIP Grant Funding Request / Assembly Approval for $4.25 Million Revenue Bond Funded With PFCs / TSA Baggage Screening Schematic Design Submitted to TSA For Review & Approval.
2019: Project Delayed due to: Federal Government Shutdown, TSA Review & Approval of Schematic Design Submittal / Request For Additional TSA Grant Funding to Cover Delay and Design Extra Costs.
2020: Received TSA Conditional Approval of Schematic Baggage Screening Design & Additional Grant Funds / Review & Revisions to the Schematic Design for Project Start-up After Long Delay / Confirmation Terminal Improvements Project is in the State Of Alaska Aviation AIP Funding Plan for $7 Million in FY23
SIT Terminal Critical Deficiencies Identified for Improvement – FAA Approved PFC Application

*Improvement of the critical deficiencies will add Airport Capacity, Improve Airport Security & Safety.*

- **Expansion of the Gate Departure Lounge/Hold Room:** Expand departure lounge to better accommodate full and multiple flights.
- **Expansion of the TSA Baggage Screening Area and the connected Baggage Makeup Area:** Improve flow and processing capacity of TSA baggage screening and airline baggage handling and loading.
- **Relocate Jet Bridge and Ramp:** Improve passenger flow and allow modifications the baggage screening and make-up areas.
- **Separate Terminal Building Entry and Exit points with a new direct Exit added from the Baggage Claim Area:** Improve passenger flow and decrease concourse congestion.
- **Modify Baggage Claim Area and Baggage Claim Belt:** Reduce congestion at baggage claim area and improve passenger flow.
- **Install new full length terminal building canopy:** Improve passenger flow and provide shelter from the elements for passenger departure and arrival and fish box staging.
- **Construct new fish box holding areas:** Improve passenger flow and decrease concourse congestion and improve baggage screening, processing, and handling.
- **Building Systems Upgrade/Replacement:** Reduce operating costs, modify/replace building mechanical, electrical, life safety systems, & network systems.
SIT Terminal Improvements Project Funding & Estimated Project Costs

Updated March 4, 2021

**Secured Funding:**
Revenue Bond funded with new PFCs $4,045,000
TSA Design Grant for Baggage Screening $245,386
Accrued PFCs prior to May 2018, etc. $264,468
**Sub-total** $4,554,854

**Anticipated Funding:**
TSA Baggage Screening Grant (const.) $3,271,076 Federal FY22
FAA/ADOT Aviation AIP Grant $7,000,000 Federal FY23
**Sub-total** $10,271,076

**Combined Funding Total** $14,825,930

**Estimated Project Cost** $18,278,965
Projected Funding Shortfall $3,453,035
Typical Airport Revenue Sources:

- Airport Rental Car Facility Fee: Currently 4% fee is charged, normal fee is 15% or more
- Tenant Concessions Leases: Typically a percentage of gross receipts for non-aeronautical tenants
- Charge for Parking (sub-contract to parking contractor, like Republic Parking)
- Sell Curbside Annual Permits: Taxies, Charter Tour Loading, Hotel Loading
- Update & Execute all Leases with the annual CIP updates

Potential New Federal Funding:

- Potential New Federal Infrastructure Bill – Typically shovel ready projects have a better chance to receive funding, especially if the funding request is to complete a funding package for a project that has some or most of the funding needed in place.
OPTION A

Do Nothing

- Doesn’t address critical deficiencies
- PFCs are being collected w/ FAA approval to correct critical deficiencies
- Doesn’t make use of Revenue Bond funded by PFCs
- Loss of potential grant funding
- Negative economic impacts due to inadequate airport facilities
OPTION B
Limit Project
Scope:
B1 - TSA/ Bag Make-Up/ ATO
• Addresses some critical deficiencies w/ Current and Anticipated Funding
• Live with existing Hold Room and Passenger Flow Deficiencies (Baggage Claim, Entry/Exit, Fish Box Staging)
• Loss of PFC match for State AIP Grant funds

Estimated Cost: $7M
PFC + TSA Grant
OPTION B

Limit Project

Scope:
B2 – Hold Room Expansion

- Addresses hold room deficiencies w/ Current and Anticipated Funding
- Live with existing Ticketing, TSA Baggage Screening, Baggage Make-Up, Baggage Claim, & Passenger Flow Deficiencies.
- Loss of PFC match for State AIP Grant funds & TSA Grant funding opportunity

Estimated Cost:
$4M PFC+
OPTION B

Limit Project

Scope:
B3 – Landside and Bag Claim
- Addresses some Passenger Flow Deficiencies w/ Current Funding
- Live with existing Ticketing, TSA Baggage Screening, Baggage Make-Up, & Hold Room
- Loss of PFC match for State AIP Grant funds

Estimated Cost: $4M

PFC
OPTION C
Do the Full Project
• Corrects all Critical Deficiencies w/ Current, Anticipated Grant and Additional Future Funding
• Phased construction can coordinate funding and ongoing airport operations

Estimated Cost: Total $18.3M
PFC + TSA Grant + AIP Grant + Additional Funding
OPTION C

Do the Full Project –
C1 – Correct Deficiencies w/ Current & Anticipated Grant Funding – (no additional funding)

Phased Construction
• Corrects Identified Critical Deficiencies except for some of the Curbside & Mechanical Improvements
• Phased construction can coordinate funding and ongoing airport operations

Estimated Cost:
Total $14.8M
PFC + TSA Grant + AIP Grant
RECOMMEND Proceeding with Full Project - Option C

- Design full project
- Add Contractor to team ASAP to assist w/
  - Cost Estimates
  - Construction Phasing Plan
  - Funding Phasing Plan
- Pursue the additional funding needed to complete the full project
Next Steps and Feedback

- Feedback on the Design - Look & Feel?
- Alternative Contracting Method to Bring Contractor onto the Team ASAP
- Reconvene Project Stakeholders
- Continue Public Process
- Target Spring 2022 for Completion of Design
- Continue to Develop Cost Estimates / Funding Plan / Construction & Funding Phases