

# 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.

**2017:** SIT Terminal Improvements Concept Development & Funding Plan / Assembly Approval of Passenger Facility Charge (PFC) Application to FAA/State of Alaska / Preferred Conceptual Design Option Decision – Stakeholder/Assembly/Public Process.

**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.

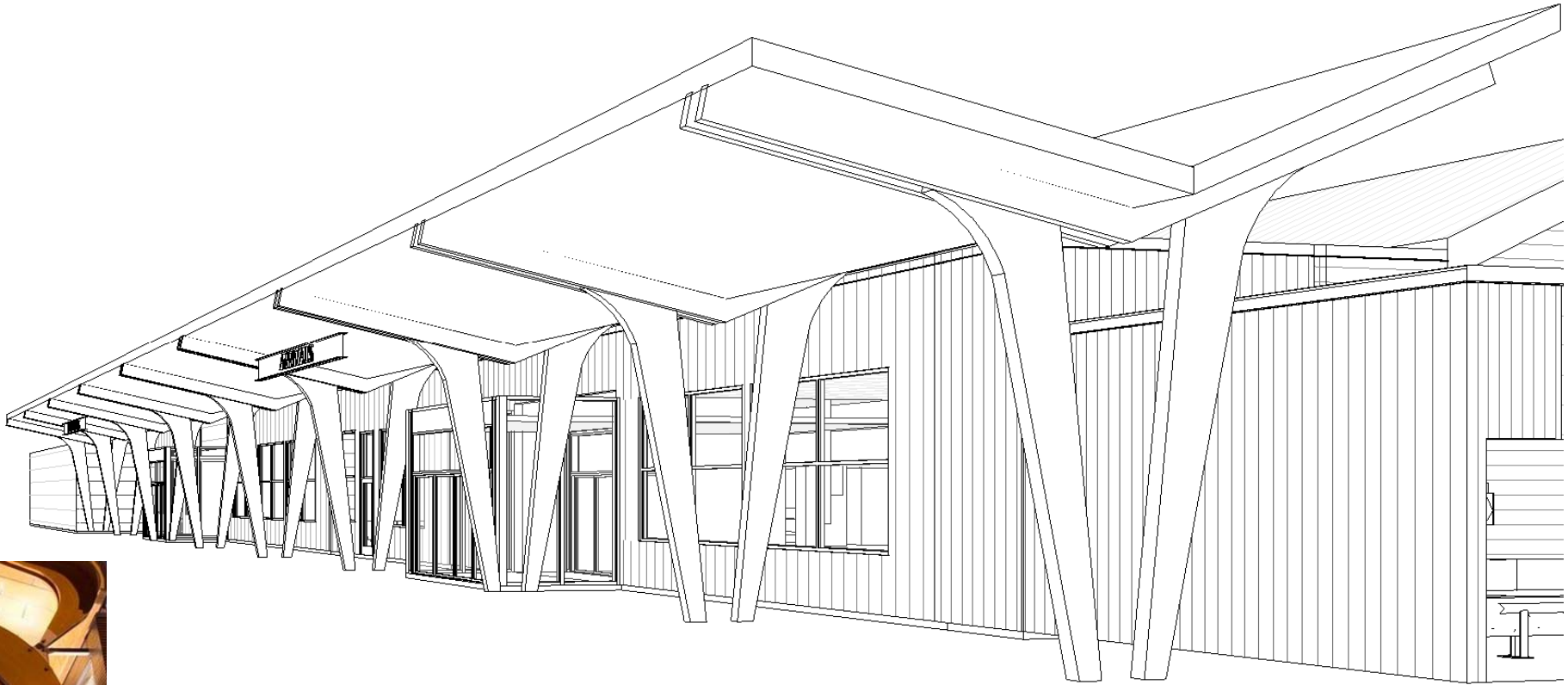
**2019:** Project Delayed due to: Federal Government Shutdown, TSA Review & Approval of Schematic Design Submittal / Request For Additional TSA Grant Funding to Cover Delay and Design Extra Costs.

**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**

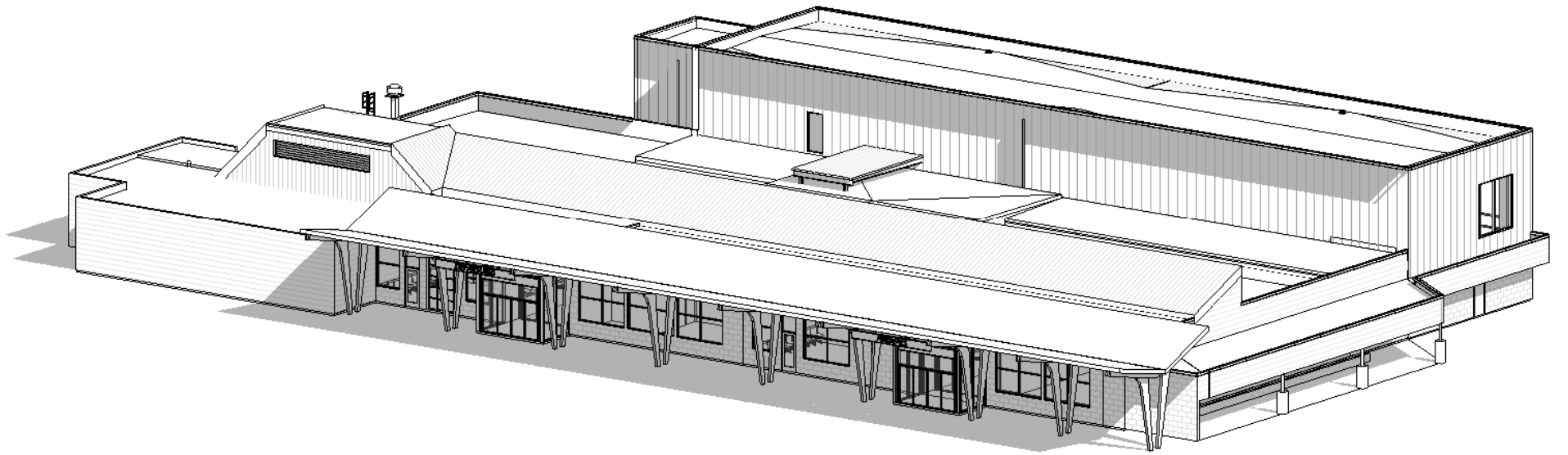
# SIT Terminal Critical Deficiencies Identified for Improvement – FAA Approved PFC Application

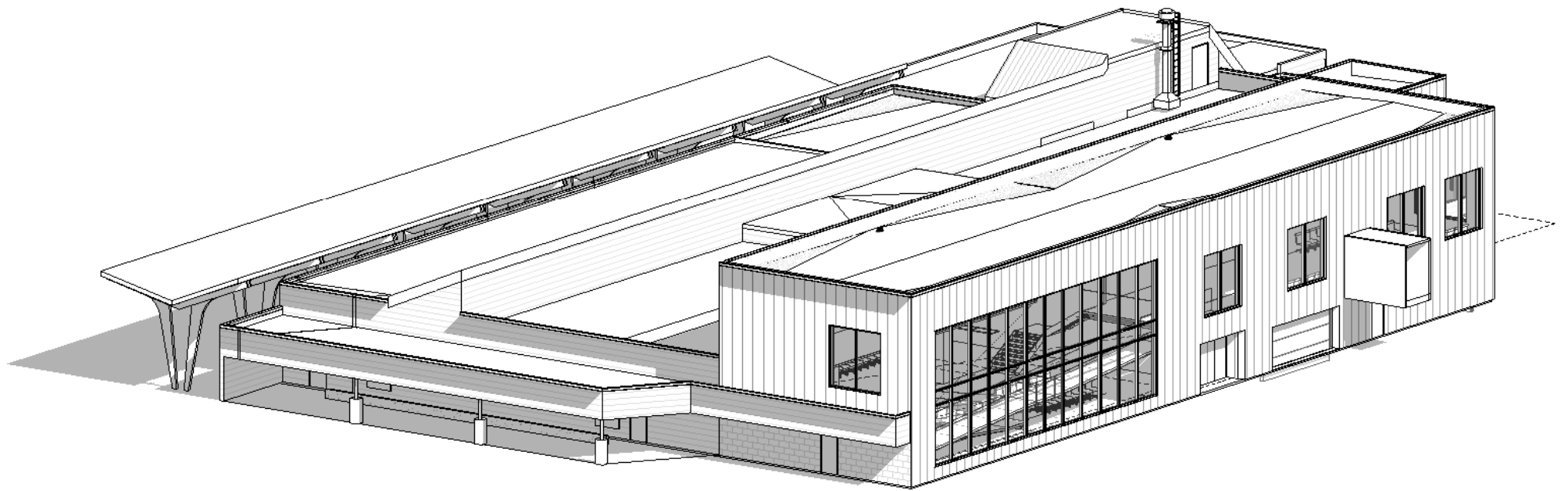
*Improvement of the critical deficiencies will add Airport Capacity, Improve Airport Security & Safety.*

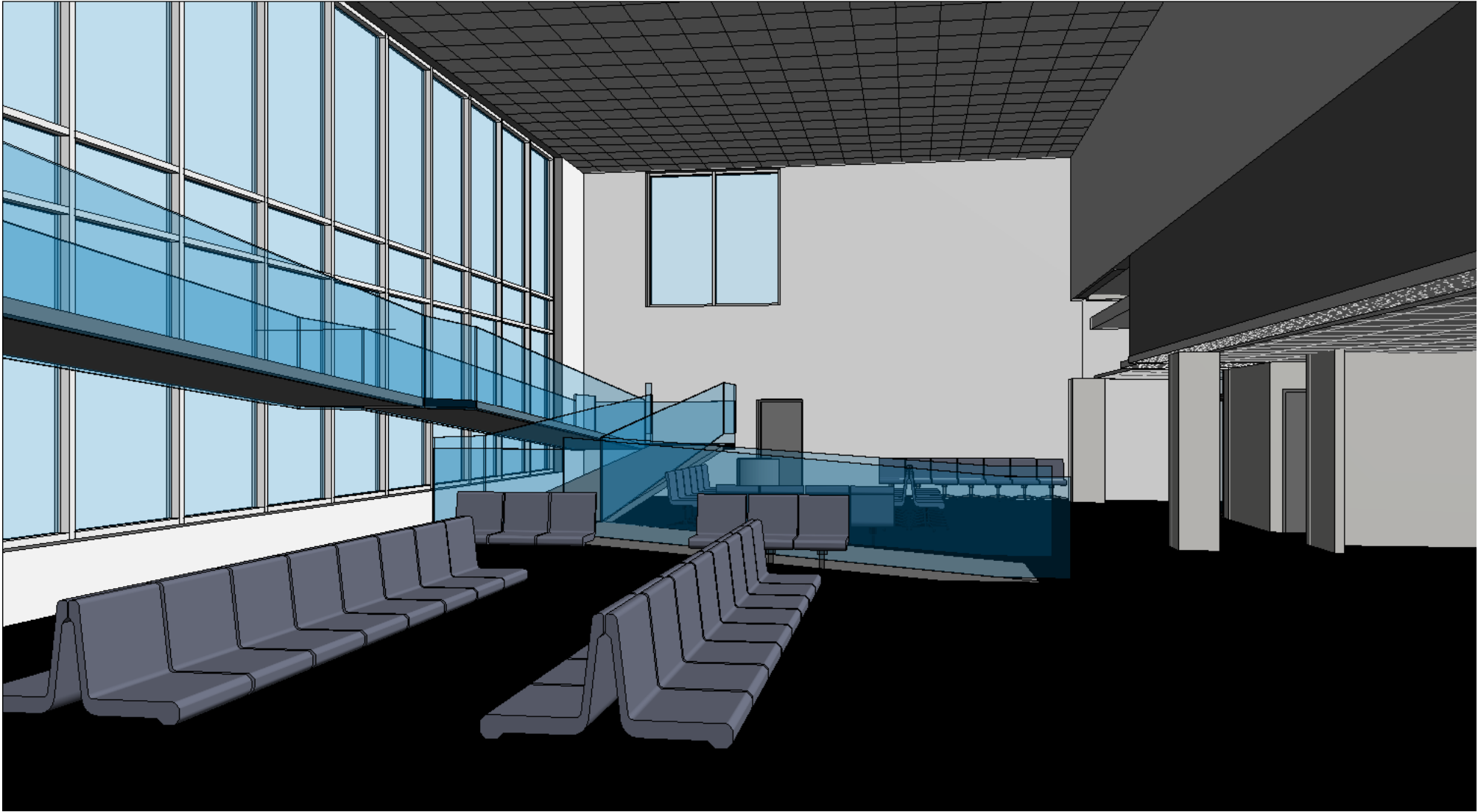
- **Expansion of the Gate Departure Lounge/Hold Room:** Expand departure lounge to better accommodate full and multiple flights.
- **Expansion of the TSA Baggage Screening Area and the connected Baggage Makeup Area:** Improve flow and processing capacity of TSA baggage screening and airline baggage handling 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.





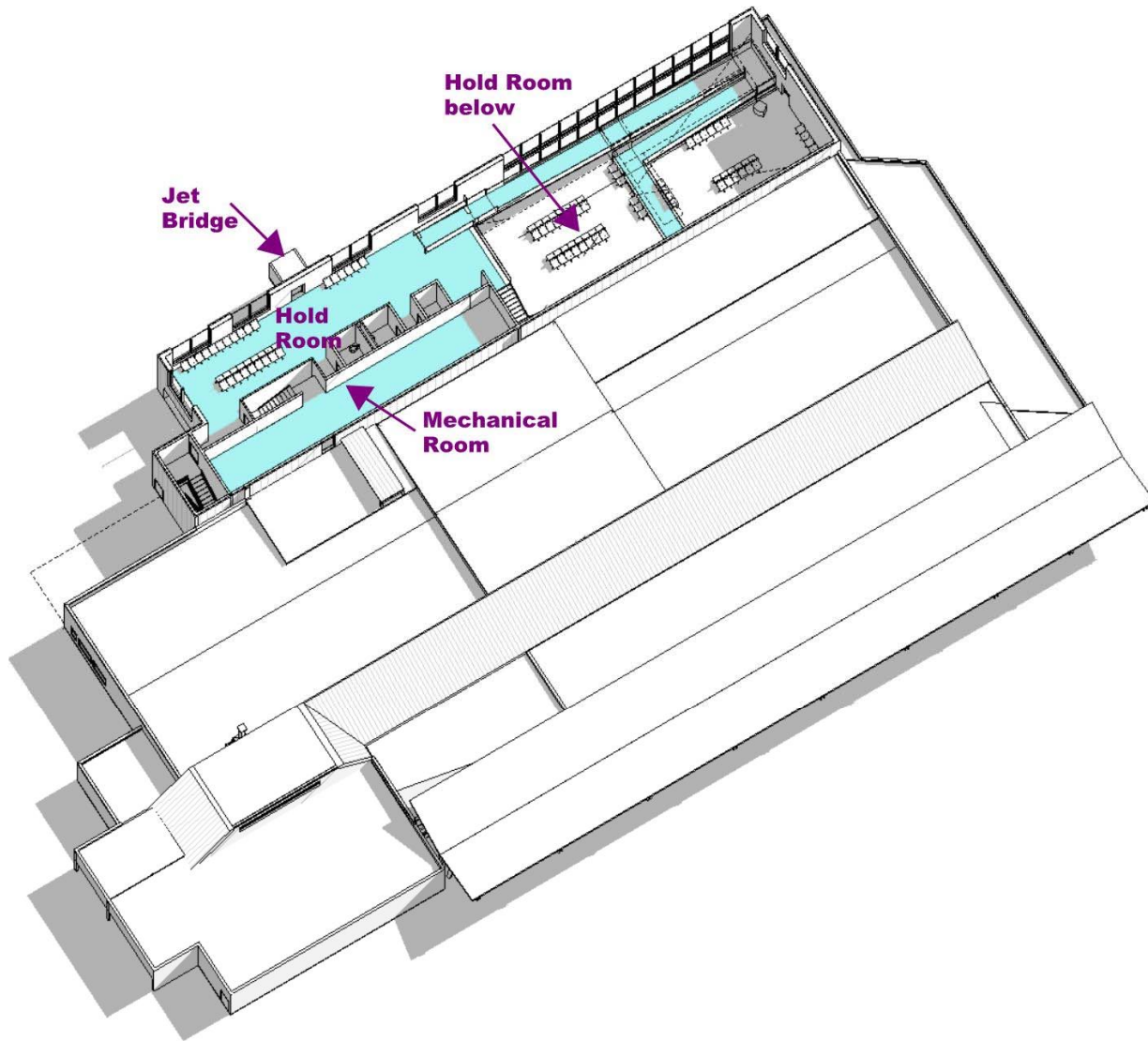














## SIT Terminal Improvements Project Funding & Estimated Project Costs

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.	<u>\$264,468</u>
<b>Sub-total</b>	<b>\$4,554,854</b>

### **Anticipated Funding:**

TSA Baggage Screening Grant (const.)	\$3,271,076	Federal FY22
FAA/ADOT Aviation AIP Grant	<u>\$7,000,000</u>	Federal FY23
<b>Sub-total</b>	<b>\$10,271,076</b>	

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

**Estimated Project Cost \$18,278,965**  
**Projected Funding Shortfall \$3,453,035**



# City and Borough of Sitka

PROVIDING FOR TODAY...PREPARING FOR TOMORROW

*Coast Guard City, USA*

## 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.

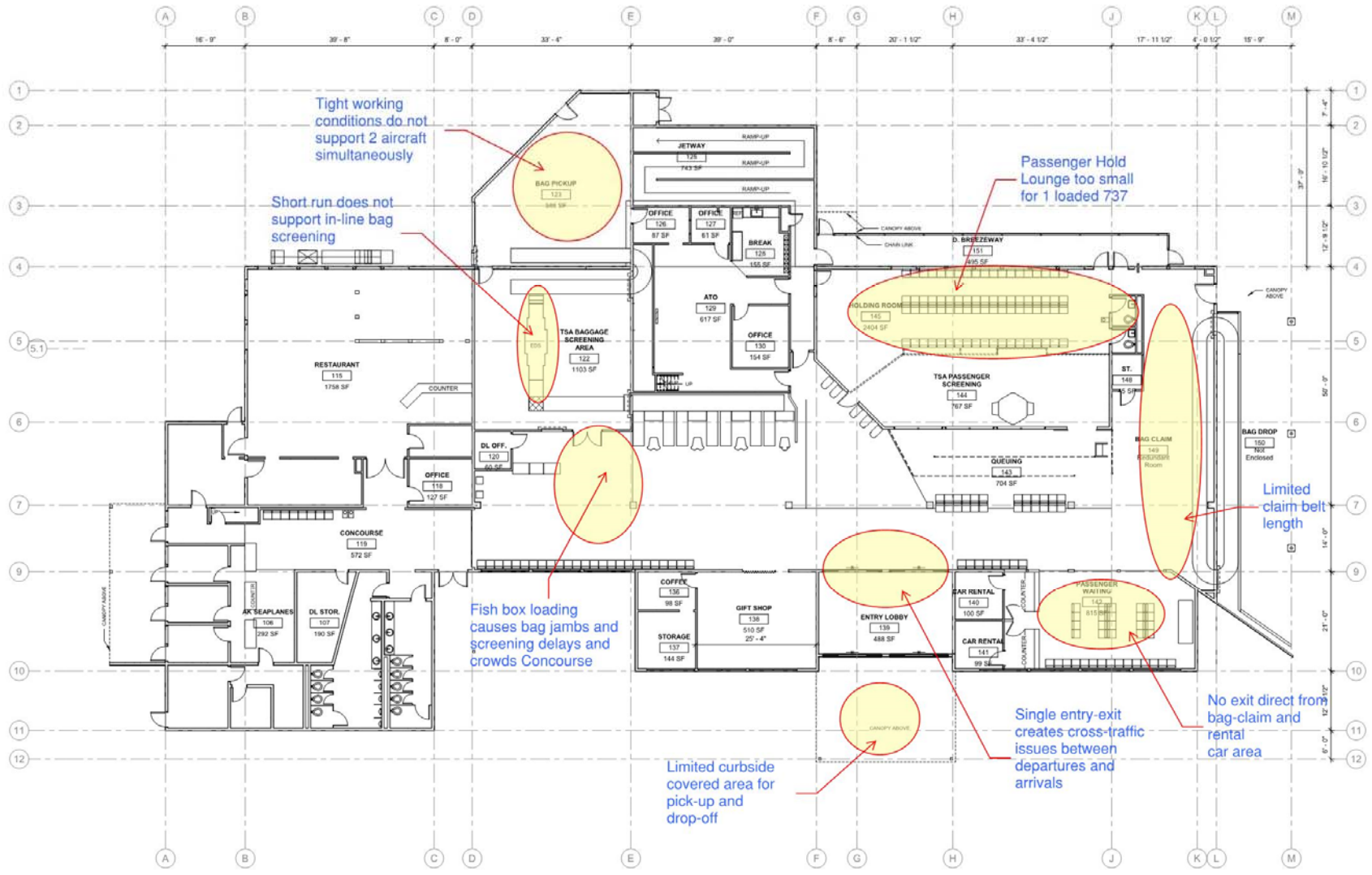
# OPTION A

## 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

Terminal Critical Deficiencies Identified for Improvement in the PFC Application

Ma1



# OPTION B

## Limit Project

### Scope:

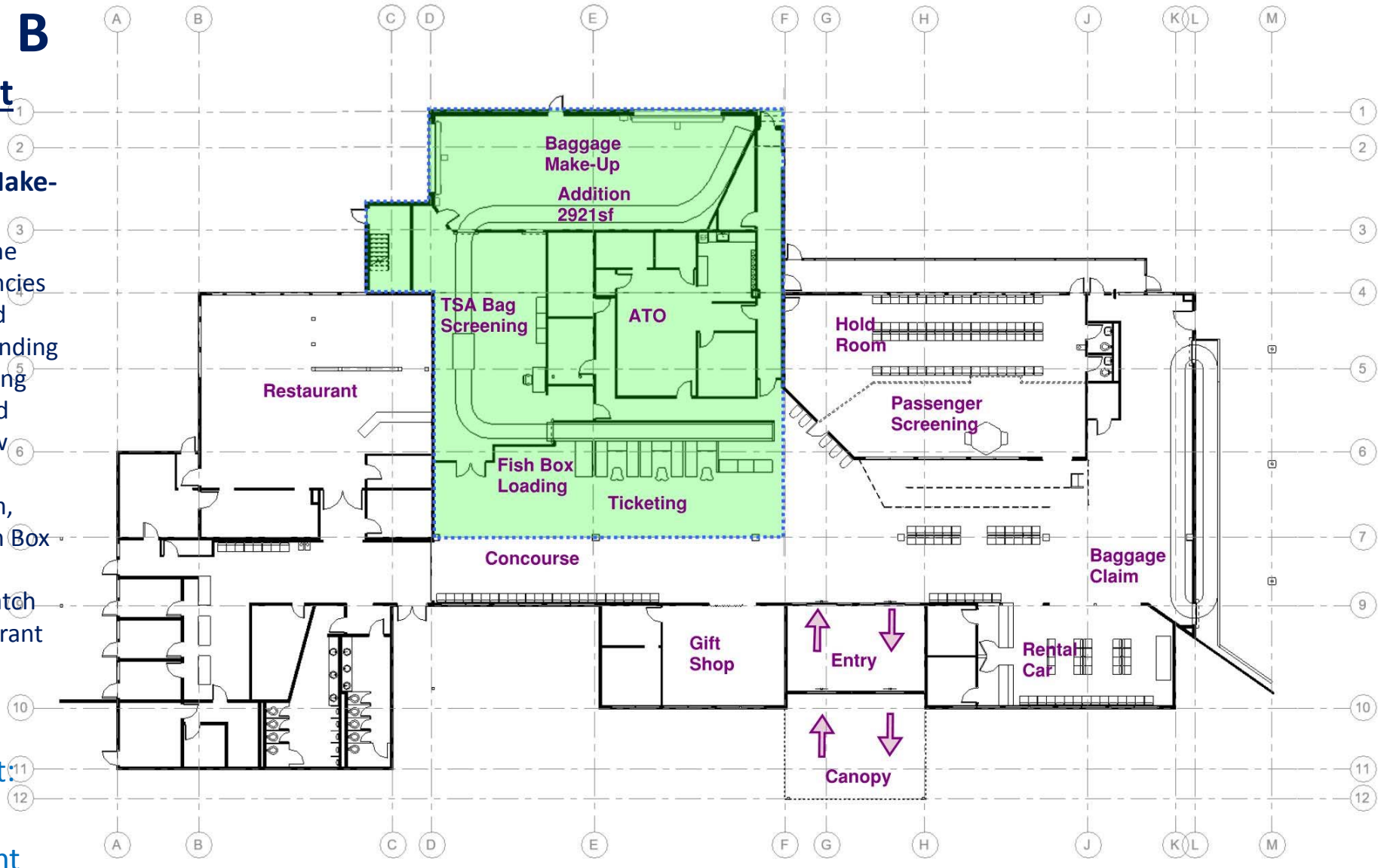
#### B1 - TSA/ Bag Make-Up/ ATO

- 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





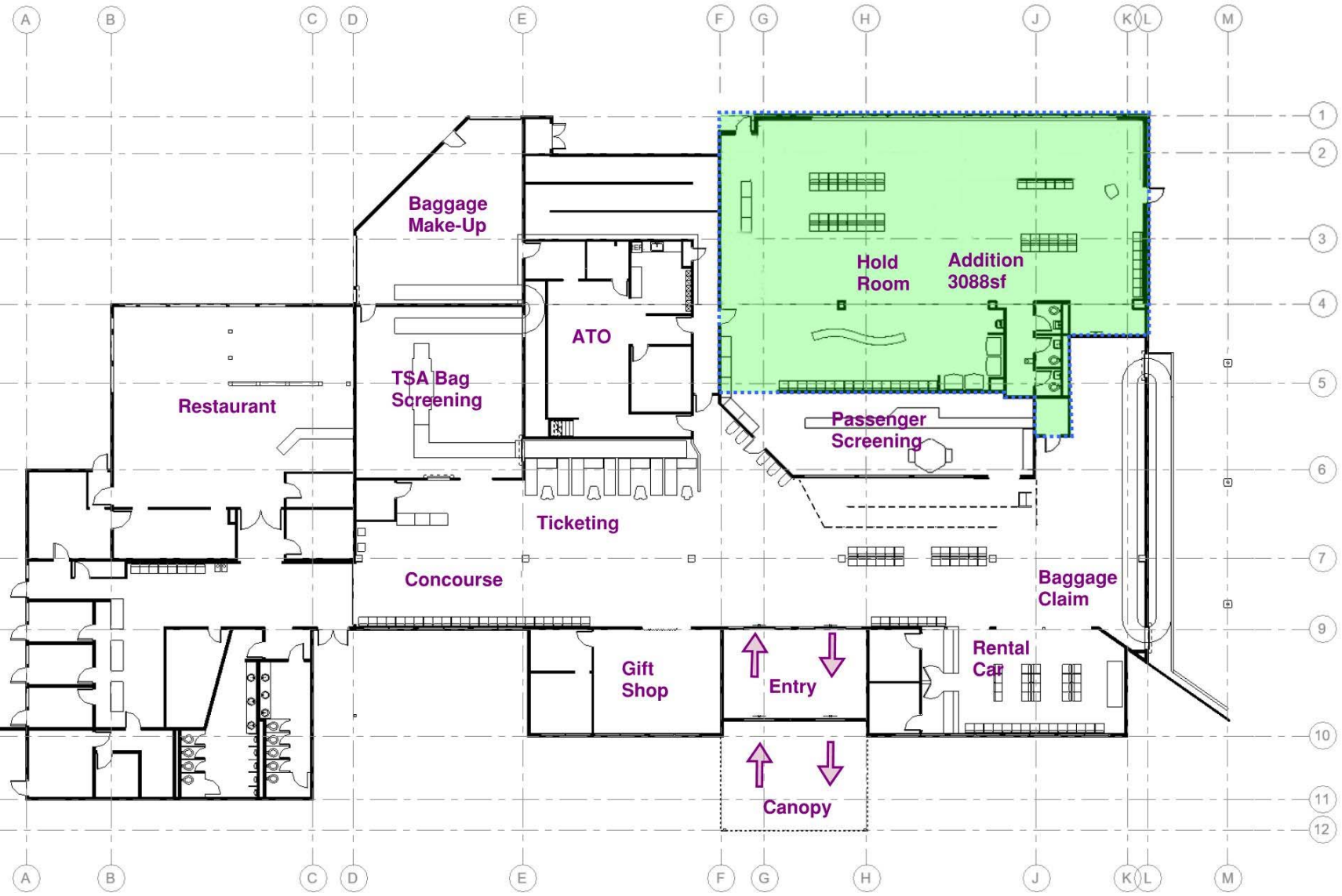
# OPTION B

## 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:

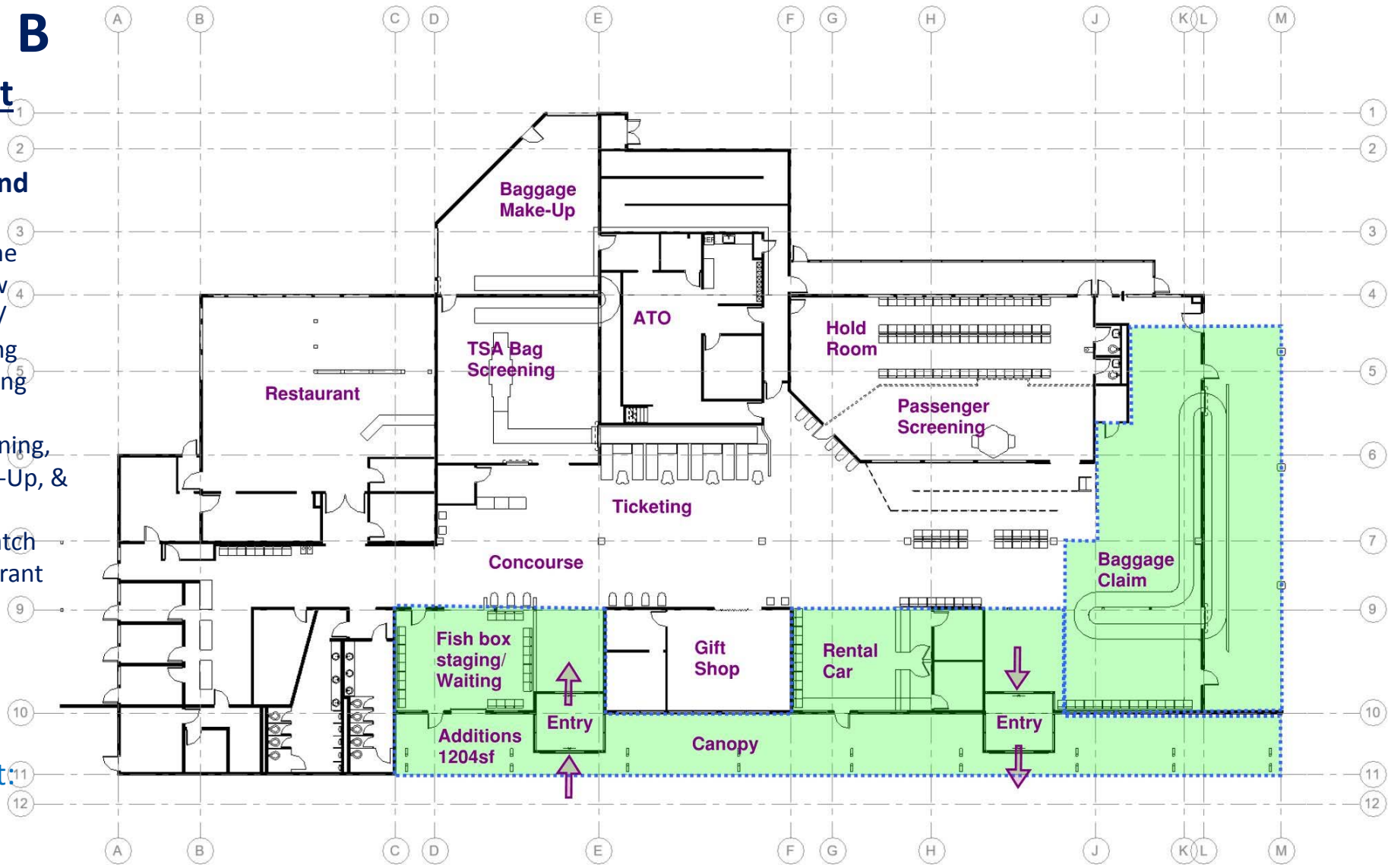
#### B3 – Landside and Bag Claim

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

Estimated Cost

# \$4M

PFC

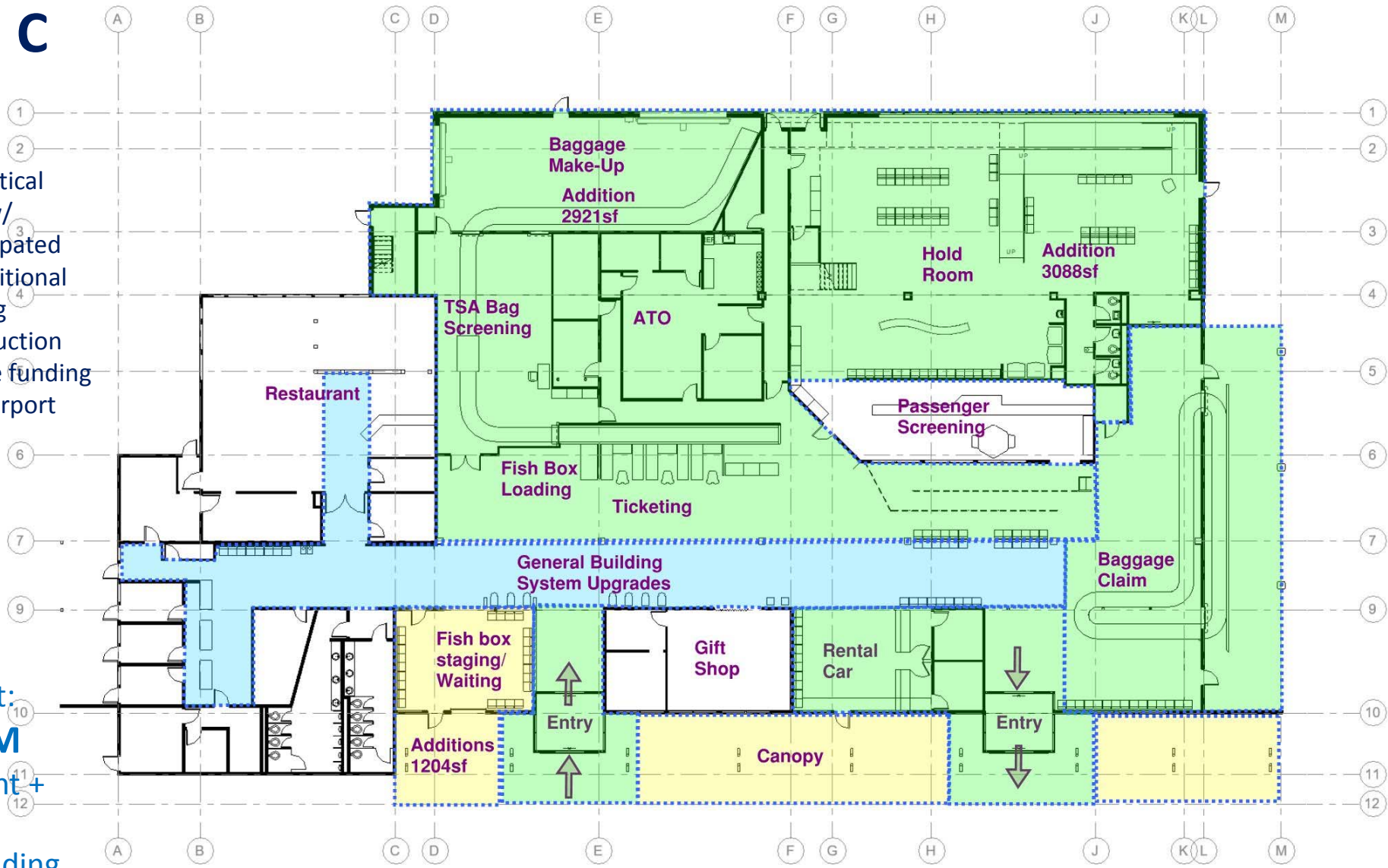


# OPTION C

## 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 –

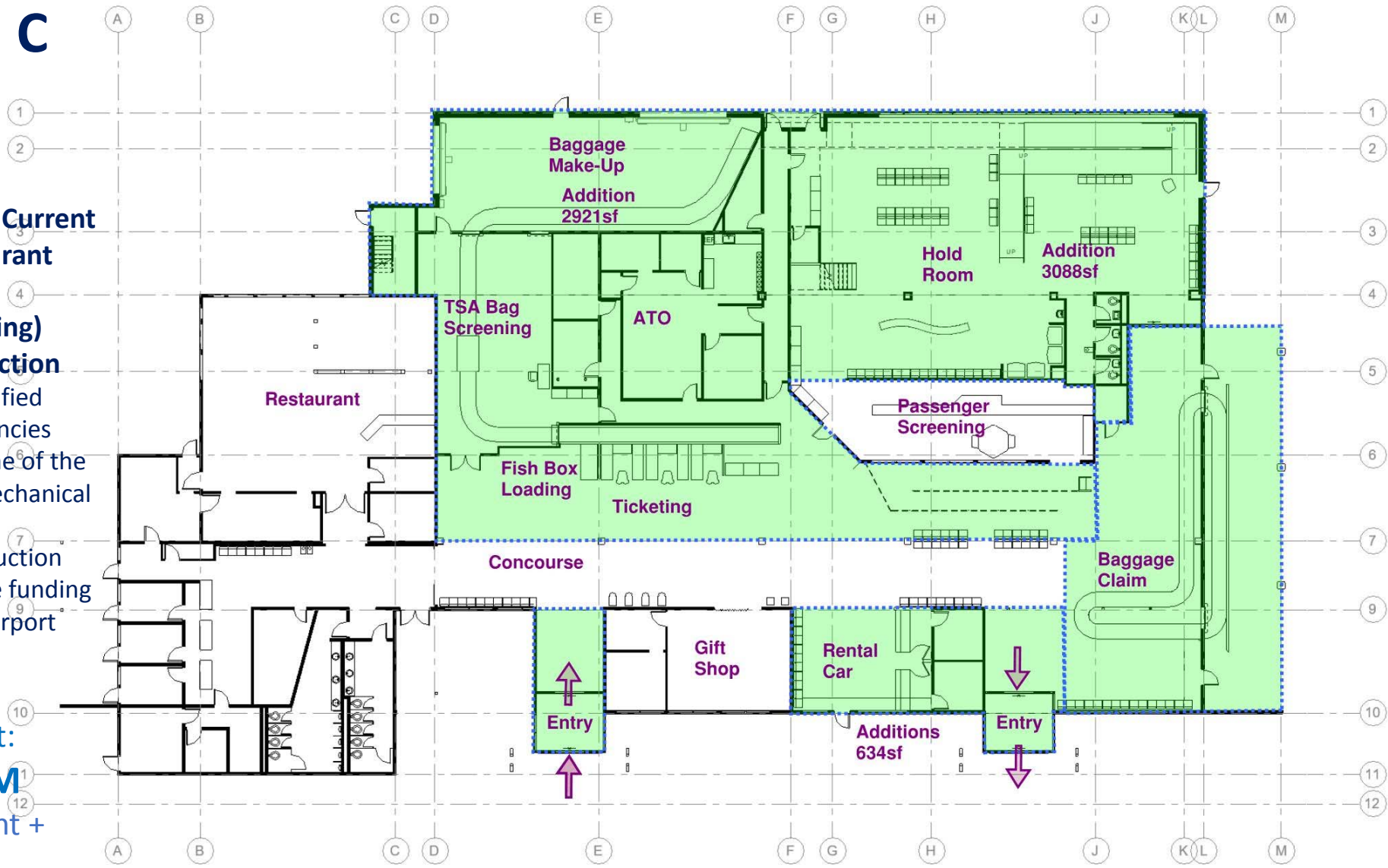
C1 – Correct  
Deficiencies w/ Current  
& Anticipated Grant  
Funding – (no  
additional funding)  
Phased Construction

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

Estimated Cost:

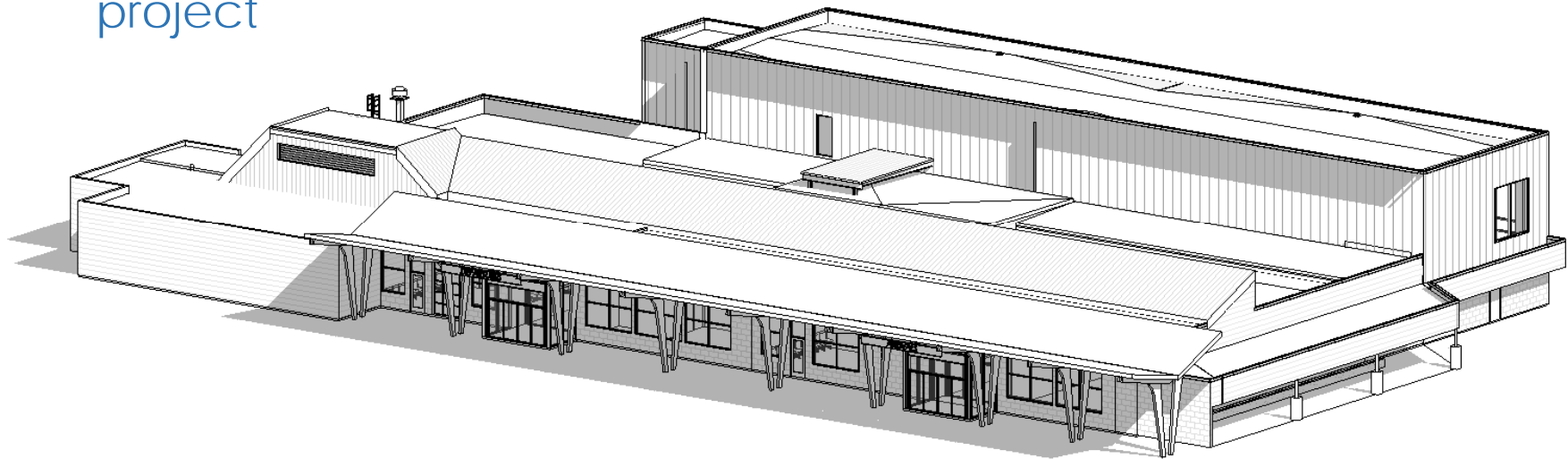
**Total \$14.8M**

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





# CITY AND BOROUGH OF SITKA

## Rocky Gutierrez Airport (SIT) Terminal Improvements 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