

**J00I00 Maryland Department of Transportation
Maryland Aviation Administration
Fiscal Year 2025 Operating Budget
Response to Department of Legislative Services Analysis**

Senate Budget and Taxation Committee
Public Safety, Transportation, and Environment Subcommittee
Chair Sarah Elfreth
February 15, 2024

House Appropriations Committee
Transportation and the Environment Subcommittee
Chair Courtney Watson
February 12, 2024

**J00A04 MDOT – Debt Service Requirements
Fiscal Year 2025 Operating Budget
Response to Department of Legislative Services Analysis**

Operating Budget Recommended Actions

1. Concur with the Governor’s Allowance. (Page 25)

MDOT Response:

The Department concurs with the DLS recommendation.

PAYGO Budget Recommended Actions

1. Concur with the Governor’s Allowance. (Page 25)

MDOT Response:

The Department concurs with the DLS recommendation.

BRIEFING TO

Senate Budget and Taxation Committee

Public Safety, Transportation and Environment Subcommittee

House Appropriations Committee

Transportation and Environment Subcommittee

FEBRUARY 2024



Agenda

- BWI Marshall Air Service
- Positions
- Financials
- Capital Investments



BWI Marshall Air Service



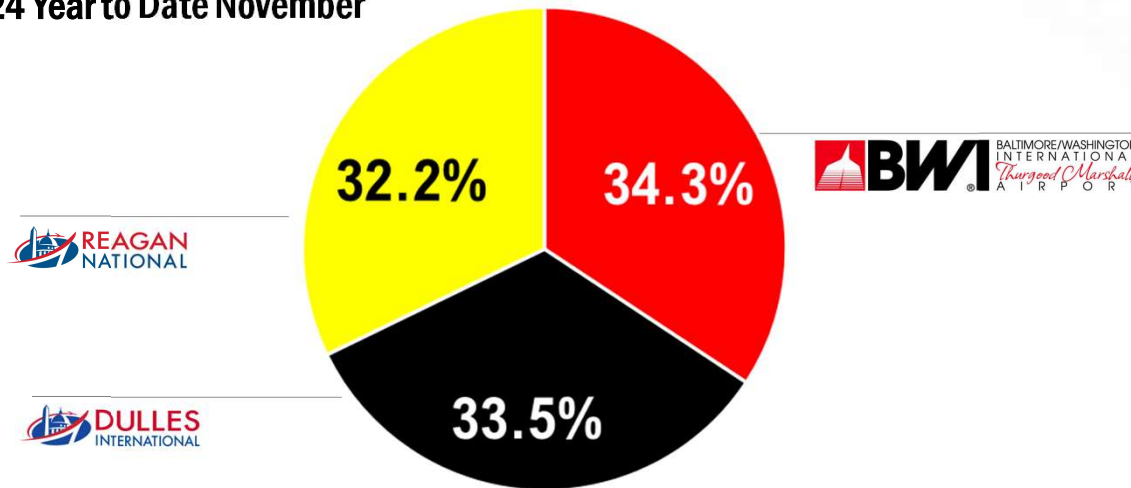
BWI Marshall Air Service

FY 2023, DCA had the Largest Passenger Market Share in the Region.

FY 2024, BWI leads the region

Baltimore/Washington Region Market Share of Total Passengers

FY 2024 Year to Date November



FY23

BWI 33.7%

IAD 31.9%

DCA 34.4%

Source: MAA; MWAA

Notes

DCA's capacity returned more quickly from the pandemic, because

1) DCA opened a new terminal for American's regional operations, and they upgraded all of their 50-seat aircraft to 76-seat aircraft, and

2) the FAA reinstated DCA's "use it or lose it" slot rules, forcing carriers to operate the same level of flights as before the pandemic. This excess capacity meant lower fares, which attracted more local passengers to DCA.

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MARYLAND AVIATION ADMINISTRATION

BWI BALTIMORE/WASHINGTON
INTERNATIONAL
Thurgood Marshall
AIRPORT

BWI Marshall Air Service

Airlines are launching many new routes in FY24

AS OF FEBRUARY 2024

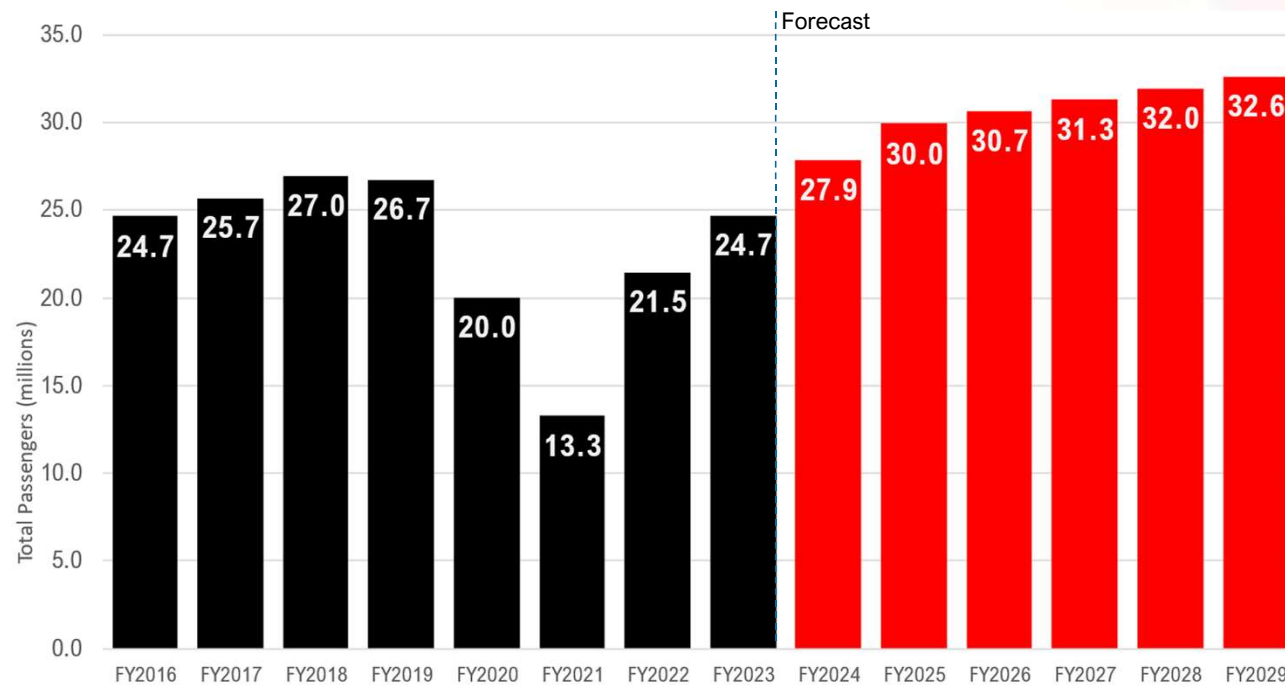


- Southwest
- Copa
- Frontier
- BermudAir

Source: Cirium Schedules Data through Diio Mi

BWI Marshall Air Service

Forecast Projects BWI Marshall Passengers to exceed FY 2019 Level by FY 2024



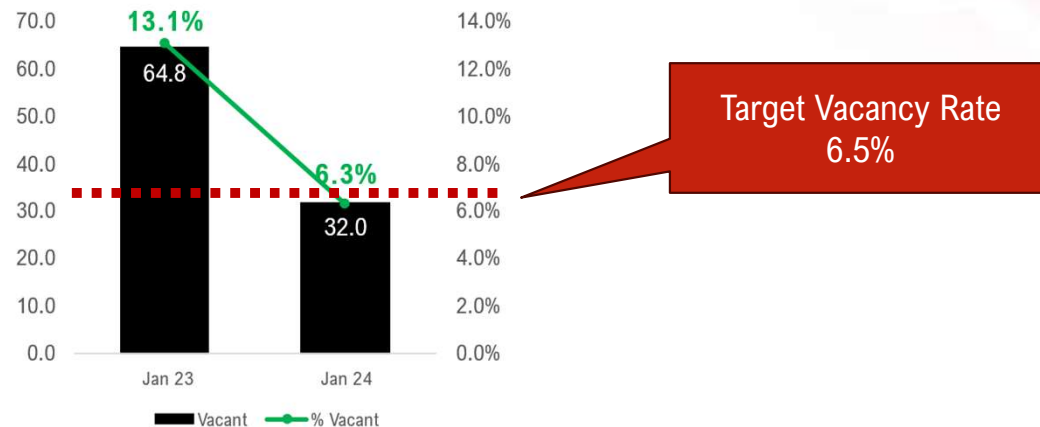
Source: MAA Fall 2023 Forecast

Positions



Positions

- January 2023
 - MAA acquired 13 positions who transferred from the Military Department Airport Firefighters at Martin State
 - Vacancy rate 13.1%
- January 2024 - MAA reduced its vacancy rate to 6.3% exceeding the target



Source: MAA

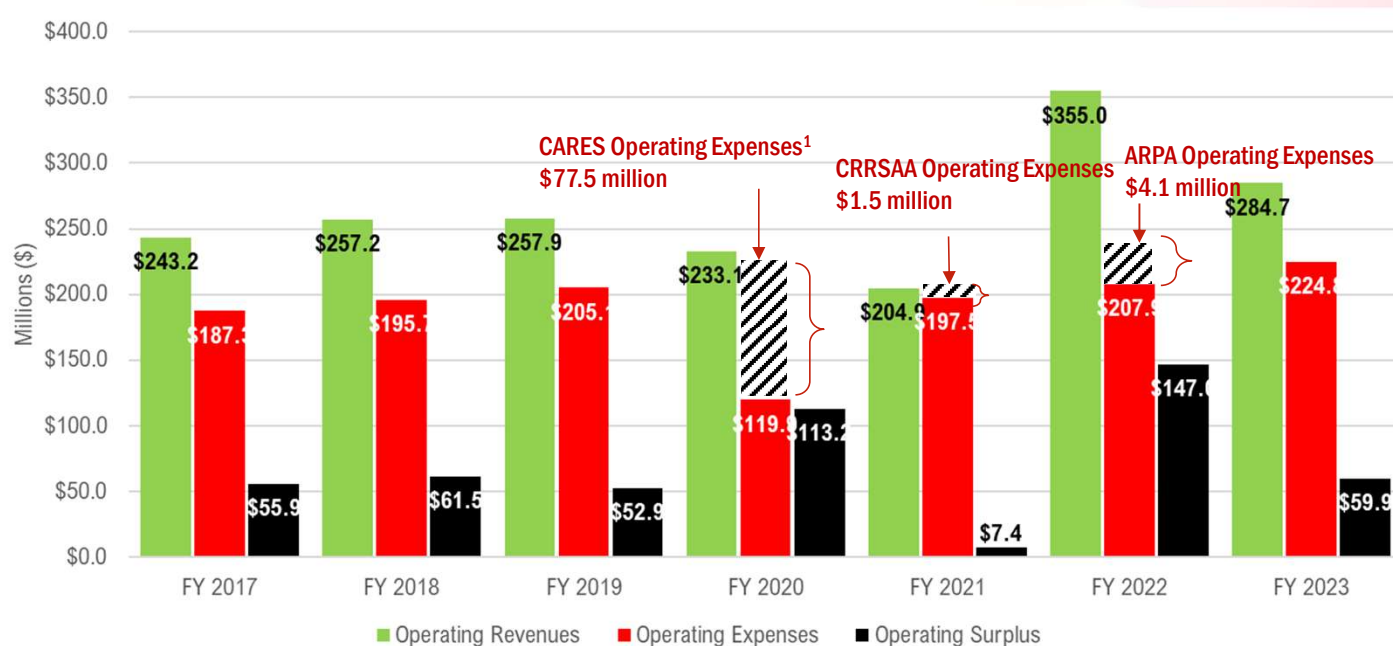
Notes: 1/This transfer took place as firefighting responsibility was shifted from the Maryland Military Department to the Federal Government. However, some firefighters were not eligible to become federal firefighters for various reasons, such as age. Former Governor Hogan devised a plan to transfer these individuals to the Maryland Aviation Administration to solve this issue, allowing them to remain State employees.

Financials



Financials

MAA Operating Revenues, Expenses and Net Operating Income FY 2017 thru FY 2023



Source: MAA

Note(s): All currency numbers are rounded.

Coronavirus Aid, Relief, and Economic Security Act (CARES), Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), American Rescue Plan Act (ARPA)

1/ Includes an additional \$2.4 million in CARES funding that was received through the State's COVID-19 relief fund. MAA also contributed \$12.5 million in CARES funding for Capital Expenses.

2/ Operating Expenses are net of LEO grant \$645,500. FY23, 22 and 21 expenses net of TSA reimbursement for COVID cleaning expenses \$500,709, \$626,995 and \$56,904 respectively.

3/ FY22 and FY23 includes federal money \$79 million and \$20 million respectively. The federal money reimbursed TSO for a \$100 million TTF loan from 2015.

4/ Net operating income is applied toward capital projects.

MDOT MARYLAND DEPARTMENT OF TRANSPORTATION
MARYLAND AVIATION ADMINISTRATION

BWI BALTIMORE/WASHINGTON INTERNATIONAL
Thurgood Marshall AIRPORT

Capital Investments



Capital Investments

Concourse A/B Connector and Baggage Handling System (BHS) Improvements

UNDER CONSTRUCTION



PROJECT COST
\$462.0 million

COMPLETION July 2026
Operational December 2025

- BHS in-line system to provide optimal operational efficiency
- Project Awarded \$38M Infrastructure Investment and Jobs Act (IIJA) FAA Airport Terminal Program Grant
- Funded by Special Transportation Project Revenue Bonds



Source: MAA
Notes
1/Grant awarded FY23

MDOT MARYLAND DEPARTMENT OF TRANSPORTATION
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Capital Investments

Southwest Airlines Aircraft Maintenance Facility

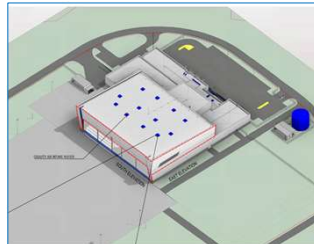
UNDER CONSTRUCTION



PROJECT COST
\$51.2 million

COMPLETION
June 2025

- Sized with 3 bays for single-aisle aircraft and employ 120 airline technicians
- Project to construct supporting infrastructure. Southwest Airlines to fund construction of facility.
- Funded by the Transportation Trust Fund (TTF)



Source: MAA

Capital Investments

BWI Terminal Restroom Enhancement Program

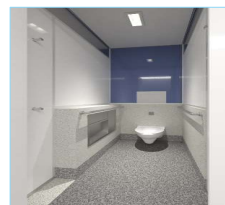
UNDER CONSTRUCTION



PROJECT COST
\$69.4 million

COMPLETION
April 2024

- The Restroom Enhancement Program reconstructs restrooms on Concourses A-D
- Surveyed passengers are responding favorably to new restroom design standard.
- BWI Marshall awarded 2023 America's Best Restroom by Cintas Corp
- Funded with Passenger Facility Charge (PFC)



Source: MAA

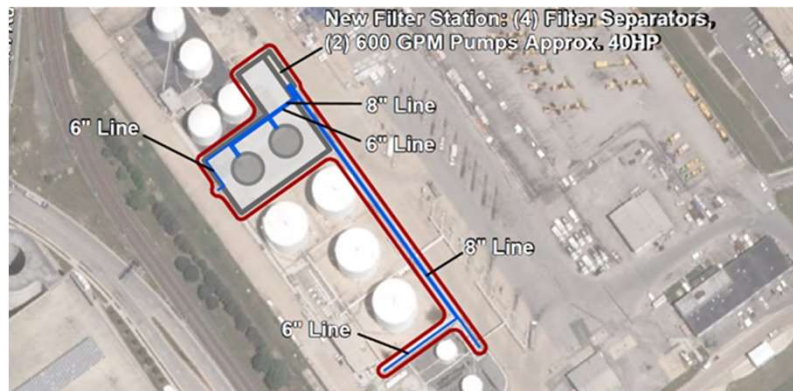
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UNDER CONSTRUCTION

Capital Investments

BWI North Area Fuel Farm Fuel Storage Tank Additions



PROJECT COST

\$26.1 million

SUBSTANTIAL COMPLETION

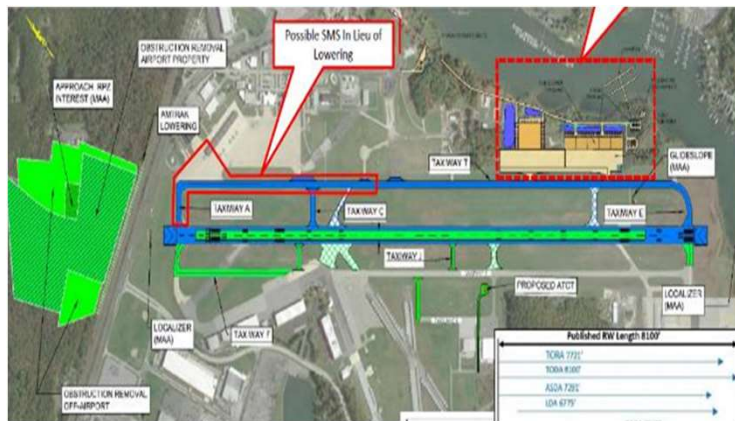
CY 2025

- Develop two additional jet fuel storage tanks at the North Fuel Farm to improve hand storage and facilitate provision of additional supply to BWI.
- Funded by the TTF

Source: MAA

Capital Investments

Martin State Runway Improvement Program



SPRING CONSTRUCTION

PROJECT COST
\$50.3 million

SUBSTANTIAL COMPLETION
CY 2026



- Comprehensive pavement rehabilitation to the runway and connecting taxiways
- Catenary Lowering
- Obstruction Removal
- Project funded with \$32 million awarded from the Department of Defense through Maryland Air National Guard.

Source: MAA