

## Transportation Committee

Meeting date: January 14, 2013,

For the Council Meeting of January 23, 2013

### ADVISORY INFORMATION

**Date:** January 8, 2013

**Subject:** Approval of Metropolitan Airports Commission (MAC) 2013-2019 Capital Improvement Program (CIP)

**District(s), Member(s):** All Districts & Members

**Policy/Legal Reference:** MS 473.145, 473.165, 473.621 Sec. 6&7

**Staff Prepared/Presented:** Arlene McCarthy, MTS Director (651-602-1754)  
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**Division/Department:** Metropolitan Transportation Services

### Proposed Action:

That the Metropolitan Council:

- 1) Find that the Metropolitan Airports Commission (MAC) has an adequate public participation process for the development and review of its 2013-2019 Capital Improvement Program (CIP), including preparation of an assessment of environmental effects (AOEE) for 2013 projects with potential environmental effects.
- 2) Find that the 2013 CIP projects have adequate funding and are in conformance with the region's Aviation System Plan and consistent with Council policy.
- 3) Recommend approval of the following projects: Custom Border Patrol Primary Expansion (G8 Hold Room), Checked Baggage Inspection System (CBIS) – Terminal 2, Rental Auto Company (RAC)/Ready Return Expansion.
- 4) Recommend contingent approval of the following projects to be built in 2013 upon receiving environmental approval of the MSP 2020 EA: RAC Customer Building, RAC Quick Turnaround (QTA) Facility, T2 Humphrey North Apron Expansion, I-494/34<sup>th</sup> Avenue Diverging Diamond Interchange.

### Background

Under MN statutes 473.621 the Council is required to annually review the MAC's proposed CIP and take the following actions:

- Determine the adequacy of the MAC CIP public participation process,
- Review and comment on all projects for consistency with regional policy plans, and
- Approve proposed projects which meet "significant effects" criteria described below.

The attached **Review Findings for MAC 2013-2019 CIP** provides additional background supporting the proposed action.

## **Rationale**

Annual oversight review is needed to meet statutory requirements and to ensure that proposed project scopes and costs are responsive to system needs and conditions. Seven “significant effects” criteria (see criteria A-H in Table 1) determine projects that affect the orderly and economic development of the metropolitan area. The following projects exceed the financial threshold and require Council approval under criteria F:

- Custom Border Patrol Primary Expansion
- Checked Baggage Inspection System
- Rental Auto Company Ready Return Expansion

The following four projects also exceed the financial threshold and require Council approval under criteria F. They have been identified as 2014 projects but the MAC will move these projects to 2013 upon receiving environmental approval from the FAA which is expected in March, 2013.

- RAC Customer Service Building
- RAC Quick Turnaround (QTA) Facility
- I-494/34th Avenue Diverging Diamond Interchange (DDI)
- T2-Humphrey North Expansion – Apron/Fueling Expansion

## **Funding**

No funding implications for the Council. The MAC has identified federal, state, and local funding sources for all of its 2013 CIP projects.

## **Known Support / Opposition**

On December 19, 2012 the TAB recommended approval of the CIP. During the MAC Public Hearing on November 5, 2012, some opposition was expressed with comment pertaining to the environmental effects of projects in the MAC’s CIP.

## REVIEW FINDINGS for MAC 2013-2019 CIP

Findings for the various review categories are discussed below.

### 1. Adequacy of public participation in the CIP review process:

Under state law the Council must make a determination as to adequacy of the process for public participation in the MAC capital improvement program. The 2013-2019 capital improvement process involved scheduled meetings, public notices and public hearings for discussion of the projects. Many of these meetings were advertised in the local newspapers and had a 30-day comment period. The public hearings were held during the MAC committee meetings. The process included distribution of financial and environmental information that was both mailed and made available electronically. CIP materials were mailed to "affected communities", which are defined as communities that border a MAC-owned airport, as well as communities that contact the MAC to be added to the distribution list. Potential cumulative environmental effects of the proposed projects were the subject of a public hearing and comments were responded to by the Commission. These actions are consistent with the TPP Policy 6, *Public Participation in Transportation Planning and Investment Decision* and Policy 23 *Agency and Public Coordination*.

**Finding:** The MAC has conducted an adequate public participation process for development and review of its Capital Improvement Program.

### 2. Project Funding

The 2013 projects are funded from a variety of sources including passenger facility charges (fees), federal grants, state grants, internally generated funds and bond proceeds (see Table 1). MAC has sufficient funds to implement the capital program, including revenues generated by a bond sale MAC conducted in 2010. Project funding is consistent with TPP Policy 26, *Adequate Aviation Resources*, which states public investments in air transportation facilities should respond to forecast needs and the region's ability to support the investment over time.

**Finding:** That adequate federal, state and local funding for the 2013-2019 CIP has been identified by the MAC, including approximately \$15 million from the 2010 bond issue.

### 3. Review and Comment on all 2013 projects:

The Council reviews and comments on the consistency of all CIP projects at the MAC airports with airport plans, with the Council's Metropolitan Development Guide and other regional systems, and with local plans. Table 4 lists all of the 2013 projects. Most of the projects proposed in the CIP are on-site and involve general maintenance, service upgrades, operational improvements, and efforts to meet environmental and safety requirements. Consideration of these elements is consistent with TPP Policy 19, *Aviation and the Region's Economy*, Policy 21, *Consistency with Federal and State Plans/Programs*, Policy 22, *Airport Development Plans*, and Policy 25, *Airports and Land Use Compatibility*.

**Finding:** All of the 2013 projects are in conformance with the TPP and consistent with Council policy.

#### **4. 2013 Projects Requiring Council Approval:**

Under MN statute 473.621, Subd. 6 and Subd. 7, the Council must review the capital improvement projects and make a determination if any project has a significant effect on the orderly and economic development of the metropolitan area. No such project may be commenced without the approval of the Metropolitan Council. The 2013 projects have been reviewed for consistency against the seven legislatively defined criteria (shown in Table 2 as review criteria A-H) and applicable TPP policies. Three 2013 projects, the Custom Border Patrol Primary Expansion, Checked Baggage Inspection System, RAC Ready Return Expansion, were identified as requiring Council approval due to their cost exceeding the \$5 million threshold and their potential of accommodating increased passenger handling. The following four projects which also require approval are currently in the 2014 CIP but will move into year 2013 if the MAC receives timely FAA environmental approval (FONSI) on the MSP 2020 EA. In addition Table 3 identifies potential projects in 2014-2019 which may meet the financial and significant effects criteria in the future.

**Finding:** Review of the CIP identified seven projects requiring approval for 2013: Custom Border Patrol Primary Expansion (CBP), Checked Baggage Inspection System (CBIS), T2 North Expansion Apron, I-494/34<sup>th</sup> St. Interchange – DDI, RAC QTA, RAC Customer Service Building and RAC Ready Return Expansion.

**TABLE 1  
CIP FUNDING LEVELS & SOURCES: MAC 2013-2019 CAPITAL IMPROVEMENT PROGRAM  
FUNDING SUMMARY**

<b>FUNDING SOURCES</b>	<b>2013 FUNDING</b>	<b>2014 FUNDING</b>	<b>2015 FUNDING</b>	<b>TOTAL FUNDING</b>	<b>% OF TOTAL 2013 - 2015 CIP</b>
<b>Passenger Facility Charges (PFC's)</b>	15,400	3,900	-	19,300	7.50%
<b>Federal &amp; State Aid</b>					
Federal Entitlement	1,400	10,400	-	11,800	4.58%
Federal Discretionary	1,500	-	-	1,500	0.58%
Fed. Non Primary Aid – Relievers	949	600	1,500	3,049	1.18%
MnDOT Grants	3,070	5,900	2,500	11,470	4.46%
TSA Grants	<u>32,400</u>	-	-	<u>32,400</u>	12.58%
Total Federal/TSA/State Aid	39,319	16,900	4,000	60,219	23.39 %
<b>2010 General Airport Revenue Bonds*</b>	44,500	-	-	44,500	17.28%
<b>Direct Loan-short Term Program</b>	8,350	-	-	8,350	3.24%
<b>Total Debt</b>	52,850	-	-	52,850	20.53%
<b>MAC Funds</b>	31,281	22,400	21,250	74,931	29.11%
<b>Airline Reserve &amp; Replacement Fund</b>	12,000	18,500	19,050	49,550	19.25 %
<b>Other Funding^</b>	-0-	0	600	600	0.23%
<b>Total All Funding Sources</b>	<u>150,850</u>	<u>61,700</u>	<u>44,900</u>	<u>257,450</u> <u>257,450</u>	100.00 %

\* Revenue Bonds were issued in May 2010 to cover projects 2010-2013.

^ Other funding sources represent facilities built by MAC, tenant, or developer and paid for by the tenant or developer.

**TABLE 2  
SIGNIFICANT CRITERIA**

2013 CIP PROJECTS	Prior Reviews/Actions		Capital				Review	Criteria *		
	LTCP	AOEE***	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)**
<i>AIRPORT / PROJECT</i>	<ul style="list-style-type: none"> <li>Review Action</li> </ul>	<ul style="list-style-type: none"> <li>EA-EAW Prepared</li> <li>EIS Reviewed</li> <li>NPDES Approved</li> <li>Legislative Requirement</li> <li>Regulatory Requirement</li> <li>Legal Requirement</li> </ul>	Project meets Dollar threshold at:  MSP = \$5M Relievers = \$2M	Loc. of a New Airport	New Runway at an Existing Airport	A Runway Extension at an Existing Airport	Runway Strengthening other than routine maintenance.	New or Expanded Passenger Handling or Parking Facilities for 25% or more capacity increase.	Land Acquisition associated with the other criteria, or that would cause relocation of residential or business activities.	Project information made available by the MAC to affected cities for review.
<b>MSP INTERNATIONAL AIRPORT</b>  <b>2013 Program:</b> - Checked Baggage Inspection System (CBIS) -Custom Border Patrol (CBP) -Ready Return Expansion  <b>Below are the 2014 Projects moved to 2013 contingent on environmental approval</b>  -T2 North Apron Expansion -I-49/34 <sup>th</sup> St. Interchange- DDI Rental Auto Company (RAC) -Quick Turnaround (QTA) Facility -Customer Service Building	<ul style="list-style-type: none"> <li>2030 LTCP Update Approved in 2010</li> </ul>	2020 Environmental Assessment Prepared								
			\$ 47 M					Y		Y
			\$14 M					Y		Y
			\$12.6 M					Y		Y
			\$ 15.3 M					Y		Y
			\$6 M					Y		Y
			\$16.4 M					Y		Y
			\$6.4 M					Y		Y

<b>ST. PAUL DOWNTOWN</b>	<ul style="list-style-type: none"> <li>• 2025 LTCP Approved in 2010</li> </ul>		None							
<b>FLYING CLOUD</b>	<ul style="list-style-type: none"> <li>• 2025 LTCP Approved in 2010</li> </ul>		None							
<b>CRYSTAL</b>	<ul style="list-style-type: none"> <li>• 2025 LTCP Approved 2008</li> </ul>	<ul style="list-style-type: none"> <li>• LTCP Update being prepared</li> </ul>	None							
<b>ANOKA CO. -BLAINE</b>	<ul style="list-style-type: none"> <li>• 2025 LTCP Approved in 2010</li> </ul>		None							
<b>LAKE ELMO</b>	<ul style="list-style-type: none"> <li>• 2025 LTCP Approved 2008</li> </ul>	<ul style="list-style-type: none"> <li>• LTCP Update being prepared</li> <li>• (EA completed for proposed new East Building Area).</li> </ul>	None							Y
<b>AIRLAKE</b>	<ul style="list-style-type: none"> <li>• 2025 LTCP Approved 2008</li> </ul>	<ul style="list-style-type: none"> <li>• LTCP Update being prepared</li> <li>• (negotiations on sewer &amp; water service).</li> </ul>	None							Y

\* Criteria as defined under MS 473.

\*\* Requirements defined under MS 473.

\*\*\* See AOEE 2013-2019 Summary Environmental Assessment Attached

**TABLE 3  
MAC PROJECTS ANTICIPATED TO MEET THE \$5M (MSP) AND \$2M THRESHOLDS FROM 2013 – 2019:**

<b>Airport</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>MSP Environmental</b>							
<b>MSP Terminal 1 Lindbergh</b>	-TSA West CBIS/Equipment Upgrade - \$12M  - CBP Primary Expansion (G8 Hold Room) - \$14M  -Concourse G Roof Replacement - \$6M			-Replacement of Jet Bridges \$7M  -Blast Mitigation \$10M  -Bag Claim & Make-Up Area /Rehab.- \$35M  -Ticket Lobby Modifications- \$20M	-Replacement of Jet Bridges \$7 M  -Blast Mitigation \$5M  -Bag Claim & Make-Up Area / Rehab. \$20M  -Ticket Lobby Modifications \$15M	-  -Blast Mitigation \$5M  -Bag Claim & Make-Up Area / Rehab. \$15M  -Ticket Lobby Modifications \$15M  - Folded Plate Roofing Replacement \$34M  Concourse G -Tram Procurement - \$50M	-CBP Primary Relocation Gates G8-9- \$51M  -Concourse E Remodeling Expansion \$37M  -Concourse G Apron Improvements - \$17M  -Concourse C-G Tunnel -\$20M -Lower level curbside expansion - \$10.6M
<b>MSP Airfield</b>				Pavement Rehab - \$10.5M		-Taxiway Pavement Reconstruction \$7.5 M	
<b>MSP Terminal 2 Humphrey</b>	- CBIS Program - \$47M  - RAC/Ready Return - 12.6M	-Gates 1 – 3- \$35M  -RAC Customer Service Building- \$6.4M*  -RAC QTA Facility- \$16.4M*  -Apron/Expansion-North - \$15.3M*  I-494/34 <sup>th</sup> Interchange- \$6M*		- Public Safety Facility- \$17M – this is not a T2 project. It is considered to be under the Police cost center.  - Gates 4 - 7 \$65.2 M	- Apron Fueling Expansion South - \$18M  -Gates 14-27 - \$85M  -Terminal Utilities Relocation - \$5M	- Apron Fueling Expansion South - \$22M  -Gates 14-27 - \$100M	- Apron Fueling Expansion South - \$18M  -Purple Ramp South Expansion - \$50M
<b>Lake Elmo Airport</b>				Runway 14/32 Runway Reconstructions \$ 5M			East Building Area \$ 2.8 M
<b>Airlake Airport</b>					- South Building Area Dev. \$ 2.7 M		- Runway 12/30 Extension \$ 8 M
<b>Flying Cloud Airport</b>					Equipment Storage Building - \$2.5M		
<b>Anoka County-Blaine Airport</b>							Building Area Development – 2.4M

\*These projects will be moved from 2014 to 2013 due to receipt of environmental approval by the FAA, expected March 2014.



**TABLE 4  
2013 MAC CIP PROJECTS**

**2013 Capital Improvement Projects**

<b>Minneapolis- St. Paul International Airport (MSP) Projects</b>	<b>Cost (\$)</b>
<b>Noise Mitigation Program</b>	
Noise Mitigation Settlement	800,000
<b>Terminal 1- Lindbergh</b>	
Telecommunications Room Equipment Continuity and Security	1,000,000
Fall Protection Program	100,000
Baggage Claim Fire Protection System	4,000,000
TSA west CBIS Equipment Upgrade	12,000,000
Blast Mitigation Assessment	100,000
<b>Facilities Rehabilitation</b>	
Electrical Infrastructure Rehabilitation Program	2,500,000
Terminal Miscellaneous Modifications	1,000,000
Building Exterior Rehabilitation	
Terminal Electrical Modifications	
Terminal Mechanical Modifications	
Terminal Miscellaneous Modifications	
MSP Campus Modifications	
Emergency Power Upgrades	1,250,000
Restroom Upgrade Program	1,000,000
Air Handling Unit	1,000,000
Conveyance System Upgrades	500,000
Plumbing Infrastructure Upgrade Program	500,000
Terminal Curtainwall Repair	100,000
Concourses C-G Connector Soffit Repair	200,000
<b>Passenger Amenities</b>	
Art in the Terminal	250,000
Concessions Revenue Developments /Upgrades	200,000
Way-Finding Signage Improvements	300,000
Electronic Video Information Display Systems	200,000
CBP Global Entry Program Enrollment Center	100,000

**Operational Improvements**

Open Architecture Building Automation (OABA)	1,250,000
Fiber Optic Cable Infrastructure Upgrade/Expansion	150,000
Wireless Network Control System	450,000
Custom Border Patrol (CBP) Primary Expansion (G8 Hold Room)	14,000,000
Facilities Monitoring System Software Update	450,000
MACNet Upgrade- Connectivity Elements	1,500,000
Data Center Computer Hardware	200,000

**Concourse G Improvements**

Concourse G Roof Replacement	6,000,000
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**Energy Management Center**

Energy Savings Projects	1,000,000
Alternative Energy Projects	100,000

**Field and Runway**

Airside Bituminous Rehabilitation/Electrical Construction	500,000
Pavement Joint Sealing/Repair	650,000
Pavement Rehabilitation - Aprons	1,900,000
Miscellaneous Airfield Construction	400,000
Runway 12R/30L Tunnel Rehabilitation – Mill and Overlay	300,000

**Terminal Roads/Landside**

Tunnel/Bridge Rehabilitation	100,000
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**Parking**

T1/T2 Parking Structure Rehabilitation	2,500,000
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**Terminal 2 – Humphrey****Safety Security Projects**

Checked Baggage Inspection System (CBIS) Program	47,000,000
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**Operational Improvements**

RAC Ready/Return Expansion	12,600,000
RAC Quick Turnaround Facility*	16,400,000
RAC Customer Service Building*	6,400,000
North Expansion – Apron/Fueling*	15,300,000

**Public Access/Roads**

Landside Pavement Rehabilitation	400,000
Roadway Fixture Refurbishment	100,000
I 494/34 <sup>th</sup> St. Interchange – DDI*	6,000,000

<b>Hangars and Other Buildings</b>	
Roof Replacements	800,000
Zantop Hangar Demolition	900,000
General Office Building Modifications	700,000
<b>Trades/Maintenance Buildings</b>	
Trades Building Cooling System Improvements	600,000
<b>Police</b>	
iVISON (CCTV) Improvements	1,300,000
<b>Environment</b>	
Storm Sewer Improvements	500,000
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<b>Metropolitan Reliever Airports</b>	<b>Cost (\$)</b>
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<b>St. Paul Downtown (STP)</b>	
Storm Sewer Improvements	500,000
<b>Lake Elmo (21D)</b>	
Pavement Rehabilitation	300,000
Airport Layout Plan	200,000
<b>Airlake (LVN)</b>	
Pavement Rehabilitation	200,000
Airport Layout Plan	200,000
<b>Flying Cloud (FCM)</b>	
Runway 18/36 Safety Improvements	1,900,000
East/West Perimeter Road	250,000
<b>Crystal (MIC)</b>	
Airport Layout Plan	200,000
<b>Anoka County – Blaine (ANE)</b>	
Pavement Rehabilitation –Alleyways	850,000

\*2014 projects will be moved to 2013 upon receiving environmental approval of the MSP 2020 EA. Approval is anticipated in March, 2013.