



Metropolitan Airports Commission

TO: Planning, Development and Environment Committee

FROM: Heather J. Leide, Director – Airport Development (612-726-8128)

SUBJECT: **2023-2029 Capital Improvement Program
Program Approval**

DATE: November 30, 2022

FOR ACTION

Summary

Each year, MAC staff prepares a seven-year Capital Improvement Program (CIP) for review and approval by the full commission. A preliminary version of the 2023-2029 CIP listing was provided in September. The final version attached to this memo reflects review and reconciliation by MAC staff and stakeholders.

The seven-year CIP includes projects for both the Minneapolis-St. Paul International Airport (MSP) and the six airports in the Reliever Airport System. Most projects in the attached project listing focus on the rehabilitation of airport infrastructure, existing assets, and terminal systems to ensure that the airport safety, security, and operations are not compromised.

Fiscal Impact

No Impact Operating Budget CIP Other

The 2023-2025 CIP, with funding as shown in the memo from MAC Finance, totals \$1,834,675,000. The entire 2023-2029 CIP totals \$3,507,800,000. The projects shown in the years 2026-2029 are included for planning purposes, without request for authorization to incur expenses on those projects.

Action Requested

1. **Recommend that the full Commission adopt the 2023-2029 CIP and authorize staff to:**
 - a. **Prepare final plans and specifications and advertise for bids for the 2023 projects;**
 - b. **Conduct further studies, including necessary destructive demolition and repair, to refine the scopes and costs of the 2024 projects and to prepare plans and specifications for the 2024 projects;**

- c. Conduct further studies and develop “preliminary” plans and specifications for the 2025 projects;
 - d. Utilize consultants as necessary in accordance with MAC’s consultant use policies;
 - e. Prepare appropriate documents to apply for federal, state, and PFC funding;
 - f. Forward the Capital Improvement Program to The Metropolitan Council for their review; and
2. Authorize the Executive Director/CEO or his designee to execute the necessary documents.

Background

Each year, MAC staff prepares a seven-year CIP for review and approval by the full commission.

The 2023-2029 CIP includes the following (attached to this memo):

- (a) Listing of projects by category with proposed year and cost for each; and
- (b) Project narratives, cost data, and illustrations for the projects listed in 2023.

Prior Related Actions

- (a) On September 26, 2022, the full Commission accepted the preliminary 2023-2029 CIP for purposes of conducting the affected municipalities review and the Assessment of Environmental Effects (AOEE) process.
- (b) On November 7, 2022, a Public Hearing regarding the 2023-2029 Capital Improvement Program Assessment of Environmental Effects was held.

Applicable Legal Authority

- (a) MAC’s Bylaws, Minnesota Statutes Sec. 473.621, Subd. 6 and 7.

Analysis

Concurrent with the 2023-2029 Capital Improvement Program (CIP) public review process, staff has further reviewed the justification, costs, timing, Commission input, and proposed funding of the projects listed in the preliminary 2023-2029 CIP brought forward to the Commission in September. The final 2023-2029 CIP seven-year spreadsheet, modified from the preliminary version as a result of this review and reconciliation, and the revised 2023 project narratives and graphics are attached for Commission approval.

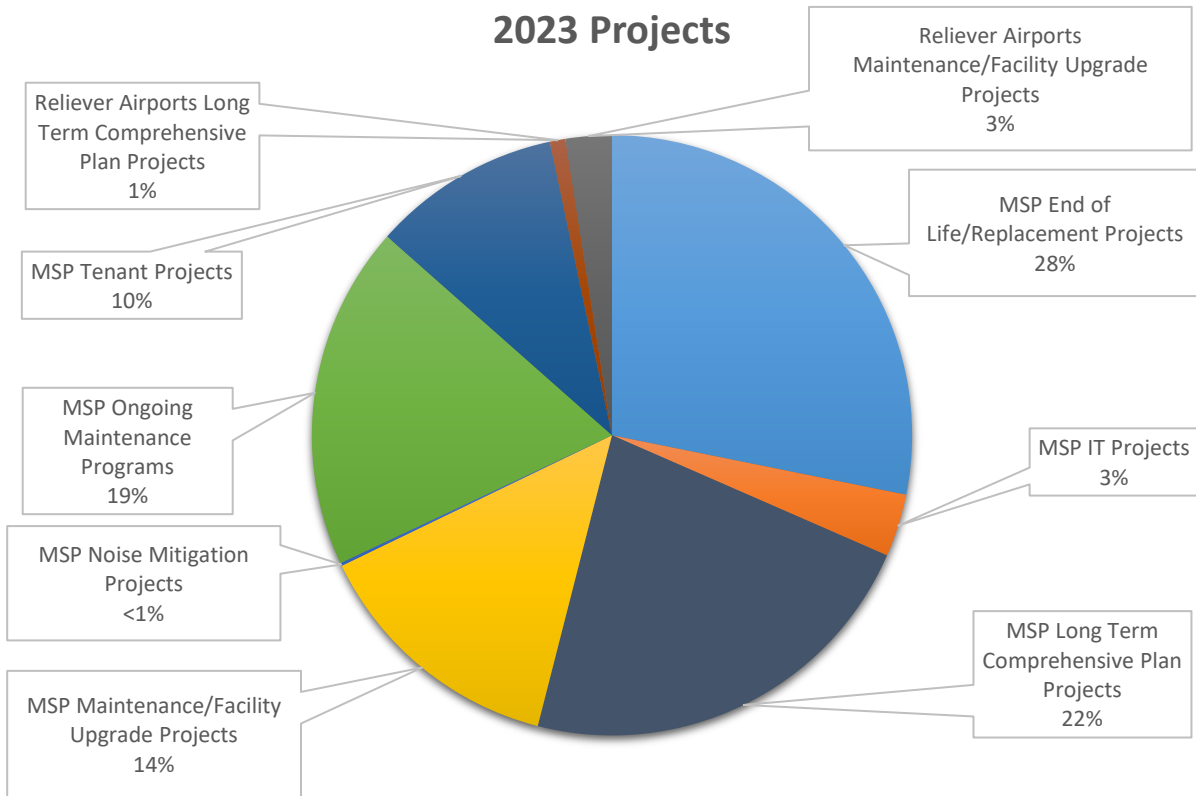
There are significant dollars associated with the major enhancements to the Terminal 1 arrivals and departures levels (continuing from previous years) via the Operational Improvements Program. This program provides benefit to the local travelers who utilize the check-in, baggage drop, baggage claim, and security-related passenger processing facilities. Origin and Destination (O&D) passengers now make up a growing majority of passengers using MSP. Also

planned at MSP are major investments in the second phase of the Safety and Security Center, an expansion of Terminal 2, and MAC's ongoing commitment to noise mitigation.

In addition, the seven-year program includes projects associated with proposed runway changes at Airlake Airport as outlined in MAC's Long Term Comprehensive Plans for those facilities.

Differences between this final program and the preliminary version from September are mainly due to design development and updated cost estimates that reflect construction industry trends

Relative to the expenditure of funds, the Commission action request focuses on the first three years of the seven-year program; years 2025-2028 are provided as a glimpse into the future for planning purposes. The overall breakdown of CIP dollars in each category for just 2023 projects and the 2023-2025 three-year funded projects are as follows:



3-Year Funded Program

