

"GDOT's A-Team and the Future" Update on the Aviation Program

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Aviation Program Update

- Steve Brian, Manager, Aviation Programs and
- Colette Williams, Assistant Program Manager
- Federal Relief Funding Status
- Joint Study Committee on Airport Infrastructure and Improvements
- Planning Study Status
- UAS/AAM Program





Federal Airport Relief Funding

- CARES Act-Coronavirus Aid, Relief, and Economic Security Act signed into law on March 27, 2020, included \$10 billion for economic Relief for Airports. <u>https://www.faa.gov/airports/cares_act/</u>
 - GDOT Administered \$3,448,000 for 89 General Aviation Airports
 - Completed Reimbursement to Airports and Closed Grant by December 2, 2021
- CRRSA <u>Act</u>-Coronavirus Response and Relief Supplemental Appropriation Act signed into law on December 27, 2020, included \$2 billion in funds for economic relief to US airports. <u>https://www.faa.gov/airports/crrsaa/</u>
 - GDOT Administered \$ \$1,510,648 for 82 General Aviation Airports
 - 95% of the Funding has been Reimbursed to date
- **ARP** Act-American Rescue Plan Act signed into law by the President on March 11, 2021, included \$8 billion in funds as economic assistance to Airports. https://www.faa.gov/airports/airport_rescue_grants/
 - GDOT Administered \$3,458,000 for 82 General Aviation Airports
 - 68% of the Funding has been Reimbursed to date



Georgia CARES Act – Expenditures

Total - \$3,448,000 Award: May 27, 2020 Closeout: December 2, 2021

- Employee Salary-FT/PT/OT
- Aviation Fuel
- Grounds Repair & Mtc
- Other Eligible Expenses
- Building Repair & Mtc
- Utilitites
- Employee Benefits
- Insurance
- Vehicle/Equip Repair & Mtc

Other Eligible Expenses =

Supplies/Inventory/Materials, Legal Srvs, Travel, Communications, Accounting, Computer Software Mtc, Dues/Fees/Subscription, Training/Education, Vehicle/Equipment Rental, License/Certifications, etc.



2021 Joint Study Committee on Airport Infrastructure and Improvements

Joint Study Committee on Airport Infrastructure and Improvements was created by **Senate Resolution 84** in recognition of: <u>https://www.legis.ga.gov/legislation/59470</u>

- the need for a comprehensive, strategic business plan to develop state-wide infrastructure for airports,
- Need for Georgia to remain economically competitive, and
- Need for Georgia to remain a leader in the movement of goods and persons.

Committee charge-determine the best course of action to ensure airport funding and policy will result in the growth and support of this critical industry.



Committee Recommendations

- Raise state funding for airport improvements to levels comparable to neighboring states like Florida and North Carolina.
- 2. Allow state funding to be continuous and adjusted with consumer-price index or as a percentage of total state revenue.
- 3. Expand **projects eligible for state funding to include revenue producing projects**, land acquisition, hangar development and obstruction mitigation.
- 4. Revise funding formula to **increase the state contributes for airfield safety projects**, provided there is an overall increase in aviation grant appropriations.
- 5. Allow an Airport's **revenue generating projects to be eligible** for state funding.

House Special Committee

https://www.house.ga.gov/Committees/en-US/AirportInfrastructureandImprovements.as



Southern States' FY21 Airport Aid Investments

State	FY21 Airport Aid Program	No. Public Use Airports
Florida	\$329,291,639	103
North Carolina	\$125,543,540	74
Kentucky	\$20,006,200	58
Georgia	\$16,359,425	103
Tennessee	\$15,000,000	74
South Carolina	\$9,478,867	58
Mississippi	\$4,404,000	74
Alabama	\$3,300,000	82



Committee Recommendations

- 6. Allow **funding to carry over for larger projects** with appropriate restrictions on the length of time and the amount that can be carried over.
- 7. Consider a **loan program** with stipulations **for building hangars.**
- 8. Streamline process for approving projects and allow for greater local discretion.
- 9. Consider a **constitutional amendment allowing the state to take on general obligation debt** in order to make grants or loans to local governments for airport infrastructure.
- 10. Consider **work force development** for aviation careers.
- 11. Conduct further studies on commercial air carrier and air cargo investment opportunities.

Final Report https://www.house.ga.gov/Documents/CommitteeDocuments/2021/Airport_Infrastructure/Airport_Re port_Final_(with_signatures).pdf



State Aviation Program Funding

In FY 21 a Joint Study Committee on Airport Infrastructure and Improvements was created by Senate Resolution 84

One Committees Recommendations was to Increase Investments in Airport Infrastructure Funding to Compete with other States in the Southeast

This Year the Legislature Responded in the:

- FY 22 Amended State Budget by Increasing Airport Investment by \$18.5 million to \$35,859,425, and in the
- FY 23 the Legislature Supported an additional \$9 million above the original FY 22 Budget bring it to \$29,359,425

Aviation Planning Projects Underway

Air Cargo Study

Objectives:

- Determine state of the Air Cargo Industry in Georgia
- Identify Potential Air Cargo Service Gaps in the State
- Project Current/Future Investment Opportunities to Advance Georgia's Air Cargo Industry

Scheduled for Completion: June of 2022

2)

1)

rgia Department of Transportation

<u>Airport Property Inventory Study (Phase I)</u>

Objectives: This Project is being funded by the FAA

- Determine Official Airport Sponsor
- Determine Land Ownership of the Airport Sponsor
- Ensure federally funded projects are on Obligated Property
 Scheduled for Completion: April 2023

3) <u>Small Community Air Service Development</u> <u>Program Grant</u>

Objectives: Funding was an Award from USDOT

- Assist Small Commercial Service Airports Regain Passengers due to the Pandemic
- Market Airports to Passenger in and outside of their Market
- Improve Air Service by Retaining & Improving # of Airlines, Size, & Frequency of Aircraft

Scheduled for Completion: Have three Years to Complete

GDOT Georgia Department of Transportation Future Potential Aviation Planning Projects

1) <u>Urban Air Mobility (UAM) or Advance Air Mobility</u> (AAM)

Objective: Prepare State for this new technology

2) Rates and Charges Study

Objective: Provide Information to Airports on rates charged by other Airports in the State

3) Hangar Investment Study

Objective: Determine the need for Future Hangars Investment

 AirTAP/Airport Manager Consultant Training Program Objective: Train Airport Personnel on regulations, grants, and project management

5) Air Carrier Airport Investment Study

Objective: Review Commercial Service Airport Needs and determine funding gap

GDE Georgia Department of Transportation Advanced Air Mobility (AAM) Is Coming

World's First Vertiport Opens in Coventry, UK



- Urban-Air Port, the UK-based developer behind this project, opened a transport hub for eVTOLs and drones at the Westminister Car Park
- Air-One hub will allow manned and unmanned vehicles to take off and land at the facility
- Acts as a blueprint for more than 200 vertiports planned worldwide in the next five years
- Includes a passenger lounge, a café, a cargo logistics hub, an electric and hydrogen air vehicle hangar, a security screening area and a command center



Image // Urban-Air Port



Advanced Air Mobility (AAM)

- GDOT preparing to commission a AAM Study to create:
 - Community development toolkit to assist local governments with integrating of AAM/vertiports
 - Concepts of Operations (CONOPS) for different AAM use cases such as Urban Air Mobility (UAM), Cargo, and Regional Air Mobility (RAM)
 - Five-year strategic plan detailing how the State should navigate AAM development
 - awaiting Federal guidance
 Plan for landside and airside electrification of airports in concert with Vertiport Guidance from FAA





Georgia De of Trans Now for the Moment You All have been Waiting for "Show Me the Money"

Here is Colette Williams our Assistant Program Manager to Discuss Funding Opportunities





Project Funding: What are the different pots of money?

- Federal Airport Improvement Program
 - NPE
 - State Apportionment
 - Discretionary
- Supplemental Discretionary
- Infrastructure Investment & Jobs Act
- State Airport Aid
- Other Funding Sources

But First, the Current Environment

- Construction in today's world
 - Supply chain issues; work force
 - High costs for materials and labor; inflation
 - Terminal & pavement projects are double from 12 months ago
 - AIP funding has remained relatively flat
 - Supplemental programs, while helpful, not making the impact
 - FAA and GDOT will have to prioritize projects; some projects may be deferred or delayed
 - 80% of aviation program funding is maintaining infrastructure
 - Capacity/expansion project low priority



FY2023 FAA Proposed Budget

- FY 2023
 - \$23.6 billion total
 - \$5 billion in BIL
 - \$11.9 billion in operations
 - \$536.3 million in facilities and equipment
 - \$260.5 million is research, engineering & development
 - \$3.35 billion in AIP (grants-in-aid), to include
 - \$400 million decrease from FY22
 - \$3.16 billion for airport grants
 - \$137.3 million for FAA Office of Airports
 - \$40.8 million for airport technology research
 - \$15 million for ACRP



Airport Improvement Program

- Entitlement (90/5/5)
 - Primary-based on enplanements
 - Non-Primary-must be **classified** as Basic, Local, Regional or National in the NPIAS to receive \$150,000; unclassified \$0
 - Must use entitlement towards a planned discretionary project
 - Only if airport has a project planned for that FY will funds be awarded
 - Must have at least **10 based aircraft** validated through basedaircraft.com to be classified
 - Snapshot taken every 2 years to determine role in the NPIAS; most recent was December 2021; next snapshot 2023
 - Only source of federal funds that can be used towards revenue producing projects*

*sponsors cannot receive state apportionment or discretionary for 3 fiscal years following funding a revenue producing project with entitlement

Airport Improvement Program, cont.

- State Apportionment (90/5/5)
 - Based on area/population formula within the 50 States, District of Columbia, and Puerto Rico
 - Georgia typically receives **\$5.6 million** a year
 - GDOT has the ability to select projects
 - GDOT uses to **support discretionary** projects
 - **Priority** goes towards safety critical and pavement rehabilitation
 - Continuing to focus on pavement rehabs since the 2018 Pavement Management Study



Airport Improvement Program, cont.

• Discretionary (90/5/5)

- Remaining amount of AIP after entitlements and state apportionment distribution
- Discretionary candidate projects are planned anywhere from 2 to possibly 5 years in advance
- FAA must review and approve environmental documents one year prior to the FY year the project will be funded
- Compete nationwide for funding
- GDOT only puts forward **high priority projects** to increase chances of receiving this funding; i.e. runway rehab
- On average Georgia receives ~\$15 million a year in discretionary towards non-primary airport projects



16 Requirements for Project Funding

AIP Handbook Table 3-1	
1. Is the project eligible?	9. Has project been procured correctly?
2. Is the project justified?	10. Are project costs allowable?
3. Is the project on airport property (with good title)?	11. Are project costs necessary to accomplish the project?
4. Is the project on the approved ALP?	12. Were project costs incurred after the grant was executed?
5. Has the sponsor satisfied the intergovernmental review and airport user consultant requirements	13. Are project costs reasonable?
6. Does project have a completed environmental finding?	14. Is this the only federal grant containing these project costs?
7. Does project result in usable unit of work?	15. Are project costs within allowable federal share?
8. Is project planned, designed, and/or constructed to FAA standards?	16. Can project be completed without unreasonable delay?



Supplemental Discretionary

- Supplemental Discretionary (90/5/5)
 - 2018 FAA Reauthorization Act-authorizes additional \$1 billion in general funds towards AIP for 5 years. Congress has only Appropriated \$400 million for the last two years
 - FAA must review and approve environmental documents
 - Compete nationwide for funding
 - GDOT only puts forward high priority projects to increase chances of receiving this funding; i.e. runway rehab
- Funds Received towards General Aviation Airport Projects in Georgia
 - FY18-\$0
 - FY19-\$6,816,772
 - FY20-\$9,302,929
 - FY21-\$5,358,444
 - FY22-To be announced



Infrastructure Investment & Jobs Act

- On November 15th, 2021, President Biden signed H.R. 3684-Infrastructure Investment and Jobs Act (Public Law 117-58) of 2021, commonly known as the Bipartisan Infrastructure Law (BIL).
- **BIL will modernize infrastructure**, increase equity in transportation, help fight climate change, strengthen the supply chain, and create jobs.
- FAA funding provided under BIL will:
 - Address the physical condition of the FAA's air traffic control facilities by reducing the sustainment backlog and accelerating the replacement of aging facilities; and
 - Improve safety and efficiency at our nation's airports.



\$5**B**

Infrastructure Investment & Jobs Act

A 5-YEAR, \$25 BILLION INVESTMENT IN THE NATIONS AIR TRANSPORTATION SYSTEM.

AIR TRAFFIC FACILITIES

\$15**B**

To replace facilities and equipment and improve safety, security, and environmental standards.

AIRPORT INFRASTRUCTURE

For airport projects that increase safety and expand capacity.



AIRPORT TERMINALS

To replace aging terminals and airport-owned towers, increase terminal energy efficiency and accessibility, and more.



Source: FAA BIL Funding Overview



\$15 Billion Airport Infrastructure

- Up to \$2.39 billion/yr for Primary Airports
 - Allocations based on existing apportionment formula in AIP Statute (passenger traffic and cargo volume)
 - FY22 and FY23 allocation is based on highest enplanements for CY18, 19 and next full CY (CY20 or CY21 respectively)
 - FY24-FY26 most recent calendar year enplanements.
- Up to \$500 million/yr for Non-Primary Airports (i.e. General Aviation)
 - Allocations for Non-Primary Airports based on airport role in the NPIAS and is a fixed amount for each role.
 - Can adjust based on snapshot if airport moves roles.



\$15 Billion Airport Infrastructure

- \$20 million/yr for competitive grants for tower construction, replacement, or refurbishment to sponsors participating in the FAA Contract Tower Program.
- Airport and Project Eligibility
 - Primary airports, certain cargo airports, and most GA/commercial service airports that are non-primary airports
 - Funding can be used towards runways, taxiways, aprons, and other efforts like terminal, intermodal projects, and roadway projects.
- Match Requirements
 - Primary and Non-Primary allocations follow AIP match requirements (most cases 90% federal/5% State/5% Local
 - Contract Tower grants require no local match



\$15 Billion Airport Infrastructure

- Grant guidance encourages and competitive grant processes gives priority to projects that:
 - Further Environmental Justice efforts
 - Reduce air emissions
 - Reduce noise impacts to the community
 - Improve energy efficiency, and
 - Address resiliency.
- At Year 5, unused airport infrastructure grant funding will be made available for competitive grants that meet these objectives.



\$5 Billion Airport Terminals

- Discretionary Grant Program
 - \$1 Billion each year
 - Airport terminals
 - Airport-owned air traffic control towers (FAA operated)
 - Not less than 10% shall be for nonhub and nonprimary airports
- Application Period For FY22 Closed
 - Complete and submit FAA Form 5100-144
 - 95% funding-small hub, non-hub, and non-primary
 - FAA to announce Notice of Intent to Fund selected projects for FY22 by July 2022

https://www.faa.gov/bil/airport-terminals



\$5 Billion Airport Terminals

Competitive Evaluations/Priority Considerations

- Increase capacity and passenger access
- Replace aging infrastructure
- Achieve compliance with the Americans with Disabilities Act (ADA), including expand accessibility for persons with disabilities
- Improve airport access for historically disadvantaged populations
- Improve energy efficiency including upgrading environmental systems, upgrading plant facilities, and achieving Leadership in Energy and Environmental Design (LEED) accreditation standards
- Improve airfield safety through terminal relocation
- Encourage actual and potential competition
- Create good paying jobs



BIL Timing and Projects

- FAA intends to start awarding BIL funds after May 1st
- FAA to award BIL funds on a quarterly basis to GDOT
- Projects requesting/using BIL funds MUST be based on bids
- Maintaining established schedules is critical for use and application of BIL funding. If unable to open bids based on established schedule, project may be pushed to next quarter or the next fiscal year. This could impact other federal funds and state funds needed for project.



State Airport Aid

- State Aid (75/25)
 - Projects selected based on GDOT Aviation Program Policy and Standards Guide
 - Can fund projects not eligible under AIP, i.e. 2nd runways
 - Revenue producing projects not eligible since private/3rd party financing is available
 - State funded projects are a great way to advance projects on your CIP due to limited federal funding
 - We encourage airports to include a state aid project on your CIP



Other Funding Sources

- City and County (Local Funds)
 - Potential to get reimbursed
- Private or 3rd Party Financing
 - Local banks, loan agencies, investors
- Public-Private Partnerships
 - Developers
- TIA/T-SPLOST
 - Transportation Investment Act (regional)
 - Transportation-Special Purpose Local Option Sales Tax





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