

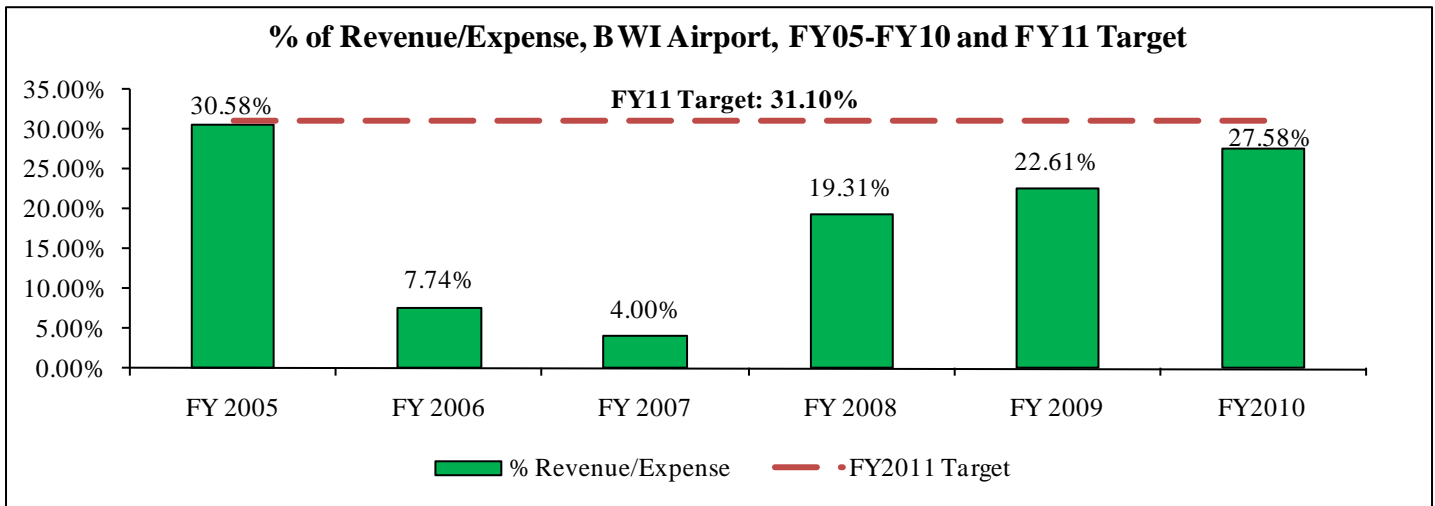
Meeting Summary

**Agency:** MDOT (MAA)

Following is a summary of issues discussed at the MAA Stat on August 26. Analysis is provided by StateStat and the Governor’s Delivery Unit (GDU).

**Follow-Up**

- FY 2011 Revenue/Expense Target (BWI).** The agency’s revenue/expense ratio goals were discussed at the last StateStat meeting. The agency is reported that it will set its FY11 target for revenue/expense ratio at BWI Airport at 31.1%. This figure would be higher than any revenue/expense ratio recorded by the agency in the last 5 fiscal years. The agency explained that they are optimistic about performance in the next fiscal year due to trends indicating increased passenger traffic and scheduled improvements to concession areas.

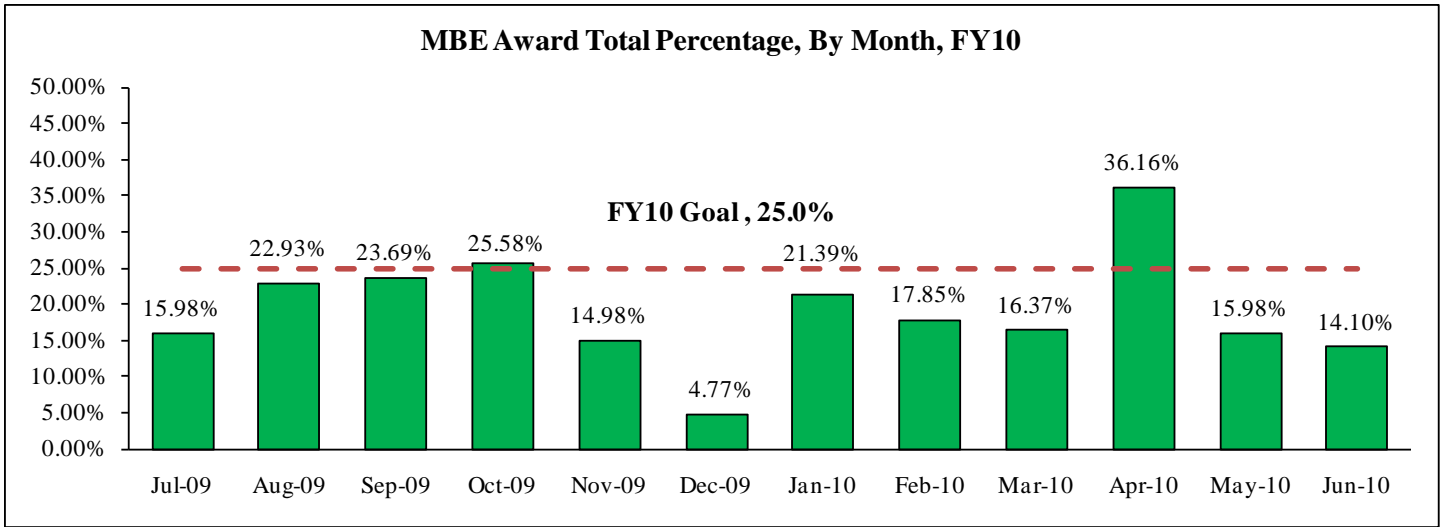


**Minority Business Enterprises (MBEs)**

- MBE Goal.** The agency concluded FY10 falling short of the 25% MBE goal, ending the year with a 20.55% MBE award percentage. The agency awarded just 14.1% of funds to MBE’s in June. The agency reported that its ability to reach its MBE goal is often dictated by MBE participation on its maintenance contract, which is up for procurement once every couple of years. The maintenance contract will be up for bid in the next fiscal year, and the agency is reporting that it believes it can improve MBE performance by ensuring MBE participation on this contract.

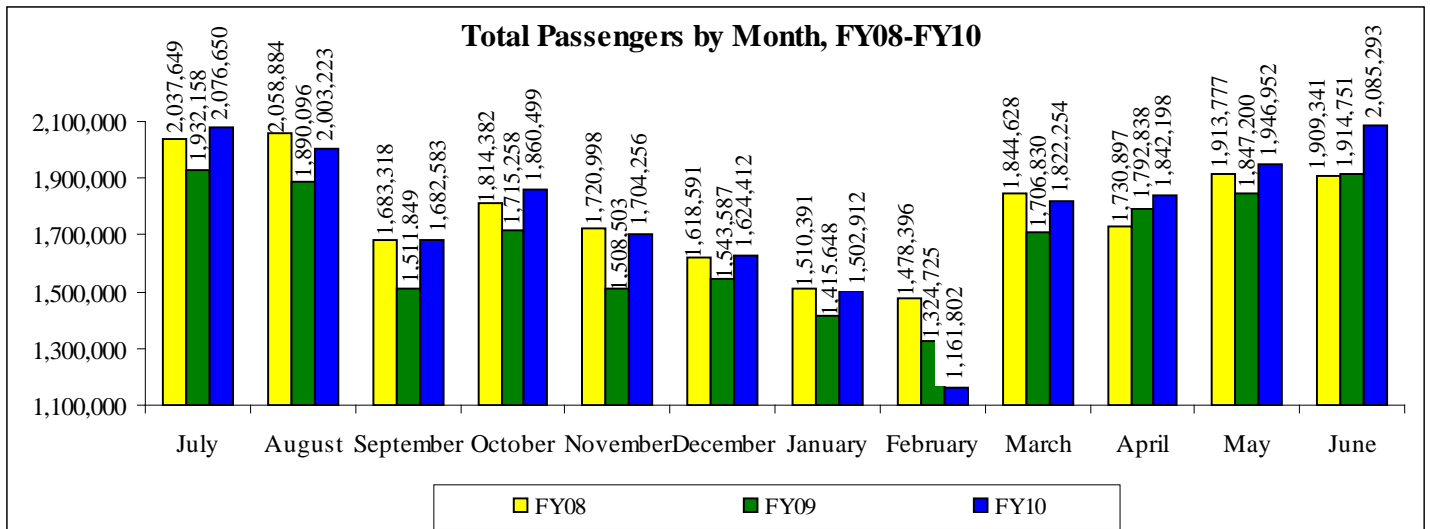
MAA MBE/WBE Participation: FY10						
MBE/WBE Indicators	Agency Total	Ethnic/Disabled	Women	Disabled/Non-Profit/Shelter	Total MBE/WBE	%
<b>Award Totals</b>	\$39,697,434	\$4,304,260	\$2,890,439	\$964,066	\$8,158,766	20.55%

MAA MBE/WBE Participation: June 2010						
MBE/WBE Indicators	Agency Total	Ethnic/Disabled	Women	Disabled/Non-Profit/Shelter	Total MBE/WBE	%
<b>Award Totals</b>	\$4,162,462	\$20,043	\$558,576	\$8,209	\$586,828	14.10%



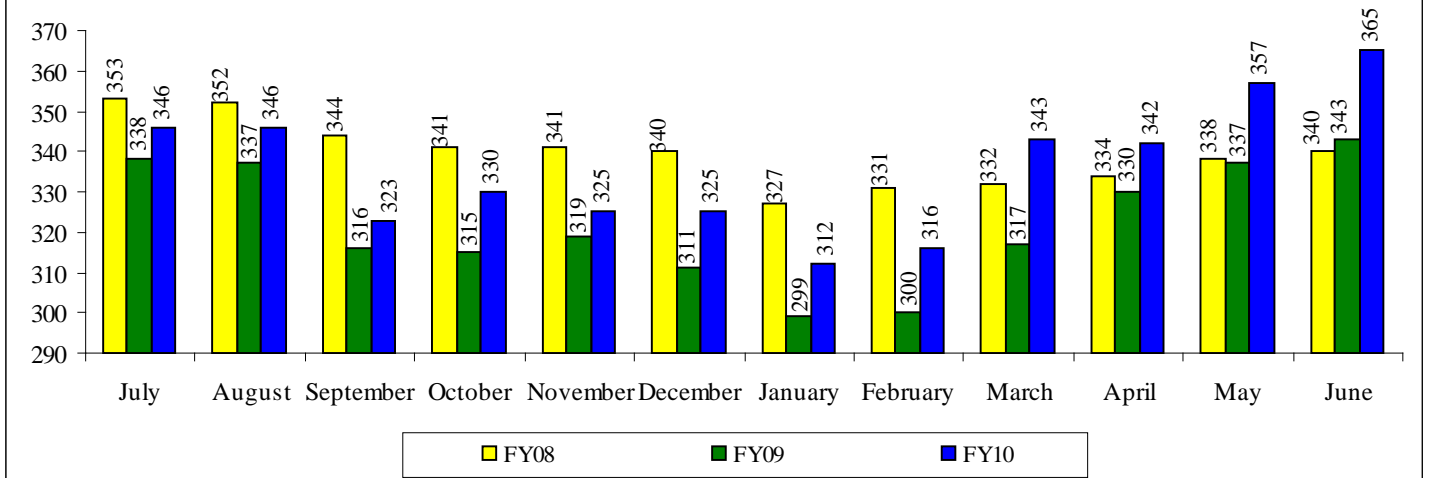
### General Operations

- Total Passengers.** June total passenger figures for BWI were the second highest in airport history, falling just short of August 2001. Total passengers were 8.9% higher in June than in June 2009. According to the Baltimore Sun, the bulk of this increase was created by a 14.9% annual increase in Southwest passengers and a 9.9% increase in AirTran passengers. Southwest and AirTran are BWI's two largest carriers. The agency reported that improved passenger performance is due to many factors, like the increase in Delta service to the airport and the addition of new service areas. Though numbers aren't yet available for July, the agency believes that passenger performance should be even better when those figures are available.



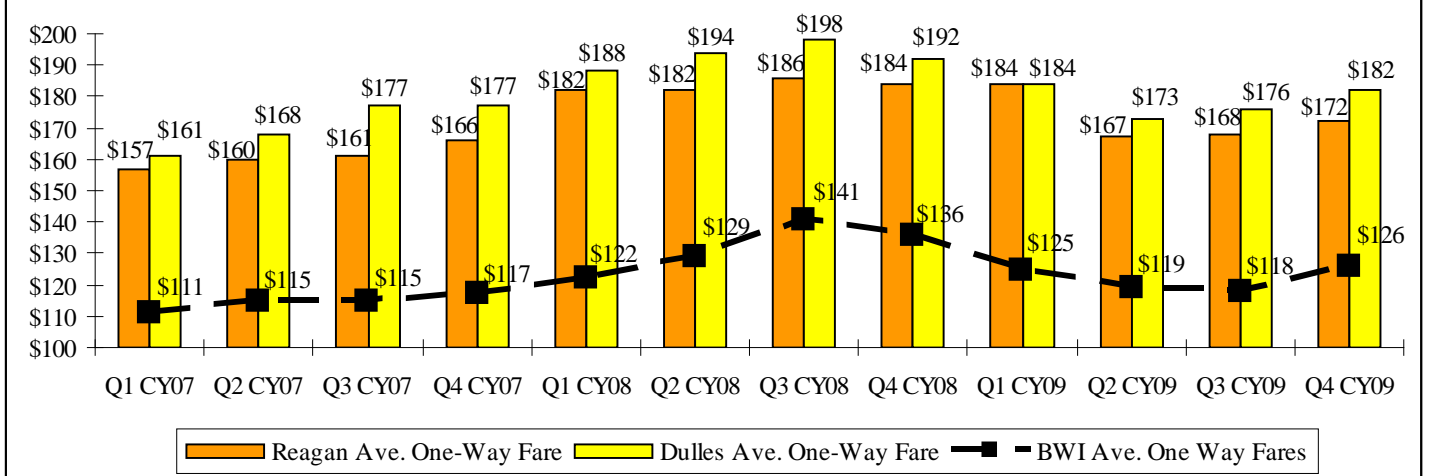
- Number of Daily Scheduled Departing Flights.** A primary contributing factor to the rise in total passengers is likely the fact that the number of daily scheduled departing flights in June was the highest since at least the beginning of FY08. In FY10, the number of daily scheduled departing flights experienced an annual increase over FY09 in every month, and has experienced annual increases over both FY08 and FY09 in each of the last four months. Daily scheduled departing flights increased annually by 5.9% in May, and 6.4% in June. The agency reported that the increases in number of flights are a byproduct of new service additions, and are anticipating that flight increases will sustain themselves through the summer.

**Number of Daily Scheduled Departing Flights, FY08-FY10**



- Air Fares.** BWI air fares are significantly cheaper than air fares for both Dulles and Reagan National Airports. According to the Baltimore Business Journal, BWI round-trip air fares are the 16<sup>th</sup> lowest in the country, averaging \$277. Dulles airport rates 94<sup>th</sup> out of 100 airports, with an average round-trip air fare of \$413. The agency's StateStat template tracks average one-way fares, and BWI has remained significantly below both Dulles and Reagan National Airports for the past 3 calendar years. The airport reported that affordable air fares are a primary selling point for the convenience of using BWI.

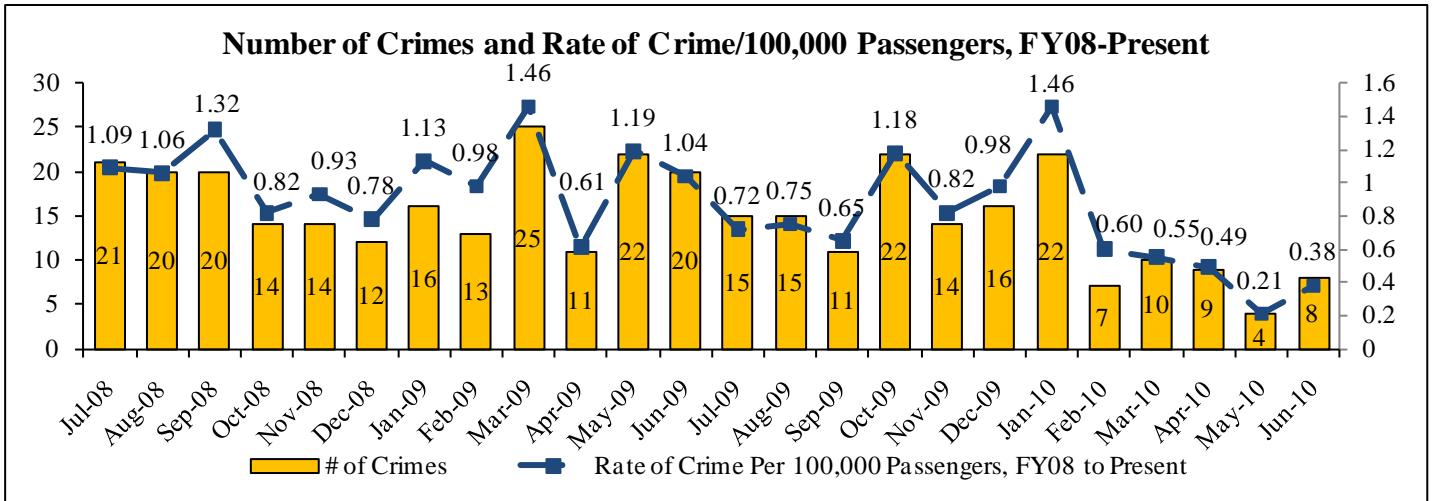
**Average One-Way Fares, Reagan, Dulles and BWI, CY07-CY09, by Quarter**



- Airmall Sale.** According to a recent report in the Baltimore Business Journal, BAA USA, the company currently operating BWI's Airmall, been purchased by Prospect Capital Corp. The Airmall was reporting that concession sales had increased by 7% since January 1<sup>st</sup>, and that an expansion of the Airmall to include stores like Brooks Brothers and Dunkin Donuts would occur by the end of the year. The agency reported that it anticipated the switch to Prospect would boost concession sales, and that a new luxury lounge was being added to the airport in addition to the openings of Brooks Brothers and Dunkin Donuts.

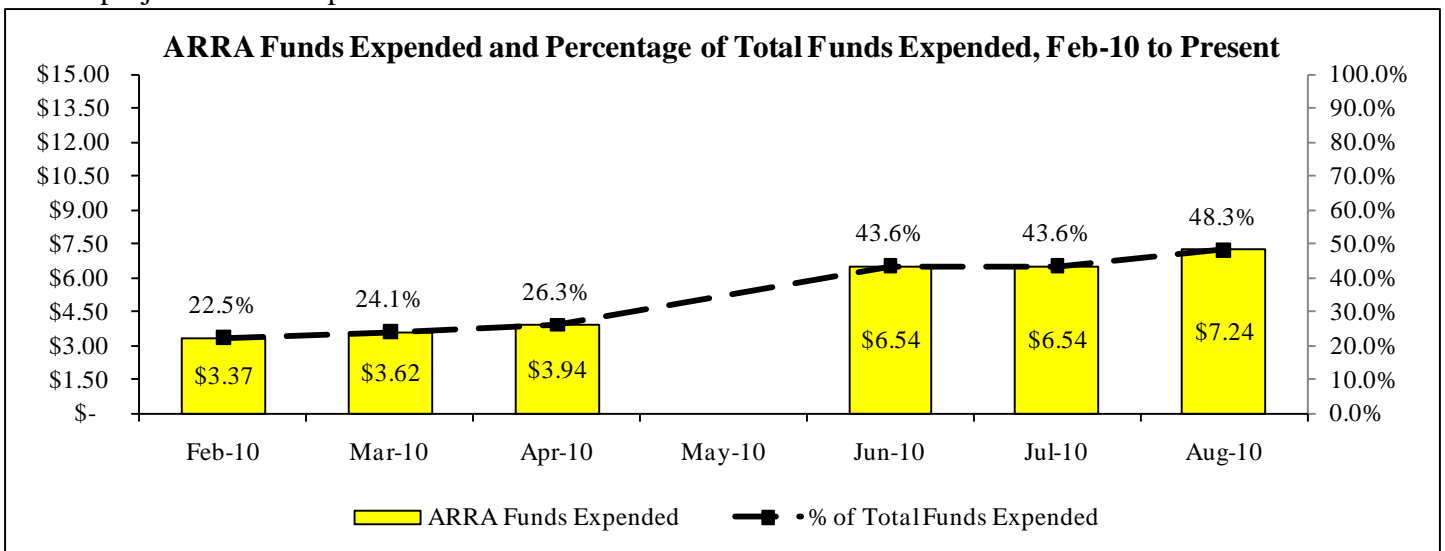
**Safety**

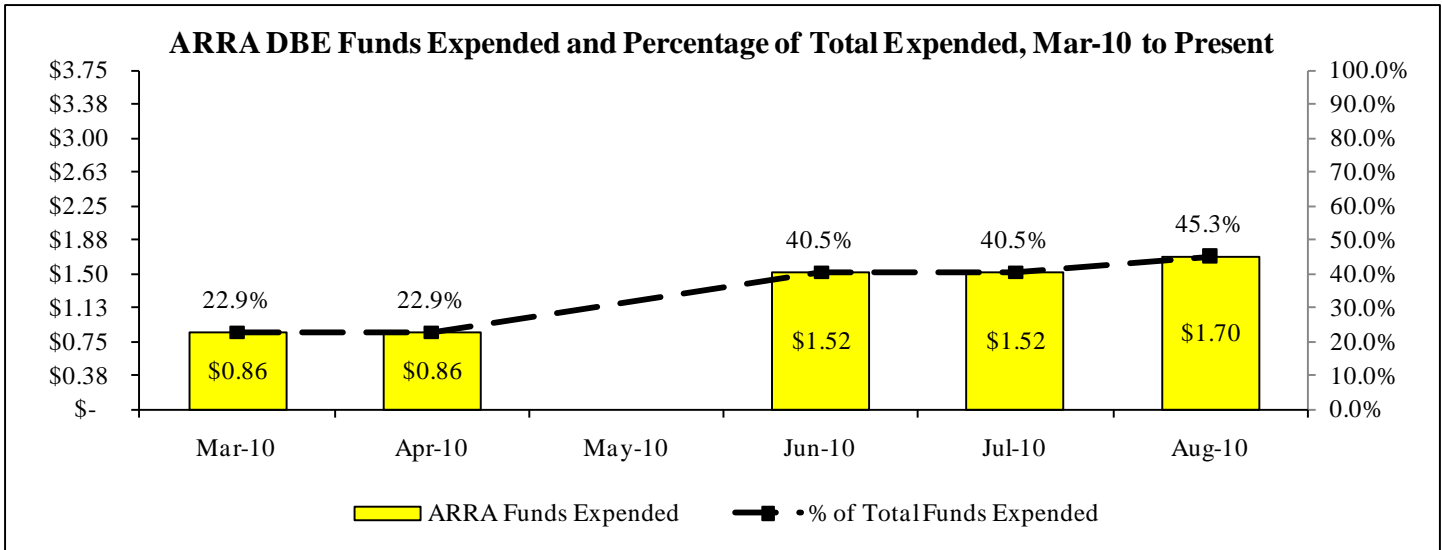
- Crime.** After spiking in January, the crime rate at BWI has been at record low levels over the past few months. The drop in crime is noteworthy considering the gains in total passengers over the past few months. At the last StateStat meeting, the agency reported that the only policy that they have adjusted was to increase the number of seat belt checks. The agency reported that it believes the primary cause of the drop in crime at BWI airport is increased communication between MAA, Maryland Transportation Authority Police and the Transportation Security Administration.



**ARRA**

- Apron Reconstruction Project.** As of August 16<sup>th</sup>, the agency is reporting that 46% of their \$15 million ARRA-funded reconstruction project is complete. Of the \$15 million in ARRA funding contributed to the project, \$7.24 million (48.3%) has been expended and \$6.22 million (41.5%) has been received by the agency. \$1.7 million of the \$3.75 million (45.3%) allocated for DBE's has been expended as well. The projected date of project completion is February 17, 2011. The agency reported that the apron reconstruction project is progressing well, and that construction should be completed by the date the agency has projected for completion.





**Energy Performance**

(Suggested Discussion Length: 10 Minutes)

- Energy Performance Contracts.** The agency is reporting that it completed its Phase II Energy Audits in July, and that a \$19.6 million energy performance contract (EPC) with Pepco Energy Services will be going to the Board of Public Works on September 1<sup>st</sup>. Rebates are expected to reduce capital costs to \$18.2 million, and the contract includes 13 energy conservation measures with a combined annual savings of \$2.1 million.