

PITTSBURGH INTERNATIONAL AIRPORT TERMINAL MODERNIZATION PROGRAM FREQUENTLY ASKED QUESTIONS

September 2017

Master Plan Update:

1. What is a Master Plan Update?

The objective of a Master Plan Update (MPU) is to provide a roadmap for airport development that will accommodate the future commercial aviation needs throughout a 20-year planning period. An MPU provides a guide for efficiently accommodating forecasted aviation demand throughout the planning period, while preserving the flexibility necessary to respond to a continually evolving industry. It assesses the ability of current airport facilities to safely, efficiently, and effectively meet the forecasted demand and it recommends any necessary facility changes. An MPU is also a critical guide for investment at an airport; federal, state, and airport funds may only be used in a manner that is consistent with the current MPU.

2. Why is Allegheny County Airport Authority undertaking a Master Plan Update?

Since the last Pittsburgh International Airport (PIT or the Airport) MPU was completed in 2006, significant economic and aviation industry changes have occurred. The Allegheny County Airport Authority (ACAA) is using the MPU to focus attention on identifying a development program that will match Airport facilities to the current and future needs of passengers and airlines. It is also focused on promoting an efficient and dynamic operation over the next 20 years. In preparing this MPU, the planning team identified and analyzed improvements to the airfield, terminal/gate, landside, and support facilities necessary to efficiently accommodate forecast growth in aviation activity.

3. When did the Master Plan Update process start?

The ACAA started work on the MPU in October 2013. In addition to the significant changes that have occurred, the Federal Aviation Administration (FAA) considers updating an airport master plan every 5 to 7 years as a critical step to ensure an airport is in sync with changes and potential federal funding.

4. What are the key findings of the Master Plan Update?

The economic and aviation industry changes since 2006 have affected the character of growth in aircraft operations at the Airport and, in turn, have affected the demand/capacity relationships for Airport facilities. Passenger forecasts are dramatically lower than what Airport facilities are capable of handling, which causes significant challenges to Airport redevelopment. In many cases, existing facilities are now too large or outdated to accommodate current and future need. In other cases, the

facilities are not properly configured for PIT's current role as an airport, which focuses more on local (origination and destination) passengers than on large airline hub (connecting) operations.

Given the changes in demand (passenger and aircraft operation forecasts), the MPU's key findings have resulted in the following recommendation:

- Terminal Modernization Program—relocate Landside Terminal functions and related ground-side functions to be adjacent to the Airside Terminal.

5. Did the Master Plan Update consider other alternatives?

The MPU considered multiple alternatives, in addition to those selected as the recommended alternatives:

TERMINAL: Three terminal options were analyzed in detail:

Alternative 1: Enhance the existing Landside and Airside Terminals.

Alternative 2: **Relocate Landside Terminal functions and related ground-side functions to be adjacent to the Airside Terminal.**

Alternative 3: Relocate the Airside Terminal functions and aircraft aprons to be adjacent to the Landside Terminal.

6. How will the public be involved in the Master Plan Update process?

Once complete, the MPU will be provided to the public for review and comment. The ACAA will consider all public comments and incorporate any appropriate changes in the document. The MPU will then be filed with the FAA for final approval.

Terminal Modernization Program:

1. What is the Terminal Modernization Program?

The Terminal Modernization Program (TMP) is the Master Plan Update's (MPU's) Recommended Alternative (Alternative 2) which addresses needed terminal facility modifications at Pittsburgh International Airport (PIT or the Airport). It relocates the Landside Terminal functions and related ground-side functions to a new facility that will be built adjacent to the Airside Terminal. It also provides a new parking structure and associated roadway system to support the facility. After the new Landside Terminal is constructed and fully operational, if no viable re-use can be found for the existing Landside Terminal, it will be demolished. The TMP includes:

- A two-level facility consisting of the following:
 - Ground Level: Includes airline and Airport support, such as baggage operations, explosive baggage detection systems, and building utilities.

- Concourse Level: Includes consolidated airline operations and all passenger and public spaces such as ticketing, baggage claim, security checkpoint and concessions.
- The total area will be 632,000 square feet.
- There will be approximately 285,000 square feet per floor level.
- Allegheny County Airport Authority (ACAA) offices will occupy 60,000 square feet on the mezzanine-level.
- There will be 46 airline gates with boarding bridges and 5 swing gates for overnight aircraft, for a total of 51 gates.
- Existing roadways will provide access from the current Airport entrances to the new terminal building and new garage.
- A new roadway system will support the new terminal building.
- A six-story garage with 3,000 spaces will include a consolidated rental car facility, a ground transportation center, and public parking.
- Quick turn-around facility for rental cars.
- A commercial vehicle lot.
- A cell phone lot.

Alternative 2- Terminal Modernization Program



2. What other options were considered?

The Master Plan Update considered two other terminal options and Alternative 4 was added in the TMP analysis:

Alternative 1: Enhance the existing Landside and Airside Terminals.

Alternative 3: Relocate the Airside Terminal functions and aircraft aprons to be adjacent to the Landside Terminal.

Alternative 4: Replace the garage and construct a new International Arrivals Facility (IAF) only.

3. Why were these other options rejected?

A detailed financial study of total ownership costs determined that the TMP could best achieve the ACAA's and stakeholder's customer service and financial objectives at the lowest cost. Additionally, the TMP will provide the following benefits:

- **Reduces operating expenses:**
 - addresses higher expenses compared to peer airports
 - automated people mover
 - complex baggage handling systems
 - facility size and configuration
- **Improves facilities to support continued growth of airline service and to better serve the change over to the origin/destination market:**
 - provides more flexible space options to accommodate better response to market changes
 - provides best opportunity to enhance non-airline revenues
- **Improves customer experience through the adoption of new configuration and technology:**
 - security screening
 - pre-boarding
 - international arrivals
 - value-added services

4. Can you break down the budget?

2017–2033 INVESTMENTS (IN MILLIONS)

Terminal Modernization Program (TMP)

Terminal	\$783.8M
Parking	\$258.8M
Roadways	\$57.1M
Demolition of Landside Terminal	\$20.3M
TMP Total Budget	\$1120.0M

It is also important to note that, while initial construction costs are a major consideration in evaluating total ownership costs, there are other important factors, such as recurring operations and maintenance (O&M) costs, age of existing assets, and plan of finance, that contributed to determining the best business and customer service decision.

5. Are the construction costs subject to price increases over the construction period?

The program budget includes price escalations and contingencies.

6. What are the total cost savings for the newly modernized Airport?

The MPU estimates an annual O&M savings of \$23 million from the Terminal Modernization Project.

7. How many construction jobs will be created?

Direct Job Impact: A total of 6,112 direct temporary design and construction jobs are anticipated to be generated by the TMP. These job impacts cover two periods: 563 jobs in the preconstruction design phase (2018–2019) and 5,548 jobs during the construction phase (2020–2022).

Indirect Job Impact: The number of estimated direct temporary jobs created by the TMP will also create approximately 4,529 additional temporary “spin-off” jobs in the local area. These jobs will support the purchase of supplies and services, as well as the spending of wages earned by workers.

Economic Impact: Overall, these 10,641 direct and indirect temporary jobs will generate \$710 million in direct labor income (2017 values) and \$908 million (2017 values) in gross regional product/value added to the region.

8. How many Airport jobs will be created?

At this point, it is not possible to estimate the number of Airport jobs that the TMP may create. It is clear, however, that the TMP will provide the potential for more concession space and developable lands, which will provide the ACAA with the opportunities to generate additional jobs.

9. Is it correct that no new local tax dollars will be used?

No local tax dollars will be used to fund the TMP projects. In this reference, “local tax dollars” means any municipal/real estate/public tax dollars provided by the county, or local governments. However, new local tax revenues will be generated from the short-term construction and from any new concessions and/or development opportunities that will be created through the TMP.

10. Have other airports made similar design modifications of this scale?

Recently completed: Indianapolis International Airport and Mineta San Jose International Airport

Many other airports under design or construction: Louis Armstrong New Orleans International Airport, Memphis International Airport, Nashville International Airport, and Kansas City International Airport

11. Does this modernization plan allow for any growth?

When the MPU process began in 2013, twenty year forecasts were created to estimate growth in passengers and operations at PIT. All facilities—terminal, landside support (roads and parking), and airfield—were designed to meet the forecasts in the 2033 planning horizon. At its opening in 2023, the new terminal complex will have the capability to serve the 12 million annual passengers, which (based on current trends) is the forecast for 2033, or 10 years after opening. The terminal design will easily accommodate a much larger annual passenger total due to the flexibility of the space – big box loose fit, and the common use technology that will be employed.

Importantly, beyond growth considerations, the new terminal complex provides the Airport flexibility to more easily and effectively adapt to industry changes, including future growth, which are already affecting passenger security, international and domestic air service, and passenger preferences for traveling to/from the Airport and for services and amenities while at the Airport. Also, the new terminal complex will support a major ACAA revenue generation initiative by significantly enhancing the Airport’s ability to increase income from non-air travel sources.

12. Does this Terminal Modernization Program have enough built-in flexibility to address the ever-changing needs of airline travel?

The design of the new facility will incorporate the best features of common-use design to ensure total flexibility in use by airlines and passengers. This type of design does not reflect any single air

carrier's requirements, and it provides the ACAA with the flexibility to meet changes in air carrier demand and service.

13. What if one of your major carriers wants to make PIT a hub airport again?

The TMP design provides more operational gates than are currently being used at the Airport (51 versus 40). Further, many of the current gates are configured with exclusive-use equipment unique to a specific air carrier, thus eliminating any potential for flexibility by use of another carrier. The new design format incorporates a common-use concept that will provide more flexibility in gate and other systems' usage by multiple air carriers. In the TMP design, fewer gates will provide the potential for a higher number of air carriers to utilize these gates more efficiently. So instead of the Airport becoming a "smaller" facility, the design of the gates will instead create a "smarter" facility. Also, the Airside Terminal will retain the amenities provided by AIRMALL to support any passengers who are passing through PIT.

14. Will there be any disruption in service during the construction period?

Just as there wasn't any disruption in service when the current terminals were opened in 1992, there won't be any disruption during this construction period. In fact, this is one of the biggest advantages of Alternative 2. For the most part, the existing terminal will function as it currently does while the new TMP terminal is being constructed. Passengers will see no real difference in their experience during construction.

The construction site can be isolated from the Security Identification Display Area (SIDA) or the secure areas of the airfield and terminal. The ability to secure the construction site in this manner, the ease of establishing construction vehicle access and material staging areas, are key contributing factors to estimating the program and the financing costs for the project and the 3-year construction period.

15. Will passengers be impacted at all during construction?

No, passengers will continue to use the existing Landside Terminal and train, which will operate below ground of the construction site. There should be no real change in the passenger experience during construction.

16. How do the airlines feel about this option? Have they been briefed and provided input?

As part of the decision-making process, Airport leadership met with the Signatory Air Carriers currently serving the Airport and received support from all of them to explore the preferred alternative.

17. What are examples of how the current Airport is inefficient?

- The systems are not compatible with all airlines; many gates and ticket counters have exclusive-use systems unique to a particular air carrier, which reduces flexibility for the ACAA and airlines.
- Baggage claim is inefficient and takes too long to get from landside to airside:
 - The current length of the system is costly to maintain.
 - The airlines must handle international passengers' bags twice to deliver bags to the Landside Terminal.
- Space at the main and alternate security checkpoints is limited and inefficiently configured. There is a lack of adequate queuing space with a total of only 11 possible lanes.
- Passengers on international flights, which once mostly consisted of people making connections through Pittsburgh, are now mostly people originating from/departing to Pittsburgh.
- The APM is costly and increases passenger transit time.
- Vertical conveyances (elevators and escalators) are costly to maintain.
- Airlines now have excess facilities, including check-in, boarding hold rooms, and operational areas that increase the cost per enplaned passenger (CPE).

18. How will the new design attract more carriers to PIT? How will the new design increase the number of direct flights?

The TMP will provide a more efficient and cost-effective terminal facility, which will reduce operating costs without diminishing capacity. This will, in turn, maintain a lower CPE, which will allow the Airport to attract more airlines and service.

19. How does the TMP justify demolishing a relatively new Landside Terminal building?

The Landside Terminal facility is 25 years old; many of its systems are nearing the end of their useful life, and even some elements are becoming difficult to obtain for maintenance. Further, changes in air service, security requirements, and passenger requirements result in the current Landside Terminal being cumbersome, costly, inefficient, and difficult to utilize. The MPU included a full analysis of the costs to bring the terminal and its systems up to current needs, and it was determined to be more costly than building a new facility. Added to these costs is the factor that the facility could not function at the highest and best passenger service standards simply due to its multiple levels and complicated vertical conveyance systems. Thus, in the interest of serving as

good custodians of the PIT facility and providing the most cost-efficient and customer-service based Airport possible, the ACAA has no choice but to build a new facility. Unfortunately, the current Landside Terminal facility does not lend itself to support multiple, separate users. After the new Landside Terminal is constructed and fully operational, if no viable re-use can be found for the existing Landside Terminal, it will be demolished.

20. Specifically, how will the TMP address the concerns that the airlines have about expanding their presence at PIT?

Currently, the airlines have many concerns about the facilities at PIT that drive additional costs and, therefore, higher CPE. The following table identifies some of these concerns and how they will be addressed by the TMP.

Concern	How Addressed
Systems not compatible to all airlines; many gates and ticket counters have exclusive-use systems unique to an air carrier.	Use standardized systems that any airline can use so that airlines can use more counters when needed and less during slower times.
The baggage claim system is inefficient and takes too long for bags to get from landside to airside. This system is also long and costly to maintain.	Single, shorter baggage delivery to and from the plane will be streamlined and faster. Shorter length and layout will save O&M costs.
Space at the main and alternate security checkpoints is limited and inefficiently configured. There is a lack of adequate queuing space with a total of only 11 possible lanes.	Design the security checkpoint with today's security needs in mind.
International flights, which were once mostly people making connections, are now mostly people originating/departing to/from Pittsburgh.	By eliminating landside/airside distinctions, arriving passengers won't need to go through a complicated procedure to go landside.
Automatic People Mover (APM) is costly to maintain and a potential single point of failure.	Landside Terminal abuts airside, eliminating need for APM trains, and saves on O&M costs.
Vertical conveyances (elevators and escalators) are costly to maintain.	Single-floor layout eliminates the need for most conveyances.

All of the O&M savings will translate to lower CPE and ease of operations for the air carriers.

21. How will the passenger experience be improved with the Terminal Modernization Program?

The TMP will improve the passenger experience for business and leisure travelers who reside in or are visiting Pittsburgh. The TMP will add plentiful, close-in parking, restructure and streamline TSA screening, eliminate the people mover, and revamp baggage check in and baggage claim. All of these changes will assure that all travelers will get through security quicker, arrive at their gate sooner, and collect their bags faster. In particular, the TMP will offer significant improvements for international travelers by eliminating duplicative processes and improving the flow through immigration, customs, and baggage claim.

Also, the TMP's one-level design, and improved signage will assure that navigation through the airport is easy and intuitive. Finally, by retaining the Airmall, cell phone waiting lot, free Wi-Fi and abundant charging stations, the TMP addresses the most popular amenities that are currently offered.

22. Is a train to the airport a part of the project?

A train to the airport is not a part of the current project design. Funding for this project comes primarily from airline rates and charges and other revenue generated by airport usage – parking, concessions, etc. The Federal Aviation Administration requires those funds be used for the airport solely. Airport leadership supports the idea of light rapid transit (LRT) or bus rapid transit (BRT) to the airport but funding to build such a system must come from other agencies. The current design could flex to accommodate either an LRT or BRT system should such a project occur in the future.