



General Aviation New Fee Discussion Presentation and Response to Feedback

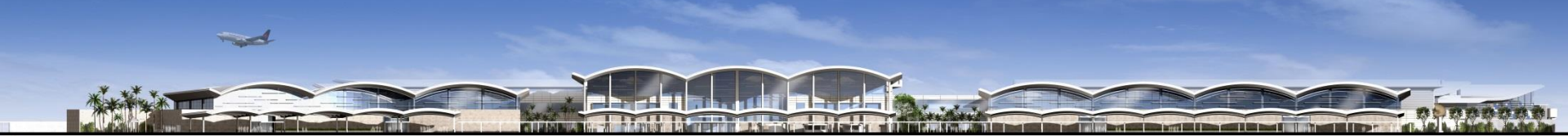
Updated: October 1, 2021





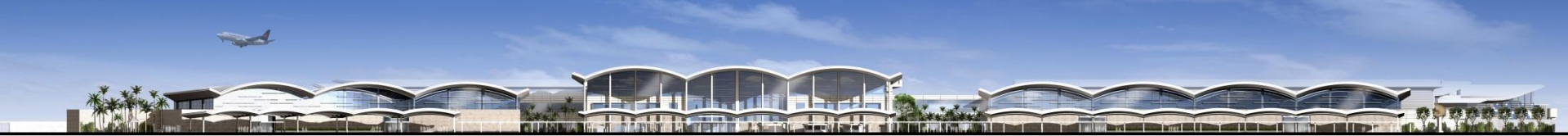
Presenters:

- Nassau Airport Development Company Team
 - Vernice Walkine, *President & CEO*
 - Jan Knowles, *VP, Marketing & Commercial Development*
 - Frank Walker, *Director, Airside Operations & Public Safety*
- InterVISTAS Consulting Team
 - Dr. Mike Tretheway, *Chief Economist & Executive Vice President*
 - Jody Kositsky, *Senior Director*
 - Paul Clark, *Vice President*



Presentation Overview

- Airport Ownership and Management
- Overview of GA Operations at the Airport
- Necessary Capital Investments that Benefit GA
- Analysis Completed
- Stakeholder Feedback



Airport Ownership and Management



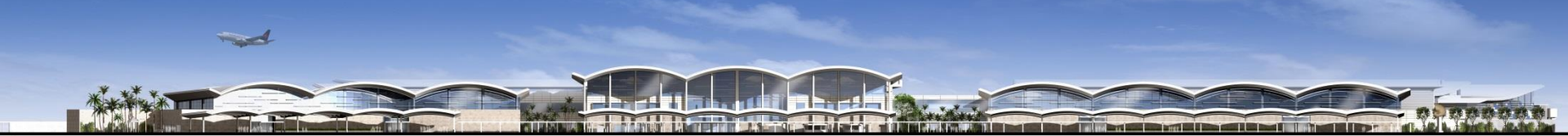
Airport Ownership & Management

- Lynden Pindling International Airport (LPIA) is owned by the Government of The Bahamas and leased to Nassau Airport Development Company (NAD) until 2057.
- NAD is managed by Vantage Airport Group through a multi-year management agreement.
- **NAD receives no government financing or subsidies - notwithstanding it is a government owned entity. The airport is operated as a going concern.**

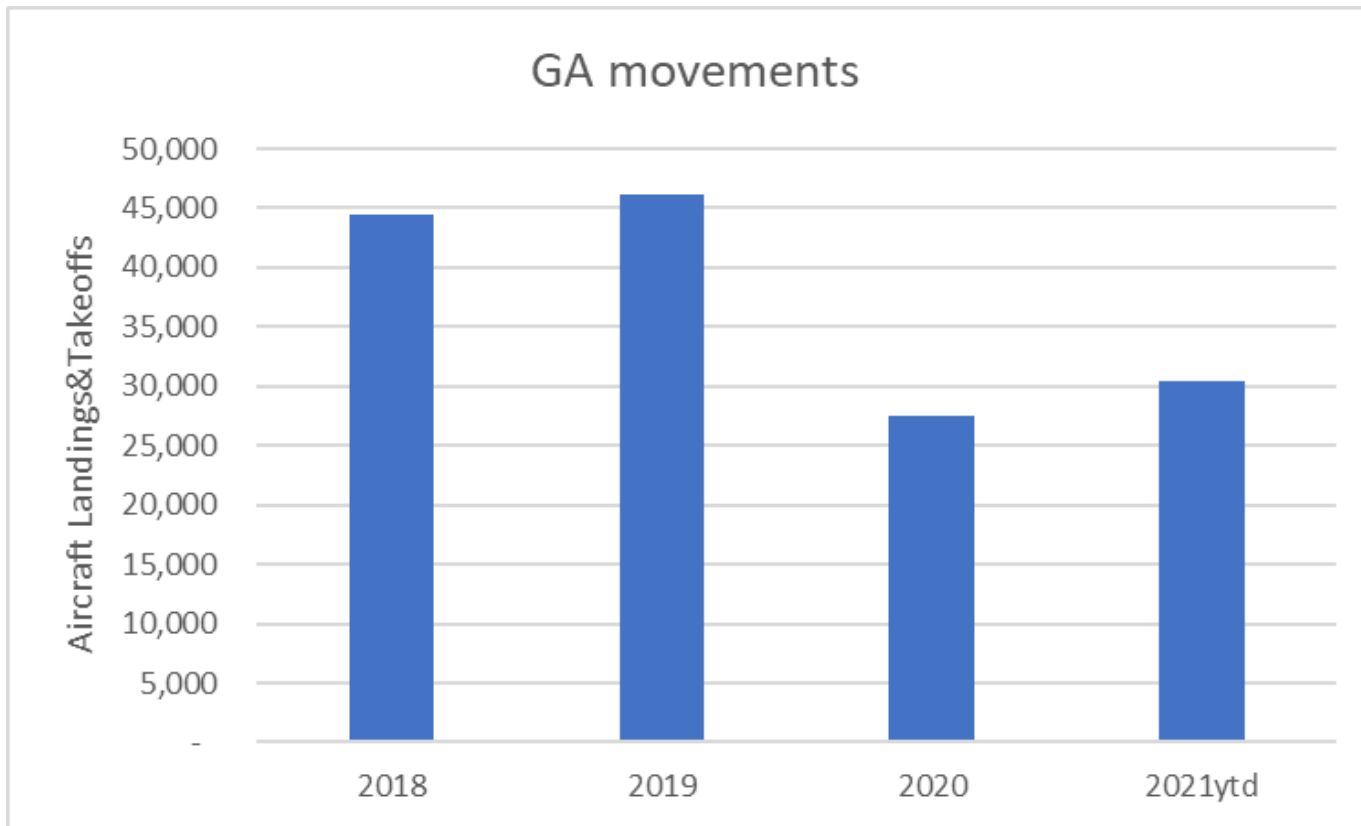


 NAD
NASSAU AIRPORT DEVELOPMENT COMPANY

GA Operations at the Airport



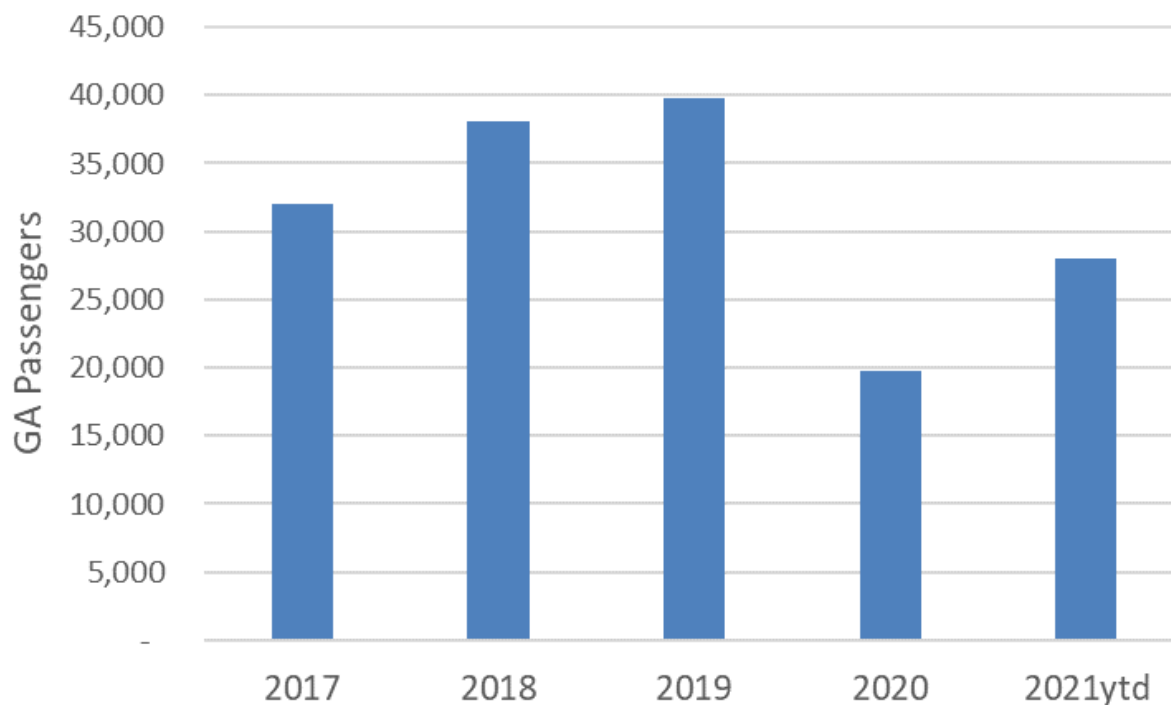
GA Movements



Note: Movements as reported via FBO operations. The year to date for 2021 is up to July, 31 2021. It is projected that GA movements for 2021 will exceed pre-pandemic numbers.



GA Passengers



Note: YTD 2021 is already above YTD 2019 (January-June)

Source: Bahamas Immigration Monthly FBO Passenger Report



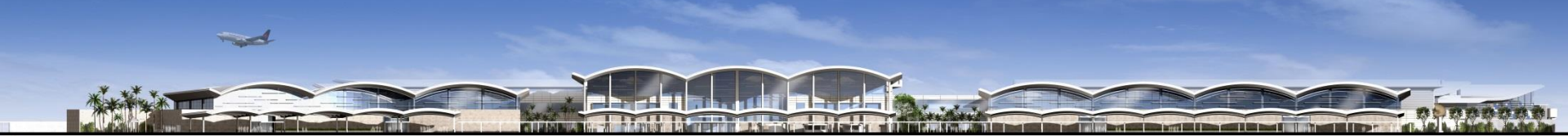
Necessary Capital Investments that Benefit GA



Capital Investments are Required

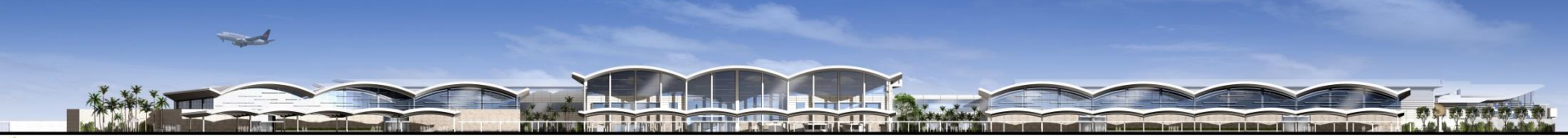
- Existing Pavement rehabilitation

- Design life of (asphalt) pavement is 20 years
- Based on an independent assessment, 5 pavement surfaces, primarily used by GA, have been identified as nearing or exceeding their design life. Without remedial works, they will impact GA traffic and users in this decade.
- This is a safety requirement thus the investment must be made
- No investment on these aprons and taxiways ultimately means decommissioning of these pavement surfaces and service levels to GA will decline making LPIA less viable to GA customers.
- This investment is required over the next 5 – 10 years
- Window of opportunity to address this matter is upon us now



Capital Investments are Required

- Taxiway Lima & Kilo
 - Constructed 1994/1995, mill and overlay rehab strategy recommended, by 2025
 - est. cost \$3-\$5 million
- Taxiway Mike
 - Rehabilitated in 2005, mill and overlay rehab strategy recommended, by 2025
 - est. cost \$1 million



Capital Investments are Required

- Runway 14/32
 - Constructed 2004-2006, mill and overlay rehab strategy recommended on the keel area (80 ft. wide)
 - est. cost to be determined during 2022 assessment
- Apron 5
 - Constructed in 1950s, over 70 years old, total reconstruction recommended
 - est. cost \$30 million +

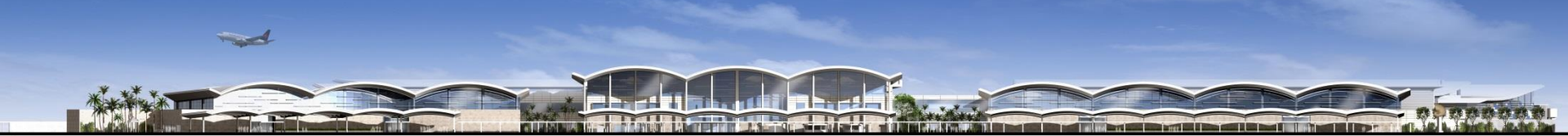


Capital Investments are Required

- Pavement maintenance program commenced in 2019 with the rehabilitation of Runway 10/28 and Taxiway Papa at a cost of approximately \$25 million (including a new approach lighting system on both runways)
- Pre-COVID, design and engineering works had commenced on Aprons 4 South and 5 (next slide)
 - NAD intends to reconstruct the entire area and replace the asphalt pavement with concrete for better performance and longevity.



Apron 5 – Taxilane
Option 2 – updated
B&A Airport Planners
12 Mar 2019



New Pavement Capital Investments are Required

- Taxiway extension (Kilo) and Parallel Runway (14R/32L) Benefits:
 - Improves airside traffic congestion and FBO ingress/egress movements
 - More timely aircraft operations, less wait times for GA aircraft
 - Helps to balance GA and commercial aircraft use of runways and taxiways

Pre-funding of these projects is recommended. This approach has been successfully used by the airport for major capital projects



NAD
NASSAU AIRPORT DEVELOPMENT COMPANY

GA Charges Modelling



About InterVISTAS Consulting

- InterVISTAS works directly with GA focused airports and commercial airports with GA activities
 - Works with general/business aviation industry associations and manufacturers
 - Has provided a range of aviation consulting services to NAD and The Bahamas for over two decades

InterVISTAS

a company of Royal HaskoningDHV

www.intervistas.com





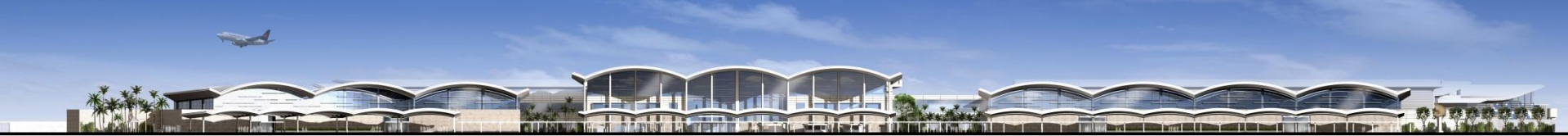
Research on Proposed Airport Charges for GA

- Initial work began in 2018 prior to the pandemic and included a review of GA operations at the airport and benchmarking to understand how GA landing fees compared to a number of peer airports
 - Aircraft types were chosen to represent size ranges
 - Peer airports were chosen to provide a mix of airport types (comparators and competitors)
 - Some full GA airports were included to show the differentiation
 - We used public information on charges
 - available at the time
- Results showed a mix of aircraft types at the airport as well as various peaks



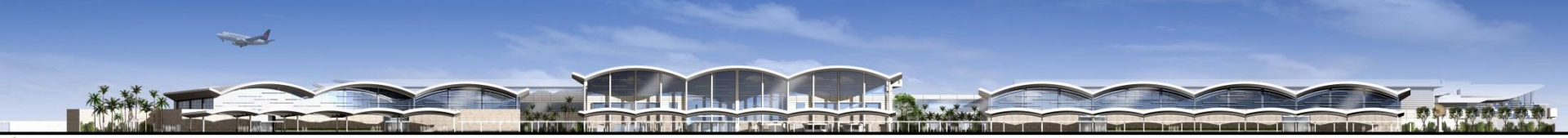
Research on Airport Charges

- The analysis included different fee scenarios
 - Landing fee increase, passenger fee, peak hour pricing, other fees
- The analysis included:
 - recognizing the effect of higher charges on GA traffic
 - distinguishing various GA aircraft categories (size and distance)
 - assumed no changes to domestic GA charges



Analysis and Outcomes

- Given the impact of the pandemic on aviation, the airport chose to proceed with a passenger-based fee as a start rather than the full range of fees modeled, analyzed and proposed.
- Upon consideration of the feedback that the airport received from its GA community stakeholders, InterVISTAS has completed further analysis on a fee that is movement based rather than passenger based, and the new fee will be levied based on aircraft size.

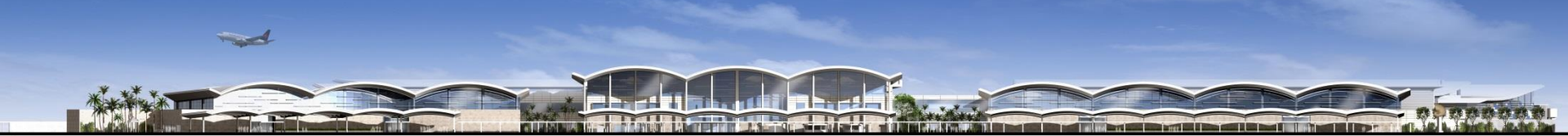


Key Takeaways

- GA's contribution to the airport must increase in line with their usage of LPIA
- The required capital investments are not luxury investments
- These are necessary investments to ensure safety and operational efficiency for GA



Stakeholder Feedback



Feedback has been received and considered

- This fee has been under consideration since 2018
 - We've sought advice, and held extensive consultations
- Further analysis has allowed us to modify the form the fee will take and still begin to generate the additional revenue required to provide appropriate service, operations and infrastructure improvements to GA stakeholders.
- As aviation further recovers from the pandemic it is important to share that NAD has analyzed and will consider peak time pricing to manage General Aviation traffic at LPIA during peak periods.