



VIRGIN ISLANDS PORT AUTHORITY

Gateways to the U.S. Virgin Islands and its Economy

VIPA AIRPORTS P3 COMMUNITY MEETINGS

ST. CROIX

Tuesday, May 16, 2023 at 6:00 p.m.

Henry E. Rohlsen Airport Terminal
Cruise Lounge on the First Floor

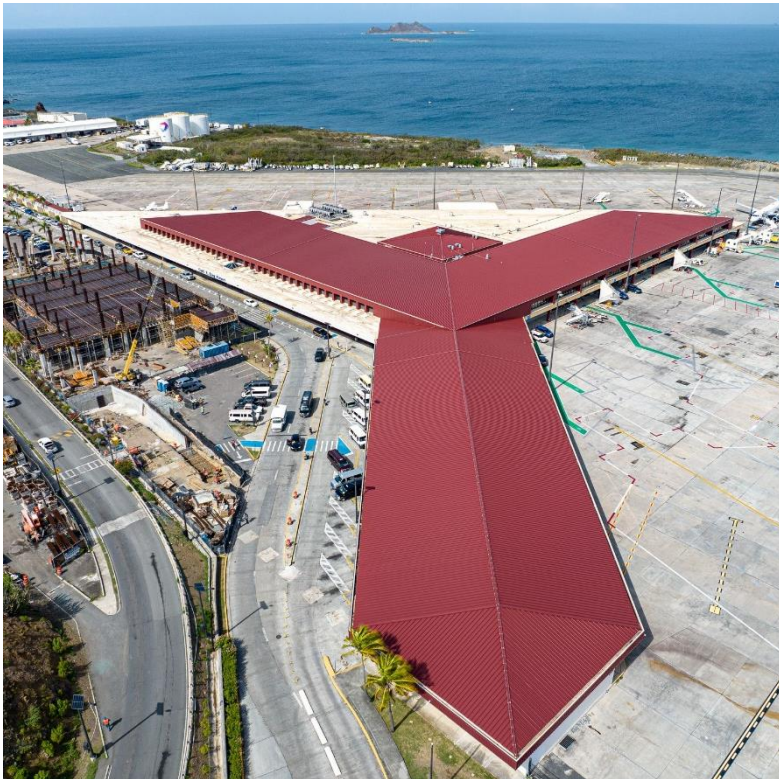
Wednesday, May 17, 2023 at 6:00 p.m.

Rotary West Meeting Hall, Frederiksted

ST. THOMAS/ST. JOHN

Thursday, May 18, 2023 at 6:00 p.m.

VIPA Administrative Building
Third Floor Conference Room
and
Legislative Annex, Cruz Bay
(via video conference)



MEETING AGENDA

WELCOME AND INTRODUCTIONS

Monifa Brathwaite
VIPA Public Information Officer

P3 PROJECT OVERVIEW

Carlton Dowe
VIPA Executive Director

QUESTION AND ANSWER

VIPA Staff and Consultants

bit.ly/P3askquestion



Gateways to the U.S. Virgin Islands and its Economy

VIPA Executive Staff

- Carlton Dowe, Executive Director
- Bill Rawlins, Acting Assistant Executive Director
- Anise Hodge, Deputy Executive Director
- Catherine Hendry, Esq., Legal Counsel
- Anna M. Penn, Chief Financial Officer
- Diane Richardson, Director of Human Resources
- Julice Holder, Chief of Staff

VIPA Staff

- Preston Beyer, Director of Engineering
- Ava Penn, Director of Financial Affairs
- Nicole Scatliffe, Director of Information Technology
- Vincent Frazer, Esq., Senior Staff Attorney
- Jerome Sheridan, Territorial Airport Manager
- Kate Davis, Procurement & Contracts Manager
- Deborah Washington, Property Manager
- Dean Plaskett, Maintenance Manager STX
- Monifa Brathwaite, Public Information Officer

VIPA Financial & P3 Consultant

- Larry Belinsky – Managing Director, Frasca & Associates LLC

VIPA AIRPORTS P3 PROJECT OVERVIEW



Mr. Carlton Dowe

Executive Director

Virgin Islands Port Authority



ABOUT THE VIRGIN ISLANDS PORT AUTHORITY

The Virgin Islands Port Authority (VIPA) is an autonomous, self-sustaining agency that manages the two (2) airports and fourteen (14) public seaport facilities in the United States Virgin Islands (USVI).

Mission: to facilitate travel, commerce, and aid in fostering tourism and economic growth by developing and maintaining modern and safe port facilities.



FEDERAL MANDATES PERTAINING TO AIRPORTS

- As a recipient of grants from the U.S. Department of Transportation (USDOT), VIPA must maintain regular communication with the officials of the U.S. Federal Aviation Administration (FAA), which governs the aviation operations of this territory.
- VIPA must maintain required safety standards, records of inspection and safety logs, and updated certification manuals.



BENEFITS OF PUBLIC/PRIVATE PARTNERSHIP

WHY USE THE P3 MODEL?

VIPA is using a **public/private partnership (P3)** model to finance the airport upgrades.

✓ **Proven Successful Method:**

- Public/Private Partnership is a common financing model used to build airports, bridges, highways and other transportation systems throughout the United States and Europe.

✓ **Financial Benefit to Taxpayers:**

- The project is financed using private funds rather than public/government monies.
- The people of the USVI get modernized airport facilities without having to bear the cost.
- The operation of the airports pays for the upgrades.

✓ **More Efficient Operations:**

- Expertise and infusion of enhanced management of the airports from a private entity that has airport management experience.



PUBLIC/PRIVATE PARTNERSHIP

THE VIPA AIRPORTS P3 PROJECT IS **NOT** A PRIVATIZATION PROJECT.

- **Definition of Privatization:**

the transfer of a business, industry, or service from public to private ownership and control.

- **Definition of Public/Private Partnership (P3):**

a procurement and financial process where public infrastructure projects are **owned by the public sector** and developed or re-developed by private investors with private funding.



PUBLIC/PRIVATE PARTNERSHIP

THE VIPA AIRPORTS P3 PROJECT IS **NOT** A PRIVATIZATION PROJECT.

- VIPA will remain the owner of the Cyril E. King and Henry E. Rohlsen Airports.
- VIPA will continue to be the FAA Part 139 Certificate Holder.
- VIPA will remain eligible to receive FAA grants to improve the airports.



USVI AIRPORTS P3 vs PUERTO RICO AIRPORT P3

THE VIRGIN ISLANDS PORT AUTHORITY IS **NOT** USING THE SAME P3 METHOD AS PUERTO RICO

- Puerto Rico's P3 utilized the FAA's Airport Investment Partnership Program, which allowed the government to receive a substantial up-front payment in exchange for a long-term lease.
- Puerto Rico's P3 required the transfer of the Airport's Part 139 operating certificate to the private partner.
- Puerto Rico's P3 was subject to an extensive FAA notice, hearing, and comment process.



PROPOSED AIRPORTS P3 STRUCTURE

- 1. Combine Terminal Lease with Airfield and Landside Operations and Management (O&M) Agreement**
- 2. Maximizes flexibility for VIPA via long-term lease of a new developer-financed terminal while transferring airfield and landside O&M responsibilities to operator**
 - Commercial land development opportunities can be pursued under separate lease/contract
 - VIPA retains ownership, FAA operating certificate, and desired level of control
 - Revenues to VIPA remain reinvested in airport facilities
 - STT & STX remain eligible for FAA grant funding
- 3. Achieves VIPA's goals efficiently and in a timely manner**
 - Eliminates need for lengthy FAA process within the AIPP program
 - AIPP focuses on monetizing of assets versus infrastructure development
 - FAA views this hybrid structure favorably
 - O&M agreement can begin before completion of terminal allowing for phased management transfer



CURRENT AIRPORTS P3 PROJECT STATUS

- On April 19, 2023, the VIPA Board of Governors selected four (4) qualified proposers to partner with the Authority to modernize, invest in and improve the USVI's airports.
- VIPA is not currently in negotiations with any of the four short-listed proposers/firms.



SELECTED QUALIFIED PROPOSERS

The four chosen firms (listed in alphabetical order) are:

- **daa International**

Dublin Airport; Cork Airport; Red Sea International Airport; and Dusseldorf Airport

- **Vantage Airport Group Ltd.**

LaGuardia Terminal B; JFK Terminal 6; Lynden Pindling International Airport (Bahamas); and Cyprus Airports

- **Vinci Airports**

Hollywood Burbank Airport; Orlando Sanford International Airport; Santo Domingo Airport; and Puerto Plata Airport

- **Vlports Partners (Aecon, Tikehau Star Infra and Avports)**

Bermuda Airport; Albany Airport; Detroit North Airport; and LAX-Tom Bradley International Terminal



STAKEHOLDER & PUBLIC OUTREACH

USVI GOVERNMENT

- Governor Albert Bryan Jr.
- USVI Senators
- Delegate to Congress
- USVI Economic Development Authority

EMPLOYEES/HUMAN RESOURCES

- All VIPA employees
- Aviation Unions
- VIPA Management Team

FEDERAL PARTNERS

- FAA Regional Office
- FAA Compliance Office
- U.S. Customs and Border Protection
- TSA
- US Economic Development Administration

OTHER STAKEHOLDERS

- Airline Partners
- AAAC
- All Aviation Tenants
- Hotel/Tourism Association (STT/J & STX)
- Chambers of Commerce (STT/J & STX)
- Community Meetings



PUBLIC INFORMATION & OUTREACH

RADIO TALK SHOWS

1. Eugene Farrell
2. Neville James NPR
3. Da Vybe – Morning Vybe
4. WSTA Ideas and Issues
5. WSTA Passing It On
6. Mario Moorhead
7. Ophelia Nemmy Jackson

PRINT & ONLINE ADVERTISEMENTS

- Virgin Islands Daily News
- The Avis
- Virgin Islands Consortium
- VIPA Social Media
(FACEBOOK, TWITTER, LINKED IN, INSTAGRAM)

WEBSITES

(News Releases & Email Mailing List)

- VIPA Airports P3 Project Website
WWW.VIPAAIRPORTSP3.COM
- VIPA Official Website
WWW.VIORT.COM



PROCUREMENT TIMELINE

As of May 17, 2023

Task	Timeframe
Issue RFQ	December 28, 2022
Deadline to RSVP for Industry Forum	January 12, 2022
Industry Forum on St. Thomas and St. Croix	February 1-2, 2023
Indicative Notification of Intent to Submit a Statement of Qualifications	February 15, 2023
Last Day for Bidders to Submit Questions Regarding the RFQ	February 23, 2023
VIPA Response to Bidders Questions	March 7, 2023
SOQ Submission Deadline	March 16, 2023
Recommendation of Shortlisted Respondents	Week of April 3, 2023
VIPA Board Approves Shortlist and Authorizes Issuance of RFP	April 2023 Board Meeting
Issue RFP	June 2023
In Market Period and Collaborative Dialogue Meetings	June 2023 - December 2023
Proposal Submission Deadline	December 5, 2023
Recommendation of Preferred Proposer	January 2024
VIPA Board Approves Preferred Proposer	February 2024 Board Meeting
NTP for Environmental Approval, Design, Permitting, and Construction	March 2024
Commercial & Financial Close	April 2024

VIPA plans to begin the ground-breaking for the redevelopment of the airport terminals by the fourth quarter of 2024.



AVIATION HISTORICAL STATISTICS

Reporting Period
Fiscal Year Oct 1 – Sep 30

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	¹ 2023
Aviation													
St Thomas	637,740	700,556	687,544	717,538	748,125	756,714	741,884	375,938	604,266	407,521	681,201	766,328	425,596
St Croix	205,771	220,301	193,363	192,995	201,876	216,194	214,836	196,967	229,193	139,595	199,890	208,855	118,978
Total Aviation	843,511	920,857	880,907	910,533	950,001	972,908	956,720	572,905	833,459	547,116	881,091	975,183	544,574

1. FY2023 through Apr. 30, 2023

Updated May 18, 2023

Source: VIPA Internal Management Reports



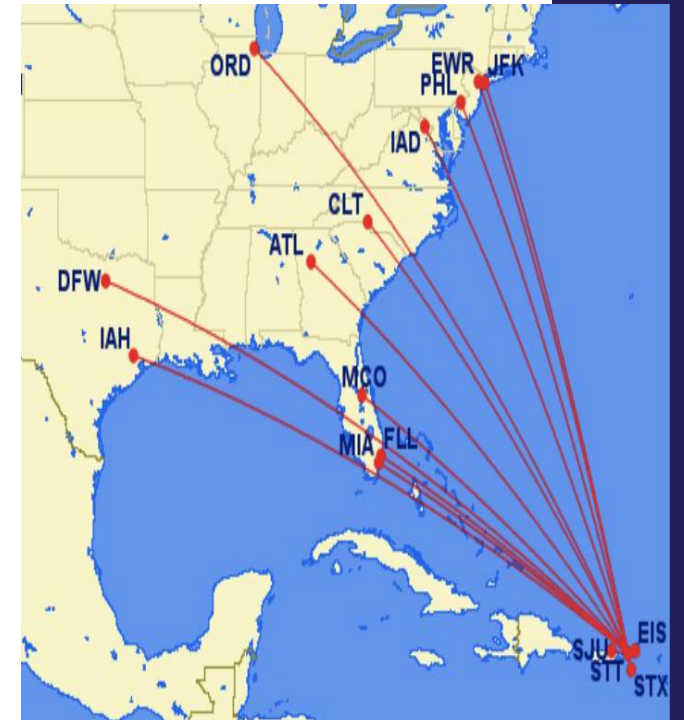
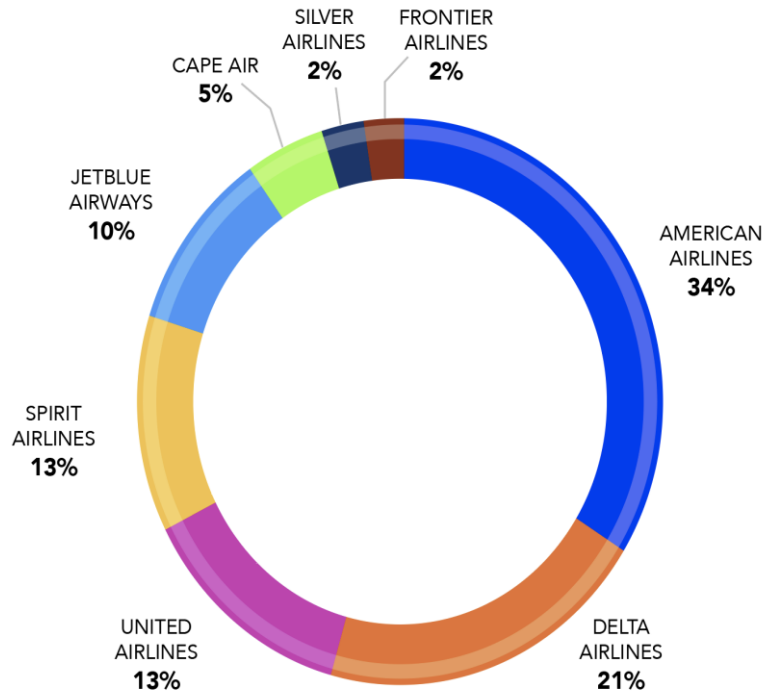
CYRIL E. KING AIRPORT/STT OVERVIEW

Airport in Figures	STT	STT Commentary
Airport Land Area	511 Acres	The STT property encompasses 511 acres. This includes an airfield and terminal footprint of 305 acres as well as 121 acres of submerged lands beyond the west end of Runway 10/28. 85 acres consists of parcels immediately north of the airfield – Brommers Hill (76 acres) and Bournefield (9 acres).
Airport Terminal Area	250,000 sq. ft.	The STT Terminal building encompasses various tenant spaces that include concessions, airline operations, U.S. Customs and Border Protection Services, Federal Inspection Station (FIS), TSA checkpoints, and VIPA aviation support services.
Gates	14	All Hardstands Eleven (11) Air Carrier and Commuter Gates Three (3) Cargo
Passenger Airlines	<ul style="list-style-type: none"> Major Air Carriers Commuters, Charters & Air Taxis 	<p>Major Air Carriers: American Airlines; Delta Airlines; Frontier Airlines; JetBlue; Spirit Airlines; Sun Country; United Airlines.</p> <p>Commuter, Charter, Air Taxi: Cape Air; Fly the Whale; LIAT; Sea Flight VI; Sky High Aviation; Ameriflight; Bohlke International Airways; Seaborne Airlines/Silver Airways.</p>
Runway Length	7,000 ft.	Asphalt-F Grooved/Marking Type PIR-G/BSC-G/TORA-7000'/TODA-7000'/ASDA-6892' (RWY-10) 6170' (RWY-28)/LDA-6892' (RWY-10) 3870' (RWY-28)/HIRL



STT AIR SERVICE

- American Airlines
- Delta Air Lines
- *New** • Fly the Whale
- Frontier Airlines
- JetBlue
- *New** • Sky High Aviation Dominicana
- Spirit Airlines
- Sun Country
- United Airlines
- Cape Air
- LIAT
- Sea Flight VI
- Seaborne Airlines



Airline Market Share at STT (as of September 2022)



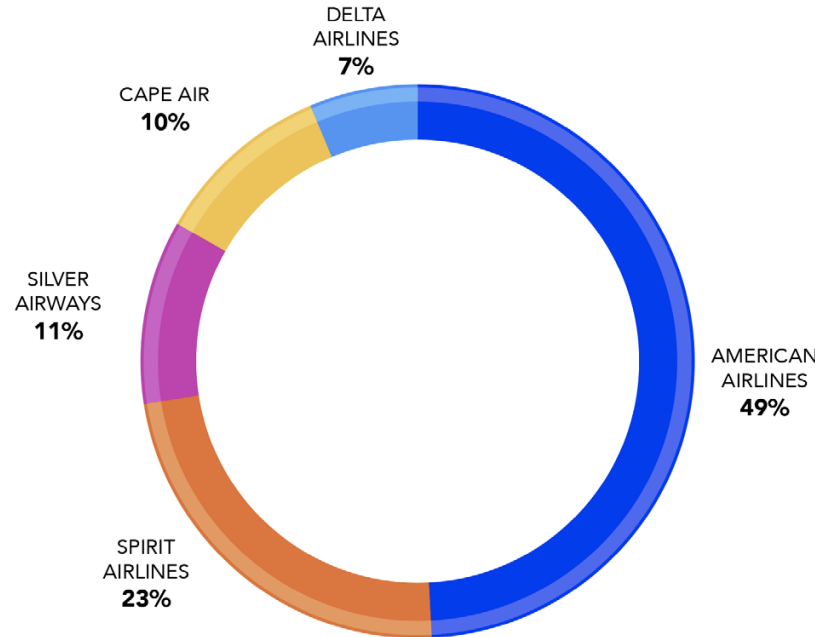
HENRY E. ROHLSSEN/STX AIRPORT OVERVIEW

Airport in Figures	STX	STX Commentary
Airport Land Area	1,451 Acres	The STX property encompasses approximately 1,451 acres (about twice the area of Central Park in New York City). This includes an airfield and terminal footprint of 1,347 acres and 104 acres (about half the total floor space of the Pentagon) of lands east of Runway 10/28.
Airport Terminal Area	148,500 sq. ft.	The STX Terminal building encompasses various tenant spaces that include concessions, airline operations, U.S. Customs and Border Protection Services, Federal Inspection Station (FIS), TSA checkpoints, USDA and VIPA Aviation Support Services.
Gates	16	All Hardstands. Nine (9) Air Carrier and Commuter Gates Seven (7) Cargo
Passenger Airlines	<ul style="list-style-type: none"> • Major Air Carriers • Commuter, Charters and Air Taxis 	<p>Major Air Carriers: American Airlines, Delta Airlines, Spirit Airlines.</p> <p>Commuter, Charter, Air Taxi: Ameriflight; Bohlke International. Airways; Cape Air; Coastal Air Transport Inc.; Fly the Whale; Sea Flight VI; Seaborne Airlines/Silver Airways; Vieques Air Link.</p>
Runway Length	10,004 ft.	Asphalt-G Grooved/Marking Type PIR-G/NPI-G/TORA-10004'/TODA-10004'/ASDA-9003' (RWY-10) 10004' (RWY-28)/LDA- 9003' (RWY-10) 8998' (RWY28)/HIRL



STX AIR SERVICE

- American Airlines
- Delta Air Lines
- Spirit Airlines
- Ameriflight
- Bohlke International Airways
- Cape Air
- Coastal Air Transport
- *New** • Fly the Whale
- Sea Flight VI
- Seaborne Airlines
- Silver Air
- Vieques Air Link



Airline Market Share at STX (as of September 2022)



VIPA AIRPORT P3 PROJECT ADVISORS

FIRM	ROLE
FRASCA & ASSOCIATES LLC	P3 and FINANCIAL ADVISOR
MAYER BROWN LLP	LEGAL ADVISOR
LAW OFFICES OF JENNIFER JONES	LOCAL COUNSEL
LAW OFFICES OF TRUDY FENSTER, P.C	LOCAL COUNSEL
THE PASLAY GROUP	TECHNICAL ADVISOR
PUBLIC STRATEGY GROUP	COMMUNICATIONS ADVISOR



VIPA BOARD OF GOVERNORS

Mr. Willard A. John

St. Croix
Board Chairman

The Honorable Derek Gabriel

Commissioner of the Department of Public Works
Board Vice-Chairman

Mr. Kevin Rodriguez

Chairman of the USVI Economic Development Authority Board
Board Secretary

The Honorable Ariel Smith

Attorney General Nominee of the U.S. Virgin Islands

The Honorable Joseph B. Boschulte

Commissioner of the U.S. Virgin Islands Department of Tourism

Mr. Lionel Jacobs

St. Croix Representative

Ms. Leona A. Smith

St. John Representative

Mr. Celestino A. White Sr.

St. Thomas Representative

Vacant

St. Thomas Representative



VIRGIN ISLANDS PORT AUTHORITY

Gateways to the U.S. Virgin Islands and its
Economy

WWW.VIPORT.COM

PROJECT WEBSITE

WWW.VIPAAIRPORTSP3.COM



QUESTION & ANSWER

QUESTIONS AND ANSWERS

RELATING TO THE

VIPA AIRPORTS

P3 PROJECT



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