

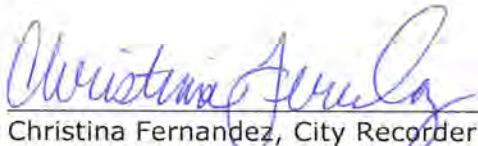
**NOTICE OF WORK MEETING OF THE
CITY COUNCIL OF THE CITY OF ST. GEORGE,
WASHINGTON COUNTY, UTAH**

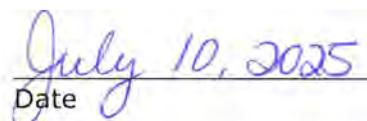
Public Notice

Public notice is hereby given that the City Council of the City of St. George, Washington County, Utah, will hold a work meeting in the Administrative Conference Room at the St. George City Offices located at 175 East 200 North, St. George, Utah, on Thursday, July 17, 2025, commencing at 4:00 p.m.

The agenda for the meeting is as follows:

1. **Update regarding the Airport Terminal Expansion.**
2. **Reports from Mayor, Councilmembers, and City Manager.**
3. **Request a closed meeting to discuss litigation, security, property acquisition or sale, or the character and professional competence or physical or mental health of an individual.**


Christina Fernandez, City Recorder


Date

REASONABLE ACCOMMODATION: The City of St. George will make efforts to provide reasonable accommodations to disabled members of the public in accessing City programs. Please contact the Human Resources office at 435-627-4674, at least 24 hours in advance if you have special needs.



St. George Regional Airport Terminal Improvement – Project Update

City Council Presentation

July 17, 2025

Agenda



1. Project Schedule
2. Project Definition
3. Design Approach
4. Budget Estimates
5. Funding Strategy

schedule

Q1/Q2 Accomplishments:

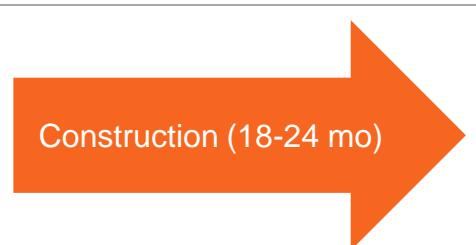
- CMAR onboarded
- Stakeholder outreach
- Space & Function refinement
- Design aesthetic development
- Budget reconciliation
- Funding strategy advancement



Design:



Construction:



Conditions for Success

NEEDS

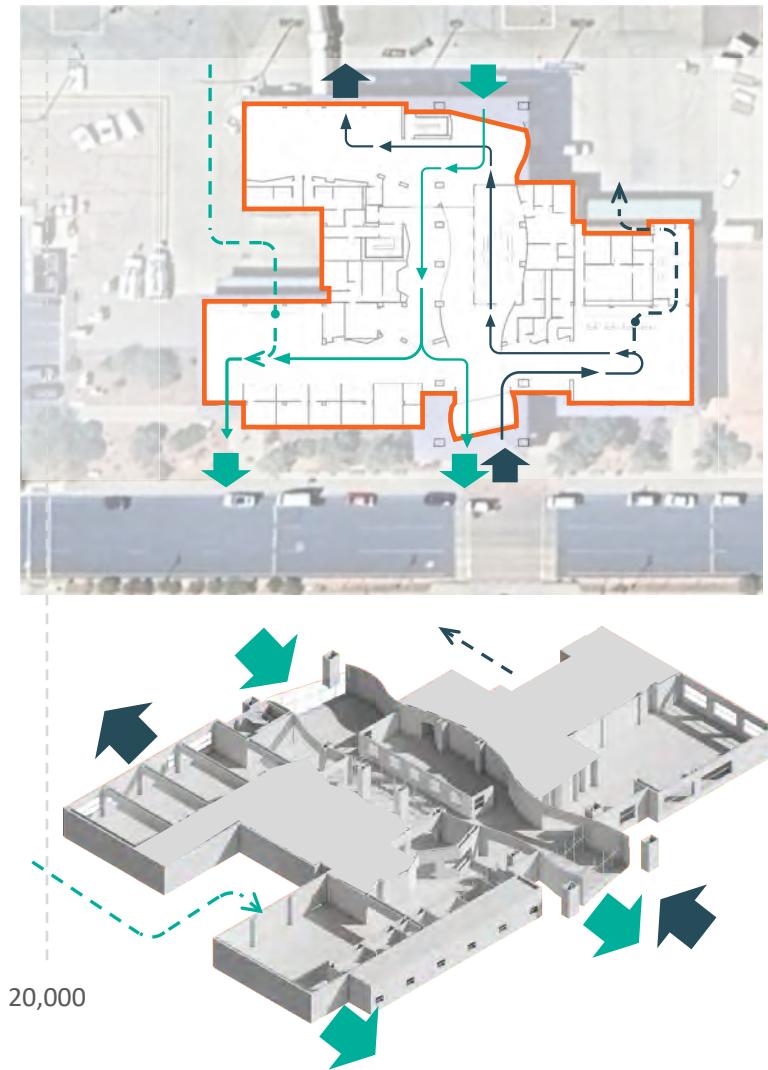
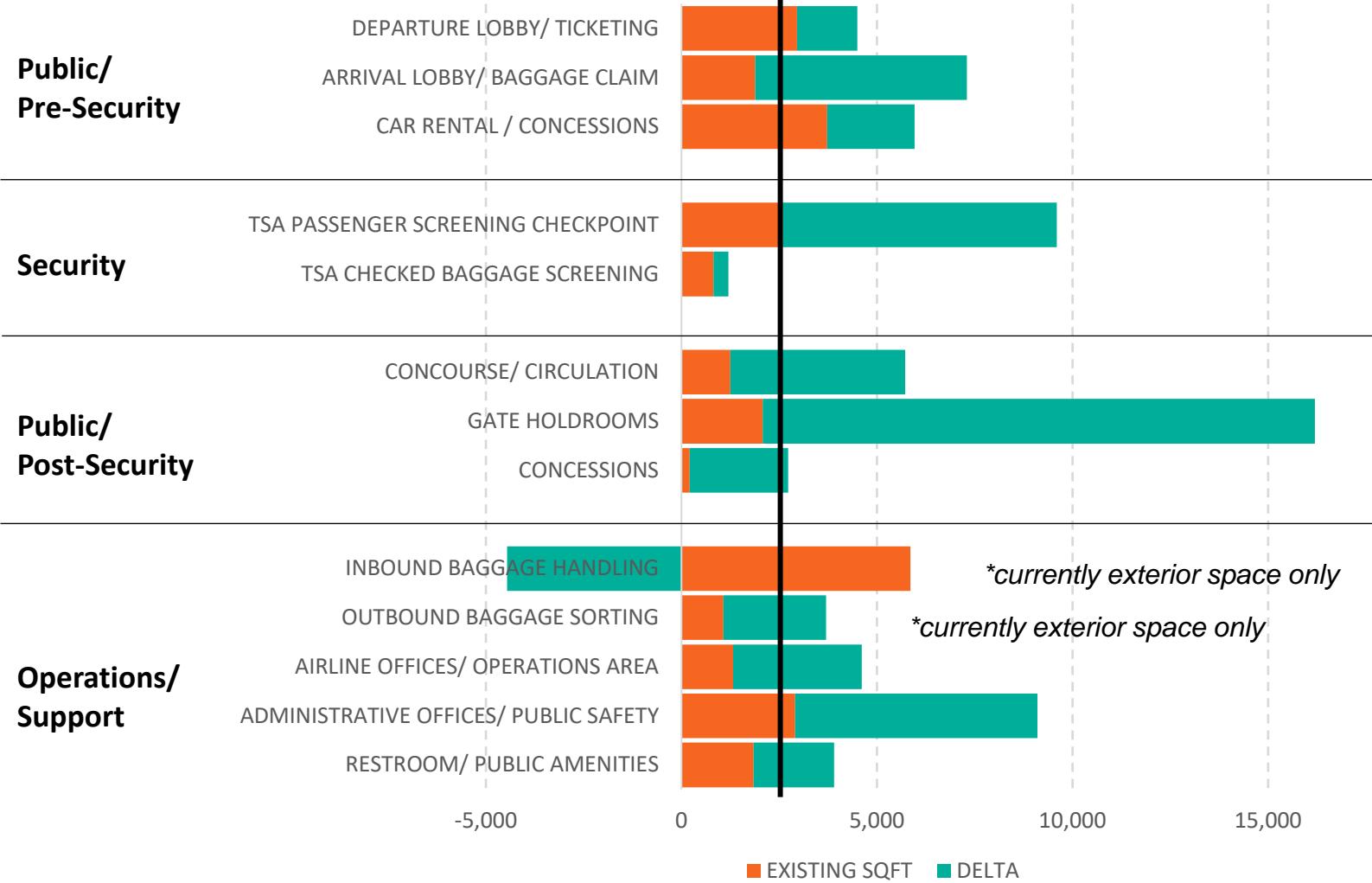
- Improve overall **capacity** for projected needs of the airport for 2035
- **Flexible** layout to accommodate evolving aircraft types and airline operational models
- Maximize and **optimize** existing spaces to meet airport needs
- Improve passenger **flow** by reducing congestion at key public areas
- Improve passenger **safety** at the new boarding gates

GOALS

- Convey a passenger experience **specific to the St. George region character and identity**
- Capture **views** of nearby scenery from public areas
- Maintain **convenience** of regional airport thru minimizing walking distances, efficient processing
- Meet project **schedule & budget** using a collaborative and transparent process

Space Requirements Itemized

FROM 10.10.2024 COUNCIL WORKING SESSION



Exterior Concept View

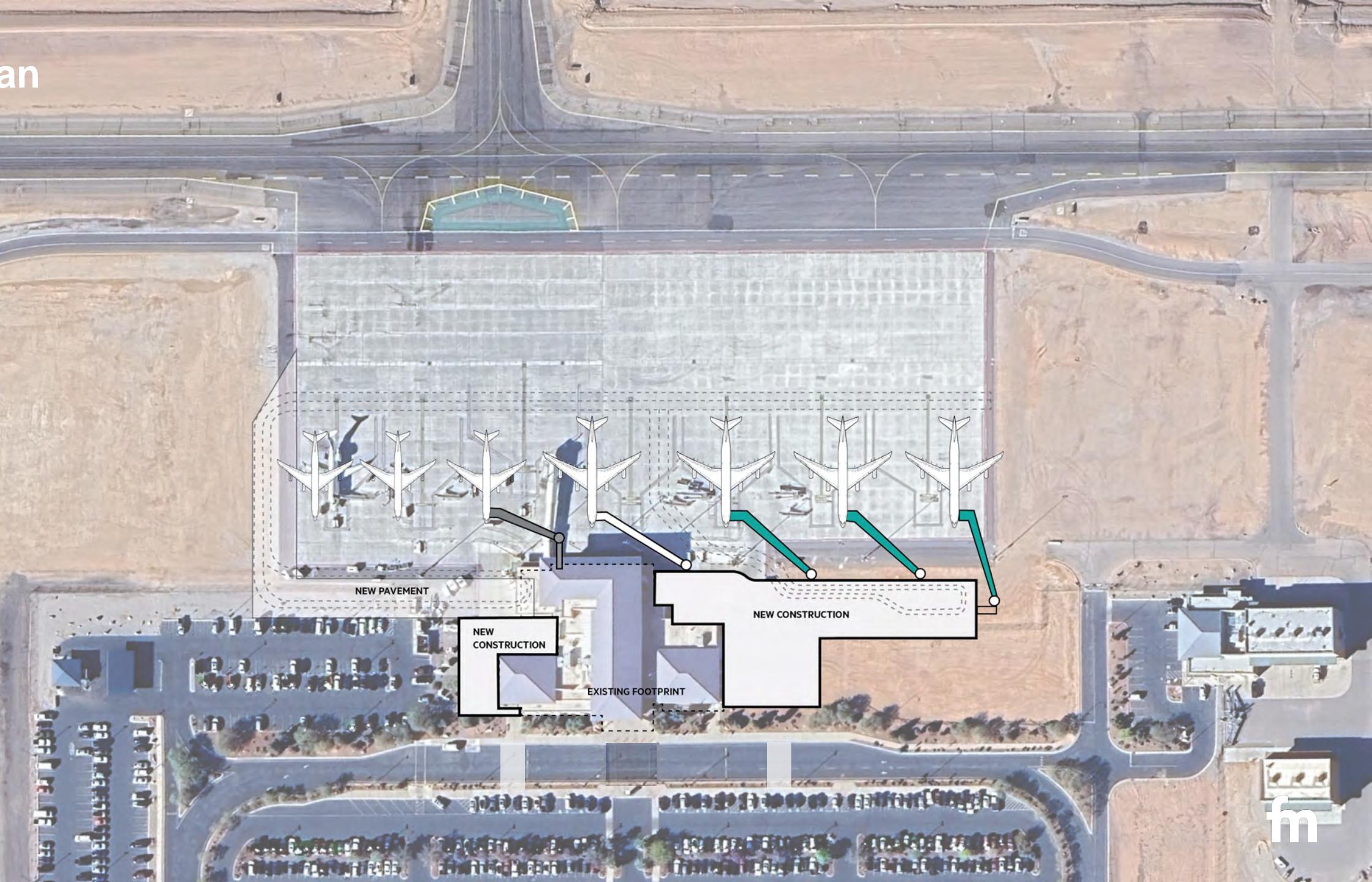
FROM 10.10.2024 COUNCIL WORKING SESSION

Existing Terminal Building (to be renovated)

Proposed new construction



site plan



Designing for People

- **Passenger:** experience, convenience, safety, amenity, overall satisfaction
- **Staff:** well-being, retention, operational efficiencies
- **Community:** local identity, meaning, pride

Designing for People – Southwestern Utah

Light and Sky



Designing for People – Southwestern Utah
Erosion and Time



Designing for People – Southwestern Utah

Form and color



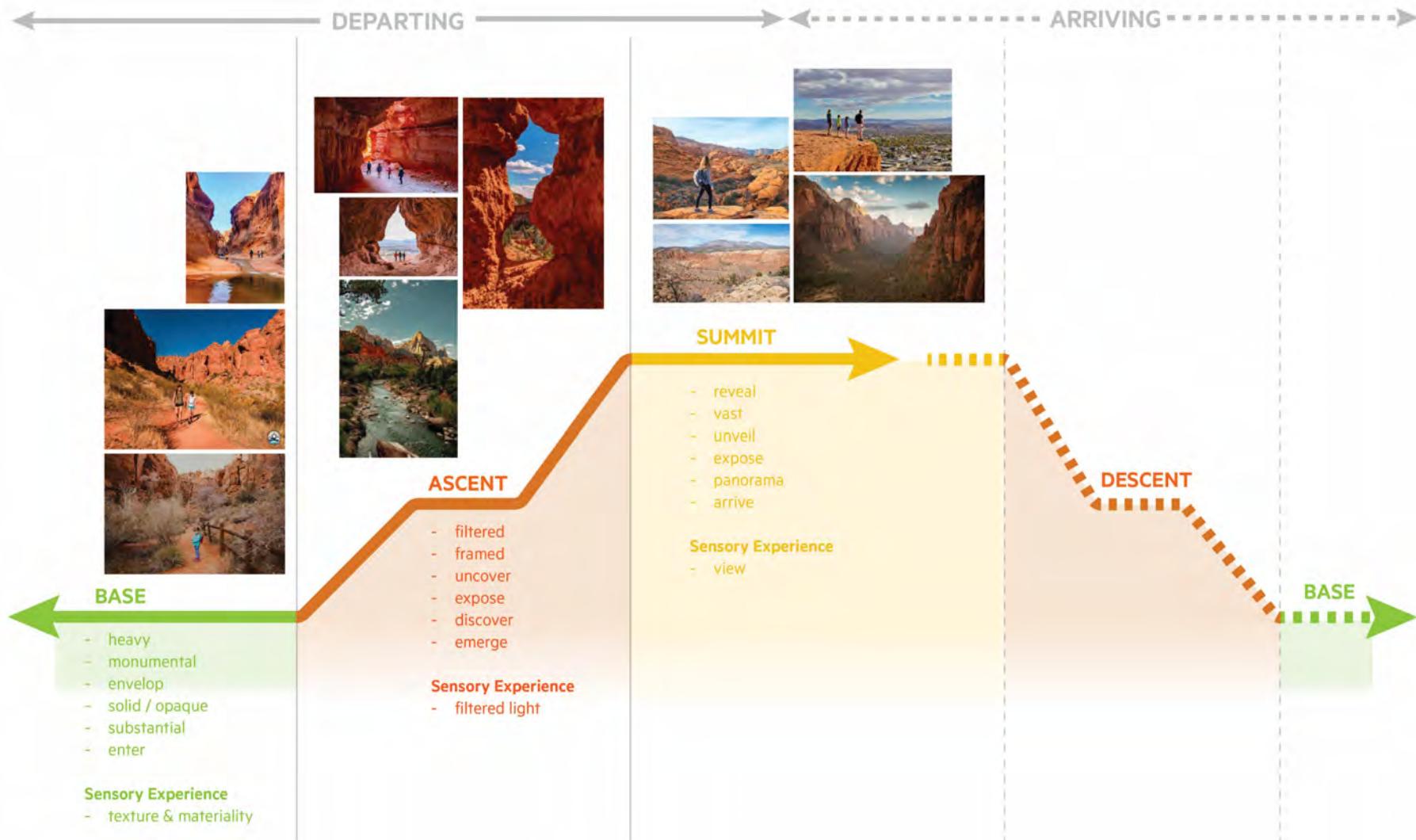
RED CAVES – ZION NATIONAL PARK

Designing for People – Southwestern Utah
Shelter and surprise



MOQUI CAVE – ZION NATIONAL PARK

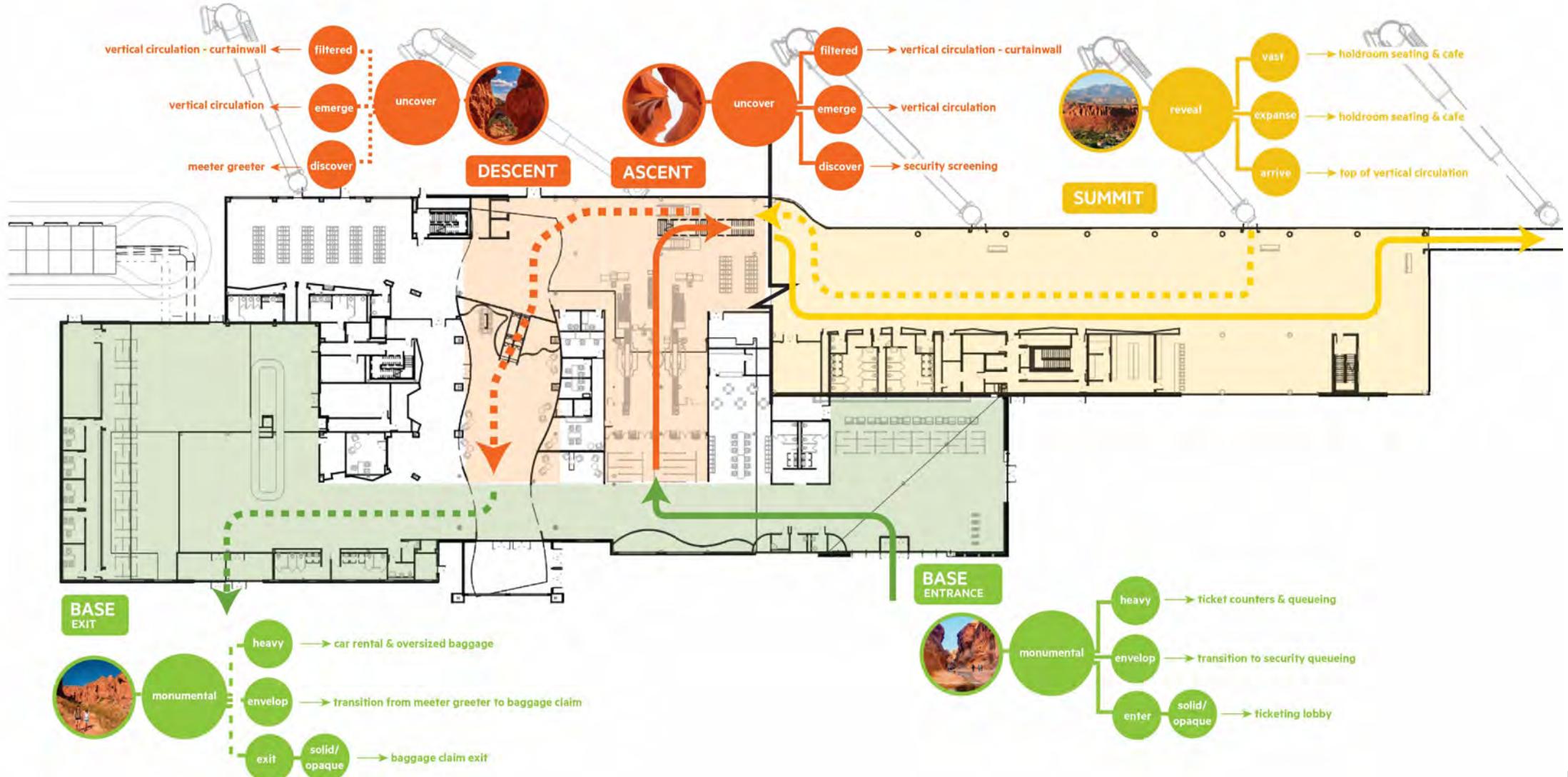
design concept - peak



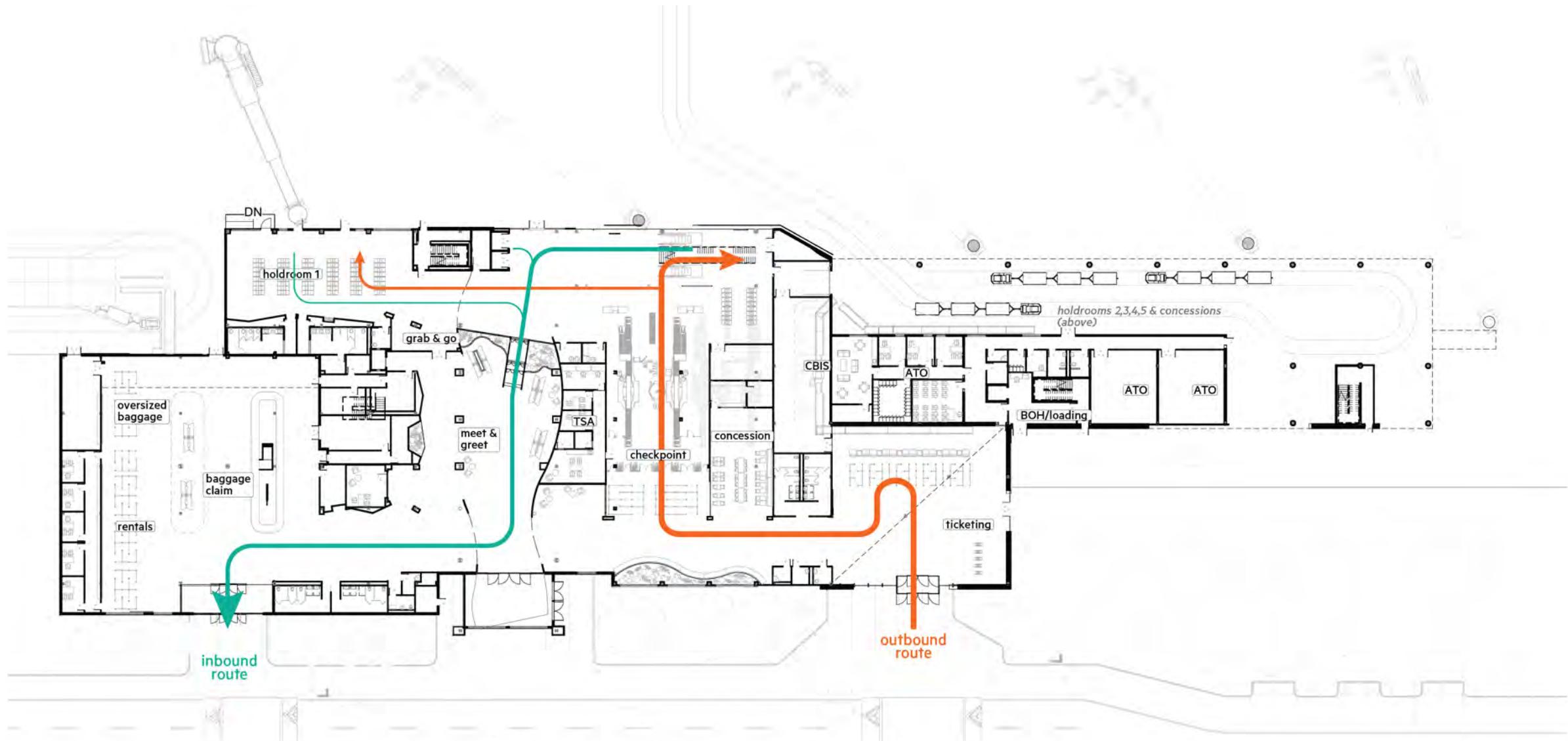
design concept – programmatic application

DEPARTURES

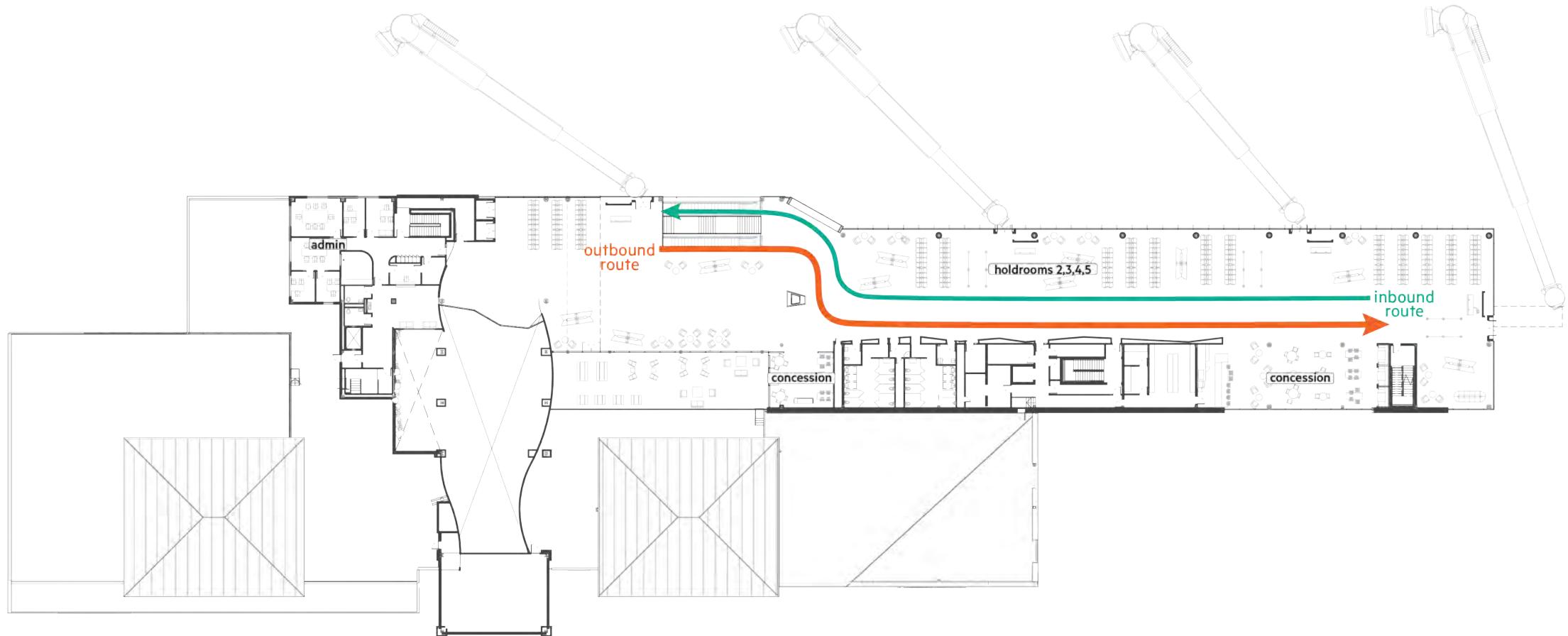
ARRIVALS



airport improvements



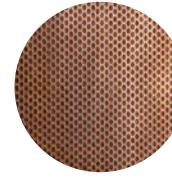
airport improvements





design development

landside elevation



Perforated
metal panel



Stucco



Custom
Brick



Standing
Seam Metal



Bronze
Curtainwall

landside approach



ticketing



security screening

SECURITY SCREENING



vertical circulation



holdroom



fm

hödroom - cafe



airside elevation



Perforated
metal panel



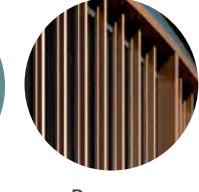
Stucco



Custom
Brick



Standing
Seam Metal



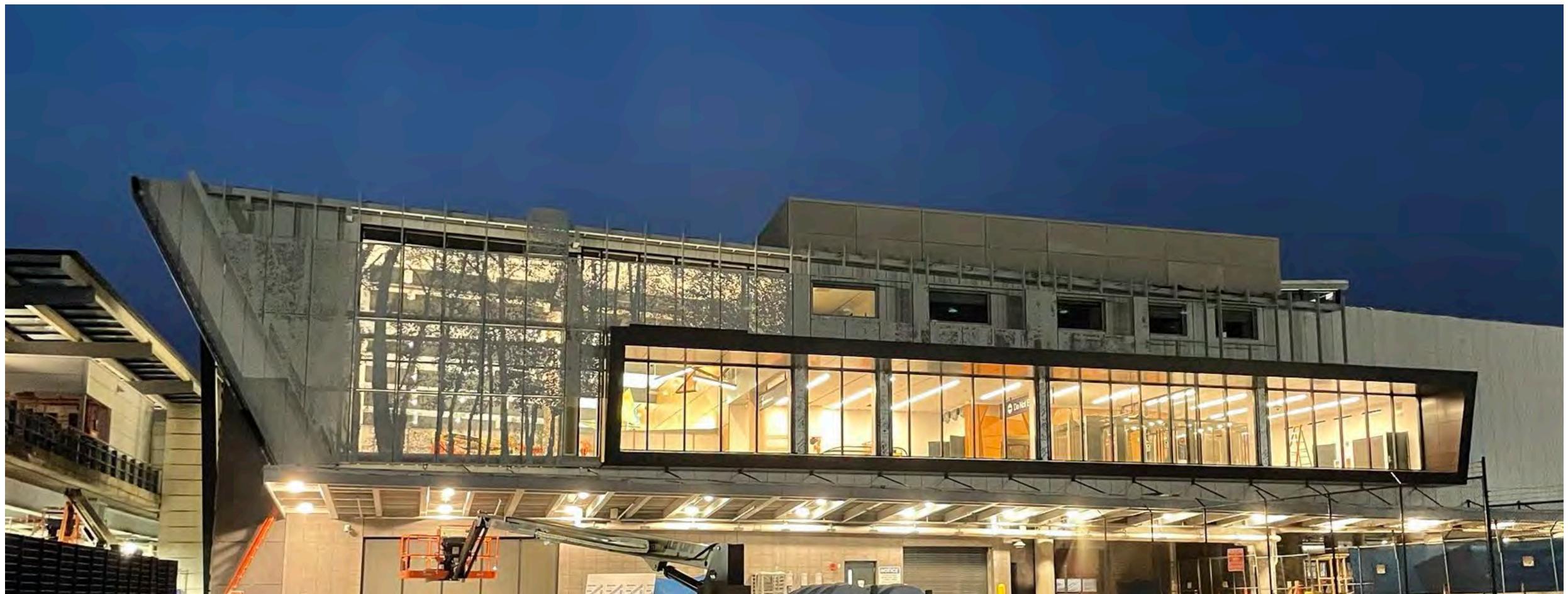
Bronze
Curtainwall



airside elevation



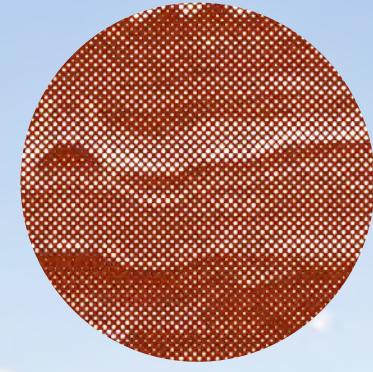
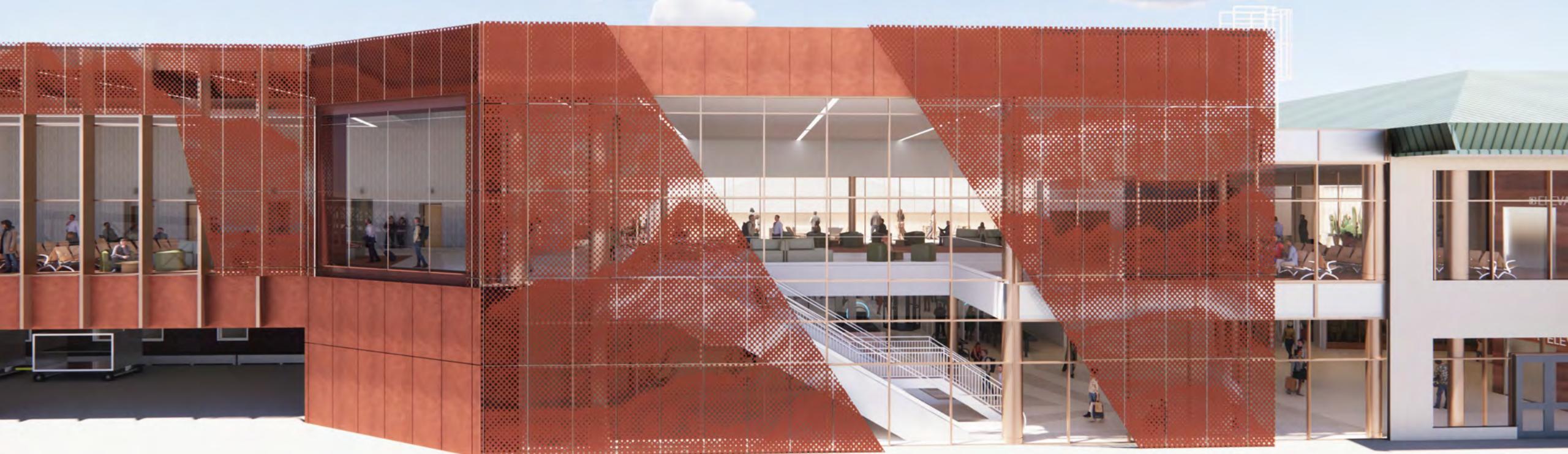
Perforated metal panel screen system



Perforated metal panel screen system



airside exterior – perforated metal panel



holdroom



fm

meeter greeter



baggage claim

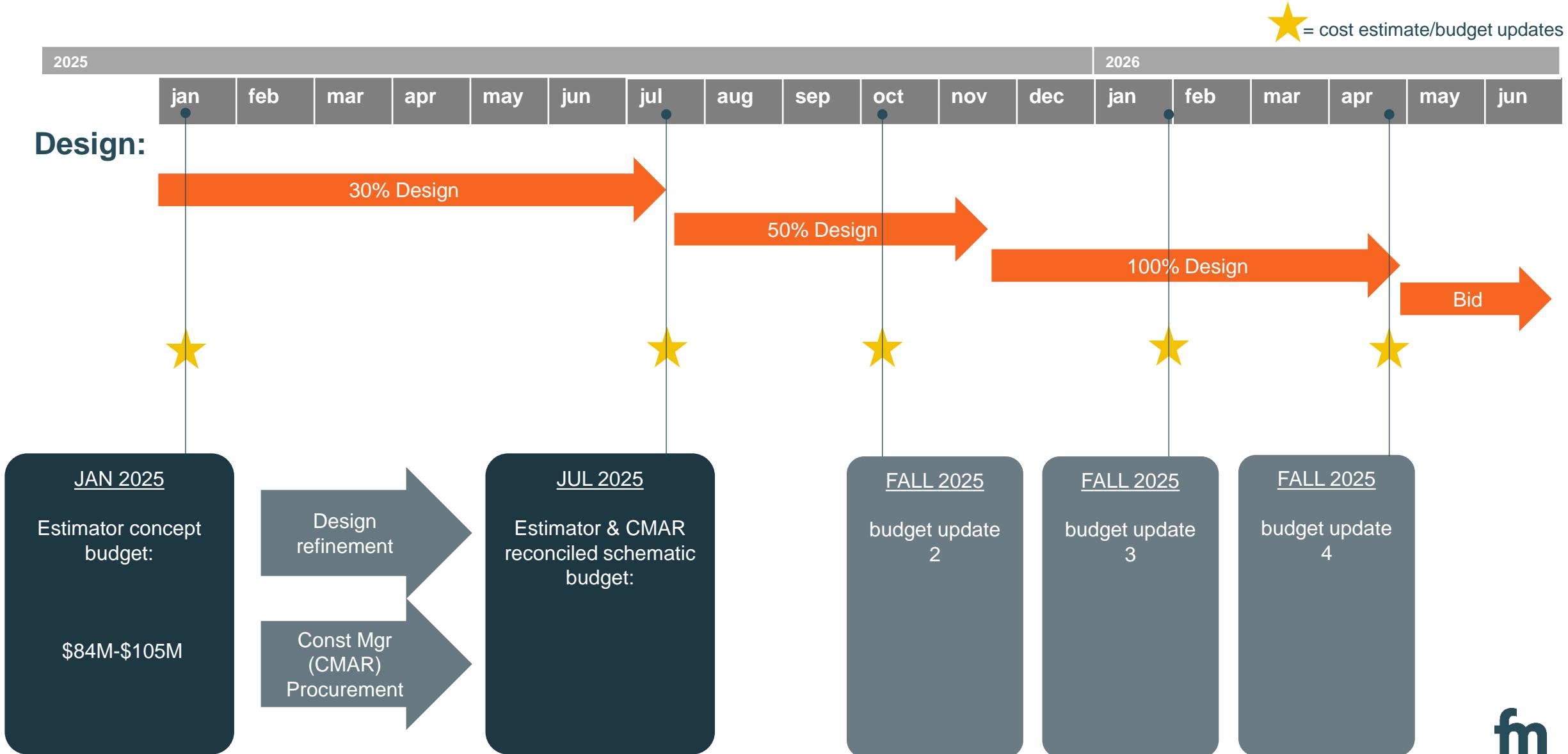


fm



Project budget

Budget development process



budget

Design & Project Management \$ 10M

A/E Design
A/E Construction Administration / Resident Engineering
OPM Project Management

Construction \$ 86.5M

CM Preconstruction Services
Construction Direct + CM Indirect Costs
Design & Construction Contingencies

Owner Direct Costs \$ 1.75M

Furniture
TSA charges
Third-party Quality Testing during construction

Owner Contingency (5%) \$ 4.75M

Total Project Budget \$103M

Less costs spent/encumbered to-date - (\$ 7M)

Project Costs Forward \$ 96M



Funding strategies

Forecast Update

5 Years since the Master Plan Forecasts Were Developed, the Airport is Already Outpacing the Medium Case Scenario and is Expected to Trend with the High Case Scenario by 2030.

Since the new facility opened in 2011, SGU has sustained an average annual growth rate more than 4x the national average.

2018	138,760
2022	137,241
2023	149,077
2024	159,266

Master Plan Forecast (2021)			
	Low	Med	High
2025	154,254	172,166	230,342
2030	184,301	213,380	293,830
2040	252,586	318,519	400,520

Updated Forecast			
	Low	Med	High
2030	234,288	223,620	286,142
2040	326,798	347,102	411,730

Funding Strategies

The SGU terminal expansion project requires a coordinated funding approach involving contributions from federal, state local, and other private sources.



Funding Strategies

Federal

Congressionally Designated Spending

- Sponsored by member of congress, subject to appropriation

Infrastructure Investment and Jobs Act

- Appropriated through FY 2026
- Nationally competitive program for airport terminals
- Small airports in Utah are favorable going into final grant year - successful projects carry development timeline requirements



Goal \$5 Million – \$15 Million

Funding Strategies

State

- State invested \$15 Million for a new air traffic control tower at SGU
- Demonstrates State's prioritization of airport infrastructure
- Serves as a building block for ROI as part of state's broader strategic vision



Goal \$10-20 Million

Funding Strategies

City

- Airport has invested Approx. \$7 Million in design for the terminal expansion project
- Maximizing & leveraging airport revenue sources:
 - Passenger auto parking
 - Concessions
 - Passenger Facility Charge (PFC)
- Seeking local & private funding partners



Funding Strategies

Debt Service

State Sourced Bonds

- State Bonds (lower interest rate) – May require legislation

Federally Sourced Loans

Transportation Infrastructure Finance and Innovation Act (TIFIA)

SGU qualifies as a rural project, making it eligible for:

- ½ federal treasury bond interest rate (~2.43%)
- Financing up to 49% of eligible project costs with flexible repayment terms
- Requirements for financial commitments by the City including revenue pledges and springing lien waivers

Estimated Range of
Debt Service:

Term: 20-25 Years

Annual Payment:
\$3.3 - \$4.4 Million

Next steps

- Complete design and construction drawings to 100%
- Proceed in obtaining funding commitments
- Continue stakeholder / community engagement



Thank you !



SGU Airport campus







DESIGN



airside elevation



fm

BUDGET

schedule

Q1/Q2 Accomplishments:

- CMAR onboarded
- Design + scope refinement
- Budget reconciliation

City Council

City Council

City Council

City Council

2025

Jan - jun

Jul

aug

sep

oct

nov

dec

2026

jan

feb

mar

apr

may

jun

Jul >>>

★ = cost estimate/budget updates

design

50% Design

100% Design

Bid

budgeting & funding

Submit Application

Federal BIL Funding Process

Notice of Award

Submit Grant

construction

Construction (18-24 mo)

Preliminary cost summary

• **FROM 01.23.2025 COUNCIL WORKING SESSION**

09/2024 – 10% Design, Base Project

\$52 - \$67.5M Construction cost

\$62 - \$80M Total Project Cost



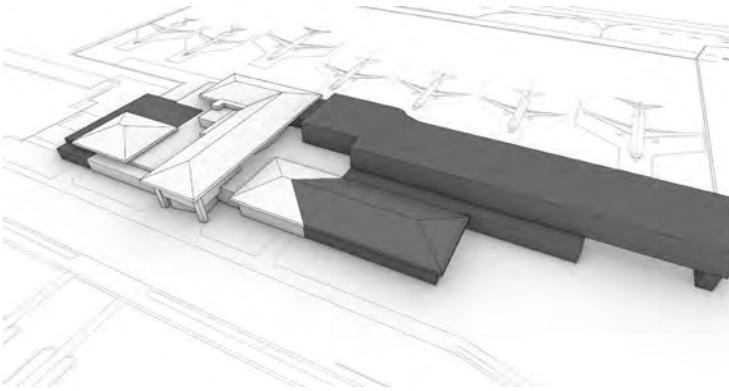
Core features:

- **Capacity:** Increased capacity per master plan
- **Functionality:** Improved efficient layout
- **Admin:** None in terminal, remains at ARFF
- **Experience:** Convenience, simplicity, amenity
- **Local Identity:** Color, form, view to exterior
- **Approach:** Maximize re-use of existing space, minimal landside exterior changes

01/2025 – 30% Design, Baseline (option B)

\$70 - \$75M Construction cost

\$84 - \$90M Total Project Cost



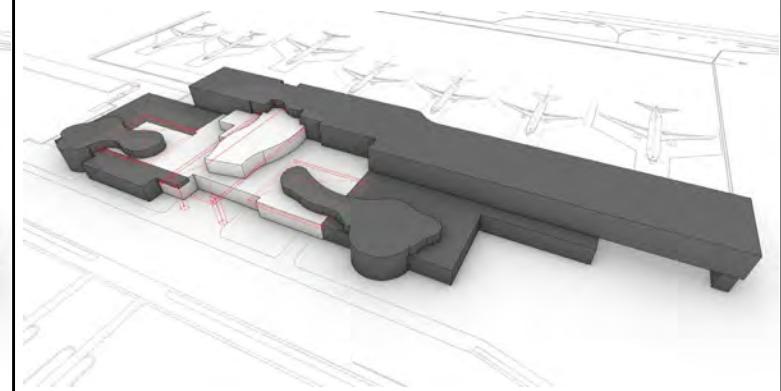
Key features:

- **Capacity:** same
- **Functionality:** same
- **Admin:** Partial in-terminal presence, split ARFF
- **Experience:** same
- **Local Identity:** same
- **Approach:** same

01/2025 – 30% Design, Optimized (option A)

\$85 - \$88M Construction cost

\$100 - \$105M Total Project Cost



Optimized features:

- **Capacity:** same
- **Functionality:** same
- **Admin:** FULL in-terminal presence
- **Experience:** More intuitive wayfinding, ease of passenger use, more open & welcoming
- **Local Identity:** More natural daylight, virgin river theme
- **Approach:** Landside entrances emphasized

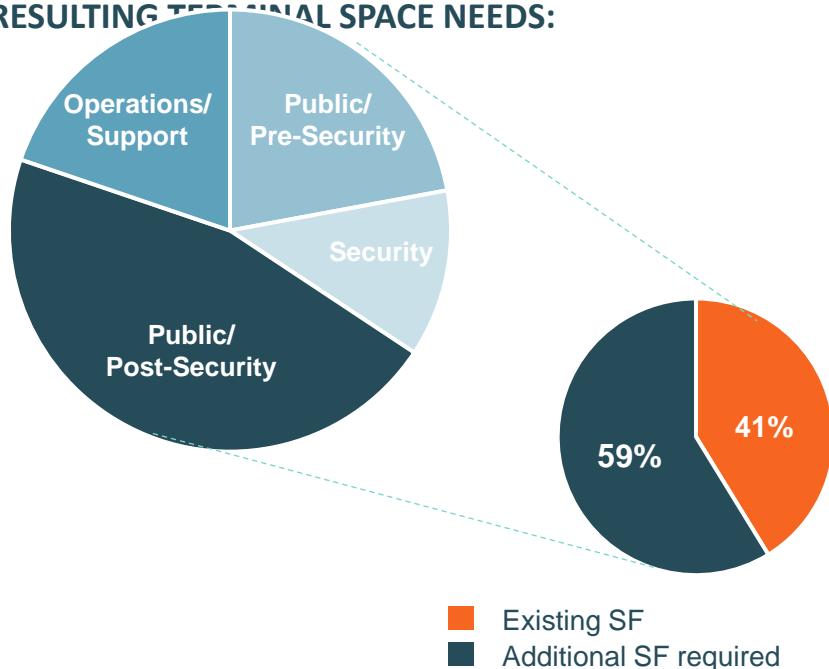
Needs & Goals

Growth Projections: Enplanements

FROM 10.10.2024 COUNCIL WORKING SESSION

- Master Plan Forecast Approved September 2021
- Forecast Includes Non-Rev Factor, FAA Data Does/Will Not
- Low Case - FAA TAF
- Medium Case - Increased Market Capture with Normal FAA Growth Rate
- High Case - Enhanced Market Recapture, Above Average Growth

RESULTING TERMINAL SPACE NEEDS:

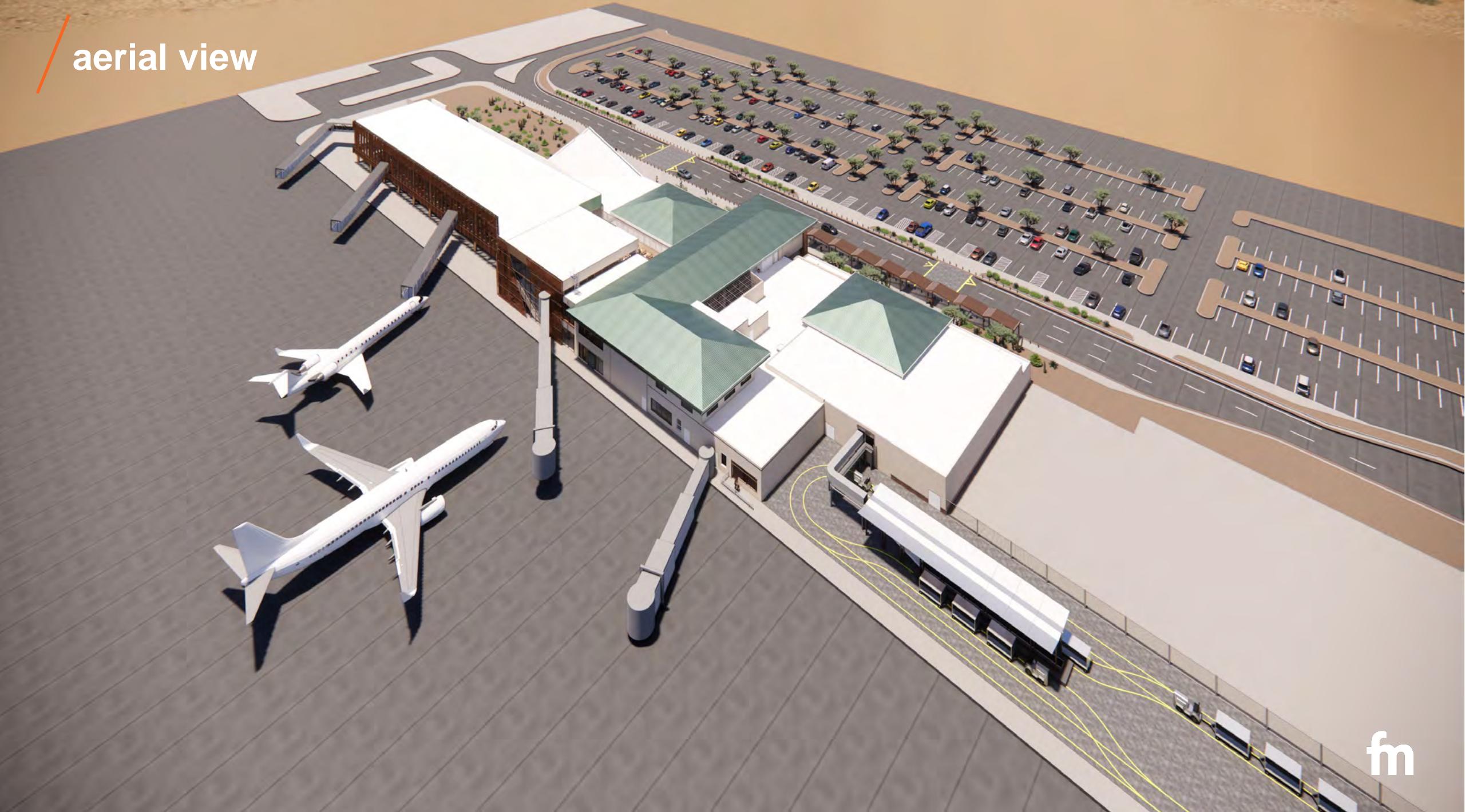


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LAYOUT

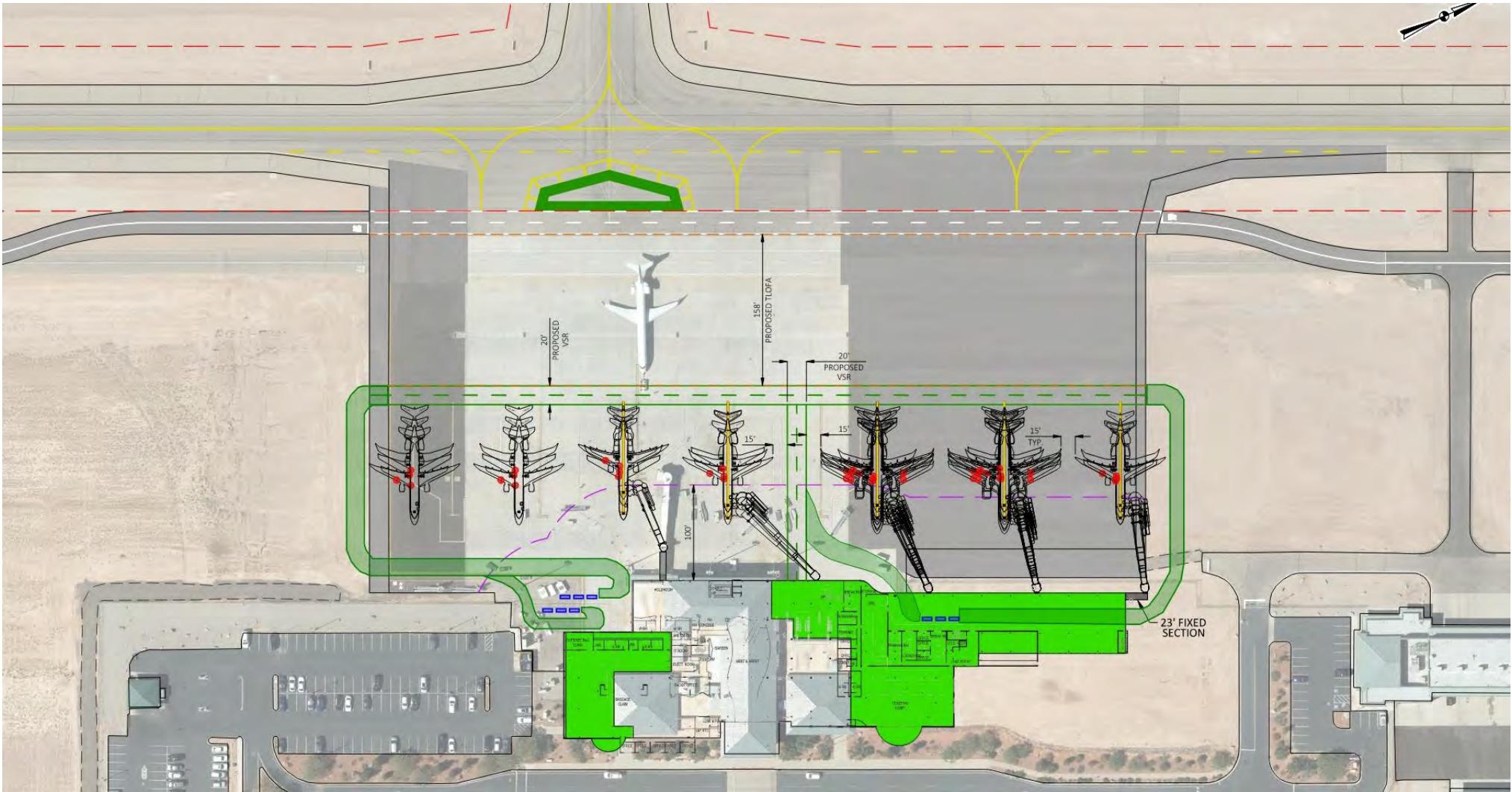
aerial view



Needs and Goals

Site Layout

FROM 01.13.2025 COUNCIL WORKING SESSION



FUNDING

Economic Benefits

Sample Tax Generation Passenger Profiles

An in-terminal passenger survey is currently underway to achieve better insights into visitor spending habits

Business Travel

Hotel: 2 nights at \$150

Rental Car: 2 days at \$60

Dining: 5 meals: \$108 (IRS)

Total Direct Spend \$528

Total Taxes \$75.82

County Taxes \$24.87

Golf Long Weekend (2ppl)

Hotel: 3 nights at \$250/night

Rental Car: 4 days at \$60

Dining 5 meals: \$612 (IRS + 50%)

Total Direct Spend \$1,602 (\$801/p)

Total Taxes \$205.08 (\$102.54/p)

County Taxes \$62.81 (\$31.41/p)

National Parks (2ppl)

Hotel: 6 nights at \$250/night

Rental Car: 1 week at \$250

1 Week Dining: meals: \$\$68/ day x 2 (IRS)

Total Direct Spend \$2,702 (\$1,351/p)

Total Taxes \$342.90

County Taxes \$104.28 (\$52.14/p)

Economic Benefits

Sample Tax Generation Passenger Profiles

An in-terminal passenger survey is currently underway to achieve better insights into visitor spending habits

Family Visit

Hotel: N/A

Rental Car: N/A

Dining/Entertainment \$500

Total Direct Spend \$500

Total Taxes \$45.76

County Taxes \$7.50

Event Weekend

Hotel: 3 nights at \$250/night

Rental Car: 3 days at \$60

Dining: 5 meals \$204 (IRS)

Total Direct Spend \$1,134

Total Taxes \$154.95

County Taxes \$52.19

Long Weekend (2ppl)

Hotel: 3 nights at \$200/night

Rental Car: 4 days at \$60/day

Dining: meals: \$\$68/ day x 2 (IRS)

Total Direct Spend \$1,384 (\$692/p)

Total Taxes \$177.84 (\$88.92/p)

County Taxes \$54.66 (\$27.33/p)

Economic Benefits

Tax & Cash Benefits from Inbound Passengers

50% of the Passengers using SGU are starting their trips from other locations and visiting Washington County and Southern Utah

SGU Currently only captures 33% of the inbound visitor market with the majority accessing the **EXISTING & NEW** region via Las Vegas
In 2025 close to 100,000 people will access the regional annually VIA SGU, with significant spending and tax contributions

County Taxes Generated Per Passenger:
\$25.02 - \$34.02

RECAPTURED

Recognizes that many current visitors use Las Vegas to access the region and excludes increased room taxes

County Taxes Generated Per Passenger:
\$10.61 - \$12.96

Projected Annual County Tax Generation From SGU Passengers in 2025 Dollars

Year	Low	High
2030	\$2,391,750	\$3,215,700
2035	\$3,128,833	\$4,204,700
2040	\$4,131,250	\$5,517,700

Funding Strategies Scenarios

Scenario 1 - Most Credible Scenario	
Funding Source	Amount
City/Airport Restricted Fund*	\$5,000,000
State	\$10,000,000
Private Funding Sources	\$6,000,000
Federal CDS	\$2,000,000
BIL-ATP-AIG	\$5,000,000
AIP	\$0
PFC	\$4,000,000
Net Direct Funding	\$32,000,000
Remaining Local Funds Needed	\$58,000,000
Estimated Debt Service Annualized Payment Required	\$3,334,351

Scenario 2 - Worst Case Scenario	
Funding Source	Amount
City/Airport Restricted Fund*	\$5,000,000
State	\$10,000,000
Private Funding Sources	\$2,000,000
Federal CDS	\$2,000,000
BIL-ATP-AIG	\$1,000,000
AIP	\$0
PFC	\$4,000,000
Net Direct Funding	\$24,000,000
Remaining Local Funds Needed	\$66,000,000
Estimated Debt Service Annualized Payment Required	\$4,390,890

* City/Airport Restricted funds composed of Covid funds used for reimbursement

** Debt structure assumptions including type and term differ between Scenario 1 and Scenario 2



Funding Strategies Scenarios

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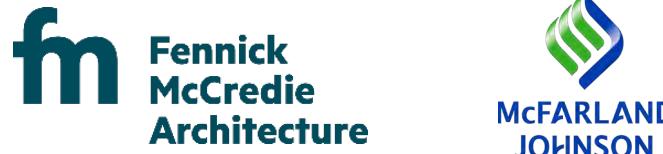
Additional Direct Funding	Scenario 1- Annualized Debt Service	Scenario 2 - Annualized Debt Scenario
\$5,000,000	\$3,010,986	\$4,036,405
\$10,000,000	\$2,687,621	\$3,681,919
\$15,000,000	\$2,364,255	\$3,327,434
\$20,000,000	\$2,040,890	\$2,972,949

* City/Airport Restricted funds composed of Covid funds used for reimbursement

** Debt structure assumptions including type and term differ between Scenario 1 and Scenario 2



Project Background



PLANNING

Master Plan completed in 2022 identified terminal capacity as key issue for short term



PROJECT DEVELOPMENT

3-5+ year process for Planning, Environmental, Design, Funding/Financing, Construction & Commissioning



STAKEHOLDER ENGAGEMENT

City, County, State, Federal officials all being briefed on the SGU terminal project. Active engagement with Skywest & Black Desert Resort

Project Purpose

The existing terminal is already operating at maximum capacity during peak periods every day.



Since the new facility opened in 2011, SGU has sustained an average annual growth rate more than 4x the national average.