

**Public Notice – Passenger Facility Charge PFC Application No. 3
Amendment No. 2
Charlotte Douglas International Airport**

Effective: February 22, 2019

Pursuant to 49 CFR Part 158.24, the city of Charlotte (“City”), owner and operator of the Charlotte Douglas International Airport (“Airport”), hereby provides public notice (“Public Notice”) of the City’s intention to amend (“Amendment No. 2”) its passenger facility charge (“PFC”) application 09-03-C-01-CLT (“PFC Application No. 3”) approved by the Federal Aviation Administration (“FAA”) in its Final Agency Decision (“FAD”), dated February 24, 2009 and subsequently amended administratively on November 30, 2012.

As required by Part 158.24(a)(1) the following information is included in this Public Notice:

- (i) Descriptions of the projects;
- (ii) A brief justification of the need for the projects;
- (iii) The PFC level for each project;
- (iv) The estimated total PFC revenue for each project;
- (v) The proposed charge effective date for the application;
- (vi) The estimated charge expiration date for the application;
- (vii) The estimated total PFC revenue that will be used to finance the projects; and
- (viii) The name of and contact information for the person within the public agency to whom comments should be sent.

In 2009 the FAA, in its FAD, approved and/or partially approved all projects included in PFC Application No. 3 and authorized the collection of \$80,765,972 (including interest earnings on PFC account balances). The legal Charge Effective date for PFC Application No. 3 is December 1, 2018 and the estimated Charge Expiration Date was July 1, 2020.

In the City’s Amendment No. 1 to PFC Application No. 3, the City requested, and the FAA approved the removal of one project, PWE 3.5 Baggage System Modifications. This action reduced the total PFC collection amount by \$1,500,000 to \$79,265,972. The legal Charge Effective date and the estimated Charge Expiration date remained unchanged.

In this Amendment No. 2 to PFC Application No. 3 the City is amending the costs of the remaining projects (excluding PWE 3.7 PFC Application Development Cost) to reflect the current estimated project cost and funding plan. This Amendment No. 2 effectively reduces the overall collection authority by \$24,525,700 to \$54,740,272.

The City proposes to impose a \$3.00 PFC to pay the PFC eligible costs of the PWEs. The City, concurrent with this amendment, is updating and amending its PFC Application No. 1, PFC

Application No. 2, PFC Application No. 4 and submitting its new PFC Application No. 8. As stated above, the City's legal Charge Effective Date for PFC Application No. 3 is December 1, 2018 and the legal Charge Expiration date is July 1, 2020. The City's PFC Program is fluid and estimates it will collect PFC's until February 1, 2049 for PFC Application Numbers 1 through 6 (PFC Application No. 7 is a Use application), and the City's new PFC Application No. 8.

The following sets forth the PWEs included in Amendment No. 2 to PFC Application No. 3, including a description of the projects, justification for the projects and the estimated total PFC revenue the City will use for each project.

I. PROJECT DESCRIPTIONS, OBJECTIVES AND JUSTIFICATIONS

PROJECT TITLE:

P.W.E. 3.1 Taxiway Bridges

PROJECT DESCRIPTION:

This project provided for the design and construction of two taxiway bridges, one for Taxiway ‘N’ and one for Taxiway ‘S’. The construction of these two bridges allowed access to approximately 300 acres of land between the two taxiways for future development.

PROJECT JUSTIFICATION:

The construction of these two bridges enhanced the capacity of the airfield by allowing for access for future development of approximately 300 acres of land between the two taxiways for Airport compatible land uses. Failure to construct the Taxiway Bridges in conjunction with the proposed Third Parallel Runway would have resulted in a future loss of airfield capacity because building the bridges at a later time would have require the closure of the taxiways during construction.

FINANCING PLAN:

Total PFC Approved Cost	\$47,149,738
Proposed Amended PFC Cost	<u>\$16,496,950</u>
Proposed PFC Cost Increase/(Decrease)	(\$30,652,788)
Proposed Amended PFC Funds	
Pay-As-You-Go	\$ 0
Bonds Capital	\$ 7,871,730
Bonds Financing & Interest Cost	<u>\$ 8,625,219</u>
Subtotal Bonds Principal/Interest	\$16,496,950
Total Amended PFC Funds	<u>\$16,496,950</u>

This project does meet the requirements of air carrier consultation as there was a change in the funding plan. Total reduction in PFC collection request of \$30,652,788 due to change in funding plan and financing costs. City received \$13,968,869 in AIP (AIP 66) funds for this project which were not anticipated in the original finding plan.

PROJECT TITLE:

P.W.E. 3.2 Storm Drain Rehabilitation – Coffee Creek

PROJECT DESCRIPTION:

This project provided for the rehabilitation of a portion of the Airport’s existing storm drainage system located at Coffey Creek. This funding element financed the cost of design and the installation of a lining for the remainder of two 96-inch metal pipes that run under the air carrier ramp and the Terminal building.

PROJECT JUSTIFICATION:

A previous project lined two sections of the pipes under the Terminal building. Continued inspection of the pipes showed that the remainder of the pipes required lining to strengthen and protect the pipes from collapsing.

FINANCING PLAN:

Total PFC Approved Cost	\$9,514,410
Proposed Amended PFC Cost	<u>\$12,331,979</u>
Proposed PFC Cost Increase/((Decrease)	\$2,817,569
Proposed Amended PFC Funds	
Pay-As-You-Go	\$ 0
Bonds Capital	\$5,884,361
Bonds Financing & Interest Cost	<u>\$6,447,618</u>
Subtotal Bonds Principal/Interest	\$12,331,979
Total Amended PFC Funds	<u>\$12,331,979</u>

This project does meet the requirements of air carrier consultation as the PFC request amount has increased by greater than 25%. Total increase in PFC collection request of \$2,817,569 is based on a reconciliation of actual project costs, funding and debt expenses (if applicable).

PROJECT TITLE:

P.W.E. 3.3 Terminal Complex Expansion – Planning

PROJECT DESCRIPTION:

This project provided for the planning of a future expansion to the Terminal lobby, Terminal curbside roadway, and the hourly parking decks located in front of the Terminal.

PROJECT JUSTIFICATION:

The Airport experienced record growth in local passengers over the previous three years and the Terminal lobby exceeded its capacity on a regular basis. This project outlined what additional space was needed for Airport and airline functions, security functions, and passenger circulation. It also provided cost estimates and phasing plans for expansion of the lobby and the other areas in front of the Terminal while maintaining the use of the existing facilities.

FINANCING PLAN:

Total PFC Approved Cost	\$3,398,004
Proposed Amended PFC Cost	<u>\$6,697,225</u>
Proposed PFC Cost Increase/((Decrease)	\$3,299,211
Proposed Amended PFC Funds	
Pay-As-You-Go	\$ 107
Bonds Capital	\$3,195,615
Bonds Financing & Interest Cost	<u>\$3,501,502</u>
Subtotal Bonds Principal/Interest	\$6,697,117
Total Amended PFC Funds	<u>\$6,697,225</u>

This project does meet the requirements of air carrier consultation as the PFC request is increasing by more than 25%. Overall increase in PFC revenue of \$3,299,221 is based on a reconciliation of actual project costs, funding and debt expense (if applicable).

II. DETAILED FINANCIAL PLAN

The City intends to continue to impose a \$3.00 PFC to pay the PFC eligible costs of the approved PWEs.

The City, concurrent with this amendment, is updating and amending its PFC Application No. 1, PFC Application No. 2, PFC Application No. 4 and submitting its new PFC Application No. 8. As stated above, the City's legal Charge Effective Date for PFC Application No. 3 is December 1, 2018 and the legal Charge Expiration date is July 1, 2020. The City's PFC Program is fluid and estimates it will collect PFC's until February 1, 2049 for PFC Application Numbers 1 through 6 (PFC Application No. 7 is a Use application), and the City's new PFC Application No. 8.

In this Amendment No. 2 to PFC Application No. 3 the City is amending the costs of the remaining projects (excluding PWE 3.7 PFC Application Development Cost) to reflect the current estimated project cost and funding plan. This Amendment No. 2 effectively reduces the overall collection authority by \$24,525,700 to \$54,740,272.

The public is invited to provide written comment or request additional information through March 26, 2019 by writing:

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Or by e-mail to mdhill@cltairport.com