



Staff Report

File #: 15-1054, **Version:** 1

Agenda Date: 2/23/2016

Subject:

Resolution authorizing continuation of a \$4.50 Passenger Facility Charge at the St. Pete-Clearwater International Airport.

Recommended Action:

Adopt a resolution authorizing St. Pete-Clearwater International Airport (PIE) to submit Passenger Facility Charge Application #3 to the Federal Aviation Administration (FAA) to allow continued collection of Passenger Facility Charge (PFC) fees to fund FAA approved projects.

The total PFC revenue to be collected in the new application, through February 1, 2021, is \$11.4 million, funding projects including Terminal Renovations, Taxiway Rehabilitation and Aircraft Rescue and Firefighting Equipment.

Strategic Plan:

Foster Continual Economic Growth & Vitality

4.4 Invest in infrastructure to meet current and future needs

Deliver First Class Services to the Public and Our Customers

5.2 Be responsible stewards of the public's resources

Summary:

Submitting a new PFC application will ensure that PIE can continue imposing a \$4.50 PFC on each enplanement and can continue collection to fund PFC eligible improvements to PIE's terminal and airfield.

Background Information:

The FAA's PFC program allows the collection of PFC fees up to \$4.50 for every enplaned passenger at commercial airports controlled by public agencies. PFCs are capped at \$4.50 per flight segment. Airports use these fees to fund FAA approved projects that enhance safety, security, or capacity.

On September 16, 2008, the Board approved Resolution 08-151 which authorized PIE to submit an application to the FAA for the imposition and collection of a new PFC fee in the initial amount of \$2.6M to fund eligible improvements to the airfield and terminal. The PFC Application was approved by the FAA on December 19, 2008.

Since the initial PFC Application was approved by the FAA, there have been four (4) amendments for eligible projects of similar nature. The FAA now prefers the submission of a new application, as opposed to amendments. PIE anticipates collecting the full amount, \$17.6M contained in Amendment No. 4 (PIE's current PFC collection instrument) by summer 2016. PFC applications and amendments are collection amount driven, not time driven. A new approved PFC application is needed prior to PIE collecting the \$17.6M to avoid the lapse of PFC collections.

In accordance with Federal Aviation Regulation 49, Code of Federal Regulations Part 158.37, airports are required to consult with air carriers that have a significant business interest and notify them of our intent to impose a PFC. The airlines have thirty (30) days after the airline consultation meeting held on January 19, 2016 to comment on any specific project or the entire PFC Application. We have not received any comments from the airlines yet.

The FAA typically takes between ninety (90) to one hundred twenty (120) days to submit the record of decision which outlines their approval or disapproval. The FAA also requires that the airport alert the public to our Notice of Intent to collect a PFC, which was posted on PIE's website. The deadline for the public comment was January 22, 2016. No public comments were received.

The following FAA eligible projects, equipment, and costs, are included in the PFC application. The projects below add up to the \$11.4M requested for FAA's approval of PIE's new PFC application:

- Terminal Renovations 2016
- Ticketing "A" Baggage Screening Area
- Apron Hardstand Expansion Phase 2
- Taxiway Rehabilitation Phase 2
- Master Plan Study
- Wildlife Hazard Assessment and Wildlife Hazard Management Plan
- Airfield Sweeper
- Aircraft Rescue and Fire Fighting Equipment
- PFC Administration Costs

Fiscal Impact:

The total PFC revenue to be collected in the new application is \$11.4M. The expiration date for this application is anticipated on or about February 1, 2021 based on historical collections.

Staff Member Responsible:

Thomas R. Jewsbury, Airport Director

Partners:

FAA

Attachments:

Resolution
PFC Application
PFC Application Proposed Project Descriptions
PFC Application Project Summary