

Passenger Facility Charge (PFC) Application #23

June 11, 2019

Greg Phillips, Director of Aviation



What is a Passenger Facility Charge (PFC)?



- PFCs are a local, per ticketed passenger fee, charged by public agencies controlling commercial service airports, collected and remitted by air carriers, and regulated by the FAA.
- PFC levels are set by Federal statute 49 U.S. Code § 40117. The current rate at COS is \$4.50 per passenger.
- Commercial Service Airports collect PFC's and are regulated through similar guidelines as the FAA's Airport improvement Program (Airport Grants).

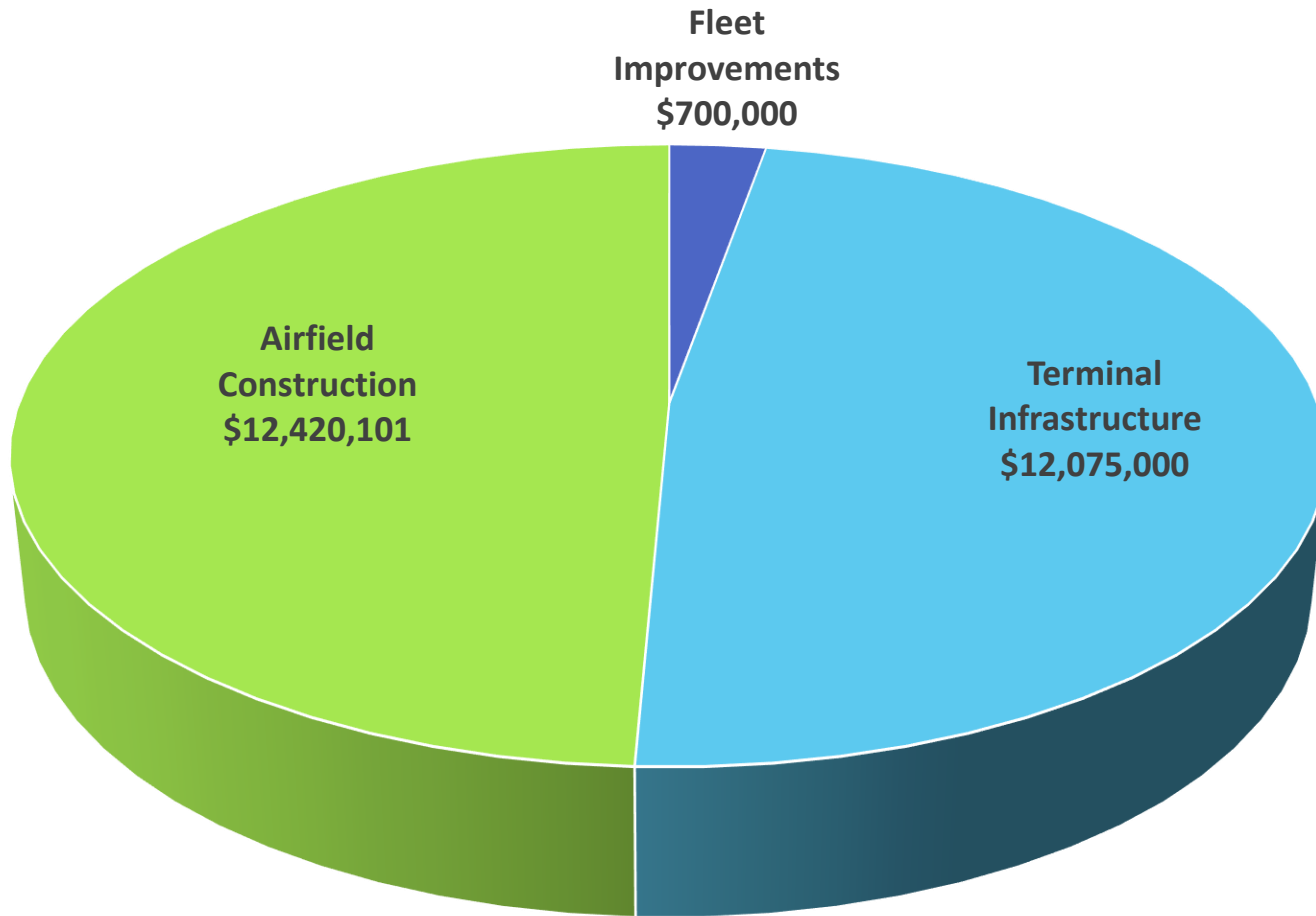
PFC #23 Projects



	Capital Improvement Projects	Total Project	AIP	State Funded	Other	CFC	PFC	Airport
2019	Airside Maintenance	610,000	-	-	-	-	250,000	360,000
	Terminal Rehabilitation Program	11,600,000	-	-	-	500,000	11,100,000	-
	IT Infrastructure Improvements	1,150,000	-	-	-	150,000	900,000	100,000
2020	Deicing Pad - Design & Construction	13,500,000	750,000	-	2,500,000	-	9,250,000	1,000,000
	Runway 17R/35L Rehabilitation All Construction	24,234,014	21,810,613	250,000	-	-	2,173,401	-
	Airport Master Plan	1,667,000	1,500,300	-	-	-	166,700	-
	Taxiway B Rehabilitation Design	500,000	450,000	-	-	-	50,000	-
	Fleet Improvements	700,000	-	-	-	-	700,000	-
	Airport Rotating Beacon Replacement	80,000	-	-	-	-	80,000	-
2021	Terminal Apron Taxilanes Design	750,000	675,000	-	-	-	75,000	-
	Taxiway B Rehabilitation Construction	7,000,000	6,300,000	250,000	-	-	450,000	-
	Cost of Capital Due Back to Airport @ 5%						3,649,486	
	Sub Totals	61,791,014	31,485,913	500,000	2,500,000	650,000	28,844,587	1,460,000

Breakout of PFC Funding		
SIB Loan		7,500,000
PFC Pay Go		21,344,587
Sub Total		28,844,587

PFC #23 Project Summary

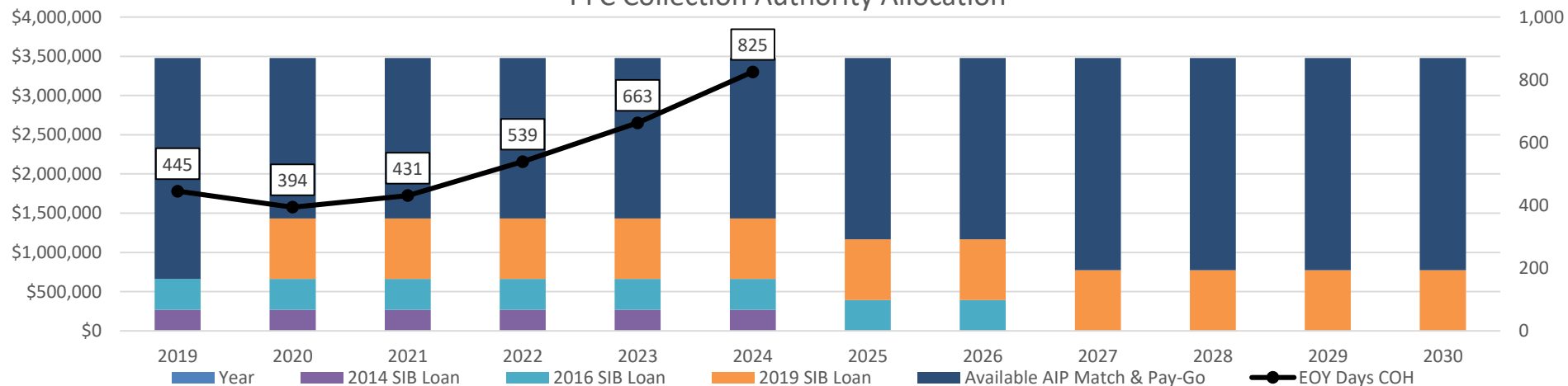


Plan of Finance



PFC Collections			PFC #20	PFC #21	PFC #22	PFC #23			
Year	EPAX Forecast*	PFC Collections	2014 SIB Loan	2016 SIB Loan	Pay-Go PFC#22	2019 SIB Loan	Airport Funded	PFC Reimbursement to Airport	Available AIP Match & Pay-Go
2019	843,005	\$ 3,477,397	\$ 266,908	\$ 392,043	\$ 2,728,532	\$ -	\$ 5,007,901	\$ -	\$ 2,818,446
2020	843,005	\$ 3,477,397	\$ 266,908	\$ 392,043	\$ -	\$ 772,221	\$ 3,573,877	\$ -	\$ 2,046,225
2021	843,005	\$ 3,477,397	\$ 266,908	\$ 392,043	\$ -	\$ 772,221	\$ 3,778,774	\$ -	\$ 2,046,225
2022	843,005	\$ 3,477,397	\$ 266,908	\$ 392,043	\$ -	\$ 772,221	\$ 703,775	\$ -	\$ 2,046,225
2023	843,005	\$ 3,477,397	\$ 266,908	\$ 392,043	\$ -	\$ 772,221	\$ 203,775	\$ -	\$ 2,046,225
2024	843,005	\$ 3,477,397	\$ 266,908	\$ 392,043	\$ -	\$ 772,221	\$ -	\$ 1,296,225	\$ 2,046,225
2025	843,005	\$ 3,477,397	\$ -	\$ 392,043	\$ -	\$ 772,221	\$ -	\$ 2,443,841	\$ 2,313,133
2026	843,005	\$ 3,477,397	\$ -	\$ 392,043	\$ -	\$ 772,221	\$ -	\$ 2,705,176	\$ 2,313,133
2027	843,005	\$ 3,477,397	\$ -	\$ -	\$ -	\$ 772,221	\$ -	\$ 2,705,176	\$ 2,705,176
2028	843,005	\$ 3,477,397	\$ -	\$ -	\$ -	\$ 772,221	\$ -	\$ 2,705,176	\$ 2,705,176
2029	843,005	\$ 3,477,397	\$ -	\$ -	\$ -	\$ 772,221	\$ -	\$ 1,272,508	\$ 2,705,176
2030	843,005	\$ 3,477,397	\$ -	\$ -	\$ -	\$ 772,221	\$ -	\$ -	\$ 2,705,176

PFC Collection Authority Allocation



PFC and Cash Position Summary



- 41% of annual PFC collections may be committed to SIB loans; the other will remain available for Pay-go projects.
- Terms of loan(worst case scenario): \$7.5M at 6% interest rate for 15 years.
- Days Cash On Hand will remain above 394 through 2024.
- No-growth Airport Enplanements are used for these calculations.
- Capital costs funded by PFCs are not included in the rate bases for establishing airport rates, fees, and/or charges.

PFC #23 Process and Timeline



- **May 31st** - Airport meets with City Finance to review Plan of Finance.
- **June 11th** - City Council Budget Committee.
- **June 24th** – City Council Work Session.
- **June 24th- 28th** - Airport consults with Air Carriers.
 - *Consultation is an FAA requirement*
 - *Airport/Airlines reviewed the Capital Improvement Plan in October 2016 during the annual Rates and Charges Analysis*
- **June 28th** – Airport submits loan application.
- **July 9th** – City Council Vote.
- **July** - Airlines have 30 Day comment period; submit Certification of Agreement within 30 days of consultation.
- **July 31st** - Airport submits PFC #23 Application to FAA.
- **October 30th** - FAA has 120 days to approve the application with the release of a Final Agency Decision (FAD).
- **November** - Airport tentatively receives FAD and continues PFC collections through February 2024.