

# **Public Notice – Passenger Facility Charge PFC Application No. 9 Charlotte Douglas International Airport**

**Effective: April 14, 2021**

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 file its Passenger Facility Charge Application (“PFC”) No. 9 with the Federal Aviation Administration (“FAA”) for authority to “Use” PFCs to fund, in whole, or, in part, two eligible improvements at the Airport previously approved by the FAA for “Impose Only,” purposes.

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.

The City proposes to undertake this program of capital improvements and to fund them with PFCs on a PAYGO and debt leveraged basis. The City is applying to the FAA for the authority to use PFC revenue to pay the PFC eligible cost of the proposed project work elements (“PWEs”) approved in the City’s PFC Application No. 8 (as is being amended concurrently with this action) as “impose only.”

Background:

The City submitted and the FAA approved, on November 18, 2019, PFC Application No. 8 and the imposition of a \$3.00 PFC for 19 PWE’s, 17 of those projects were approved for impose and use and two were approved as impose only (PWE 8.6 North End Around Taxiway & Relocations Design & Construction, and PWE 8.7 Deice Pad, TWY F Ext. & South Cross Field Taxiway Design & Construction). The approved collection amount for these two projects was \$532,121,438 but is being amended in Amendment No. 1 to PFC Application No. 8 to reflect a decrease (\$75,063,997) in estimated project cost. This is the application to request authority to use the PFC’s for PWE 8.6 and PWE 8.7.

The City has approval to impose a \$3.00 PFC to pay the PFC eligible costs of the PWEs. The proposed Charge Effective Date for PFC Application Number 9 will be the same as PFC Application No. 8 which is concurrent with the charge expiration date of PFC Application Number 6 (and PFC Application Number 7 which is the “Use” Application for PFC Number 6) and which is currently defined as July 1, 2036 (legal Charge Expiration Date). The charge

expiration date for PFC application No. 9 will also coincide with the expiration date of PFC Application No. 8, currently estimated as December 1, 2052 by the FAA.

In summary, the City estimates using \$457,057,441 in PFC revenue to fund certain PFC eligible costs of the projects to be included in PFC Application Number 9. Of this amount, the City estimates using \$100,000,000 in PFC revenue on a PAYGO basis and using \$357,057,441 in PFC revenue on a debt leveraged basis, which includes \$153,678,334 of PFC eligible debt proceeds and \$203,379,107 of estimated debt financing costs and interest costs.

The following sets forth the PWEs included in PFC Application No. 9, including a description of the projects, justification for the projects and the estimated total PFC revenue the City will use for each project.

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# I. PROJECT DESCRIPTIONS, OBJECTIVES AND JUSTIFICATIONS

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## **PROJECT TITLE:**

### **PWE 8.6 NORTH EAT & RELOCATIONS – DESIGN & CONSTRUCTION**

**PROJECT DESCRIPTION:** This project will design and construct a North End-Around Taxiway (EAT) of Runway 18C/36C. Construction of the North EAT will require the following connected actions: FAA Navigational Aids relocations, Old Dowd Rd Relocation, and Airport Overlook Relocation.

A graphic for the project is provided in the Air Carrier Consultation Presentation.

**PROJECT OBJECTIVE:** This project is eligible pursuant to 158.15(a)(1) and will enhance safety and capacity at the Airport and for the national air transportation system. The North EAT will provide a taxi route around the approach end of Runway 18C. This will eliminate the need to taxi aircraft across an active runway and increase airfield safety.

**PROJECT JUSTIFICATION:** The North EAT & Relocations project is required to provide a taxi route around the approach end of Runway 18C which will eliminate the need to taxi aircraft across an active runway and increase airfield safety. The change in design from the 2016 approved ALP is based off the RSAT action item to reduce runway crossings and runway incursions. The ALP is being updated and the Airport is currently working with the FAA on the design standards.

Ramp congestion occurs due to the lack of ramp space available. CLT is driven by the banking characteristics of the airline hub operations at the airport. Of the 18 daily banks, nine are arrival banks with heavy demand for gates in advance of each departure bank. If the ramp is full of waiting aircraft, additional arriving flights will wait on taxiways which in turn affects arrival taxi-in times. When experiencing any delay, this initiates a domino effect that results in a rolling increase in delay over time until the next bank begins. Runway 18R/36L manages 51.9 percent of all arriving traffic in a northbound operation and 50.3 percent in a southbound operation. Per the Capacity Delay Analysis and Airfield Modeling Technical Memorandum completed in July 2018, the average taxi-in time was 10.6 minutes in 2016 and is expected to increase to 13.4 minutes by 2028 (TransSolutions, 2018). As the demand increases, there is a need to address the existing infrastructure.

**Table: Average Airspace Delay and Taxi Times (in minutes)**

Operational Configuration	Year	Arrival		Departure
		Average Airspace Delay	Average Taxi-In Time	Average Taxi-Out Time
South Flow VMC	2016	2.2	10.3	13.6
	2028	3.3	12.8	13.4
	2033	4.5	15.4	14.8
South Flow IMC	2016	4.3	12.4	17.7
	2028	7.3	15.2	17.9
	2033	12.6	15.4	23.4
North Flow VMC	2016	3.8	10.2	14.8
	2028	7.8	13.9	14.6
	2033	10.9	14.9	15.4
North Flow IMC	2016	3.9	11.1	18.6
	2028	8.6	12.3	23.2
	2033	12.0	12.5	26.6
<b>Annualized Average</b>	<b>2016</b>	<b>3.2</b>	<b>10.6</b>	<b>15.0</b>
	<b>2028</b>	<b>5.8</b>	<b>13.4</b>	<b>15.3</b>
	<b>2033</b>	<b>8.3</b>	<b>14.9</b>	<b>17.1</b>

Note: Annualized average is based on annualized average use of each operational configuration (see Section 3.4)

Source: TransSolutions, LLC; Simmod PLUS!

**PFC Amounts:**

PFC PAYGO:	\$50,000,000
PFC Bonds:	\$97,299,524
Bonds Fin. & Int.:	\$128,766,949
Non-PFC Bonds:	\$0

**Total Est. PFC Amount      \$276,066,473**

**ESTIMATED PROJECT IMPLEMENTATION AND COMPLETION DATES**

Project Start Date:	04/01/2018
Project End Date:	12/26/2024

**PROJECT TITLE:**

**PWE 8.7 DEICE PAD, TWY F EXTENSION & TWY SCF – DESIGN & CONSTRUCTION**

**PROJECT DESCRIPTION:** This project includes the design and construction of a dedicated deicing pad, an extension of Taxiway F and a south cross-field taxiway. Taxiway F will be lengthened 3,000 feet to the approach end of Runway 36C to provide access to the deice pad. The deicing pad will be 1.3 million square feet and will accommodate five aircraft. The new south cross-field taxiway will provide a connection from the deice pad to the approach of Runway 36R. This will provide efficient aircraft flow across the airfield during time-sensitive deicing operations.

A graphic for the project is provided in the Air Carrier Consultation Presentation.

**PROJECT OBJECTIVE:** This PWE is eligible pursuant to 158.15(a)(1) and will preserve capacity at the Airport and for the national air transportation system by providing expanded simultaneous deicing for five aircraft. The Airport's current layout and infrastructure does not provide a dedicated area for deicing. Having a centralized location for the deicing operation and the cross-field taxiway will allow aircraft to traverse to either the center or east runway in a timely manner.

**PROJECT JUSTIFICATION:** The Airport does not have a dedicated deicing pad. The two current deicing operations occur on Runway 5/23 and the South Cargo ramp area. The South Cargo ramp is only available for deicing when the cargo carriers are not operating. Because of this, there are insufficient deicing areas to accommodate the aircraft operations at the airport. In addition, the geographic location limits the usage of those pads to those aircraft departing on Runway 36R. If aircraft were departing Runway 36C from this pad, this would require ATC to hold traffic as they would go against the flow of traffic and cause delay for aircraft being deicing on Runway 5/23. Using Runway 5/23 for deicing operation creates substantial congestion to the air carrier ramp as aircraft are queued on the ramp, Taxiway F, and Taxiway M. This operation provides five deice pads that can accommodate two aircraft on the west pad, two on the center pad, and an ADG II on the east pad. The operation on the east pad brings significant safety concerns with its proximity to the intersecting and operating runway. This operation immediately reduces the ramp efficiency by 30 percent.

**PFC Amounts:**

PFC PAYGO:	\$50,000,000
PFC Bonds:	\$56,378,810
Bond Fin. & Int.:	\$74,612,158
Non-PFC Bonds:	\$0

**Total Est. PFC Amount      \$180,990,968**

**ESTIMATED PROJECT IMPLEMENTATION AND COMPLETION DATES**

Project Start Date:	11/27/2018
Project End Date:	12/25/2023

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## II. DETAILED FINANCIAL PLAN

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The City proposes to undertake this program of capital improvements and to fund them with PFCs on a PAYGO debt leveraged basis. In this action, the City is applying to the FAA for the authority to use PFC revenue to pay the PFC eligible cost of the proposed project work elements (“PWEs”).

The City proposes to impose a \$3.00 PFC to pay the PFC eligible costs of the PWEs. The proposed charge effective date for PFC Application Number 9 will be concurrent with the Charge Expiration Date of PFC Application Number 6 which is currently estimated to be July 1, 2036. Accordingly, for the purpose of this Public Notice, the Charge Effective Date for PFC Application Number 9 is estimated to be July 1, 2036. FAA estimates that the charge expiration date for PFC Application No. 8 to be December 1, 2052, therefore the estimated charge expiration date for PFC Application No. 9 is December 1, 2052.

In summary, the City estimates using \$457,057,441 in PFC revenue to fund certain PFC eligible costs of the projects included in PFC Application Number 8 as impose only. Of this amount, the City estimates using \$100,000,000 in PFC revenue on a PAYGO basis and using \$351,705,441 in PFC revenue on a debt leveraged basis, which includes \$153,678,334 of PFC eligible debt proceeds and \$203,379,107 of estimated debt financing costs and interest costs.

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The public is invited to provide written comment or request additional information through **May 15, 2021** by writing:

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