

Public Notice – Passenger Facility Charge PFC Application No. 8
Amendment No. 2
Charlotte Douglas International Airport

Effective: December 6, 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 amend Passenger Facility Charge (“PFC”) Application Number 8 (19-8-C-01-CLT) previously approved by the Federal Aviation Administration (“FAA”) to fund, in whole or in part, certain eligible improvements at the Airport.

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 is undertaking this program of capital improvements and funding them with PFCs on a PAYGO and leveraged basis. The City is applying to the FAA for the authority to amend the amount of PFC revenue needed to pay the PFC eligible cost of the proposed project work elements (“PWEs”) approved in the City’s PFC Application No. 8 (as it is being amended).

Background:

The City submitted and the FAA approved , PFC Application No. 8 and the imposition of a \$3.00 PFC for 19 PWE’s, 17 of which were approved for impose and use. Two projects were approved for collection only. The approved collection amount for PFC Application No. 8 was \$1,819,083,038.

On May 26, 2021, the FAA approved the City’s first amendment to PFC Application No. 8 (“Amendment No. 1 to PFC Application No. 8”). Amendment No. 1 to PFC Application 8 revised the costs of three projects (PWE 8.1 Terminal Lobby Expansion Design Phase II and Construction; PWE 8.6 North End-Around Taxiway and Relocations Design and Construction; and PWE 8.7 De-Ice Pad, Taxiway F Extension & South Cross Field Taxiway Design & Construction). This resulted in an increase in overall PFC collection authority of \$74,107,785, making the total collection Authority for PFC Application No. 8 \$1,893,190,823.

The City is now seeking a second amendment to PFC Application No. 8 (“Amendment No. 2 to PFC Application No. 8”) to amend the costs of one project (PWE 8.6 North End-Around Taxiway & Relocations Design & Construction) to modify the funding methodology for this project. The City now intends to fund this project with PFC’s on a PAYGO basis only. This action will decrease the estimated project cost and total PFC Authorization for PFC Application No. 8 by \$128,766,949 (comprising financing costs and interest), reducing the total PFC Authority for PFC Application No. 8 to \$1,764,423,874. This amendment will not impact the PFC level (\$3.00). The proposed Charge Effective Date for PFC Application Number 8 will remain November 1, 2027. The estimated Charge Expiration Date will remain April 1, 2047.

In summary, the City’s proposed PFC Amendment Number 2 to PFC Application Number 8 reduces the total PFC revenue approved for impose and use on the PFC eligible costs in PFC Application Number 8 from \$1,893,190,823 to \$1,764,423,874 (a decrease of \$128,766,949).

The following sets forth the PWE amended in Amendment No. 2 to PFC Application No. 8, including a description of the project, justification for the projects and the estimated total PFC revenue the City will use for project.

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I. PROJECT DESCRIPTIONS, OBJECTIVES AND JUSTIFICATIONS

PROJECT TITLE:

PWE 8.6 NORTH END AROUND TAXIWAY & RELOCATIONS DESIGN & CONSTRUCTION

PROJECT DESCRIPTION: The estimated cost of this PWE is now \$147,299,524, a reduction of \$128,766,949 from the amount approved by FAA (\$276,066,473). This represents an approximately 47% decrease to the amount originally approved for this PWE. This decrease reflects the elimination of the estimated bond financing and interest costs.

This project includes the planning, design, and construction of a North End-Around Taxiway of Runway 18C/36C and its enabling projects. Construction of the North End-Around Taxiway will require the following connected actions: FAA Navigational Aids relocations, Old Dowd Road Relocation, and the Airport Overlook Relocation.

The North End-Around Taxiway will be designed as Taxiway Design Group VI to support Airplane Design Group V. This will provide access from Taxiway Victor to the north portion of West Terminal Ramp Expansion - Phase I (previously approved in PFC Application No. 6 (6.12)). Due to tail height restrictions, Airplane Design Group III will have unrestricted use of the End-Around Taxiway. Aircraft larger than Group III will be able to use the North End-Around Taxiway but must have clearance from Air Traffic Control.

The partial relocation of Old Dowd Road includes the construction of two new roads to maintain access from Old Dowd Road to Wilkinson Boulevard. Marshall Drive is the existing connection between Wilkinson Boulevard and Old Dowd Road and is in the Runway Protection Zone of Runway 18C/36C. With the demolition of Marshall Drive, the Airport will reduce risk by constructing roads outside of this critical area.

The FAA Navigational Aids to be relocated are the Runway 36C Localizer and the Remote Transmitter/Receiver. This equipment is critical to the safety and efficiency of the airfield for Air Traffic Control and pilots. The Airport has entered into agreements with the FAA National Air Space and Implementation Department to site, design, and construct these facilities.

The Runway 36C Localizer is currently located 1,500 feet north of the Runway 18C threshold. It will be moved closer to the runway at 1,100 feet from the runway threshold.

The Remote Transmitter/Receiver is located near the Airport Overlook, north of Taxiway N. The displacement of this Navigational Aid requires a relocation and an additional receiver for proper coverage of the airfield. By adding a second receiver, the communications vastly improve from their existing coverage. The two sites selected for this are 1,500 feet west of the existing location and the other site is north of Taxiway S.

The Airport Overlook is a public area that allows the community to watch planes on Runway 18C/36C. The existing site consists of a gravel lot for approximately 75 parking spots, benches, and picnic tables. The relocation of this facility will be moved 1,800 feet southwest of its current site. The new site location will construct an asphalt parking lot, a similar viewshed, and improved amenities such as public restrooms.

This project also includes the design of two aircraft hold pads between Taxiways N and S. The 2016 Airport Layout Plan included a hold pad north of Taxiway N and one in between Taxiways N and S. At this time, the Airport does not seek to build the hold pads within the next five years. The Airport will seek the construction-related costs in a future PFC application.

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 End-Around Taxiway 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. With Airplane Design Group III aircraft being able to traverse unrestricted around Runway 18C/36C, planes will not be held on the existing taxiways waiting to cross the center runway between arriving and departing traffic.

PROJECT JUSTIFICATION: The North End-Around Taxiway & 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 Airport Layout Plan is based off the 2017 Runway Safety Action Team action item to reduce runway crossings and prevent runway incursions. The Airport Layout Plan is being updated and the Airport is currently working with the FAA on the design standards.

As a primary arrivals runway, Runway 18R/36L manages 51.9 percent of all arriving traffic in a northbound operation and 50.3 percent in a southbound operation. All arriving traffic on Runway 18R/36L is required to cross Runway 18C/36C to get to the terminal or cargo facilities with the existing taxiway system. The North EAT would allow traffic to traverse around Runway 18C/36C without crossing an active runway. This would reduce the number of runway crossings and prevent runway incursions. 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.

The proposed hold pads would alleviate 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.

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 |
| Annualized Average | 2016 | 3.2 | 10.6 | 15.0 |
| | 2028 | 5.8 | 13.4 | 15.3 |
| | 2033 | 8.3 | 14.9 | 17.1 |

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

Source: TransSolutions, LLC; Simmod PLUS!

FINANCING PLAN - AMENDED

| | |
|----------------------|---------------|
| Project Cost: | \$147,299,524 |
| AIP Grants Existing: | \$0 |
| AIP Grants Future: | \$0 |
| PFC PAYGO: | \$147,299,524 |
| PFC Bonds: | \$0 |
| Non-PFC Bonds: | \$0 |
| % PFC Est. | 100% |

II. DETAILED FINANCIAL PLAN

The City proposes to undertake this program of capital improvements and to fund them with PFCs on a PAYGO debt leveraged basis. The City is applying to the FAA for the authority to amend the impose and 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 Amendment Number 2 to PFC Application Number 8 is November 1, 2027. The estimated Charge Expiration Date is April 1, 2047.

The City’s proposed PFC Amendment Number 2 to PFC Application Number 8 amends the total PFC revenue approved for impose and use on the PFC eligible costs in PFC Application Number 8 from \$1,893,190,823 to \$1,764,423,874 (a decrease of \$128,766,949).

The public is invited to provide written comment or request additional information through **January 6, 2022** by writing:

Ms. Amy Harris
Charlotte Douglas International Airport
CLT Center
5601 Wilkinson Blvd.
P.O. Box 19066 Charlotte, N.C.28208

Or by e-mail to:
Amy.harris@cltairport.com