Notice to amend Passenger Facility Charge application
PFC 06-07-C-00-FAR

[The airline consultation for this application was previously held March 17, 2015. No comments were received. The consultation process needs to be completed again due to the lack of notice to one non signatory carrier. Please note project 07-016 was updated to reflect final eligible project costs. This is the only project amount that changed from the previous notice.]

In accordance with 14 CFR Part 158, the Municipal Airport Authority of the City of Fargo, North Dakota will hold a consultation meeting with air carriers on Tuesday June 30, 2015 at 9:00am. This meeting will also be the opportunity for public comment. The meeting will be held in the Airport Authority boardroom that is located on the 2nd floor of the passenger terminal at 2801 32nd Avenue North.

The Municipal Airport Authority is requesting to increase the total collection authority for the PFC application in accordance with the final eligible project costs accrued since the date the PFC application was submitted, prepared and approved by the Federal Aviation Administration on October 11, 2006.

All documents associated with the PFC application and associated approved projects are on file at the Executive Directors office. The phone number is 701-241-1501. Office hours are M–F 8am to 5pm.

PFC LEVEL:
The approved PFC level for the approved application was set at $4.50.

ESTIMATED CHARGE EFFECTIVE AND EXPIRATION DATES:
The estimated charge effective date was January 2007. The estimated charge expiration date is September 2017

TOTAL PFC REVENUE FOR APPLICATION AFTER AMENDMENT:
The total PFC revenue for this application after the amendment will be $11,080,119.

The Municipal Airport Authority of the City of Fargo, North Dakota is amending our current Passenger Facility Charge application (PFC) 06-07-C-00-FAR. This is in accordance with 14 CFR Part 158.

REQUEST FOR EXEMPTION:
Air Taxi/Commercial Operators Filing FAA Form 1800-31 (CY 2013 FAA data)
We are requesting this exclusion to continue since it would be too burdensome to collect from these carriers.

Our original PFC application was submitted September 29, 2006 and approved by the FAA on October 11, 2006. A total of 16 projects were submitted, presented, and approved by the FAA on PFC application 06-07-C-00-FAR.
OFFICIAL CONTACT:
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The primary reason for requesting an amendment for this application is associated with the passenger terminal expansion and modification project that is listed as project #07-014 on the PFC application. This application indicates our backup financing plan was to issue revenue bonds. We evidently had not submitted the paperwork for the amount of actual bonds issued along with the actual interest and bond fees.

The FAA approved our collection authority for the passenger terminal expansion project #07-14 at $7,304,307. This was based upon the architects estimated cost when the PFC application was prepared. This information was presented to the carriers of record on July 17, 2006 and at a consultation meeting that was held August 17, 2006. Our actual bids were higher than the estimate submitted for the PFC application.

The final cost of our passenger terminal expansion project was $18,696,702. We received a significant amount of federal and state grants.

Our final local share that is eligible for PFC collection is $9,917,522.69. The difference between the collection authority and eligible local share is $2,613,215.69 as it relates to the passenger terminal project.

We issued $7,755,000 in bonds. Our bond interest and fees is $2,777,443.30. All of this is included in the additional collection authority amount we need to complete the PFC collection for the passenger terminal expansion project. ($2,523,046).

There were 16 projects approved in our PFC application. There are a couple of other minor collection authority amendments that need to be made ranging from $989.25 to $123,765.62. There were a few projects were our collection authority exceeds the actual amount we are eligible to collect.

Below is a summary of each project:

07-001 – PFC Application – Amount of use approval = $20,000
The final project cost was $17,703. Our final collection amount for this project will not exceed our final cost which is lower than our use approval.
(Collection amount reduced by $2,297)

Project description: Fees to prepare PFC application.

Project Justification: Costs to develop the application in accordance with 14 CFR Part 158.
07-002 – PFC Annual Audits – Amount of use approval = $7,200

Not final – each annual audit is allocated to the project line item as required. We do not anticipate our final annual audit costs will exceed this approved collection amount.

Project description: Certified Public Accountants fees for an annual independent audit of the collection and distribution of PFC funds.

Project justification: An annual audit is a requirement of 14 CFR Part 158.

07-003 – PFC Administration Costs – Amount of use approval = $63,000

Not final – each annual administration cost is allocated to the project line item as required. We do not anticipate our final administration costs will exceed this approved collection amount.

Project description: This item is for reimbursement of airport administrative staff time and expenses related to the PFC application for Hector International Airport.

Project justification: These administrative costs are for recording, filing and other administrative expenses of the PFC program to comply with 14 CFR Part 158.

07-004 – South General Aviation lighting project – Amount of use approval = $52,450

No change

Project description: The project included new lights and poles to illuminate the south general aviation ramp.

Project justification: The south general aviation ramp was poorly lighted. There were complaints from pilots it was difficult to see parked aircraft when taxiing. It was also difficult to see persons on the ramp.

07-005 – Ticket counter modifications – Amount of use approval = $36,066

No change

Project description: The project moved the ticket counters out 6’ into the passenger queuing area.

Project justification: Moving the ticket counters out 6’ allowed the luggage screening equipment to be moved behind the ticket counters. By doing so the efficiency of passenger ticketing and pedestrian flow was improved.

07-006 – South G.A. manhole repair and drainage improvements – Amount of use approval = $11,634

No change

Project description: This project corrected drainage and manhole problems on the south general aviation ramp.
Project justification: This project was needed to correct areas of pavement that had shifted around manholes and inlets causing water to pond. The pavement was removed and replaced and castings were reset. These problems posed hazards to aircraft, snow removal equipment and ground vehicles.

07-007 – West terminal gate and terminal fence modification – Amount of use approval = $18,797
The final project costs are $26,735. This exceeds the use approval by $7,938.
We request your concurrence to increase our collection authority by $7,938.

Project description: This project included modifying the west terminal gate to allow a clear height opening of 15 feet and the widening to a clear opening of 50 feet for the east gate on the south general aviation apron between the old terminal and TSA facilities. The project also placed a 3-strand barb wire on the top of the fence surrounding the terminal apron.

Project justification: The west terminal gate was installed approximately 15 years ago. It was a vertical lift gate. Since that time there has been SRE purchased which required a clear height opening of 15 feet. The east gate on the south general aviation apron was widened to 50 feet to allow access for equipment and removal of aircraft. The barbed wire is a deterrent to individuals who wrongfully climb the security fence in attempt to breach security.

07-008 – Terminal area signage rehabilitation – Amount of use approval = $5,474
No change

Project description: Various guidance signs around the terminal and access road were sandblasted and repainted.

Project justification: The signs were installed with the original terminal project and are 20+ years old. The signs needed to be repainted because the wording was becoming less pronounced as they faded.

07-009 – Airfield Sweeper – Amount of use approval = $480,000
The final project cost was $269,450 due to State grants that were received. Our final collection amount for this project will not exceed our final cost which is lower than our use approval.
(Collection amount reduced by $210,550)

Project description: Purchase of a new Oshkosh high speed sweeper for removing debris and snow from airfield pavements.

Project justification: Airfield pavements need to be kept clean of debris and snow which is necessary for an airport to be Part 139 certified. The new sweeper falls within the required equipment for commercial service airports and Hector International Airport’s snow and ice control plan. The airport currently has one sweeper.
07-010 – Land Acquisition parcel #1 – Amount of use approval = $361,548
The final project cost was $351,532. Our final collection amount for this project will not exceed our final cost which is lower than our use approval.
(Collection amount reduced by $10,016)

Project description: Acquire 300 acre Harris property and the associated legal and appraisal fees.

Project justification: The 300 acres of land which was purchased is located north of the runway 18 threshold. By acquiring the land, the Municipal Airport Authority has control over the land use and protects it from incompatible land uses. The 65 DNL limit cuts through the center of the property per the airport master plan sound contours. The amount of eligible for the PFC is 83 acres. It captures all the land within the 65 DNL.

07-011 – Terminal security door modifications – Amount of use approval = $8,190
No change

Project description: The locks for the east and west access doors in the terminal were upgraded. Also, an alarm bar was installed on a basement door.

Project justification: These doors control access to the secured area of the passenger terminal. Upgrading the locks and adding an alarm bar is in compliance with the requirements of 49 CFR Part 1542.

07-012 – Snow removal truck replacement – Amount of use approval = $39,900
No change

Project description: Purchase a used dump truck for the purpose of hauling snow.

Project justification: The dump truck is necessary to remove snow from areas on the airfield where there is no snow storage capacity. It replaces a 1972 international single axle truck.

07-013 – Passenger terminal study – Amount of use approval = $72,112
No change

Project description: The purpose of the study was to determine needed improvements at Hector International Airport’s existing terminal to accommodate growth for the next 20 years. Parts of the study included a facility assessment, facility requirements development alternatives, construction cost and expansion plan. The study was conducted by TL Stroh Architects along with URS. Also included in this project was the ad for the RFQ.

Project justification: Passenger levels projected for 2020 will likely be reached by 2015, air carrier operations exceed those expected in 2020 and current peak hour passenger levels exceed those
forecasted for 2020. The report was necessary to identify areas of the Hector International Airport's terminal which will require improvement to accommodate needs through the year 2025.

07-014 – Passenger terminal expansion – Amount of use approval = $7,304,307
As explained above, the final project cost was more than the amount the architect estimated at the time the PFC application was submitted, presented and approved. The final cost of the passenger terminal expansion project was $18,696,702. We received a significant amount of federal and state grants that reduced the final local share to $9,917,523.

The Municipal Airport Authority of the City of Fargo, North Dakota issued $7,755,000 in airport revenue bonds to pay for a portion of the project. The total Bond interest and fees is $2,777,443.30.

Our final local share that is eligible for PFC collection is $9,917,523. The final eligible project cost exceeds the collection authority by $2,613,216.

We request your concurrence to increase our collection authority by $2,613,216 for project 07-014.

Project description: This project will complete the west and north expansion of the existing airport terminal. The west expansion will add a fifth gate and a third baggage claim carousel as well as new offices for the airport staff and the TSA. The north expansion will alleviate congestion by expanding the passenger screening area to the north and moving the escalators to the south. The expansion will also replace the membrane roof which is in need of replacement, expand the sprinkler system to cover the entire building, replace windows which are leaking and upgrade the heating and cooling systems.

Project justification: Hector International Airport has exceeded projected growth numbers. Passenger levels projected for 2020 are expected to be reached prior to 2015. Air carrier operations already have exceeded numbers forecasted for the year 2020. Also, peak hour passenger levels for 2006 exceed those projected for 2020. Numerous flights arrive at the same time. Expanding the passenger screening area with the north expansion will alleviate current congestion as well as handling future growth. Currently, the area at the top of the escalators sees large amounts of congestion when passengers are exiting the secure area. The terminal expansion study identifies the need for 6 gates to accommodate growth up to 2015. The proposed expansion will add a single additional gate bringing the total to 5.

07-015 – Taxiways A & D shoulder rehabilitation and lighting – Amount of use approval = $73,000
The final project cost was $73,989. This exceeds the use approval by $989.

We request your concurrence to increase our collection authority by $989 for project 07-015.

Project description: This project involves removing the asphalt shoulders along taxiway A & D and replacing them with grass and installing new LED taxiway edge lights.

Project justification: This project was needed because the asphalt shoulders along taxiway A & D are severely deteriorated and the concrete bases for the taxiway lights exceeded 3 inches in most cases. The airport was written up for this in their Part 139 certification inspection. As a cost savings initiative, LED energy efficient taxiway edge lights will be installed to replace incandescent and quartz edge lights.
07-016 – South G.A. concrete rehabilitation – Amount of use approval - $27,000
The final project cost was $447,662. We received federal and state grants that reduced the eligible local share of the project to $127,161. The final local share of the project exceeded the use approval by $100,161.

We request your concurrence to increase our collection authority by $100,161 for project 07-016.

Project description: This project involves removing and replacing all of the joint seal and full depth repair of deteriorated concrete.

Project justification: The concrete in this area was installed in 1988. The joint seal needed replacement to keep water from the subbase. There were areas of deteriorated concrete from spalls or “D” cracking that were removed and replaced.

**SUMMARY:**
07-001 – (2,297)
07-002 - $0 – not final
07-003 - $0 – not final
07-004 - $0
07-005 - $0
07-006 - $0
07-007 - + $7,938
07-008 - $0
07-009 - (210,550)
07-010 – (10,016)
07-011 - $0
07-012 - $0
07-013 - $0
07-014 - + $2,613,216
07-015 - + $989
07-016 - + $100,161
**NET** = **$2,499,441**

The FAA approved collection authority for this application was $8,580,678. The eligible amount we need to collect for this application is $11,080,119. This is a difference of $2,499,441.

Sincerely,

[Signature]
Shawn A. Dobberstein, AAE
Executive Director