



Metropolitan Airports Commission

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APRIL 16, 2024

METROPOLITAN AIRPORTS COMMISSION

PROPOSED AMENDMENT FOR PASSENGER FACILITY CHARGE APPLICATION NO. 19-05-C-00-MSP AT MINNEAPOLIS-ST. PAUL INTERNATIONAL AIRPORT

NOTICE OF OPPORTUNITY FOR PUBLIC COMMENT

The Metropolitan Airports Commission (the Commission) intends to submit to the Federal Aviation Administration (FAA) a request to amend a Passenger Facility Charge (PFC) application at Minneapolis-St. Paul International Airport (MSP or the Airport). The Commission has issued this public notice as part of the PFC application amendment process as per Title 14 Code of Regulation (CFR) Part 158.24 *Notice and Opportunity for Public Comment*.

Comment Period: The Commission will accept public comments on the proposed amendment to PFC Application No. 19-05-C-00-MSP (PFC 19-15) up to thirty (30) days after the date of posting this public notice. As such, comments must be received on or before May 16, 2024.

Commission Point of Contact: Comments may be mailed to Mr. Mark Bents, Director, Real Estate & Airline Affairs, Metropolitan Airports Commission, 6040 – 28th Avenue South, Minneapolis, MN 55450 or e-mailed at mark.bents@mspmac.org.

The following information is provided in accordance with 14 CFR 158.24(a)(1)(iv),(b)(1):

The Commission requests to increase the total authorized PFC impose and use authority of PFC 19-15 by \$133,884,331 from the previously authorized amount of \$334,177,413 to \$468,061,744. This increase can be attributed to cost increases and additional scope requested by our airline partners to meet passenger needs for the Terminal 1 – Bag Claim/Ticket Level Improvements project. The original PFC approved cost for the Terminal 1 – Bag Claim/Ticket Level Improvements project was \$187,372,565, which was based on a planning level cost estimate. The revised cost estimates are based on project actuals and design level cost estimates that have increased the PFC eligible cost for the Terminal 1 – Bag Claim/Ticket Level Improvements project to \$321,256,896.

Amendment Project

- **005 Terminal 1 – Bag Claim/Ticket Level Improvements Program – increase by \$133,884,331**
This project is currently active, and the revised cost exceed the approved amount by \$133,884,331 from \$187,372,565 to \$321,256,896 an increase of 71.5 percent. This amendment request reflects the revised cost based on project actuals and design level cost estimates. There were no changes to the scope of work.

As part of the amendment process the Commission is providing the following information:

- Background.** On January 23, 2019, the FAA issued a Final Agency Decision approving the Commission’s application for authority to impose and use PFC revenue on 12 projects at MSP. To pay for the PFC-eligible costs associated with these projects, the FAA approved collection and use of PFC revenue at a \$4.50 PFC collection level in the amount of \$334,177,413. The earliest charge effective date was determined to be December 1, 2021; with the charge expiration date estimated to be July 1, 2026.
- Action Requested.** Based on project actuals and more refined design level cost estimates for the Terminal - Bag Claim/Ticket Level Improvements Program project, the Commission has determined that the current amount of PFC revenue authorized by the FAA for collection and use will not meet the project’s costs. As shown on **Table 1**, the net change in cost for the Terminal - Bag Claim/Ticket Level Improvements Program project equals a total \$133,884,331 increase of the currently authorized project costs which increases the total authorized PFC impose and use amount for PFC 19-15 from \$334,177,413 to \$468,061,744. The original cost estimate for the multiple phased, Terminal 1 – Bag Claim/ Ticket Level Improvements Program project was based on cost estimates prepared in 2016 and adjusted for inflation to 2018 dollars prior to PFC submission. The initial phases of this project were competitively bid starting in late 2018 and has continued through 2024. Prior to PFC submission, the total project was estimated at \$225,400,000 of which \$187,372,565 was eligible for PFC revenue. The revised cost estimate of \$399,771,431 reflects project actuals of the initial phases and design and bid level estimates of ongoing projects. The requested eligible cost for this project is \$321,256,896. The remaining balance, or PFC ineligible cost, of \$55,308,508 will be funded through Commission funds and bonds.
- Charge Effective Date:** December 1, 2021.
- Charge Expiration Date:** June 1, 2028.
- PFC Collection Level:** A four dollar and fifty cent (\$4.50) charge on eligible passengers enplaned at the Airport.

Table 1. Proposed Amendment to PFC 19-15

Proj. No	Project Title	PFC Level	PFC 19-15 Approved 01/23/2020				Proposed Amendment PFC 19-15 (Type B)				Increase / (Decrease)
			Pay-Go	Bond Capital	Financing & Interest	Total PFC	Pay-Go	Bond Capital	Financing & Interest	Total PFC	
15-001	Terminal 1 - Passenger Boarding Bridges Replacements	\$4.50	\$10,288,858	\$0	\$0	\$10,288,858	\$10,288,858	\$0	\$0	\$10,288,858	\$0
15-002	Terminal 1 - Concourse A pre-conditioned air upgrades.	\$4.50	\$2,910,805	\$0	\$0	\$2,910,805	\$2,910,805	\$0	\$0	\$2,910,805	\$0
15-003	Terminal 1 - East Curbside check-in facility/baggage handling conveyor improvements.	\$4.50	\$18,822,148	\$0	\$0	\$18,822,148	\$18,822,148	\$0	\$0	\$18,822,148	\$0
15-004	Terminal 1/Terminal 2 - card access modifications.	\$4.50	\$1,488,641	\$0	\$0	\$1,488,641	\$1,488,641	\$0	\$0	\$1,488,641	\$0
15-005	Terminal 1 - bag claim/ticket level improvements program.	\$4.50	\$187,372,565	\$0	\$0	\$187,372,565	\$321,256,896	\$0	\$0	\$321,256,896	\$133,884,331
15-006	Terminal 1 - 2017 vertical circulation rehabilitation.	\$4.50	\$36,977,179	\$0	\$0	\$36,977,179	\$36,977,179	\$0	\$0	\$36,977,179	\$0
15-007	Terminal 1 - restroom construction service animal relief area/pet relief/nursing mother's rooms and Concourse F restroom construction.	\$4.50	\$8,101,419	\$0	\$0	\$8,101,419	\$8,101,419	\$0	\$0	\$8,101,419	\$0
15-008	Terminal 1 - South security exit/terminal expansion.	\$4.50	\$0	\$34,463,491	\$22,976,738	\$57,440,229	\$0	\$34,463,491	\$22,976,738	\$57,440,229	\$0
15-009	Terminal 1 - Concourse G moving walkway upgrades.	\$4.50	\$0	\$4,694,500	\$3,100,064	\$7,794,564	\$0	\$4,694,500	\$3,100,064	\$7,794,564	\$0
15-010	Taxiway S reconstruction.	\$4.50	\$2,417,299	\$0	\$0	\$2,417,299	\$2,417,299	\$0	\$0	\$2,417,299	\$0
15-011	Runway 4/22 guard lights and runway surface sensors.	\$4.50	\$503,706	\$0	\$0	\$503,706	\$503,706	\$0	\$0	\$503,706	\$0
15-012	PFC 15 implementation costs.	\$4.50	\$60,000	\$0	\$0	\$60,000	\$60,000	\$0	\$0	\$60,000	\$0
Total			\$288,942,620	\$39,157,991	\$26,076,802	\$334,177,413	\$402,826,951	\$39,157,991	\$26,076,802	\$468,061,744	\$133,884,331