

PFC Application Overview



**Welcome to the Air Carrier Consultation Meeting
for
PFC Application No. 7
(17-07-C-00-***)**

What is a PFC?

PASSENGER FACILITY CHARGE

Airport user fee provides public agencies an additional capital funding source to fund FAA-approved projects that enhance safety, security or capacity; reduce noise; or increase air carrier competition.

Up to \$4.50 may be collected per enplaned passenger, domestic or foreign.

PFCs are limited to **two charges on each leg of a round trip** at airports at which passengers enplaned an aircraft.

PFCs are **not allowed** to be collected on interisland flights by law.
(FAA Order 5500.1, para. 6-16)

PFC revenue is eligible to fund **publicly controlled areas** of airport improvements of any approved project.



Meeting Notification

- **2nd Air Carrier Consultation Meeting notice sent out on March 28, 2018**
- **Six-month deadline to submit PFC Application No. 7 from the 1st Air Carrier Consultation Meeting has passed**
- **Sent to all air carriers with scheduled air service at proposed collecting airports:**
 - **Daniel K. Inouye International Airport**
 - **Kahului Airport**
 - **Ellison Onizuka Kona International Airport at Keahole**
 - **Lihue Airport**
 - **Hilo International Airport**



Proposed projects for PFC Application No. 7

- 8 “Impose and Use” Projects
- PFC funds for Pay-Go and Bond is \$163.1 M
(Pay-go: \$50.2 M and PFC Bond funds: \$112.9 M)
- Total debt service is \$150.7 M.
- Total PFC funds including debt service is \$313.8 M
- The State’s current collection for PFC Application No. 5 is estimated to complete collection on July 1, 2026.



Current PFC Program

PFC Authority and Collections

Approved for Collection

Application No. 1 : #04-01-C-00-***	\$ 45.9 M (Closed)
Application No. 3: #08-03-C-00-***	\$ 40.0 M (Closed)
Application No. 4: #09-04-C-00-***	\$ 45.1 M
Application No. 5: #13-05-C-00-***	\$ 449.4 M
 Total – All PFC Applications:	 \$ 709.4 M
 Less: PFC Collections thru 12/31/17	 <u>(\$ 402.8 M)</u>
 PFC Collection Authority remaining as of 12/31/17	 \$ 306.6 M

Note: Application No. 2 was blended into Application No. 3.
Application No. 6 was an “Use” Application.

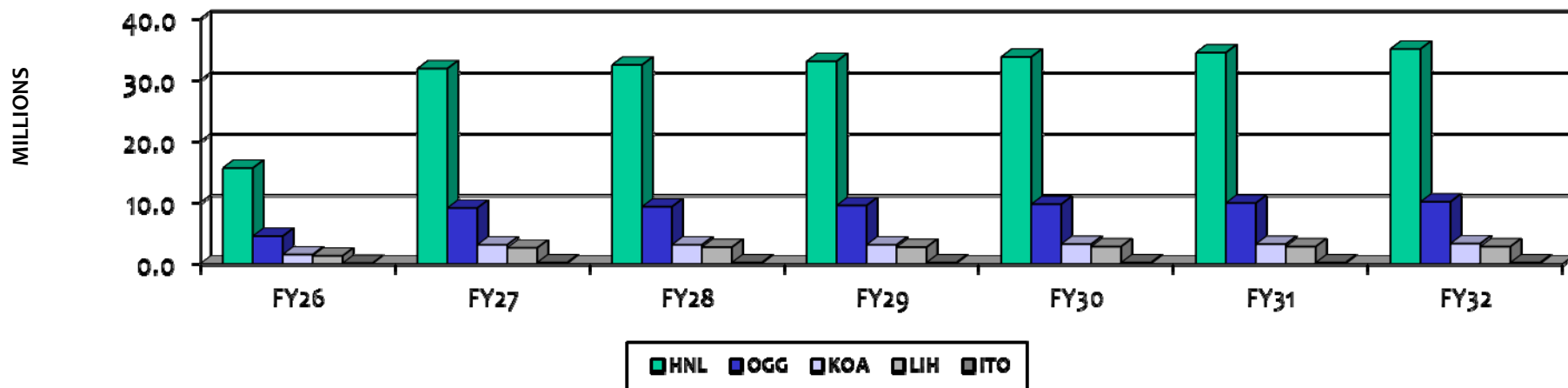


- The Charge Effective Date is July 1, 2026.
- \$313.8 million in revenue estimated to be collected with a \$4.50 PFC from July 1, 2026 through July 1, 2032.
- The estimated PFC charge expiration date was calculated by adjusting the \$4.50 PFC impose amount with:
 - A reduction of 17% to account for ineligible passengers
 - A reduction of \$0.11 per passenger for allowable airline administration fee



PFC Revenue Forecast

PFC collection amount is based on forecast of eligible enplaned passengers from July 1, 2026 through July 1, 2032



Total Annual PFC Collections range from \$22.4 M in 2026 to \$51.4 M in 2032, using grow rates from the FAA Terminal Area Forecast Fiscal Years 2016-2045.



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PFC Application No. 7

May 4, 2018

“Impose and Use” PFC Projects

Project Title and PFC Amount

- Taxilanes G and L Widening Phase I: \$141.9 M
- Runway 8L Widening & Miscellaneous Improvement, Phase 1: \$5.8 M
- Airbus A380 Improvements at Gates 29 and 34: \$ 31.7 M
- Terminal Improvements to Shuttle Station Roadway Between Gates 26 and 62: \$21.0 M
- Replacement of Passenger Boarding Bridges: \$19.9 M
- Replacement of Elevators and Escalators: \$13.5 M
- Runway 3-21 and Taxiway B Rehabilitation: \$5.1 M
- Terminal Modernization, Phase 1: \$74.9 M



Proposed Projects

Taxilanes G and L Widening Phase I at HNL

- ♦ Widen and strengthen Taxilanes G and L
- ♦ Cover Manuwai Canal near Taxiway A
- ♦ Objectives:
 - Reduce the risk of damage to aircraft due to Foreign Object Debris (FOD)
 - Brings airport into compliance with Title 14 Code of Federal Regulations (CFR) Part 139
 - Increase Airplane Design Group (ADG) V aircraft separation for simultaneous dual taxilane use

Estimated Start Date: Sept. 2014

Estimated Completion Date: Dec. 2017

PFC Bond & Financing: \$ 141.9 M

Total Project Cost: \$ 161.9 M



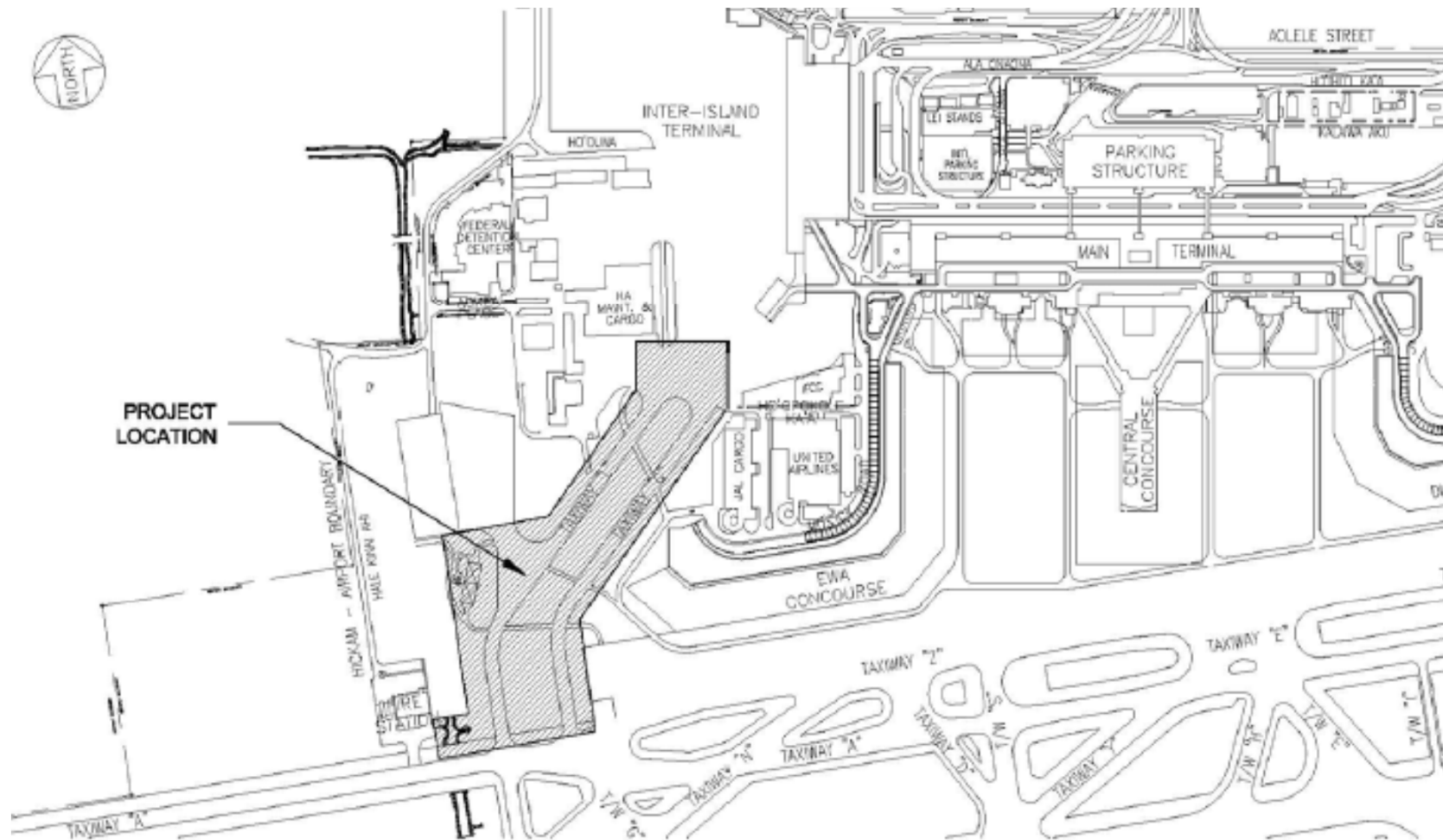
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Taxilanes G and L Widening Phase I at HNL



Project Location Map



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Taxilanes G and L Widening Phase I at HNL



Aerial photo of the project at 90% complete.



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PFC Application No. 7

May 4, 2018

Proposed Projects

Runway 8L Widening & Miscellaneous Improvements, Phase 1 at HNL

- ♦ Rehabilitate and widen the width from 150-ft to 200-ft along a length of 6,000-ft on the eastern end of Runway 8L including pavement, striping, and lighting upgrades
- ♦ Objectives:
 - Reduce the risk of damage to aircraft due to FOD
 - Brings airport into compliance with Title 14 CFR Part 139
 - Support the landing and movement of ADG V aircraft

Estimated Start Date: August 2016

Estimated Completion Date: March 2018

Federal AIP Grant: \$ 19.3 M

PFC pay-as-you-go: \$ 5.8 M

Total Project Cost: \$ 27.5 M



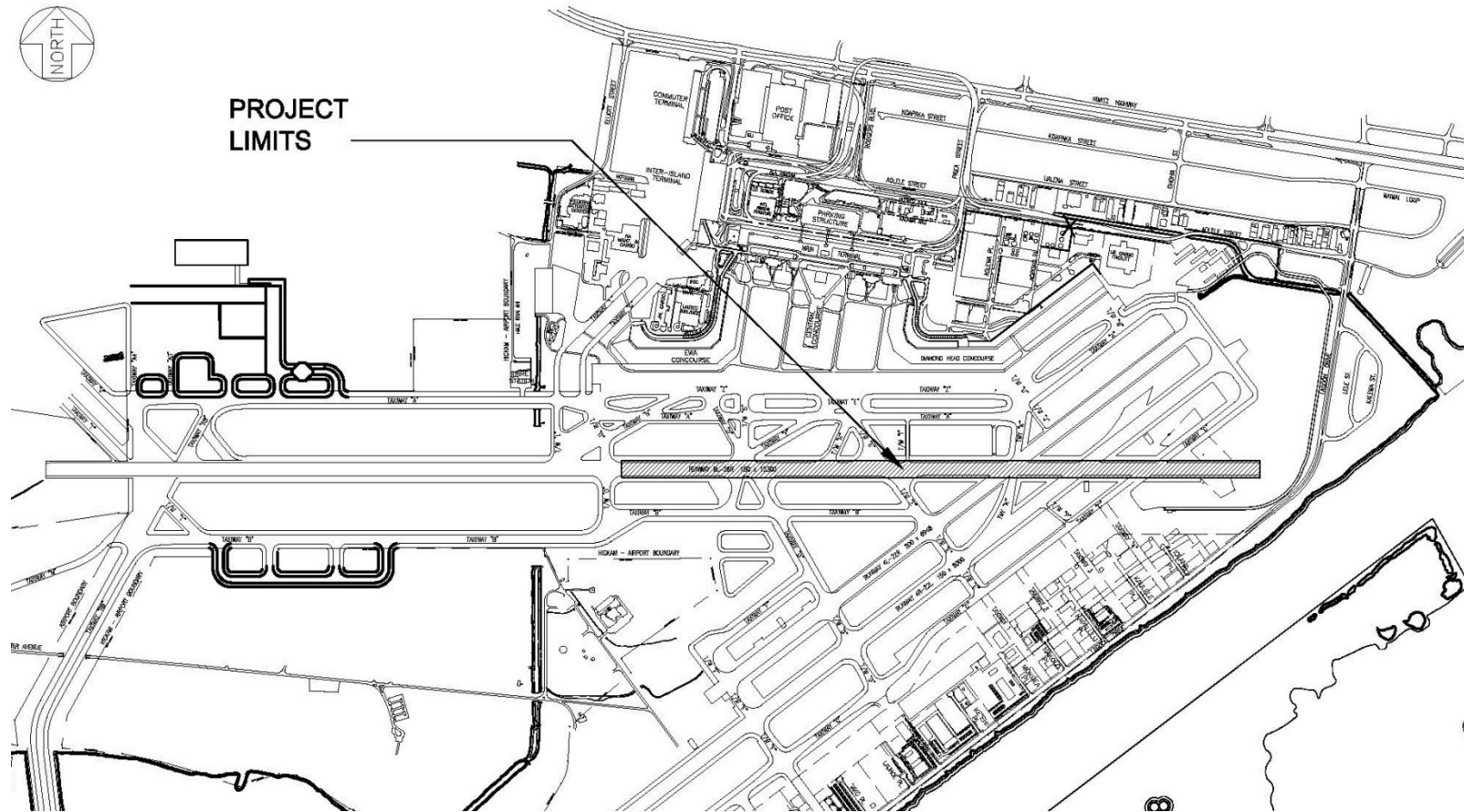
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Runway 8L Widening & Miscellaneous Improvements, Phase 1 at HNL



Project Location Map



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May 4, 2018

Runway 8L Widening & Miscellaneous Improvements, Phase 1 at HNL



Aerial Photo of the Project Site



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May 4, 2018

Proposed Projects

Airbus A380 Improvements at Gates 29 and 34 at HNL

- ◆ Install a Passenger Loading Bridge (PLB) and a corridor from the PLB to the international arrivals sterile corridor at the Ewa Concourse
- ◆ Strengthen the hardstand and pavement areas and upgrade electrical capacity
- ◆ Objective:
 - Accommodate Airbus A380 aircraft at HNL

Estimated Start Date: Mar. 2018

Estimated Completion Date: Dec. 2018

PFC Bond & Financing: \$ 31.7 M

Total Project Cost: \$ 34.9 M



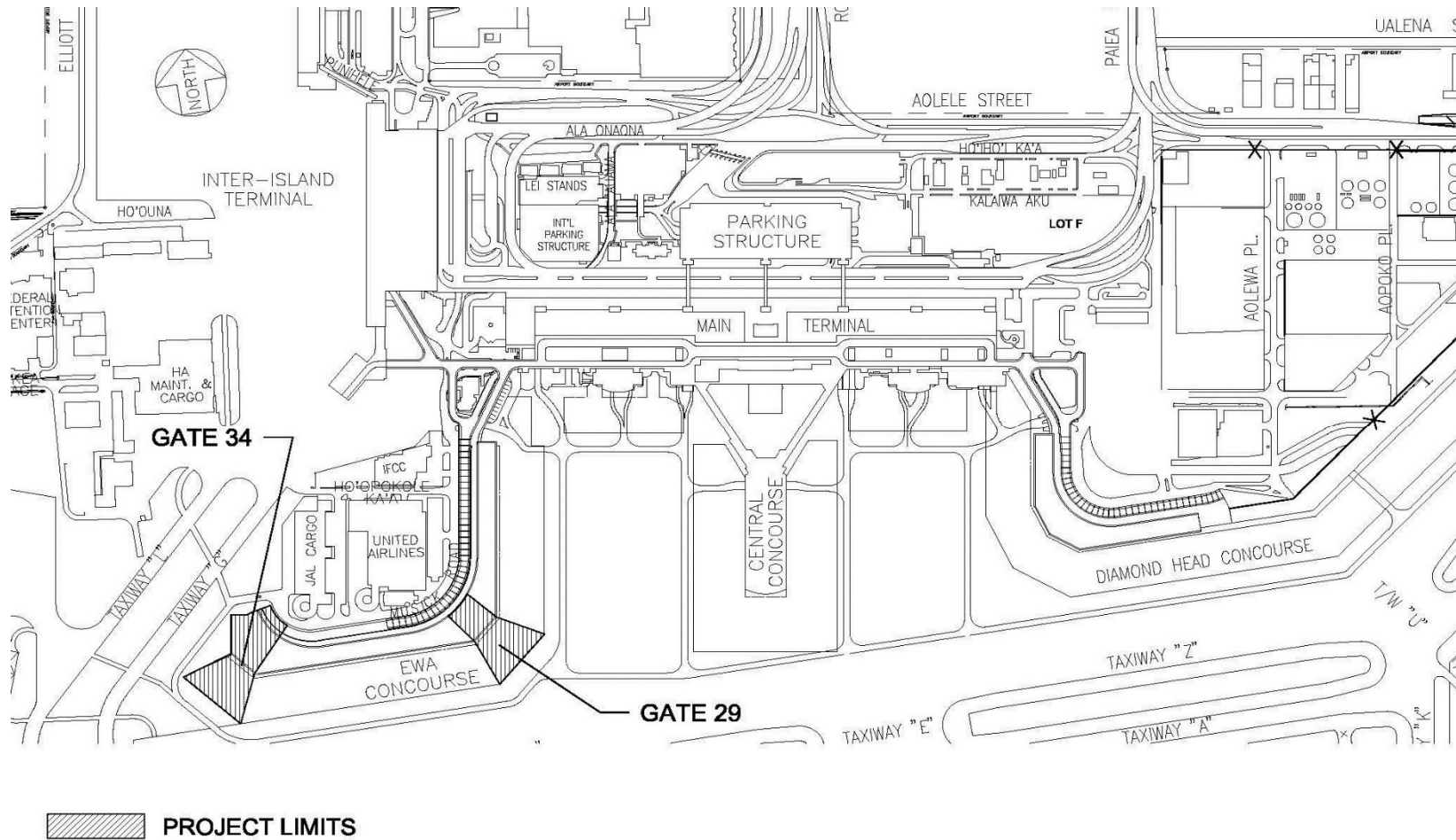
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May 4, 2018

Airbus A380 Improvements at Gates 29 and 34 at HNL



Project Location Map



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Airbus A380 Improvements at Gates 29 and 34 at HNL



Photos of the project sites at Gate 29 (top) and Gate 34 (bottom)



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PFC Application No. 7

May 4, 2018

Proposed Projects

Terminal Improvements to Shuttle Roadway between Gates 26 and 62 at HNL

- ◆ Replace concrete wearing slab, expansion joints, deck drains, and grates and repair concrete on structural deck in the Inter-Island Terminal (IIT) 3rd Level Wiki-Wiki Bus Roadway and vehicular connecting link between IIT and Ewa Concourse
- ◆ Objectives:
 - Provide safe movement of passengers from Gates 26 to 62 of the 3rd floor of the terminal buildings
 - Ensure compliance with Americans with Disabilities Act of 1990

Estimated Start Date: Nov. 2016
Estimated Completion Date: Dec. 2018

PFC pay-as-you-go: \$ 0.8 M
PFC Bond & Financing: \$ 20.2 M
Total Project Cost: \$ 22.4 M

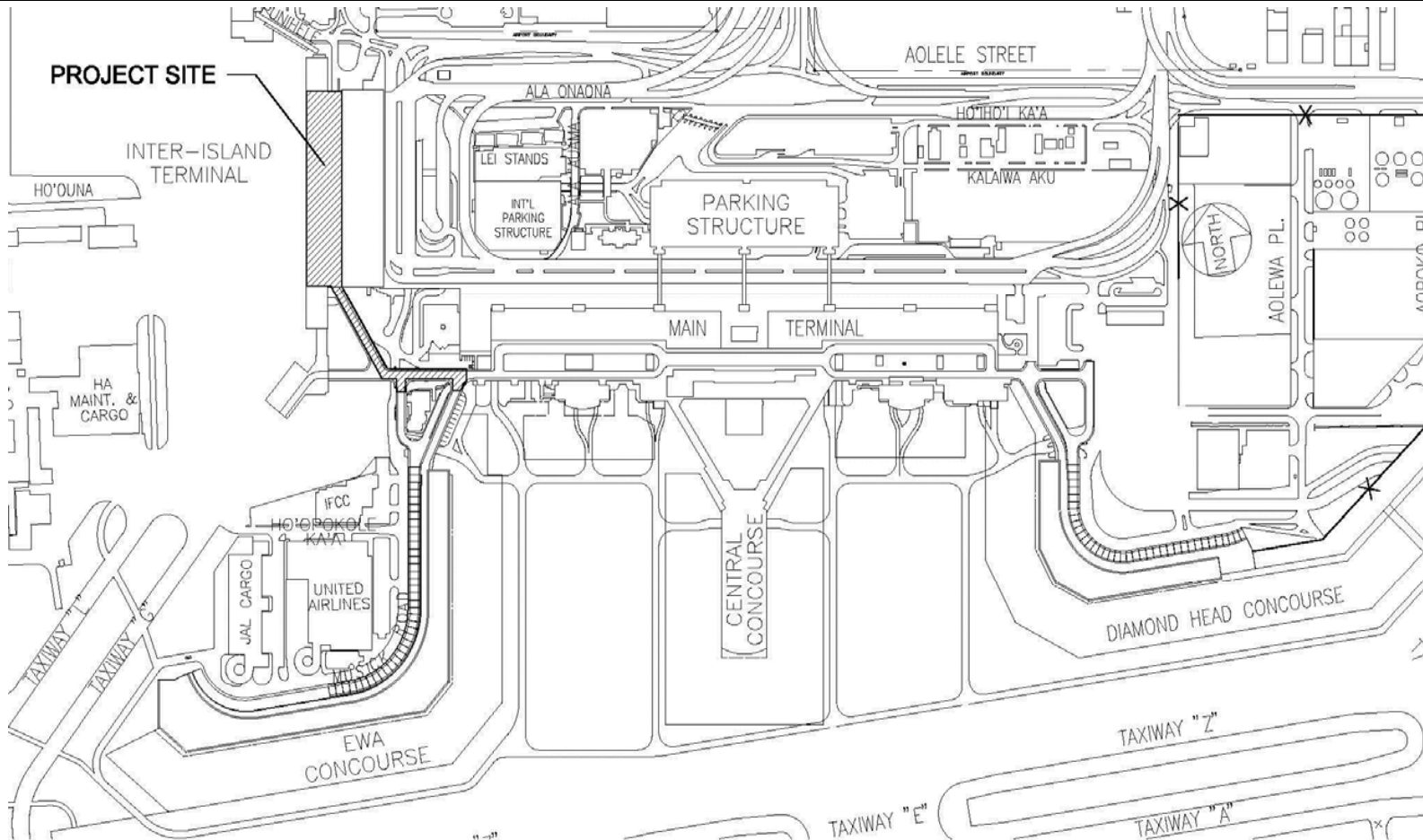


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Terminal Improvements to Shuttle Roadway between Gates 26 and 62 at HNL



Project Location Map



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Terminal Improvements to Shuttle Roadway between Gates 26 and 62 at HNL



Phase 1 construction completed (left photo) and Phase 2 construction completed (right photo)

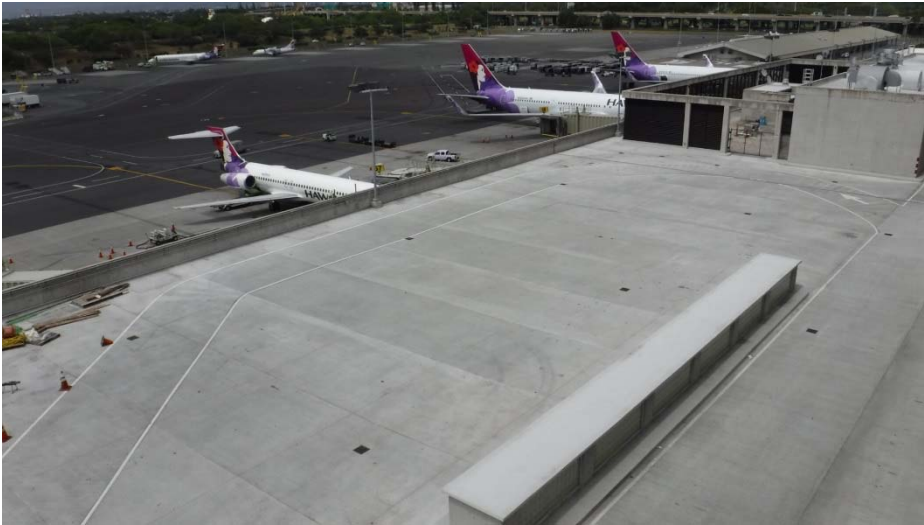


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Terminal Improvements to Shuttle Roadway between Gates 26 and 62 at HNL



Phase 3A construction completed (left photo) and Phase 4A construction completed (right photo)



Terminal Improvements to Shuttle Roadway between Gates 26 and 62 at HNL



Phase 4B – Construction begins with erecting a tent



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PFC Application No. 7

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Replacement of Passenger Boarding Bridges (PBB) at OGG

- ♦ Replace 7 PBB and remove 2 existing PBB
- ♦ Install gate signs and remove and re-install telephone system and electronic card access readers
- ♦ Justification:
 - ❖ Existing bridges have operated beyond their service life

Estimated Start Date: Nov. 2014

Estimated Completion Date: Oct. 2017

PFC Bond & Financing: \$ 19.9 M

Total Project Cost: \$ 20.0 M



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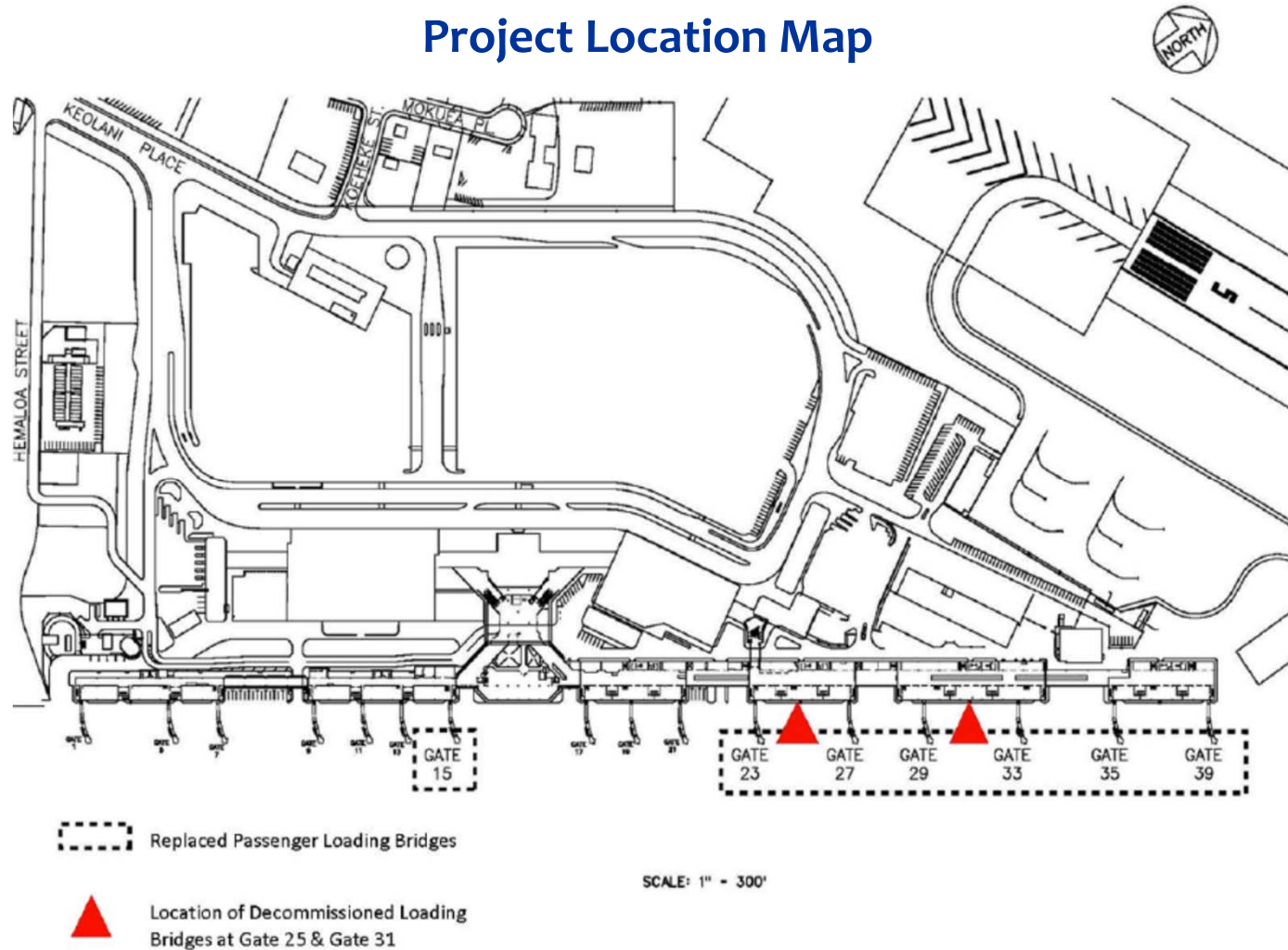
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PFC Application No. 7

May 4, 2018

Replacement of Passenger Boarding Bridges at OGG

Project Location Map



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Replacement of Passenger Boarding Bridges at OGG



A new passenger boarding bridge at Gate 39



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May 4, 2018

Replacement of Elevators and Escalators at OGG

- ◆ Remove and replace 10 elevators, 3 escalators, and 4 moving walkways including fire alarm system for the elevators
- ◆ Justification:
 - ❖ Existing elevators, escalators, moving walkways, and fire alarm system have operated beyond their service life

Estimated Start Date: Jun. 2015

Estimated Completion Date: Jul. 2018

PFC Bond & Financing: \$ 13.5 M

Total Project Cost: \$ 14.9 M



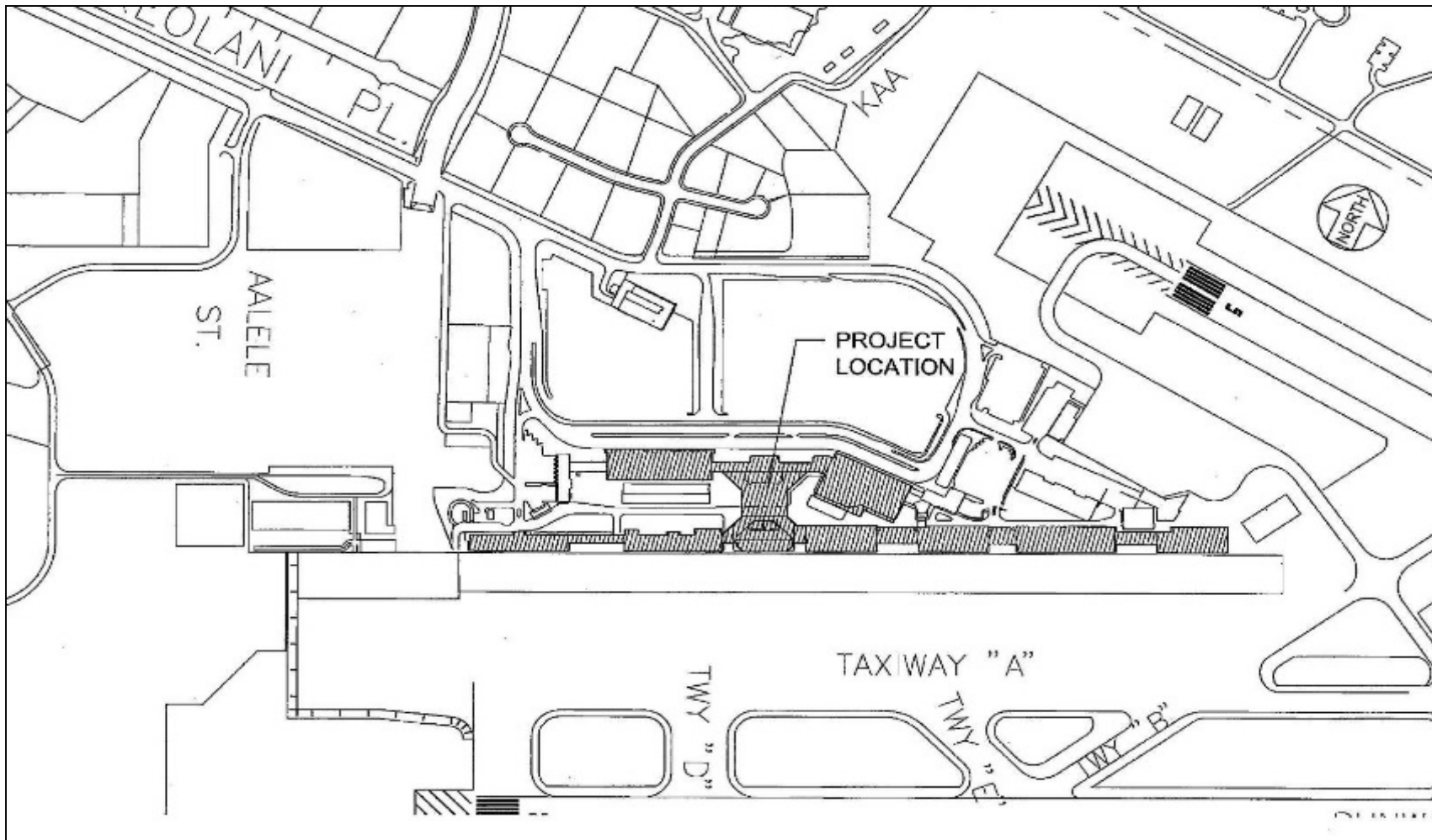
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May 4, 2018

Replacement of Elevators and Escalators at OGG



Project Location Map

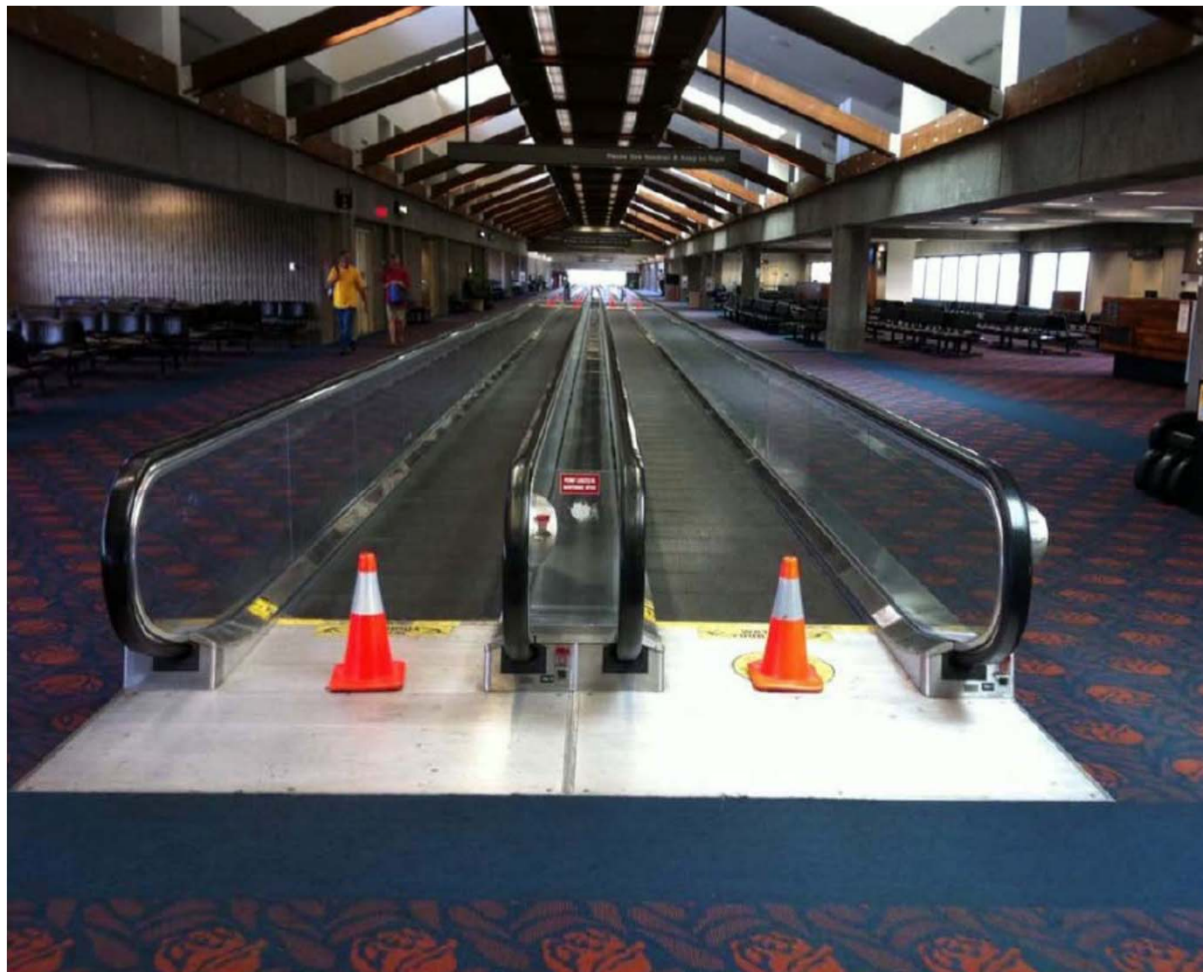


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May 4, 2018

Replacement of Elevators and Escalators at OGG



Replacement of moving walkways



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Replacement of Elevators and Escalators at OGG



Replacement of elevator



Replacement of escalator



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May 4, 2018

Proposed Projects

Runway 3-21 and Taxiway B Rehabilitation at LIH

- ◆ Remove existing surface by cold milling, placing new asphalt concrete pavement, and grooving the pavement on Runway 3-21 and Taxiways B, C, D, and E
- ◆ Objectives:
 - Reduce the risk of damage to aircraft due to FOD
 - Brings airport into compliance with Title 14 CFR Part 139
 - Extend runway and taxiway surfaces by 15 years

Estimated Start Date: Jan. 2018

Estimated Completion Date: Jan. 2019

Federal AIP Grant: \$ 12.8 M

PFC pay-as-you-go: \$ 3.0 M

PFC Bond & Financing: \$ 2.1 M

Total Project Cost: \$ 17.9 M



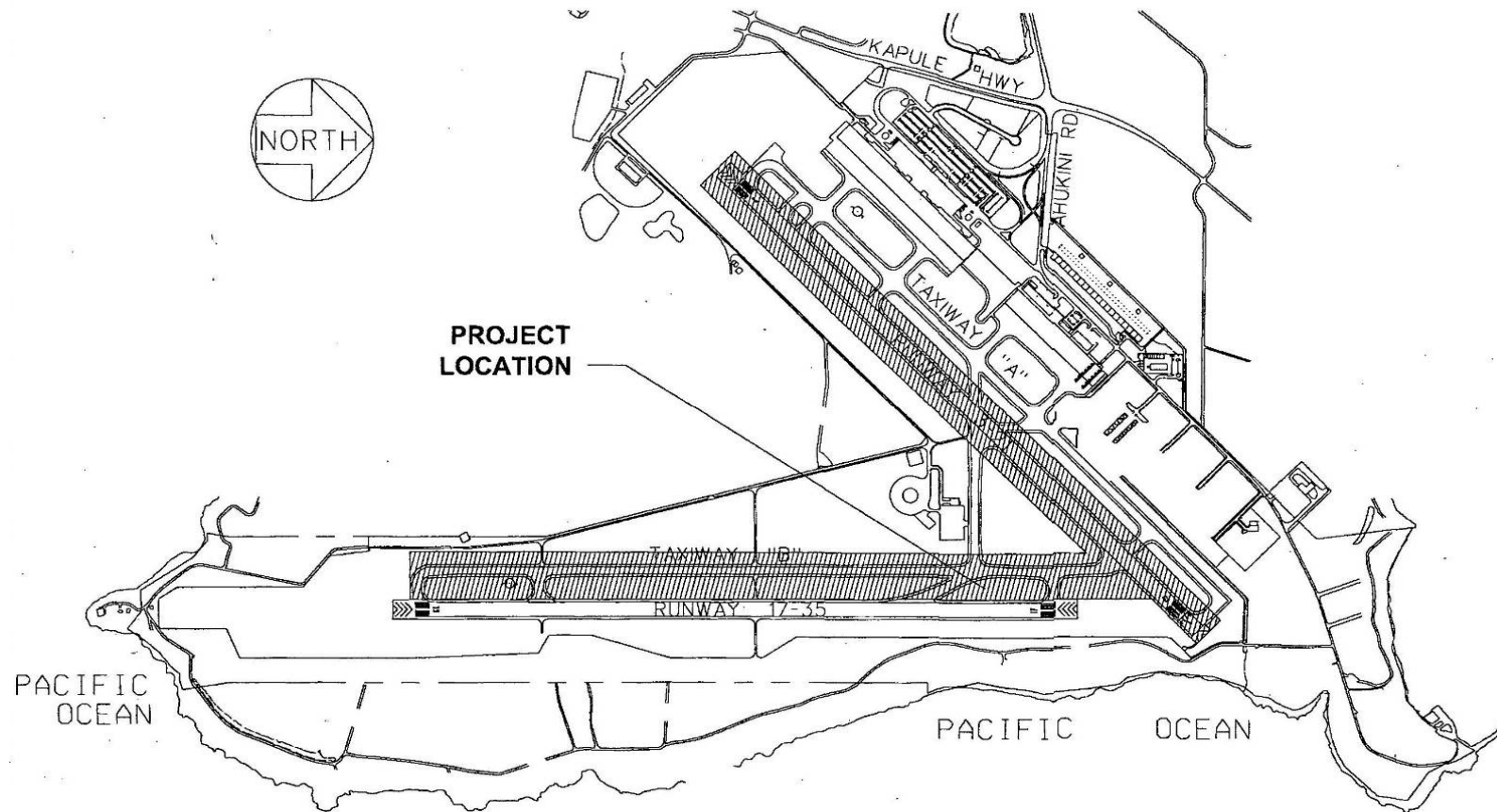
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PFC Application No. 7

May 4, 2018

Runway 3-21 and Taxiway B Rehabilitation at LIH



Project Location Map



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May 4, 2018

Proposed Projects

Terminal Modernization, Phase 1 at KOA

- ◆ Construct centralized security screening checkpoint and baggage handling buildings and corridor between North and South Holdrooms
- ◆ Integrate flight information and display system & public address system
- ◆ Objectives:
 - Provide centralized passenger and baggage screening system
 - Improve communication with the traveling public

Estimated Start Date: Feb. 2017

Estimated Completion Date: Feb. 2019

TSA Grant: \$ 14.1 M

PFC pay-as-you-go: \$ 40.6 M

PFC Bond & Financing: \$ 34.3 M

Total Project Cost: \$ 108.7 M



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PFC Application No. 7

May 4, 2018



May 4, 2018

Terminal Modernization, Phase 1 at KOA



Aerial photo of the construction site taken on Sept. 19, 2017



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Terminal Modernization, Phase 1 at KOA



Aerial photo of the construction site taken on Feb. 21, 2018



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PFC Application No. 7

May 4, 2018

PFC Application Schedule

<u>Action</u>	<u>Duration</u>	<u>Begin</u>	<u>End</u>
Air Carrier Consultation Meeting	1 day	May 4, 2018	May 4, 2018
Air Carrier comment period	30 days	May 4, 2018	Jun. 4, 2018
PFC Application Submittal to FAA	1 day	Jun. 20, 2018	Jun. 20, 2018
FAA Initial Review Period	30 days	Jun. 20, 2018	Jul. 20, 2018
FAA Final Approval Period	120 days	Jul. 20, 2018	Nov. 20, 2018
FAA Final Agency Decision (FAD)	1 day	Nov. 20, 2018	Nov. 20, 2018
Air Carrier Notification of Collection Date	30 days	Nov. 20, 2018	Dec. 20, 2018
PFC Charge Effective Date	1 day	Jul. 1, 2026	Jul. 1, 2026



Comment Period for the Air Carriers

- ♦ 30-Day comment period: May 4, 2018 to June 4, 2018
- ♦ Please submit comments in writing
- ♦ Submit written comments to:

Shu Ki Tsang, MS, PE
PFC Coordinator
400 Rodgers Blvd., Suite 700
Honolulu, Hawaii 96819

E-mail: shuki.tsang@hawaii.gov





Presentation available at: <http://hidot.hawaii.gov/airports/doing-business/engineering/passenger-facility-charge/>

Questions?



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PFC Application No. 7

May 4, 2018