



## Spokane International Airport

BUSINESS PARK AND FELTS FIELD

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February 7, 2017

### **NOTICE OF OPPORTUNITY FOR PUBLIC COMMENT RELATED TO AN INTENT TO SUBMIT A PASSENGER FACILITY CHARGE AMENDMENT FOR SPOKANE INTERNATIONAL AIRPORT, #15-10-C-00-GEG (PFC #10)**

The Spokane Airport Board (Board), which owns and operates Spokane International Airport (SIA or the Airport), intends to submit a proposal to the Federal Aviation Administration (FAA) to amend a Passenger Facility Charge (PFC) currently approved at the Airport. The amendment is being submitted to reflect revisions to the budget for certain projects in application 15-10-C-00-GEG (PFC #10).

Pursuant to Section 158.24 of 14 CFR Part 158, this notice is published providing the opportunity for public comment until March 10, 2017.

The Board received approval from the FAA to impose and use PFCs for projects at the Airport under PFC 10 on January 16, 2015. There was a total of seven projects approved in the application. This notice of proposed amendment is to increase the amount of PFCs to be collected and used on **Project 1 - Terminal Area Plan** and **Project 8 - Elevator Replacement**. The justification for each increase appears in Attachment A.

The Airport is proposing an increase of \$213,562 on **Project 1 - Terminal Area Plan** from the approved amount of \$1,650,000 to \$1,863,562. This project is complete and has final costs available.

The Airport is also proposing an increase of \$1,209,200 on **Project 8 - Elevator Replacement** from the original estimated and approved cost of \$850,000 to \$2,059,200. The project has been awarded and actual costs came in above the original estimates.

Also attached is a revised PFC project Spreadsheet titled "*Amendment Request Form Report*" with updated project costs and funding sources for all projects in PFC #10. This proposed change results in a revised calculated expiration date of August 1, 2017 due to the revised collection amount needed and the actual PFC revenue collected to date.

The Airport plans to submit a proposal to amend PFC#10 as described above to the FAA for review and approval on April 10, 2017.

**Please address any comments to Dave Armstrong, CPA, Director of Finance, Spokane Airport Board, 9000 West Airport Drive, Suite 204, Spokane, WA, 99224 OR email to [darmstrong@spokaneairports.net](mailto:darmstrong@spokaneairports.net).**

**ATTACHMENT A  
PROPOSED AMENDMENT TO PFC #10 DETAIL**

**PROPOSED AMENDMENT DESCRIPTION AND JUSTIFICATION**

**Overview of Proposed Amendment**

On January 16, 2015, the Spokane Airport Board received FAA approval to impose and use \$15,036,120 in PFC revenue for seven eligible projects under PFC 10 at Spokane International Airport (see attached PFC Amendment form). Since that time, the Airport has initiated work on all of these projects.

A number of the projects under PFC 10 have been completed and their associated costs are known. Therefore, PFC funding for these projects is being amended to account for actual costs of construction and design now that these projects are complete.

**Proposed Specific Changes for PFC Amendment**

The proposed amendment would increase the PFC collection and use authority as follows for PFC 10:

Current approval level:	\$15,036,120
Increase from this amendment:	<u>1,422,762</u>
Total amended approval level:	\$16,458,882

**1. Terminal Area Plan (Planning Study)**

Original project description: This project consists of the planning, conceptual analysis and drawings for terminal improvements including a financial feasibility analysis. The aviation forecast data will be updated and the functionality and capacity of the existing building and associated roadways and landside facilities will be reviewed and alternative expansion concepts will be analyzed. The study will also examine alternative development options for increasing terminal capacity both through a rehabilitation of the existing terminal and through an expansion of the terminal building. This project will provide an in-depth evaluation of hold-rooms, ticket lobby, airline operational area, baggage handling and claim areas, and public circulation space in the terminal building as well as the terminal area roadways and landside facilities. This project is anticipated to start in March 2014 and be complete by December, 2015.

PFCs provided 100% of this project. The original estimated cost of this project was \$1,650,000.

The Board met on multiple occasions to review the preliminary findings of the study. A meeting will be scheduled in the near future to review the final recommendations.

Amendment Amount: Increase of \$213,562; Total Project Cost: \$1,863,562

Amendment Justification: This project is complete and final costs have been determined. The increase in cost is related to extra time in consultation and preliminary conceptual analysis in determining air carrier needs in certain hold-rooms and special consideration in locating Airport Police and Transportation Security offices.

**2. Airfield Perimeter Security Enhancement**

There is no amendment to this project at this time

**3. Replacement of Flight Information Display Systems (FIDS) and Related Flight Announcement Systems**  
There is no amendment to this project at this time

**4. Terminal Access Control Enhancements**  
There is no amendment to this project at this time

**5. This project was withdrawn prior to approval**

**6. Glycol Recovery Solution Design**  
There is no amendment to this project at this time

**7. This project was withdrawn prior to approval**

**8. Elevator Replacement**

Original project description: This project includes the replacement of three public elevator cars rated at 2,500 pounds each, and their associated systems, located at the terminus of the sky bridge connecting to the Main Terminal. These cable model cars using DC generators and latch relay logic were originally installed in 1979. The control stations on the cars cannot be modified without disturbing the grandfathered fire recall codes that apply to this model of elevator. The new elevator systems will be gearless traction elevators with current technology. Additional work will be done to prevent water from entering the elevator pits in order to conform to current local code requirements. This project is anticipated to start in October 2014 and be complete by March, 2015. PFCs are anticipated to provide 100% of this project which has an estimated cost of \$850,000.

Amendment Amount: Increase of \$1,209,200; Total Project Cost: \$2,059,200

Amendment Justification: This project was estimated prior to detailed structural analysis and understanding of site specific challenges. The Airport elected to use an allowable alternate method of procurement and project delivery to minimize costs associated with potentially significant unforeseen conditions by utilizing a Washington State energy program. This project has been awarded and total costs can now be determined with reasonable certainty.

**9. PFC Administration Costs**  
This project is complete

**PFC LEVEL, PROPOSED CHARGE EFFECTIVE DATE, ESTIMATED CHARGE EXPIRATION DATE, AND ESTIMATED TOTAL PFC REVENUE**

**PFC level:** No Change: \$4.50 per eligible enplaned passenger

**PFC revenue to be collected:** PFC 10: \$16,458,882

**Charge effective date:** PFC 10: July 1, 2015 (No Change)

**Est. charge expiration date:** PFC 10: August 1, 2017 (Recalculated)  
Future PFC projects will likely extend the expiration date.

**CLASS OF CARRIER(S) NOT REQUIRED TO COLLECT PFC**

The Board does not request that any class or classes of carriers be excluded from the requirement to collect PFCs.

# Amendment Request Form Report

Selection Criteria: Region: NM, State: WA, LOCID: GEG, Application: 15-10-C-00-GEG

<b>GEG</b>	<b>Spokane International</b>	<b>Spokane, WA</b>
<b>NM/SEA</b>	<b>P (S)</b>	<b>County and City of Spokane</b>
<b>Application Number:</b>	15-10-C-00-GEG	
<b>Application Status:</b>	Approved	
<b>Approved Collection Amount:</b>	15,036,120	<b>Legal Chg Eff Dt:</b> 11/1/2014
<b>Approved Use Amount:</b>	15,036,120	<b>Legal Chg Exp Dt:</b>
		<i>Current</i> 11/1/2017
		<i>Amended</i>
		<b>Calculated Chg Exp Dt:</b> 5/1/2017
		<b>Revised Calculated Chg Exp Dt:</b> 8/1/2017

## Projects

Proj Nbr Abbrv	Amd Nbr	PA Title	S	T	PFC Lvl	Approved Collection Amount			PFC Total	Proj Total	Phy Start Date	Phy Comp Date	Financial Completion Dt
						Pay as you go	Bond capital	Financing & Interest					
10-001		Terminal Area Plan (Planning Study)	A	C	4.50	1,650,000	0	0	1,650,000	1,650,000	3/1/2014	4/30/2017	
						1,863,562			1,863,562	1,863,562			
10-002		Airfield Perimeter Security Enhancement	A	C	4.50	5,000,000	0	0	5,000,000	5,000,000	3/1/2016	12/31/2017	
10-003		Replacement of Flight Information Display Systems (FIDS) and Related Flight	A	C	4.50	3,500,000	0	0	3,500,000	3,500,000	10/1/2016	6/30/2018	
10-004		Terminal Access Control Enhancements	A	C	4.50	2,500,000	0	0	2,500,000	2,500,000	10/1/2016	6/30/2018	
10-006		Glycol Recovery Solution Design	A	C	4.50	1,500,000	0	0	1,500,000	1,500,000	10/1/2016	6/30/2018	
10-008		Elevator Replacement	A	C	4.50	850,000	0	0	850,000	850,000	9/1/2015	3/31/2017	
						2,059,200			2,059,200	2,059,200			
10-009		PFC Administration Costs	A	C	4.50	36,120	0	0	36,120	36,120	3/1/2014	6/30/2015	

Original Approved Collection Amount	15,036,120
Amendment Amount	1,422,762
Revised Collection Amount	16,458,882

15,036,120	15,036,120
1,422,762	1,422,762
16,458,882	16,458,882