

**PUBLIC NOTICE OF
OPPORTUNITY FOR COMMENT RELATED TO
PASSENGER FACILITY CHARGES (PFC)**

This serves as the public notice that Provo City Corporation, Provo, Utah, owner and operator of the Provo Municipal Airport (PVU), intends to submit to the FAA a new “Impose and Use” PFC Application No. 1. Provo City Corporation is providing an opportunity for public comment until January 29, 2024. This written notice is provided in accordance with requirements contained in Federal Aviation Regulation 49 CFR 158 PFC Section 158.24 Notice and Opportunity for Public Comment.

The proposed projects in the new “Impose and Use” PFC Application No. 1 are:

1. Construct Terminal Building (Professional Services)

Project Description:

This project included the professional services (i.e., architecture/engineering and construction management) to develop the new PVU terminal building. The terminal building included 58,000 square feet of space, state-of-art ticketing areas able to accommodate multiple carriers, incoming and outgoing baggage handling/claim areas, concession and rental car companies’ space, multiple TSA security lanes, a large passenger hold room and four passenger boarding gate areas that enhance passenger comfort and experience. These professional services included architectural and building system designs (i.e., terminal space analysis/layout, structural/mechanical/electrical design, code analysis, plan sheet and technical specification development, baggage handling system design, passenger boarding bridge design, construction cost development, etc.) and developed a terminal Programming and Concept Plan for future expansion to accommodate PVU passenger growth. During the terminal building design analysis, the FAA determined 66.5% of the floorplan space was federally eligible. Construction management services were provided to represent the airport during building construction activities and included on-site construction inspection, construction material acceptance testing, contractor coordination, etc.

Project Justification:

Provo City Corporation did not have the in-house resources to accomplish the design and construction management services required to complete the new terminal building development, therefore outsourced these PFC-eligible consultant services. PVU followed the guidance in FAA AC 150/5100-14E Architectural, Engineering and Planning Consultant Services for Airport Grant Projects, and selected a qualified consultant team who provided the needed professional services (i.e., architecture/engineering and construction management). See Project 2 below for terminal building justification.

Project Funding Method/Sources:

This project was funded on a “pay-as-you-go” basis. PVU did not request federal funding reimbursement for the eligible professional services performed (i.e., architecture/engineering and construction management), except for \$57,333. Federal funding included in AIP Grant No. 3-49-0027-044-2019 reimbursed PVU for this amount. The amount requested for PFC reimbursement, shown below, represents the total federally eligible professional services cost for the project, determined by taking the total professional service cost and multiplying it by the FAA approved terminal eligibility percentage of 66.5%, minus the referenced \$57,333 AIP reimbursement.

Project start:	October 1, 2019
Project completion:	July 1, 2022
Actual total project cost:	\$1,533,342
PFC Application Amount:	\$ 962,339

2. Construct Terminal Building (Construction)

Project Description:

This project included the construction of the 58,000 square foot new terminal facility with state-of-art ticketing areas, spacious incoming and outgoing baggage handling/claim areas, concession and rental car lease space, multiple TSA security lanes, a large passenger hold room and four passenger boarding gate areas that enhance passenger comfort and experience and accommodates multiple carriers. The new terminal building replaced a makeshift terminal building with 4,500 square feet which was undersized and constrained to manage PVU commercial passenger traffic. The overall terminal development program included the construction of a 34,500 square yard aircraft-parking apron able to park multiple commercial aircraft and employee vehicle parking lots/areas. The terminal apron and vehicle parking lots were funded independently of the terminal building projects included in this PFC application.

Project Justification:

Prior to the completion of the new terminal building, PVU’s 4,500 square foot terminal was shared with the airport’s full service fixed based operator (FBO). This terminal building, associated facilities and aircraft-parking apron could not accommodate the existing passenger demand and maintain an adequate level of service, and being Utah’s second busiest commercial airport, the needs of the community were not being met. Every terminal function was extremely undersized or non-existent, as ad-hoc structures were used to shelter critical terminal processes (i.e., indoor baggage claim). The existing passenger hold room and the aircraft-parking apron were sized so only one commercial operation could be accommodated at a time; overlapping flights could not take place. The terminal

allowed no room for flexibility or growth. All these terminal building conditions deterred air carriers from serving a growing PVU market.

A new terminal was constructed to better serve the growing Provo area community and provide the ability for new airlines to enter the market. The 58,000 square foot new terminal provides 36,500 square feet of passenger accessible areas with 21,500 square feet for airline offices, equipment, airport administration offices and additional unfinished second-floor areas for future expansion. The passenger hold room accommodates all departing and arriving travelers, enhancing their comfort and PVU experience. The new terminal supports simultaneous and multiple narrow body aircraft arrivals and departures; commercial operations which the existing terminal could not support. The need for this new terminal facility has been confirmed as PVU enplanements have doubled since the July 2022 opening. Two air carriers now serve PVU, providing more flying options for the residents of Utah County and the surrounding areas.

Project Funding Method/Sources:

This project was funded on a “pay-as-you-go” basis without bonding by Provo City Corporation. PVU used the construction manager at risk (CMAR) process to administer and procure contracting services for the terminal building. The CMAR guaranteed maximum price (GMP) negotiated was \$23,629,151. The FAA provided funding for a portion of the eligible terminal construction costs with AIP Grant No. 3-49-0027-047-2021 in the amount of \$8,827,099. The additional terminal project costs were provided by the airport. The requested PFC reimbursement amount shown below is the eligible terminal construction costs paid by PVU and not reimbursed with AIP funding. The amount was determined by taking the total construction cost (i.e., GMP), applying the approved terminal eligibility percentage of 66.5% (PFC Project 1 analysis), less the AIP-047 reimbursement.

Project start:	November 10, 2020
Project completion:	July 1, 2022
Actual total project cost:	\$23,629,151
PFC Application Amount:	\$ 6,886,286

3. PFC Administration

Project Description:

This project includes eligible PFC professional service and administrative costs necessary to develop the PFC application.

Project Justification:

PVU has elected to use consultant services to prepare and assist with the administration of the PFC application. Selected consultant has the project background/knowledge and

experience to successfully complete this proposed PFC application allowing PVUs staff to focus on maintaining the daily airport administration tasks. Currently, the airport does not collect PFC revenue. The completed projects included in this application assist PVU to preserve and enhance capacity, safety and security.

Project Funding Method/Sources:

PFCs are proposed to provide 100% funding for this project (i.e., “pay-as-you-go”).

Project start:	August 1, 2023
Anticipated completion:	March 1, 2024
Estimated project cost:	\$25,720
PFC Application Amount:	\$25,720

Provo City Corporation proposes to charge the maximum allowable PFC amount of \$4.50 per enplaned passenger (i.e., PFC Level) for the projects listed above. The anticipated charge effective date is March 1, 2024, with a total revenue impact of \$7,874,345. The PFC expiration for these projects is estimated to be May 1, 2032. Future PFC projects will likely extend the expiration date.

In accordance with Federal Aviation Regulation 49 CFR Part 158 PFC Section 158.24 (a)(2), comments are being accepted until January 22, 2024. Comments or a request for more detailed information may be mailed to Mr. Brian Torgersen, Airport Director, Provo Municipal Airport, 351 West Center Street, Provo, Utah 84601-4338, or emailed to btorgersen@provo.utah.gov.