

NOTICE OF  
OPPORTUNITY FOR PUBLIC COMMENT RELATED TO  
PASSENGER FACILITY CHARGES

Jackson County, Oregon is providing an opportunity for public comment until January 10, 2019 related to our proposed amendment to approved PFC Application #04-09-C-00-MFR for the Rogue Valley International-Medford Airport. This written notice is provided in accordance with requirements contained in Federal Aviation Regulation 14 CFR Part 158.24 Passenger Facility Charge.

Jackson County, Oregon received approval from the FAA to "impose and use" PFCs for two projects at the Rogue Valley International – Medford Airport on May 28, 2004. The approved collection amount for these projects was \$27,542,553. Following FAA approval, the two projects were divided into four projects in the FAA's reporting system.

Jackson County is proposing an increase of \$3,459,881 in the total amount of PFCs needed to be collected for these projects. The current approved amount of \$27,542,553 is therefore proposed to increase to \$31,002,434. All the projects in this application are now complete and actual capital costs are known. Attached is the "*PFC Application Amendment Funding Summary*" with updated project costs and funding sources. Also attached is the justification for this proposed amendment.

These proposed changes along with collections to date result in a revised estimated expiration date of September 1, 2024. No change is proposed to the charge effective date of September 1, 2004, the PFC level of \$4.50, or the exemption of the Air Taxi/Commercial Operators (ATCO) class of carriers.

**Comments or a request for more detailed project descriptions should be sent to Amber Judd, Deputy Director - Administration, Rogue Valley International – Medford Airport, 1000 Terminal Loop Parkway, Suite 201, Medford, OR 97504.**

Attachments: Justification for the Proposed Amendment to Application #04-09-C-00-MFR  
PFC Application Amendment Funding Summary #04-09-C-00-MFR

**JUSTIFICATION FOR THE PROPOSED AMENDMENT  
To Application #04-09-C-00-MFR**

Jackson County, Oregon received approval from the FAA to "impose and use" PFCs for two projects at the Rogue Valley International – Medford Airport on May 28, 2004. The approved collection amount for these projects was \$27,542,553. Following the approval, the two projects were divided into four projects in the FAA's reporting system. This amendment, therefore, reflects the project numbering and approved PFC impose and use amounts as currently reflected in the FAA's reporting system.

All the projects in this Application are now complete and actual capital costs are known. Jackson County is proposing an increase of \$3,459,881 in the total amount of PFCs needed to be collected for all projects from the current approved amount of \$27,542,553 to \$31,002,434. Attached is the "*PFC Application Amendment Funding Summary*" which reflects the changes in project costs and total funding by funding source.

**Project 1, Apron; Project 2, Roads; and Project 4, Terminal Building.**

Together, these three projects included the capital costs related to the development of a new commercial terminal building at MFR. The projects included the construction of a new terminal building and the associated entrance road and landside improvements, and commercial aircraft apron construction to accommodate the new facility.

In the original application, prepared in 2003 and approved in 2004, the project was estimated to be a 90,000 square foot terminal building with six gates and four loading bridges. The airport's enplanements continued to grow and the building was ultimately constructed to 110,193 square feet. While remaining at six gates, no new passenger loading bridges were included in the project and the passenger loading bridge from the existing terminal facility was used at the new terminal building. (Note that when the PFC application was approved, the project was approved as one project. With the introduction of the FAA's reporting system SOAR, the project was divided in the three projects – Apron, Roads and Terminal Building). The projects' total capital costs came in higher than originally estimated due to the increase in the size of the building and escalated construction costs from the time the project was originally estimated. Despite the increase in capital costs, the estimated financing and interest costs are lower than originally estimated due to savings realized from refinancing of the outstanding debt.

The original capital costs for this project were estimated to be \$36,520,672. Financing and interest costs (PFC eligible only) were estimated to be \$14,197,474. Total capital and financing costs were estimated to total \$50,718,146. The original funding sources were estimated to be as follows:

<b>Funding Source</b>	<b>Funding Amount</b>
AIP Funds	\$15,155,140
TSA Funds	2,293,512
Local Funds	5,774,441
PFC Funds – Capital	13,297,579
PFC Funds – F&I	14,197,474
<b>Total Funding</b>	<b>\$50,718,146</b>

The final capital costs of the project totaled \$49,408,270. Financing and interest costs (PFC eligible only) are now estimated to be \$14,034,877. Total capital and financing costs are now estimated to total \$63,443,147. The allocation of the funding sources across the three projects in SOAR are estimated to be as follows:

<b>Funding Source</b>	<b>Total Funding</b>	<b>Project 09-001 Apron</b>	<b>Project 09-002 Roads</b>	<b>Project 09-004 Terminal Building</b>
AIP Funds	\$18,536,147	\$2,995,692	\$0	\$15,540,455
TSA Funds	2,037,379	0	0	2,037,379
Connect Oregon	2,992,331	2,527,010	465,321	0
Local Funds	8,922,283	640,482	4,782,968	3,498,833
PFC Funds – Capital	16,920,129	238,034	4,355,820	12,326,275
PFC Funds – F&I	14,034,877	197,444	3,613,057	10,224,376
<b>Total Funding</b>	<b>\$63,443,146</b>	<b>\$6,598,662</b>	<b>\$13,217,166</b>	<b>\$43,627,318</b>

Total PFCs needed therefore increases from \$27,495,053 to \$30,955,006. This represents a \$3,459,953 increase in requested PFCs.

### **Project 3, Taxiway B, B2 and B3 Rehabilitation**

This project consisted of the local match for the rehabilitation of three taxiways (B, B2 and B3). The original estimate for the project was \$475,000 with \$427,500 to be funded through AIP funds and the local match of \$47,500 to be funded with PFCs. Final costs of the project were \$474,278. AIP grant #26 provided \$426,850. Total PFCs needed therefore decreases from \$47,500 to \$47,428. This represents a \$72 decrease in requested PFCs.

**All of the proposed changes contained in the proposed amendment result in a net PFC increase of \$3,459,881 to PFC Application #04-09-C-00-MFR.**

Based on PFC collections through June 2018 and the rate of anticipated remaining collections, the estimated charge expiration date of this application is estimated to be September 1, 2024.

# PFC Application Amendment Funding Summary

Public Agency:

Use Airport(s):

Application No:

Jackson County, Oregon

Rogue Valley International - Medford Airport

04-09-C-00-MFR

Approved Funding											
Project Number/Title		AIP *	PFC				Other		Total		Grand Total
		Pay-as-you-go	Bond Capital	Fin. & Int.	Total	Capital	Fin. & Int.	Capital	Fin. & Int.		
09-001	Apron	\$ 1,975,951	-	\$ 1,449,436	\$ 1,547,525	\$ 2,996,961	\$ -	\$ 3,425,387	\$ 1,547,525	\$ 4,972,912	
09-002	Roads	1,554,261	-	\$ 1,223,377	\$ 1,306,167	\$ 2,529,544	2,237,695	\$ 5,015,333	\$ 1,306,167	\$ 6,321,500	
09-003	Taxiway B, B2 and B3 Rehabilitation	427,500	47,500	\$ -	\$ -	\$ 47,500	\$ -	\$ 475,000	\$ -	\$ 475,000	
09-004	Terminal Building	11,624,928	-	\$ 10,624,766	\$ 11,343,782	\$ 21,968,548	5,830,258	\$ 28,079,952	\$ 11,343,782	\$ 39,423,734	
Totals		\$ 15,582,640	\$ 47,500	\$ 13,297,579	\$ 14,197,474	\$ 27,542,553	\$ 8,067,953	\$ -	\$ 36,995,672	\$ 14,197,474	\$ 51,193,146

Proposed Amendment #1 Funding												
Project Number/Title		AIP	PFC				Other		Total		Grand Total	PFC Change
		Pay-as-you-go	Bond Capital	Fin. & Int.	Total	Capital	Fin. & Int.	Capital	Fin. & Int.			
09-001	Apron	\$ 2,995,692	-	\$ 238,034	\$ 197,444	\$ 435,478	\$ 3,167,492	\$ 6,401,218	\$ 197,444	\$ 6,598,662	\$ (2,561,483)	
09-002	Roads	-	-	4,355,820	3,613,057	\$ 7,968,877	5,248,289	9,604,109	3,613,057	\$ 13,217,166	\$ 5,439,333	
09-003	Taxiway B, B2 and B3 Rehabilitation	426,850	47,428	-	-	\$ 47,428	-	474,278	-	\$ 474,278	\$ (72)	
09-004	Terminal Building	15,540,455	-	12,326,275	10,224,376	\$ 22,550,651	5,536,212	33,402,943	10,224,376	\$ 43,627,318	\$ 582,103	
Totals		\$ 18,962,997	\$ 47,428	\$ 16,920,129	\$ 14,034,877	\$ 31,002,434	\$ 13,951,993	\$ -	\$ 49,882,547	\$ 14,034,877	\$ 63,917,424	\$ 3,459,881

\* Breakdown of original AIP funds is only an estimate based on how the PFC funds approved were allocated by the FAA across the three projects in SOAR.