



# Nashville International Airport PFC Public Notification

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# PASSENGER FACILITY CHARGE PUBLIC NOTIFICATION

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January 11, 2019

# Overview of Public Notice

Pursuant to Section 158.24(b) of the PFC regulations, MNAA must provide notice of opportunity for public comment that includes the following information:

- Project Descriptions
- Project Justifications
- PFC Level
- PFC Revenue to be collected
- Proposed effective and expiration dates
- Contact Information

The Metropolitan Nashville Airport Authority (MNA) intends to submit a new Passenger Facility Charge (PFC) application for the following projects at Nashville International Airport (BNA):

- New Impose and Use Application for Terminal Expansion and Renovation including Project 1 – Concourse D Expansion and Ticketing Wings and Project 3 – Terminal Renovation
- New Impose and Use Application for Terminal Area Roadway Improvements (TARI) Design
- New Impose Only Application for TARI Construction

New Impose and Use and Impose Only Applications total PFC request of \$1,383,849,350

# History of PFC Program at BNA

- In 1992, Authority received approval to impose a PFC at \$3.00 which was increased to \$4.50 in 2014
- To date, the Authority has received the approval for a total collection authority of \$402,643,161

PFC Program at the Airport			
Approved PFC Application #	Total Impose Only Collection	Total Use Collection Authority	Status
1992-01-C	\$ 96,350,366	\$ 84,637,066	Closed
1996-02-U	\$ -	\$ 11,713,300	Closed
1997-03-C	\$ 1,439,174	\$ 1,439,174	Closed
1997-04-C	\$ 17,641,859	\$ 17,641,859	Closed
1998-05-C	\$ 2,651,686	\$ 2,651,686	Closed
1999-06-C	\$ 4,159,999	\$ 4,159,999	Closed
2000-07-C	\$ 2,094,000	\$ 2,094,000	Closed
2001-08-C	\$ 4,328,889	\$ 4,328,889	Closed
2001-09-C	\$ 3,610,373	\$ 3,610,373	Closed
2003-10-C	\$ 2,591,683	\$ 2,591,683	Closed
2004-11-C	\$ 75,086,772	\$ 75,086,772	Approved
2006-12-C	\$ 10,045,529	\$ 10,045,529	Closed
2007-13-C	\$ 15,605,263	\$ 15,605,263	Closed
2008-14-C	\$ 56,871,177	\$ 56,871,177	Approved
2009-15-C	\$ 4,292,695	\$ 4,292,695	Closed
2010-16-C	\$ 5,005,698	\$ 5,005,698	Closed
2011-17-C	\$ 2,618,001	\$ 2,618,001	Closed
2013-18-C	\$ 1,521,834	\$ 1,521,834	Closed
2013-19-C	\$ 4,820,500	\$ 4,820,500	Approved
2014-20-C	\$ 4,900,000	\$ 4,900,000	Approved
2016-21-C	\$ 17,267,000	\$ 17,267,000	Approved
2016-22-C	\$ 69,740,663	\$ 69,740,663	Approved
<b>TOTAL</b>	<b>\$ 402,643,161</b>	<b>\$ 402,643,161</b>	

# New Application – Terminal Expansion and Renovation

- Authority intends to seek approval for its Terminal Expansion and Renovation Project
- Terminal Expansion and Renovation Project includes
  - New Central Terminal
  - Expansion of Concourse D and Central Utility Plant
  - New International Arrivals Facility
  - Restoration of Concourse A
- BNA's terminal was designed to meet the needs of an airline passenger transfer hub that, at the time, served only a modest Originating and Destination (O&D) market. BNA is now a predominantly O&D. In 2017, 88.5% of passengers were O&D. This places significantly different demands on the terminal facilities including security checkpoints and ticketing and baggage claim areas. Further, BNA passenger growth is forecast to grow to nearly 10 million enplanements by 2026. The Terminal Expansion and Renovation Project will address this change in passenger type and passenger growth. Further the construction of the proposed International Arrivals Facility will also reduce the current and anticipated congestion in the interim International Arrivals Building. Finally, this project will result in a net gain of 7 additional gates at BNA to further accommodate growth.

Description	Project Costs	Funding Sources									
	Total	PFCs						Non-PFC Sources			Total
		Eligible % Applied	100%	PAYGO	Bond Proceeds	Bond Finance & Interest	Total	Bonds	Other	Subtotal	
Project 1 - Concourse D Expansion & Ticketing Wings	\$ 238,000,000	\$ 194,723,606	\$ 6,168,720	\$ -	\$ 200,892,326	\$ 290,774,099	\$ 491,666,425	\$ 43,276,394	\$ -	\$ 43,276,394	\$ 534,942,819
Project 3 - Terminal Renovation	\$ 356,902,891	\$ 270,235,639	\$ 2,503,831	\$ -	\$ 272,739,470	\$ 399,174,555	\$ 671,914,025	\$ 86,667,252	\$ -	\$ 86,667,252	\$ 758,581,277
Total	\$ 594,902,891	\$ 464,959,245	\$ 8,672,552	\$ -	\$ 272,739,470	\$ 689,948,654	\$ 1,163,580,450	\$ 129,943,646	\$ -	\$ 129,943,646	\$ 1,293,524,096



# New Application – Terminal Area Roadway Improvements (TARI) Design

- Authority intends to seek impose and use authority for TARI Design
- TARI Design will include design to allow for expansion of the terminal loop roadway from 1.3 miles to 1.9 miles and will increase roadway travel lanes and access to the realigned Donelson Pike (main entrance to BNA)
- This Project is necessitated to accommodate today's access roadway demand. The Project will increase the capacity of a roadway system designed 30 years ago. Furthermore, these roadway improvements will assist in providing capacity necessitated by the increased capacity associated with the on-going terminal improvements. Finally, this Project will also enhance the safety of the roadway system.
- Cost of design is estimated at \$8,000,000 which will be fully funded from PAYGO PFCs



# New Application – Terminal Area Roadway Improvements (TARI) Construction

- Authority intends to seek impose only authority for TARI Construction
- TARI Construction will include expansion of the terminal loop roadway from 1.3 miles to 1.9 miles, increase roadway travel lanes and improve access to the realigned Donelson Pike (main entrance to BNA)
- This Project is necessitated to accommodate today's access roadway demand. The Project will increase the capacity of a roadway system designed 30 years ago. Furthermore, these roadway improvements will assist in providing capacity necessitated by the increased capacity associated with the on-going terminal improvements. Finally, this Project will also enhance the safety of the roadway system.
- Cost of construction is estimated at \$82,000,000 which will be bond funded

Description	Project Costs	Funding Sources									
	Total	PFCs						Non-PFC Sources			Total
		Eligible %		PAYGO	Bond Proceeds	Bond Finance & Interest	Total	Bonds	Other	Subtotal	
		Applied	100%								
Design	\$ 8,000,000	\$ 8,000,000	\$ 8,000,000							\$ -	
Construction	\$ 82,000,000	\$ 82,000,000		\$ 82,000,000	\$ 138,268,900	\$ 220,268,900				\$ 220,268,900	
Total	\$ 90,000,000	\$ 90,000,001	\$ 8,000,000	\$ 82,000,000	\$ 138,268,900	\$ 220,268,900				\$ 220,268,900	

# New Applications Summary

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PFC Level: \$4.50 per eligible enplaned passenger

PFC Revenue to be Collected: \$1,521,792,996

Charge Effective Date: Estimated to be September 1, 2019

Charge Expiration Date: Estimated to be January 10, 2053



# Class of Carrier Not Required to Collect PFC

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- Authority intends to request FAA approval to exclude On-Demand Air Taxi Commercial Operators (ATCO)
- In CY 2017, ATCOs enplaned 552 passengers which is significantly less than 1 percent of total annual enplanements at BNA
- Burden of collecting fees would be greater than revenue that would be collected
- Carriers belonging to this class in CY 2017 included:
  - Meridian Air Group, Inc.
  - Priester Aviation, LLC
  - Seneca Flight Operations
  - Ultimate Jetcharters, LLC

# Contact Information & Public Comment Period

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- In accordance with 14 CFR Section 158.24, the public is given the opportunity to comment on the proposed application for 30 days; January 11 through February 11, 2019
- Comments or questions should be sent to:  
Kristen Deuben  
AVP – Finance  
Metropolitan Nashville Airport Authority  
One Terminal Drive, Suite 501  
Nashville, TN 37214  
[kristen\\_deuben@nashintl.com](mailto:kristen_deuben@nashintl.com)



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