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Public Consultation Materials

PFC Application 06-03-C-00-ABQ Amendment

City of Albuquerque
Aviation Department

August 25, 2009



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Overview of Amendment

- The City of Albuquerque Aviation Department (City) intends to submit an application to the Federal Aviation Administration to amend approved projects from PFC application #06-03-C-00-ABQ at the Albuquerque International Sunport (Airport)
- The amendment is being prepared to reflect revision to project scope and/or cost
- As approved in the original application, the City proposes to fund projects on both a PFC pay-as-you-go basis and by leveraging PFC revenues
- The City is proposing to change the mix of pay-as-you-go and debt funding for certain projects



Overview of Amendment

PFC level:	Impose and use \$3.00 per enplaned passenger for all PFC projects
FAA approval of PFC Application #3:	May 2006
Charge effective date:	September 1, 2008
Estimated charge expiration date:	June 30, 2016
Estimated total PFC revenue:	\$69,839,000 (an increase of \$3,772,000 from the original application)



Notice and Opportunity for Public Comment

- In accordance with FAA regulations (Section 158.24 of 14 CFR Part 15), the public is given the opportunity for comment on the proposed amendment through September 24, 2009
- This notice can be downloaded at: <http://www.cabq.gov/airport>
- Further information on the PFC program is available at: <http://www.faa.gov/airports/pfc>
- Comments should be sent to:

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Summary Plan of Finance

Project	PFC pay-as-you-go	PFC debt capital	PFC debt financing	Subtotal PFCs	Other (a)	Total
Runway 3-21 extension (b)						
Existing	\$ 0	\$13,875,035	\$5,387,153	\$19,262,188	\$64,469,437	\$83,731,605
Proposed	-	13,875,035	5,387,153	19,262,188	64,469,437	83,731,605
Change	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Terminal Apron Rehabilitation						
Existing	\$3,943,210	\$ 0	\$ 0	\$3,943,210	\$21,156,790	\$25,100,000
Proposed	6,155,000	-	-	6,155,000	28,047,000	34,202,000
Change	\$2,211,790	\$ 0	\$ 0	\$2,211,790	\$ 6,890,210	\$9,102,000
Upgrade Communications System (Communications Center)						
Existing	\$4,589,000	\$ 0	\$ 0	\$4,589,000	\$ 0	\$4,589,000
Proposed	-	3,383,000	372,000	3,755,000	-	3,755,000
Change	(\$4,589,000)	\$3,383,000	\$ 372,000	(\$ 834,000)	\$ 0	(\$ 834,000)
(a) See project plans of finance for detail by type.						
(b) Project is not being amended.						



Summary Plan of Finance

Project	PFC pay-as-you-go	PFC debt capital	PFC debt financing	Subtotal PFCs	Other (a)	Total
Upgrade Communications System (FIDS/BIDS)						
Existing	\$3,540,000	\$ 0	\$ 0	\$3,540,000	\$ 0	\$3,540,000
Proposed	-	4,344,000	1,540,000	5,884,000	-	5,884,000
Change	(\$3,540,000)	\$4,344,000	\$1,540,000	\$2,344,000	\$ 0	\$2,344,000
Public Space Capacity Enhancement						
Existing	\$ 5,624,400	\$10,500,000	\$5,849,331	\$21,973,731	\$1,791,600	\$23,765,331
Proposed	11,042,000	5,679,000	793,000	17,514,000	2,960,000	20,474,000
Change	\$ 5,417,600	(\$ 4,821,000)	(\$ 5,056,331)	(\$ 4,459,731)	\$1,168,400	(\$3,291,331)
Mechanical/Electrical Upgrades						
Existing	\$6,524,100	\$ 0	\$ 0	\$ 6,524,100	\$724,900	\$7,249,000
Proposed	3,507,000	6,398,000	2,263,000	12,168,000	-	12,168,000
Change	(\$3,017,100)	\$6,398,000	\$2,263,000	\$5,643,900	(\$724,900)	\$4,919,000
(a) See project plans of finance for detail by type.						



Summary Plan of Finance

Project	PFC pay-as-you-go	PFC debt capital	PFC debt financing	Subtotal PFCs	Other (a)	Total
Customs/FIS						
Existing	\$414,697	\$ 0	\$ 0	\$414,697	\$ 0	\$414,697
Proposed	403,000	-	-	403,000	101,000	504,000
Change	(\$11,697)	\$ 0	\$ 0	(\$ 11,697)	\$101,000	\$ 89,303
Passenger Screening Checkpoint Expansion						
Existing	\$2,320,996	\$ 0	\$ 0	\$2,320,996	\$13,085,240	\$15,406,236
Proposed	1,431,000	-	-	1,431,000	13,694,592	15,125,592
Change	(\$889,996)	\$ 0	\$ 0	(\$889,996)	\$609,352	(\$280,644)
Spirit Drive Extension						
Existing	\$319,646	\$2,000,000	\$1,114,158	\$3,433,804	\$ 0	\$3,433,804
Proposed	264,000	2,000,000	923,000	3,187,000	-	3,187,000
Change	(\$55,646)	\$ 0	(\$191,158)	(\$246,804)	\$ 0	(\$246,804)
(a) See project plans of finance for detail by type.						



Summary Plan of Finance

Project	PFC pay-as-you-go	PFC debt capital	PFC debt financing	Subtotal PFCs	Other (a)	Total
PFC Application Administrative Costs						
Existing	\$65,000	\$ 0	\$ 0	\$65,000	\$ 0	\$65,000
Proposed	80,000	-	-	80,000	-	80,000
Change	\$15,000	\$ 0	\$ 0	\$15,000	\$ 0	\$15,000
TOTAL						
Existing	\$27,341,049	\$26,375,035	\$12,350,642	\$66,066,726	\$101,227,967	\$167,294,693
Proposed	22,882,000	35,679,000	11,278,000	69,839,188	109,272,000	179,111,000
Change	(\$ 4,459,049)	\$ 9,303,965	(\$ 1,072,642)	\$ 3,772,462	\$ 8,044,033	\$11,816,327
(a) See project plans of finance for detail by type.						



Summary of Proposed Amendments

Project	Amend scope?	Amendment amount?	Change in funding sources?
Terminal Apron Rehabilitation	Yes	\$2,211,790	No
Upgrade Communication System (Communications Center)	No	(834,000)	Paygo PFCs to short-term debt
Upgrade Communications System (FIDS/BIDS)	No	2,344,000	Paygo PFCs to long-term debt
Public Space Capacity Enhancement	Yes	(4,459,731)	Long-term debt to short-term debt
Mechanical/Electrical/Fire Safety Upgrades	Yes	5,643,900	Paygo PFCs to short-term and long-term debt
Customs/FIS	No	(11,697)	New equity funding
Passenger Screening Checkpoint Expansion	Yes	(889,996)	No
Spirit Drive Realignment	No	(246,804)	No
PFC Application Admin Costs	Yes	15,000	No
TOTAL		\$3,772,462	



Terminal Apron Rehabilitation

Project description:

This project includes the design and reconstruction of the terminal (in two phases) and the south general aviation aprons. Phase I principally rehabilitated the Concourse B apron, while Phase II will principally rehabilitate Concourse A. The planned south general aviation apron component consists of the replacement of apron around the general aviation hangars. Both the terminal and south general aviation apron exhibit cracking and deteriorated surfaces.

Reason for amendment:

This project is being amended to account for revised scope and increased project costs. The project cost increased because (1) the scope expanded to include the additional terminal apron areas; (2) the contractor received a premium for meeting strengthened concrete standards; and (3) the south general aviation apron project component was delayed, resulting in cost escalation.

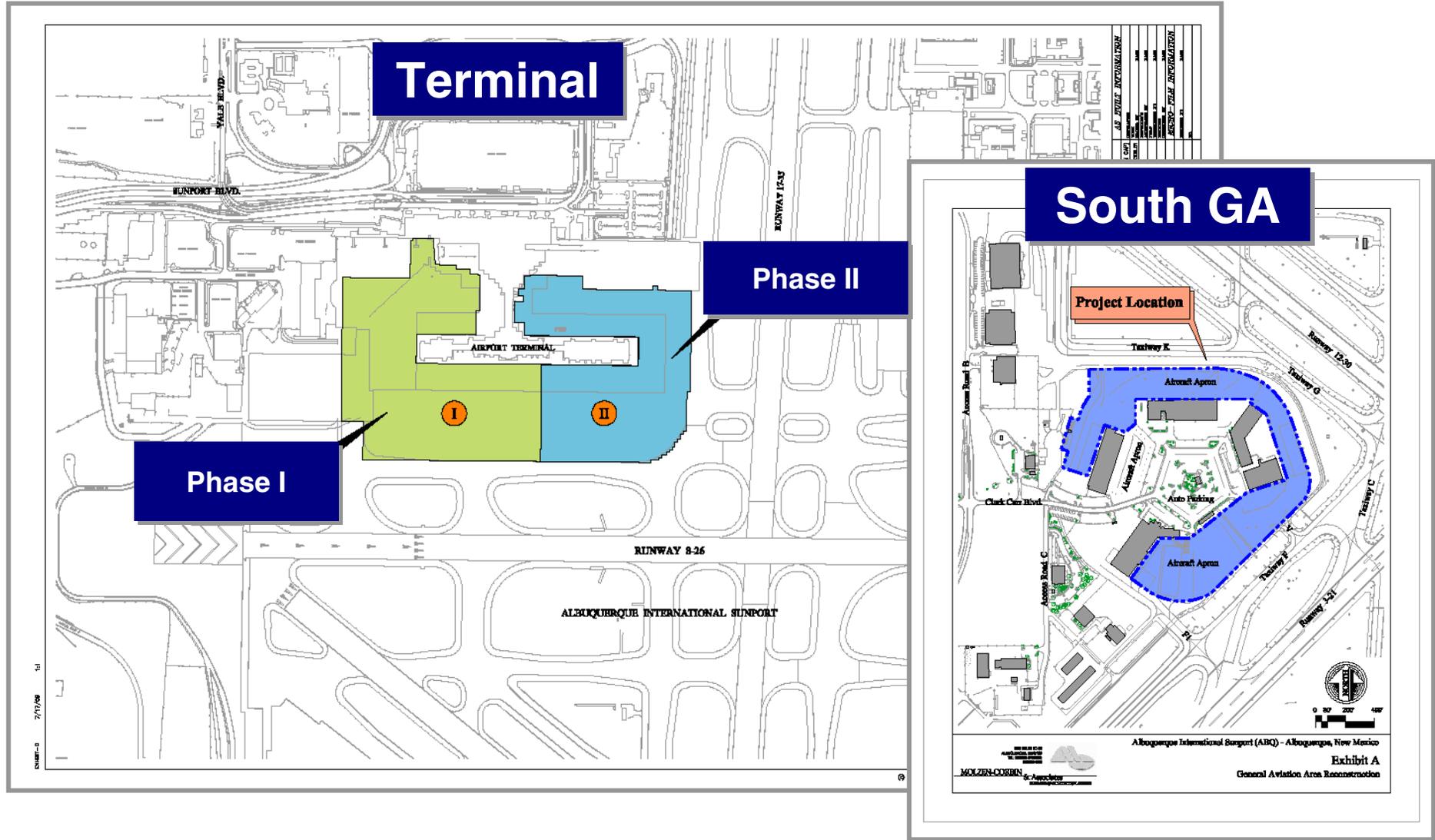
Estimated completion:

2007 (Phase 1); 2009 (Phase 2); and 2011 (south general aviation)

	PFC paygo	Grants	Total
Existing	\$3,943,210	\$21,156,790	\$25,100,000
Proposed	6,155,000	28,047,000	34,202,000



Terminal Apron Rehabilitation



Upgrade Communications System Communications Center

Project description:

This project includes the construction of a new Communications Center and the purchase of related equipment and systems. Airport safety and security systems, including the access control system and fire alarm system, are monitored and controlled from the Communications Center. The work requires the conversion of a former restroom in the D Concourse.

The existing center is undersized with a poor layout. This upgrade will provide an appropriate amount of space for Airport security staff to work, improving the efficiency and handling of safety and security issues.

Reason for amendment:

This project is being amended to account for (1) decreased project capital costs, and (2) new financing and interest costs. The bid amount for the project was lower than estimates.

Estimated completion:

2010

	PFC paygo	PFC debt capital	PFC debt financing	Total
Existing	\$4,589,000	\$ -	\$ -	\$4,589,000
Proposed	-	3,383,000	372,000	3,755,000



Upgrade Communications System Upgrade FIDS/BIDS

Project description:

This project included the replacement of flight, gate, and baggage information display systems (FIDS, GIDS, and BIDS) from cathode ray tube to liquid crystal display screens. The prior monitors are no longer in production, and replacement parts are not available. The new systems improve utilization of terminal facilities, especially during construction, as any airline can operate from any gate.

Reason for amendment:

This project is being amended to account for (1) increased project costs, and (2) financing and interest costs. The cost of the project increased because the project required additional power circuits; additional steel framing; changes to podiums and credenzas to meet airline specifications; software modifications; and surge suppression. The project was originally planned to be funded on a pay-as-you-go basis, but the project was funded with the 2004B Bonds.

Completion:

2007

	PFC paygo	PFC debt capital	PFC debt financing	Total
Existing	\$3,540,000	\$ -	\$ -	\$3,540,000
Proposed	-	4,344,000	1,540,000	5,884,000

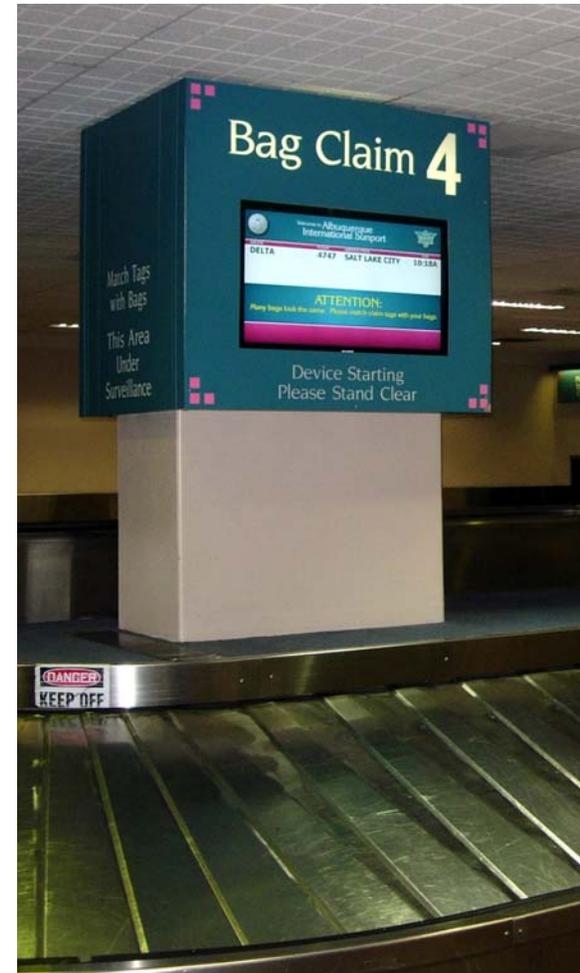


Upgrade Communications System Upgrade FIDS/BIDS

Example FIDS installation



Example BIDS installation



Public Space Capacity Enhancement

Project description:

This project consists of the following components, which together represent the first significant modernization of the Terminal Building since it opened in 1989.

Restroom upgrades: All 11 restrooms will be refurbished and expanded to meet demand.

Baggage claim level refurbishment: The former rental car counters were refurbished for use by ground transportation companies.

Gate-shifts and infills: Aircraft parking positions and jetways will be shifted to optimize the parking plan for the current fleet mix. The east end of Concourse A and certain notches between gates will be filled in to expand holdroom seating.

Entrance and curbside area refurbishment: Entrance vestibules will be modernized to improve energy efficiency.

Public area signage upgrades: Signage will be updated per the Signage Programming Study.

Lighting upgrades: Terminal and apron lighting will be replaced or modernized to improve energy efficiency.

Reason for amendment:

This project is being amended to account for revised scope, increased project costs, and revised financing and interest costs.

The baggage claim remodeling is no longer PFC-eligible, as the remodeled space is rented to ground transportation companies.



Public Space Capacity Enhancement

Reason for amendment (continued):

The cost of other components decreased because the City received favorable bids, and certain components of the gate shifting and infill project were removed. Because most project components were delayed, 2004B bond proceeds were redirected towards other projects. The City now plans to fund the majority of the project with short-term debt and PFC pay-as-you-go revenues.

Estimated completion:

- Restroom upgrades: 2011
- Baggage claim level refurbishment: 2006
- Gate shifts and infills: 2011
- Entrance and curbside area refurbishments: 2012
- Public area signage: 2012
- Lighting upgrades: 2011

	PFC paygo	PFC debt capital	PFC debt financing	Airport equity	Total
Existing	\$5,624,400	\$10,500,000	\$5,849,331	\$1,791,600	\$23,765,331
Proposed	11,042,000	5,679,000	793,000	2,960,000	20,474,000



Public Space Capacity Enhancement

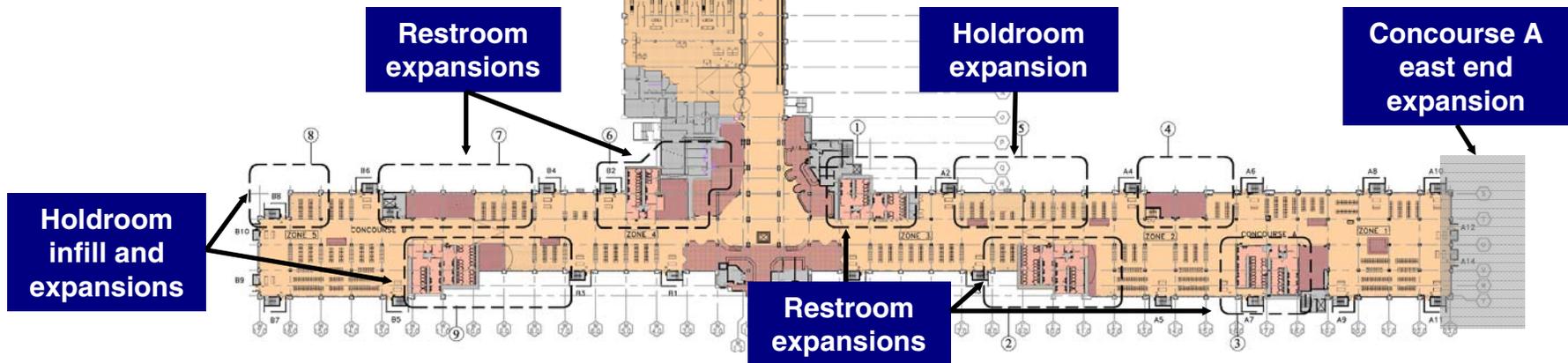
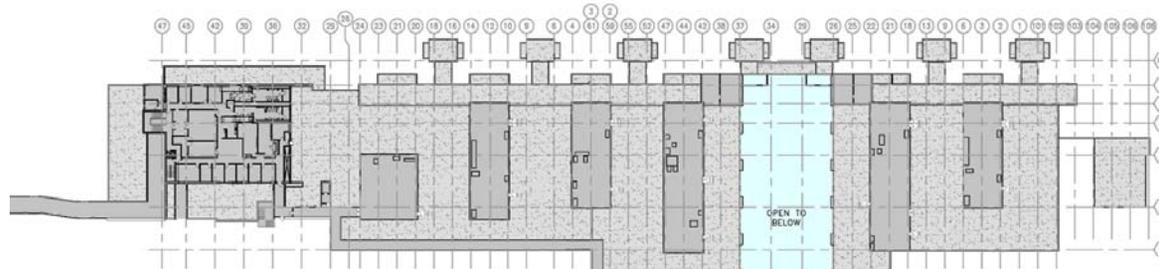
Before



After



Public Space Capacity Enhancement



Mechanical/Electrical/Fire Safety Upgrades

Project description:

This Terminal Building project includes four components:

Mechanical system upgrades: New boiler, chiller, heat exchanger, water pump, piping, and temperature control modifications

Electrical system upgrades: Connecting emergency power generators to operations equipment and other improvements

Vertical circulation upgrades: Replacement and modifications of escalators and elevators

New fire alarm system: Replacement of fire alarm system installed in 1989

Reason for amendment:

This project is being amended to account for revised scope, increased project costs, increased eligibility, and new financing and interest costs. The cost of the project increased because, among other reasons, project implementation was delayed, resulting in cost escalation and the scope expanded to meet building system and tenant requirements.

The project was planned to be funded on a pay-as-you-go basis, but it will now be funded with a combination of pay-as-you-go revenues, short-term debt, and long-term debt.



Mechanical/Electrical/Fire Safety Upgrades

Estimated completion:

Mechanical and electrical upgrades: 2008

Vertical circulation upgrades: 2010

Fire alarm system upgrades: 2011



	PFC paygo	PFC debt capital	PFC debt financing	Airport equity	Total
Existing	\$6,524,100	\$ -	\$ -	\$ 724,900	\$ 7,249,000
Proposed	3,507,000	6,398,000	2,263,000	-	12,168,000



Customs/FIS

Project description:

This project includes the design and reconstruction of a customs and federal inspection station facility to serve arriving international flights at the Airport.

The new Customs/FIS facility was built in order to meet update Customs and Border Protection standards. Prior to the completion of this project, the Airport was not able to offer international service. Approximately 80% of the renovated space is used for processing passengers.

Reason for amendment:

This project is being amended to account for (1) increased project costs, and (2) decreased PFC eligibility from the construction of non-public space. The cost of the project increased because of (1) unanticipated re-circuiting work, (2) electrical system code compliance, and (3) unanticipated HVAC and electrical renovations.

The PFC eligibility decreased because the project included renovation of exclusive Customs and Border Protection offices.

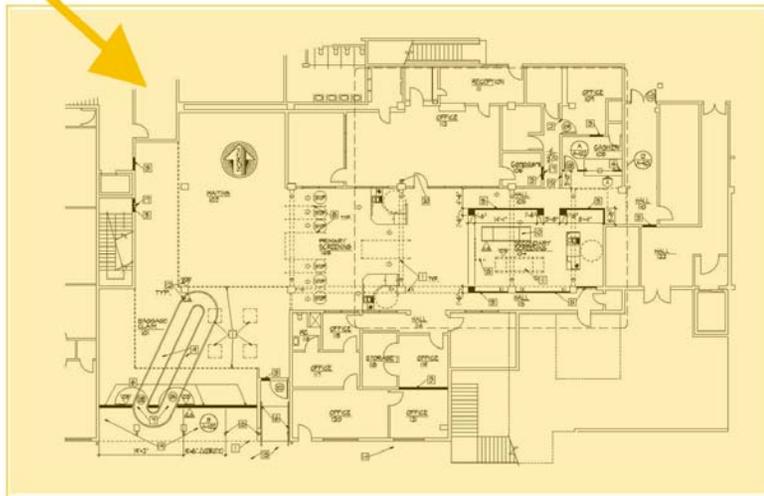
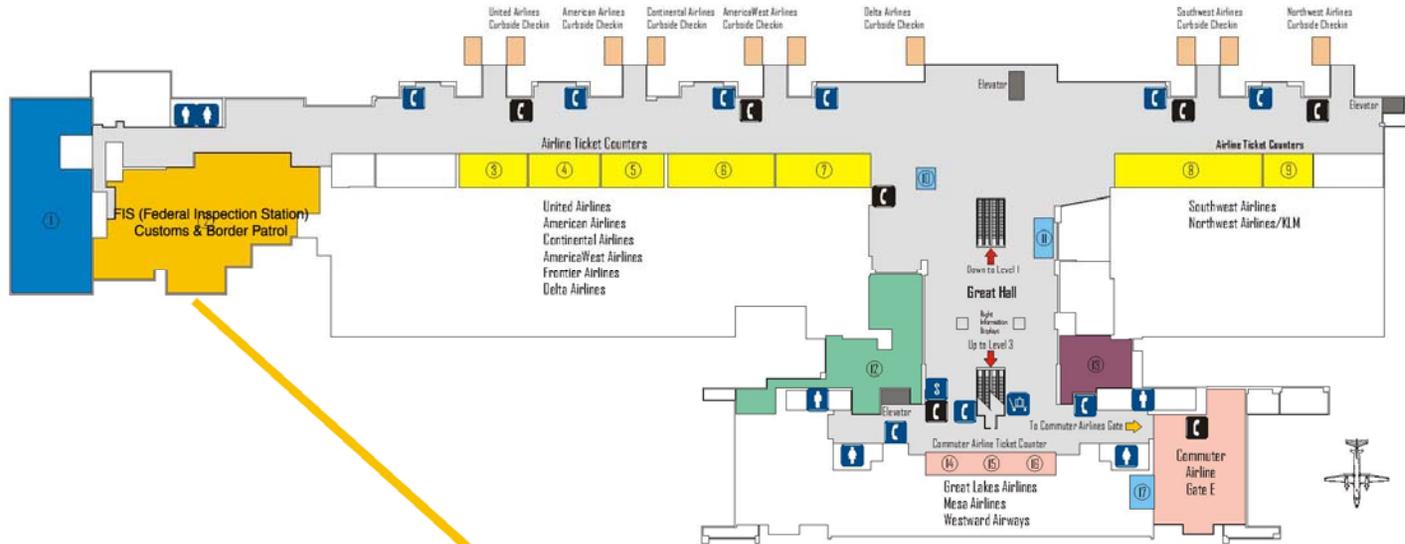
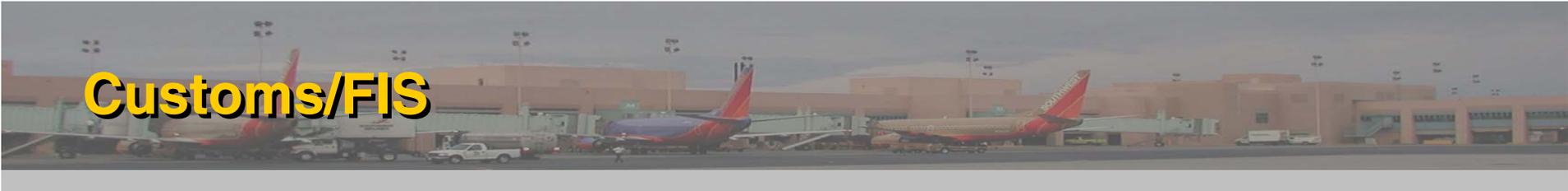
Completion:

2006

	PFC paygo	Airport equity	Total
Existing	\$414,697	\$ -	\$414,697
Proposed	403,000	101,000	504,000



Customs/FIS



Passenger Screening Checkpoint Expansion

Project description:

This project includes the expansion of the passenger-screening area to accommodate the post-9/11 needs of passengers and the Transportation Security Administration (TSA).

The project provided up to 10 new screening lanes and expanded the passenger search area, passenger queuing area, meeter/greeter space, and office and administrative space. Approximately 91% of the space constructed was public, with the remaining space being PFC-ineligible TSA offices.

Reason for amendment:

This project is being amended to account for revised scope and reduced project costs. The project included TSA offices that are not PFC-eligible. The actual space program changed such that the share of public space as a percentage of total new space was reduced.

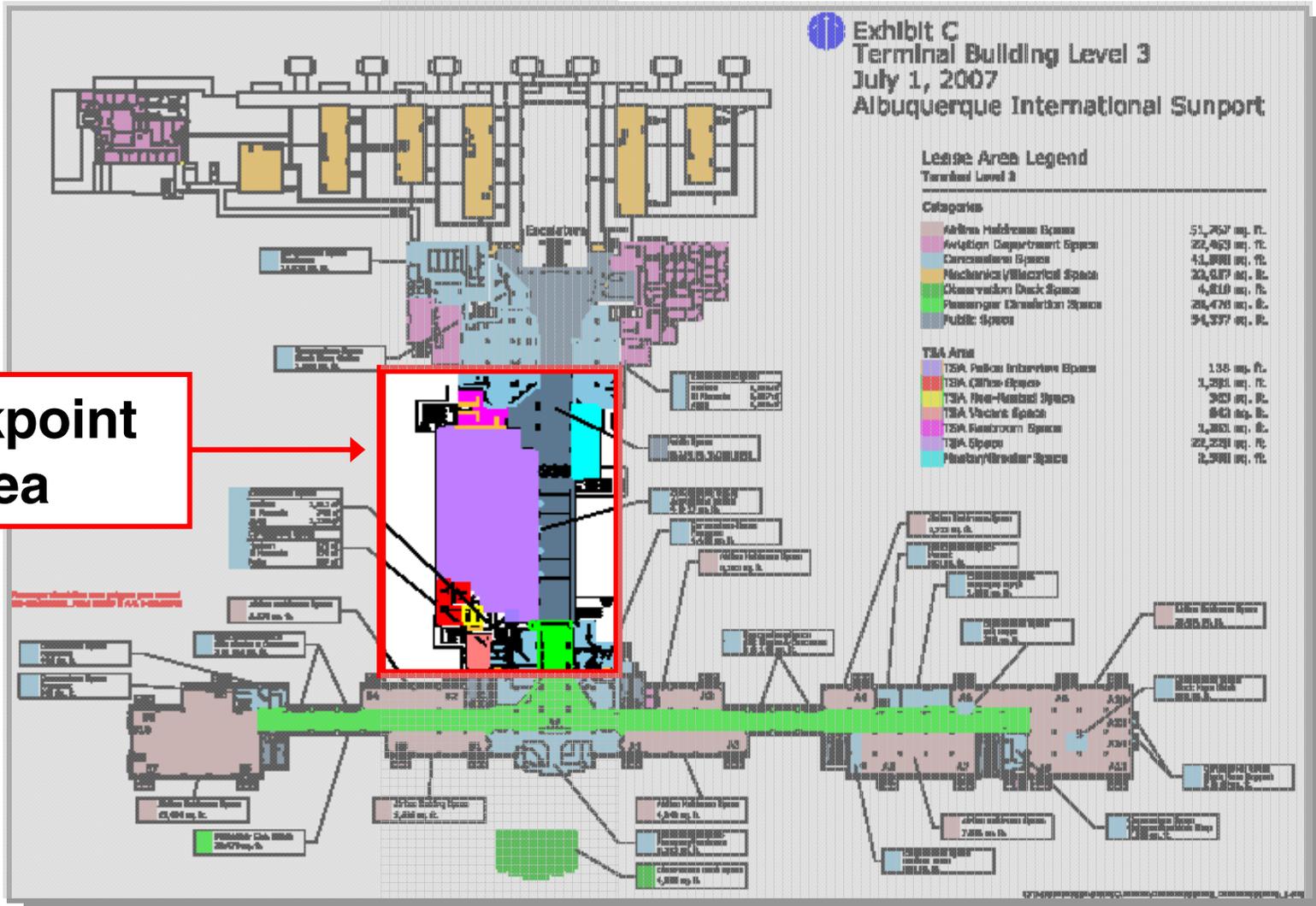
Estimated completion:

2006

	PFC paygo	Grants	Airport equity	Total
Existing	\$2,320,996	\$12,302,592	\$ 782,648	\$15,406,236
Proposed	1,431,000	12,303,000	1,392,000	15,126,000



Passenger Screening Checkpoint Expansion



Spirit Drive Realignment

Project description:

This project resulted in the realignment of two right-angle turns to enable greater circulation and capacity on the roadway system serving the fuel farm, air cargo center, rental car facility, and Foreign Trade Zone.

A total of 1,300 feet of roadway was constructed on the southwest portion of Airport property. This project increased traffic capacity by providing for a smoother flow of traffic.

Reason for amendment:

This project is being amended to account for revised project costs. Actual project costs were lower than estimates.

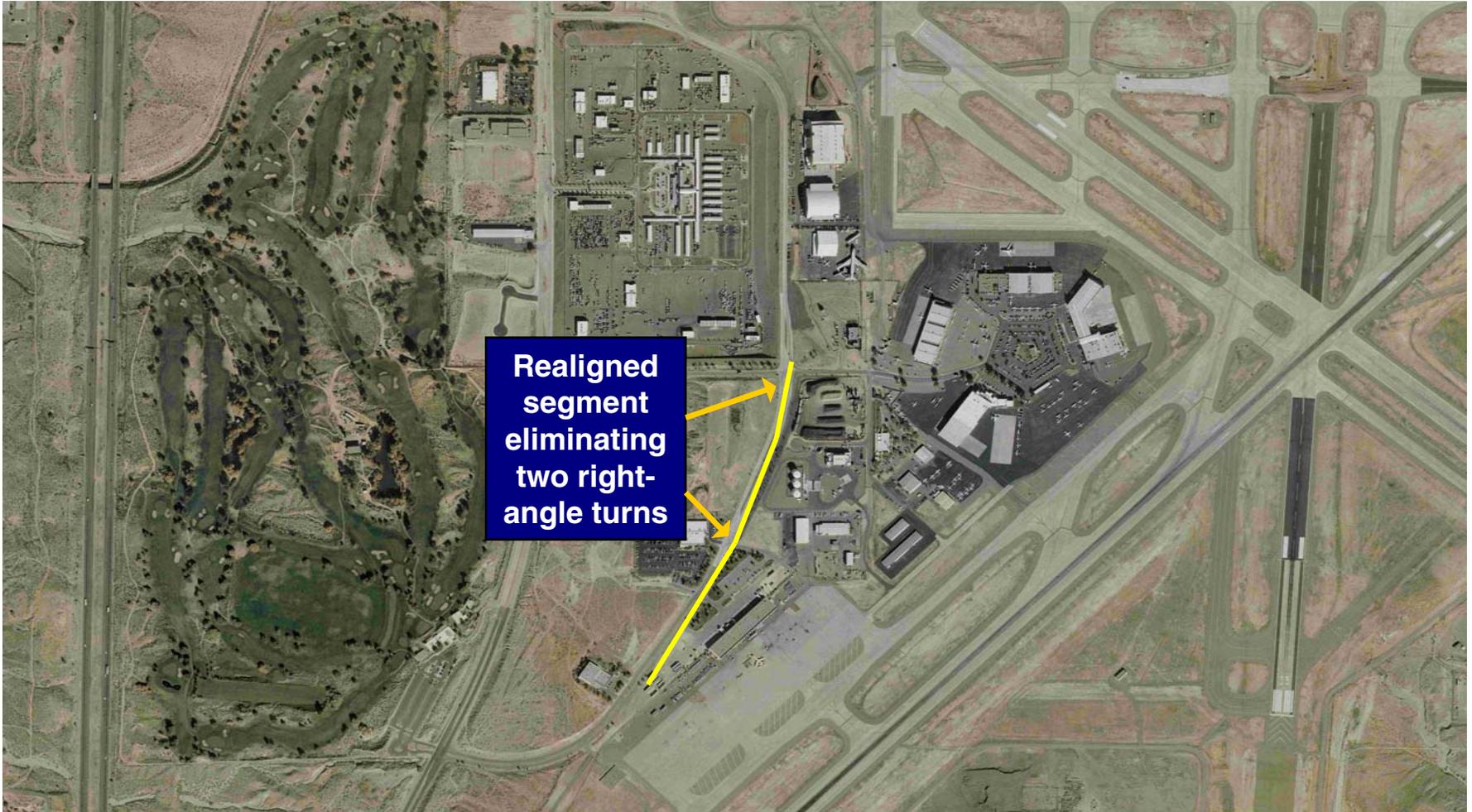
Estimated completion:

2005

	PFC paygo	PFC debt capital	PFC debt financing	Total
Existing	\$319,946	\$2,000,000	\$1,114,158	\$3,433,804
Proposed	264,000	2,000,000	923,000	3,187,000



Spirit Drive Realignment



PFC Application Administrative Costs

Project description:

This project includes administrative costs related to PFC Application #3. The scope of work includes (1) projection of annual PFC revenues; (2) financial analysis of project cash flow; (3) assistance with preparation of the application documentation; and (4) assistance with other coordination. Additionally, this project includes the FAA-required annual PFC program audits.

Approximately \$40,000 was spent producing the original application. An estimated \$40,000 will be spent producing this amendment.

Reason for amendment:

This project is being amended to account for revised scope and increased project costs. The City intends to include the preparation of this amendment in the scope of work.

Estimated completion:

2009

	PFC paygo	Total
Existing	\$65,000	\$65,000
Proposed	80,000	80,000



Proposed Amendment Schedule

Action	Date
Written notice to airlines	July 24
Airline consultation meeting	August 25
Airline consultation period	August 25 - September 24
Public consultation period	August 25 – September 24
Deadline for airline and public certification	September 24
Submission to FAA	October 2 (estimated)
FAA final decision	November 1 (estimated)

