

GREATER ORLANDO AVIATION AUTHORITY

Application #20 (Amendment 2), New Application #22

PUBLIC NOTICE

July 12, 2023

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PUBLIC NOTICE

Pursuant to 49 CFR Part 158.24, the Greater Orlando Aviation Authority (Authority), owner and operator of Orlando International Airport (Airport), hereby provides public notice as part of the proposed actions to be taken on the Authority's Passenger Facility Charge (PFC) program described below in more detail. As required in 14 CFR Part 158.24 the Authority will be accepting public comments on the proposed actions contained in the attached documents up to thirty (30) days after the July 12, 2023, posting of this public notice.

Any comments associated with this posting should be sent to the Authority's Chief Financial Officer, Kathleen M. Sharman at 5855 Cargo Road, Orlando FL 32827. If there are questions regarding these proposed actions in this public notice, Ms. Sharman can be reached at (407) 825-2043, or Kathleen.Sharman@goaa.org with a copy to Luann.Fisher@goaa.org.

As required in 14 CFR Part 158.24, this public notice contains the following information:

- A description of the project(s) the Authority is considering for funding by PFCs
- A brief justification for the project(s) the Authority is considering for funding by PFCs
- The PFC level for the project(s)
- The estimated total PFC revenue the public agency will use for the project(s)
- The proposed charge effective date for the application
- The estimated charge expiration date for the application
- The estimated total PFC revenue the public agency will collect for the application
- The name of, and contact information for the person within the Authority to whom comments should be sent

PROPOSED ACTIONS

The proposed actions to be consulted at this meeting include the following:

1. Second Amendment to PFC Application 19-20-C-00-MCO pursuant to 14 CFR Part 158.37(b)1(ii)C: Change in financing and change in scope.
2. Submit new PFC Application #22 pursuant to 14 CFR 158.25: New PFC application.

OVERVIEW OF AUTHORITY'S PFC PROGRAM

The Authority's PFC program is comprised of 20 approved PFC applications. PFC Application #12 was intended to combine Applications #8 through #11 and was withdrawn by the Authority, therefore, PFC Application #12 was not used or approved. PFC Application #19 combined applications #11 through #18 to collect at the \$4.50 rate. **Table 1**, below, summarizes the Authority's PFC program:

Application Number	Date Originally Approved	Revised Collection/Use Authority
Application #1	27-Nov-92	\$34,099,841
Application #2	24-Sep-93	8,140,005
Application #3	28-Aug-95	18,637,986
Application #4	21-Mar-96	58,845,584
Application #5	11-Dec-97	114,471,533
Application #6	17-May-99	115,293,664
Application #7	19-Apr-00	174,236,180
Application #8	19-Jul-00	54,833,679
Application #9	26-Mar-02	92,657,820
Application #10	12-Jul-05	749,303,511
Application #11 (see PFC #19)	31-May-07	-
Application #12 (not used)	Not Used	-
Application #13 (see PFC #19)	27-Oct-09	-
Application #14 (see PFC #19)	28-Sep-11	-
Application #15 (see PFC #19)	17-May-13	-
Application #16 (see PFC #19)	1-Nov-13	-
Application #17 (see PFC #19)	11-Jul-14	-
Application #18 (see PFC #19)	15-Mar-17	-
Application #19 (PFC 11, 13-18)	22-Jun-18	3,014,880,727
Application #20	8-May-19	517,293,000
Application #21	9-Sep-19	78,000,000
	Total Collection Authority	\$ 5,030,693,530

FINANCIAL IMPACT OF CURRENT PROPOSED ACTION

On June 12, 2023, the Authority provided written notice to all known air carriers operating at Orlando International Airport of its intent to amend PFC Application 19-20-C-00-MCO, as well as to submit new PFC Application #22 to the Orlando Airports District Office (OADO).

Table 2 below summarizes the Authority's existing PFC program and financial impacts of the proposed action under this public notice.

Application Reference	Date Originally Approved	Existing Collection/Use Authority (A)	Proposed Actions (B)	Revised Collection/Use Authority (C) = (A) + (B)
92-01-C-05-MCO (Closed)	27-Nov-92	\$34,099,841	\$ -	\$34,099,841
93-02-C-01-MCO (Closed)	24-Sep-93	8,140,005	-	8,140,005
95-03-C-02-MCO (Closed)	28-Aug-95	18,637,986	-	18,637,986
96-04-C-08-MCO (Closed)	21-Mar-96	58,845,584	-	58,845,584
98-05-C-05-MCO (Closed)	11-Dec-97	114,471,533	-	114,471,533
99-06-C-03-MCO (PFC #6)	17-May-99	115,293,664	-	115,293,664
00-07-C-04-MCO (PFC #7)	19-Apr-00	174,236,180	-	174,236,180
00-08-C-02-MCO (PFC #8)	19-Jul-00	54,833,679	-	54,833,679
02-09-C-07-MCO (Closed)	26-Mar-02	92,657,820	-	92,657,820
05-10-C-10-MCO (PFC #10)	12-Jul-05	749,303,511	-	749,303,511
07-11-C-01-MCO (PFC #11)	31-May-07	-	-	-
PFC Application #12 (Not Used)	N/A	-	-	-
09-13-C-02-MCO (PFC #13)	27-Oct-09	-	-	-
11-14-C-01-MCO (PFC #14)	28-Sep-11	-	-	-
13-15-C-00-MCO (PFC #15)	17-May-13	-	-	-
13-16-C-01-MCO (PFC #16)	1-Nov-13	-	-	-
14-17-C-00-MCO (PFC #17)	11-Jul-14	-	-	-
17-18-C-01-MCO (PFC #18)	15-Mar-17	-	-	-
18-19-C-01-MCO (PFC #19)	22-Jun-18	3,014,880,727	-	3,014,880,727
19-20-C-01-MCO (PFC #20) (Current Action)	8-May-19	517,293,000	36,432,000	553,725,000
19-21-C-00-MCO (PFC #21)	9-Sep-19	78,000,000	-	78,000,000
PFC Application #22 (Current Action)		-	314,978,030	314,978,030
Total Authority:		\$ 5,030,693,530	\$ 351,410,030	\$ 5,382,103,560

AMENDMENT #2 TO PFC #19-20-C-00-MCO

PROJECT 20-01: SOUTH TERMINAL C (STC) PHASE 1 EXPANSION

ACTION: Pursuant to 14 CFR Part 158.37(b)1(ii)C, the Authority seeks to reduce the PAYGO amount by \$60,000,000 and increase the bond capital amount of PFC collection authority for the STC Phase 1 Expansion project by \$41,000,000 and the bond financing and interest by \$55,432,000 for a total increased PFC contribution amount of \$36,432,000, and to change the scope of the project to add one MARS gate to the already approved three gates.

EXISTING APPROVED PROJECT SCOPE: Per the original PFC application, this project was to provide for the design and construction of the South Terminal C – Phase 1 Expansion to accommodate three additional Multiple Aircraft Ramp System (MARS) gates and all associated infrastructure and work elements necessary to support these gates. When Phase 1 was constructed, opening in September 2022, the dividing line between Phase 1 and Phase 1 Expansion was modified to be slightly further north leaving 4 MARS gates to be completed as evidenced in Figure 1 (see the 4 partially built structures for future MARS gates).

The South Terminal C – Phase 1 Expansion is comprised of all elements required for a fully functioning facility integrated with the South Terminal C – Phase 1 that opened in September 2022 including access roadways, landside and airside terminal buildings, pedestrian connector bridge from the South Automated People Mover (SAPM) station to the South Terminal C landside terminal building, airfield and apron with expanded fueling system, Central Energy Plant (CEP) expansion, and associated infrastructure. It should be noted that that PFC 20 funding, as described in the original PFC application on page 10 of the original Attachment B, was only planned to be used for airside and landside terminal building costs. PFC funds for a portion of the apron were included in PFC 21. Funding for the GTF Pedestrian Bridge that was discussed as part of the overall scope for the STC Phase 1 Expansion program in PFC 20 was not included in PFC 20 or any other PFC application.



Project costs include eligible design, construction, program management, and other associated project consultants needed to complete the work.

PROPOSED MODIFICATION TO APPROVAL:

PFC #20 was approved on May 8, 2019, for the "South Terminal C (STC) Phase 1 Expansion – Design and Construction". Amendment 1 was approved on October 2, 2019, and increased the project PFC bond capital and associated financing and interest expense. This proposed action represents Amendment 2 to reduce the PFC 20 PAYGO amount by \$60,000,000 and to increase the bond capital funds used on the project by \$41,000,000. Due to the increased bond capital contribution, the bond financing and interest will increase by \$55,432,000 for a total net increase PFC contribution amount of \$36,432,000. This modification is proposed for the following reasons:

1. Large portions of the Phase 1 Expansion Program were paused during the pandemic, including completion of the 4 MARS gates included in this action, due to uncertainties in PFC collections.
2. When the project was rebid, construction costs industrywide had substantially increased resulting in an increase to the cost of this project.
3. Requesting a change in the plan of finance to leverage MCO's future PFC revenues and optimize use of PFCs due to reductions in PFC collections during the pandemic.
4. Due to the increase in project costs and associated PFC eligibility, the Authority applied for and received \$99,990,000 in federal funding under the Bipartisan Infrastructure Law (BIL). The BIL funding is in addition to, not in replace of, proposed PFC funding and is not replacing already approved PFC eligible costs.

FINANCIAL IMPACT OF THIS ACTION:

Table – 3 Financial Impact of This Action

Element	Existing Approval (A)	Proposed Amendment #2 (B)	Resulting Approvals (C) = (A) + (B)
PFC PAYGO	\$100,000,000	(\$60,000,000)	\$40,000,000
PFC Bonds	169,000,000	41,000,000	210,000,000
PFC Bond Financing Costs	248,293,000	55,432,000	303,725,000
TOTAL	\$ 517,293,000	\$ 36,432,000	\$ 553,725,000

PFC LEVEL: \$4.50

EXISTING USE APPROVAL: \$517,293,000

AMENDED USE APPROVAL: \$553,725,000

MODIFICATION TO CHARGE EXPIRATION DATE (NEW EXPIRATION DATE): March 1, 2046

NEW PFC APPLICATION #22

OVERVIEW

The proposed projects in PFC Application #22 at Orlando International Airport (MCO) includes:

- 22.01 Airside 2 and 4 Automated People Mover (APM) Systems Replacement – Design and Construction
- 22.02 North Terminal Vertical Circulation Improvements

Table 4 below provides an overview of total project costs as well as those amounts to be funded by PFCs.

Table 4 – Financial overview of project to be included in PFC #22

Project Number	Project Description	Total Cost*	Project Cost to be Funded by PFC #22
22.01	Airside 2 and 4 Automated People Mover (APM) Systems Replacement	\$317,374,828	\$115,320,120
22.02	North Terminal Vertical Circulation Improvements	\$67,146,000	\$18,598,910
TOTAL:		\$384,520,828	\$133,919,030

**Total Cost includes PFC bond financing and interest cost*

PROJECT 22.01 Airside 2 and 4 Automated People Mover (APM) Systems Replacement – Design and Construction

DESCRIPTION: The proposed project provides for the full replacement of the Airside 2 and 4 Automated People Mover (APM) systems through a design-build contract. After the safety certification is complete, the APM system supplier will provide Operation and Maintenance (O&M) services to the Aviation Authority for the newly installed systems. Only the design-build portion is part of this PFC Application. The O&M portion is excluded from this PFC Application.

The scope of this Project includes the design and construction of the new Airside 2 and 4 APM systems including the associated infrastructure and site work; the supply, installation, and integration of all the necessary APM operating system equipment and material including, but not limited to, vehicles/trains, running surfaces, guidance equipment, communications equipment, command and control equipment, stations equipment, power distribution system including backup generators for public safety purposes,

supporting equipment for maintenance facility operations, public information, and Closed Circuit Television [CCTV] systems, and other associated system components; the testing, commissioning, safety certification, and training to produce fully integrated APM Systems for the Airsides 2 and 4; and incidental related work needed to complete the project. The scope will also include the necessary Continuity Of Operations Plan (COOP) improvements to manage the peak hour movement of passengers during APM system service interruptions required for the replacement and/or upgrades of the existing systems.



The phasing of the project proposes to first replace the Airside 2 APM systems that were placed into service in September 2000. Besides routine maintenance, the Airside 2 APM systems have never been the subject of a rehabilitation project since its original construction as BP 270 completed by Bombardier Transportation USA. The original Airside 2 APM project was included in PFC Application No. 5. The Airside 4 APM systems will be replaced after the Airside 2 APM systems replacement is complete. The Airside 4 APM system was the subject of BP 347 to replace only the APM cars and the project was substantially completed in November 2008. The running surfaces and other major APM systems have never been replaced since the Airside 4 APM systems were placed in operation in September 1990.

NEED FOR THE PROJECT:

Both systems have reached the end of their useful life. With time and increased number of miles driven, the systems will require additional maintenance above and beyond routine scheduled maintenance and possibly major repairs and/or overhauls. The systems are old and because of the outdated system design, the airport is faced with the acute problem of part obsolescence for certain critical components of the system, the need to utilize refurbished parts that are less reliable and more costly, the issue of system compatibility between the new and the old parts, and the increased likelihood of not finding the right parts to repair the system. The lack of part availability is a major risk that may impact the partial or total use of the system. Additionally, the time to procure the right parts given very long lead times and to repair the system will increase over time reducing system capacity due to longer and more frequent service interruptions.

PROJECT START: January 2022

PROJECT END: October 2027 with interim milestones of Airside 2 system in late 2025 and Airside 4 in late 2027.

PFC LEVEL: \$4.50

PROJECT 22.01 - COST AND FUNDING

Table 5 – Proposed Plan of Finance

PFC Funds			AIP Funds	Other Funds		Total Cost
PAYGO	BOND	Financing Cost		FDOT	Local Funds	
\$ -	\$115,320,120	\$155,913,000	\$ -	\$29,695,241	\$16,446,467	\$317,374,828

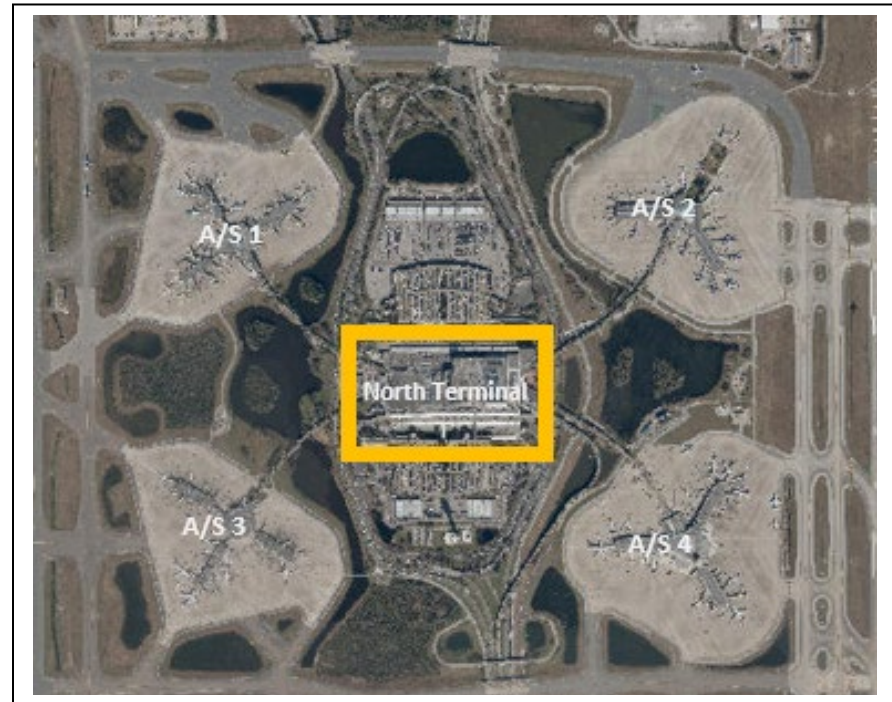
PFC ELIGIBILITY: The project is PFC eligible as it preserves the capacity of the national air transportation system and directly relates to the movement of airline passengers within the airport. Based on current estimates, the total PFC eligible amount is \$134,884,595, or an estimated 83.5% of the project cost. Given current PFC program capacity constraints, not all eligible PFC costs are proposed to be funded with PFC funds. The amount of PFC funding requested for this project totals \$115,320,120.

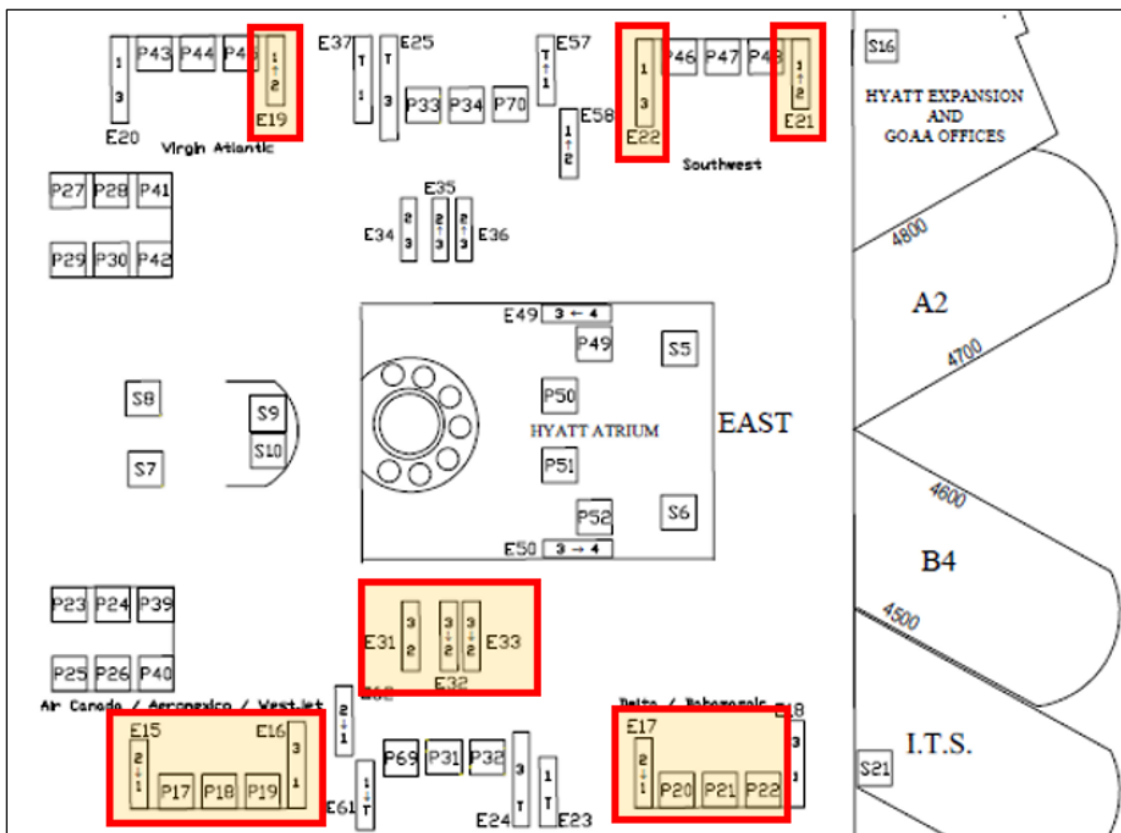
PROJECT 22.02 North Terminal Vertical Circulation Improvements

DESCRIPTION: This project is to replace Terminal A and B elevators and escalators in the North Terminal that are nearing the end of their useful service life. The proposed overall GOAA vertical circulation rehabilitation program includes conveyances at four airside, the landside building, the Hyatt hotel and the remote HBJ warehouse on the east side of airport property. Most of the building conveyances serve vertical circulation in the multi-story North Terminal buildings to connect the various floors of the building for enplaning and deplaning passenger movements. These vertical circulation components are vital to the daily operation of the airport terminal and are a critical capacity linkage in the airport system.

ELEVATORS: The overall program includes modernization of twenty-two (22) elevators located in the main landside and four airside terminal buildings originally installed in 1981, 1986, 1990 and 1991. The PFC eligible scope will address 6 elevators on the east side of the North Terminal landside building serving Terminal B (See units P-17 thru P-22 in the diagram below).

ESCALATORS: The overall program will replace eleven (11) escalators in the landside terminal originally installed in 1990 as part of the terminal expansion program that added the eastern half of the North Terminal and Airside 4. Two of the 11 serve the Hyatt Hotel lobby between levels 3 and 4. The PFC eligible scope will address 9 escalators on the east side of the North Terminal landside building serving Terminals A and B (See units E-15 thru E-17, E-19, E-21, E-22 and E-31 thru E-33 on the diagram below).





NEED FOR THE PROJECT: Several evaluations performed by an independent elevator/escalator consultant have stated that due to the continuous use, these units have exceeded their original design life of 20-25 years. With time and continuous use, the systems will require additional maintenance above and beyond routine scheduled maintenance and possibly major repairs and/or overhauls. The systems are old and because of the outdated systems, the airport is faced with the acute problem of part obsolescence for certain critical components of the system, the need to utilize refurbished parts that are less reliable and more costly, the issue of system compatibility between the new and the old parts, and the increased likelihood of not finding the right parts to repair the system. The

lack of part availability is a major risk that may impact the partial or total use of the system. Additionally, the time to procure the right parts given very long lead times and to repair the system will increase over time reducing system capacity due to longer and more frequent service interruptions. These upgrades will support the project objective to preserve the capacity of these vital airport terminal systems in a three-level terminal with over 2 million square feet servicing 45 million passengers per year.

PROJECT START: September 2023

PROJECT END: March 2026

PFC LEVEL: \$4.50

PROJECT 22.02 - COST AND FUNDING

Table 6 – Proposed Plan of Finance

PFC Funds			BIL Funds	Other Funds		Total Project Cost
PAYGO	BOND	Financing Cost		FDOT	Local Funds	
\$ -	\$18,598,910	\$25,146,000	\$ -	\$11,200,545	\$12,200,545	\$67,146,000

PFC ELIGIBILITY: The project is PFC eligible as it preserves the capacity of the national air transportation system and directly relates to the movement of airline passengers within the airport. The PFC eligible costs are limited to the public use elevators and escalators within the airport boundaries. Costs associated with service elevators and elevators and escalators serving ineligible areas are excluded from the PFC eligible costs.

NOTICE BY PUBLIC AGENCY FOR APPLICATION TO IMPOSE AND USE PASSENGER FACILITY CHARGE REVENUE (NEW PFC APPLICATION #22) AT ORLANDO INTERNATIONAL AIRPORT

Pursuant to 14 CFR Part 158.25, the Authority intends to submit a new PFC Application (PFC Application #22) to impose and use PFC revenue at MCO. A description of the projects to be included in PFC Application #22 is provided in the Section "New PFC Application #22" above.

PFC Level:	\$4.50
Proposed Charge Effective Date:	September 1, 2046
Proposed Charge Expiration Date:	May 1, 2048
Total Estimated PFC Revenue:	\$314,978,030