

NOTICE OF
OPPORTUNITY FOR PUBLIC COMMENT RELATED TO
PASSENGER FACILITY CHARGES

The City of Houston, Texas is providing an opportunity for public comment until March 20, 2020 related to our proposed new Impose and Use Passenger Facility Charge (PFC) Application #2 for the George Bush Intercontinental Airport. This written notice is provided in accordance with requirements contained in Federal Aviation Regulation 49 CFR Part 158.24 Passenger Facility Charge.

Notice contents. The notice required by §158.24(a) includes:

- (i) A description of the project(s) the public agency is considering for funding by PFCs;
Pages 3-10 of this notice contain the description of each of the eight projects included in this application. The eight projects are:
 - 02-001 - Terminal D, Mickey Leland International Terminal, Rehabilitation and Expansion**
 - 02-002 - Federal Inspection Services (FIS) Rehabilitation and Expansion**
 - 02-003 - Terminal Facilities Utilities Improvements (Enabling Utilities Landside)**
 - 02-004 - IAH Terminal Roadway Reconstruction**
 - 02-005 - Terminal A Baggage Handling System**
 - 02-006 - IAH Roadway Signage Replacement**
 - 02-007 - Terminal A Restroom Rehabilitation**
 - 02-008 - Terminal D Restroom Rehabilitation**

- (ii) A brief justification for each project the public agency is considering for funding by PFCs;
Pages 3-10 of this notice contain the brief justification of each of the eight projects included in this application.

- (iii) The PFC level for each project;
The PFC level for each project included in this application is \$4.50 per eligible enplaned passenger.

- (iv) The estimated total PFC revenue the public agency will use for each project;
Pages 3-10 of this notice contain the estimated total PFC revenue the City will use for each of the eight projects included in this application.

- (v) The proposed charge effective date for the application or notice of intent;
The City anticipates collection to begin when the previous application is fully collected currently estimated to be January 1, 2028.

- (vi) The estimated charge expiration date for the application or notice of intent;
The PFC charge expiration date for the eight projects described is estimated to be May 1, 2039.

(vii) The estimated total PFC revenue the public agency will collect for the application or notice of intent; and
The total amount of revenue to be collected under this application is \$1,446,347,957.

(viii) The name of, and contact information for, the person within the public agency to whom comments should be sent.

Comments or a request for more detailed project descriptions should be sent to Kenneth Gregg, Assistant Director of Financial Planning & Analysis, Houston Airport System, 16930 JFK Boulevard, Houston, TX 77032 or emailed to Kenneth.gregg@houstontx.gov.

PROJECT 02-001 – Terminal D, Mickey Leland International Terminal (MLIT), Rehabilitation and Expansion

Item (i) - Description:

This project includes the design and construction necessary for the rehabilitation and expansion of Terminal D, the Mickey Leland International Terminal (MLIT). This project also includes the integration of the existing Terminal C North and Terminal D into this new single common-use international facility. The MLIT consolidated terminal building configuration will be approximately 685,000 square feet which includes the new Pier D West expansion and the rehabilitation of existing Terminal D, C Knuckle, and C-D Connector spaces. The terminal building will provide between 15 and 22 contact gates, depending on the mix of aircraft. Thirteen (13) gates will be capable of accommodating wide-body aircraft, including 2 gates for A380s. The project also includes associated apron work, utilities, and connections to other airport facilities including the Federal Inspection Facilities (FIS) and the New Terminal C North Pier.

New Construction.

The expansion portion of this project will include the construction of a New Pier D West totaling approximately 156,000 square feet. This will require the demolition of the existing Old C North facility. This new pier will accommodate 6 Group V gates. This will include the acquisition and installation of 12 passenger loading bridges and foundations with associated ground power and pre-conditioned air.

The expansion work also includes the construction of approximately 48,000 square feet of new space adjacent to the southeast corner of the existing terminal. The ground and apron levels of this project will provide space for a new Foreign Flags Checked Baggage Inspection System (CBIS) building. The departure level of this addition will consist of new club space.

Rehabilitation.

The rehabilitation portion of this project includes the rehabilitation of the existing Terminal D, the Terminal C-D Connector, and the “knuckle” intersection of the New Pier D West and the C-D Connector. One phase of rehabilitation will include the rehabilitation or replacement of flooring, wall coverings, ceiling and lighting. Rehabilitation will also include the replacement of public holdroom seating. The second phase of rehabilitation will be the rehabilitation of existing building systems to provide an additional ten (10) years of useful life to those building systems. The systems to be rehabilitated will include electrical systems, including distribution and switchgear equipment; HVAC equipment; roof membranes; sanitary sewer system improvements; fire suppression; ground power and pre-conditioned air; and rehabilitation of vertical and horizontal movement systems including elevators and escalators. The existing C Knuckle and C-D Connector will be upgraded with sprinkler, fire alarm system, and fireproofing to meet current code requirements.

Other rehabilitation work includes rehabilitation in the Terminal D and C Knuckle (where the passenger corridor between Terminal C, the New Pier D West, and Terminal D intersect) in order to bring these areas into current code compliance.

On the exterior landside of the MLIT, the existing passenger drop-off lanes will be shut down and converted to new bypass roadways. The current public entries into MLIT will be closed to

prevent access into D Terminal from curbside.

Associated Airside Work included in this project:

Selected apron pavement systems, constructed of portland cement concrete, and associated infrastructure and utilities including grading and storm water drainage, potable water, sanitary sewer, power and communications, and hydrant fueling system from the terminal building curtain wall to the tail-of-stand-road (vehicle service road), including the vehicle service road and pavement markings. This represents approximately 448,000 square feet of apron paving. Existing hydrant fueling system modifications will be made as required to service new aircraft parking positions. The apron included in this project is the aircraft parking apron surrounding the New Pier D West.

Item (ii) Brief Justification:

IAH is the nation's eighth busiest international gateway and the second fastest growing since the events of September 11, 2001. In 1990 when the Terminal D was opened, international enplanements at IAH were 1,096,635. In 2018, international enplanements had grown to 5,390,421. That represents a compound annual rate of growth from 1990 to 2018 of 5.85%. The Master Plan update for IAH completed in 2015 forecasted continued international growth at an estimated 5.1% per year from 2016 to 2021 and 5.0% from 2021-2026. Terminal D is at capacity during peak hours and exceeds capacity numerous times during the year, especially during summer to winter, winter to summer months. Expansion and modernization of the facility is needed to accommodate current demand and future international growth. In addition, the terminal building and many of its systems need to be rehabilitated to meet current building codes and operational standards. The supporting infrastructure has also reached the end of their useful lives with limitations in providing sufficient HVAC, water and sanitary sewer, and electrical power.

Terminal D currently has 12 gates, seven wide body gates and five narrow gates. That is the maximum number of gates which could be used simultaneously. Based on the mix of wide body and narrow body aircraft, that number is typically fewer than 12 gates. Upon completion of this project, Terminal D will be able to accommodate 15-22 aircraft parking positions, depending on the mix of wide body and narrow body aircraft. (22 parking positions could only be accomplished assuming all narrow body aircraft.) The anticipated utilization would include 12 wide body and two narrow body aircraft (including two ADG-VI positions) or 13 wide body and three narrow body aircraft. Typical utilization would be 16 aircraft gates. Based on the 2030 and 2035 forecasts, the typical utilization of 16 gates is sufficient to meet the forecasted demands in 2030 and 2035.

The end result is that the existing Terminal D structure now requires a major renovation or replacement to meet current passenger demand, aircraft up-gauging, and current code requirements as well as the need to replace and expand the building systems to meet current demands.

Item (iv) - The estimated total PFC revenue the public agency will use for this project:
The estimated total capital cost of this project is approximately \$524,969,000 with funding anticipated follows:

PFC Funds – Pay-Go	\$211,250,000
PFC Funds – Bond Capital	\$181,540,000
Other/Local Funds	\$132,179,000
Total Estimated Capital Costs	\$524,969,000
PFC Funds – F&I	\$138,736,000
Total PFCs Requested	\$531,526,000

For additional details on this project, [click here](#).

PROJECT 02-002 – Federal Inspection Services (FIS) Rehabilitation and Expansion

Item (i) - Description:

This project includes the design and construction necessary for the rehabilitation and expansion of the Federal Inspection Services (FIS) Building. The existing FIS building consists of approximately 782,550 square feet, across three levels, and was constructed in 2005. This building will be rehabilitated and expanded by approximately 178,000 square feet, across four levels: 1) Basement level, 2) Arrivals Level, 3) Ticketing and Departures Level, and 4) Mezzanine and Airline Ticket Offices. The project will require the demolition of existing Terminal D/E garage complex parking facilities, relocation and reconfiguration of baggage handling systems, and the reconfiguration/redistribution of passenger functions across the expanded facility including security screening checkpoints, international processing, baggage inspections and sterile movement areas. This project includes relocating the existing MLIT functions of ticketing, roadway and curbside arrangements and Security Screening Check Point (SSCP) into the new and expanded facility.

The expanded and reconfigured FIS will provide the following:

- 12 international baggage claim carousels (10 sized at 240 linear feet and 2 sized for an A380, at 300 linear feet)
- 2 domestic baggage claim carousels (240 linear feet each)
- 18 SSCP ASL lanes (4 Pre-check included)

Item (ii) Brief Justification:

This project will rehabilitate and expand the existing FIS facility to allow for current demand and future international passenger growth. Total passengers for international markets have more than quadrupled since the FIS facility opened in 2005. George Bush Intercontinental Airport (IAH) is the nation's eighth busiest international gateway and the second fastest growing since the events of September 11, 2001. The FIS will replace all of the terminal processing functions of existing Terminal D.

When the FIS was originally constructed in 2005, international enplanements at IAH were 3,497,596. At that time, there were 11 international carriers serving IAH. The concept for the FIS facility was to accommodate the increased international traffic passing through Terminals D and E (with 12 gates and 23 gates respectively). It originally had 80 FIS booths. In 2018, international enplanements had grown to 5,390,421 with over 20 international carriers serving

IAH.

The current building was designed prior to the U.S. Customs and Border Protection (CBP) consolidation into one entity. The result is that the existing FIS facility now requires a major renovation and expansion to meet passenger demand, aircraft up-gauging, current code requirements, new CBP processing technologies and the need to replace and expand the building systems to meet current and future demand.

Item (iv) - The estimated total PFC revenue the public agency will use for this project:

The estimated total capital cost of this project is approximately \$501,193,000 with funding anticipated follows:

PFC Funds – Pay-Go	\$99,616,000
PFC Funds – Bond Capital	\$332,918,000
Other/Local Funds	\$68,659,000
Total Estimated Capital Costs	\$501,193,000
PFC Funds – F&I	\$254,423,000
Total PFCs Requested	\$686,957,000

For additional details on this project, [click here](#).

PROJECT 02-003 – Terminal Facilities Utilities Improvements (Enabling Utilities Landside)

Item (i) - Description:

This project includes the design and construction of public water system production, distribution, pumping and storage improvements to alleviate low water pressure and volume issues within the IAH Central Terminal Area (CTA) as well as additional equipment for processing aircraft sanitary sewer waste. The project includes:

- Two 1,200,000-gallon capacity above ground pre-stressed concrete water storage tanks and new pumping facilities connected to the existing City of Houston public water distribution system.
- Ground water wells with pumps and appurtenances
- Appropriately sized water main to extending through the CTA and connected into the terminal facilities along North Terminal Road.
- Utility buildings to house water pumps and ancillary equipment. The site areas will include connections to utilities and roadways, infrastructure including electrical and telecommunications, fencing and parking areas.
- New East Triturator (wastewater grinder pump station), in the CTA. This will include concrete sumps, pumps, electric power, instrumentation, and supporting ancillary equipment, utility connections and fencing.
- CTA Waterline Improvements to replace the existing public water distribution lines in the CTA with new waterlines of sufficient capacity for all current and future loads and to reconnect all service points in the CTA to the new lines. This includes the demolition and reconstruction of Terminal Loop road pavements affected by the replacement of the waterlines.

Item (ii) Brief Justification:

This project is necessary to alleviate low water pressure and volume shortage issues within the CTA and to provide adequate capacity for future planned development at IAH. Water pressures at the Airport have been reported well below 35psi. This is a problem for both fire protection and domestic water systems that require adequate flow and pressure to meet code requirements.

Item (iv) - The estimated total PFC revenue the public agency will use for this project:

The estimated total capital cost of this project is approximately \$60,751,000 with funding anticipated follows:

PFC Funds – Pay-Go	\$1,679,000
PFC Funds – Bond Capital	\$31,905,000
Other/Local Funds	\$27,167,000
Total Estimated Capital Costs	\$60,751,000
PFC Funds – F&I	\$24,382,000
Total PFCs Requested	\$57,966,000

For additional details on this project, [click here](#).

PROJECT 02-004 – IAH Terminal Roadway Reconstruction

Item (i) - Description:

This project includes the design and construction necessary for the reconstruction of portions of the Terminal Loop roads in the Central Terminal Area (CTA) and portions of the airport’s two main access roads - John F. Kennedy (JFK) Boulevard (from Beltway 8) and Will Clayton Boulevard (from Interstate 69). The roadway reconstruction will consist of removal and replacement of complete pavement sections with new portland cement concrete (PCC) pavement sections including paving surface, curbs, base, subgrade and pavement markings. The project will also include the removal and replacement of select existing storm sewer pipes, inlets, structures or other appurtenances and the installation of new drainage structures as required. The project is anticipated to include approximately 80,000 square yards of PCC pavement.

Item (ii) Brief Justification:

Much of the existing roadway pavements in the CTA have exceeded their design life and see traffic volumes that exceeds the designed levels since they were constructed beginning in the 1960’s. Due to this and other related issues like utility construction, the pavements are exhibiting signs of stress and failures. The deficiencies include cracking, joint failures, ride surface issues, drainage issues, and major pavement and subgrade structural deficiencies. These roadways have not undergone any significant rehabilitation or reconstruction since original construction, beginning in the late 1960’s. The Airport has performed routine minor maintenance and repairs when necessary and certain segments of pavement may have been replaced when impacted by other airport construction projects. This project will replace various segments of failing pavement and will not replace any pavements which have been recently replaced by other airport construction projects. The roadway wayfinding signage (provided for in project 02-006 of this PFC application) will remain and not be impacted by this project.

Item (iv) - The estimated total PFC revenue the public agency will use for this project:
 The estimated total capital cost of this project is approximately \$50,609,000 with funding anticipated follows:

PFC Funds – Pay-Go	\$2,530,000
PFC Funds – Bond Capital	\$48,079,000
Total Estimated Capital Costs	\$50,609,000
PFC Funds – F&I	\$36,743,000
Total PFCs Requested	\$87,352,000

For additional details on this project, [click here](#).

PROJECT 02-005 – Terminal A Baggage Handling System

Item (i) - Description:

This project includes the design and construction for the recapitalization of the baggage handling system (BHS) in Terminal A at the George Bush Intercontinental Airport. The project includes the replacement of the existing eight (8) standalone Transportation Security Administration (TSA) screening machines at four (4) separate locations into a combined new Checked Baggage Inspection System (CBIS)/Checked Baggage Reconciliation Area (CBRA) area at the ramp level of the Terminal A North Concourse. This includes the construction of a new CBIS/CBRA enclosure and relocation of existing outbound makeup devices. It also includes the installation of new conveyors and controls to/from the CBIS to serve outbound bags for both the north and south concourses.

Item (ii) Brief Justification:

The existing baggage handling systems and related assets that serve Terminal A are obsolete and in need of modernization. The system was originally installed in 2003/2004. The project will improve throughput capacity. It will modernize the airport terminal building infrastructure to accommodate new TSA EDS equipment located within the CBIS. Additionally, by relocating the existing TSA screening machines, this project will allow for additional passenger ticket counter queuing space in Terminal A.

Item (iv) - The estimated total PFC revenue the public agency will use for this project:
 The estimated total capital cost of this project is approximately \$86,572,000 with funding anticipated follows:

PFC Funds – Pay-Go	\$1,601,000
PFC Funds – Bond Capital	\$30,423,000
Other/Local Funds	\$54,548,000
Total Estimated Capital Costs	\$86,572,000
PFC Funds – F&I	\$23,250,000
Total PFCs Requested	\$55,274,000

For additional details on this project, [click here](#).

PROJECT 02-006 - IAH Roadway Signage Replacement

Item (i) - Description:

This project includes the design, preconstruction and construction of a comprehensive, uniform roadway wayfinding signage system at the George Bush Intercontinental Airport. The design efforts included the location and specifications for all roadway signs specifically sign size, content, font, structure and placement. The construction efforts included sign fabrication, construction of supporting foundations and infrastructure and sign installation. The project also included the demolition and disposal of the existing signs and structures.

The project included over 200 signs. The signs generally fell into four sign types: large overhead signs (ranging from 35' to 105' wide), large monument signs; small monument signs and numerous small pole mounted signs. (The project does not include any entrance, exit or regulatory signs).

Item (ii) Brief Justification:

This project provided for a complete replacement of the signage system because the existing wayfinding signs had met the end of their useful life. IAH has grown consistently over the past 40 years. During this time, layers of inconsistent and sometimes ineffective signage had been installed. Wayfinding and signage deficiencies have affected HAS airport visitors and passengers, particularly for roadway signage on JFK, Will Clayton and the terminal area. The signage not only lacked a clear wayfinding methodology, but utilized signage that was in disrepair, ineffective and dated. Environmental conditions (UV, winds, moisture, etc.) left the sign faces faded and patched. The roadway signage graphics, font scale and frequency of signage placement were inappropriate, creating a “blue tunnel” effect for both JFK and Will Clayton Roadways.

The roadway signage was installed incrementally over the past 40 years and had not undergone any significant rehabilitation.

Item (iv) - The estimated total PFC revenue the public agency will use for this project:

The total capital cost of this project was \$20,938,191 with funding provided as follows:

PFC Funds – Pay-Go	\$15,695,743
PFC Funds – Bond Capital	\$2,224,192
Other/Local Funds	\$3,018,256
Total Estimated Capital Costs	\$20,938,191
PFC Funds – F&I	\$1,416,696
Total PFCs Requested	\$19,336,632

For additional details on this project, [click here](#).

PROJECT 02-007 – Terminal A Restroom Rehabilitation

Item (i) - Description:

This project included the design and rehabilitation of five public restrooms in Terminal A – one restroom on the baggage claim level and four restrooms on the ticketing level (all pre-security).

The project included the demolition of the existing restroom facilities. The restrooms were then rehabilitated to improve plumbing and utility systems, install new restroom fixtures and fittings, new ceiling, wall and floor finishes, and new lighting.

Item (ii) Brief Justification:

These restrooms were originally constructed in approximately 1969. The restroom infrastructure and fixtures were well beyond their useful lives. Additionally, the restrooms needed to be reconstructed to bring them into compliance with Americans with Disabilities Act (ADA) standards and Texas Accessibility Standards (TAS).

Item (iv) - The estimated total PFC revenue the public agency will use for this project:

The total cost of this project was \$1,807,449 with \$1,701,853 to be funded with Pay-Go PFCs and \$105,597 funded with local funds.

For additional details on this project, [click here](#).

PROJECT 02-008 – Terminal D Restroom Rehabilitation

Item (i) - Description:

This project included the design and rehabilitation of several public restrooms in Terminal D – the men’s and women’s restrooms at Gates D6, D7, D9, family restroom at D9, and the men’s and women’s restrooms at the ticket level east and west locations. The project included the demolition of the existing restroom facilities. The restrooms were then rehabilitated to improve plumbing and utility systems, install new restroom fixtures and fittings, new ceiling, wall and floor finishes, and new lighting.

Item (ii) Brief Justification:

These restrooms were originally constructed in 1990 and have never been rehabilitated. The restroom infrastructure and fixtures were well beyond their useful lives and were failing. Additionally, the restrooms needed to be reconstructed to bring them into compliance with Americans with Disabilities Act (ADA) standards and Texas Accessibility Standards (TAS).

Item (iv) - The estimated total PFC revenue the public agency will use for this project:

The total cost of this project was \$6,289,919 with \$6,234,473 to be funded with Pay-Go PFCs and \$55,446 funded with local funds.

For additional details on this project, [click here](#).