



Office of the City Clerk

City Hall
121 N. LaSalle St.
Room 107
Chicago, IL 60602
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Legislation Text

File #: F2018-25, **Version:** 1

Chicago Department of Aviation

city of chicago

April 12, 2018

The Honorable Anna Valencia City Clerk
City Council Division c/o Peter
Polacek City of Chicago City Hall
Room 107 121 N. LaSalle Street
Chicago, IL 60602

Dear Ms. Valencia:

Pursuant to the ordinance passed on January 12, 1993, attached hereto please find the approval by the Federal Aviation Administration (FAA) dated March 29, 2018 regarding an application by the City of Chicago for the Passenger Facility Charge (PFC) program at Chicago Midway International Airport.

If you have any questions regarding these matters, please contact me at (773) 686-3579.
10510 WEST ZEMKE ROAD, P.O. BOX 66142, CHICAGO, ILLINOIS 60666

Sincerely,

Federal Aviation Administration
Great Lakes Region

2300 E. Devon Avenue
Des Plaines, Illinois 60018

U.S. Department of Transportation
Federal Aviation Administration

March 29, 2018

Ms. Ginger S. Evans Commissioner, Department of Aviation City of
Chicago, Midway International Airport P.O. Box 66142 Chicago,
Illinois 60666

Attn: Ms. Reshma Soni

Dear Ms. Evans:

In accordance with section 158.29 of the Federal Aviation Regulations (Title 14, Code of Federal Regulations, Part 158), the Federal Aviation Administration has approved your application to impose and use a passenger facility charge (PFC) at Chicago Midway International Airport (MDW). The authority to impose a PFC is contingent on your continued compliance with the terms of the regulation and any conditions included in this letter.¹

Enclosed is a Final Agency Decision (FAD), which provides specific information about this approval including the approved PFC level, total amount of approved PFC revenue to be collected, earliest charge effective date, and duration of authority to impose the PFC. This FAD also includes information on the approved projects, as well as the FAA's reason for the decision. The FAA's findings and determinations required by statute and Part 158 as well as the FAA's disposition of comments received in response to your air carrier consultation and public notice are also included in the Decision.

The FAA has approved authority to impose a PFC and to use PFC revenue at MDW for sixteen (16) projects. The total approved PFC revenue to be collected for the projects is \$298,871,892.

The FAA has also approved your request to exempt that class of carriers defined as A it-Taxi from the requirement to collect the PFC. We request that you notify the carriers in the excluded class, which were listed in your application, of this exemption.

Reporting, recordkeeping, and auditing requirements are described in Part 158, Subpart D. Please issue your required quarterly reports in accordance with the previously issued guidance on reports. We request that you advise our Chicago Airports District Office when you notify the air carriers and foreign air carriers to begin collecting PFCs. Also,

you are responsible for coordinating any construction with the appropriate Federal offices as you would with any non-federally funded construction.

You are required to implement those projects approved for the collection and use of PFC's within two (2) years of this date of approval of this FAD. Section 158.33(a)(1) requires the public agency to begin implementation of a project no later than 2 years after receiving approval to use PFC revenue on that project.

We have enclosed the list of advisory circulars with which you must comply in accordance with your certification of assurance number 9, standards and specifications.

Sincerely,

Susan Mowery-Schalk Director, Great Lakes Airports Division Office

FINAL AGENCY DECISION

**CITY OF CHICAGO - DEPARTMENT OF AVIATION CHICAGO,
ILLINOIS**

Application number 18-13-C-OO-MDW to impose a passenger facility charge (PFC) at the Chicago Midway International Airport (MDW) for use at MDW.

In accordance with §158.29 of the Federal Aviation Regulations (Title 14, Code of Federal Regulations, Part 158), this Final Agency Decision includes all appropriate determinations to approve or disapprove, in whole or in part, imposition of a PFC at MDW and use of PFC revenue on sixteen (16) projects at MDW.

Procedural History (Dates)

Air carrier consultation meeting: June 1, 2017. Public notice posted: June 1, 2017.

Federal Aviation Administration (FAA) application receipt: December 1, 2017. FAA finding that application is substantially complete: December 28, 2017.

[NOTE: Include any other important dates and events in sequential order, such as additional meeting with air carriers, requests to extend decision dates, date of letter withdrawing a project or projects, or other pertinent events.]

PFC Level, Amount, and Charge Effective Date

Level of PFC: \$4.50

Total approved net PFC revenue in this decision: \$ 298,871,892.00

Earliest charge effective date: February 1, 2053

February 1, 2053, is the "earliest" charge effective date and is based upon the estimated charge expiration date for the previously approved collections in application 07-12-C-02-MDW, as amended. If the City of Chicago, Department of Aviation (City) changes the charge expiration date for the previous application, the charge effective date for this application will also change, so that the City can continue to collect the authorized amount of PFC revenue without a cessation in collections. Section 158.43(c) contains information regarding notification to air carriers and foreign air carriers of the charge effective date and changes to the charge expiration date. In establishing its charge effective date, the public agency must comply with §158.43(b)(3), which states, in part, that the charge effective date will be the first day of a month which is at least 30 days from the date the public agency notifies the carriers of approval to impose the PFC.

Duration of Authority

The City is authorized to impose a PFC at MDW until the date on which the total net PFC revenue collected plus interest thereon equals the allowable cost of the approved projects or the charge expiration date is reached, whichever comes first. Based on information submitted by the City, the FAA estimates the charge expiration date for this decision to be June 1, 2060. Should the amount of PFC revenue collected for this application ever exceed the allowable costs for all approved projects in this application, the public agency's authority to impose a PFC for this application ceases. If the public agency's authority to impose a PFC ceases, the public agency must, without delay, submit a plan acceptable to the FAA to insure that it complies with applicable law, subject to loss of Airport Improvement Program (AIP) grant funds. Section 158.39(d).

Cumulative PFC Authority Including Current Decision

DECISION SUMMARY TABLE

Application Number	Approved for Approved Collection	for Use
93-01 -C-00-MDW	\$79,920,958	\$51,556,661
93-01-C-01-MDW	(6,686,116)	(3,722,738)
93-01-C-02-MDW	(324,204)	0
93-01-C-03-MDW	8,460,199	10,013,834
93-01-C-04-MDW	14,923,506	0
93-01-C-05-MDW	34,789,548	27,065,489
93-01-C-06-MDW	(12,154,124)	0
94-02-U-00-MDW	0	12,284,363
94-02-U-01-MDW	0	13,123,013
95-03-C-00-MDW	11,916,250	12,940,850
95-03-C-01-MDW	34,503,533	34,503,533
95-03-C-02-MDW	22,935,000	0
95-03-C-03-MDW	(15,333,623)	8,944,557
95-04-I-00-MDW	191,119,328	0
95-04-I-01-MDW	(41,891,984)	0
95-04-I-02-MDW	197,933,466	0
96-05-C-00-MDW	163,875,000	211,947,623
96-05-C-01-MDW	(7,336,457)	(37,013,591)
96-05-C-02-MDW	21,548,950	9,394,826
96-05-C-03-MDW	0	0
96-05-C-05-MDW	2,292,878	2,292,878
99-06-U-00-MDW	0	149,227,344
99-06-U-01-MDW	0	197,933,466
00-07-C-00-MDW	592,053,661	592,053,661

00-07-C-01-MDW	19,467,666	19,467,666
00-07-C-02-MDW	184,186,827	184,186,827
00-07-C-03-MDW	11,446,161	11,446,161
00-07-C-04-MDW	304,240	304,240
00-08-C-00-MDW	20,000,000	20,000,000
00-08-C-01-MDW	0	0
02-09-C-00-MDW	181,326,845	181,326,845
02-09-C-01-MDW	0	0
02-09-C-02-MDW	6,047,974	6,047,974
02-09-C-03-MDW	1,349,007	1,349,007
03-10-C-00-MDW	1,550,000	1,550,000
03-10-C-01-MDW	(1,550,000)	(1,550,000)
06-11-C-00-MDW	1,300,000	1,300,000
06-11-C-01-MDW	(1,300,000)	(1,300,000)
07-12-C-00-MDW	501,933,168	470,251,276
07-12-C-01 -MDW	21,875,000	21,875,000
07-12-C-02-MDW	(31,681,892)	0
18-13-C-00-MDW	298,871,892	298,871,892

Totals **\$2,507,672,657 \$2,507,672,657**

Project Approval Determinations

For each project approved in this Final Agency Decision and for the application as a whole, the FAA, based on its expertise with the PFC program and airport development, exercises its judgment, and finds that the application and record thereof, contained substantial evidence to support the following determinations:

- The amount and duration of the PFC will not result in revenue that exceeds the amount necessary to finance the specific projects.
- Each project approved at a \$3 or lower level meets at least one of the objectives set forth in §158.15(a) (as set forth in the individual project determinations); is eligible in accordance with §158.15(b) (as set forth in the individual project determinations); and is adequately justified in accordance with §158.15(c) and paragraph 4-8 of FAA Order 5500.1, Passenger Facility Charge (August 9, 2001).
- Each project approved at a PFC level above \$3.00 will make a significant contribution in accordance with §158.17(b) (as set forth in the individual project determinations); meets at least one of the objectives set forth in §158.15(a); is eligible in accordance with §158.15(b) (as set forth

in the individual project determinations); and is adequately justified in accordance with §158.15(c) and paragraph 4-8 of FAA Order 5500.1, Passenger Facility Charge (August 9, 2001).

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- Each project approved for collection at a PFC level above \$3, meets the requirements of §158.17(a)(2). In all cases, the FAA has determined (either) that AIP funds are not expected to be available to fund the project in whole or in part.
- For those surface transportation or terminal projects approved for collection at a PFC level above \$3, the requirements of §158.17(a)(3) and paragraph 10-8 of FAA Order 5500.1, Passenger Facility Charge (August 9, 2001), have been met. For each such project approved in this Final Agency Decision, the FAA has determined that the public agency has made adequate provisions for financing the airside needs at the airport including runways, taxiways, aprons, and aircraft gates.
- The collection process, including a request by the public agency not to require a class or classes of carrier to collect PFC, is reasonable, not arbitrary, nondiscriminatory, and otherwise in compliance with the law.
- The public agency has not been found to be in violation of §9304(e) or §9307 of the Airport Noise and Capacity Act (ANCA) of 1990 (since codified at 49 U.S.C. 47524 and 47526).
- All project-related requirements pertaining to the airport layout plan and airspace studies have been met. Environmental requirements (§158.29(b)(1)(iv)) are discussed under a separate heading below.
- The total approved net PFC revenue includes debt service and financing costs of PFC approved projects. Any PFC revenue collected in excess of debt servicing requirements shall be used for approved projects or retirement of outstanding PFC-financing costs.

Projects Approved for the Authority to Impose and Use the PFC at MDW at a \$3.00 Level

Approved

Description: Amount

#6. Rehabilitation of Runway 13C-31C Hold Pad-Detention Basin

Bond Capital	\$ 538,385
<u>Financing and Interest</u>	<u>\$ 538 385</u>
Total \$1,076,770	

This project consists of the rehabilitation of Runway 13C-31C Hold Pad-Detention Basin at MDW for

drainage system repair. The Runway 13C-31C Hold Pad-Detention Basin is a 90,000 square-feet underground concrete structure designed to protect against flooding of the airfield and serves as a glycol

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collection area. The 22-year old basin was showing signs of cracking. The repairs include subbase construction, Portland concrete cement pavement scarification, replacement and patching, and epoxy crack injections.

Determinations:

Approved for collection and use.

PFC objective: This project preserves safety of the airfield by repairing the concrete basin structure. Thus, this project meets the PFC objective of preserving safety.

Basis for eligibility: Table D-1d of FAA 5100.38D, AIP Handbook, (September 30, 2014) (Construct deicing pad).

Estimated total project cost: \$1,076,770.

Proposed sources of financing: PFC revenue (\$1,076,770- the amount requested by the City).

The City requested that this project be approved for collection at a \$4.50 level. However, the material submitted to support this project did not demonstrate that the project makes a significant contribution to safety. The project is considered normal maintenance of airfield infrastructure.

Description:

Approved Amount

\$ 2,668,767 \$ 2,668,767 \$ 5,337,534

#9. Replacement of Runway 4R-22L Centerline & Threshold Lights

Bond Capital Financing and Interest Total

This project consists of the replacement of Runway 4R-22L centerline and threshold lights at Midway. This project entails the replacement and installation of new centerline light base cans, lights, transformers, heat shrink kits, duct banks and conduit runs and the milling and resurfacing of the center portion of the runway.

Determinations:

Approved for collection and use.

PFC objective: This project preserves safety by ensuring reliable lighting for operations on the airfield. Thus, this project meets the PFC objective of preserving safety.

Basis for eligibility: Table J2c of FAA 5100.38D, AIP Handbook, (September 30, 2014) (Rehabilitate

runway lighting).

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Estimated total project cost: \$ 7,587,534.

Proposed sources of financing: PFC revenue (\$5,337,534- the amount requested by the City). AIP Grant # 3-17-0025-80-2012 (\$2,250,000).

The City requested that this project be approved for collection at a \$4.50 level. However, the material submitted to support this project did not demonstrate that the project makes a significant contribution to safety. The project is considered normal maintenance of airfield infrastructure.

Description:

Approved Amount

\$2,856,113 \$2,856.113 \$ 5,712,226

#11. Rehabilitation and Enhancement of Taxiways Y and K and South Ramp

Bond Capital Financing and Interest Total

The project consists of rehabilitation of portions of Taxiways K (2,475-linear feet) and Y (2,850-linearfeet), as well as a portion of the South Ramp (92,000 square-feet). The project includes milling existing pavement, new asphalt pavement, taxiway lighting rehabilitation, markings, and widening Taxiway Y1 connector to 110 feet.

Determinations:

Approved for collection and use.

PFC objective: This project preserves safety by rehabilitating pavement for Taxiways K and Y and a portion of the South Ramp. Thus, this project meets the PFC objective of preserving safety.

Basis for eligibility: Tables H-3c and I-3b of FAA 5100.38D, AIP Handbook, (September 30, 2014) (Rehabilitation of taxiways and aprons).

Estimated total project cost: \$11,815,233.

Proposed sources of financing: PFC revenue (\$5,712,226- the amount requested by the City). AIP Grants # 3-17-0025-81-2013 and 3-17-0025-77-2009 (\$6,067,639).

The City requested that this project be approved for collection at a \$4.50 level. However, the material submitted to support this project did not demonstrate that the project makes a significant contribution to safety or congestion. The project is considered normal maintenance of airfield infrastructure.

Description:

Approved Amount

\$4,207,299 \$ 4.207.299 \$ 8,414,598

#13. Rehabilitation of Midway Airport Maintenance Complex (AMC)

Bond Capital Financing and Interest Total

This project consists of construction of a new, separate snow removal equipment (SRE) storage structure directly south of the existing AMC building, the rehabilitation of the existing AMC building, and the replacement and expansion of the potassium acetate pumps and tanks to allow for an approximate onsite storage total of 90,000 gallons of potassium acetate. The new structure will accommodate snow removal equipment that is currently stored in the existing Secondary AMC Hangar, which will be converted to other uses, and is not part of any PFC project.

Determinations:

Approved for collection and use.

PFC objective: This project will provide adequate storage for SRE vehicles in a new, code-compliant building and increase storage capacity for deicing liquids. Thus, this project meets the PFC objective of preserving capacity at MDW.

Basis for eligibility: Table 0-3c of FAA 5100.38D, AIP Handbook, (September 30, 2014) (SRE building). Preliminary PFC eligibility has been determined at 34.1% of the project cost (100% of potassium acetate tank, 51.6% of new SRE building, and 3.0% of existing AMC renovations. Upon project completion, the final PFC eligible proportion of the project cost shall be established and the PFC portion shall be amended accordingly.

Estimated total project cost: \$17,353,299.

Proposed sources of financing: PFC revenue (\$8,414,598- the amount requested by the City). Local funds (\$8,938,701).

Description:

#15. Replace Trunked Radio System

Bond Capital Financing and Interest Total

Approved Amount

\$ 850,232 \$ 850,232 \$1,700,464

The project includes the purchase, removal, and installation of 180 trunked radio units mounted in the Midway (MDW) fleet vehicles. The new radios will replace

older technology, some of which is no longer supported by the manufacturer and will allow the current six channels to be split into 12 channels.

Determinations:

Approved for collection and use.

PFC objective: This project replaces the existing trunk radio system with a new, more reliable radio system. Thus, this project meets the PFC objective of preserving security.

Basis for eligibility: Paragraph L-6 of FAA 5100.38D, AIP Handbook, (September 30, 2014)
(Radios and Communication Equipment)

Estimated total project cost: \$1,700,464.

Proposed sources of financing: PFC revenue (\$1,700,464- the amount requested by the City).

The City requested that this project be approved for collection at a \$4.50 level. However, the material submitted to support this project did not demonstrate that the project makes a significant contribution to safety. The project is considered normal maintenance and replacement of vehicle-mounted radio equipment.

Projects Approved for Authority to Impose and Use the PFC at MDW at a \$4.50 Level

	Approved
Description: Amount #1. Rehabilitation of Airfield Lighting Infrastructure	
Bond Capital \$5,001,186	
Financing and Interest	\$ 5,001,186
Total \$10,002,372	

The project consist of installing approximately 20,000 feet of new airfield electrical duct bank, associated hand holes and manholes for airfield lighting circuits and airport communications and replacing approximately 150,000 feet of aging airfield lighting cable to provide a more efficient and reliable airfield electrical system. The alignment of the new duct bank will impact Runways 13R-31L, 13L-31R and Taxiways N and Y. The project would move many manholes that exist within the Runway Safety Area (RSA) outside the RSA to allow for troubleshooting to occur without impacting flight operations. This project also includes environmental planning and PFC planning efforts.

Determinations:

Approved for collection and use.

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Significant contribution: This project will install new airfield electrical duct bank and replace aging airfield lighting cable to bring it up to current standards. The project will make a significant contribution to improving air safety by ensuring that adequate lighting systems as required by Part 139.311 are continuously available at the Airport.

PFC objective: This project will preserve and enhance safety with the rehabilitation of airfield lighting infrastructure and cabling to prevent unscheduled outages that could negatively affect operations at MDW. Thus, this project meets the PFC objective of preserving safety.

Basis for eligibility: Table J-2, sections c and I, of FAA Order 5100.38D, AIP Handbook, (September 30, 2014) (Rehabilitate runway and taxiway lighting).

Estimated total project cost: \$ 10,002,372

Proposed sources of financing: PFC revenue (\$10,002,372- the amount requested by the City)

Description:

#2. Rehabilitation of Airside Service Road

Bond Capital Financing and Interest Total

Approved Amount

\$2,709,346 \$2,709,346 \$5,418,692

This project consists of the rehabilitation of approximately 12,600 linear feet of airside service road serving the entire airport. Work included a three-inch mill and overlay throughout the roadway system, adjustments to the drainage structures, restriping of roadway markings, and environmental and PFC planning efforts.

Determinations:

Approved for collection and use.

Significant contribution: This project will rehabilitate the entire airside service road system around the airfield. Thus, this project meets the significant contribution requirement of improving air safety by continuing to separate vehicular traffic from the movement area of the airfield.

PFC objective: The reconstruction and rehabilitation of the airside service road project preserved air safety by maintaining a functional roadway network to prevent vehicles crossing active runways and taxiways and prevented the formation of foreign objects and debris (FOD) that could be tracked on

ramps and taxiways. Thus, this project meets the PFC objective of preserving air safety.

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Basis for eligibility: Table P-3b of FAA Order 5100.38D, AIP Handbook, (September 30, 2014).

Estimated total project cost: \$ 5,418,692.

Proposed sources of financing: PFC revenue (\$5,418,692- the amount requested by the City).

Description:

Approved Amount

\$5,108,600 \$5,108,600 \$10,217,200

#3. Rehabilitation and Reconstruction of the AOA Perimeter Sound Wall

Bond Capital Financing and Interest Total

This project will rehabilitate or reconstruct approximately 8,000 linear feet of the acoustical metal sound wall system at MDW, which is installed along the perimeter of most of the airport operations area. These walls are designed to reduce ground level noise associated with aircraft taxiing and takeoff thrust on the communities surrounding the Airport. They were first installed in 2001, as a feature of the Part 150 Noise Compatibility Program.

Determinations:

Approved for collection and use.

Significant contribution: This project will continue to reduce ground level noise associated with aircraft operations at the airport. Thus, this project meets the significant contribution requirement of reducing the impact of aviation noise on communities near MDW.

PFC objective: This project is to reduce ground level noise associated with aircraft taxiing and takeoff thrust. Thus, this project meets the PFC objective of mitigating noise impacts resulting from aircraft operations at MDW.

Basis for eligibility: Table R-6m of FAA Order 5100.38D, AIP Handbook, (September 30, 2014).

Estimated total project cost: \$ 10,217,200.

Proposed sources of financing: PFC revenue (\$ 10,217,200 - the amount requested by the City).

Description:

#4. Passenger Security Checkpoint Expansion

Bond Capital Financing and Interest Total

Approved Amount

\$ 64,347,306 \$ 64,347,306 \$128,694,612

This project consists of expansion of the existing passenger security checkpoint bridge across South Cicero Avenue at MDW. The project will demolish portions of the existing passenger bridge (50 feet wide) and construct a new single-level bridge structure (400 feet wide) in its place. The existing pedestrian bridge accommodates 19 Transportation Security Administration (TSA) passenger and employee security-screening lanes, as well as the airport's exit path for arriving passengers. The wider bridge will accommodate passenger and employee circulation, and provide up to 27 fully equipped TSA security lanes, including dedicated lanes for employees, TSA pre-check, and persons with disabilities.

Determinations:

Approved for collection and use.

Significant contribution: This project will reduce existing congestion by increasing the size and efficiency of the terminal entrance and security screening area. Thus, this project meets the significant contribution requirement of reducing current congestion at MDW.

PFC objective: This project enhances passenger capacity by expanding the TSA security screening area and spaces for passenger circulation. Thus, this project meets the PFC objective of enhancing capacity.

Basis for eligibility: Table N-9, sections b and k, of FAA Order 5100.38D, AIP Handbook, (September 30, 2014) (Terminal lobbies and passenger screening areas). Preliminary PFC eligibility has been determined at 73.6% of the project cost. Upon project completion, the final eligibility proportion of the project cost shall be established and the PFC portion shall be amended accordingly.

Estimated total project cost: \$153,516,306.

Proposed sources of financing: PFC revenue (\$128,694,612 - the amount requested by the City) and

Local funds to cover the PFC-ineligible portions of the project (\$24,821,694).

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Approved

Description: Amount

#5. Rehabilitation of Runway 13C-31C and Replacement of EMAS

Bond Capital	\$ 29,014,459
<u>Financing and Interest</u>	<u>\$ 29,014.459</u>
Total	\$ 58,028,918

This project consists of the planning, design and rehabilitation of Runway 13C-31C, including drainage, lighting, marking, and turf restoration, as required, and the replacement of the Engineering Material Arresting Systems (EMAS) at MDW. The runway is 6,522-feet long by 150-feet wide and one of the primary runways at the airport. The existing runway surface has deteriorated and shown signs of distress due to structural deficiencies and repeated traffic loading.

Determinations:

Approved for collection and use.

Significant contribution: This project will reduce the possibility of loss of the use of Runway 13C-31C due to deteriorated surface conditions, which would cause delays to passengers and users of the airport. Thus, this project meets the significant contribution requirement of reducing current congestion at MDW.

PFC objective: This project preserves the capacity of MDW by maintaining Runway 13C-31C in safe operating condition. Thus, this project meets the PFC objective of preserving capacity.

Basis for eligibility: Table G-3, sections e and f, of FAA Order 5100.38D, AIP Handbook, (September 30, 2014) (Rehabilitation of runways and improvement to runway safety areas (EMAS)).

Estimated total project cost: \$ 61,145,515.

Proposed sources of financing: PFC revenue (\$58,028,918). AIP Grant # 3-17-0025-82-2014 (\$3,116,597).

Approved

Description: Amount

#7. Rehabilitation of Runway 4L-22R & Taxiway P Reconfiguration

Bond Capital	\$ 2,472,247
<u>Financing and Interest</u>	<u>\$ 2,472,247</u>
Total	\$ 4,944,494

This project consists of the rehabilitation of Runway 4L-22R at MDW, including new shoulders, new taxiway lighting, cabling, pavement markings, and environmental and PFC planning efforts. The project also includes reconfiguration of Taxiway P with new pavement to allow for a 90 degree

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intersection at Runway 22R, improving a potential area for runway incursion. The existing runway surface has deteriorated and shows signs of structural deficiencies due to weathering and repeated traffic loading.

Determinations:

Approved for collection and use.

Significant contribution: This project will reduce the possibility of loss of the use of Runway 4L-22R due to deteriorated surface conditions, which would cause delays to passengers and users of the airport. Thus, this project meets the significant contribution requirement of reducing current congestion at MDW.

PFC objective: This project preserves the capacity of MDW by maintaining Runway 4L-22R in safe operating condition. Thus, this project meets the PFC objective of preserving capacity.

Basis for eligibility: Tables G-3e and H-3c of FAA Order 5100.38D, AIP Handbook, (September 30, 2014) (Rehabilitation of runways and taxiways).

Estimated total project cost: \$15,529,328.

Proposed sources of financing: PFC revenue (\$4,944,494). AIP - Grants # 3-17-0025-84-2015, 3-17-0025-87-2015, and 3-17-0025-88-2015 (\$10,419,506). Local funds (\$165,328).

Description:

Approved Amount

\$ 6,278,809 \$ 6.278.809 \$12,557,618

#8. Rehabilitation of Runway 4R-22L and Taxiway Y, removal of Taxiway K, and the replacement of EMAS

Bond Capital Financing and Interest Total

The project consists of the rehabilitation of Runway 4R-22L and Taxiway Y, removal of a section of Taxiway K, the construction of Taxiway V, and replacement of the EMAS at MDW. This project includes new shoulders, new taxiway lighting, cabling, pavement markings, drainage, and environmental and PFC planning efforts. The existing runway surface has deteriorated and

shows signs of structural deficiencies due to weathering and repeated traffic loading.

Determinations:

Approved for collection and use.

Significant contribution: This project will reduce the possibility of loss of the use of Runway 4R-22L due to deteriorated surface conditions, which would cause

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delays to passengers and users of the airport. Thus, this project meets the significant contribution requirement of reducing current congestion at MDW.

PFC objective: This project preserves the capacity of MDW by maintaining Runway 4R-22L in safe operating condition. Thus, this project meets the PFC objective of preserving capacity.

Basis for eligibility: Tables G-3 sections e and f, and H-3c of FAA Order 5100.38D, AIP Handbook, (September 30, 2014) (Rehabilitation of runways and taxiways, and improvement to runway safety areas (EMAS)).

Estimated total project cost: \$24,348,333.

Proposed sources of financing: PFC revenue (\$12,557,618). AIP - Grant # 3-17-0025-89-2016 (\$11,790,715).

Description:

#10. Taxiway A Extension and Rehabilitation

Bond Capital Financing and Interest Total

Approved Amount

\$ 1,076,400 \$ 1,076,400 \$2,152,800

This project includes the 400 foot extension of Taxiway A from Taxiway F to Taxiway W, as well as the rehabilitation of the existing Taxiway A, including the installation of concrete pavement, bituminous shoulders, and associated taxiway drainage and lighting, as well as replacement of existing taxiway light cables and pavement marking. The existing taxiway pavement was 30-years old and showing signs of various surface distresses related to traffic loading, weathering, and age. The extension allows general aviation (GA) traffic to access the GA West Ramp to decrease conflicts with air carrier traffic.

Determinations:

Approved for collection and use.

Significant contribution: This project will shorten the routing for GA traffic, reducing runway crossings and delays to air carrier traffic. Thus, this project meets the significant contribution requirement of reducing current congestion at MDW.

PFC objective: This project reduces congestion and delays for air carrier traffic by reducing the ground routing of GA traffic. Thus, this project meets the PFC objective of enhancing capacity at MDW.

Basis for eligibility: Table H-3 sections a and c, of FAA Order 5100.38D, AIP Handbook, (September 30, 2014) (Taxiway construction and rehabilitation).

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Estimated total project cost: \$ 4,402,800.

Proposed sources of financing: PFC revenue (\$2,152,800 - which is less than the amount originally requested by the City. The City requested \$6,652,800 in the application. However, an AIP grant was recently issued to fund a portion of the project costs). AIP Grant #3-17-025-094-2017 (\$2,250,000).

Description:

#12. Rehabilitation of Terminal Ramp

Bond Capital Financing and Interest Total

Approved Amount

\$ 10,236,800 \$ 10,236,800 \$ 20,473,600

This project includes rehabilitating and replacing portions of the Terminal Ramp apron pavements at MDW, including the full depth replacement of approximately 195,000 square-feet of existing Concourse C apron and also selective areas of the terminal ramp outside of the Concourse C apron that are in need of rehabilitation. This project includes repairs to existing drainage structures, grounding tie-downs, and new pavement markings. Concourse C apron pavement had a pavement condition rating of "Poor" in June 2015, with distresses consistent with loading and climate issues due to the presence of joint seal damage, joint spalling, map cracking, and linear cracking.

Determinations:

Approved for collection and use.

Significant contribution: This project will repair and replace deteriorating portions of the ramp pavement and prevent unanticipated closure of gates. Thus, this project meets the significant contribution requirement of reducing current congestion at MDW.

PFC objective: This project preserves access to the terminal gates. Thus, this project meets the PFC objective of preserving capacity.

Basis for eligibility: Table I-3b of FAA Order 5100.38D, AIP Handbook, (September 30, 2014) (Rehabilitate apron).

Estimated total project cost: \$ 20,473,600.

Proposed sources of financing: PFC revenue (\$20,473,600 - the amount requested by the City).

Approved Amount

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#14. Installation of FIS 2nd Bag Claim Device and Space Reconfiguration

Bond Capital \$7,037,197

Financing and Interest

\$ 7,037,197

Total \$14,074,394

This project includes the redevelopment of the Federal Inspection Services (FIS) Bag Claim area and the U.S. Customs and Border Protection (CBP) Office area to provide additional bag claim capacity at MDW. This project will demolish approximately 800 square-feet of existing CBP office space to create additional public finished space to install an additional slope plate bag claim device with associated conveyors. This project will add one additional slope plate bag claim device in an area currently occupied by CBP offices, and replace the existing flat plate bag claim device in the FIS International Bag Claim Hall with a new slope plate claim device. The current FIS space is 12,000 square-feet and will be reconfigured to approximately 12,860 square-feet. This project also includes environmental planning and PFC planning efforts.

Determinations:

Approved for collection and use.

Significant contribution: This project will reduce congestion and cut international passenger inspection delays by adding a second baggage claim facility at the FIS station. Thus, this project meets the significant contribution requirement of reducing current congestion at MDW.

PFC objective: This project will add capacity by reducing inbound passenger processing delays at the FIS. Thus, this project meets the PFC objective of adding capacity to the MDW passenger terminal.

Basis for eligibility: Basis for eligibility: Table N-9I of FAA Order 5100.38D, AIP Handbook, (September 30, 2014) (Terminal CBP areas). Preliminary PFC eligibility has been determined at 79.33% of the project cost. Upon project completion, the final eligibility proportion of the project cost shall be established and the PFC portion shall be amended accordingly.

Estimated total project cost: \$18,739,147.

Proposed sources of financing: PFC revenue (\$14,074,394- the amount requested by the City) and Local funds to cover the PFC-ineligible portions of the project (\$4,664,394).

	Approved
Description: Amount #16. Pre-Check Baggage Inspection System Crossover	
Bond Capital	\$ 5,032,800
<u>Financing and Interest</u>	<u>\$ 5,032,800</u>

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Total \$10,065,600

This project consists of the addition of baggage crossover technology to enable the airlines to separate bags from multiple flights with similar departure times by directing baggage to a fourth makeup unit (BMU). The current operational restriction only allows baggage to be sent to three BMUs. This project will increase operational flexibility by allowing bags inducted at the north or south ticket counters to be sent to any of the four BMUs at the Airport. In addition, the project includes the replacement of the explosives detection system equipment on the north portion of the system. This project includes the relocation of sprinkler heads, lights, cameras, and exit signs, modifications to the air ducts, installation of a conveyor line from X07 conveyor line, modifications to the Out Bound 4 conveyor line, installation of six new conveyors, installation of two high definition scanners and required catwalk, and additional electrical power supplies. This project also includes environmental and PFC planning efforts.

Determinations:

Approved for collection and use.

Significant contribution: This project will significantly reduce congestion by automating the use of the fourth BMU, thus increasing the ability to process baggage more quickly at MDW. Thus, this project meets the significant contribution requirement of reducing current congestion.

PFC objective: This project enhances capacity by speeding delivery of outbound baggage. Thus, this project meets the PFC objective of enhances capacity at MDW.

Basis for eligibility: Table N-5n of FAA Order 5100.38D, AIP Handbook, (September 30, 2014) (Terminal modifications to enable in-line baggage screening).

Estimated total project cost: \$10,065,600.

Proposed sources of financing: PFC revenue (\$10,065,600 - the amount requested by the City).

Calculation of PFC Level

The FAA determined that eleven (11) of the fifteen (15) projects in the application (for which the City requested a higher PFC level) met the requirements of § 158.17(b). In addition, the City did not request a higher PFC level for one (1) project included in this FAD.

To ease the burden of administering the PFC program, paragraph 10-18 of FAA Order 5500.1, Passenger Facility Charge, permits the FAA to authorize the

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premium collection on the combined application projects when a sufficient value of projects in the application can be shown to satisfy the higher standards associated with the higher PFC charge. In the case of this application for projects at MDW, the FAA has determined that 92.6 percent of the total PFC value of the approved projects is collectible at \$4.50 and, thus, is authorizing the \$4.50 collection level for the entire application in accordance with the procedures discussed in paragraph 10-18 of FAA Order 5500.1, Passenger Facility Charge, (August 9, 2001).

Environmental Requirements

The projects approved in this application for concurrent authority to impose and use the PFC were examined under the guidelines contained in FAA Order 5050.4B, National Environmental Policy Act (NEPA) Implementing Instructions for Airport Actions (2006) and these projects have been determined to be categorically excluded from the requirement for formal environmental review. There appear to be no extraordinary circumstances requiring further review.

Request Not to Require a Class or Classes of Carriers to Collect PFC's.

The City requests that the following classes of air carriers be excluded from the requirement to collect PFC's: Air Taxi.

Determination: Approved. Based on information contained in the City's application, the FAA has determined that the proposed class accounts for less than 1 percent of MDW's total annual enplanements. The City should confirm, on an annual basis using prior year enplanement data, that the approved class does not exceed 1 percent of the total enplanements at MDW.

Compliance with the Airport Noise and Capacity Act of 1990 (ANCA)

The FAA is not aware of any proposal at MDW which would be found to be in violation of the ANCA. The FAA herein provides notice to the City that a restriction on the operation of aircraft at MDW must comply with all applicable provisions of the ANCA and that failure to comply with the ANCA and Part 161 makes the City subject to provisions of Subpart F of that Part. Subpart F, "Failure to Comply With This Part," describes the procedures to terminate eligibility for AIP funds and authority to collect PFC revenues.

Compliance with Subsection 47107(b) Governing Use of Airport Revenue

As of the date of this approval the City of Chicago - Department of Aviation has not been found to be in violation of 49 U.S.C. 47107(b) or in violation of grant assurances made under 49 U.S.C. 47107(b).

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Compliance with Requirement to Submit a Competition Plan

As of the date of this approval, the City of Chicago - Department of Aviation has complied with the requirement to submit a competition plan in accordance with §158.29(a)(1)(viii). Furthermore, by letter dated July 3, 2013, the FAA has determined that the plan is in accordance with §155 of AIR-21.

Legal Authority

This decision is made under the authority of 49 U.S.C. 46110 and 40117, as amended. This decision constitutes a final order to approve, in whole or in part, the City of Chicago - Department of Aviation's application to impose a PFC and use PFC revenue on sixteen (16) projects at MDW. Any party to this proceeding having a substantial interest may appeal this decision to the courts of appeals for the United States or the United States Court of Appeals for the District of Columbia upon petition, filed within 60 days after issuance of this decision.

Concur

Director, Airports Division FAA Great Lakes Region

Current FAA Advisory Circulars Required for Use in AIP Funded and PFC Approved Projects

Updated: 1/24/2017

View the most current versions of these ACs and any associated changes at:
<<http://www.faa.gov/airports/resources/advisory>> circulars and
<<http://www.faa.gov/regulations>> policies/advisory circulars/

NUMBER	TITLE
70/7460-1L Change 1	Obstruction Marking and Lighting
150/5020-1	Noise Control and Compatibility Planning for Airports
150/5070-6B	ChangesAirport Master Plans
1 - 2	
150/5070-7 Change 1	The Airport System Planning Process
150/5100-13B	Development of State Standards for Nonprimary Airports

150/5200-28F	Notices to Airmen (NOTAMs) for Airport Operators
150/5200-30D	Airport Field Condition Assessments and Winter Operations Safety
150/5200-31C	Airport Emergency Plan
Changes 1 - 2	
150/5210-5D	Painting, Marking, and Lighting of Vehicles Used on an Airport
150/5210-7D	Aircraft Rescue and Fire Fighting Communications
150/5210-13C	Airport Water Rescue Plans and Equipment
150/5210-14B	Aircraft Rescue Fire Fighting Equipment, Tools and Clothing
150/5210-15A	Aircraft Rescue and Firefighting Station Building Design
FAA Advisory Circulars Required for Use in AIP Funded and PFC Approved Projects	
Updated 1/24/2017 ARP	

NUMBER	TITLE
150/5210-18A	Systems for Interactive Training of Airport Personnel
150/5210-19A	Driver's Enhanced Vision System (DEVs)
150/5220-10E	Guide Specification for Aircraft Rescue and Fire Fighting (ARFF) Vehicles
150/5220-16D	Automated Weather Observing Systems (AWOS) for Non-Federal Applications
150/5220-17B	Aircraft Rescue and Fire Fighting (ARFF) Training Facilities
150/5220-18A-	Buildings for Storage and Maintenance of Airport Snow and Ice Control
	Equipment and Materials'
150/5220-20A	Airport Snow and Ice Control Equipment
150/5220-21C	Aircraft Boarding Equipment
150/5220-22B	Engineered Materials Arresting Systems (EMAS) for Aircraft Overruns
150/5220-23	Frangible Connections
150/5220-24	Foreign Object Debris Detection Equipment
150/5220-25	Airport Avian Radar Systems
150/5220-26,	Airport Ground Vehicle Automatic Dependent Surveillance - Broadcast (ADS-B)
Changes 1 - 2	Out Squitter Equipment
150/5300-7B	FAA Policy on Facility Relocations Occasioned by Airport Improvements or
	Changes
150/5300-13A,	Airport Design
Change 1	
150/5300-14C	Design of Aircraft Deicing Facilities
150/5300-16A	General Guidance and Specifications for Aeronautical Surveys: Establishment
	of Geodetic Control and Submission to the National Geodetic Survey
150/5300-17C	Standards for Using Remote Sensing Technologies in Airport Surveys
150/5300-18B	Survey and Data Standards for Submission of Aeronautical Data Using Airports
Change 1	GIS
150/5320-5D	Airport Drainage Design
150/5320-6F	Airport Pavement Design and Evaluation

FAA Advisory Circulars Required for Use in AIP Funded and PFC Approved Projects
Updated 1/24/2017 ARP

NUMBER	TITLE
150/5320-12C,	Measurement, Construction, and Maintenance of Skid Resistant Airport
Changes V- 8	Pavement Surfaces
150/5320-15A	Management of Airport Industrial Waste
150/5325-4B	Runway Length Requirements for Airport Design

150/5335-5C	Standardized Method of Reporting Airport Pavement Strength - PCN
150/5340-1L	Standards for Airport Markings
150/5340-5D	Segmented Circle Airport Marker System
150/5340-18F	Standards for Airport Sign Systems
150/5340-26C	Maintenance of Airport Visual Aid Facilities
150/5340-30H	Design and Installation Details for Airport Visual Aids
150/5345-3G	Specification for L-821, Panels for the Control of Airport Lighting
150/5345-5B	Circuit Selector Switch
150/5345-7F	Specification for L-824 Underground Electrical Cable for Airport Lighting Circuits
150/5345-1 OH	Specification for Constant Current Regulators and Regulator Monitors
150/5345-12F	Specification for Airport and Heliport Beacons
150/5345-13B	Specification for L-841 Auxiliary Relay Cabinet Assembly for Pilot Control of Airport Lighting Circuits
150/5345-26D	FAA Specification For L-823 Plug and Receptacle, Cable Connectors
150/5345-27E	Specification for Wind Cone Assemblies
150/5345-28G	Precision Approach Path Indicator (PAPI) Systems
150/5345-39D	Specification for L-853, Runway and Taxiway Retroreflective Markers
150/5345-42H	Specification for Airport Light Bases, Transformer Housings, Junction Boxes, and Accessories
150/5345-43H	Specification for Obstruction Lighting Equipment
150/5345-44K	Specification for Runway and Taxiway Signs
150/5345-45C	Low-Impact Resistant (LIR) Structures

FAA Advisory Circulars Required for Use in
AIP Funded and PFC Approved Projects ARP

Updated 1/24/2017

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NUMBER	TITLE
150/5345-46E	Specification for Runway and Taxiway Light Fixtures
150/5345-47C	Specification for Series to Series Isolation Transformers for Airport Lighting Systems
150/5345-49C	Specification L-854, Radio Control Equipment
150/5345-50B	Specification for Portable Runway and Taxiway Lights
150/5345-51B	Specification for Discharge-Type Flashing Light Equipment
150/5345-52A	Generic Visual Glideslope Indicators (GVGI)
150/5345-53D	Airport Lighting Equipment Certification Program
150/5345-54B	Specification for L-884, Power and Control Unit for Land and Hold Short Lighting Systems
150/5345-55A	Specification for L-893, Lighted Visual Aid to Indicate Temporary Runway Closure
150/5345-56B	Specification for L-890 Airport Lighting Control and Monitoring System (ALCMS)
150/5360-12F	Airport Signing and Graphics
150/5360-13 Change 1	Planning and Design Guidelines for Airport Terminal Facilities
150/5360-14	Access to Airports By Individuals With Disabilities
150/5370-2F	Operational Safety on Airports During Construction
150/5370-10G	Standards for Specifying Construction of Airports
150/5370-11B	Use of Nondestructive Testing in the Evaluation of Airport Pavements

150/5370-13A	Off-Peak Construction of Airport Pavements Using Hot-Mix Asphalt
150/5370-15B	Airside Applications for Artificial Turf
150/5370-16	Rapid Construction of Rigid (Portland Cement Concrete) Airfield Pavements
150/5370-17	Airside Use of Heated Pavement Systems
150/5390-2C	Heliport Design
150/5395-1A	Seaplane Bases

FAA Advisory Circulars Required for Use in AIP Funded and PFC Approved Projects
Updated 1/24/2017 ARP

THE FOLLOWING ADDITIONAL APPLY TO AIP PROJECTS ONLY

Updated: 1/24/2017

NUMBER	TITLE
150/5100-14E, Change 1	Architectural, Engineering, and Planning Consultant Services for Airport Grant Projects
150/5100-17, Changes 1 - 6	Land Acquisition and Relocation Assistance for Airport Improvement Program Assisted Projects
150/5300-15A	Use of Value Engineering for Engineering and Design of Airport Grant Projects
150/5320-17A	Airfield Pavement Surface Evaluation and Rating Manuals
150/5370-12B	Quality Management for Federally Funded Airport Construction Projects
150/5380-6C	Guidelines and Procedures for Maintenance of Airport Pavements
150/5380-7B	Airport Pavement Management Program
150/5380-9	Guidelines and Procedures for Measuring Airfield Pavement Roughness

FAA Advisory Circulars Required for Use in AIP Funded and PFC Approved Projects
Updated 1/24/2017 ARP

U.S. Department of Transportation
Federal Aviation Administration

Chicago Airports District Office 2300 E. Devon Avenue Des Plaines, Illinois 60018

March 22, 2018 Ms. Ginger

Evans
Commissioner, Department of Aviation City of Chicago,
Midway International Airport P.O. Box 66142 Chicago,
Illinois 60666

Attn: Ms. Reshma Soni

Midway International Airport Chicago,
Illinois

PFC Amendment No. 07-12-C-02-MDW Dear Ms.

Evans:

In accordance with Section 158.33(c) of the Federal Aviation Regulation (14 CFR Part 158), the impose authority for a project automatically expires if the public agency does not submit a use application for the project within the required 3 year time frame. Per paragraphs 8-6b and 12-23 of Federal Aviation Administration (FAA) Order 5500-1, , Passenger Facility Charge (PFC), we are issuing this administrative amendment to delete the following project. For future reference, this amendment is 07-12-C-02-MDW This amendment represents the following revision:

Previously Approved

#6. Land Acquisition - runway protection

zone.	Impose Only	portion.	Pay-As-You-Go	PFC Bond	Capital	PFC Bond	Finance	Total
	Project	Amount						

\$0

\$15,840,946 \$15.840.946 \$31,681,892

\$0 \$0 \$0 £0

Per paragraph 8-9 of FAA Order 5500-1, Passenger Facility Charge (PFC), projects whose authority to impose a PFC has expired will not be granted new approval to impose a PFC in advance of implementation of those projects.

New Expiration Date: February 1, 2053. The total net effect of this amendment is a decrease in the PFC impose authority of \$31,681,892. Based on the information provided by the City of Chicago, the collection period will decrease by nine (9) months.

Any new charge will be effective on the first day of a month that is at least 30 days from the time you notify the carriers serving Midway International Airport of this decision. If you have any questions or need any assistance, please call Michael Brown at 847-294-7195, or email at mike.j.brown@faa.gov <<mailto:mike.j.brown@faa.gov>>.

Sincerely,

Debra L. Bartell
Manager, Chicago Airports District Office