

★ Roll Call Number

15-0936

Agenda Item Number

44

Date June 8, 2015

Communication from the Des Moines International Airport (Airport) requesting support from the City of Des Moines for the pending modernization of the Federal Aviation Administration (FAA) Reauthorization bill. Discussion on this bill includes a \$4.00 increase in the cap imposed on the Passenger Facility Charge (PFC) user fee to a total of \$8.50 per enplaned passenger. To the Airport, this is vitally important to help fund its proposed \$400 million terminal project. It equates to \$4.8 million per year in funding that will help fund a large portion of the necessary bonds for the proposed terminal.

America's airports are a fundamental component of our nation's transportation infrastructure, annually welcoming more than 700 million passengers and processing roughly 27 million metric tons of cargo. Collectively, airports make a tremendous contribution to U.S. GDP – more than \$1.1 trillion – and employ more than 1.1 million people. To meet the capacity demands of the future with safe, efficient, and modern facilities that passengers and cargo shippers expect, we need to make the investments to maintain and modernize our nation's infrastructure.

Congressional reauthorization of the FAA in 2015 provides us the opportunity to do just that by modernizing the locally-set but federally-capped PFC user fee paid by passengers who use the airport. The PFC user fee has not been adjusted since the year 2000. As a result of significant construction cost inflation over the past decade and a half, the current \$4.50 PFC user fee has lost approximately half of its purchasing power.

Modernizing the PFC by adjusting it to \$8.50 and indexing it to keep up with inflation will provide airports the self-help they need to make critical infrastructure and safety improvements within their terminal buildings and on their runways. Such is the case with the Des Moines International Airport. The proposed new terminal replaces the Airport's 1948 terminal and provides for future growth that their current terminal cannot handle.

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to receive, file, and authorize the Mayor to send the attached letter of support for and on behalf of the City Council.

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GATTO	✓			
GRAY	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MOORE	✓			
TOTAL	7			

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

T. M. Franklin Mayor

Diane Rauh City Clerk