

RESOLUTION NO. 74557

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE CITY MANAGER TO SUBMIT APPLICATIONS TO THE FEDERAL AVIATION ADMINISTRATION TO IMPOSE AND USE PASSENGER FACILITY CHARGES FOR THE TERMINAL B, PHASE 1 AND ROADWAY IMPROVEMENTS – GRADE SEPARATIONS PROJECTS IN THE AMOUNT OF \$120,933,000, TO AMEND THE APPROVED PFC NOISE ATTENUATION PROJECT AND TO AMEND VARIOUS COMPLETED PFC PROJECTS

WHEREAS, the Aviation Safety and Capacity Expansion Act of 1990 authorizes the Federal Aviation Administration (FAA) to grant airport operators the authority to fund eligible airport capital projects with Passenger Facility Charges (PFC's); and

WHEREAS, airports must apply to the FAA for approval before imposing or using PFC's and meet all requirements included in the PFC legislation and regulations; and

WHEREAS, PFC revenues are collected by the airlines and remitted to the airport imposing the charge; and

WHEREAS, on April 5, 2000, the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century was signed into law, enabling public agencies to increase the PFC charge level from \$3.00 to \$4.00 or \$4.50 per enplaned passenger; and

WHEREAS, to date, the Airport has approval to impose and use a total of \$972,237,391 in PFC revenue and all outstanding PFC authorizations have been approved by the FAA at the \$4.50 PFC collection level

WHEREAS, a new PFC application is being proposed to partially fund the construction of the Terminal B, Phase 1 and the Roadway Improvements – Grade Separations projects; and

WHEREAS, on March 23, 2005, a number of changes to the PFC regulations were enacted, one of which is the new requirement to amend an approved PFC application if the total cost of any of the projects is in excess of 25% of the approved amount for that individual project; and

WHEREAS, there are eight (8) PFC approved projects that have been completed and with a total actual costs higher than the approved PFC amounts; and

WHEREAS, these applications and amendments would increase the Airport's total approved collection authority to \$1,093,791,512 through an estimated charge expiration date of September 1, 2030;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT the City Manager is hereby authorized to submit applications to the Federal Aviation Administration to:

1. Impose and use Passenger Facility Charges (PFC's) for the Terminal B, Phase 1 and Roadway Improvements – Grade Separations Projects in the amount of \$120,933,000.
2. Amend the approved PFC Noise Attenuation project by more than 25% of the original approved amount with an increase in the total cost of \$621,121.
3. Amend seven completed PFC projects by less than 25% of the original approved amounts with an increase in the total cost of \$525,609, for a net increase in the total PFC authority in the amount of \$122,079,730, and with a total approved PFC collection authority in the amount of \$1,094,317,121, through an estimated charge expiration date of September 1, 2030.

ADOPTED this 19th day of August, 2008, by the following vote:

AYES: CHIRCO, CHU, CONSTANT, CORTESE, LICCARDO,
NGUYEN, OLIVERIO, PYLE, WILLIAMS, REED.

NOES: NONE.

ABSENT: CAMPOS.

DISQUALIFIED: NONE.

CHUCK REED
Mayor

ATTEST:

LEE PRICE, MMC
City Clerk