

VIA U.S. MAIL

Mr. Scott Seritt, Manager
Atlanta Airports District Office
Federal Aviation Administration
1701 Columbia Avenue, Suite 2-260
College Park, GA, 30337-2747

Re: NOTICE OF INTENT TO AMEND
PFC APPLICATION NO. 12-04-C-00-HXD
HILTON HEAD ISLAND AIRPORT
HILTON HEAD, SOUTH CAROLINA

Dear Mr. Seritt:

Pursuant to 14 CFR Part 158, Beaufort County (“County”), owner and operator of the Hilton Head Island Airport (“Airport”), is pleased to submit herewith, the County’s first amendment to Passenger Facility Charge (“PFC”) Application Number 12-04-C-00-HXD (“PFC Application No. 4”) which was approved by the Federal Aviation Administration (“FAA”) to fund, in part, certain eligible improvements at the Airport.

Background and Purpose:

On February 27, 2012, the County submitted PFC Application No. 4 to the FAA. The application requested: (1) Impose and Use approval for 12 Project Work Elements (“PWEs”); and (2) Impose Only authority for 10 PWEs. PFC Application No. 4 requested a total of \$836,540 in Impose Authority and \$1,874,782 in Use Authority, for a total PFC Authority of \$2,711,322. In its Final Agency Decision (“FAD”) dated March 7, 2012, the FAA acknowledged the County’s intent to impose and use PFC Application No. 4 at the Airport which authorized the County to collect a total of \$2,619,447 in PFC revenue on 19 different projects.

The County submitted PFC Application No. 4 estimating 95 percent FAA Airport Improvement Funding (“AIP”) funding for certain future projects at the Airport; however, the FAA Modernization and Reform Act of 2012, which was signed into law subsequent to the submission of PFC Application No. 4, reduced FAA participation from 95 percent to 90 percent of eligible projects, among other regulatory changes. In addition to the change in FAA funding, other projects in PFC Application No. 4 have revised construction cost estimates which change the amount of PFC’s originally requested by the County.

The County would like to amend the following projects within PFC Application No. 4 to reflect the information below:

Project Work Element Description	Authorization Request Type	AMENDED TOTAL PFC REQUEST			FAA APPROVED TOTAL PFC REQUEST		
		Impose and Use	Impose Only	Total PFC Request	Impose and Use	Impose Only	Total PFC Request
NEW PROJECTS							
4.9 Runway 03 Obstruction Removal - Trees (34:1)	Impose & Use	\$75,000	\$0	\$75,000	\$37,500	\$0	\$37,500
4.10 Commercial Service Terminal Expansion	Impose & Use	333,750	0	333,750	170,000	0	170,000
4.11 Runway Extension BCA/Environmental	Impose & Use	38,027	0	38,027	14,552	0	14,552
4.12 Land Acquisition for Airfield Deficiency Correction	Impose Only	0	360,000	360,000	0	180,000	180,000
4.13 Land Acquisition for Runway Extension and Road Relocation	Impose Only	0	550,000	550,000	0	275,000	275,000
4.14 Airfield Deficiency Correction	Impose Only	0	170,988	170,988	0	51,035	51,035
4.15 Runway Extension Design and Construction (700 feet)	Impose Only	0	244,584	244,584	0	56,130	56,130
4.16 Runway 03 EMAS	Impose Only	0	100,000	100,000	0	50,000	50,000
4.17 Runway Safety Area (East-West) Drainage	Impose Only	0	71,189	71,189	0	82,500	82,500
4.18 Transitional Surface Obstruction Removal (trees)	Impose Only	0	76,250	76,250	0	50,000	50,000
NEW PROJECTS		\$446,777	\$1,573,011	\$2,019,788	\$222,052	\$744,665	\$966,717

Regulatory Procedure

Pursuant to 14 CFR Part 158.37(b)(1)(ii) no further consultation with air carriers and foreign air carriers or public comment is required by a public agency in accordance with 14 CFR Part 158.23 and Part 158.24 when applying for an amendment to:

- A. Institute a decrease in the level of PFC to be collected from each passenger; or
- B. To institute a decrease in the total PFC revenue; or
- C. To institute an increase of 25 percent or less of the original approved amount if the amount was more than \$1 million; or
- D. ***To institute an increase of any amount if the original approved amount of the project was less than \$1 million; or***
- E. To establish a new class of carriers under Part 158.11 or amend any such class previously approved; or
- F. To delete an approved project.

The County is requesting to institute an increase over the prior original approved PFC amount which will not exceed \$1 million for any project; therefore consultation with air carriers and public comment is not required.

The County requests a total of \$3,672,518 in PFC revenue which is an increase of \$1,053,071 in PFC revenue previously approved by the FAA (\$2,619,447) in its FAD dated March 7, 2012. The estimated charge expiration date will be extended from July 1, 2022 to August 1, 2026 to collect the additional PFC revenues in the approved amendment. The County will send notification letters to all air carriers with a significant business interest at the Airport informing them of the new charge expiration date upon final FAA approval of the amendment to PFC Application No. 4.

If you have any questions regarding this notice, please do not hesitate to contact us.

Mr. Scott Seritt
June 27, 2012
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Sincerely,

Paul Andres
Airport Director

cc: Ms. Anna Lynch, FAA Atlanta ADO
Ms. Judy Elder, TBI
Mr. Chris Garnett, Newton & Associates, Inc.

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