



PFC Application #10

MISSOULA COUNTY AIRPORT AUTHORITY
(MISSOULA MONTANA AIRPORT)

PUBLIC NOTICE OF INTENT TO IMPOSE AND USE A PASSENGER FACILITY CHARGE

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June 30, 2025

Notice of Intent to Impose and Use a Passenger Facility Charge (PFC):

RE: Proposed PFC "Impose and Use" Application #10 for MSO

Pursuant to Federal Aviation Regulations (FAR) 49 CFR 158.24, the Missoula County Airport Authority (MCAA), owner and operator of the Missoula Montana Airport (MSO), hereby provides public notice of the Authority's intention to file an application to impose and use Passenger Facility Charges (PFCs) at the Airport (PFC Application #10) to fund certain PFC eligible airport improvements.

PFC revenues are collected on ticket sales by air carriers in the amount of \$4.50 per enplaned passenger. The collections are held in trust and submitted to the airport monthly to fund projects deemed as eligible through an application process established by Part 158 of FAR 49. The proposed PFC charge effective date for this application is April 01, 2039. The total amount to be collected under this new application is \$27,071,009. The estimated PFC expiration date for this application is April 01, 2052.

There is one "Impose and Use" project in PFC application #10 which is described on page #2.

Air carriers excluded from PFC collections

The Missoula County Airport Authority is requesting that Nonscheduled/On-Demand Air Carriers filing FAA form 1800-31 (AirTaxi's) continue to be excluded from the requirement to collect PFCs under this application. The air carriers known in this class are as follows:

Cobalt Air LLC	Tailwind Air, LLC
Maine Instrument Flight	Caribbean Sun Airlines, INC. D/B/A World Atlantic Airlines
Steelman Aviation Inc	Mesa Airlines, Inc.
Talon Air LLC	Scott Aviation, LLC D/B/A Silver Air
CFM INC D/B/A Contour Airlines	Sierra Pacific Airlines, Inc
Kenmore Air Harbor, Inc.	Western Air Charter, Inc. D/B/A Jet Edge

The number of passengers enplaned in 2023 by the above air carriers totaled 431, which represents less than 1% of the total enplanements at MSO for 2023. The Missoula County Airport Authority's reason for requesting that these carriers be exempt from collecting the PFCs is due to the burden it would put on the small carriers that enplane so few passengers at MSO both in terms of the cost and complexity of the required recordkeeping.

The Airport notes that as of the issuance of this notice, preliminary enplanements by air carrier for calendar year 2024 are available. The Airport has reviewed the results and requests, per the same basis and for reasons noted above, and in addition to the 2023 excluded list of carriers, the following carriers be excluded from collecting and submitting PFCs: Advanced Air, LLC, Chartright Air Inc, Global Crossing Airlines, Inc, Northeastern Aviation Corp.



Project Description, Objective and Justification:

Background:

The previous terminal at MSO was insufficient to handle the current volume of air service or passenger traffic, as well as accommodation of any future capacity increases. Most airlines serving MSO have transitioned from 50 seat Regional Jets to larger capacity mainline aircraft that provide more than 130 seats. The resulting increases in seat capacity, coupled with increased flight frequencies, emphasized the inadequacy of passenger areas including ticketing, holdrooms and baggage claim. The boarding gate areas were overcrowded, ticket counters at maximum capacity and infrastructure were overall insufficient to accommodate current needs. Terminal inadequacies prevent the air carriers serving MSO from optimizing scheduling or the use of their fleet of aircraft. Lastly, deficient terminal spaces impair and limit competition between existing carriers or from new carriers who would like to add service to the Missoula market.

As a result of the insufficiencies noted above, MSO commenced work on a new terminal project (Phase 1) which was recently opened in June of 2022. The first phase of the new Missoula Montana Airport was a critical step in a multiphase project to expand and modernize the previously inadequate facility. Phase 1 of the new terminal includes 153,000 square feet over 4 levels (basement – 3). Current passenger boarding gates include 4 jet bridge gates and 3 ground boarding gates.

Project description, objective and justification related to this application:

Subsequent phases (Phase 2 and Phase 3, collectively known as the “East Concourse”) of the terminal project would add an additional 86,064 square feet of space across multiple levels. The design includes 3 additional jet bridge gates and one ground boarding position. This future expansion will also introduce a vastly expanded baggage claim area with two baggage carousels (there is currently one baggage carousel) and ample waiting space for arriving passengers. Rental cars will be relocated from a temporary remote facility back into the main passenger terminal, adjacent to baggage claim. In addition, this expansion will feature expanded concession areas, restrooms, and airline office spaces to meet current and future passenger growth. All facilities will be built to accommodate future expansion as aircraft and passenger traffic continue to grow.

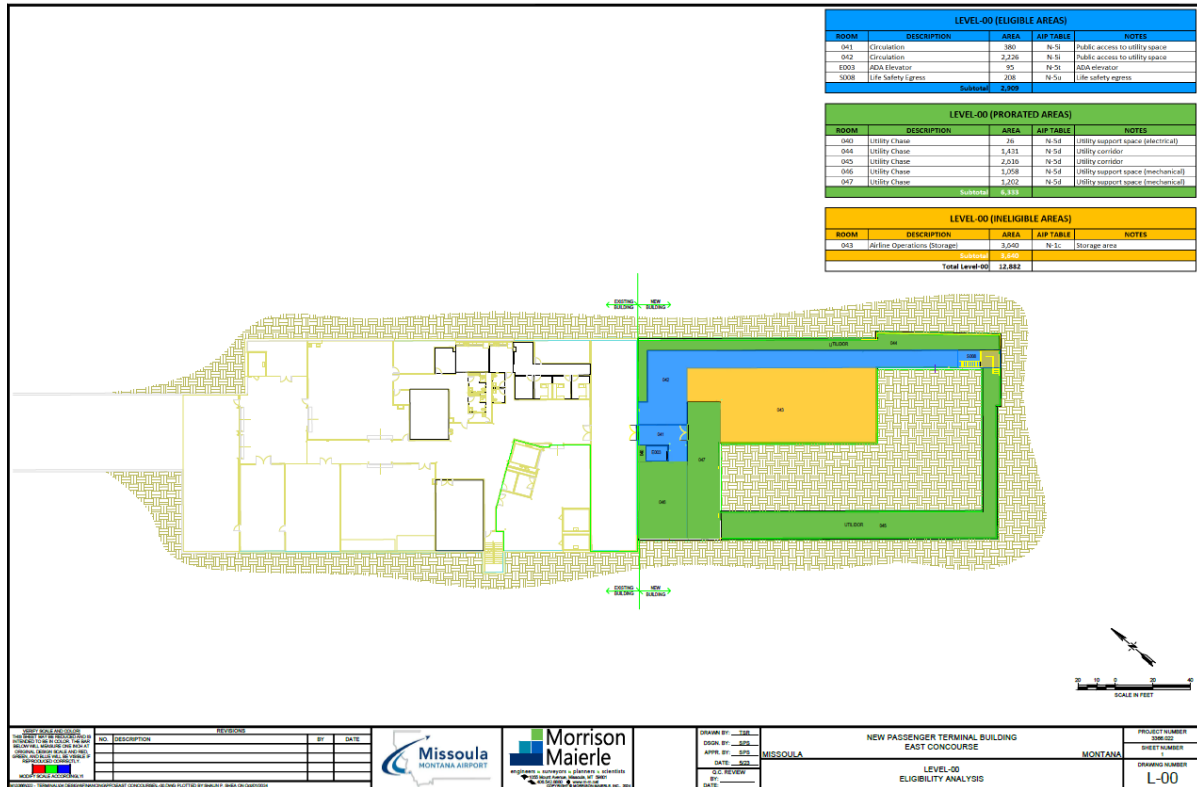
In 2025 MSO will be served by Alaska, Allegiant, American, Delta, Frontier, Sun Country, and United who provide direct service to 13 destinations (5 seasonally). During the past 20 years the passenger enplanements at MSO have grown by 100%. The growth in passenger traffic has accelerated with increased leisure travel and interest in Montana as a tourist destination. Increases in frequency of service, aircraft seat capacity and passenger enplanements are good things for the Missoula community, but they create a need for growth in passenger terminal spaces.

PFC application #10 would allow collections to fund the repayment of the borrowed principal and the related financing.

Project Description, Objective and Justification (continued):

Schematic design floor plans for East Concourse Project:

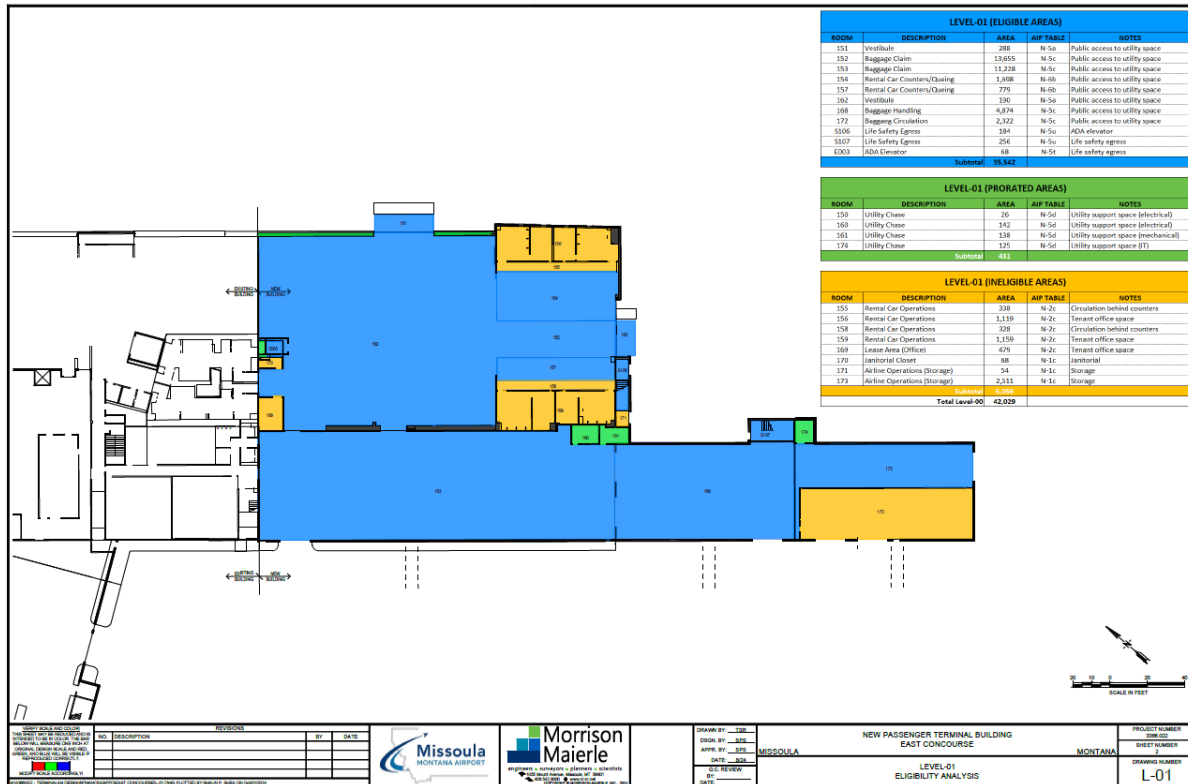
East Concourse – Level 0



Project Description, Objective and Justification (continued):

Schematic design floor plans for East Concourse Project:

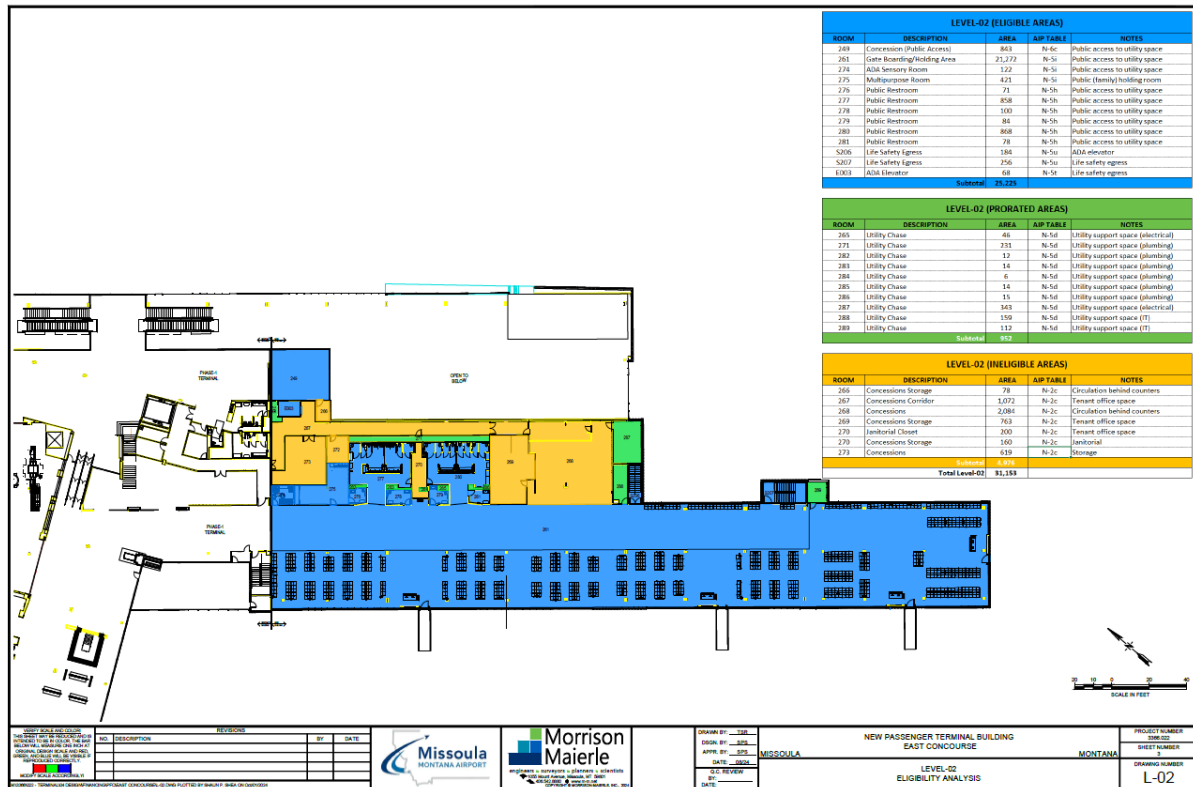
East Concourse – Level 1



Project Description, Objective and Justification (continued):

Schematic design floor plans for East Concourse Project:

East Concourse – Level 2



Estimated Project Schedule for the East Concourse:

Phase 2

- Design: July 2020
- Construction: May 2022
- End Construction: TBD (fall 2025)

Phase 3

- Design: January 2022
- Construction: May, 2024
- End Construction: TBD (summer 2025)



Financing Plan:

Total funding sources for probable project costs associated with the East Concourse project are as follows:

FUNDING:	AMOUNT
AIP entitlement	\$ 5,138,756
AIP BIL (AIG)	14,097,857
AIP BIL (ATP)	17,000,000
Debt principal	27,962,281
<i>Subtotal of project cost</i>	<u>64,198,894</u>
Plus: interest:	
Eligible debt finance charge	10,058,248
Local (MSO) debt finance charge	7,862,878
<i>Total</i>	<u>\$ 82,120,020</u>

Summary of the required PFC funding for the East Concourse project is as follows:

REQUIRED PFC FUNDING	AMOUNT
Principal	\$ 17,012,761
Interest	10,058,248
	<u>\$ 27,071,009</u>

**Contact Information for Comments:**

This official notice outlines the proposed PFC Application #10 for MSO as specified in the PFC regulation. The legislation requires public notification of potential PFC funded projects, with public comment accepted for 30 days after the date of posting or publication.

Please submit any questions or comments related to this notice by July 31, 2025, to:

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