



September 22, 2026

**Public Notice
Proposed PFC Application No. 12**

The City of McAllen ("City") has determined the need to submit an application to the Federal Aviation Administration ("FAA") to impose and use a passenger facility charge ("PFC") at McAllen International Airport ("MFE") to increase the total approved PFC revenue. PFC proceeds will be used to fund eligible project costs for certain projects at the Airport.

The City is posting this public notice as part of the PFC Application process under 14 CFR §158.24. As part of this process, the City is providing the public with the following information regarding proposed PFC Application No. 12.

Section 158.24(b)(i-ii) – Description of projects & brief description – Application 12

1. Terminal Improvements - Apron Construction

Suggested PFC Level:		\$4.50
Estimated Project Cost:	AIG Grant	\$11,000,000
	PFC Funding	
	Pay-As-You-Go	\$ --
	Bond Capital	8,000,000
	Financing	5,031,394
		<u>\$13,031,394</u>
	Total	\$24,031,394

The existing apron's 6 aircraft gates are currently at maximum capacity. All gates have aircraft parked at them overnight and often remote parking is required. The 2025 Airport Terminal Planning Study determined the need and provided justification for the Terminal Apron Expansion. According to the aircraft traffic forecasts, the concourse expansion should accommodate an ultimate capacity of 10 gates with the near-term accommodation of remotely parked aircraft and ground boarding opportunities. The proposed apron expansion at its completion will accommodate remotely parked aircraft and ground boarding and the associated proposed Terminal Expansion project will install four new gates utilizing the proposed apron expansion completed under this project. The estimated cost of this project is \$24,031,394, including \$11,000,000 to be funded by pending AIG funds. PFC Revenues are anticipated to provide reimbursement for Bond Capital of \$8,000,000 (the City's local share) and \$5,031,394 in debt financing costs. This project is expected to start in January 2027 and is estimated to be completed in July 2027.

PFC Objective: Enhance Capacity

2. Terminal Improvements - Jet Bridges (4)

Suggested PFC Level: \$4.50

Estimated Project Cost:	AIG Grant	\$	--
	PFC Funding		
	Pay-As-You-Go	\$	--
	Bond Capital		6,000,000
	Financing		<u>3,773,582</u>
			<u>\$ 9,773,552</u>
	Total		\$ 9,773,552

The proposed apron expansion at its completion will accommodate remotely parked aircraft and ground boarding and the associated proposed Terminal Expansion project will install four new gates utilizing the proposed apron expansion completed under this project. The estimated cost of this project is \$9,773,552. PFC Revenues are anticipated to provide reimbursement for Bond Capital of \$6,000,000 (the City's local share) and \$3,773,552 in debt financing costs. This project is expected to start in January 2027 and is estimated to be completed in January 2028.

PFC Objective: Enhance Capacity

3. Airport Fire Station Building - Construction

Suggested PFC Level: \$4.50

Estimated Project Cost:	AIG Grant	\$	--
	PFC Funding		
	Pay-As-You-Go	\$	--
	Bond Capital		6,400,000
	Financing		<u>4,031,534</u>
			<u>\$10,431,534</u>
	Total		\$10,431,534

This project is for the construction of the replacement of the existing Airport Rescue & Fire Fighting station that has been a dual City/Airport station and has exceeded its useful life. The project will make this a dedicated station. The estimated cost of this project is \$10,431,534. PFC Revenues are anticipated to provide reimbursement for Bond Capital of \$6,400,000 (the City's local share) and \$10,431,534 in debt financing costs. This project is expected to start in October 2027 and is estimated to be completed in September 2028.

PFC Objective: Preserve Safety

4. PFC Administrative Costs

Suggested PFC Level: \$4.50

Estimated Project Cost: Pay-As-You-Go \$40,000

PFC-eligible general formation costs included in this PFC project include all and any preparation costs not previously incurred or reimbursed with PFC Revenues. The total estimated cost of this project is \$40,000. PFC Revenues are anticipated to provide PayGo reimbursement of City costs. This project commenced in September 2026 and is expected to be completed by July 2027.

PFC Objective: Preserve Safety

Section 158.24(B)(iii-viii) – The PFC Level, charge effective date, charge expiration date, and total PFC revenue:

PFC Level: \$4.50

Proposed Charge Effective Date: November 1, 2034

Estimated Charge Expiration Date: January 1, 2049

Estimated Total PFC Revenue: \$33,276,480

This application will increase the Airport's impose and use authority by \$33,276,480. As a result, this application will increase the Airport's total collection and use authority from \$52,824,975 to \$86,101,455.

Section 158.24(b)(viii) – City Point of Contact

Any comments must be sent to Jeremy Santoscoy, P.E., Director of Aviation, McAllen International Airport, 2500 S. Bicentennial Blvd., Suite 100, McAllen, TX 78503. If there are any questions regarding this proposed PFC application, Mr. Santoscoy can also be reached at (956) 681-1521 or at jsantoscoy@mcallen.net.