November 4, 2026

Louisville Regional Airport Authority's notice for public comment prior to submitting PFC application no. 27-19-C-00-SDF at the Louisville Muhammad Ali International Airport to the Federal Aviation Administration.

The Louisville Regional Airport Authority (Authority) is posting this public notice as part of the passenger facility charge (PFC) application process under 14 CFR § 158.24 for the Louisville Muhammad Ali International Airport (Airport). As part of this procedure, the Authority is providing the following information:

PFC LEVEL, ESTIMATED TOTAL PFC REVENUE, PROPOSED CHARGE EFFECTIVE DATE, AND ESTIMATED CHARGE EXPIRATION DATE

The Authority will seek a PFC with the following characteristics:

- PFC level: The Authority will be submitting an application to impose and use a PFC of $4.50 at the Airport to fund the projects described below at the Airport.
- Estimated Total PFC Revenue (Impose and Use) under this application, comprised of multiple projects: $56,189,000.
- Proposed charge effective date: November 1, 2027, (the estimated authorized charge expiration date for approved PFC applications, as amended) or upon expiration of collection of PFCs for currently approved applications, whichever comes first.
- Estimated charge expiration date: June 1, 2033, (or until collected revenues plus interest thereon equal the allowable costs of the approved projects, as permitted by regulation).

These dates are estimated based on PFC collections and expenditures as of June 30, 2026; estimated enplanements for Fiscal Year (FY) 2026 at the Airport; projections of future enplanements assuming two percent annual enplaned passenger growth and 90 percent collectability on enplaned passengers.

AUTHORITY POINT OF CONTACT

As required under 14 CFR § 158.24, the Authority will be accepting public comments on the proposed PFC Application for thirty days after the November 4, 2026, date of posting this public notice on our Internet Web site. Any comments should be sent to Mr. Dan Mann, Executive Director, Louisville Regional Airport Authority, 700 Administration Drive, Louisville, KY 40209-0129. If there are any questions regarding this proposed PFC application, Mr. Mann can also be reached at (502) 368-6524.

DESCRIPTION OF PROJECTS

Checkpoint Expansion

Project Description

The Checkpoint Expansion project increases capacity and security through additional space and the capacity to add four (4) additional TSA Security Screening lanes. The current TSA Security Screening footprint was designed to handle passenger capacity much lower than the airport is currently experiencing, especially at peak departure times. This area of the terminal was placed into service in the mid-1980s, and the current Security Screening Checkpoint has been in service since the creation of the TSA in 2001. This renovation will update the existing infrastructure to modern standards while improving efficiency and sustainability. When completed, this project is expected to increase screening capacity by 40%, significantly decreasing wait times and alleviating congestion.

Total Project Costs	**$50,854,084**
Funding Sources	
FAA Grants	$31,142,084
State Grant	$ 5,000,000
LRAA Funding	$8,402,000
PFC Application #19 Request	$6,310,000

Project Justification

This project will enhance capacity and security by alleviating the bottleneck in the passenger boarding process, expanding the Security Screening Checkpoint space to allow for greater passenger processing. The AIP eligibility of this project is governed by 49 USC § 47102 (3)(N) Airport Development and Terminal Development as defined in paragraph (28), and 49 USC § 47119 Terminal Development Costs, and as outlined in the AIP handbook, Appendix N Terminal Building Projects. During the application process for the grants funding the project, the Authority worked with the ADO to establish a proration ratio for eligible costs of 72.67% following the procedure outline in the AIP handbook, Table N-4. PFC funds will be used to pay for a pro-rated portion of engineering fees and construction management up the eligible costs not funded by FAA grants. All financing costs are associated with PFC funded costs and are fully eligible.

Backup Generator and Microgrid

Project Description

The Central Generator Plant & Microgrid project will drastically improve sustainability and resiliency with a microgrid system incorporating multiple utility sources; diesel generators, photovoltaic generation, and battery-based energy storage, housed in a centralized backup generator plant facility. Preservation of safety and security are the principal outcomes of the project. In the case of a full power outage in the terminal, critical infrastructure such as lights, HVAC, access control to secured areas, and public information displays and announcements will remain powered. The centralized microgrid controller system allows for real time energy demand management through automated systems that manage usage between metered and stored energy at peak times, promoting energy efficiency and reduction of

greenhouse gas emissions. The new generator plant has been designed with resiliency in mind, including resistance to severe storms common for the region, and sized to accommodate current and projected airport loads based on the current Airport Improvement Program and Airport Master Plan. Lastly, airport sustainability has also been considered, including photovoltaic (solar) generation, battery energy storage, and microgrid controls.

Total Project Costs	**$33,190,680**
Funding Sources	
FAA Grants	$18,549,781
LRAA Funding	$10,905,899
PFC Application #19 Request	$3,735,000

Project Justification

The eligibility of this project is governed by 49 USC § 47102(3)(P) an airport project to improve reliability and efficiency of the power supply of the airport or meet current and future electrical power demand and to prevent power disruptions to the airfield and passenger terminal, § 47102 (28) terminal development, and 49 USC § 47119 Terminal Development Costs as outlined in the AIP handbook, Appendix N Terminal Building Projects. During the application process for the grants funding the project, the Authority worked with the ADO to establish a proration ratio for eligible costs of 66.10% following the procedure outline in the AIP handbook, Table N-4. PFC funds will be used to pay for a pro-rated portion of engineering fees and construction management up the eligible costs not funded by FAA grants. All financing costs are associated with PFC funded costs and are fully eligible.

Concourse Improvements

Project Description

The objective of the Concourse Improvements project is to extend the useful life of the existing airside terminal, preserve the capacity of the terminal, and provide for additional safety and quality of services through upgraded mechanical and electrical systems, fire suppression systems, and updated restroom facilities. The existing mechanical, electrical and plumbing systems are being updated to fully utilize the geothermal energy system put in place several years prior. Updated information technology throughout both concourses allows for the interchangeable use of gates by the airlines, giving the opportunity for airlines to easily utilize additional unleased gates, or lessen the obstacles for new airlines to enter the market. The renovations will not only preserve capacity and enhance the passenger experience but also improve energy efficiency and allow for common-use of all gates.

Total Project Costs	**$53,125,764**
Funding Sources	
FAA Grants	$35,540,426
LRAA Funding	$7,662,338
PFC Application #19 Request	$12,923,000

Project Justification

The eligibility of this project is governed by 49 USC § 47102(28) Terminal Development, 49 USC § 47119 Terminal Development Costs, and 5100.38D Airport Improvement Program Handbook, Table N-5 Typical Eligible Areas/Equipment within a Terminal Building. The table identifies public use corridors to boarding areas (e), central waiting rooms (f), public restrooms (h), and gatehold areas including public use seating (i) as eligible for AIP funding, therefore eligible for PFC funding.

During the application process for the grants funding the project, the Authority worked with the ADO to establish separate proration ratios for this project for both PFC and federal funds. The PFC proration ratio was established to 85.33% while the federal fund proration rate was found to be 55.29%. The primary cause of the variance is gatehold areas that generate revenue from airline leases. This space is not prohibited from costs eligible for PFC funding. PFC funds will be used to pay for a pro-rated portion of engineering fees and construction management up the PFC eligible costs not funded by FAA grants. All financing costs are associated with PFC funded costs and are fully eligible.

Ticketing Level Improvements

Project Description

The Ticketing Level Improvements project is the rehabilitation of the ticketing lobby, baggage systems, and building and equipment infrastructure. The project will both preserve and enhance capacity through additional passenger circulation space, reliable baggage systems and upgraded technology. The ticketing lobby will have additional circulation space for passengers at the kiosks and in queuing, reducing congestion at peak times. Modernized baggage handling equipment will eliminate the frequent bag belt breakdowns that cause inefficiency for the airlines that have to work around the broken equipment and lessen the passenger inconvenience.

The project is creating the framework for the future deployment of common use technologies that will increase competition by reducing barriers and start-up costs for airlines not currently serving the airport. This will also allow existing carriers to use gate and ticket positions that in the past were not available due to proprietary technology that was not available to the airlines. At the completion of the project, all airlines will have adequate ticketing counters and equal availability for growth, passengers will have adequate queuing and kiosk space, and reliable baggage handling equipment will transport baggage through security to be delivered to aircraft.

Total Project Costs	**$30,731,000**
Funding Sources	
LRAA Funding	$2,636,000
PFC Application #19 Request	$28,095,000

Project Justification

The eligibility of this project is governed by 49 USC § 47102(28) Terminal Development, and 49 USC § 47119 (a)(1)(B) space related to the movement of passengers. 49 USC § 47119 (a)(2) addresses the allowability of costs of terminal development of revenue producing areas, such as ticket counters, in instances where

the airport does not have more than .05% of total passenger enplanements and sponsor certifies any needed project for safety, security or capacity is not deferred. The Authority meets these requirements.

5100.38D Airport Improvement Program Handbook, Table N-5 Typical Eligible Areas/Equipment within a Terminal Building identifies ticketing lobby from entrance to ticket counters as eligible for AIP funding, therefore eligible for PFC funding. The costs associated with building out temporary ticketing and baggage handling are also eligible based on guidance from 5100.38D, 3-94 Temporary Construction Costs, Table 3-28, item f. The Authority worked with the ADO to establish the eligible costs proration ratio at 87.11% for PFC funding following the AIP Handbook guidance. PFC Funds will be utilized for all eligible costs. All financing costs are associated with PFC funded costs and are fully eligible.

Outbound Baggage Makeup and Controls

Project Description

The baggage handling system (BHS), from intake through the makeup carousels, is outdated and comprised of obsolete components, causing reoccurring system outages and extended downtimes. The frequency of outages while waiting for skilled labor and parts causes inefficiencies for the airlines and problems getting baggage to the correct destination. It's not uncommon for either the east or west inline baggage system to be inoperable multiple times a month. Updating these key components is needed to preserve the baggage handling capacity required to accommodate continuing passenger growth, and to bring the BHS's processing, interfacing, and internet-connected software up to current security requirements.

Total Project Costs	**$3,808,000**
Funding Source	
PFC Application #19 Request	$3,808,000

Project Justification

The BHS equipment is over 15 years old, and much of it is original construction. Maintaining the current system is cost prohibitive, and replacement parts and skilled labor are limited. Full replacement of the BHS controls and hardware is more cost-effective than continuing to maintain the outdated system. This renovation will ensure that the BHS can meet current needs and continue to function at current and future capacity while providing a secure environment for processing baggage by rehabilitating this aging, inefficient infrastructure.

The eligibility of this project is governed by 49 USC § 47102(28) Terminal Development, and 49 USC § 47119 (a)(1)(B) space related to the movement of passengers and baggage through the terminal. The costs of the entire project are eligible for PFC funding because all the BHS is utilized for movement of baggage through the terminal. The project will be fully PFC funded. All financing costs are associated with PFC funded costs and are fully eligible.

West Vestibule

Project Description

The primary objective of this project is the replacement of the West Terminal Vestibule to increase capacity and allow for better passenger circulation between the Terminal and the Premier West Parking Lot. The original vestibule design was undersized, causing both sets of doors to open simultaneously, leaving an opening in the building envelope that created temperature control issues. Additionally, the door configuration did not allow more than a single file line of passengers to enter or exit at one time. The improved vestibule design will provide operational efficiency for climate control systems that ensure a safe environment for passengers. This Vestibule serves as the primary connector between the terminal and the Premier West Parking Lot which is the primary pickup location for ride-share programs like Uber and Lyft. An increased reliance on ride-share services coupled with increased passenger deplanements has resulted in congestion around the West Vestibule as passengers try to access the primary ingress and egress to the parking lot.

Total Project Costs	**$1,318,000**
Funding Source	
PFC Application #19 Request	$1,318,000

Project Justification

The eligibility of this project is governed by 49 USC § 47102(28) Terminal Development, and 49 USC § 47119 (a)(1)(B) space related to the movement of passengers and baggage through the terminal. The costs of the entire project are eligible for PFC funding because the main ingress and egress between the terminal and west parking lot is through the West Vestibule door. Its purpose is to efficiently flow passengers in and out of the terminal. The project will be fully PFC funded. All financing costs are associated with PFC funded costs and are fully eligible.