NOTICE OF OPPORTUNITY FOR PUBLIC COMMENT
RELATED TO
PASSENGER FACILITY CHARGE APPLICATION #6

The Metropolitan Washington Airports Authority (the Authority) is hereby providing an opportunity for the public to comment, until January 24, 2007 on the Authority’s application to impose a Passenger Facility Charge (PFC) for Ronald Reagan Washington National Airport (National) and use at Washington Dulles International Airport (Dulles). This notice is provided in accordance with Federal Aviation Administration (FAA) regulation 14 CFR 158.24.

The Authority will submit Application No. 6, to impose PFCs at National to fund a certain project at Dulles—the expansion of the International Arrivals Building (IAB) at $124,914,400. The total project cost is $204,914,400. The Authority proposes to continue to impose PFCs at $4.50 per enplanement. The proposed charge effective date for this application will be January 1, 2011, and the estimated expiration date for collection of PFCs at National is May 1, 2014.

The project cost of $204,914,400 includes $124,914,400 in PFCs, of which $24,914,400 is interest and $80,000,000 funded from bonds. The expansion project is anticipated to meet 2015 to 2018 demand initially, but will also allow for the configuration of the IAB for future westward expansion, to accommodate the peak international arriving passenger demand beyond 2025. This project will significantly enhance the ability to support future development at the airport, accommodate the growth in both domestic and international operations and passenger movements, increase capacity and reduce delays, as well as provide the necessary improvements to support and enhance a high level of service for the traveling public.

PROJECT DESCRIPTION – AMENDMENT TERMINAL A BUILDING REHABILITATION:

The Authority is proposing an amendment to decrease the PFC cost by $25 million to Application #98-04-C-02-DCA Terminal A Building Rehabilitation, by reducing the approved PFC cost to #98-04-C-02-DCA from $57,073,680 to $32,073,680. After the events of September 11, 2001, the Authority redirected many of its construction efforts away from rehabilitation to security enhancement requirements at the Terminal A Building. To date, PFCs have funded major rehabilitation to Terminal A including restoring the historic facade and security enhancements. The Authority plans to resubmit Terminal A Building Rehabilitation as a PFC project in the future after further consultation with the Airlines.

PROJECT DESCRIPTION – INTERNATIONAL ARRIVALS BUILDING:

The International Arrivals Building project allows for the design, construction, and expansion as approved on the Airport Layout Plan (ALP). This expansion will allow for the faster processing of incoming international passengers by providing additional INS inspection booths and baggage handling systems. This project will also fund for a baggage basement area and the rehabilitation and addition of restrooms and office spaces.

PROJECT JUSTIFICATION: As the number of international passengers increases so does the demand on the International Arrivals Building (IAB). The existing IAB, while designed to accommodate 2,000 peak hour international arriving passengers, is very constrained due to changes in Customs and Border Patrol
(CBP) passenger and baggage processing protocols. Peak hour passengers’ levels are currently at 1,560 passengers. Queue times for primary Inspection exceeds 20 minutes and total processing times exceed 45 minutes. Based on criteria set forth by the International Air Transport Association (IATA) 5 of 6 claim devices operate below industry standards. This project is anticipated to meet 2015 to 2018 demand initially but configures the IAB for future westward expansion to accommodate the peak international arriving passenger demand beyond 2025.

The IAB expansion project includes a westerly expansion of the passenger processing level as well as the baggage basement level. The passenger processing level portion will include: a new Mobile Lounge dock; a new passport control/immigration inspection hall with up to 50 INS booths; 4 new large baggage claim units (240 and 320 linear feet) with 2 re-configured units each 340 linear feet; required office and administration space to meet CBP requirements. The baggage basement level portion will include; additional inbound baggage loading belts to fee the new baggage claim units; additional space to serve international airline baggage operations.

**SIGNIFICANT CONTRIBUTION**: The IAB expansion project is anticipated to meet 2015 to 2018 demand initially but configures the IAB for future westward expansion to accommodate the peak international arriving passenger demand beyond 2025. This project will reduce congestion in the IAB. Although this facility was initially designed to accommodate 2,000 peak hour international arriving passengers, unfortunately this facility does not provide that level of service. Security regulations and changes in the CBP passenger and baggage processing protocols have drastically reduced its capacity.

This project will also promote competition with other east coast airports. Dulles is the second busiest trans-Atlantic gateway on the eastern seaboard. With trans-Atlantic passenger traffic forecasted to increase expansion of this facility is crucial. Three of Dulles’ international carriers Lufthansa, Virgin Atlantic, and Air France are scheduled to begin operation of the A-380 aircraft within the next 2 years. Fully loaded this aircraft will carry between 555 to 630 passengers depending on the air carriers’ configuration. The arrival of this aircraft will significantly impact the current operation of this facility by further increasing processing times and further overburdening an already inefficient baggage handling system.

**PROJECT OBJECTIVE**: The expansion of the International Arrivals Building (IAB) will significantly increase capacity and passenger flow in the IAB, which ultimately reduces congestion. Due to new Federal security regulations and Customs and Border Patrol (CBP) passenger and baggage processing protocols the operational design of this facility has been severely compromised. This expansion project is anticipated to meet 2015 to 2018 demand initially but configures the IAB for future westward expansion to accommodate the peak international arriving passenger demand beyond 2025. This project will also allow Dulles to remain competitive with the international market and enhance the level of service provided to international passengers.

**ESTIMATED PROJECT IMPLEMENTATION DATE**: September 2007
**ESTIMATED PROJECT COMPLETION DATE**: February 2011

Please direct all comments to 703-417-8700 (voicemail) or in writing to the Metropolitan Washington Airports Authority, Attention: MA-20-Public Notice, 1 Aviation Circle, Washington, DC 20001-6000.

Comments may also be emailed to bondholders.information@mwaa.com