

AIR SERVICE DEVELOPMENT AGREEMENT

April 1, 2017, through March 31, 2018

(with two optional 12-month extensions through March 31, 2020)

between

La Crosse Regional Airport (LSE)



and



February 2017

1. PARTIES / CONTACT INFORMATION / TERM / OVERVIEW

Client:

Clinton Torp
Airport Director
La Crosse Regional Airport
2850 Airport Road
La Crosse, WI 54601
TorpC@lseairport.com
www.lseairport.com
phone: 608.789.7464
fax: 608.789.7469

Consultant:

Mark Sixel
President
Sixel Consulting Group, Inc.
497 Oakway Road, Suite 220
Eugene, OR 97401
mark@sixelconsulting.com
www.sixelconsulting.com
phone: 541.341.1601
fax: 541.341.1603

Project Lead:

Martin Kammerman, Senior Director
Air Service Strategy and Development
martin@sixelconsulting.com
phone: 541.341.1601

This Agreement replaces any and all previous Air Service Development Agreements, whether written or verbal, between La Crosse Regional Airport (Airport) and Sixel Consulting Group, Inc. (Consultant). Airport and Consultant concur that this Agreement will cover Air Service Development Consulting from April 1, 2017, through March 31, 2018. Consultant offers Airport two (2) twelve- (12) month renewal options to be exercised at Airport's discretion. To extend any contracted period, Airport will notify Consultant in writing thirty (30) days prior to the end of the contracted period.

2. WORK TO BE PERFORMED / FEES (SEE EXHIBIT A FOR SCOPE OF WORK)

Consultant offers a monthly retainer with optional projects/services at standard rates.

Item:	Fee:⁽¹⁾
Monthly Retainer	\$2,750
Airline Headquarters Meetings (<i>1st meeting in contracted year</i>)	included
Industry Conference Meetings (<i>up to 8 meetings per contracted year</i>)	included
Data Subscription (<i>LSE and RST</i>) (<i>ATQ: 4Q16 – 3Q17</i>)	included
On Call ASD Consulting (<i>monthly calls with Consultant</i>) (<i>includes data on demand</i>)	included
Expenses ⁽²⁾	as incurred

Work not listed above will be negotiated on a project-by-project basis.

⁽¹⁾Fees: The fees itemized above are for the contracted period from April 1, 2017, through March 31, 2018. If Airport elects to execute one or both of the optional renewal periods, the above fees will increase by five percent (5%) per renewal period.

⁽²⁾Expenses:

Travel Related Expenses will be invoiced at cost plus a 10% administrative fee. Applicable expenses include airfare, charges for reasonable and necessary hotel, car rental, parking, gas, and meals. Mileage reimbursement will be calculated using the IRS allowable rate. In the case of air service development conferences, Airport will be responsible for a pro-rated share of expenses. Expenses will be shared by all clients represented by Consultant at each conference, based on the number of presentations each client requests, billed at cost plus 10% (see note below). All travel arrangements will be approved by Airport in advance.

Conference Allocated Expenses will not exceed one thousand dollars (\$1,000) per conference.

Color Printing is charged at \$1 per page.

NOTE: Above rates are valid for sixty (60) days from the date Airport receives this Agreement. If Agreement is not executed within sixty (60) days from receipt, above rates will no longer be valid and will be renegotiated.

3. SIGNATURES

Clinton Torp, Airport Director
La Crosse Regional Airport

Mark Sixel, President
Sixel Consulting Group, Inc.

Dated this ____ day of _____, 2017

Dated this ____ day of _____, 2017

EXHIBIT A

SCOPE OF WORK – Services / Projects / Deliverables

Airline Headquarters Meetings and Presentations:

Airline headquarters meetings may include elements of the following tasks, or others not listed, based on Consultant recommendations and specific airline requests. Consultant will:

- Determine and map the Airport's catchment area, providing specific demographics of the area including, but not limited to, population growth/decline, unemployment and economic background information.
- Analyze passenger traffic and revenue and average fare data to/from Airport over the prior ten-year period.
- Travel with Management to Airline headquarters to present findings.
- Provide follow-up information as desired by Airline that is requested as a direct result of discussions with Airline.
- Provide other pertinent information not specified above that Consultant deems necessary to complete this section of proposal.

Air Service Development Conference Meetings:

Air service development conference meetings may include elements of the following tasks, or others not listed, based on Consultant recommendations and specific airline requests:

- Assist in Requesting Meetings: Consultant can work with Airport to develop list and rank airline meetings requests and will, if directed by Airport, make the requests directly to conference organizer(s). Consultant will also contact directly any airlines for which meetings were requested by Airport, but not requested by airline to encourage airline to schedule meetings within conference meeting times or, at the request of Airport, work to set up a meeting outside regular conference meeting times.
- Market Study: Consultant can prepare a market overview for Airport, including airport catchment area (with affiliated demographic data), passenger traffic data (including passengers, revenue, fares, yields, carrier shares, segments and growth details), the competitive makeup (of airlines serving the Airport and regional airports with their levels of service) and market details (top employers, economic indicators and colleges).
- Analysis of Targeted Airline: Consultant will perform an analysis of existing Targeted Airline service at the Airport using existing DOT data and Sixel Consulting Group's estimates of revenue, load factors, fares, etc.
- Route Analysis: Consultant can identify all routes of interest including additional flights on existing routes, new flights to existing Targeted Airline focus cities, new flights to new focus cities and flights to existing Targeted Airline spokes.
- Representation: Consultant can prepare presentations and present with Airport at conferences such as JumpStart, Routes and Consultant's Sixel Airports Conferences.

Data Reports:

Sixel Consulting Group produces a suite of data products including the following in both print and digital formats:

- *Airport Traffic Quarterly Report (ATQ)* (4 issues per year) and *Airport Traffic Monthly Report (ATM)* (12 issues per year) (Domestic/International). Customized in-depth information at each market on a quarterly basis. Combines domestic and international data, and quarterly data with year ended data. The cover includes a "Ticker" feature, and several pages include movement indicators.
- *Airport Traffic Quarterly Report (ATQ)* provides details on revenue, fares and yields; passengers, seats, load factors, and more are provided via the *Airport Traffic Monthly Report (ATM)*
- National and regional data is also available on the Sixel Consulting Group website at sixelconsulting.com, updated each quarter after the DOT publishes its data.