

AVIATION BOARD BACKGROUND LETTER

Aviation Board Meeting Date: March 15, 2020

To: Chair Richmond and Aviation Board Members

Cc: Tim Kabat, Mayor

From: Ian Turner, Airport Director

Subject: 21-0322 – Resolution approving a contract with Informa Princeton, LLC, for air service evaluation services and increasing the 2021 Airport Operating Budget for said services

Summary:

The La Crosse Regional Airport engages the services of Informa Princeton, LLC, for air service development services on an annual basis. Periodically, passenger statistical research should be conducted to evaluate the catchment area and behavior of the local market. This is typically referred to as a leakage study. Given that the last study was completed for 2016 data and that the aviation industry has seen a significant impact to passenger demand throughout 2020, it is desired to update this information.

Previous Action:

The Aviation Board approved an Air Service Development Contract with Informa Princeton, LLC, in May of 2020 by item 20-0435.

Background:

Calendar year 2019 was an improved year for the La Crosse Regional Airport compared to most of the years since 2010. With the addition of service to Detroit, Michigan, and expanded service to Chicago, Illinois, the airport was poised for an exceptional 2020. January and February of 2020 showed what the year could have been if it were not for the COVID-19 pandemic. In an effort to position the airport for future growth, when the pandemic is past us, it is important to see what data can be evaluated and used to present to airlines for expanded service in the future.

At the request of the Airport Director, Informa Princeton, LLC, presented the attached proposal for services. While the base data is required to adequately evaluate the air passenger market, additional options were presented. It is proposed to add the calendar year 2020 data and evaluation as it will likely offer insight into the local market impacts from the pandemic.



Financial Implications:

Funding for these services were not budgeted for in the 2021 Airport Operating budget and an increase is required. The base services to evaluate calendar year 2019 passenger data costs \$12,800. The proposed option in the contract to evaluate calendar year 2020 data is an additional \$2,000. Total funding of \$14,800 is available in the Airport Operating Fund Balance, Fund 600, and the 2021 Airport Operating Budget would be increased by this total.

Stakeholder Process:

This agreement is presented to the Aviation Board. It will go before the Finance and Personnel Committee and the Common Council for final approval.

Alternatives:

- 1) This item could be denied in its entirety.
- 2) This item could be amended to exercise one or all of the additional options presented by Informa Princeton, LLC.
- 3) This item could be amended to remove the proposed optional work and only perform the base services.

Staff Recommendation:

It is recommended to approve this item as presented.

Attachments:

Contract for Air Service Evaluation Services

