

AVIATION BOARD BACKGROUND LETTER

Aviation Board Meeting Date: September 21st, 2020

To: Chair Richmond and Aviation Board Members

Cc: Tim Kabat, Mayor

From: Ian Turner, Airport Director

Subject: 20-1118 – 2021 Airline Schedule of Fees

Summary:

The 2021 Airline Schedule of Fees, as revised, approves the rates charged to the airlines for operating at the airport.

Previous Action:

This is an annual approval.

Background:

The 2021 Airline Schedule of Fees is set based on the airline leases and a rate setting methodology using the expenses associated with the cost centers of the airport. This is a fundamental portion of the budgetary process for the airport. The fees in this item are based on budgeted expenses reflecting personnel costs provided since the August 17th, 2020, Aviation Board Meeting.

Financial Implications:

The fees outlined in the Airline Schedule of Fees drive the signatory landing fee rate, terminal lease rate, airline exclusive use rate, and airline joint use rate. Indirectly, the Airline Schedule of Fees impacts the rates non-signatories pay for utilization of the airport. These items amount to \$680,077 of the 2021 Airport Operating Budget. These items amounted to \$779,595 in the 2020 Airport Operating Budget. The decrease amounts to 12.3%.

Stakeholder Process:

The Aviation Board is authorized to set this fee schedule on an annual basis.

Staff Recommendation:

This item is recommended to be approved.



Alternatives:

The 2021 Airline Schedule of Fees could be:

- 1) Adopted with amendments
- 2) Denied with direction for changes
- 3) Referred with request for more information

Attachments:

2021 Airline Schedule of Fees – Revised 09-14-2020

