

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: 20-1119 – 2021 Airport Schedule of Fees

Summary:

The 2021 Airport Schedule of Fees, as revised, approves the rates and fees charged to all users of airport facilities, services, and products available to tenants, passengers, and the public.

Previous Action:

This is an annual approval.

Background:

The 2021 Airport Schedule of Fees, as revised on September 14, 2020, is set based on many factors including the actual cost of services provided, cost recovery rates, fair market value, inflation factors, and appraisals, to name a few. These rates and fees drive the mid-term and long-term financial success of the airport by making incremental adjustments as necessary.

Financial Implications:

Changes to the Airport Schedule of Fees impacts revenue line items in the Airport Operating Budget. Additionally, maintaining a current rates and fees schedule allows the airport to remain financially self-sufficient in the long-term. The 2021 fee schedule represents a 2% decrease in landing fee rate, a 7.13% reduction in the terminal rental rates, and a slight increase of 1.0% to land and apron rental rates. The reason for these differences is the basis of the rate. Ground and Apron adjustments are based on the Consumer Price Index – All Urban Consumers from 2019 to 2020, while the other rates are based on the rate setting methodology included in the Airline Schedule of Fees.

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 a request for more information

Attachments:

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

