



**REPORT TO: SRAA**

**MEETING DATE: 07-16-2020**

<b>Agenda Item:</b>	SRAA-20-18
<b>Prior Council Action/Related Items: (Hyperlinks Or PDF)</b>	
<b>Background / Issue:</b>	<p>Annually, the Airport Authority approves Rates and Charges assessed by the airport. The period for those approved Rates and Charges is from July 1 until June 30 of the following year. Prior to the 2019-2020 Rates and Charges approval, the Authority evaluated these through a three-person sub-committee, ultimately making recommendations to the Authority for consideration. Last year, due to Authority composition change, convening a sub-committee would constitute quorum so the Authority tasked the airport director to study and make a recommendation.</p> <p>Historically, the airport’s rates and charges have been set using a comparative market study method, essentially utilizing a statewide survey of established rates and charges and keeping our rates and charges somewhere in-line with those averages. Traditionally, commercial airports base their rates and charges upon a cost of services.</p>
<b>Proposal/Solution:</b>	<p>Make the following adjustments to the Rate and Charges:</p> <ul style="list-style-type: none"> <li>- Remove the per square foot rate for Airside Commercial and Landside land rental and replace with Fair Market Value (FMV)</li> <li>- Add in stipulation of “based aircraft” for the \$50 per month tie down rate, otherwise all others charged \$10/night for SE or ME and \$25/night for Turbo/Jet.</li> <li>- Add-in the cost of key replacement to the “Lock Change” charge.</li> <li>- Increase “Level 3 Facility Fee” to \$2,000.00 to cover increased contract services for Security Screening and also add in other stipulations in accordance with our service contract concerning extra screeners, delays and cancellations.</li> </ul>

	In addition, the airport has identified a viable and affordable solution to complete a Rates and Charges study. These studies, once started, take approximately 6 months. Once funding can be identified, our intentions would be to have this study performed.
<b>Financial Impact/Funding Source(s):</b>	The above-mentioned adjustments to the rates and charges will help cover the cost of these services.
<b>Related Strategic Priority:</b>	Strategic Priority #1: Effective Services and Accountable Government
<b>Recommended Action/Motion:</b>	Airport staff recommends approval of the proposed 2020-2021 Rates and Charges.
<b>Prepared By:</b>	Paul Priegel, Airport Director
<b>Reviewed By:</b>	
<b>Submitted By:</b>	Paul Priegel, Airport Director
<b>Attachment(s):</b>	Rates and Charges Comparison Proposed 2020-2021 Rates and Charges