



Department Source: Economic Development

To: City Council

From: City Manager & Staff

Council Meeting Date: March 15, 2021

Re: Amending the FY2021 Annual Budget by transferring Transportation Sales Tax (TST) to the Airport's operating budget to develop a Comprehensive Strategic Business Plan

Executive Summary

Staff is requesting to transfer funds from TST to the Airport's operating budget in order to hire a consultant to develop a Comprehensive Strategic Business Plan to assist staff with negotiating rates and charges with current and potential tenants and airlines at the Columbia Regional Airport.

Discussion

The Airport's rates and charges were last updated in 2012, and in order to meet FAA requirements to be fair and reasonable to all tenants and users of the airport, staff is requesting to transfer \$100,000 to hire a consultant to develop a Comprehensive Strategic Business Plan for the Columbia Regional Airport to include the following:

- Review current agreements with various tenants. Analyze each provision and outline options that have been developed in other similar situations that offer more contemporary approaches and recommend new business terms where issues are not addressed.
- Develop strategies to increase non-airline revenue opportunities. Review the non-airline sources of revenue (parking, rental cars, etc.) and identify areas where existing contracts might generate additional net revenue and provide recommendations on future contracts where more revenue or more favorable terms could be achieved.
- Provide advice and support for airport development RFQs/RFPs including, but not limited to rental cars, parking lot management, and advertising.
- Provide assistance to the airport in the creation of a rate model and negotiation of a lease agreement with the commercial airlines, rental cars, FBO, and the farms.

Staff is currently reviewing all proposals received, and once a consultant has been chosen, staff will begin negotiating a fee with the consultant to develop a Comprehensive Strategic Business Plan for the Columbia Regional Airport.

Fiscal Impact

Short-Term Impact: Transferring \$100,000 from TST to Airport's operating budget.

Long-Term Impact: N/A



Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Secondary, Tertiary Impact: Tertiary

Comprehensive Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Secondary, Tertiary Impact: Tertiary

Legislative History

Date	Action
	None

Suggested Council Action

Amend the FY2021 Annual Budget by transferring Transportation Sales Tax (TST) to the Airport's operating budget to develop a Comprehensive Strategic Business Plan