



701 East Broadway, Columbia, Missouri 65201

## Council Memo

Department Source: City Manager

To: City Council

From: City Manager & Staff

Council Meeting Date: May 4, 2026

Re: Authorize an Air Service Agreement with Allegiant Air LLC., and Amend the FY2026 Annual Budget by Appropriating Funds related Air Service Guarantee Commitment.

Impacted Ward: Airport

### Executive Summary

Staff is requesting Council authorize the City Manager to execute an Air Services Agreement with Allegiant Air LLC to commence scheduled non-stop air service at Columbia Regional Airport (COU). The agreement will become effective on June 3, 2026, and the term will continue until June 1, 2028. In addition, staff is requesting to amend the FY2026 annual budget by appropriating \$82,000 related to the air service guarantee.

### Discussion

Allegiant Airlines will begin service at COU on June 3, 2026, operating an average of five weekly scheduled round-trip flights. Seasonal and annual destinations may include direct flights to Florida, Nevada, Arizona, Alabama, Tennessee, and Louisiana.

The Air Service agreement with Allegiant Air allows for a \$1,000,000 revenue guarantee for the term of the agreement. Staff is requesting to amend the FY2026 annual budget by appropriating \$82,000 from Transportation Sales Tax (TST) related to the required revenue guarantee commitment. The remaining \$918,000 from private and public contributions and TST were previously appropriated.

The City of Columbia will waive landing fees and facility rents for the term of the agreement, and will work with Allegiant in good faith to market the flights and will invest a minimum of \$125,000 during the initial year on marketing and promotion. The City of Columbia will make quarterly payments to Allegiant Air LLC in the amount of \$125,000 per quarter for the term of the agreement. These funds may be used to offset start-up costs, fuel flowage fees, ground handling fees, and other fees associated with establishing a successful long-term service at Columbia Regional Airport.

### Fiscal Impact

Short-Term Impact: Appropriating \$82,000 from TST for a total of \$1,000,000 related to the Revenue Guarantee commitment. The City will waive landing fees and facility rents, commit a minimum of \$125,000 to first-year marketing, and provide \$125,000 quarterly guaranty payments for the term of this agreement.



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Long-Term Impact: The Quarterly Guaranty Payments of \$125,000 will continue throughout the agreement period, which concludes June 1, 2028 for a total of \$1,000,000.

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

Primary Impact: Reliable and Sustainable Infrastructure, Secondary Impact: Resilient Economy, Tertiary Impact: Organizational Excellence

Comprehensive Plan Impacts:

Primary Impact: Land Use & Growth Management, Secondary Impact: Economic Development, Tertiary Impact: Mobility, Connectivity, and Accessibility

Legislative History

Date	Action
Manually enter dates in this format: MM/DD/YYYY. Use hard returns to get to the next line of action entry.	None

Suggested Council Action

Authorize an Air Service Agreement with Allegiant Air LLC., and amend the FY2026 Annual Budget by appropriating funds related Air Service Guarantee commitment.