

Department Source: City Manager

To: City Council

From: City Manager & Staff

Council Meeting Date: March 2, 2026

Re: Amending the FY2026 Annual Budget by Appropriating Funds and Authorizing an Air Service Agreement with American Airlines, Inc.

Impacted Ward: Airport

Executive Summary

Staff is requesting to amend the FY2026 annual budget by appropriating funds, and authorize the City Manager to execute an Air Service agreement with American Airlines, Inc., to provide for roundtrip air service daily between Columbia Regional Airport (COU) and Charlotte Douglas International Airport (CLT) in both directions, effective May 21, 2026 for a one-year period.

Discussion

The Air Service agreement with American Airlines allows for a \$1,500,000 revenue guarantee for a term not to exceed one year (May 21, 2026 through May 22, 2027). Under the agreement, American commits to providing scheduled non-stop air service, a minimum of one flight per day between Columbia and Charlotte beginning on June 4, 2026, and the City of Columbia will guarantee a minimum revenue guarantee for one year. This amount includes \$750,000 paid from private and public community partner contributions and \$750,000 from Transportation Sales Tax. The City has the support of both public and private community partners in securing the revenue guarantee under the air services agreement.

With this legislation, staff is also appropriating \$750,000 from Transportation Sales Tax related to the required revenue guarantee commitment. The remaining \$750,000 from private and public contributions will be appropriated prior to May 1, 2026.

Fiscal Impact

Short-Term Impact: The revenue guarantee could require payment up to \$1,500,000 with \$750,000 from private contributions and \$750,000 from Transportation Sales Tax.

Long-Term Impact: NA

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

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

Comprehensive Plan Impacts:

Primary Impact: Economic Development, Secondary Impact: Mobility, Connectivity, and Accessibility, Tertiary Impact: Not Applicable

Legislative History

Date	Action
12/18/2023	R204-23 authorizing an agreement with American Airlines, Inc. for the lease of space in the Columbia Regional Airport

Suggested Council Action

Approve amending the FY2026 annual budget by appropriating funds; and authorize the City Manager to execute an Air Service agreement with American Airlines, Inc., to provide for roundtrip air service daily between Columbia Regional Airport (COU) and Charlotte Douglas International Airport (CLT).