



City Council Report

Date: June 17, 2013
To: City Council
Through: Natalie Lewis, Assistant to the City Manager
From: Corinne Nystrom, Airport Director
Subject: Falcon Field Airport Rentals and Other Fees
 City Council District # 5

Strategic Initiatives



Purpose and Recommendation

The purpose of this City Council Report is to:

- Recommend six fee deletions at Falcon Field Airport: 1) Hangar Sealing; 2) Airport Equipment - minimum charge – 30 minutes – Emergency Only; 3) Airport Equipment - additional 15 minutes – Emergency Only; 4) Labor - Labor Rate – Emergency Only; 5) Overtime Labor Rate – Emergency Only; 6) Aircraft Registration Violation. These fee deletion recommendations add to the Airport’s customer service and are fees that are viewed as obsolete and that do not generate revenue for the Airport
- Propose changes to the fee description titles as follows:

<u>Current Title</u>	<u>Proposed Title</u>
Small Square Hangar	Small Executive Hangar
Large Square Hangar	Large Executive Hangar
Late Payment Fee	Late Payment Fee
	(Hangars/Tiedowns/Storage Rooms)
AVGAS 100 Low Lead	100LL Avgas & Alternative Fuels

Background, Discussion, and Recommendations

Falcon Field Airport serves the general aviation needs of Mesa and the region. One of the Airport’s primary goals is to provide outstanding customer service to the tenants and users. Most recently, as the Mesa Fire Department has been conducting fire inspections of the City-owned hangars (accompanied by the Airport Director), the tenants are being asked to provide suggestions on how the Airport can be more responsive to tenant needs. The recommendations in this report relate to existing fees that appear to contradict the Airport’s outstanding customer service goal, are obsolete or are reasonable fees that should be included in base rents:

- 1) **Eliminating the Hangar Sealing fee** and making the replacement of the hangar seals/skirting a part of Falcon Field’s ongoing City-owned hangar

maintenance program. Staff proposes to create a system to replace hangar sealing, as needed, as budget allows, and in alignment with ongoing hangar inspections. Rather than charging a separate fee to tenants for this maintenance, the cost will be absorbed within the Airport Operations budget.

- 2) **Elimination of fees to use Airport Equipment (for emergencies only) --** Tenants have expressed interest in being able to use Airport equipment (such as power washers, forklifts, etc.) to help keep their hangars well maintained. Therefore, as an added customer service and to limit Airport liability, Staff recommends removing the existing emergency-use only fee, thereby providing greater tenant access to scheduling the use of Airport equipment operated by the Airport staff (rather than the tenants).
- 3) **Labor Rate and Overtime Labor Rate (for emergencies only)--** Staff recommends that this fee be removed and that Staff assist tenants during regular work hours in a way that does not impact the performance of their other assigned duties and that no additional fee be charged to the tenants to provide this service.
- 4) **Delete aircraft registration violation fee—**This fee is no longer needed, as the Airport is now using Internet technology to more effectively track aircraft ownership records for its based aircraft report. This is a report that must be submitted quarterly to the Federal Aviation Administration and the State of Arizona. The implementation of ongoing fire inspections of the hangars will also enable Airport staff to verify which aircraft are being stored in the City-owned hangars on a more consistent basis.

The changes in the fee titles noted on page 1 are proposed to: a) use standard industry titles; and b) identify which properties are subject to the specified late fee. In addition, with the introduction of new fuels on the market which provide an alternative to 100LL avgas, staff recommends that these alternative fuels be included as part of the fuel flowage fee description.

Alternatives

One alternative is to leave one or more of the fees/charges as they currently exist. However, Staff recommends the second alternative, which is to approve all proposed changes to the fees and titles.

Fiscal Impact

There is no fiscal impact if these changes are approved. The fees proposed for elimination have not been generating revenue for the Airport since they were enacted several years ago.

Concurrence

The above information is being shared with the tenants and users of the airport via the Airport website, notices sent to them via U.S. Mail and/or email, and at airport tenant meetings.