



City Council Report

Date: May 4, 2020
To: City Council
Through: Natalie Lewis, Deputy City Manager
From: Corinne Nystrom, A.A.E., Airport Director
Rick Welker, Financial Coordinator
Subject: Changes to Falcon Field Airport Schedule of Fees and Charges

Purpose

The purpose of this report is to recommend modifications to the Falcon Field Airport's Schedule of Fees and Charges.

Background and Discussion

Falcon Field Airport continues to serve the general aviation needs of the region. It currently rents City of Mesa-owned property and facilities, including three (3) Large Executive Hangars, 6 Small Executive Hangars, 39 Large T-Hangars, 361 Regular T-Hangars, 115 Covered Tie-downs, and 131 Tie-downs. There are increases in Administrative Maintenance and Operations expenses. These include increased utility, insurance and pavement costs. An increase to the Hangar Rents and an accompanying Hangar Rent Deposits enables the Airport to continue to be self-sustained and to stay more current with the rates being charged for enclosed aircraft storage by similar businesses and airports

Discussion

Falcon Field Airport reviews its Schedule of Fees and Charges on an annual basis to determine the relevance and reasonableness of all fees and charges. An annual survey is conducted to compare similar fees and charges with surrounding general aviation airports. Based on an analysis of the most recent survey results, Falcon Field proposes an approximate 3% increase in the current monthly rental rate all Hangars. This provides additional financial resources for increased costs in utilities, insurance and pavement costs at the Airport and enables the Airport to stay more current with the rates being charged for enclosed aircraft storage.

Alternatives

The alternative would be to leave the current fees in place and not reflect any adjustments.

Fiscal Impact

The estimated fiscal impact that the proposed fee adjustments will result in approximately \$45,976 of total additional revenue in FY 2020/21.

Coordinated With

Falcon Field Airport has coordinated with the Office of Management and Budget on this recommendation to make changes to the Airport's Schedule of Fees and Charges.

Fees & Charges Schedule – Key

Heading Configuration

<u>Schedule of Fees & Charges</u>
Department
Contact Information
HEADING 1
HEADING 2
<i>Heading 3</i>
Description of Fee
Description of Fee 2

Font Indications

Font	Font Indications
Regular Font	Existing fee or language
Strikethrough	Fee or language will be deleted from the Fee Schedule
BOLD CAPS	Language is being added to Fee Schedule
Bold	New or increased Fee Amount

Fee Recommendation Schedule
Exhibit A
Department: Falcon Field Airport

Description of Fee	Current Fee	Proposed Fee	Unit	Revenue Code	Fiscal Impact	Notes
<i>Tiedowns</i>				3004-3688		
Small Single Engine Aircraft	\$46	\$47	Month		\$1,272	Increased Administrative, Maintenance and Operating Expenses. These include increased utility, insurance and pavement costs.
Small Twin Engine Aircraft	\$54	\$56	Month		\$408	Increased Administrative, Maintenance and Operating Expenses. These include increased utility, insurance and pavement costs.
Large Propeller Aircraft (>12,500 lbs. MCTW)	\$117	\$121	Month		\$96	Increased Administrative, Maintenance and Operating Expenses. These include increased utility, insurance and pavement costs.
Jet Aircraft	\$117	\$121	month		\$0	Increased Administrative, Maintenance and Operating

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						Expenses. These include increased utility, insurance and pavement costs.
Helicopter	\$111	\$114	Month		\$0	Increased Administrative, Maintenance and Operating Expenses. These include increased utility, insurance and pavement costs.
Covered Tiedowns	\$106	\$109	month		\$4,140	Increased Administrative, Maintenance and Operating Expenses. These include increased utility, insurance and pavement costs.
<i>Hangers</i>						
Regular T-Hanger	\$220	\$227	month	3004-3676	\$30,324	Increased Administrative, Maintenance and Operating Expenses. These include increased utility, insurance and pavement costs.
				3004-3677		
				3004-3681		

Fee Recommendation Schedule
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Large T-Hanger	\$370	\$381	month	3004-3676	\$5,148	Increased Administrative, Maintenance and Operating Expenses. These include increased utility, insurance and pavement costs.
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Small Executive Hangar	\$574	\$591	Month	3004-3677	\$1,224	Increased Administrative, Maintenance and Operating Expenses. These include increased utility, insurance and pavement costs.
Large Executive Hangar	\$1,160	\$1,195	Month	3004-3677	\$1,260	Increased Administrative, Maintenance and Operating Expenses. These include increased utility, insurance and pavement costs.
Storage Rooms						
Small	\$66	\$68	month	3004-3679	\$984	Increased Administrative, Maintenance and Operating Expenses. These

Fee Recommendation Schedule
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						include increased utility, insurance and pavement costs.
				3004-3680		
				3004-3681		
Large	\$159	\$164	Month	3004-3680	\$360	Increased Administrative, Maintenance and Operating Expenses. These include increased utility, insurance and pavement costs.
<i>Waiting List/Security Deposit</i>						
Covered Tie-Down	\$106	\$109	Tie-down		\$69	Per the schedule equal to one month's current monthly rent.
Regular T-Hangar	\$220	\$227	Hangar		\$490	Per the schedule equal to one month's current monthly rent.
Large T-Hangar	\$370	\$381	Hangar		\$132	Per the schedule equal to one month's current monthly rent.
Small Executive Hangar	\$574	\$591	Hangar		\$34	Per the schedule equal to one month's current monthly rent.
Large Executive Hangar	\$1,160	\$1,195	Hangar		\$35	Per the schedule equal to one

Fee Recommendation Schedule
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						month's current monthly rent.
Small Storage Room	\$66	\$68	Room		\$0	
Large Storage Room	\$159	\$ 164	Room		\$0	

Total Estimated Fiscal Impact: \$45,976