



TO: Mayor
Members of the City Council

FROM: Jennifer Eckman, Airport Director

DATE: April 15, 2024

**SUBJECT: CORRECTED 2024 MOT AIRPORT RATES, FEES, AND CHARGES
RESOLUTION**

I. RECOMMENDED ACTION

- A. Approve the corrected rates and charges resolution
- B. Authorize the Mayor to sign the corrected resolution

II. DEPARTMENT CONTACT PERSONS

Jennifer Eckman, Airport Director	857-4724
Jessica Long, Airport Business and Development Manager	857-4725

III. DESCRIPTION

A. Background

The original 2024 MOT Airport Rates, Fees, and Charges resolution was approved by City Council on October 9, 2023 with an effective date of January 1, 2024. This resolution included an increase in landing fees of \$.03. While updating the monthly billing report, it was discovered that the landing fee for non-signatory aircraft included on the 2024 Airport Rates and Charges resolution was incorrect. The fee was listed as \$3.61/1,000 lbs., but should have been \$2.93/1,000 lbs. Both landing fees accurately include a \$.71 ARFF Fee. The original amount is in exceeds the 125% increase noted in the original 2024 MOT Airport Rates, Fees, and Charges resolution.

Despite the error, MOT reports that billing statements sent to non-signatory companies contained the correct rate – and no company has been overbilled. The only corrective action needed is to adjust the landing fee for non-signatory aircraft to the correct rate.

B. Proposed Project

Adjust the landing fees for non-signatory landings in the 2024 MOT Airport Rates, Fees, and Charges resolution from \$3.91/1,000 lbs. to \$2.93/1,000 lbs.

C. Consultant Selection

N/A

IV. IMPACT:

A. Strategic Impact:

Correcting the non-signatory landing rate ensures the Airport is properly conducting business and not overcharging our customers.

B. Service/Delivery Impact:

See paragraph IV.A.

C. Fiscal Impact:

Landing fees are revenue and have no budgeted expense. Additionally, MOT reports that billing statements sent to non-signatory companies for the months of January, February, March, and April contained the correct rate, and no company has been overbilled.

V. CITY COUNCIL ASPIRATIONS

Dynamic and Flourishing

VI. ALTERNATIVES

1. City council could reject the correction and leave the landing fees as listed in excess of the 125%. However, this would require another portion of the rates and charges to be amended, and MOT would need to adjust its billing statements.

VII. TIME CONSTRAINTS

These changes went into effect on January 1, 2024.

VIII. LIST OF ATTACHMENTS

- A. Corrected Rates and Charges.
- B. Corrected Rates and Charges – Redlines.