

Memorandum



CITY OF DALLAS

DATE June 22, 2018

TO Honorable Mayor and Members of the Dallas City Council

SUBJECT **Amendments to Chapter 5, "Aircraft and Airports" of the Dallas City Code**

On the April 25, 2018 Council Agenda, the City Council authorized an amendment to Chapter 5, "Aircraft and Airports", of the Dallas City Code implementing a General Aviation (GA) Landing Fee effective July 1, 2018.

Since its passage, the Aviation Department staff has received a considerable amount of questions and feedback from the GA community at Dallas Love Field that had not been aired previously. The Aviation Department staff anticipated the notification process was sufficient as the subject had been discussed and posted publicly, however, more consultation with GA users is needed. Additionally, per the FAA Compliance Manual Chapter 18, 18.6.b. Consultation:

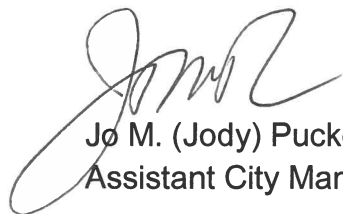
"As provided for in the *Rates and Charges Policy*, DOT encourages adequate and timely consultation with users prior to implementing rate changes. To permit aeronautical users time to evaluate proposed rate changes, consultation should be well in advance, if practical, of introducing significant changes in charging systems, procedures or level of charges."

Out of an abundance of caution to remain in compliance with the FAA, the Aviation Department recommends delaying the collection of the GA Landing Fee to October 1, 2018. In the interim, Aviation Department staff will continue to consult with GA users to review in greater detail the Airfield O & M budget, sources of revenue to offset the expenses, the basis for establishing the fee and the rate methodology developed by the airports financial adviser, Unison Consulting. We are sure to have many meetings throughout the interim period, however, Aviation Staff is currently scheduled to attend the next meeting of the Love Field Pilot's Association on July 10, 2018.

As you know, the GA Landing Fee was proposed to offset costs to cover airfield operations, maintain aging pavement and to ensure that the GA users paid their fair share given the increased airfield traffic. The airfield operations and maintenance budget for FY18 is \$20.1M. The Landing Fee was calculated by Annual Airfield Requirement (airfield costs less airfield revenues) divided by Total Landed Weight of Signatory Airlines. The commercial airlines currently pay \$2.20 (signatory) and \$2.75 (non-signatory) per 1,000lbs which is budgeted at approximately \$19.5M in revenue for FY18. The GA users pay fuel flow fees only to the airport budgeted at approximately \$1.3M in revenues for FY18. The General Aviation Fee will be calculated using the rates and charges model on an annual basis in a similar manner that the Signatory Airlines rate is established.

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SUBJECT Upcoming Agenda Items: Amendments to Chapter 5, "Aircraft and Airports" of the Dallas City Code

Please feel free to contact Mark Duebner, Director of Aviation, if you have any questions or concerns.



Jo M. (Jody) Puckett
Assistant City Manager (Interim)

c: T.C. Broadnax, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Billerae Johnson, City Secretary
Daniel F. Solis, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager

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Raquel Favela, Chief of Economic Development & Neighborhood Services
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