

ADMINISTRATIVE ORDER NO. 58-22-26
of the
Airport Director of the City of Eugene

**REGARDING THE OPPORTUNITY TO COMMENT ON A PROPOSAL TO
AMEND THE AIRPORT FEE SCHEDULE.**

The Airport Director of the City of Eugene finds as follows:

A. Authority is granted to the City Manager of the City of Eugene under Sections 2.440 to 2.442 of the Eugene Code to set fees and charges for the use of the Eugene Airport. Authority to set Airport fees has been delegated to the Airport Director by Administrative Order No. 58-19-07.

B. The most recent amendments to the Airport Fee Schedule were established by Administrative Order No. 58-21-01-F and became effective March 27, 2021. In accordance with EC 2.020, 2.440, 2.442, and Airport Administrative Rule Section 11.1, I have conducted an investigation (see Exhibit B) considering the following criteria: (a) applicable policies, enactments, and directives of the Council; (b) the amount charged by the city in the past; (c) the full costs of providing the service supported by the fee; (d) comparable rates charged by other airports; (e) the revenue needs of the airport; (f) the amounts or rates and other municipal benefits agreed to by comparable users of the airport in a contract, lease, or permit; (g) the amount charged for such permits in the past; (h) comparable amounts or rates, of any, charged by other Airports; (i) the consideration paid to the city by comparable users of the Airport; (j) the revenue needs of the Airport; (k) the need to create incentives for businesses to locate and operate at the Airport; (l) the benefits obtained by the business from its operations at the Airport; and (m) the need for a variety of economically viable transportation activities at the Airport.


C. Based on my investigation and consideration, I propose to amend the Airport Fee Schedule as set forth in the Notice attached as Exhibit A to this Order.

On the basis of these findings, I order that a Notice substantially conforming to the Notice attached as Exhibit A shall be:

1. Provided to the Mayor and City Councilors, persons who have requested such notice, and to persons who are currently paying such charges;
2. Posted publicly at two locations at the Airport, including at the office of the Airport Director (28855 Lockheed Drive, Eugene, Oregon 97402) and at Eugene City Hall (LCC Building, 101 West 10th Avenue, Eugene, Oregon 97401); and
3. Published in the Register-Guard Newspaper.

Dated this 31 day of October, 2022.

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Cathryn Stephens (Oct 31, 2022 14:49 PDT)

Cathryn Stephens, A.A.E., Airport Director

NOTICE OF OPPORTUNITY TO COMMENT ON PROPOSED AMENDMENT OF THE AIRPORT FEE SCHEDULE.

Pursuant to the provisions of Sections 2.440 to 2.442 of the Eugene Code, 1971, Airport Administrative Rule Section 11.1, and an investigation of past fees, fees charged by other airports, City policies, and revenue needs of the City in providing airport services, the Airport Director, as designee of the City Manager, is proposing to amend the following fees contained in the Airport Fee Schedule. The current fees and proposed amendments are set out below.

<u>Fee Description</u>	<u>Fees</u>	
1. <u>Airport Tie-Down Fees</u>*:		
<u>Paved Public Aircraft Parking Areas:</u>		
Type of Aircraft:	<u>Daily</u>	<u>Monthly</u>
Current: Single Engine.....	\$5.00	\$50.00
Proposed: Single Engine.....	\$10.00	Discontinue
Current: Multi Engine/Jet (up to 12,500 lbs.).....	\$6.00	\$60.00
Proposed: Multi Engine/Jet (up to 12,500 lbs.).....	\$10.00	Discontinue
Current: Multi Engine/Jet (over 12,500 lbs.).....	\$10.00	\$100.00
Proposed: Multi Engine/Jet (12,500 – 29,999 lbs.) ...	\$20.00	Discontinue
Proposed: Multi Engine/Jet (30,000 – 59,999 lbs.) ...	\$30.00	Discontinue
Proposed: Multi Engine/Jet (60,000 – 99,999 lbs.) ...	\$75.00	Discontinue
Proposed: Multi Engine/Jet (over 100,000 lbs.).....	\$100.00	Discontinue
Current: Helicopter	\$5.00	\$50.00
Proposed: Helicopter	\$10.00	Discontinue
*Tie Down fees shall be charged for aircraft parked on the ramp between midnight and 5:00 a.m. Maintenance planes shall have City-approved maintenance tags on them and will not be charged a tie-down fee. Aircraft are limited to 30 days tie-down fee abatement for maintenance purposes within a 12 month period.		
	<u>Current</u>	<u>Proposed</u>
	<u>Fees</u>	<u>Fees</u>
4. <u>Landing Fees:</u>		
Signatory (per 1,000 lbs.)	\$2.73	\$2.92
Non-Signatory (per 1,000 lbs.)	\$3.41	\$3.65
5. <u>Terminal Building Rental Rate:</u>		
<u>Exclusive & Preferential Space:</u>		
Signatory (per square foot per year)	\$38.86	\$41.63
Non-Signatory (per square foot per year) (125% of signatory)	\$48.57	\$52.01

	<u>Current Fees</u>	<u>Proposed Fees</u>
<u>Joint Use Space:</u>		
Signatory (per enplanement).....	\$1.09	\$ 0.99
Non-Signatory (per enplanement) (125% of Signatory).....	\$1.37	\$1.24
<u>Customer Use Space:</u>		
Signatory (per enplanement).....	\$1.61	\$1.72
Non-Signatory (per enplanement) (125% of Signatory).....	\$2.01	\$2.15
<u>Supplemental Security Fee:</u>		
Signatory (per enplanement).....	\$0.99	\$1.06
Non-Signatory (per enplanement) (125% of Signatory).....	\$1.24	\$1.33
<u>Gate Use Fee:</u>		
Signatory (per enplanement).....	\$0.86	\$0.75
Non-Signatory (per enplanement) (125% of Signatory).....	\$1.08	\$0.93

7. Airport Fees for Vehicles-for-Hire, Airport Door to Door Shuttle, (as defined in Administrative Rule R-3.345), Limited Passenger Transportation, Executive Town Car/Limousine and Transportation Network Companies:

Peer-to-Peer Fees: An amount equal to % of Operator’s Gross Revenues	N/A	10%
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8. Facility Charge:

Customer Facility Charge for Car Rentals (per customer/per rental day)	\$3.00	\$4.00
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9. <u>Fuel Flowage Fee*</u> (per gallon)	\$0.06	\$0.08
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*Applicable to all aircraft fuel and oil distributors, or any person, firm, business, partnership or corporation selling or delivering aviation fuels to airplanes of private and/or commercial operators at the Airport. Suppliers may be exempted from the fee upon substantiation that the aircraft fuels are supplied to military aircraft, signatory, new signatory, or non-signatory air carriers, or to governmentally owned or operated aircraft.

10. Automobile Parking Rates:

Short-Term (15 min. grace):		
Per day (midnight to midnight).....	N/A	\$27.00

	<u>Current Fees</u>	<u>Proposed Fees</u>
Discount Program:		
Disabled Veteran..... (Must meet one requirement below)	N/A	14 days free then Economy Lot Rate
1. A valid, state issued, Disabled Veterans License Plate; or		
2. A valid Veteran Health Identification Card with the designation “Service-Connected” on the card identifying a service-connected disability; or		
3. Military ID (DD Form 2765/1173) with a “DAVPRM” or “DAVTMP” code on the form; or		
4. Department of Veterans Affairs Benefits Summary Letter summarizing current benefits received from the VA for service-related disability.		
Please note, all other forms of military or veteran status, such as a Veteran Health Identification Card, that do not have “Service-Connected” printed on the card, are not accepted to receive the validated parking.		
Premiere Parking Program (12 months dedicated spot in Short Term Lot)	N/A	\$5,897.00

14. Miscellaneous Fees:

Current: Air Cargo Industrial Rent (per square foot/per year)	\$7.80	See proposed amendments in lines below
Proposed: Air Cargo Industrial Rent (per square foot/per year) (with small offices).....	\$7.80	\$8.40
Proposed: Air Cargo Industrial Rent (per square foot/per year) (with finished office space)	\$7.80	\$14.40
Current: Dark Fiber Lease Rate (per pair/per mile).....	\$52.18	See proposed amendments in line below
Proposed: Dark Fiber Lease Rate (per strand/per mile/per month).....	\$52.18	\$34.87
Ground Lease - Non-Commercial Rate (per square foot/per year)	\$0.33	\$0.43
Ground - Commercial Lease Rate (per square foot/per year)..	\$0.36	\$0.47
Current: Industrial/Agricultural Land Lease (undeveloped) (per acre per year)	\$70.00	See proposed amendments in lines below
Proposed: Industrial/Agricultural Land Lease (undeveloped outside the fence) (per acre per year).....	\$70.00	\$85.00

Exhibit A
to Administrative Order No. 58-22-26

	<u>Current Fees</u>	<u>Proposed Fees</u>
Proposed: Industrial/Agricultural Land Lease (undeveloped inside the fence) (per acre per year).....	\$70.00	\$80.00
SASO Permit (Specialized Aviation Service Operations) Application & Annual Renewal.	N/A	\$100.00

The investigation applied all the standards set out at EC 2.020, 2.440, 2.442, and Airport Administrative Rule Section 11.1 and it supports the proposed fee adjustment to more accurately recover the City’s costs in providing the service. Documentation of the investigation is attached as Exhibit B to Administrative Order No. 58-22-26 and may be reviewed at two locations at the Airport at 28855 Lockheed Drive, Eugene, Oregon, at the City of Eugene’s posting sites at 101 West 10th Avenue, Eugene, Oregon, and on the City’s website at www.eugene-or.gov/520/Administrative-Order.

Comments on the proposed fee amendments must be submitted in writing to Patricia Newton, Assistant Airport Director, Eugene Airport, 28855 Lockheed Dr. Eugene, OR 97402, or via e-mail to patricia@flyEUG.com. To be considered, written and e-mail comments must be received within 15 days of the date of posting and publication indicated below. If the Airport Director chooses to take action after considering the comments received, the proposed or modified fees will be adopted by administrative order unless the amendments are reviewed and modified or disallowed by the City Council pursuant to Section 2.441(5) of the Eugene Code, 1971.

Cathryn Stephens, A.A.E., Airport Director

Date of Posting and Publishing: _____ November 2, _____, 2022.

**City Manager's Findings
Proposed Airport Fee Schedule Amendments**

● Pursuant to Section 2.020(2), 2.440(2) and 2.442(1) of the Eugene Code, 1971, the following factors have been investigated/considered in determining the proposed Airport fees:

(a) Applicable policies, enactments, and directives of the Council.

Findings: All applicable policies, enactments & directives of Council have been reviewed and met. The airport reviewed rates and charges established in Admin Order 58-21-01-F and determined the need to update. Rates are set either based on fair market value, per FAA regulation, through other city processes, or other NGO processes that have already been reviewed through a public process. The change in rates is driven by changes in costs incurred by the airport.

(b) The amount charged by the city in the past.

Findings: Amounts charged in the past have been reviewed. Updated fees and charges are proposed to maintain self-supporting revenue for the airport. Fees for services charged at the airport are based on industry standards.

(c) The full costs of providing the service supported by the fee.

Findings: Proposed fees and charges are calculated for full recovery of costs for services provided and at a level to remain competitive with other airports in the region.

(d) Comparable rates charged by other airports.

Findings: Where appropriate airport fees and rates were compared with other airports of similar size as well as comparatives with airports within our geographical region to remain competitive.

(e) The revenue needs of the airport.

Findings: Airport calculates rates based on actual cost of doing business as well as maintenance of the facilities, runways, and taxiways.

(f) The amounts or rates and other municipal benefits agreed to by comparable users of the airport in a contract, lease, or permit.

Findings: All airport rates and fees are applied equally to like partners at the airport. All comparable tenants, lessors and customers are treated the same per federal regulations and federal grant assurances. Contract and Lease rates at the airport are set either through RFP processes, by establishing Fair Market Value through appraisals, or comparatives with other airports.

Factors listed above that are irrelevant or inapplicable in determining the amount of the fees, if any: n/a

● Pursuant to Airport Administrative Rule Section 11.1, in determining the amount of the fee for Ground Transportation Permits, the Airport Director has considered:

(g) The amount charged for such permits in the past.

Findings: Prior rates are taken into consideration when setting future rates and adjusted for increased airport expense.

(h) Comparable amounts or rates, of any, charged by other Airports.

Findings: Rates were looked at across the nation as were contracts of other airports to arrive at a rate that is comparable, fair, and competitive in our region

(i) The consideration paid to the city by comparable users of the Airport.

Findings: All airport rates and fees are applied equally to like partners at the airport. All comparable tenants, lessors and customers are treated the same per federal regulations and federal grant assurances. Contract and Lease rates at the airport are set either through RFP processes, by establishing Fair Market Value through appraisals, or comparisons with other airports.

(j) The revenue needs of the Airport.

Findings: Airport rates and fees are calculated to keep the airport self-sustaining. All commercial users of the airport are required to pay fees and charges to cover the wear and tear on the facilities by business conducted on site.

(k) The need to create incentives for businesses to locate and operate at the Airport.

Findings: This fee is not an undue burden that would be a barrier for a business providing this service to operate at the airport. Our passengers are a natural incentive to do business at the airport and provide additional business/revenue for our transportation partners.

(l) The benefits obtained by the business from its operations at the Airport.

Findings: The business will be exposed to large numbers of customers at one location by operating from the airport.

(m) The need for a variety of economically viable transportation activities at the Airport.

Findings: These services provide easily accessible and variable rates for our customers to find economically viable transportation from the airport to activities within our community during their stay. The airport seeks to engage transportation partners for all of our customers at varied levels of service desired by them.

Additional Findings:

(n) New Peer-to-Peer Charge.

Airport has identified the need for a new rate for Peer-to-Peer vehicle sharing services, like TURO, that allow individuals to rent their vehicles to other individuals. Such fees have not been included in airport rates in the past. We have now reached agreement with TURO and are putting the rate in the airport fee schedule at 10% of operator gross revenues at the airport.

(o) New pilot parking program to be offered for business travelers.

The airport is offering a new pilot program to see if the desire or need is present in the market for EPP (Eugene Premier Parking) Program. This pilot program would assign five (5) reserved spaces within the Short-Term Lot, identified by signs as reserved with the business name and/or logo on it.

(p) New SASO Permit Application & Renewal Fee.

Airport has identified the need for a Specialized Aviation Service Operations (SASO) Permit Application and Annual Renewal to help defer the cost of processing initial applications and the required annual renewals. The initial fee is being established based on the results of a comparative analysis of similarly-sized airports.