



Agenda Item: Presentation

Title: Fee for Service Agreement with the Laramie Regional Airport (LRA) to provide

Administrative or Policy Goal:

Holistic Economic Development Goal A1:

Through and with the City’s economic development partners, recruit 3-4 new businesses within the Retail, Service, and/or Manufacturing Industries.

Background: Formerly known as Brees Field Airport, the LRA opened in 1934 at the cost of \$45,000. The first hangar, also built in 1934, is still in use. There are currently two daily commercial flights to and from Denver International Airport and over 10,000 boardings.

The mission of the LRA is to “is to provide a safe and secure facility for the benefit of the commercial and general aviation community by providing; services, professional staff, coordination and cooperation with the Federal Aviation Administration, Wyoming State Aeronautics Division, Laramie City Council, and the Albany County Commissioners.”

The City of Laramie has contributed \$919,877 in Community Partners funding and a Fee for Service contract executed in FY 2018/2019.

Notable outcomes of the Laramie’s investment in LRA are detailed within the [2010-2018 Economic Development Update](#). Refer to pages 21-23.

(Note: LRA’s Fee for Service contract only addresses professional services provided to the City of Laramie by LRA).

LRA Director, Jack Skinner, will present an update to the council on each of these services. In FY 2018/2019, \$120,000 was paid for the following services:

- a. *Provide a safe and secure airport for the benefit of the commercial and general aviation community by providing; services, professional staff, coordination and cooperation with the Federal Aviation (FAA), Wyoming State Aeronautics Division, Laramie City Council, and Albany County Commissioners.*
- b. *The Laramie Regional Airport (LRA) is a certificated Federal Aviation Regulation Part 139 airport. Aircraft Rescue and Fire Fighting is an Index "A" with Index "B" capabilities. The Laramie Regional Airport is a TSA category IV security Airport. These certifications/regulations allow LRA to accept regularly scheduled passenger airline service. LRA will comply with all FAA and TSA regulations that enable passenger airline service to operate in and out of Laramie.*
- c. *By October 1, 2018, communicate to CITY staff a plan for assessing the effectiveness of such economic development activities provided by LRA under this Agreement, and provide an annual report to the CITY.*

- d. *By March 31, 2019, provide to CITY staff a plan for attaining organizational self-sufficiency such that funding support through the City of Laramie will no longer be necessary to maintain the regular day-to-day operations of the LRA.*
- e. *Promote and take advantage of marketing opportunities to promote airline service, corporate aviation activities, general aviation activities, aviation related business development, and non-aviation related business development.*
- f. *LRAB will leverage CITY and LRAB funds by pursuing FAA grants, WYDOT Aeronautics grants, and any other grant opportunities to help fund capital improvements, equipment purchases, and planning documents for the airport.*
- g. *Maintain generally accepted accounting procedures and practices for the funds received from this agreement and all other agreements with the CITY, including each FAA and WYDOT Aeronautics grant that require local matches. Maintain financial books, ledgers, records, documents and other evidence necessary to sufficiently and properly reflect all transactions of any nature. Upon written request of the CITY make these documents available for inspection at the LRA offices within five (5) business days.*
- h. *Provide a written financial and transaction report of the sources and uses made of funds received under this agreement and all other agreements with the CITY, including each FAA AND WYDOT Aeronautics grant and/or loan. The report will be provided to the City Manager and City Council on June 1 of each year for the prior year activity (i.e., Report for June 1, 2016 – May 31, 2017 due on June 1, 2017.)*
- i. *Acknowledge, as appropriate, the City of Laramie’s contribution to the LRA through this agreement and its participation in other relevant projects and initiatives in press releases, social media posts, public forums, etc.*

LRA submitted the self-sufficiency plan and the performance measures that were newly required this year. Staff have instructed the agency to provide an initial brief overview as part of their annual report

(Note: Staff would advise Councilors to consider information related to both the self-sufficiency plan and performance measures as merely a “first-draft” initial concept at this time. Staff are actively working with partner agencies to improve consistency and accuracy of the financial data and performance statistics they have provided.)

2010 to 2014 Investment in LRA

	2010	2011	2012	2013	2014	5-Yr. Change, 2010 to 2014
LARAMIE AIRPORT	\$85,278	\$82,578	\$80,528	\$80,528	\$91,628	7.4%
LCBA	\$78,000	\$79,000	\$90,000	\$90,000	\$110,000	41.0%
MAIN STREET	\$26,961	\$25,556	\$26,722	\$26,722	\$25,778	-4.4%
	\$190,239	\$187,134	\$197,250	\$197,250	\$227,406	19.5%

2015 to 2019 Investment in LRA

	2015	2016	2017	2018	2019	5-Yr. Change, 2015 to 2019
LARAMIE AIRPORT	\$94,692	\$96,324	\$92,704	\$95,617	\$120,000	26.7%
LCBA	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	0.0%
MAIN STREET	\$40,000	\$40,000	\$40,000	\$40,000	\$50,000	25.0%
	\$244,692	\$246,324	\$242,704	\$245,617	\$280,000	14.4%

10-Year City Investment in LCBA

	10-Yr. Change, 2010 to 1029	10-Yr. Total
LARAMIE AIRPORT	40.7%	\$919,877
LCBA	41.0%	\$997,000
MAIN STREET	85.5%	\$341,739
	47.2%	\$2,258,616

City Investment Statistics, 2019

	By District Area Served	Per Capita	Per Household
LARAMIE AIRPORT	\$6,749 per sq. mi.	\$3.89	\$8.91
LCBA	\$6,187 per sq. mi.	\$3.57	\$8.17
MAIN STREET	\$440,141 per sq. mi. (\$1,786 per block)	\$1.62	\$3.71

City Investment Statistics, 2010 -2019

	<u>Annual Average, By District Area Served</u>	<u>Per Capita</u>	<u>Per Household</u>
LARAMIE AIRPORT	\$5,174 per sq. mi./yr.	\$29.85	\$68.30
LCBA	\$5,607 per sq. mi./yr.	\$32.35	\$74.03
MAIN STREET	\$300,827 per sq. mi./yr. (\$12,205 per block/yr.)	\$11.09	\$25.37