AVIATION AUTHORITY POLICY

800: Effective: **CONCESSIONS & REAL ESTATE** 04/01/82 **AIRLINE LEASES & OPERATING** 09/05/02 Revised: **AGREEMENTS** 03/04/04 04/05/12 P800: Airline Leases & Agreements and 12/20/12 **Rates by Resolution** 09/01/15 09/03/20

PURPOSE: To <u>establish develop</u> a policy for <u>establishing a Rates by Resolution or for</u> entering into airline agreements with <u>scheduled</u> air carriers serving the Airport.

LEGAL CONSIDERATION: Pursuant to Sections 4(2), 6(2)(n) and 6(2)(ii) of the Hillsborough Aviation Authority Act (Act), the Authority has the exclusive jurisdiction, control, supervision and management over airport property, with the power to negotiate and enter into contracts and collect fees, rentals, and charges from users of airport facilities. Sections 6(2)(vv) and (xx) of the Act grant the Authority the power to transact business and exercise all powers and perform acts necessary for the general welfare of the Authority. The grant agreements from the federal government prevent discrimination and demand uniformity of rates and charges to air carriers making similar use of the airports. In addition, pursuant to Section 6(2)(gg) of the Act, the Authority is specifically authorized to:

[a]ssess against and collect from the owner or operator of each airplane using any Authority facility a landing fee or service charge sufficient to cover the cost of the service furnished to airplanes using any such facility, which cost may include the liquidation of bonds or other indebtedness for construction and improvement.

POLICY: All regularly scheduled air carriers operating at Tampa International Airport will operate under a Rates by Resolution, or be required to enter into either thea use and lease agreement (signatory) or agreement)/ an operating agreement (non-signatory agreement) prior to commencing service at the airport Airport.

The Chief Executive Officer will determine, based upon sound fiscal goals and good business practices, whether the Authority will adopt a Rates by Resolution or whether the Authority will negotiate terms and conditions of a signatory/non-signatory agreement. will provide

A. Rates by Resolution

A Rates by Resolution provides a pricing structure financial model based on the cost of providing facilities and services. Carriers who If the Chief Executive Officer determines that the Authority should enter into the signatory agreement a Rates by Resolution, Authority staff will consult with

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airlines when developing the terms of a Rates by Resolution, and will present the Rates by Resolution to the Board for adoption.

Under a Rates by Resolution, air carriers who have an active Space Rental Agreement or an active lease of space in the Cargo Cost and Revenue Center (collectively, SRAs) may share in certain revenues in return for entering into a long term commitmentsuch SRAs, assuringthereby assuring the Authority's revenue stream.

The non-signatory agreement will provide for short term operating authority at the airport. Carriers who execute the non-signatory agreement

<u>Air carriers who do not execute SRAs</u> will pay fees and charges based on the cost of providing facilities and services and will be authorized to utilize <u>airport Airport</u> facilities and services on a per-use <u>or month-to-month-basis</u>.

Specific formulas will be utilized to calculate fees associated with the use of Authority aircraft gates, ticket counters and related facilities in order to recover the Authority's cost to provide such facilities.

Prior to the expiration of the signatory or non-signatory agreements

B. B., Signatory/Non-Signatory Agreements

If in keeping with sound fiscal goals and good business practices, the Chief Executive Officer determines that is in the Authority's best interest to enter into agreements with air carriers, Authority staff—will have the authority to negotiate the terms and conditions of the replacement agreements a signatory agreement with those air carriers desiring to operate at the airport in keeping with sound fiscal goals and good business practices, and Airport, and will present such agreements to the Board for adoption.

A signatory agreement will provide a pricing structure based on the cost of providing facilities and services. Air carriers who enter into a signatory agreement may share in certain revenues in return for entering into a commitment assuring the Authority's revenue stream.

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A non-signatory agreement will provide for short term operating authority at the Airport. Air carriers who execute a non-signatory agreement will pay fees and charges based on the cost of providing facilities and services and will be authorized to utilize Airport facilities and services on a per-use or month-to-month basis.

Specific formulas will be utilized to calculate fees associated with the use of Authority aircraft gates, ticket counters and related facilities in order to recover the Authority's cost to provide such facilities.