

April 18, 2022

V-A

Recommendation re: Professional Services Contract with Volaire Aviation Inc. for Air Service Development at Lakeland Linder International Airport

Lakeland Linder International Airport (LAL) is seeking to engage Volaire Aviation Inc. (Voltaire) to provide professional services to assist LAL with securing passenger air service. Voltaire has been approved as a sole source contractor through Purchasing.

Voltaire's last contract with the City commenced on August 1, 2018, and expired on June 14, 2021, after the City executed its additional twelve (12) month option. Voltaire is currently operating month to month providing commercial air service development services including assistance in marketing Lakeland to various airlines.

As LAL continues to pursue commercial air service post COVID-19 there is a need to enhance our visibility with various airlines that could potentially connect Lakeland to multiple destinations throughout the eastern half of the United States. This includes additional services outlined in this contract and the application for a Small Community Air Service Development (SCASD) Grant to assist with airline marketing funds and start-up cost offsets.

Fees for these services include a monthly retainer of \$2,500 (for commercial air service development) and a monthly retainer of \$1,000 (for weekly industry news and intelligence reports). The contract also specifies other specific studies or services that can be performed for additional fees. Expenses would be reimbursed in accordance with the City's Consultant Expense Reimbursement Policy.

The City will also be responsible for bonus payments based on the initiation of new scheduled commercial air service. For each new airline announced during the term of this Agreement, in which Consultant prepared materials or presented to airline, the City will be invoiced a Two dollar and 00/100 (\$2.00) per enplanement service initiation bonus, starting the month that commercial flights begin, and continue for a period of 365 days, or until service ends, whichever comes first. Total bonuses will be capped at a not-to-exceed amount of \$50,000 per airline.

The term of the Agreement is retroactive to provide for a full month's service for April 2022, upon City Commission approval, from April 1, 2022, to September 30, 2022, with the ability to extend the agreement for two additional years. Total anticipated costs through September 30, 2022, would be comprised of \$21,000 (for six months of services at \$3,500) plus the SCASD Grant application completed at \$16,500 for a total of \$37,500.

In addition, Polk County Tourism and Sports Marketing (Polk County) agreed to pay for one half of the \$37,500 total for the period from April 1, 2022, to September 30, 2022. A separate agreement will be made between the City and Polk County reimbursing the City in the amount of \$18,750.

It is recommended that the City Commission authorize appropriate City Officials to enter into the agreement with Voltaire for \$37,500. No additional appropriations are required to accommodate this request.