

TASK ORDER APPROVAL FORM

CONTRACT #: C20-2875-AP

TASK ORDER #: 14

TASK ORDER AMOUNT: \$25,000

**CONTRACT #: C20-2875-AP
LANDRUM & BROWN, INC.
AVIATION BUSINESS & FINANCE CONSULTING
SERVICES
EXPIRES: 10/14/2024 W/ (1) 5 YR RENEWAL**

OFFERED BY CONSULTANT:

Landrum & Brown, Inc.

FIRM'S NAME

Jeff Schulthess

REPRESENTATIVE'S PRINTED NAME

Jeffrey J. Schulthess

SIGNATURE

Vice President

05/25/2022

TITLE

DATE

**RECOMMENDED FOR APPROVAL
(Department Director)**

**APPROVED BY OKALOOSA COUNTY
(Per Purchasing Manual)**

- \$25,000 or less approved by Purchasing Manager
- \$25,001 to \$50,000 approved by OMB Director
- Between \$50,001 and \$100,000 approved by Purchasing Director and County Administrator
- In excess of \$100,000 approved by the Board.

Tracy A.
Stage, A.A.E.

Digitally signed by Tracy
A. Stage, A.A.E.
Date: 2022.05.26
11:50:35 -05'00'

SIGNATURE

Tracy Stage, A.A.E.

Airports Director

TITLE

Jeffrey A
Hyde

Digitally signed by Jeffrey
A Hyde
Date: 2022.05.26
12:55:40 -05'00'

PURCHASING MANAGER

DATE

DATE

OMB Director/DATE

DATE

COUNTY ADMINISTRATOR (if applicable)

CHAIRMAN (if applicable)

DATE

DATE



4445 Lake Forest Drive
Suite 700
Cincinnati, OH 45242
USA
T +1 513 530 5333
F +1 513 530 1278
landrum-brown.com

May 25, 2022

Ms. Allyson Oury, CPA
Chief Financial Officer
Okaloosa County Airports
Destin-Fort Walton Beach Airport
1701 Florida 85
Eglin AFB, Florida 32542

RE: Task 14 – Proposal to Prepare FY 2021 Signatory Airlines' Rates and Charges Settlement, FY 2022 Mid-Year Forecast, and Prepare FY 2023 Signatory Airlines' Rates and Charges Budget

Dear Ms. Oury,

Landrum and Brown (L&B) is pleased to submit this proposed scope of work and request for a task order authorization to provide the above referenced services under L&B's consulting services contract with the Okaloosa County Airports administration (County).

The proposed services include the following items:

1. Prepare the airline settlement for FY 2021 Signatory Airlines' Rates and Charges
2. Prepare a mid-year forecast for FY 2022 Signatory Airlines' Rates and Charges
3. Prepare the budgeted FY 2023 Signatory Airlines' Rates and Charges

A further description of each is described in the remaining sections of this letter.

Scope of Work

Item 1 – Settlement for FY 2021 Signatory Airlines' Rates and Charges

As soon as practical after the completion of the County's annual FY audit, the County is required to recalculate the Signatory Airlines' Revenue Sharing Credit pursuant to the Agreement Section 6.16. L&B will prepare the calculations and analysis needed per the requirements of the Agreement to recalculate the final Signatory Airlines' Revenue Sharing Credit for FY 2021. The steps assumed for this analysis are as follows:

Information to be received from the County:

1. Actual reported enplaned passengers, deplaned passengers, aircraft operations, and aircraft landed weight by airline for FY 2021.
2. All applicable Terminal Building space (in square feet) as required per the Agreement for airline rate setting purposes. This would include airline rentable and rented space by airline, non-airline rentable space, and space



assigned to the TSA for the pre-boarding screening of airline passengers and baggage. Any changes in space that occurred during the FY will also be identified by the County along with the date of change for proper proration.

3. Actual audited (or near final audited) Operating Expenses and Revenues for FY 2021 in the appropriate level of detail by category and cost center as required per the Agreement for airline rate setting purposes.
4. All applicable debt service schedules organized by series and allocations to cost centers as required per the Agreement for airline rate setting purposes.
5. The County's indirect cost charges allocable to the Airport System for FY 2021.
6. Amounts invoiced to each airline for FY 2021 by rates and charges component (e.g., landing fees, terminal building rentals, revenue sharing credits, etc.).

Analysis, calculations, and coordination:

1. Review, reconcile, and adjust the audited FY 2021 Operating Expenses and Revenues as required per the Agreement for airline rate setting purposes.
2. Participate in a conference call with the Signatory Airlines, if required, to present the analysis and address questions.

Schedule

Based on approval of this task order, L&B will proceed with the proposed services upon availability of the information above. The data collection from the County and analysis are expected to occur over the coming weeks. Completion of this effort will most likely occur in June 2021.

Item 2 – Mid-Year Forecast for FY 2022 Signatory Airlines' Rates and Charges

For this item of the task order, L&B will perform similar calculations as in previous years to provide a calculation of the Signatory Airlines' Rates and Charges. These calculations will provide an estimate for how much the Signatory Airlines' Rates and Charges will vary from the FY 2022 budget based on the latest data available from the County. L&B will use year-to-date financial information, space, and activity data to derive the forecast results. Any periodic updates as the FY progresses will be undertaken in this item of the scope.

Schedule

Based on approval of this task order, L&B will proceed with the proposed services upon availability of the information above. The data collection from the County and analysis are expected to occur over the next couple weeks. Completion of the initial forecast will most likely occur in summer of 2022. However, updates to the forecast are expected to occur during FY 2022 from time-to-time.

Item 3 – Budgeted FY 2023 Signatory Airlines' Rates and Charges

For this item of the task order, L&B will perform similar calculations as in previous years to provide a calculation of the Signatory Airlines' Rates and Charges. These calculations will provide the basis for charging the Signatory Airlines throughout FY 2023 based on the latest data available from the County. L&B will use budgeted financial information, space, and activity data to calculate the results.

Schedule

Based on approval of this task order, L&B will proceed with the proposed services upon availability of the information above. The data collection from the County and analysis are expected to occur over the next several weeks. Completion of this effort is expected to occur during the summer of 2022.



Personnel

Jeff Schulthess, Vice President with L&B, will be the primary person responsible for managing the services associated with this task. Jeff may also seek additional assistance from other staff at L&B, if needed; however, any assistance is anticipated to be minimal.

Budget

L&B proposes to complete this assignment at an estimated budget of \$25,000 for labor and expenses. Expenses will be reimbursed at cost. Hourly billing rates are consistent with those contained in our contract. No in-person meetings for this assignment have been included in this budget. If the County determines that trips are required, we will coordinate with you to discuss any potential impacts to this budget at that time.

Please let me know if you have any questions regarding the tasks and approach presented above. We look forward to assisting the County with this important assignment.

Sincerely,

A handwritten signature in black ink that reads "Jeffrey J. Schulthess". The signature is written in a cursive, flowing style.

Jeff Schulthess
Vice President



Accepted by:

CLIENT:

Okaloosa County Board of

County Commissioners

Tracy A.

Digitally signed by Tracy

A. Stage, A.A.E.

Date: 2022.05.26

11:50:58 -05'00'

By: Stage, A.A.E.

Printed Name: Tracy Stage, A.A.E.

Title: Airports Director

Date: 05/26/2022

CONSULTANT:

Landrum & Brown, Incorporated

By: Jeffrey J. Schulthess

Printed Name: Jeff Schulthess

Title: Vice President

Date: May 25, 2022

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Jeff Schulthess
Vice President



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Okaloosa County Board of

County Commissioners

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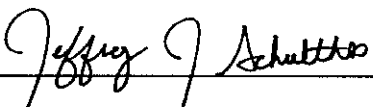
Printed Name: Tracy Stage, A.A.E.

Title: Airports Director

Date: 05/26/2022

CONSULTANT:

Landrum & Brown, Incorporated

By: 

Printed Name: Jeff Schulthess

Title: Vice President

Date: May 25, 2022