

TASK ORDER APPROVAL FORM

CONTRACT #: C20-2875-AP

TASK ORDER #: 18

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

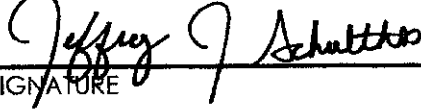
OFFERED BY CONSULTANT:

Landrum & Brown, Inc.

FIRM'S NAME

Jeff Schulthess

REPRESENTATIVE'S PRINTED NAME



SIGNATURE

Executive Vice President

September 7, 2023

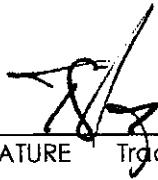
TITLE

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.



SIGNATURE Tracy Stage, A.A.E.

Airports Director

TITLE

9-11-23

DATE

DeRita
Mason

Digitally signed by DeRita
Mason
Date: 2023.09.12
08:55:31 -05'00'

PURCHASING MANAGER

DATE

OMB Director/DATE

DATE

COUNTY ADMINISTRATOR (if applicable)

CHAIRMAN (if applicable)

DATE

DATE



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Cincinnati, OH 45242
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landrum-brown.com

September 5, 2023

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

RE: Task 18 – Proposal to Prepare FY 2023 Signatory Airlines' Rates and Charges Settlement, FY 2024 Mid-Year Forecast, and FY 2025 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 2023 Signatory Airlines' Rates and Charges
2. Prepare a mid-year forecast for FY 2024 Signatory Airlines' Rates and Charges
3. Prepare the budgeted FY 2025 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 2023 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 2023. 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 2023.
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 2023 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 2023.
6. Amounts invoiced to each airline for FY 2023 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 2023 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 months. Completion of this effort will most likely occur in the second quarter of 2024.

Item 2 – Mid-Year Forecast for FY 2024 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 2024 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 periodically over FY 2024.

Item 3 – Budgeted FY 2025 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 2025 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 during the summer months of 2024. Completion of this effort is expected to occur during the third quarter of 2024.



Personnel

Jeff Schulthess, Officer with L&B, will be the primary person responsible for managing the services associated with this task. Dirk Anderson, Senior Consultant with L&B, will assist Jeff with the financial modeling and analysis for this effort. 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 style with a large initial 'J'.


Jeff Schulthess
Executive Vice President



Accepted by:

CLIENT:

Okaloosa County Board of
County Commissioners

By: 

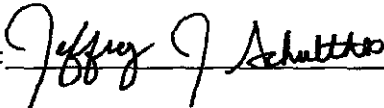
Printed Name: Tracy Stage, A.A.E.

Title: Airports Director

Date: 9.1.23

CONSULTANT:

Landrum & Brown, Incorporated

By: 

Printed Name: Jeff Schulthess

Title: Executive Vice President

Date: September 5, 2023