

RESOLUTION 2016-13

A RESOLUTION AMENDING OMC CHAPTER 3.40, AIRPORT RATES, FIXING THE CHARGES FOR AIRPORT FEES FOR ACCESS FOR PRIVATE PARTIES, COMMERCIAL USERS, AND NONCOMMERCIAL USERS FOR EACH TIE-DOWN AND AIRPORT USER INSURANCE REQUIREMENTS, AMENDING OMC SECTION 3.40.020, COMMERCIAL USERS FEE, AMENDING OMC SECTION 3.40.030, COMMERCIAL LICENSE/LEASE AND INSURANCE REQUIREMENT, AMENDING OMC SECTION 3.40.035 RUNWAY ACCESS FEE, AMENDING OMC SECTION 3.40.050 NONCOMMERCIAL USE FEES AND AIRPORT USER INSURANCE REQUIREMENTS, ADDITION OF OMC 3.40.045 NONCOMMERCIAL USER FEE, ADDITION OF SECTION TITLED LEASEHOLD EXCISE TAX AND REPEALING ANY AND ALL ORDINANCES AND RESOLUTIONS OR PARTS THEREOF IN CONFLICT WITH THIS RESOLUTION

WHEREAS, the Town Council determined by Ordinance No. 514 that airport rental fees for commercial and non-commercial users can be revised by resolution of the Town Council; and

WHEREAS, the Town Council has determined that the airport rental fees for “commercial purposes” being defined to mean any use through which the user thereof expects to or does make a profit, be revised, commencing as of this date; and,

WHEREAS, the Town of Odessa airport permits commercial and noncommercial users to utilize the airport; and,

WHEREAS, the Town of Odessa regulates said direct access so as to not interfere with the normal operation of the airport or normal usage of the runway; and,

WHEREAS, the Town of Odessa, while allowing said direct access, provides a service to those parties which is not provided to parties renting at the airport, and,

WHEREAS, the WA State Department of Revenue per WAC 458.29A, has created a Leasehold Excise Tax, which is to be charged by the Town for Town owned property(s) which is/are leaseholder/rentals, at an annual cost of two-hundred fifty dollars (\$250.00) or more; and,

WHEREAS, the WA State Dept. of Revenue, per WAC 458-29A-400 provides for the exemption of the Leasehold Excise Tax, for rent which is less than two hundred fifty dollars (\$250.00) per year; and,

WHEREAS, the Town of Odessa has determined the current WA State Department of Revenue Leasehold Excise Tax percentage be added to the annual airport rental fees, for rental fees of two hundred fifty dollars (\$250.00) or more; and,

WHEREAS, the Town of Odessa has determined the WA State Department of Revenue Leasehold Excise Tax, be adjusted, as deemed necessary, based on the Leasehold Excise tax percentage established by the WA State Department of Revenue; and,

WHEREAS, OMC 3.40.020, Commercial User Fee is amended to read, The Commercial user base fee for each commercial user shall be \$2,472.00 per year, plus the rental fee of \$370.80, (\$30.90 per month) per plane for each tie-down at the designated “commercial” sites, with no proration commencing, plus cost of bulk water, on January 1, 2017; and,

WHEREAS, OMC 3.40.030, License/Commercial Airport Lease-Insurance is amended to read, Prior to the use of the municipal airport, for commercial purposes, any person or party desiring to use same for commercial purposes shall make an application to the Town Clerk for a license/Commercial Airport Lease, to use said municipal airport, pay the applicable commercial user rental fee(s) to said Town Clerk for which a receipt will be issued, which commercial user shall have available for exhibit to any designated municipal authority at all times. Said applicant must also provide proof of Liability Insurance in the amount of one-million dollars (\$1,000,000.00) per occurrence and provide proof of Pollution Liability Insurance in the amount of one-million dollars (\$1,000,000.00) per occurrence, two-million (\$2,000,000.00) annual aggregate. The Town of Odessa shall be named by endorsement as an additional insured on all such liability policies. The commercial user shall provide the Town of Odessa with a certificate or certificates of such insurances,

including the endorsements within ten (10) days of the execution of agreement and within thirty (30) days of the beginning of each consecutive year; and,

WHEREAS, OMC 3.40.045, Noncommercial User Fee is added to read, The Noncommercial base fee for each noncommercial user, the rental fee shall be \$370.80 per year (\$30.90 per month), per plane, for each tie-down, with no proration commencing on January 1, 2017; and,

WHEREAS, OMC 3.40.035, Runway Access Fee is amended to read, The Runway Access base fee for each plane owned and operated by a private party or commercial user, which has direct access to the airport property, shall be \$185.40 per year, (\$15.45 per month), with no proration commencing on January 1, 2017; and,

WHEREAS, OMC 3.40.050, Noncommercial Use-Insurance is amended to read, Prior to the use of the municipal airport, for noncommercial purposes, any person or party desiring to use same for noncommercial purposes shall make an application to the Town Clerk to use said municipal airport by paying the applicable rental fee to said Town Clerk for which a receipt will be issued, which said noncommercial user shall have available for exhibit to any designated municipal authority at all times. Said applicant must also provide proof of Liability Insurance in the amount of three-hundred thousand dollars (\$300,000.00) per occurrence. The Town of Odessa shall be named by endorsement as an additional insured on all such liability policies. The noncommercial user shall provide the Town of Odessa with a certificate or certificates of such insurance(s), including the endorsements within thirty (30) days of the beginning of each consecutive year; and,

WHEREAS, a subsection titled Leasehold Excise Tax, shall be added to OMC Chapter 3.40, Airport Rates, to read: A WA State Department of Revenue Leaseholder Excise Tax, based on the Leasehold Excise Tax percentage, established by the WA State Department of Revenue, shall be added the annual airport leaseholder/rental fees, for leaseholder/rental fees of two hundred fifty dollars (\$250.00) or more; and,

WHEREAS, there will be an automatic rental/user fee base fee increase of three (3%) per year on each base fee beginning January 1, 2016 and each year on January 1st thereafter; and,

WHEREAS, OMC Chapter 3.40, Airport Rates, OMC Section 3.40.020 Commercial Users Fee, OMC Section 3.40.030, Commercial License/Lease and Insurance Requirement, OMC Section 3.40.035 Runway Access Fee, OMC Section 3.40.050 Noncommercial Use Fees and Airport User Insurance Requirements are hereby amended, OMC Section 3.40.045 is added, a section titled Leasehold Excise Tax be added to OMC Chapter 3.40, and all ordinances and resolutions, or parts thereof in conflict herewith this resolution are hereby repealed.

NOW, THEREFORE, BE IT RESOLVED BY THE ODESSA TOWN COUNCIL, that the airport user rental fees for commercial users, private parties and parties with access to the airport and insurance requirements for commercial and noncommercial municipal airport users be revised and approved.

PASSED AND APPROVED BY THE ODESSA TOWN COUNCIL THIS 12th DAY OF DECEMBER, 2016.

Lois Hubbard, Mayor

ATTEST:

Gail Kiesz, Clerk-Treasurer