

**Clark County, Nevada**  
**Business Impact Statement**

The following Business Impact Statement was prepared pursuant to Nevada Revised Statutes (NRS) 237.080 and 237.090 to address the proposed impact of adoption of **an Ordinance amending Title 20, of the Clark County Code, Chapter 20.10, Section 20.10.010 to amend the rentals, fees, and charges, for air transportation companies and authorized operators at Harry Reid International Airport.**

1. The following constitutes a description of the number of and manner in which comment was solicited from affected businesses, a summary of their responses and explanation of the manner in which other interested persons may obtain a copy of the summary. *NRS 237.090(1)(a)*

- a. Notice: In 2013, the Clark County Department of Aviation (DOA) worked with the Director of the Department of Business License for Clark County Nevada to obtain an exemption from Section III – PROCEDURE, for those business impact statements that pertain specifically to aviation matters. The exemption limited the stakeholder group to be notified of the proposed ordinance or regulation change to only those aviation stakeholders that may be directly impacted by the proposed change. The exemption also reduced the timeframe of the process to be followed. On September 6, 2013, an exemption was approved by Jacqueline Holloway, Director of the Department of Business License, regarding business impact statements that pertain specifically to aviation matters. **A copy of the memorandum, dated July 25, 2013, is attached.**

On April 18, 2022, in accordance with the requirements of the Airline-Airport Use and Lease Agreement, approved on September 7, 2010, as amended on January 18, 2011, November 5, 2014, and July 21, 2020 (Signatory Agreement) and following past practice, the DOA sent its proposed budgeted rentals, fees, and charges for FY2023 to all LAS Airline-Airport Affairs Committee (LAS AAAC) members for review and comment. **A copy of this letter is attached.**

The LAS AAAC consists of representatives from all the airlines (both Signatory and Non-Signatory), which operate at Harry Reid International Airport (Airport).

On April 20, 2022, the LAS AAAC stakeholder group and DOA met and discussed the calculation and budgetary requirements for the Airport. The methodology used to calculate the FY2023 rentals, fees, and charges followed the methodology established under the Signatory Agreement. The calculated budget includes a

variety of assumptions that were presented and discussed with the LAS AAAC stakeholder group. The DOA was able to reduce its overall rates and Cost Per Enplanement (CPE) for FY2023, based on an improved increase in passengers from FY2022 projections. Relief grant funds have also played a part in reducing the CPE. No objections were raised by the LAS AAAC stakeholder group.

- b. Summary of Comments: The LAS AAAC members and DOA staff in attendance at the April 20, 2022 meeting (either in person or via conference call) held discussions, made clarifications and answered all questions to their satisfaction regarding the FY2023 budget, as presented. At the conclusion of the meeting, the LAS AAAC Signatory Airline members held a vote and unanimously approved the Airport's FY2023 budget, including the rentals, fees, and charges. All material questions and comments received from the LAS AAAC stakeholder group, collectively or individually, were addressed by the DOA.

The LAS AAAC sent written notification on April 25, 2022, indicating their formal approval of the proposed FY2023 Airport budgeted rentals, fees, and charges, as presented on April 20, 2022. The LAS AAAC stakeholder group also agreed with continuing the work necessary to execute the DOA's capital plan for the new fiscal year. **A copy of the April 25, 2022 letter is attached.**

- c. Public Availability of Comments: Upon request, a copy of the proposed Ordinance amendment and Business Impact Statement may be obtained by contacting the Clark County Department of Aviation Business Office, located at Harry Reid International Airport, 5757 Wayne Newton Boulevard, Las Vegas, Nevada 89119, or by emailing [aviationaffairs@lasairport.com](mailto:aviationaffairs@lasairport.com).

2. The estimated economic effect of the proposed rule on businesses, including, without limitation, both adverse and beneficial effects, and both direct and indirect effects: *NRS 237.090(1)(b)*

The established distinction between Signatory Airlines and Non-Signatory Airlines of 125% of Signatory rates, as outlined in the Signatory Agreement, went into effect on July 1, 2010 and remains unchanged. Any airline that is able to meet the established Minimum Standards for Signatory Airline status will be offered such status.

- a. Adverse Effects: The following represents the adverse effects of increases to the rentals, fees, and charges, effective July 1, 2022, for FY2023.

Aircraft Gate Use Fee:

- a. Signatory Airlines – Increase of 7.0% per annum for each leased gate.

- b. Non-Signatory Airlines – Increase of 7.0% per annum for each leased gate.

This increase will only affect airlines that lease preferential gates.

- b. Beneficial Effects: The following represents the beneficial effects of adjusting the rentals, fees, and charges, effective July 1, 2022 for FY2023.

The DOA was able to reduce most of the rentals, fees, and charges. These reductions, along with similar reductions in every category of Airport rates and charges has resulted in a substantial reduction in the projected Airport Cost Per Enplanement (CPE) of \$8.31, down dramatically from the projected Fiscal Year 2022 CPE of \$12.17. The Airport operates as an Enterprise Fund, therefore a combination of both minor increases and decreases to the various rentals, fees, and charges is anticipated to cover the operations and maintenance costs of the Clark County Airport System.

Terminal Complex Rental:

- a. Signatory Airlines – Decrease of \$29.08 per square foot per annum
- b. Non-Signatory Airlines/Authorized Tenants – Decrease of \$36.35 per square foot per annum

Landing Fee:

- a. Signatory Airlines – Decrease of \$0.01 per 1,000 lbs., gross certificated landing weight.
- b. Non-Signatory Airlines – Decrease of \$0.01 per 1,000 lbs., gross certificated landing weight.

This fee is an activity-based fee, so any increase or decrease to a specific airline will be based upon their activity at the Airport.

Aircraft Per Turn Fee – Wide Body

- a. Signatory Airlines – Decrease of \$58.00 per turn
- b. Non-Signatory Airlines – Decrease of \$72.50 per turn

This fee is an activity-based fee, so any increase or decrease to a specific airline will be based upon their activity at the Airport.

Aircraft Per Turn Fee – Narrow Body

- a. Signatory Airlines – Decrease of \$39.00 per turn
- b. Non-Signatory Airlines – Decrease of \$48.75 per turn

This fee is an activity-based fee, so any increase or decrease to a specific airline will be based upon their activity at the Airport.

Common-Use Ticket Counter Fee:

- a. Signatory Airlines – Decrease of \$0.76 per enplanement
- b. Non-Signatory Airlines – Decrease of \$0.95 per enplanement

This fee is an activity-based fee, so any increase or decrease to a specific airline will be based upon their activity at the Airport.

Common-Use Baggage Service Office Fee:

- a. Signatory Airlines – Decrease of \$0.02 per enplanement
- b. Non-Signatory Airlines – Decrease of \$0.03 per enplanement

This fee is an activity-based fee, so any increase or decrease to a specific airline will be based upon their activity at the Airport.

Apron Storage Fee – Uncovered and Covered Apron: No change in the rate this fiscal year.

Off-Gate Aircraft Parking Fees: No change in the rate this fiscal year, however it is an activity-based fee and tenants may see an increase or decrease based upon their activity at the Airport.

International Passenger Processing Facility Use Fee: No change in the rate this fiscal year, however it is an activity-based fee and tenants may see an increase or decrease based upon their activity at the Airport.

- c. Direct Effects: The following represents the direct effects of changes to the rentals, fees, and charges, effective July 1, 2022, for FY2023.

The DOA is committed to managing airline rates and charges in order to keep the cost per enplanement at reasonable levels to attract and retain air service into the Las Vegas market. The DOA continuously looks for ways to maximize non-airline revenues and minimize operating and debt service expenses.

The rentals, fees, and charges were calculated in accordance with the rate-making methodology contained in the current Signatory Agreement and will result in an estimated cost per enplanement of \$8.31. This is a \$3.86 decrease from FY2022.

- d. Indirect Effects: The following represents the indirect effects of changes to the rentals, fees, and charges for FY2023.

Keeping the rentals, fees, and charges stabilized allows airlines to plan future air service activities without volatile swings.

The agreed-upon changes to the overall fees will ensure consistent levels of customer service to the airlines and airline customers, and will help offset maintenance and operational costs to operate the Clark County Airport System.

- e. Other Economic Effects to be Considered: None for this fiscal year.

3. The following constitutes a description of the methods that the local government considered to reduce the impact of the proposed rule on businesses and a statement regarding whether any, and if so which, of these methods were used: (Include whether the following were considered: Simplifying the proposed rule, establishing different standards of compliance for a business, and if applicable, modifying a fee or fine set forth in the rule, so that a business could pay a lower fee or fine). *NRS 237.090(1) (c)*

The FY2023 rentals, fees, and charges were calculated in accordance with the rate-making methodology contained in the current Signatory Agreement.

4. The governing body estimates the annual cost to the local government for enforcement of the proposed rule is: *NRS 237.090(1) (d)*

All administrative costs were accounted for in the rate-setting methodology of the FY2023 budgeted rentals, fees, and charges. Any additional cost to implement the ordinance change is a minor; one-time cost for administrative staff to adjust forms and accounting fields to accommodate the agreed upon changes is negligible.

The Signatory Agreement sets the methodology for the calculation of the rentals, fees, and charges using appropriate cost centers and allocating costs and revenues to each relevant cost center and are applicable to the users of such cost center.

5. The proposed rule provides for a new fee or increases an existing fee and the total annual amount expected to be collected is: (Include any relevant figures, charts, and/or tables). *NRS 237.090(1) (e)*

The projected amount to be collected for Aircraft Gate Use Fees for a projected 63 leased gates for Fiscal Year 2023 (FY23) is \$12.4 million, which is a 7.0% increase from the previous

fiscal year, however, the decrease in the other rentals, fees, and charges more than offset this increase.

6. The money generated by the fee or increase in existing fee will be used by the local government to: *NRS 237.090(1) (f)*

The Airport operates as an Enterprise Fund with a goal of setting rentals, fees, and charges to cover all of the Airport's operational and maintenance costs. The combination of both minor increases and decreases to the various rentals, fees, and charges is anticipated to cover the operations and maintenance costs of the Clark County Airport System.

7. The proposed rule includes provisions that duplicate or are more stringent than federal, state, or local standards regulating the same activity. The following explains when such duplicative or more stringent provisions are necessary: *NRS 237.090(1) (f)*

Not applicable.

8. Set forth the reasons for the conclusions regarding the impact of the proposed rule on businesses. *NRS 237.090(1) (g)*

DOA management gave extensive considerations to minimizing the impact of the proposed rates and charges modifications to ensure that the rentals, fees, and charges would remain as stable as possible based upon current activity and data. The Airport and LAS AAAC developed an approved rate-making methodology that allows for the allocation of revenues and expenses to each of the respective cost centers (residual method). This methodology is contained in the current Signatory Agreement.

**Certification of Business Impact Statement**

Pursuant to NRS 237.090(2), I, Yolanda T. King, as County Manager for Clark County Nevada, hereby certify that, to the best of my knowledge and belief, the information contained in this statement was prepared properly and accurately.

  
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Yolanda T. King  
County Manager, Clark County Nevada

Dated: 5/3/2022

**MEMORANDUM**  
**DEPARTMENT OF AVIATION**

ROSEMARY A. VASSILIADIS  
Director

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TO: Jacqueline Holloway, Business License Director  
FROM: Rosemary A. Vassiliadis, Director *RAV*  
SUBJECT: Request Exemption from Admin Guideline #(draft) Business Impact Statements  
DATE: July 25, 2013

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The Department of Aviation seeks an exemption from Section III – PROCEDURE for those business impact statements that pertain specifically to aviation matters.

The exemption being sought is to limit the stakeholder group to be notified of the proposed ordinance or regulation change to only those aviation stakeholders that may be directly impacted by the proposed change. The exemption would also reduce the timeframe of the process to be followed in disseminating the notification, gathering the information from the stakeholders and developing the required analysis. As an example, the airport produces specific business impact statements annually which coincide with the development of the rates and charges program. The stakeholders are existing airport partners whom are cognizant of the strict time frames associated with review of the financial documents and the need to provide feedback timely. Our requested exemption would cover these rates and charges program changes, as well as, other similar airport-specific ordinance or regulation proposed changes. This request is not intended to limit the scope of the business impact statement as required by legislation. The Board of County Commission agenda process will be followed.

For other non-aviation specific business impact statements, the airport will follow the approved administrative guideline.

Please let me know if you wish to discuss this further.

I appreciate your consideration of this request.

Reviewed and Discussed with Aviation

*Jacqueline A. Holloway*  
\_\_\_\_\_  
Jacqueline Holloway, Business License Director

*9/6/13*  
\_\_\_\_\_  
Date

cc: Harry Waters, Deputy Director



## Department of Aviation

**ROSEMARY A. VASSILIADIS**  
DIRECTOR

POSTAL BOX 11005  
LAS VEGAS, NEVADA 89111-1005  
(702) 261-5211  
FAX (702) 587-9553

April 18, 2022

Mr. David Sellers  
Manager, Airport Affairs  
LAS Airline and Airport Affairs Committee Chair  
**SOUTHWEST AIRLINES CO.**  
2702 Love Field Drive  
Dallas, TX 75235-1611

**RE: LAS FISCAL YEAR 2023 BUDGET / RATES AND CHARGES SUBMITTAL**

Dear Mr. Sellers,

Attached you will find the above referenced budget report to the LAS Airline and Airport Affairs Committee (AAAC), for review prior to our LAS AAAC Meeting scheduled for Wednesday, April 20, 2022 at 10:00 AM (Pacific Time). We will be happy to discuss any questions or concerns you and the AAAC members have regarding this information.

The attached report provides financial information for the FY2023 Budget. It is important to note that this information is provided in compliance with the approved rates and charges methodology outlined in Exhibits D1 through D12 of the Airline-Airport Use and Lease Agreement, as amended.

We are pleased to be able to provide this report, and to state that the proposed Cost Per Enplaned Passenger (CPE) for FY2023 Budget is \$8.31, which is a decrease from \$12.17 the previous fiscal year. Landing Fees are flat and all other rates are lower than the previous year's budget.

The Department of Aviation remains committed to its Airline partners by keeping the costs for operating at Las Vegas low and competitive to our peers, and we thank you for your partnership. We look forward to our meeting and addressing any of your questions or concerns.

Sincerely,

PHILLIP DETMER  
Manager, Commercial & Business Development

Enclosures, as noted above

cc: Rosemary Vassiliadis      Joseph Piurkowski      Tyler McHenry      Scott Kichline  
LAS Airline-Airport Affairs Committee Members



### Clark County Board of Commissioners

James B. Gibson, Chair • Justin C. Jones, Vice Chair  
Marilyn Kirkpatrick • William McCurdy II • Ross Miller • Michael Naft • Tick Segerblom

Southwest Airlines Co.  
David Sellers  
P.O. Box 36611  
Dallas, Texas 75235-1611  
214-792-4909  
E-mail:david.sellers@wnco.com



April 25, 2022

Ms. Rosemary A. Vassiliadis  
Director, Clark County Department of Aviation  
Harry Reid International Airport  
5757 Wayne Newton Blvd.  
Las Vegas, NV 89119

Re: **Approval of the Proposed Airline Rates and Charges - Fiscal Year Ended June 30, 2023**

Dear Rosemary,

Thank you for graciously hosting the annual AAAC "rates and charges" meeting on April 20, 2022 where the results of the annual budgeting process for the Fiscal Year ending June 2023 were shared with the airlines. As always, you and your team were extremely informative in discussing all of the exciting developments transpiring in and around the airport and we greatly appreciate your insight into the many issues that may affect Harry Reid International in the years to come.

As indicated during the meeting, the airlines are very pleased with the results of all of the hard work the Finance team put into developing rates and charges for the new Fiscal Year. Of significant mention is the reduction in the Terminal Rental Rate from the Fiscal Year 2022 budgeted rate of \$156.29 to a budgeted rate of \$127.21 for Fiscal Year 2023. As pointed out during the meeting, the reduction in the Terminal Rental Rate will result in a reduction in costs for the Joint Use Space alone of nearly \$20M with further savings realized by those carriers that lease support space. Your team's efforts again this year resulted in a reduction in Airport CPE from a budgeted \$12.17 for Fiscal Year 2022 to \$8.31 for Fiscal Year 2023. These are excellent results that you and the team should be very proud to have achieved. Thank you!

Please accept this correspondence as formal notification of the LAS air carrier's support for the proposed rates and charges for the Fiscal Year ending June 30, 2023 and support for continuing the work necessary to execute your capital plan for the new FY.

I am sure you would agree that it was wonderful to see so many airport and airline folks in attendance this year after experiencing the frustrations of Zoom, Teams and other virtual venues that COVID has brought us over the past few years. Again, thank you for your wonderful hospitality and please don't hesitate to contact me if you have any questions.

Sincerely,

*DP Sellers*

David Sellers  
SOUTHWEST AIRLINES CO.  
Chair - LAS Airline and Airport Affairs Committee