

**DANE COUNTY
POLICY AND FISCAL NOTE**

<input checked="" type="checkbox"/> Original	<input type="checkbox"/> Update	Substitute No. _____
Sponsor: Supervisor McCarville		Resolution No. 2024 RES-194
Vote Required: Majority <input checked="" type="checkbox"/>		Ordinance Amendment No. _____
Two-Thirds _____		3/4 _____

Title of Resolution or Ord. Amd.:

APPROVING AMENDMENTS TO AIR CARGO GROUND LEASE WITH PREFERRED DEVELOPMENT MADISON, LLC AND CARGO AIRLINE OPERATING AGREEMENT WITH FEDERAL EXPRESS CORPORATION

Policy Analysis Statement:

Brief Description of Proposal -

Federal Express Corporation ("FedEx") operates out of the Dane County Regional Airport ("Airport") as a signatory commercial air cargo carrier under its Cargo Airline Operating Agreement with Dane County (Contract No. DCRA 2021-02). FedEx subleases the facilities out of which it operates from Preferred Development Madison, LLC ("Preferred Development"), who leases the land from Dane County under Lease No. DCRA 2020-03. To accommodate FedEx's growing operations, FedEx seeks to expand its assigned ramp space. FedEx, Preferred Development, and the Airport negotiated amendments to their respective agreements to add 65,837.5 square feet of the ramp to FedEx's assigned ramp space that was previously ramp space FedEx was allowed to use but subject to a duty to vacate. The amendments will also provide FedEx with 64,360 square feet of new ramp space it may use subject to the same duty to vacate.

Current Policy or Practice -

FedEx currently subleases facilities from Preferred Development, under their lease with the Airport which includes 107,887.5 square feet of assigned ramp space plus an additional 65,837.5 square feet of ramp space it may use subject to a duty to vacate.

Impact of Adopting Proposal -

Assigned ramp space leased by Preferred Development and subleased to FedEx will increase by 65,837.5 square feet to a total of 173,725 square feet plus an additional 64,360 square feet of new ramp space it may use subject to a duty to vacate.

Fiscal Estimate:

Fiscal Effect (check all that apply) -

- No Fiscal Effect
- Results in Revenue Increase
- Results in Expenditure Increase
- Results in Revenue Decrease
- Results in Expenditure Decrease

Budget Effect (check all that apply) -

- No Budget Effect
- Increases Rev. Budget
- Increases Exp. Budget
- Decreases Rev. Budget
- Decreases Exp. Budget
- Increases Position Authority
- Decreases Position Authority

Note: if any budget effect, 2/3 vote is required

Narrative/Assumptions about long range fiscal effect:

Expenditure/Revenue Changes:

	Current Year		Annualized			Current Year		Annualized	
	Increase	Decrease	Increase	Decrease		Increase	Decrease	Increase	Decrease
Expenditures -					Revenues -				
Personal Services					County Taxes				
Operating Expenses					Federal				
Contractual Services					State				
Capital					Other	\$4,533		\$6,044	
Total	\$0	\$0	\$0	\$0	Total	\$4,533	\$0	\$6,044	\$0

Personnel Impact/FTE Changes:

None

Prepared By:

Agency: Airport	Division: Administration		
Prepared by: Rick Fairchild	Date: 11/01/24	Phone: 246-3384	
Reviewed by: Gene Meyers	Date: 11/01/24	Phone: 246-3391	