

Pinellas County

Staff Report

File #: 25-1263A, Version: 1

Agenda Date: 9/18/2025

Subject:

Second Amendment to the St. Pete-Clearwater International Airport Airline Operating and Use Agreement.

Recommended Action:

Approval of the Second Amendment to the St. Pete-Clearwater International Airport (PIE) Airline Operating and Use Agreement.

- The current Airline Operating and Use Agreement's term expires on September 30, 2025.
- Allegiant and PIE are currently negotiating the next five-year agreement, particularly the rates for rentals, fees, and charges.
- The current agreement does not have a hold-over clause to allow us additional time.
- This amendment allows a hold-over time in case Allegiant still occupies the space after the Agreement's term expires, in which all terms and conditions will continue to be in effect.
- This amendment will also affect Sun Country Airline's Airline Operating and Use Agreement, since this is the master document for both air carriers.
- The First Amendment to the agreement was for 147 square feet added to Allegiant's storage area.
- Revenue from this agreement is receipted to the Airport Revenue and Operating Fund, included in the Fiscal Year (FY) 2025 Amended Budget and the FY26 Proposed Budget, in the amount of \$2,571,510.00. Actual revenue in FY24 was \$2,936,301.87.

Strategic Priorities:

Prosperity and Opportunity Foster Business Growth

Summarv:

This amendment gives PIE more time to negotiate the rates and charges for the next five-year agreement that will expire in 2031 if this Amendment is approved.

This amendment will ensure that the same terms and rates will continue for the next year while both entities continue to negotiate in good faith.

Background Information:

PIE staff has been working with Allegiant to negotiate the rates and charges of the next five years. We need additional time to ensure that the agreement enables both parties to plan for the future.

Fiscal Impact:

If this Amendment is executed, all existing rates and charges will continue to be paid until the new agreement is negotiated. The current fees are as follows:

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1. Landing Fees: \$0.95 per thousand pounds of maximum gross landed weight

- 2. Terminal Service Facility Fees (per flight/aircraft): 0-2500 departures = \$75; 2501-5000 departures = \$65; 5001-7500 departures = \$55; >7500 departures = \$50
- 3. Passenger Screening Fees: \$0.75 per enplaned passenger
- 4. Airline Office Space: \$20.00 per square foot per year
- 5. Ticket Counter Space: \$1,200 per ticket counter position per year
- 6. Aircraft Remaining Over Night (RON) Parking Fees: \$40.00 per aircraft per night
- 7. Fuel Flowage Fees: <20,000 gallons per month = \$.055 per gallon; 20,001 100,000 gallons = \$.02 per gallon; >100,000 gallons per month = waived for the portion of fuel purchased more than 100,000 gallons
- 8. Passenger Boarding Bridge Fees: \$50 per turn (4 hours continuous use)

Staff Member Responsible:

Mark Sprague, C.M., Interim Director, Airport

Partners:

Allegiant Air, LLC Sun Country Airlines

Attachments:

Second Amendment to St. Pete-Clearwater International Airport Airline Operating and Use Agreement

First Amendment to St. Pete-Clearwater International Airport Airline Operating and Use Agreement St. Pete-Clearwater International Airport Airline Operating and Use Agreement

SECOND AMENDMENT TO

ST. PETE-CLEARWATER INTERNATIONAL AIRPORT AIRLINE OPERATING AND USE AGREEMENT

This Second Amendment to Airline Operating and Use Agreement ("Second Amendment"), made and entered into the 18th day of September , 2025, to the Airline Operating and Use Agreement by and between Pinellas County, a political subdivision of the State of Florida, by and through its Board of County Commissioners, hereinafter referred to as "COUNTY", and ALLEGIANT AIR, LLC, hereinafter referred to as "AIRLINE".

WITNESSETH:

WHEREAS, the COUNTY is the owner and operator of the St. Pete-Clearwater International Airport, hereinafter referred to as "Airport"; and

WHEREAS, the COUNTY and AIRLINE have previously entered into an Airline Operating and Use Agreement dated January 28, 2020; and

WHEREAS, the COUNTY and AIRLINE now wish to amend said Agreement to add a holdover clause to the term;

NOW, THEREFORE, in consideration of the mutual covenants and undertakings to be performed by the parties hereto, the COUNTY and AIRLINE hereby agree to amend the existing Airline Operating and Use Agreement as follows:

- 1. The above "WHEREAS" clauses are incorporated into and are made a part of this Agreement.
- 2. Article 3, "TERM" is hereby amended with the addition as follows:
 - Section 3.2 Holding Over. In the event AIRLINE uses the Airline Premises after this Agreement expires, AIRLINE shall be deemed a licensee at sufferance during the period of such use and shall pay the existing rates for rentals, fees, and charges established by COUNTY for Signatory Airlines during such period. In such event, COUNTY shall have the right to all remedies provided under applicable laws. This period shall not exceed one (1) year, or September 30, 2026.
- 3. Except as herein provided, all other terms and conditions of the Agreement remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to the Airline Operating and Use Agreement to be executed as of the day and year first above written.

ATTEST:	PINELLAS COUNTY, a political Subdivision of the State of Florida by its Board of Count Commissioners	
By:	By: Brian Scott, Chairman	COUNTY COM
WITNESS:	AIRLINE: ALLEGIANT AIR, LLC	SEAL
Susan Kittle	By:	
	Print: Thayne Klingler	
	Title: Director, Airport Affairs	