

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date	July 13, 2009
	Agenda Item No. 65 Roll Call No. <u>09-</u> Communication No. <u>09-484</u> Submitted by: Craig Smith, Aviation Director	

AGENDA HEADING:

Public Hearing to consider Terminal Building Lease with The United States General Services Administration at the Des Moines International Airport.

SYNOPSIS:

Recommend approval of a new Airport Terminal Building Lease Agreement with the United States of America through the General Services Administration (GSA) on behalf of the Transportation Security Administration (TSA), with an effective date of July 1, 2009, and an expiration date of June 30, 2019.

FISCAL IMPACT:

Amount: Annual rent in the amount of \$76,821.00 for the first five years of the lease and \$84,503.10 for the second five-year period. All rents will be paid monthly.

Funding Source: FY10-11 Operating Budget, Aviation Department Enterprise Operating Fund, AIR040100, EN002, page 25

ADDITIONAL INFORMATION:

On June 6, 2006, by Resolution A06-094, the Des Moines International Airport Board approved a Terminal Building Space Lease Agreement with the United States of America through its General Services Administration (GSA) on behalf of the Transportation Security Administration (TSA) for a three-year period ending June 30, 2009. Airport Board Regulations have established lease rates equal to \$30.00 per square foot for office, lounge and training areas, \$21.00 per square foot for storage space, and \$20.00 per month for each vehicle parking space. Under the Agreement, GSA, acting on behalf of TSA, will lease a total of 2,615 square feet of office, storage and training space as well as six (6) additional covered parking spaces for its vehicles.

This agreement included all TSA exclusively-used areas in the Airport Terminal Building, consisting of an office area located near the passenger screening checkpoint as well as an employee training room, break room, and locker room on the first level of the terminal, directly below the checkpoint. It does not include the checkpoint area itself or the baggage makeup area – these areas fall under the responsibility of the carriers operating at the airport on a regularly-scheduled basis under terms of the signatory airline operating agreement.

In anticipation of the expiration of the current GSA lease, the Aviation Department has negotiated all terms of a new ten-year agreement with the Federal Government. Because the lease term is beyond three years in length, City Council has reserved the right to approve the agreement on behalf of the Airport and City. The approval process with the Federal Government differs slightly from the City's traditional process; in this case the Federal Government requires the City to approve and execute the Agreement prior to sending it to GSA for execution.

PREVIOUS COUNCIL ACTION(S):

Date: June 22, 2009

Roll Call Number: 09-1075

Action: On Terminal Building Lease with United States General Services Administration at the Airport, (7-13-09) Moved by Vlassis to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Date: June 2, 2009

Resolution Number: A09-111

Action: The Airport Board recommends Council approve and authorize the Mayor to execute the Airport Terminal Building Lease Agreement through the General Services Administration on behalf of the Transportation Security Administration. Moved by Mr. Ross to adopt. Motion carried: 5-0-0-2

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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