

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date	January 25, 2010
	Agenda Item No. 47A Roll Call No. <u>10-</u> Communication No. <u>10-028</u> Submitted by: Craig Smith, Aviation Director	

AGENDA HEADING:

Public Hearing to consider approval of the assignment of a Commercial Operator Lease and Agreement with Mid-America Transportation Inc. d/b/a Mid-America Jet Center to Elliott Aviation of Des Moines, Inc.

SYNOPSIS:

Recommend approval of the assignment of an airport lease and operating agreement with Mid-America Transportation Inc. dba Mid-America Jet Center (“Mid-America”) to Elliott Aviation of Des Moines, Inc. (“Elliott”).

FISCAL IMPACT:

Amount: All financial obligations of the current agreement will be transferred to Elliott, so this assignment will not have any direct fiscal impact. The current agreement calls for payments of rent and a fuel flowage fee to be remitted for every gallon of fuel sold to tenant and transient aircraft. For the most recent fiscal year ended June 30, 2009, Mid-America paid rent of \$69,235.58 and fuel flowage fees of \$43,752.72 to the Aviation Department Enterprise Fund (EN002 AIR040100).

Funding Source: N/A

ADDITIONAL INFORMATION:

In recent months Mid-America initiated a sale of its commercial operations at the Des Moines International Airport, intended to include assumption of this agreement. Eventually Mid-America was able to negotiate terms of a sale through an asset purchase agreement with Elliott, a Fixed Based Operator tenant located immediately west of MidAmerica on airport grounds. Part of the condition of the sale is an assignment of this agreement, which is subject to Council approval according to its terms.

The Airport Board recommended that Council approve the assignment.

PREVIOUS COUNCIL ACTION(S):

Date: January 11, 2010

Resolution Number: 10-035

Action: Set date of public hearing to approve the assignment of the Commercial Operator Lease and Agreement with Mid-America Transportation Inc. d/b/a Mid-America Jet Center to Elliott Aviation of Des Moines, Inc. Moved by Hensley to set the public hearing for January 25th at 5:00 PM. Motion Carried 7-0.

Date: June 18, 2007

Resolution Number: 07-1231

Action: Approve Commercial Operator Lease and Agreement with Mid-America Transportation Inc. dba Mid-America Jet Center. Moved by Hensley. Motion Carried 6-1.

Date: May 21, 2007

Resolution Number: 07-1013

Action: Approve Fixed Based Operator Lease and Agreement with Elliott Aviation of Des Moines, Inc. Moved by Hensley. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Date: January 5, 2010

Resolution Number: A10-015

Action: The Airport Board recommended that City Council approve an assignment of Commercial Operator Lease and Agreement from Mid-America Transportation, Inc. dba Mid-America Jet Center to Elliott Aviation of Des Moines, Inc. Moved by Mr. Erickson to adopt. Motion carried: 6-0.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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