



# Council Communication

Office of the City Manager

Date

January 25, 2010

Agenda Item No. 47C  
Roll Call No. 10-  
Communication No. 10-030  
Submitted by: **Craig Smith,**  
Aviation Director

## **AGENDA HEADING:**

Public Hearing to consider Approval of the Scheduled Airline Operating Agreement and Terminal Lease with SkyWest Airlines, Inc.

## **SYNOPSIS:**

Public hearing for approval of the Scheduled Airline Operating Agreement and Terminal Lease at the Des Moines International Airport with SkyWest Airlines, Inc. ("SkyWest").

## **FISCAL IMPACT:**

Amount: This agreement will follow the same rates and charges formula (paying aircraft landing fees and apron costs) as those similar agreements previously approved by the council with other airlines operating at the airport. Because SkyWest will participate in airfield and terminal cost-sharing as a signatory carrier, any added operations and passengers from their activity will reduce costs to the other signatory carriers; however the exact amount is to be determined.

Additionally, SkyWest will lease office and counter space in the airport terminal building. The total amount of exclusive space is 808.86 sq. ft. which, using current rates, results in additional annual rent of \$29,512.51.

Funding Source: Aviation Department Enterprise Fund (EN002 AIR010100).

## **ADDITIONAL INFORMATION:**

Recently SkyWest announced the inception of service from DSM to its hub at Milwaukee's General Mitchell International Airport. The new service will consist of three flights per day

beginning February 11, 2010, and will be operated through a partnership with its affiliated carrier AirTran Airways (“AirTran”). Additionally, AirTran has announced plans to operate two flights per week from DSM to Orlando International Airport beginning March 6, 2010.

The particular arrangement between these carriers is unique as tickets will be sold under the AirTran name but SkyWest will be handling all the flights locally. SkyWest will also be responsible for obligations under the agreement. The schedule will be a mix of the two airlines, with SkyWest aircraft used on Milwaukee flights and AirTran aircraft used to service Orlando.

The Airport Board has recommended that Council approve the Agreement.

#### **PREVIOUS COUNCIL ACTION(S):**

Date: January 11, 2010

Resolution Number: 10-036

Action: Set date of public hearing to approve the Scheduled Airline Operating Agreement and Terminal Lease with SkyWest Airlines, Inc. Moved by Hensley to set the public hearing for January 25<sup>th</sup> at 5:00 PM. Motion Carried 7-0.

#### **BOARD/COMMISSION ACTION(S):**

Date: January 5, 2010

Resolution Number: A10-006

Action: The Airport Board recommended that City Council approve the Scheduled Airline Operating Agreement and Terminal Lease with SkyWest Airlines, Inc. Moved by Erickson. Motion carried 5-0.

#### **ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

For more information on this and other agenda items, please call the City Clerk’s Office at 515-283-4209 or visit the Clerk’s Office on the second floor of City Hall, 400 Robert D. Ray Drive. Council agendas are available to the public at the City Clerk’s Office on Thursday afternoon preceding Monday’s Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk’s Office or sending their request via email to [cityclerk@dmgov.org](mailto:cityclerk@dmgov.org).