

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: July 26, 2010
	Agenda Item No. 46 Roll Call No. <u>10-1239</u> Communication No. <u>10-458</u> Submitted by: Donald L. Smithey, Aviation Director

AGENDA HEADING:

Public hearing to consider approval of the First Amendment to the Operating Agreement and Terminal Lease with United Airlines, Inc. at the Des Moines International Airport.

SYNOPSIS:

Public hearing for approval of the First Amendment to the Operating Agreement and Terminal Lease with United Airlines, Inc.

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 United Airlines participates 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, United Airlines will amend their current lease of office and counter space in the airport terminal building. The total amount of exclusive space will be 5,097 sq. ft. which, using current rates, results in an annual rent of \$136,440.

Funding Source: FY2011 Operating Budget, Aviation Department Enterprise Fund, EN002, AIR010100, page 23.

ADDITIONAL INFORMATION:

United Airlines recently requested an additional 410 square feet of second floor office space in the main terminal building for their local manager, as well as 966 square feet of maintenance and storage space on the main level of the Terminal Concourse. The space was previously unoccupied.

The Airport Board has recommended that Council approve the Amendment.

PREVIOUS COUNCIL ACTION(S):

Date: July 12, 2010

Resolution Number: 10-1128

Action: On approving first amendment to Operating Agreement and Terminal Lease with United Airlines, Inc., (7-26-10). Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Date: July 6, 2010

Resolution Number: A10-080

Action: The Airport Board recommended that City Council approve the First Amendment to the Operating Agreement and Terminal Lease with United Airlines Inc. 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.