

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: August 9, 2010
	Agenda Item No. 46 Roll Call No. <u>10-1304</u> Communication No. <u>10-500</u> Submitted by: Donald L. Smithey, Aviation Director

AGENDA HEADING:

Public Hearing on Terminal Building Lease Amendment with United States General Services Administration at the Des Moines International Airport.

SYNOPSIS:

To conduct the Public Hearing and approve a first amendment to the Terminal Lease with the United States of America, issued through its General Services Administration (GSA) on behalf of the Transportation Security Administration (TSA). The lease term is for a ten year period ending June 30, 2019, and the amendment will add 84.57 square feet of storage space to the present leasehold.

FISCAL IMPACT:

Amount: The additional storage space will be leased at a rate of \$6.25 per square foot, in accordance with Airport Board Regulations, so the resulting increase in revenue is \$528.56 annually. Under the Amended Agreement, TSA will lease a total of 2,699 square feet in the Terminal Building.

Pursuant to the Agreement, with this first amendment, GSA agrees to pay annual rental in the amount of \$77,342.48 for the first five years of the lease and \$87,295.46 for the second five-year period.

Funding Source: Funds are payable to the Aviation Department Enterprise Fund (EN002 AIR010100), with proceeds allocated to the Airport Enterprise Fund (EN002) to offset the operating and maintenance costs of the Airport Terminal.

ADDITIONAL INFORMATION:

The Agreement includes all areas in the Terminal Building which are exclusively leased by TSA, including offices near the passenger screening checkpoint as well as an employee training room, break room, and locker room on the first floor directly below the checkpoint. The areas leased do not include the checkpoint or the baggage makeup area, as these are areas which fall within the fiscal responsibilities of the Signatory Airlines.

Aviation Department staff was recently contacted by the GSA regarding a request for additional basement storage space totaling 84.57 square feet. Staff and GSA have negotiated all terms of a first Amendment which incorporates this storage space into the leasehold. The space was previously unoccupied.

PREVIOUS COUNCIL ACTION(S):

Date: July 26, 2010

Resolution Number: 10-1217

Action: Set date of public hearing to approve the First Amendment to the Terminal Lease with General Services Administration (GSA) on behalf of the Transportation Security Administration (TSA). Moved by Hensley to set the public hearing for August 9th at 5:00 PM. Motion Carried 7-0.

Date: June 22, 2009

Resolution 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: August 3, 2010

Resolution Number: A10-146

Action: The Airport Board recommended that City Council approve the Terminal Building Lease Amendment with United States General Services Administration Motion carried 6-0.

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.