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Date April 23, 2007

**APPROVAL OF AMENDMENT TO CURRENT OPERATING AGREEMENT
WITH AMERICAN EAGLE AIRLINES INC. EXTENDING THEIR
SCHEDULED AIRLINE OPERATING AGREEMENT AND TERMINAL
BUILDING LEASE AT THE DES MOINES INTERNATIONAL AIRPORT
UNTIL JUNE 30, 2008**

WHEREAS, the City of Des Moines owns and operates an airport known as Des Moines International Airport (hereinafter called the "Airport"), located in Des Moines, Polk County, Iowa; and

WHEREAS, on September 20, 1993, by Roll Call No. 93-3490, the Des Moines City Council approved Ordinance 12,040 assigning certain rights and responsibilities pertaining to the Airport to the Des Moines International Airport Board (hereinafter called the "Board"), including the right to enter into leases up to three years in duration and certain other agreements; and

WHEREAS, on June 3, 2001, by Resolution No. A01-187, the Airport Board approved a Scheduled Airline Operating Agreement and Terminal Building Lease with American Airlines, Inc.; and

WHEREAS, on February 3, 2004, by Resolution No. A04-25, the Airport Board approved the assignment of the Scheduled Airline Operating Agreement and Terminal Building Lease with American Airlines to American Eagle Airlines, Inc. (American Eagle); and

WHEREAS, on December 7, 2004, by Resolution No. A04-244, the Airport Board approved the First Amendment to the Scheduled Airline Operating Agreement And Terminal Building Lease (hereinafter called the "First Amendment ") between the City and American Eagle; and

WHEREAS, the First Amendment to the Original Agreement was scheduled to terminate on June 30, 2006; and

WHEREAS, on May 2, 2006, by Resolution A06-84, the Des Moines International Airport Board recommended staff negotiate and present to City Council amendments extending the terms of the current Signatory Agreements until June 30, 2008; and

WHEREAS, American Eagle Airlines Inc. has returned a SECOND AMENDMENT TO SCHEDULED AIRLINE OPERATING AGREEMENT AND TERMINAL BUILDING LEASE extending the term of the original Signatory Agreement until June 30, 2008; and

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WHEREAS, the Scheduled Airline Operating Agreement And Terminal Building Lease term with Amendment(s) will be greater than three years, which therefore requires a public hearing and City Council approval, and

WHEREAS, on April 9, 2007, by Roll Call No. 07-642, City Council directed the City Clerk to publish the notice of said proposal to set a date of public hearing for April 23, 2007; and

WHEREAS, the City Clerk published said notice on April 12, 2007; and

WHEREAS, pursuant to Sections 364.7 and 362.3 of the Code of Iowa, notice of the hearing on the proposed authorization of the Second Amendment To Scheduled Airline Operating Agreement And Terminal Building Lease between the City of Des Moines and American Eagle Airlines Inc. has been duly published as provided by law; and

WHEREAS, the public meeting and hearing has been duly held at the time and place provided and in accordance with said notice, those interested in said Agreement with American Eagle Airlines Inc. both for and against, have been given an opportunity to be heard with respect thereto and have presented their views to the City Council; and

WHEREAS, the City of Des Moines has determined that such Agreement would be advantageous and beneficial to the City; and

WHEREAS, the City Council deems it advisable to act favorably and finally upon said Agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DES MOINES, IOWA:

1. That upon due consideration of the facts and statements of interested persons, the objections to said proposed Second Amendment to Scheduled Airline Operating Agreement and Terminal Building Lease with American Eagle Airlines Inc. are hereby overruled.

★ Roll Call Number

Agenda Item Number

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Date April 23, 2007

2. That the Mayor is hereby authorized and directed to sign the Second Amendment to Scheduled Airline Operating Agreement and Terminal Building Lease with American Eagle Airlines Inc. and the City Clerk is hereby authorized and directed to attest to the Mayor's signature.

(Council Letter 07-238 is attached.)

Moved by _____ to adopt.

Approved as to form:



David A. Ferree
Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
HENSLEY				
KIERNAN				
MAHAFFEY				
MEYER				
VLASSIS				
TOTAL				

MOTION CARRIED

APPROVED

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

Mayor

City Clerk