

★ Roll Call Number

Agenda Item Number

54

Date January 10, 2011

RESOLUTION CLOSING HEARING ON PROPOSAL TO CREATE AN AIRPORT AUTHORITY

WHEREAS, on December 20, 2010, by Roll Call No. 10-2116, the City Council set a date of hearing on a proposal to create an airport authority pursuant to Iowa Code chapter 330A; and

WHEREAS, notice of the hearing was published in the Des Moines Register on December 24, 2010; and

WHEREAS, the hearing has been duly held this date and the public given an opportunity to give input on the proposal; and

WHEREAS, the Council finds it to be in the best interests of the city to proceed with the creation of an airport authority.

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

- 1. That the hearing of the creation of an airport authority is closed.
2. That the Council finds it to be in the best interests of the city to proceed with the creation of an airport authority.

(Council Communication 11-016 is attached.)

Approved as to form:

Moved by _____ to adopt.

[Signature]

David A. Ferree
Assistant City Attorney

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, COLEMAN, GREISS, HENSLEY, MAHAFFEY, MEYER, MOORE, 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

DEC 20 2010

Follow up 330A
10-2116
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NOTICE OF MEETING OF THE CITY COUNCIL OF THE CITY OF DES MOINES, IOWA, ON THE MATTER OF
CREATING AN AVIATION AUTHORITY

WHEREAS, there is before the Des Moines City Council a proposal to create an airport authority and transfer the operation of the Des Moines International Airport to the authority; and

WHEREAS, the council intends to create an authority pursuant to Iowa Code chapter 330A; and

WHEREAS, the city will hold a public hearing on January 10, 2011, to receive public input on the proposal; and

WHEREAS, after the hearing, if the council finds it to be in the best interests of the City, the council will enact an ordinance authorizing the creation of the authority;

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

1. The council intends to create an authority pursuant to Iowa Code chapter 330A with the following terms:
 - A. The authority will be known as the Des Moines Airport Authority;
 - B. The City of Des Moines will be the only member of the authority;
 - C. The board will consist of five members, all appointed by the city;
2. This council will hold a public hearing on the proposal to create an airport authority at 5:00 p.m. on January 10, 2011, in the Council Chambers, City Hall, 400 Robert D. Ray Drive, Des Moines, Iowa.
3. At the hearing the council will hear statements from interested citizens regarding the proposal.
4. The City Clerk shall cause this resolution to be published at least 14 days prior to the date of the hearing.

This notice is given by order of the City Council of Des Moines, Iowa, as provided by Iowa Code section 330A.6.

CITY OF DES MOINES, IOWA

By T. M. Franklin Cownie, Mayor

ATTEST: Diane Rauh, City Clerk

PUBLISHED IN THE DES MOINES REGISTER ON December 24, 2010.



Blaine K. Peters
Regional Director
Corporate Real Estate

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January 7, 2011

The Honorable T.M. Franklin Cownie
Mayor
City of Des Moines, Iowa
400 Robert D Ray Drive
Second Floor
Des Moines, Iowa 50309

Re: Proposed Airport Authority for Des Moines International Airport

Dear Mayor Cownie

I am writing you in my capacity as Chair of Airline/Airport Affairs Committee at the Des Moines International Airport. The airlines serving Des Moines would like to make certain you are aware that we support the proposal to create an Airport Authority.

While we regard the Des Moines International Airport as well managed, our experience in many other locations has been that airports structured as airport authorities have significant advantages over airports run as departments of larger government entities. A narrowly focused airport authority can be more nimble and cost effective, attributes that combine to create a dynamic facility that can better meet the needs of both the aviation community and the traveling public. We have confidence these benefits will be realized if DSM is allowed to restructure as an Airport Authority.

Thank you for your consideration and if you have any questions I would be glad to discuss them with you at any time.

Sincerely

Blaine Peters
Delta Air Lines

Airline Fares – January 7, 2011
Fares subject to change hourly

The presentation of comparative airfares is very difficult because of their complexity (all driven by airline companies' computers) and the fact that the fares change by the hour. Note that the Southwest numbers do not include any fees, since Southwest does not charge fees as do the other airlines. Since the fees charged by the other airlines are so varied, I could not factor those into the analysis. Thus, the other airlines' total fees will likely be higher than indicated. Finally, Orlando (MCO) and Los Angeles (LAX) are served by low-fare airlines from Des Moines (AirTran and Allegiant), but the frequency of flights is very limited -- that must be factored in when comparing rates because the flights to those destinations are simply not always available. The frequency is so low that the full-fare carriers do not bother to meet them.

The bottom line is that we are losing significant numbers of air travelers to Omaha and Kansas City because their fares consistently beat ours enough to make it feasible for persons to drive to those airports.

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Airline Fares – January 7, 2011
Fares subject to change hourly

Airport	City	Walk up* (WU)	7-day*	14-day*	SWA** (WU)	SWA-** 7day	SWA-** 14 day
Des Moines (DSM)	CMH	\$606-\$1401	\$278-\$1385	\$278-\$811			
Kansas City (KCI)	CMH	\$338-\$496	\$158-\$373	\$158-\$299	\$433.80	\$383.30	\$376.30
Omaha (OMA)	CMH	\$476-\$947	\$212-\$457	\$208-\$403	\$514.30	\$408.30	\$262.30
Des Moines (DSM)	LAS	\$285-\$579	\$405-\$745	\$197-\$452			
Kansas City (KCI)	LAS	\$292-\$1172	\$346-\$916	\$218-\$475	\$916.10	\$644.10	\$326.10
Omaha (OMA)	LAS	\$328-\$543	\$297-\$640	\$238-\$326	\$828.30	\$609.30	\$377.00
Des Moines (DSM)	MCO	\$231-\$626	\$165-\$447	\$130-\$274			
Kansas City (KCI)	MCO	\$229-\$477	\$232-\$432	\$173-\$285	\$662.20	\$479.80	\$337.40
Omaha (OMA)	MCO	\$428-\$847	\$326-\$434	\$178-\$332	\$662.20	\$510.30	\$297.00
Des Moines (DSM)	PHX	\$319-\$498	\$238-\$589	\$238-\$313			
Kansas City (KCI)	PHX	\$229-\$518	\$162-\$465	\$162-\$465	\$833.80	\$554.10	\$330.40
Omaha (OMA)	PHX	\$398-\$753	\$197-\$367	\$197-\$325	\$822.30	\$454.90	\$314.60
Des Moines (DSM)	LAX	\$295-\$836	\$160-\$337	\$180-\$317			
Kansas City (KCI)	LAX	\$382-\$869	\$218-\$461	\$170-\$461	\$562.30	\$578.80	\$339.80
Omaha (OMA)	LAX	\$321-\$897	\$218-\$546	\$206-\$370	\$562.30	\$562.30	\$336.30
Des Moines (DSM)	LGA	\$476-\$576	\$312-\$396	\$306-\$316			
Kansas City (KCI)	LGA	\$346-\$835	\$258-\$298	\$258-\$298	\$640.80	\$427.80	\$325.80
Omaha (OMA)	LGA	\$390-\$719	\$238-\$384	\$238-\$336	\$865.30	\$354.30	\$336.30
Des Moines (DSM)	ORD	\$754-\$764	\$387-\$476	\$266-\$316			
Kansas City (KCI)	MDW	\$358-\$815	\$274-\$529	\$230-\$446	\$375.40	\$343.40	\$247.40
Omaha (OMA)	MDW	\$367-\$1119	\$291-\$786	\$218-\$427	\$382.90	\$304.90	\$234.60

*BASE RATE ONLY – DOES NOT INCLUDE TAXES OR BAGS (NOT CARRY-ON)

** INCLUDES ALL TAXES, FEES AND 2 BAGS (NOT CARRY-ON)

Airlines: AirTran, Allegiant, American (Eagle), Continental, Delta, Frontier, United and US Airways

Flights - DSM has an average of 60 departures per day

16 Non-stop Destinations - Atlanta, Chicago-O’Hare, Dallas/Ft. Worth, Denver, Detroit, Houston, Las Vegas, Los Angeles, Memphis, Milwaukee, Minneapolis, Orlando, Phoenix, Tampa, Washington DC

CMH – Columbus OH
LAX – Los Angeles, CA

LAS – Las Vegas, NV
LGA – LaGuardia, NY

MCO - Orlando, FL
MDW – Midway, Chicago, IL
ORD – O’Hare, Chicago, IL
PHX – Phoenix, AZ