★ **Roll Call Number**

_08-1358_

Agenda Item Number

_48 G_

Date July 28, 2008

APPROVING THIRD AMENDMENT TO CURRENT AGREEMENT WITH UNITED AIR LINES, INC., EXTENDING THE SCHEDULED AIRLINE OPERATING AGREEMENT AND TERMINAL BUILDING LEASE AT THE DES MOINES INTERNATIONAL AIRPORT THROUGH SEPTEMBER 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 12, 2001, by Resolution No. A01-195, the Board approved the Scheduled Airline Operating Agreement and Terminal Building Lease ("Agreement") between the City and United Air Lines, Inc. ("Airline"); and

WHEREAS, the Agreement was scheduled to terminate on June 30, 2004; and

WHEREAS, the parties entered into a First Amendment which extended the term of the Agreement to June 30, 2006; and

WHEREAS, the parties entered into a Second Amendment which extended the term of the Agreement to June 30, 2008; and

WHEREAS, Airline desires to continue to lease from City those premises and facilities under the terms of the Agreement as Amended by the First and Second Amendments; and

WHEREAS, the parties in order to complete negotiations on a new agreement wish to extend the Agreement as amended by the First and Second Amendments for an additional three months, to September 30, 2008; and

WHEREAS, the term of the Agreement including the Third Amendment is greater than three years and requires approval of the City Council, and

WHEREAS, on July 14, 2008, by Roll Call No. 08-1205, City Council directed the City Clerk to publish the notice of said proposal to set a date of public hearing for July 28, 2008; 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 Third Amendment 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 proposal 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

Date July 28, 2008

WHEREAS, it is in the best interest of the City to approve the three month extension so that the parties will continue operating under the Agreement while Airline completes its internal review for execution of the new agreement;
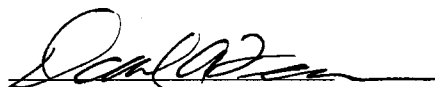
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DES MOINES, IOWA:

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

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

(Council Communication *08-432* is attached.)
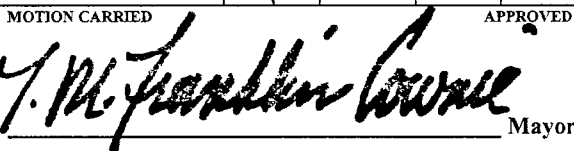
Moved by *Hensley* to adopt.

Approved as to form:

David A. Ferree
Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
HENSLEY	✓			
KIERNAN	✓			
MAHAFFEY	✓			
MEYER	✓			
VLASSIS	✓			
TOTAL	7			

MOTION CARRIED   APPROVED

_____ Mayor

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.

_____ City Clerk