

CITY OF EL PASO, TEXAS
DEPARTMENT HEAD'S SUMMARY REQUEST FOR COUNCIL ACTION (RCA)

DEPARTMENT: Aviation
AGENDA DATE: April 1, 2008
CONTACT PERSON/PHONE: Patrick T. Abeln-780-4724
DISTRICT(S) AFFECTED: 3

SUBJECT:

Authorize the City Manager to sign the First Amendment to the Airline Operating Agreement and Terminal Building Lease by and between the City of El Paso and American Airlines, Inc. This amendment extends the term of the agreement through August 31, 2009.

BACKGROUND / DISCUSSION:

The City entered into an Airline Operating Agreement and Terminal Building Lease effective April 1, 2002 granting American Airlines the right to operate at El Paso International Airport.

The Department of Aviation recommends extension based on the following:

- The existing agreement continues to reflect state of the art thinking.
- Terminal construction is proposed for 2008 – 2009.
- Airlines have requested the extension.
- Facility use and airline space is balanced and meeting airline and community needs.

City Council previously approved similar amendments to the Airline Operating Agreement and Terminal Building Lease by and between the City and US Airways, Delta Airlines, Inc. , Continental Airlines, Inc., ExpressJet Airlines, Inc., and Frontier Airlines, Inc. These amendments extended the term of agreements until August 31, 2009.

Amendments for remaining Airline Operating Agreements will be brought to City Council upon execution by respective airlines.

PRIOR COUNCIL ACTION:

- The Airline Operating and Terminal Building Lease between the City of El Paso and American Airlines, Inc. was approved by City Council on March 5, 2002.

AMOUNT AND SOURCE OF FUNDING:

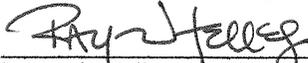
N/A

BOARD / COMMISSION ACTION:

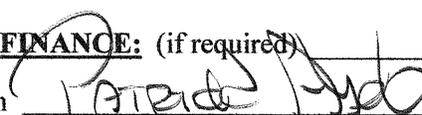
Recommended by Airport Advisory Board on July 26, 2007

*****REQUIRED AUTHORIZATION*****

LEGAL: (if required)


Raymond L. Telles, Asst. City Attorney

FINANCE: (if required)



OTHER:

Patrick T. Abeln, A. A. E., Director of Aviation
(Example: if RCA is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

APPROVED FOR AGENDA:

CITY MANAGER: _____

DATE: _____

CITY CLERK DEPT.
09 MAR 20 AM 11:02

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

THAT the City Manager be authorized to sign the First Amendment to the Airline Operating Agreement and Terminal Building Lease by and between the City of El Paso and American Airlines, Inc., for the purpose of extending the term to August 31, 2009 and replacing Exhibits A, B-1 and B-2.

ADOPTED ON THIS _____ DAY OF 2008.

CITY OF EL PASO

John F. Cook
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:



Raymond L. Tellés
Assistant City Attorney

CITY CLERK DEPT.
08 MAR 20 AM 11:02

STATE OF TEXAS)
)
 COUNTY OF EL PASO) **FIRST AMENDMENT TO AIRLINE OPERATING
 AGREEMENT AND TERMINAL BUILDING LEASE**

This First Amendment to the Airline Operating Agreement and Terminal Building Lease is made by and between the City of El Paso ("City") and American Airlines, Inc. ("Airline").

WHEREAS, the City and Airline entered into an Airline Operating Agreement and Terminal Building Lease ("Agreement") with an effective date of April 1, 2002 granting Airline the right to operate and maintain certain operations at the El Paso International Airport;

WHEREAS, City and Airline now desire to amend the Agreement for the purpose of extending the term to August 31, 2009;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **EXTENDED TERM.** The City and Airline mutually agree that the term of the Agreement is hereby extended through August 31, 2009.
2. **EFFECTIVE DATE.** Regardless of the date of execution, this First Amendment shall be effective on September 1, 2007.
3. **EXHIBITS A, B-1 AND B-2.** The City and Airline acknowledge that various changes to the Cost Centers, Terminal and location of the various airlines have occurred since the execution of the Agreement. Accordingly, Exhibits A, B-1 and B-2 of the Agreement shall be and are hereby replaced with Revised Exhibits A, B-1 and B-2, as attached hereto and incorporated herein for all purposes.
4. **TERMS AND CONDITIONS.** All remaining terms and conditions of the Agreement not specifically amended by this First Amendment shall remain in full force and effect.

(SIGNATURES BEGIN ON THE FOLLOWING PAGE)

CITY CLERK DEPT.
 MAR 20 AM 11:02

IN WITNESS WHEREOF, this amendment was executed on this _____ day of _____ 2008.

CITY OF EL PASO

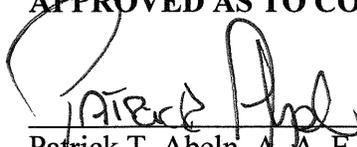
Joyce A. Wilson
City Manager

APPROVED AS TO FORM:



Raymond L. Telles
Assistant City Attorney

APPROVED AS TO CONTENT:



Patrick T. Abeln, A. A. E.
Director of Aviation

ACKNOWLEDGMENT

STATE OF TEXAS)
)
COUNTY OF EL PASO)

This instrument was acknowledged before me on this _____ day of _____ 2008, by
Joyce A. Wilson as City Manager of the City of El Paso.

Notary Public, State of Texas

My Commission Expires:

(SIGNATURES CONTINUE ON FOLLOWING PAGE)

CITY CLERK DEPT.
08 MAR 20 AM 11:02

IN WITNESS WHEREOF, this amendment was executed on this _____ day of _____ 2008.

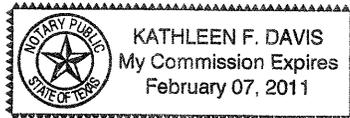
AIRLINE: American Airlines, Inc.

By: [Signature]
Name: TIMOTHY K. SKIPWORTH
Title: Managing Director
Corporate Real Estate

ACKNOWLEDGMENT

STATE OF Texas)
COUNTY OF Tarrant)

This instrument was acknowledged before me on this 6th day of March 2008 by T.K. Skipworth as Man. Dir. CRE of American Airlines, Inc.



[Signature]
Notary Public, State of Texas

My Commission Expires:

2/7/2011

CITY CLERK DEPT.
08 MAR 20 AM 11:02