CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: **Aviation**

AGENDA DATE: **June 22, 2010**

CONTACT PERSON/PHONE: **Monica Lombraña, A.A.E. -780-4793**

DISTRICT(S) AFFECTED: **All**

SUBJECT:
Authorize the City Manager to sign the Second Amendment to the Airline Operating Agreement and Terminal Building Lease by and between the City of El Paso and Continental Airlines, Inc. This amendment extends the term of the agreement to August 31, 2011.

BACKGROUND / DISCUSSION:
The City entered into an Airline Operating Agreement and Terminal Building Lease effective November 1, 2001 granting Continental Airlines the right to operate at El Paso International Airport (EPIA).

The Department of Aviation recommends extension based on the following:

- EPIA is currently working on new airline agreements.
- Airlines are in agreement with 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 between the City and Delta Airlines, Inc. (June 8, 2010).

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

PRIOR COUNCIL ACTION:

- City Council approved the Airline Operating and Terminal Building Lease by and between the City of El Paso and Continental Airlines, Inc. on October 16, 2001
- The First Amendment to the Agreement was approved by City Council on December 18, 2007.

AMOUNT AND SOURCE OF FUNDING:
N/A - Revenue Generating

BOARD / COMMISSION ACTION:
N/A

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

DEPARTMENT HEAD: Monica Lombraña

Monica Lombraña, A.A.E., Director of Aviation

Information copy to appropriate Deputy City Manager

RESOLUTION

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

That the City Manager be authorized to sign a Second Amendment to the Airline Operating Agreement and Terminal Building Lease by and between the City of El Paso and Continental Airlines, Inc. for the purpose of extending the term to August 31, 2011 and replacing Exhibits "A", "B-1" and "B-2".

ADOPTED this _____ day of _____ 2010.

THE CITY OF EL PASO

_____
John F. Cook
Mayor

ATTEST:

_____
Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:

Theresa Cullen
_____
Theresa Cullen
Deputy City Attorney

APPROVED AS TO CONTENT:

Monica Lombraña
_____
Monica Lombraña, A.A.E.
Director of Aviation

Doc. No.: 47804 v2
Doc. Name: 2nd Amendment - Continental Airlines
Doc. Author: TCUL

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

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

WHEREAS, City and Airline entered into an Airline Operating Agreement and Terminal Building Lease ("Agreement") effective November 1, 2001 granting Airline the right to operate and maintain certain operations at the El Paso International Airport;

WHEREAS, the City and Airline also entered into a Temporary Use Agreement with an Effective Date of April 1, 2003 to provide Airline the use of an additional 553 square feet of space in the Lower East Rotunda of the El Paso International Airport Terminal; and

WHEREAS, on December 18, 2007 the Agreement was amended by that First Amendment to extend the term to August 31, 2009 and to incorporate the additional space referenced above; and

WHEREAS, the parties now desire to amend the Agreement for the purpose of extending the term to August 31, 2011 and replacing Exhibits "A", "B-1" and "B-2",

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 midnight of August 31, 2011.

2. **EFFECTIVE DATE.** Regardless of the date of execution, this Second Amendment shall be effective on September 1, 2009.

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 and the First Amendment. 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 and the First Amendment not specifically amended by this Second Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, this amendment was executed on this _____ day of _____ 2010.

CITY OF EL PASO

_____
Joyce A. Wilson
City Manager

APPROVED AS TO FORM:

Theresa Cullen
_____
Theresa Cullen
Deputy City Attorney

APPROVED AS TO CONTENT:

Monica Lombraña
_____
Monica Lombraña, A.A.E.
Director of Aviation

ACKNOWLEDGMENT

STATE OF TEXAS)
)
COUNTY OF EL PASO)

This instrument was acknowledged before me on this ____ day of _____ 2010, by **Joyce A. Wilson** as **City Manager** of the **City of El Paso**.

_____
Notary Public, State of Texas

My Commission Expires:
_____

(SIGNATURES CONTINUE ON THE FOLLOWING PAGE)

IN WITNESS WHEREOF, this amendment was executed on this 25th day of May 2010.

AIRLINE: Continental Airlines, Inc.

By: Toby Enqvist
Name:
Title: ~~Toby Enqvist Emp. #96158~~
Staff Vice President
Global Real Estate
Continental Airlines, Inc

ACKNOWLEDGMENT

STATE OF Texas)
)
COUNTY OF Harris)

This instrument was acknowledged before me on this 25th day of May 2010, by Toby Enqvist as Vice President of **Continental Airlines, Inc.**

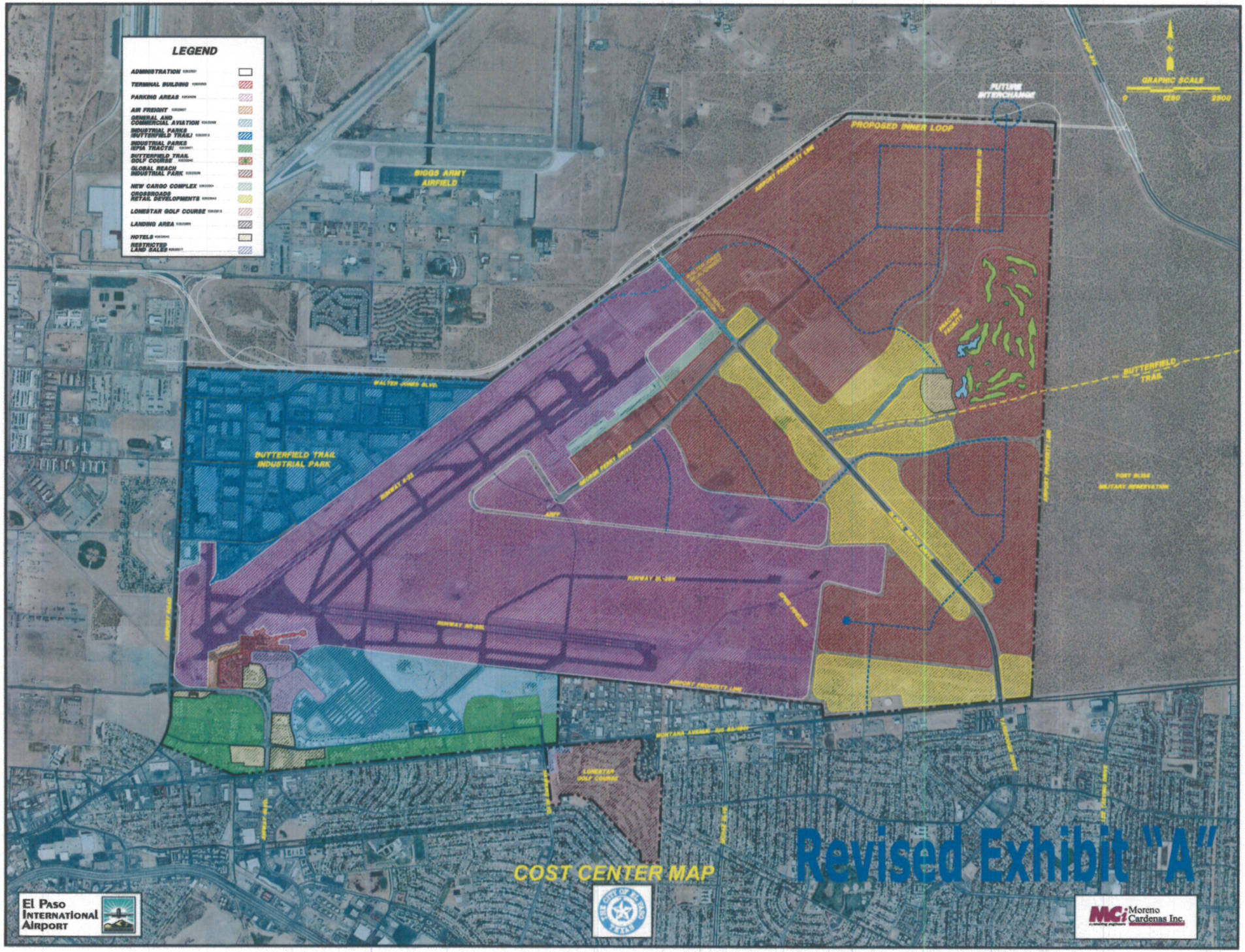
Dashawanda D. Mitchell
Notary Public, State of Texas

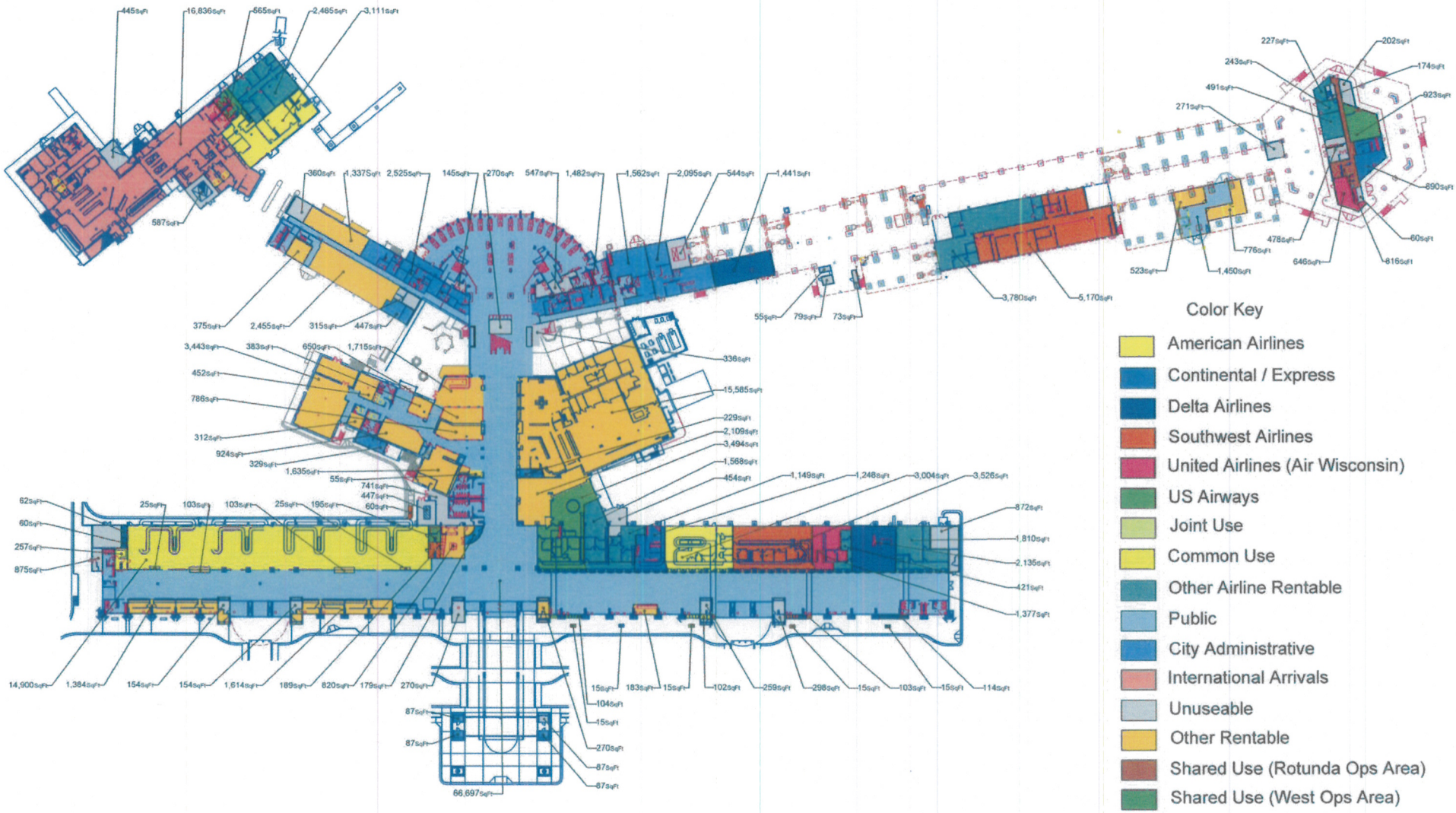
My Commission Expires:

April 4, 2014

DASHAWANDA D. MITCHELL
Notary Public, State of Texas
My Commission Expires
April 04, 2014

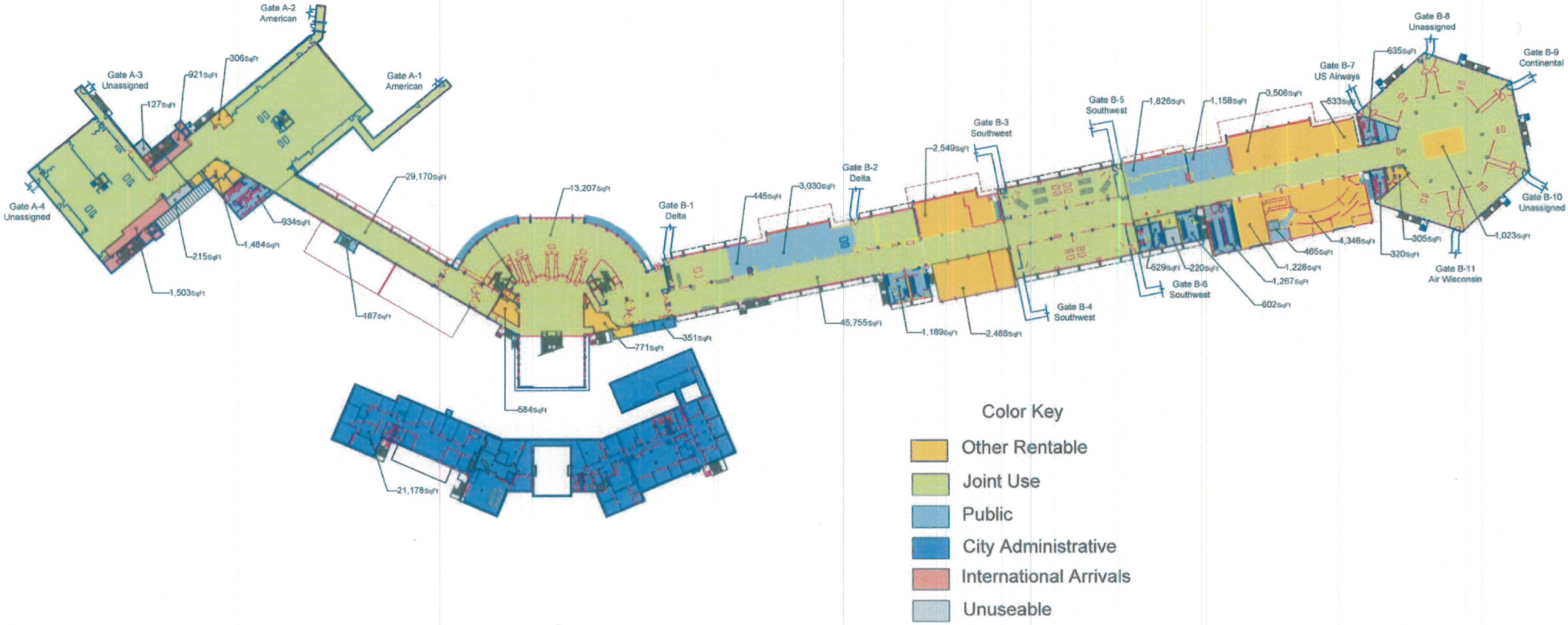
Doc. No.: 47804 v2
Doc. Name: 2nd Amendment - Continental Airlines
Doc. Author: TCUL


LEGEND
ADMINISTRATION
TERMINAL BUILDING
PARKING AREAS
AIR FREIGHT
GENERAL AND COMMERCIAL AVIATION
INDUSTRIAL PARKS (BUTTERFIELD TRAIL)
INDUSTRIAL PARKS (EPIA TRACTS)
BUTTERFIELD TRAIL GOLF COURSE
GLOBAL REACH INDUSTRIAL PARK
NEW CARGO COMPLEX
CROSSROADS RETAIL DEVELOPMENTS
LONESTAR GOLF COURSE
LANDING AREA
HOTELS
RESTRICTED LAND SALES
BIGGS ARMY AIRFIELD
PROPOSED INNER LOOP
FUTURE INTERCHANGE
GRAPHIC SCALE
0
1250
2500
BUTTERFIELD TRAIL
WALTER JONES BLVD.
BUTTERFIELD TRAIL INDUSTRIAL PARK
RUNWAY 4-22
RUNWAY 8L-26R
RUNWAY 8R-26L
AIRPORT PROPERTY LINE
FORT BLISS MILITARY RESERVATION
LONESTAR GOLF COURSE
COST CENTER MAP
Revised Exhibit "A"
El Paso International Airport
Moreno Cardenas Inc.



El Paso International Airport Airline Operating Agreement and Terminal Building Lease

Revised Exhibit B-1, drawing depicts terminal as of 02-01-2010 Level 1



El Paso International Airport Airline Operating Agreement and Terminal Building Lease

Revised Exhibit B-2, drawing depicts terminal as of 02-01-2010 Level 2