

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

DEPARTMENT: Aviation
AGENDA DATE: June 24, 2008
CONTACT PERSON/PHONE: Patrick T. Abeln-780-4724
DISTRICT(S) AFFECTED: 3

SUBJECT:

Authorize the City Manager to sign the Third Amendment to the Airline Operating Agreement and Terminal Building Lease by and between the City of El Paso and Air Wisconsin Airlines Corporation. 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 May 1, 2002 granting Air Wisconsin the right to operate at El Paso International Airport. All flights for Air Wisconsin departing to and from El Paso fly under the banner of United Express.

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., Frontier Airlines, Inc., American Airlines, and Southwest Airlines Co. These amendments extended the term of each agreement through August 31, 2009.

PRIOR COUNCIL ACTION:

The Airline Operating and Terminal Building Lease between the City of El Paso and Air Wisconsin Corporation was approved by City Council on April 30, 2002. The First Amendment was approved by Council on September 23, 2003 and the Second Amendment was approved on May 23, 2006.

AMOUNT AND SOURCE OF FUNDING:

N/A. This is a revenue generating agreement.

BOARD / COMMISSION ACTION:

Recommended by Airport Advisory Board on July 26, 2007

CITY OF EL PASO, TEXAS
JUN 24 10 38 AM '08

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

LEGAL: (if required) Raymond L. Telles **FINANCE:** (if required) _____
Raymond L. Telles, Asst. City Attorney

DEPARTMENT HEAD: _____
Patrick T. Abeln, A. A. E., Director of Aviation

APPROVED FOR AGENDA: _____

CITY MANAGER: _____ **DATE:** _____

RESOLUTION

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

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

ADOPTED this _____ day of _____ 2008.

THE CITY OF EL PASO

John F. Cook
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:



Raymond L. Telles
Assistant City Attorney

CITY OF EL PASO, TEXAS
08 JUN 13 PM 3:42

STATE OF TEXAS)
)
COUNTY OF EL PASO)

**THIRD AMENDMENT TO AIRLINE OPERATING
AGREEMENT AND TERMINAL BUILDING LEASE**

This Third Amendment to the Airline Operating Agreement and Terminal Building Lease is made by and between the City of El Paso ("City") and Air Wisconsin Airlines Corporation ("Airline").

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

WHEREAS, the City and Airline entered into a First Amendment to the Agreement, with an effective date of May 1, 2003, which extended the term to April 30, 2004;

WHEREAS, the City and Airline entered into a Second Amendment to the Agreement, with an effective date of May 23, 2006, which extended the term to August 31, 2007; and

WHEREAS, the City and Airline now desire to further 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 midnight of August 31, 2009.
2. **EFFECTIVE DATE.** Regardless of the date of execution, this Third 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 the First Amendment, Second Amendment or this Third Amendment, shall remain in full force and effect.

(SIGNATURES BEGIN ON THE FOLLOWING PAGE)

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CITY CLERK SEPT.

IN WITNESS WHEREOF, this amendment was executed on this _____ day of _____ 2007/8

CITY OF EL PASO

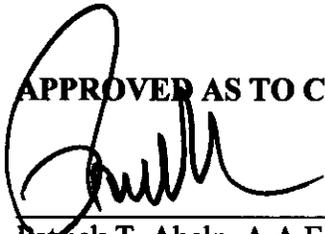
Joyce A. Wilson
City Manager

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 _____ 2007/8, 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)

CITY CLERK DEPT.
09 JUN 13 PM 3:42

IN WITNESS WHEREOF, this amendment was executed on this 9th day of June 2007. ⁸

AIRLINE: Air Wisconsin Airlines Corporation

By: Stan Peterson Gauthier
Name: STAN PETERSEN GAUTHIER
Title: VP FINANCIAL PLANNING & ANALYSIS

ACKNOWLEDGMENT

STATE OF Wisconsin
COUNTY OF Douglas

This instrument was acknowledged before me on this 9th day of June 2007, by Stan Peterson Gauthier as VP Financial Planning & Analysis of Air Wisconsin Airlines Corporation (Airline).

Kathleen M. Gertig
Notary Public, State of Wisconsin

My Commission Expires:
3-22-2009

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