

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

**DEPARTMENT:** Aviation  
**AGENDA DATE:** July <sup>27</sup> 20, 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 Southwest Airlines Co. 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 August 1, 2001 granting Southwest 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 Air Lines, Inc. (June 8, 2010) and Continental Airlines (June 22, 2010).

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 Southwest Airlines Co. was approved by City Council on July 24, 2001.
- The First Amendment to the Agreement was approved by City Council on May 13, 2008.

**AMOUNT AND SOURCE OF FUNDING:**

N/A - Revenue Generating

**BOARD / COMMISSION ACTION:**

N/A

\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**DEPARTMENT HEAD:**



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 the Second Amendment to the Airline Operating Agreement and Terminal Building Lease by and between the City of El Paso and Southwest Airlines Co. 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

ATTEST:

\_\_\_\_\_  
John F. Cook  
Mayor

\_\_\_\_\_  
Richarda Duffy Momsen  
City Clerk

APPROVED AS TO FORM:



\_\_\_\_\_  
Theresa Cullen  
Deputy City Attorney

APPROVED AS TO CONTENT:



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

STATE OF TEXAS            )  
  )  
COUNTY OF EL PASO    )     **SECOND AMENDMENT TO AIRLINE OPERATING  
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 Southwest Airlines Co. ("Airline").

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

**WHEREAS**, on May 13, 2008 the Agreement was amended by that First Amendment to extend the term to August 31, 2009; and

**WHEREAS**, the City and Airline 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 shall be and hereby is extended through midnight of August 31, 2011.
2.     **EFFECTIVE DATE.** Regardless of the date of execution, this Second Amendment to the Agreement 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 to the Agreement shall remain in full force and effect.

(SIGNATURES BEGIN ON THE FOLLOWING PAGE)

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  
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 \_\_\_\_\_ day of \_\_\_\_\_ 2010.

AIRLINE: Southwest Airlines Co.

By: [Signature]  
Name: Bob Montgomery  
Title: Vice President - Properties

ACKNOWLEDGMENT

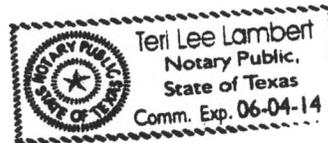
STATE OF Texas )  
COUNTY OF Dallas )

This instrument was acknowledged before me on this 14 day of June 2010, by Bob Montgomery as VP Properties of Southwest Airlines Co.

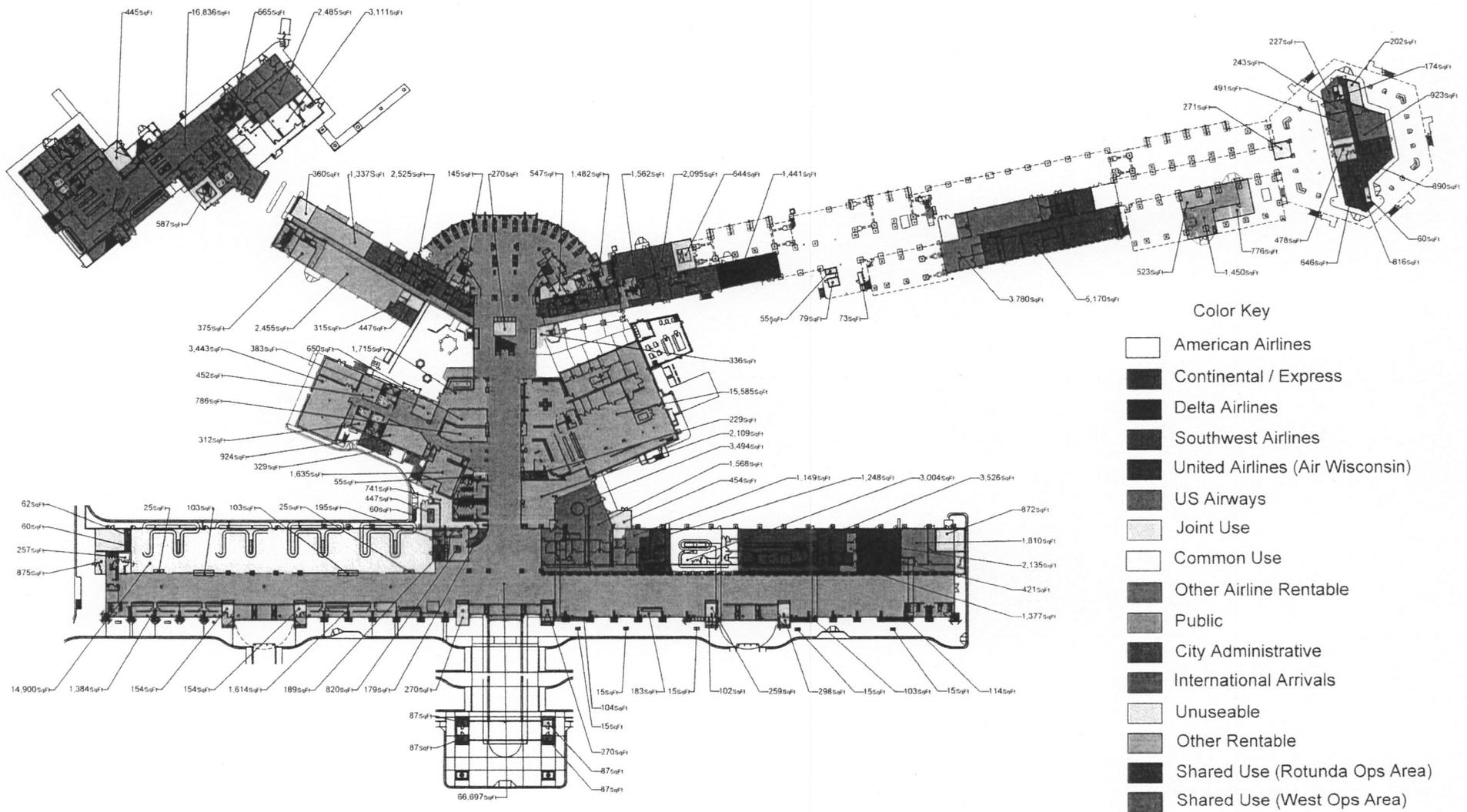
[Signature]  
Notary Public, State of Texas

My Commission Expires:

June 4, 2014

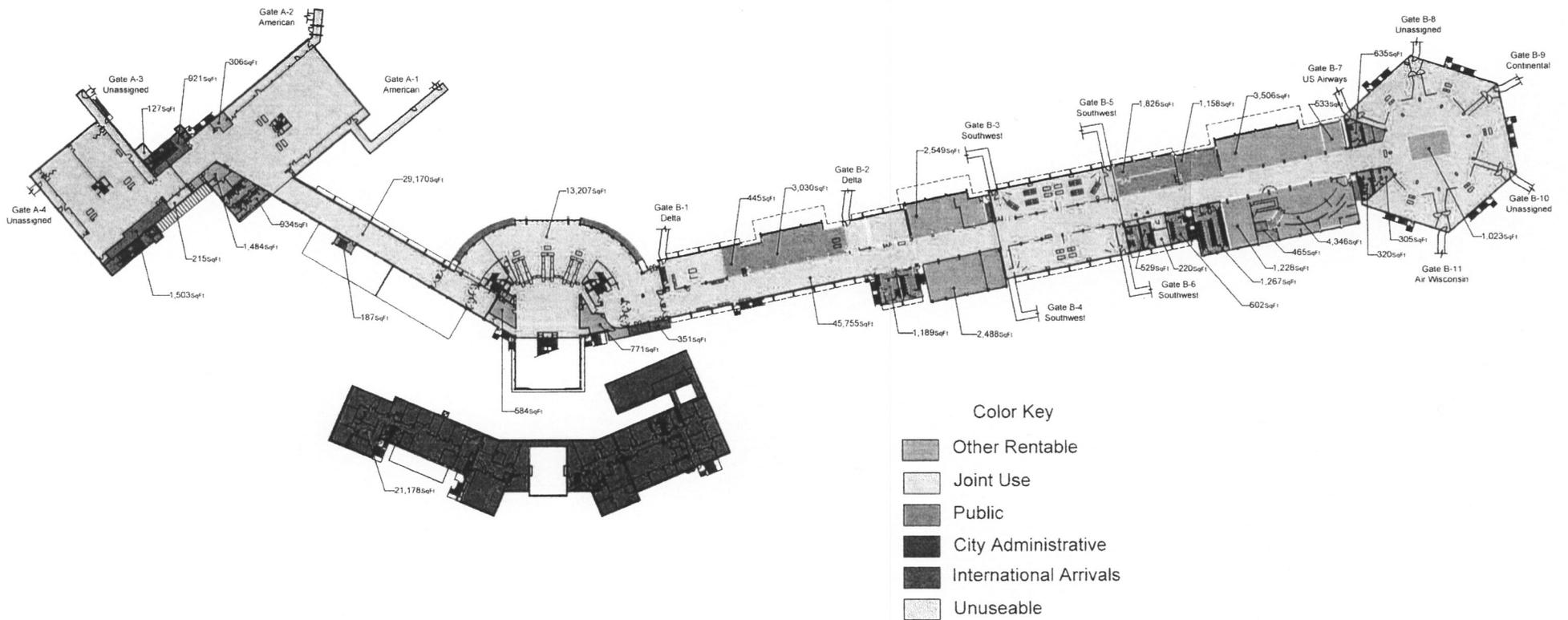






El Paso International Airport Airline Operating Agreement and Terminal Building Lease

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