

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

**DEPARTMENT:** Aviation  
**AGENDA DATE:** October 30, 2012  
**CONTACT PERSON/PHONE:** Monica Lombraña, A.A.E., 780-4724  
**DISTRICT (S) AFFECTED:** ALL

**SUBJECT:**

That the Director of Aviation be authorized to submit a minor boundary modification application to the US Foreign Trade Zones Board to establish a subzone as part of Foreign-Trade Zone No. 68 for two (2) non-contiguous proposed subzone sites, which are located in El Paso County, Texas at the following addresses:

- A. 1450 Pullman Drive, Suite 100, El Paso, TX 79936
- B. 1313 Don Haskins Drive, El Paso, TX 79936

**BACKGROUND / DISCUSSION:**

The City of El Paso, through its Department of Aviation, operates Foreign-Trade Zone (FTZ) No. 68. The City of El Paso, also known as the Grantee and General-Purpose (GP) Zone Operator of FTZ No. 68, oversees all FTZ activity in its zone including approval of applications to the US Foreign Trade Zones Board.

The Aviation Department is recommending approval of a resolution to allow it to submit an application to the US Foreign-Trade Zones Board for a Subzone minor boundary modification on behalf of Expeditors International of Washington, Incorporated (Expeditors). Expeditors' subzone request involves two distribution centers located at 1450 Pullman, Suite 100, El Paso, TX 79936 (located within a GP Site), and at 1313 Don Haskins Dr., El Paso, TX 79936 (located outside a GP Site). This subzone application will allow Expeditors to be approved by the US Foreign-Trade Zones Board and to activate within a three months' timeframe under the Board's new regulations.

This resolution will also authorize the Department of Aviation to obtain supporting documentation and request letters of support from affected tax entities as part of the Board's application process. The creation of this subzone will help Expeditors improve its international competitiveness and take advantage of global supply chain efficiencies allowed through the FTZ program.

Expeditors employs 142 individuals at its distribution centers and supports a number of local suppliers and service providers in the region.

**PRIOR COUNCIL ACTION:** August 21, 2012 – Approval of FY 2013 Budget Resolution, which included adoption of FTZ Transaction Permit in the amount of \$12,000 for an annual subzone fee per site in a GP zone, and adoption of FTZ Transaction Permit in the amount of \$15,000 for an annual subzone fee per site outside a GP zone

**AMOUNT AND SOURCE OF FUNDING:** N/A – revenue-generating

**BOARD / COMMISSION ACTION:** Not Applicable

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

**DEPARTMENT HEAD:**

  
\_\_\_\_\_  
Name Signature Date

## RESOLUTION

**WHEREAS**, the City of El Paso, as recipient of a grant of authority from the U.S. Foreign-Trade Zones Board, is authorized to establish, operate, and maintain Foreign-Trade Zone No. 68;

**WHEREAS**, the City of El Paso, by and through its Department of Aviation, owns, operates, maintains Foreign-Trade Zone No. 68 in order to expedite and encourage foreign commerce in the El Paso region;

**WHEREAS**, the City of El Paso desires to submit a request for a minor boundary modification to establish a Foreign-Trade Subzone on behalf of Expeditors International of Washington, Inc.;

**WHEREAS**, two (2) non-contiguous locations have been identified as proposed subzone sites which will be used primarily for warehouse and distribution operations;

**WHEREAS**, the City of El Paso would like this subzone application to be subject to the activation limit under the traditional site framework,

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:**

That the Director of Aviation be authorized to submit a minor boundary modification application and all supporting documents and to coordinate with taxing entities for letters of support to establish a subzone to Foreign Trade Zone No. 68 for two (2) non-contiguous proposed subzone sites which are located in El Paso County, Texas at the following addresses:

- A. 1450 Pullman Drive, Suite 100, El Paso, Texas 79936
- B. 1313 Don Haskins Drive, El Paso, Texas 79936

**PASSED AND APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2012.**

**CITY OF EL PASO**

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John F. Cook  
Mayor

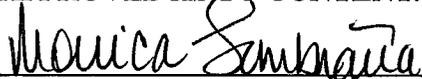
**ATTEST:**

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

**APPROVED AS TO FORM:**

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

**APPROVED AS TO CONTENT:**

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