

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

DEPARTMENT: Aviation
AGENDA DATE: November 20, 2007
CONTACT PERSON/PHONE: Patrick T. Abeln-780-4724
DISTRICT(S) AFFECTED: 3

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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 Delta Air Lines, 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 September 1, 2001 granting Delta 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.

The First Amendment to the Airline Operating Agreement and Terminal Building Lease between the City of El Paso and US Airways, which extended the term of the agreement until August 31, 2009, was approved by City Council on September 25, 2007.

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 Delta Air Lines, Inc. was approved by City Council on July 31, 2001
- The First Amendment to the Agreement was approved by City Council on April 5, 2005.

AMOUNT AND SOURCE OF FUNDING:

N/A

BOARD / COMMISSION ACTION:

Recommended by Airport Advisory Board on July 26, 2007

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

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

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: _____

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 Delta Air Lines, Inc. in substantially the same form as attached hereto, for the purpose of extending the term to August 31, 2009 and replacing Exhibits A, B-1 and B-2.

ADOPTED this _____ day of _____ 2007.

THE CITY OF EL PASO

ATTEST:

John F. Cook
Mayor

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:



Raymond L. Telles
Assistant City Attorney

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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 Delta Air Lines, Inc. ("Airline").

WHEREAS, the City and Airline entered into an Airline Operating Agreement and Terminal Building Lease ("Agreement") with an effective date of September 1, 2001 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 March 1, 2005, which added an additional gate to the Airline's Preferential Use space as defined in the Agreement;

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 August 31, 2009.
2. **EFFECTIVE DATE.** Regardless of the date of execution, this Second 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 or this Second Amendment, shall remain in full force and effect.

(SIGNATURES BEGIN ON THE FOLLOWING PAGE)

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

CITY OF EL PASO

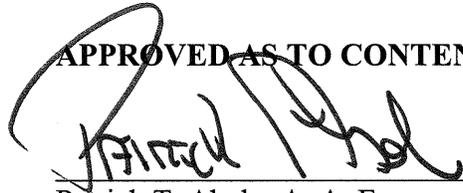
Joyce A. Wilson
City Manager

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, 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)

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