

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

DEPARTMENT: Aviation
AGENDA DATE: December 18, 2007
CONTACT PERSON/PHONE: Patrick T. Abeln-780-4724
DISTRICT(S) AFFECTED: 3

SUBJECT:

Authorize the City Manager to sign the First 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 through August 31, 2009.

Furthermore, this amendment provides for the use of an additional 553 square feet of space in the Lower East Rotunda of the El Paso International Airport Terminal. The additional 553 square feet was previously granted under a Temporary Use Agreement between the City of El Paso and Continental Airlines. This agreement will be mutually terminated (by separate City Council action) in order to incorporate the rental of this space into the First Amendment.

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.

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 between the City and US Airways (September 25, 2007) and by and between the City and Delta Airlines, Inc. (November 20, 2007). These amendments extended the term of agreements until August 31, 2009.

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

AMOUNT AND SOURCE OF FUNDING:

N/A

BOARD / COMMISSION ACTION:

Recommended by Airport Advisory Board on July 26, 2007.

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

LEGAL: (if required)


Raymond L. Telles, Asst. City Attorney

FINANCE: (if required)



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

CITY CLERK DEPT.
07 DEC -7 AM 11:51

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 a First Amendment to the Airline Operating Agreement and Terminal Building Lease by and between the City of El Paso and Continental Airlines, 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

John F. Cook
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:



Raymond L. Telles
Assistant City Attorney

CITY CLERK DEPT.
07 DEC -7 AM 11:51

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

This First 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, the parties now desire to amend the Agreement for the purpose of extending the term to August 31, 2009 and incorporating the additional space referenced above;

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 First 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 this First Amendment shall remain in full force and effect.

(SIGNATURES BEGIN ON THE FOLLOWING PAGE)

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

CITY OF EL PASO

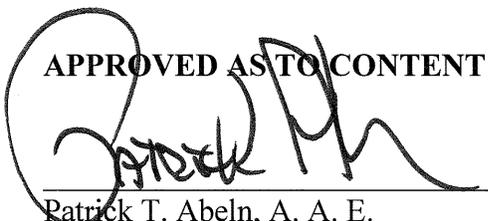
Joyce A. Wilson
City Manager

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 THE FOLLOWING PAGE)

