



Airline Agreement

Sam Rodriguez, Airport Director

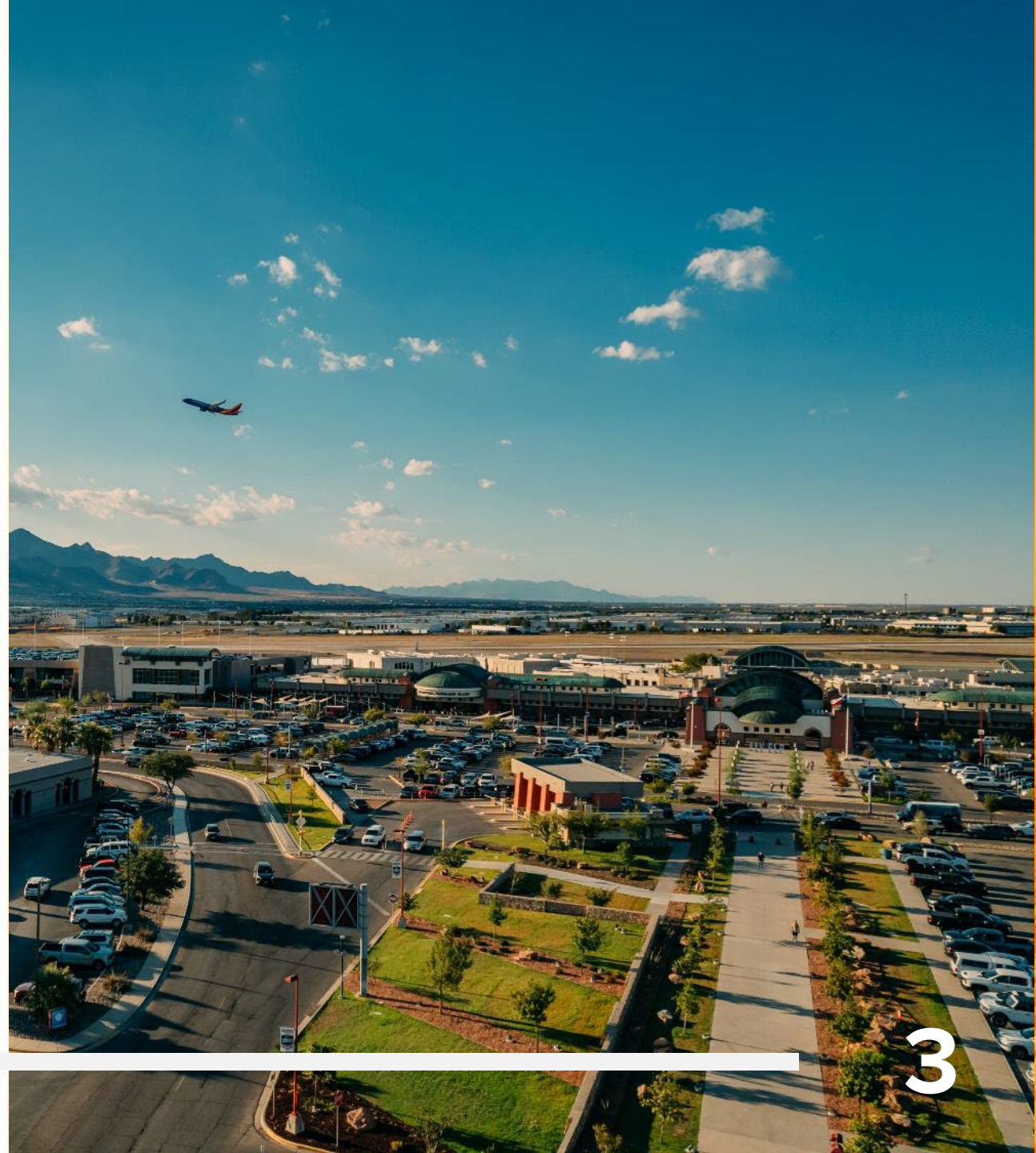
Goals:

- Updates language to current (current agreement is from 2012)
- Remain a competitive and an attractive Airport for Airline Operations
- Fair and Reasonable
 - Business Environment
 - Environmental Language
 - Indemnity Language
 - Facility and Airfield Investment



Signatory & Non-Signatory Airlines

- Signatory:
 - Operating and Lease Agreement
 - Commits to having scheduled operations
- Non-Signatory:
 - Operating Agreement
 - Charged 25% over signatory rates



Airlines Currently Serving El Paso

Signatory

- Southwest Airlines
- American Airlines
- Delta Airlines
- United Airlines
- Fed Ex
- UPS

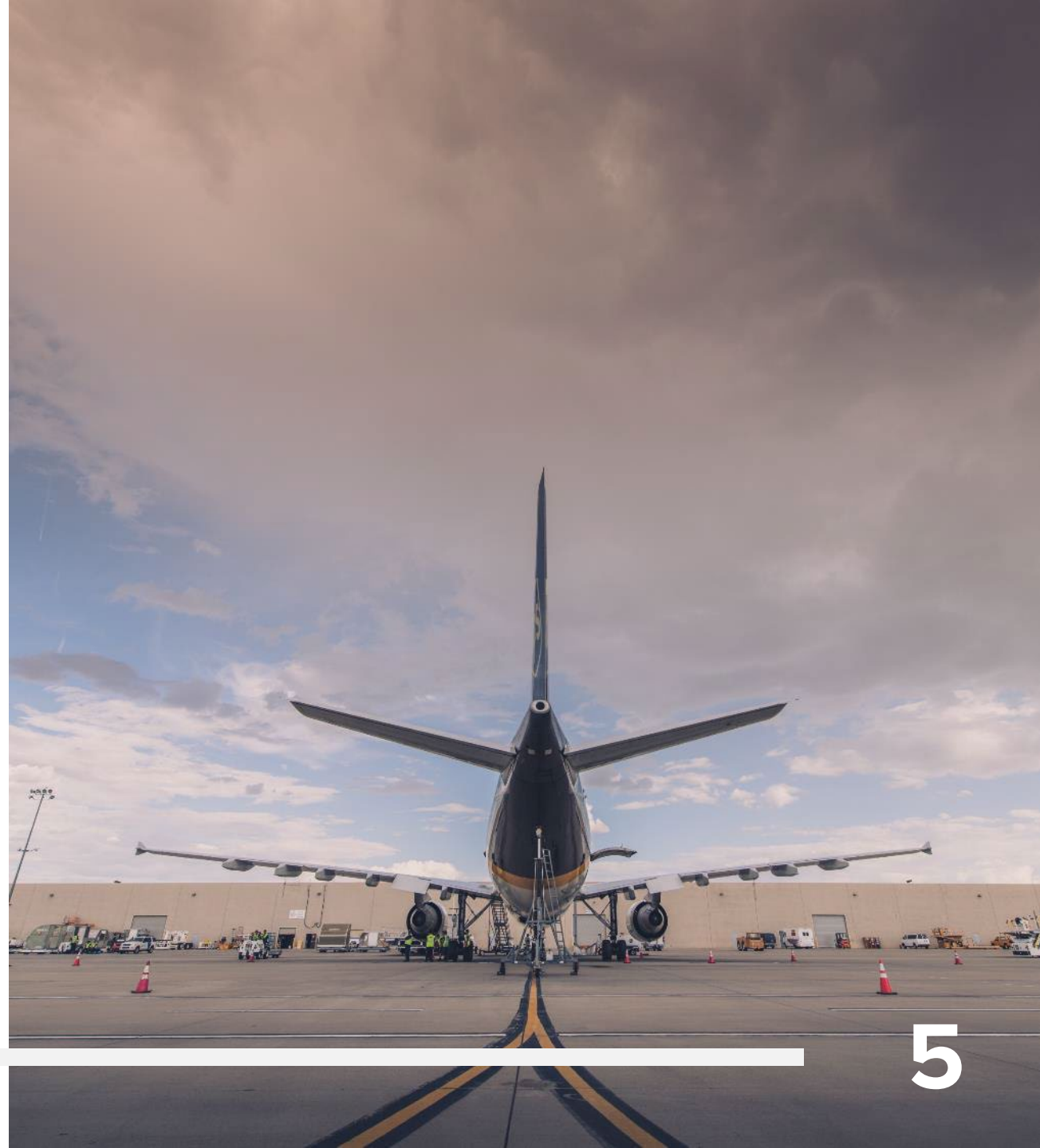
Non-Signatory

- Allegiant Airlines
- Frontier Airlines
- Alaska Airlines
- DHL



Lease Terms

- Existing Airline Agreement expired August 31, 2023 (negotiations placed on hold during Covid Pandemic)
- Currently on a month-to-month status
- New agreement effective September 1, 2024
 - Five-year term with one additional two-year period



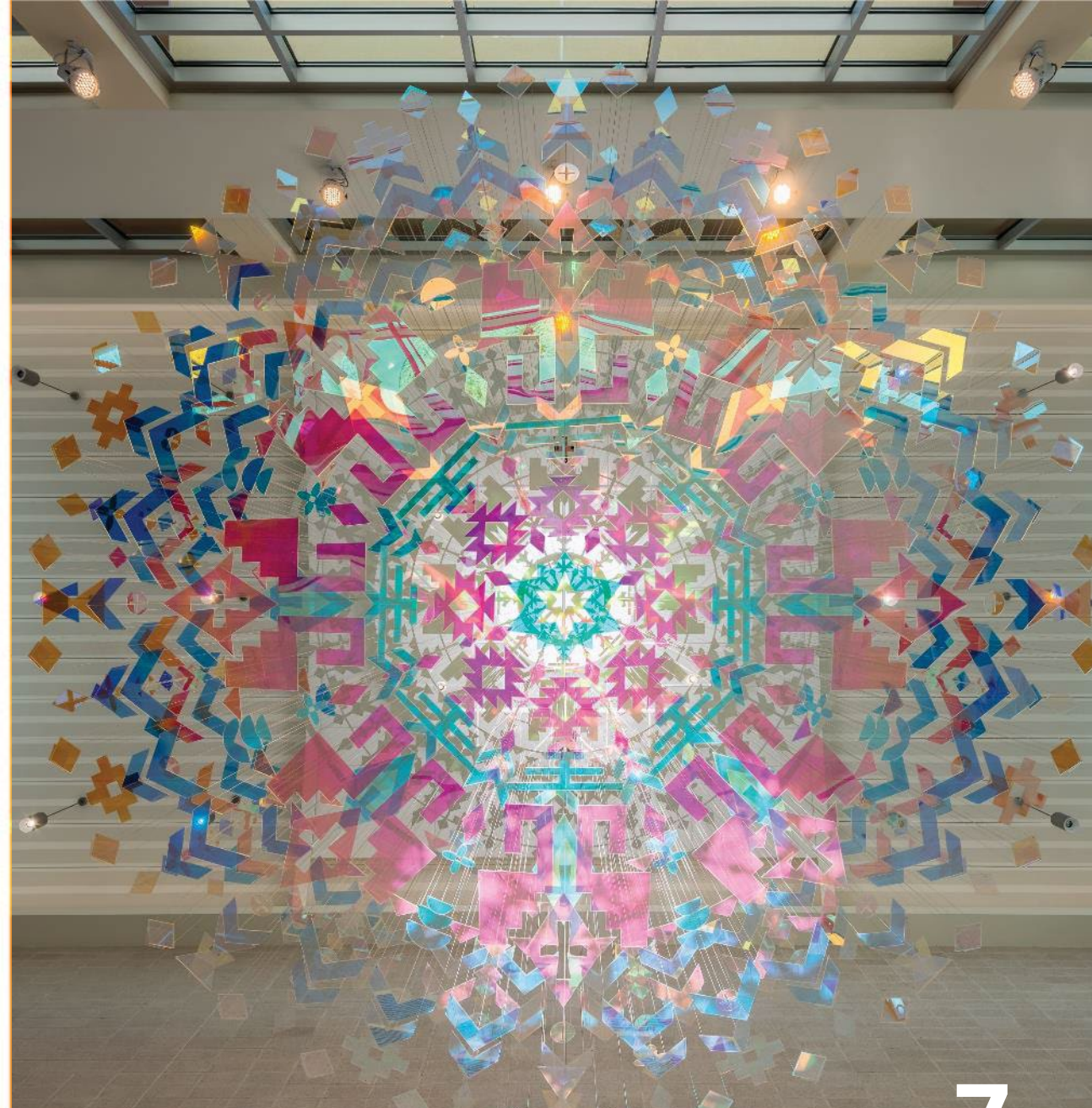
Key Highlights

- Included Amortization costs of Capital Improvements in the calculations of rentals, fees, and charges
 - Projects over \$125,000 and less than \$5M
- Maintenance and Operating Reserve
 - Required to maintain balance equal to 3-months of the annual operating budget



Key Highlights Cont'd

- Gate utilization
 - Signatory airlines have assigned gates
 - Airport reserves the right to reassign Airline's assigned gate if:
 - The airline's scheduled gate utilization falls below 4 flights per gate per weekday
- Gate Management System
 - Maximize the use of unassigned gates by Non-Signatory airlines

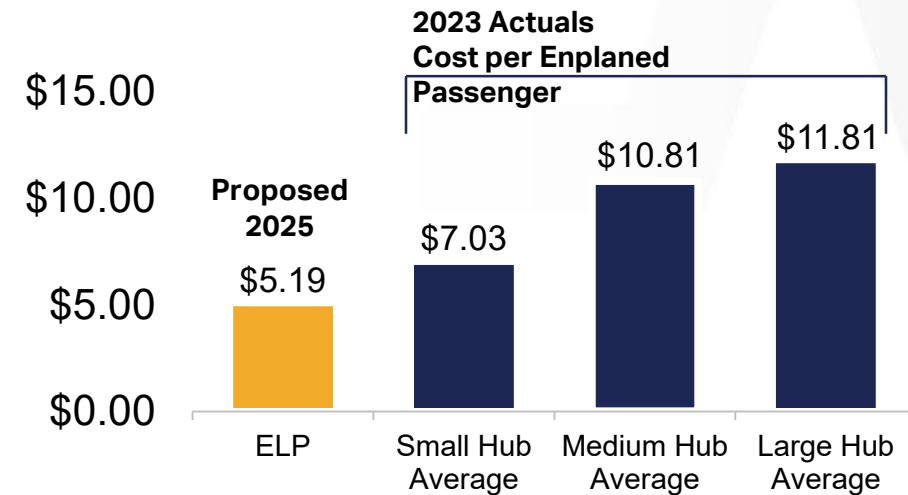
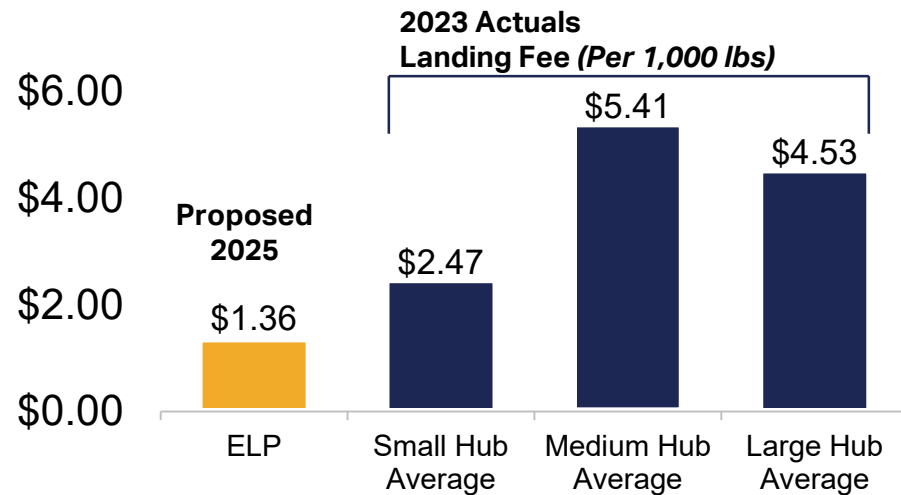


Key Highlights Cont'd



- Use of Space
 - Facilitate all airlines with suitable operational space
 - Airline ticket office space
 - Airline employee breakrooms
 - Airline operational gate areas and waiting area
 - Airport reserves the right to reassign space as needed

Proposed ELP Rates with New Agreement



	Actual 2015	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Actual 2021	Actual 2022	Budget 2023	Budget 2024
Landing Fee	\$1.81	\$1.83	\$1.75	\$1.46	\$1.58	\$1.22	\$1.00	\$0.88	\$1.57	\$1.22
Terminal Rental Rate	\$42.63	\$42.34	\$39.91	\$40.88	\$41.80	\$34.79	\$51.42	\$41.66	\$49.36	\$48.43
Cost Per Enplanement	\$6.36	\$6.32	\$5.89	\$5.47	\$4.99	\$4.50	\$6.15	\$4.50	\$6.18	\$5.09

Rates and Charges for Airport Use

Current

Terminal Rental Rate	\$48.43
Landing Fee/1,000 lbs.	\$ 1.22
Cost per Passenger	\$ 5.09

New

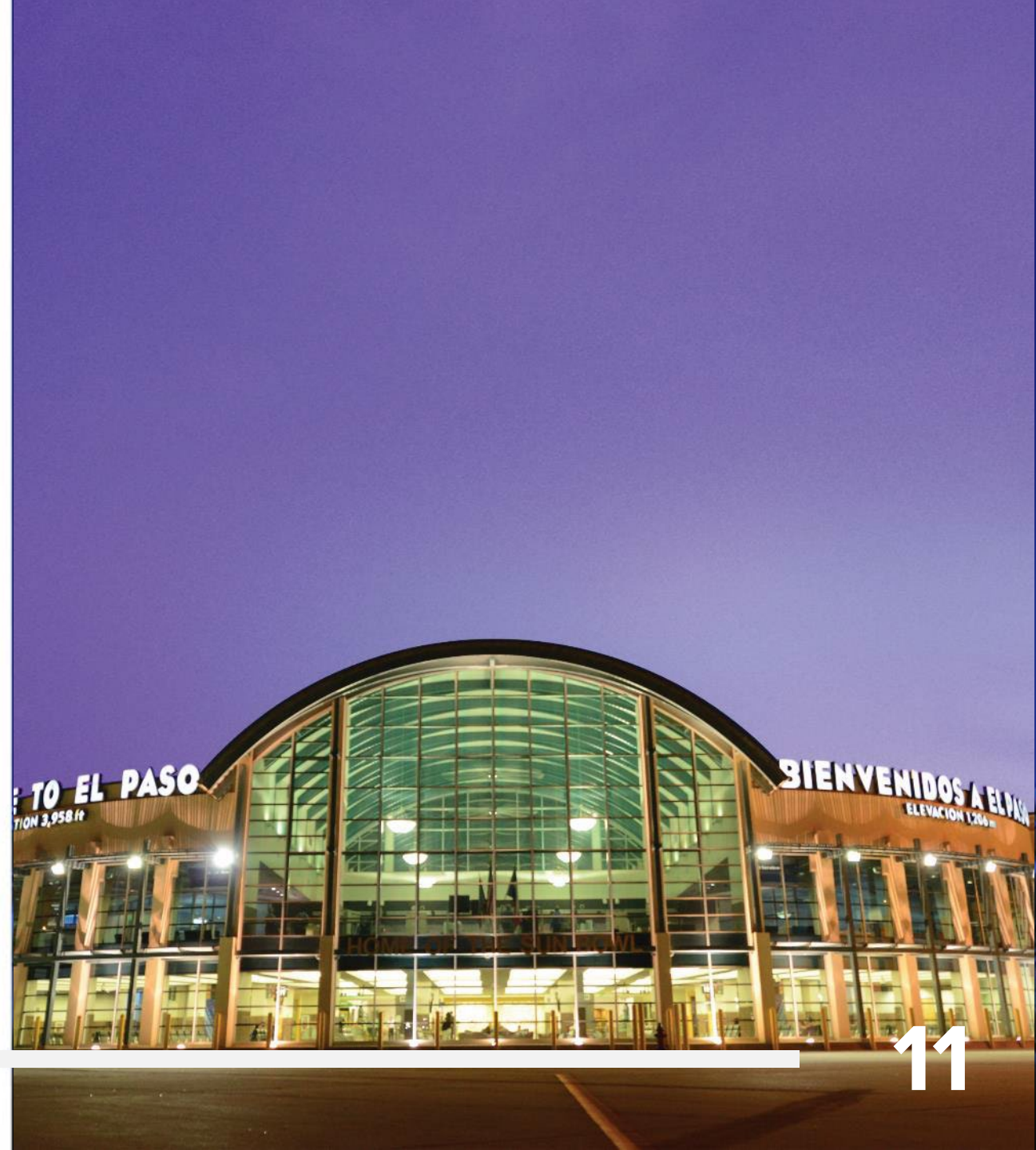
Terminal Rental Rate	\$48.54
Landing Fee/1,000 lbs.	\$ 1.36
Cost per Passenger	\$ 5.19

Non-Signatory airlines are charged 25% over Signatory rates

Requested Action

That the Director of Aviation, or designee, be authorized to sign on behalf of the City of El Paso an Airline:

- Operating Agreement and Terminal Building Lease (Signatory)
- Operating Agreement (Non-Signatory)
- Amendments for any space or operational modifications (examples: operating space, gate or counter assignments)



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Deliver exceptional services to support a high quality of life and place for our community.

VISION



Develop a vibrant regional economy, safe and beautiful neighborhoods and exceptional recreational, cultural and educational opportunities powered by a high performing government.



VALUES

Integrity, **R**espect, **E**xcellence,
Accountability, **P**eople

MISIÓN



Brindar servicios excepcionales
para respaldar una vida y un
lugar de alta calidad para
nuestra comunidad

VISIÓN



Desarrollar una economía regional
vibrante, vecindarios seguros y
hermosos y oportunidades
recreativas, culturales y educativas
excepcionales impulsadas por un
gobierno de alto desempeño



VALORES

Integridad, Respeto, Excelencia,
Responsabilidad, Personas