



AGENDA MEMORANDUM
for the City Council Meeting of June 26, 2012

DATE: May 25, 2012
TO: Ronald L. Olson, City Manager
FROM: Fred Segundo, Aviation Director
(361) 289-0171 ext. 1213
freds@cctexas.com

Authorizing the execution of a lease agreement with Aeronautical Radio, Inc. for aeronautical radio services at the Corpus Christi International Airport.

CAPTION:

Ordinance authorizing the City Manager, or designee, to execute an agreement with Aeronautical Radio, Inc. (ARINC) to lease space containing approximately twenty (20) square feet located in the lower level of the Corpus Christi International Airport (Airport) terminal for the maintenance and operation of aeronautical Communication equipment providing air/ground data communications to aircraft on the ground and en route within 200 nautical miles from Corpus Christi in consideration of payment of an annual rate per square foot of \$51.38 for fiscal year 2011-2012, \$52.15 for fiscal year 2012-2013 and \$52.94 for fiscal year 2013-2014, adjusted annually thereafter based on the current Terminal Rental Rate for future fiscal years, payable monthly for a term of five (5) years; and declaring an emergency.

PURPOSE:

Aeronautical Radio, Inc. (ARINC) has been providing communication services for airlines and the Transportation Security Administration (TSA), and CCIA requests approval to renew lease agreement with ARINC.

BACKGROUND AND FINDINGS:

Aeronautical Radio, Inc. (ARINC) has been providing communication services to airlines operation within 200 nautical miles of the Corpus Christi International Airport for several years. They are currently operating on a month to month extension of an expired lease.

ALTERNATIVES:

None.

OTHER CONSIDERATIONS:

Not applicable.

CONFORMITY TO CITY POLICY:

This lease agreement conforms to the City Charter requirements.

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

Legal
Finance
Management and Budget

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year: 2011-2012	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget		\$2,877.24	\$1,027.56	
Encumbered / Expended Amount				
This item		-\$1,438.62	-\$1,027.56	
BALANCE		\$1,438.62	\$0.00	

Fund(s): Airport Fund (4610)

Comments: Decrease in revenue due to decrease in square footage.

RECOMMENDATION:

Staff recommends approval of the Ordinance.

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Lease Agreement