

Resolution authorizing an Air Service Minimum Revenue Guarantee Agreement with airline for Corpus Christi International Airport totaling \$787,579.00, as part of the Small Community Air Service Development (SCASD) program grant from the United States Department of Transportation (DOT), and authorizing the city manager or designee to execute all documents necessary for the air service agreement.

WHEREAS, on August 3, 2022, the Corpus Christi International Airport (CCIA) was awarded a \$437,579 federal match air service development grant from the U.S. Department of Transportation;

WHEREAS, the SCASD grant is a federal matching grant in the amount of \$437,579, plus a match of \$350,000, totaling \$787,579.

WHEREAS, The SCASD grant aims to ensure a Minimum Revenue Guarantee to provide financial incentives to airline carriers, conduct studies on the possibilities of expanded service, and carry out marketing programs to promote existing local services;

WHEREAS, as part of the SCASD grant program, the City will enter into an Air Service Agreement totaling \$787,579, with Airline for new air service from Corpus Christi to a Western destination;

WHEREAS, this Air Service Agreement between the City and the Airline outlines the commitment of \$787,579, towards the Minimum Revenue Guarantee for this new air service to Denver Colorado, and sourced from a \$437,579 federal SCASD match grant, a \$350,000 community share contribution contingent from Visit Corpus Christi in the amount of \$100,000 plus contingent from Type B Corporation Funds in the amount of \$250,000;

WHEREAS, there will also be a Minimum Revenue Guarantee secondary funding contract between Airline and Corpus Christi B Corporation committing \$394,747 to the Minimum Revenue Guarantee should the SCASD grant funds be fully utilized;

WHEREAS, this Minimum Revenue Guarantee secondary layered funding source from the Type B Corporation in the amount of \$394,747 will be committed through a separate, concurrent agreement, ensuring the full Minimum Revenue Guarantee commitment is met, totaling \$1,182,326; and

WHEREAS, the Air Service Minimum Revenue Guarantee Agreement, which includes the SCASD grant match, will stimulate economic growth in offering the City of Corpus Christi a new hub that connects to the Western half of the United States, bringing more travelers to Corpus Christi to use CCIA.

Be it resolved by the City Council of the City of Corpus Christi, Texas:

Section 1. The City Council specifically finds that the foregoing statements included in the preamble of this resolution are true and correct and adopts such findings for all intents and purposes related to the authorization of this minimum revenue guarantee

air service agreement.

Section 2. The City Manager, or designee, is authorized to execute all documents necessary for an Air Service Minimum Revenue Guarantee Agreement for the CCIA not to exceed \$787,579.00, subject to appropriation of funds.

PASSED AND APPROVED on the _____ day of _____, 2025.

ATTEST:

Paulette Guajardo, Mayor

Rebecca Huerta, City Secretary