

AIR ORDINANCE/RESOLUTION REQUEST

**All fields must be completed.*
Incomplete request forms will be returned to sender which may cause a delay in processing.*

Date of Request: 4/5/2016

Please mark one: Bill Request or Resolution Request

1. Has your agency submitted this request in the last 12 months?

Yes No

If yes, please explain:

2. **Title:** Virgin America Air Service Development Incentive, *Contract No. 201525865* contract execution

3. **Requesting Agency:** Department of Aviation

4. **Contact Person:** *(With actual knowledge of proposed ordinance/resolution.)*

- **Name:** Laura Jackson
- **Phone:** (303) 342-2282
- **Email:** Laura.Jackson@flydenver.com

5. **Contact Person:** *(With actual knowledge of proposed ordinance/resolution who will present the item at Mayor Council and who will be available for first and second reading, if necessary.)*

- **Name:** Aaron Barraza
- **Phone:** (303) 342-2261
- **Email:** Aaron.Barraza@flydenver.com

6. **General description of proposed ordinance including contract scope of work if applicable:**

Virgin America qualifies for an air service incentive for their new service to San Francisco beginning March 15, 2016. As a new entrant carrier Virgin America qualifies for \$500,000 in marketing incentives. Their marketing plan and activities must be approved by Denver International Airport and must promote travel to/from Denver International Airport.

***Please complete the following fields: (Incomplete fields may result in a delay in processing. If a field is not applicable, please enter N/A for that field.)*

- a. **Contract Control Number:** 201525865
- b. **Duration:** 1 year 3 months (12/31/15-03/15/17)
- c. **Location:** DIA
- d. **Affected Council District:** 11
- e. **Benefits:** This agreement support's DEN's air service incentive program, which encourages new airlines to add service to Denver, and for existing carriers to add new nonstop destinations from Denver.
- f. **Costs:** Estimated costs will not exceed \$500,000.00

<i>Current Contract Amount</i>	<i>Additional Funds</i>	<i>Total Contract Amount</i>
<i>(A)</i>	<i>(B)</i>	<i>(A+B)</i>
\$500,000.00		\$500,000.00

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
12/31/2015		03/15/2017

- g. **Date Goals Assigned:** N/A
- h. **Goals:** N/A

7. **Is there any controversy surrounding this ordinance?** *(Groups or individuals who may have concerns about it?)* **Please explain.** There are no known controversies. This is an air service incentive that is offered to all airlines.

To be completed by Mayor's Legislative Team:

SIRE Tracking Number: _____

Date: _____

Key Contract Terms

Vendor/Contractor Name: Virgin America, Inc.

Contract control number: 201525865

City's contract manager: Laura Jackson

Was this contractor selected by competitive process? Was it the low bid?
All airlines are eligible for the air service incentive program.

Term/Duration of contract/project: 12/31/15-03/15/2017

Renewal terms: N/A

Purpose: Air Service Development

Scope of services to be provided with performance bench marks: Maintain the Denver-San Francisco route for the duration of the contract. Virgin America will be refunded for approved marketing activities related to promotion of their Denver-San Francisco service. Marketing activities include, but are not limited to, advertising, events, media outreach, public relations and other related initiatives.

Cost/value: \$500,000.00

Source of funds: The City's Airport System Capital Improvement and Replacement Fund

Benefit: Supports new entrant carriers at Denver International Airport; provides more consumer choice for air travel; enhances Denver's competitive air service position in the global aviation industry.

Termination provision for City and for contractor: Either party may cancel and terminate this Agreement without cause by giving not less than thirty (30) days prior written notice to the other party, and may cancel and terminate this Agreement with cause by giving not less than ten (10) days prior written notice to the other party.

WBE/MBE/DBE commitments (construction, design, Airport concession contracts):

Who are the subcontractors to this contract? N/A

Location: Denver International Airport

Affected Council District: 11

To be completed by Mayor's Legislative Team:

SIRE Tracking Number: _____

Date: _____