

## ORDINANCE/RESOLUTION REQUEST

All Fields must be completed

Incomplete request forms will be returned to sender which may cause a delay in processing.

Please mark one: ☐ Bill Request or ☒ Resolution Request

Date of Request: September 07, 2023

### 1. Type of Request:

- ☒ Contract/Grant Agreement ☐ Intergovernmental Agreement (IGA) ☐ Rezoning/Text Amendment  
☐ Dedication/Vacation ☐ Appropriation/Supplemental ☐ DRMC Change  
☐ Other:

2. **Title:** Approves Federal Express Corporation contract execution for FedEx Use and Cargo Facilities Lease Agreement Contract.

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

### 4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: George Karayiannakis, SVP Airline and Commercial Affairs	Name: Rita Aguilar, Rachel Gruber, Barry Burch Jr.
Email: George.Karayiannakis@flydenver.com	Email: <a href="mailto:Rita.Aguilar@flydenver.com">Rita.Aguilar@flydenver.com</a> <a href="mailto:Rachel.Gruber@flydenver.com">Rachel.Gruber@flydenver.com</a> <a href="mailto:Barry.Burch@flydenver.com">Barry.Burch@flydenver.com</a>

### 5. General description or background of proposed request. Attach executive summary if more space needed:

This request is for a use and cargo facilities lease agreement with Federal Express Corporation (FedEx) and Denver International Airport (DEN) for a term of five years. FedEx is a cargo airline operating at DEN. They will continue to lease the FedEx cargo building on the south campus to support their operations. The leased area includes 83,433 sq. ft. of building space and 919,921 sq. ft. of ground space, including 8 cargo aircraft parking positions. Airline Rates and Charges apply.

6. **City Attorney assigned to this request (if applicable):** David Steinberger

7. **City Council District:** 11

8. **\*\*For all contracts, fill out and submit accompanying Key Contract Terms worksheet\*\***

## Key Contract Terms

**Type of Contract:** Lease of Real Property

**Vendor/Contractor Name:** Federal Express Corporation (dba FedEx)

**Contract control number:** PLANE - 202265981-00

*To be completed by Mayor's Legislative Team:*

Resolution/Bill Number: \_\_\_\_\_

Date Entered: \_\_\_\_\_

**Location:** Department of Aviation

**Is this a new contract?** ☒ Yes ☐ No **Is this an Amendment?** ☐ Yes ☒ No **If yes, how many?** N/A

**Contract Term/Duration (for amended contracts, include existing term dates and amended dates):** 5 years

**Contract Amount (indicate existing amount, amended amount and new contract total):**

<i>Current Contract Amount</i>	<i>Additional Funds</i>	<i>Total Contract Amount</i>
<i>(A)</i>	<i>(B)</i>	<i>(A+B)</i>
Rates and Charges	N/A	Rates & Charges

  

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
5 Years	N/A	2028

**Scope of work:**

This request is for a use and cargo facilities lease agreement with Federal Express Corporation (FedEx) and Denver International Airport (DEN) for a term of five years. FedEx is a cargo airline operating at DEN. They will continue to lease the FedEx cargo building on the south campus to support their operations. The leased area includes 83,433 sq. ft. of building space and 919,921 sq. ft. of ground space, including 8 cargo aircraft parking positions. Airline Rates and Charges apply.

Airline rates and charges are established on “cost recovery” concepts whereby the annual cost of operating DEN forms the basis for the rate, fee, or charge assessed to the airlines. The Airport recalculates airline rates and charges each year based on its operating budget, debt service, amortization and projected aviation activity levels and reconciled at year-end based on actuals “true-up.” The airline/airport use and lease agreement specifies the types of costs that are used to calculate airline rates and charges. Examples of rates and charges include landing fee (fee for every time a plane lands on the runway), Terminal Complex rental rate (Per square foot rate to lease space in the Terminal (e.g., office, holdroom, ticketing)), concourse ramp, fee to recover the cost of leasing the ramp area associated with a gate, Automatic Guideway Transportation System (Passenger fee to use the train system between the terminal and concourses).

**Was this contractor selected by competitive process?** No

exception under Memorandum No. 8B and will not be competitively procured.

**If not, why not?** This procurement qualifies for

**Has this contractor provided these services to the City before?** ☒ Yes ☐ No

**Source of funds:** Revenue

**Is this contract subject to:** ☐ W/MBE ☐ DBE ☐ SBE ☐ XO101 ☐ ACDBE ☒ N/A

**WBE/MBE/DBE commitments (construction, design, Airport concession contracts):** No goals were assigned to this project due to Memorandum No. 8B.

**Who are the subcontractors to this contract?** N/A

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