



Legislation Text

File #: 23-1593, Version: 1

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 10-30-2023

Requesting Agency: DEN
Division:

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Phone Number:

Item Title & Description:

(Do not delete the following instructions)

*These appear on the Council meeting agenda. Initially, the requesting agency will enter a 2-3 sentence description. Upon bill filling, the City Attorney's Office should enter the title above the description (the title should be in **bold** font).*

*Both the title and description must be entered between the red "title" and "body" below. Do **not** at any time delete the red "title" or "body" markers from this template.*

A resolution approving a proposed Agreement between the City and County of Denver and AIR GENERAL INC. concerning the use and lease of a portion of a building for cargo handling at Denver International Airport.

Approves a lease agreement with Air General Inc. for rates and charges and a term ending on 12-31-2025 for use of a building at the airport used for cargo handling, in Council District 11. 202266283. The last regularly scheduled Council meeting within the 30-day review period is on 12-4-2023. The Committee approved filing this item at its meeting on 11-1-2023.

Affected Council District(s) or citywide?

Council District 11

Contract Control Number:

202266283

Vendor/Contractor Name (including any "DBA"):

Air General Inc.

Type and Scope of services to be performed:

This request is for a Support Facilities Lease Agreement between Air General Inc. (Air General) and the City and County of Denver at Denver International Airport. Air General leases 16,777 sq. ft. of space in the Joint Use Cargo building and 54,488 sq. ft. of ground space. This lease will provide them with a new term for the facility they occupy. Air General is a cargo handler serving several passenger airlines at Denver International Airport (DEN); e.g., British Airways, Delta Airlines and American Airlines. They lease

space at the Joint Use Cargo Building to handle belly cargo.

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).

Location (if applicable):

WBE/MBE/DBE goals that were applied, if applicable (construction, design, Airport concession contracts):

Are WBE/MBE/DBE goals met (if applicable)?

Is the contract new/a renewal/extension or amendment?

Was this contractor selected by competitive process or sole source?

For New contracts

Term of initial contract:

Options for Renewal:

How many renewals (i.e. up to 2 renewals)?

Term of any renewals (i.e. 1 year each):

Cost of initial contract term:

Cost of any renewals:

Total contract value council is approving if all renewals exercised:

For Amendments/Renewals Extensions:

Is this a change to cost/pricing; length of term; terms unrelated to time or price (List all that apply)?

If length changing

What was the length of the term of the original contract?

What is the length of the extension/renewal?

What is the revised total term of the contract?

If cost changing

What was the original value of the entire contract prior to this proposed change?

What is the value of the proposed change?

What is the new/revised total value including change?

If terms changing

Describe the change and the reason for it (i.e. compliance with state law, different way of doing business etc.)