



Legislation Text

File #: 23-0303, Version: 1

**Contract Request Template (Contracts; IGAs; Leases)**

**Date Submitted: 3/13/23**

**Requesting Agency: DEN**  
**Division:**

**Subject Matter Expert Name: Carolina Flores**  
**Email Address: Carolina.flores@flydenver.com**  
**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 lease between the City and County of Denver and Southwest Airlines, Co. for a 30-year lease for a new cargo facility at Denver International Airport, charging Southwest Airlines, Co. rates and charges under the lease.**

Approves a ground lease with Southwest Airlines Co. for rates and charges and 30 years for a new cargo facility at Denver International Airport in Council District 11 (PLANE-202262387). The last regularly scheduled Council meeting within the 30-day review period is on 4-24-2023. The Committee approved filing this item at its meeting on 3-22-2023.

**Affected Council District(s) or citywide? District 11**

**Contract Control Number: PLANE-202262387**

**Vendor/Contractor Name (including any "DBA"): Southwest Airlines Co.**

**Type and Scope of services to be performed:**

This request is for a cargo facility ground lease agreement between Southwest Airlines Co. (Southwest) and Denver International Airport (DEN). Southwest will be constructing and occupying a new cargo facility at DEN. This facility will be constructed in the south cargo area. Southwest's robust growth in passenger services at DEN also correlates to an increase in cargo activity. Southwest has already stretched its existing DEN Cargo Center to its limits and given the location of the existing building, there

is no effective potential for expansion. A new facility has been planned to support today's volumes and future growth.

**Location (if applicable): South cargo area at DEN**

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

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

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

**Was this contractor selected by competitive process or sole source? Sole source - existing airline provider**

**For New contracts**

**Term of initial contract: 30 years**

**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: Rates & charges**

**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.)**