



Legislation Details (With Text)

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Title: Approve a Lease and Agreement between City of Fresno and Flight Services & Systems, Inc., for terminal office space at Fresno Yosemite International Airport. (Council District 4)

Sponsors: Airports Department

Indexes:

Code sections:

Attachments: 1. 04-05-18 Flight Services and Systems Inc Lease Agreement.pdf

Date	Ver.	Action By	Action	Result
4/5/2018	1	City Council	approved	

REPORT TO THE CITY COUNCIL

April 5, 2018

FROM: KEVIN R. MEIKLE, Director of Aviation
Airports Department

SUBJECT

Approve a Lease and Agreement between City of Fresno and Flight Services & Systems, Inc., for terminal office space at Fresno Yosemite International Airport. (Council District 4)

RECOMMENDATION

Staff recommends Council authorize the Director of Aviation to execute a Lease and Agreement (Lease) with Flight Services & Systems, Inc. (FS&S), an Ohio corporation, for terminal office space at Fresno Yosemite International Airport (FAT).

EXECUTIVE SUMMARY

FS&S provides various services at FAT, including Ground Handling for international air carriers, passenger wheelchair assistance on behalf of various airlines, and the customer service Ambassador Program. The Lease provides FS&S with office space to support these activities. The term of the Lease is for an initial three years with two one-year options, for a total of up to five years, with a 30 day termination notice without cause.

BACKGROUND

FS&S Flight Services & Systems is an aviation service company providing Ground Handling and Passenger Services to multiple airports and airlines throughout the US. They currently operate at 21 airports in 16 states, with approximately 1,500 employees serving over 80 airlines.

FS&S has been renting space in the Terminal since October 2001. Their current lease expires on June 30, 2018. The proposed Lease will allow FS&S continued occupancy and use of the office space through June 30, 2021, with two extensions through June 30, 2023.

The Lease has been reviewed and approved as to form by the City Attorney's office.

ENVIRONMENTAL FINDINGS

This is not a "project" pursuant to CEQA Guidelines Section 15378.

LOCAL PREFERENCE

Local preference is not applicable because this Lease is not a purchase or services agreement.

FISCAL IMPACT

Revenue is based on the terminal rent as identified in the City's Master Fee Schedule. The total revenue generated under the Lease for the initial three year term will be \$37,478. If the two 1-year options are executed then the total revenue is estimated to be \$63,908. All revenue will be deposited into the Airports Enterprise Fund and will contribute to the operation and maintenance of FAT. There is no impact to the General Fund from this action.

Attachment:

- Flight Services & Systems, Inc. Lease Agreement