



Legislation Details (With Text)

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Title: Actions related to the First Amendment to the Lease Agreement between the City of Fresno and United Parcel Service, Inc., at Fresno Yosemite International Airport:

1. Adopt a finding of Class 1 Categorical Exemption pursuant to CEQA Guidelines section 15301.
2. Approve First Amendment to the existing Lease Agreement between the City of Fresno and United Parcel Service, Inc., an Ohio Corporation, at Fresno Yosemite International Airport. (Council District 4).

Sponsors: Airports Department

Indexes:

Code sections:

Attachments: 1. 09-19-19 UPS First Amendment to the Fresno Yosemite International Airport Lease and Agreement.pdf

Date	Ver.	Action By	Action	Result
9/19/2019	1	City Council	approved	

REPORT TO THE CITY COUNCIL

September 19, 2019

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

SUBJECT

Actions related to the First Amendment to the Lease Agreement between the City of Fresno and United Parcel Service, Inc., at Fresno Yosemite International Airport:

1. Adopt a finding of Class 1 Categorical Exemption pursuant to CEQA Guidelines section 15301.
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RECOMMENDATIONS

Staff recommends Council adopt a finding of Class 1 Categorical Exemption pursuant to CEQA Guidelines section 15301, and authorize the Director of Aviation to execute this First Amendment

between the City of Fresno (City) and United Parcel Service (UPS) to extend the existing lease agreement for operations at Fresno Yosemite International Airport.

EXECUTIVE SUMMARY

UPS's current eleven-year lease at FAT expires on November 30, 2019. UPS has been at its current location running its air cargo operations since August, 1, 2008. The First Amendment will extend the term through December 31, 2021.

BACKGROUND

UPS currently runs an air cargo operation that supports Fresno and the surrounding region from the Air Cargo Ramp on the north side of FAT. The operation uses Boeing 757 aircraft daily with increased frequency during peak holiday periods. FAT's Air Cargo Ramp has sufficient infrastructure in place to accommodate the region's current needs and forecasted growth. UPS represents 53% of all cargo activity at FAT, with approximately 63 million pounds of cargo loaded and unloaded annually.

The current monthly rent is \$3,373.86 which is in accordance with the Lease terms. The rent is subject to annual Consumer Price Index (CPI) adjustments. All other Lease provisions shall remain in place as part of the original agreement.

The City Attorney has reviewed and approved the First Amendment as to form.

ENVIRONMENTAL FINDINGS

This agreement falls within the Class 1 Categorical Exemption for Existing Facilities set forth in California Environmental Quality Act (CEQA) Guidelines, Section 15301 for existing facilities, as it involves no alteration of existing facilities, with no expansion of use, and will not result in any significant negative effects relating to traffic, noise, air quality or water quality. Furthermore, none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, Section 15300.2 apply to this project.

LOCAL PREFERENCE

Local preference is not applicable because this is an amendment to an existing agreement.

FISCAL IMPACT

The revenue for the next two years and one month will be \$84,347.00 plus annual CPI adjustments. The revenue received during the full term of the agreement is \$472,723.00 plus annual CPI adjustments. 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 item.

Attachment:

- First Amendment to the Fresno Yosemite International Airport Lease and Agreement