



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 3/7/2017

District B

Item Creation Date: 2/7/2017

HAS - TACA, ANA, and Turkish International Facilities Agreements at IAH

Agenda Item#: 21.

Cay **Summary:**

ORDINANCE approving and authorizing International Facilities Agreements by and between the City of Houston and **TACA INTERNATIONAL AIRLINES, S.A., TÜRK HAVA YOLLARI ANONIM ORTAKLIĞI - TURKISH AIRLINES INC** and all **NIPPON AIRWAYS CO., LTD.** at George Bush Intercontinental Airport/Houston - **DISTRICT B - DAVIS**

Background:

The International Facilities Agreement (IFA) defines the terms and conditions by which the airlines may use the airfield for aircraft operations, lease space in Terminal D, and have common use of aircraft gates and the Federal Inspection Services (FIS) area at George Bush Intercontinental Airport/Houston (IAH) from which to conduct their passenger service businesses.

The IFAs with TACA International Airlines, S.A. (TA), Türk Hava Yolları Anonim Ortaklığı - Turkish Airlines Inc. (TK) and All Nippon Airways Co., Ltd. (NH) are similar to IFAs previously approved by City Council on the following dates: Qatar Airways Q.C.S.C. (QR) and British Airways PLC (BA) (9/7/2016); Air New Zealand Limited (NZ) (11/18/2015); ABC Aerolineas S.A. de C.V. d/b/a Interjet (40), Concesionaria Vuela Compañía De Aviación S.A.P.I. de C.V. d/b/a Volaris (Y4), and EVA Airways Corporation (BR) (7/8/2015); Korean Air Lines Co., LTD (KE) (5/7/2014); Air China Limited (CA) (10/23/2013); Atlas Air Inc. (5Y) and Aeroenlaces Nacionales, S.A. de C.V. (VivaAerobus) (VB) (10/19/2011); Emirates (EK), Singapore Airlines Limited (SQ) (1/20/2010); Aerovías de México S.A. de C.V. (Aeromexico) (AM), Société Air France (AF), and Deutsche Lufthansa AG (LH) (4/18/2007); KLM Royal Dutch Airlines (KL) (8/16/2006); and United Airlines, Inc. (UA) (8/17/2005).

The pertinent terms and conditions of the IFAs are listed below:

1) Leased Premises - All Terminal D airlines have common use of aircraft gates, FIS area, ticket counters, baggage make-up, and security checkpoints pursuant to access and assignment procedures.

Additionally, TA, TK, and NH will lease the following:

TA - Approximately the following:

654 sq. ft. of administrative office space

166 sq. ft. of storage space

TK - Approximately the following:

789 sq. ft. of administrative office space

179 sq. ft. of operations and maintenance space

NH - Approximately the following:

953 sq. ft. of administrative office space

88 sq. ft. of operations and maintenance space

2) Rental - Rent is established to recover costs and is calculated annually pursuant to the IFA and follows airport rates and charges methodology for all airlines operating out of Terminal D. Rent is charged for exclusive operations/administrative space, and common areas such as gate, ticket counter, baggage make-up, APM charge, security checkpoint, FIS area, and landing fees.

3) Term - Month-to-Month; however, in no event shall this agreement extend beyond June 30, 2020. The Director or Airline may terminate the IFA at any time without cause upon thirty (30) days advance written notice to the other party.

Director's Signature:

Mario C. Diaz

Houston Airport System

Prior Council Action:

9/7/2016 (O) 2016-0659; 11/18/2015 (O) 2015-1134; 7/8/2015 (O) 2015-648;
5/7/2014 (O) 2014-408; 10/23/2013 (O) 2013-953; 10/19/2011 (O) 2011-883;
1/20/2010 (O) 2010-31; 4/18/2007 (O) 2007-483; 8/16/2006 (O) 2006-856; 8/17/2005 (O) 2005-967

Amount of Funding:

Revenue to Fund (8001) TA - \$ 74,665.28 (monthly)
Revenue to Fund (8001) TK - \$ 220,455.92 (monthly)
Revenue to Fund (8001) NH - \$ 130,206.46 (monthly)

Contact Information:

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ATTACHMENTS:**Description**

Ordinance
TACA Agreement
Turkish Airlines Agreement
All Nippon Agreement

Type

Ordinance/Resolution/Motion
Contract/Exhibit
Contract/Exhibit
Contract/Exhibit