



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 8/23/2016

District B

Item Creation Date: 7/19/2016

HAS - Qatar & British Airways International Facilities Agreement

Agenda Item#: 9.

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 (IAH) from which to conduct their passenger service business.

The IFAs with Qatar Airways Q.C.S.C. (QR) and British Airways, PLC (BA) are similar to IFAs previously approved by City Council on the following dates: Interjet, Volaris and EVA Airways Corporation (EVA) (7/8/2015); Scandinavian Airlines of North America, Inc., (7/9/2014); Korean Air Lines Co. (5/7/2014); Air China Limited and Turkish Airlines (10/23/2013); Atlas Air Inc. and Aeroenlaces Nacionales, S.A. de C.V. (VivaAerobus) (10/19/2011); Emirates, Singapore Airlines Limited (1/20/2010); Aerovias de Mexico S.A. de C.V. (Aeromexico), Societe Air France, Deutsche Lufthansa AG and TACA International Airlines, S.A. (4/18/2007); KLM Royal Dutch Airlines (8/16/2006); and United Airlines, Inc. (8/17/2005).

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

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

Additionally, QR and BA will lease the following:

QR		
1,075	sq. ft.	Administrative Office Space
158	sq. ft.	Sales Counter Space
1,233	sq. ft.	Total

BA		
1,491	sq. ft.	Administrative Office Space
6,081	sq. ft.	VIP Club Room Space
1,167	sq. ft.	Operations & Maintenance Space
358	sq. ft.	Storage Space
9,097	sq. ft.	Total

Rental: Rent is charged for exclusive operations/administrative space; gate, ticket counter, baggage make-up, APM charge, security checkpoint, and FIS area common use; and landing fees.

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

INW

Prior Council Action:

7/8/2015 (O) 2015-648; 7/9/2014 (O) 2014-693; 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:

Fund	Airline	Annual Amount		Monthly Amount	
Airport Revenue Fund (8001)	QR	\$92,438.01	FY17	\$7,703.17	per month
Airport Revenue Fund (8001)	BA	\$513,886.88	FY17	\$42,823.91	per month
	Total	\$606,324.89	FY17	\$50,527.07	per month

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