

RESOLUTION NO. 15-75

A RESOLUTION OF THE CITY OF ROSWELL, NEW MEXICO AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AIR SERVICE AGREEMENT WITH AMERICAN AIRLINES FOR SERVICE TO PHOENIX, ARIZONA.

WHEREAS, the City of Roswell is actively seeking regional air service from the Roswell International Air Center (RIAC) to Phoenix, Arizona; and

WHEREAS, the cities of Artesia, Carlsbad, Roswell and Village of Ruidoso, and the counties of Chaves and Eddy, of the State of New Mexico, collectively the "Consortium", are working cooperatively to bring such regional air service from the Roswell International Air Center to Phoenix, Arizona; and

WHEREAS, the City of Roswell is serving as the lead agency for the Consortium as it relates to all air service and grant agreements; and

WHEREAS, the City of Roswell, on behalf of the Consortium, has entered into a State of New Mexico Air Service grant agreement in the amount not to exceed two-hundred thousand dollars (\$200,000) and reimbursable at a rate of fifty percent, to be used exclusively for marketing and promotion of said air service; and

WHEREAS, the City of Roswell, on behalf of the Consortium, has entered into a Small Community Air Service Development Program grant agreement with the U.S. Department of Transportation in the amount not to exceed four-hundred and fifty thousand dollars (\$450,000) and reimbursable at a rate of twenty-nine and thirteen one-hundredths percent (29.13%), to be used in part for a portion of the minimum revenue guarantee and marketing and promotion of said air service; and

WHEREAS, American Airlines has submitted a proposed air service agreement to the City for air service to Phoenix, Arizona, beginning March 3, 2016; and,

WHEREAS, the proposed air service agreement consist of standard items to include promotional and marketing efforts in a minimum amount of one-hundred thousand dollars (\$100,000) and a minimum revenue guarantee of one million and two-hundred thousand dollars (\$1,200,000) for the two year term of the agreement expiring March 30, 2018; and

WHEREAS, the proposed air service agreement between the City of Roswell and American Airlines is currently under final negotiation with several discussion points awaiting resolution; and

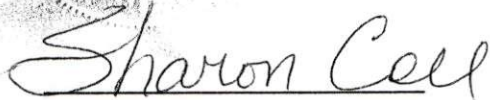
WHEREAS, the City of Roswell and American Airlines desire to finalize the air service agreement as expeditiously as possible.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL, THE GOVERNING BODY OF THE CITY OF ROSWELL, NEW MEXICO hereby approves Resolution No. 15-75 and authorizes the City Manager, at his discretion, to finalize negotiations and enter into an air service agreement with American Airlines for service between the Roswell International Air Center and Phoenix, Arizona.

PASSED, ADOPTED, SIGNED AND APPROVED this 18th day of November, 2015.


Dennis Kintigh, Mayor




Sharon Coll, City Clerk