

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: Aviation

AGENDA DATE: September 1, 2020

CONTACT PERSON NAME AND PHONE NUMBER: Samuel Rodriguez, P.E. Aviation Director (915) 212-7301

DISTRICT(S) AFFECTED: 3

CITY STRATEGIC GOAL 1: Create an Environment Conducive to Strong, Sustainable Economic Development.

SUBJECT:

This Resolution is to authorize the City Manager to sign a Sixth Amendment between the City of El Paso ("Lessor") and the El Paso Independent School District ("Lessee") for Lots 3 through 8, Block 3; and Lots 6, 7 and 10, Block 2-C, El Paso International Airport Tracts, El Paso International Airport, El Paso, Texas commonly known as 6531 Boeing, El Paso, Texas

The Amendment allows specific improvements to remain after the lease expiration.

BACKGROUND / DISCUSSION:

EPISD lease expires December 31, 2020.

PRIOR COUNCIL ACTION:

February 26, 2019 - Fifth Amendment
November 28, 2017 - Fourth Amendment
November 18, 2014 - Third Amendment
April 28, 2014 - Second Amendment
November 1, 1964 - First Amendment
June 1, 1963 - Lease Agreement

AMOUNT AND SOURCE OF FUNDING:


N/A

BOARD / COMMISSION ACTION:

N/A

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD:



Samuel Rodriguez, P.E.
Aviation Director

(If Department Head Summary Form is initiated by Purchasing, client department should sign also)
Information copy to appropriate Deputy City Manager

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the City Manager be authorized to sign the Sixth Amendment to the Industrial Site Lease (the "Lease") by and between the City of El Paso and the El Paso Independent School District to allow for specified improvements to remain after the Lease expiration regarding the following described property:

Lots 3 through 8, Block 3; and Lots 6, 7 and 10, Block 2-C, El Paso International Airport Tracts, El Paso International Airport, El Paso, Texas.

APPROVED this ____ day of _____ 2020.

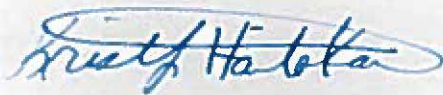
CITY OF EL PASO

Dee Margo
Mayor

ATTEST:

Laura D. Prine
City Clerk

APPROVED AS TO FORM:



Kristen Lynn Hamilton-Karam
Assistant City Attorney

APPROVED AS TO CONTENT:



Samuel Rodriguez, P.E.
Director of Aviation

STATE OF TEXAS)
)
COUNTY OF ELPASO)

**SIXTH AMENDMENT TO
INDUSTRIAL SITE LEASE**

This Sixth Amendment to the Industrial Site Lease by and between the City of El Paso ("Lessor") and the El Paso Independent School District ("Lessee") collectively (the "Parties") is entered into this ____ day of _____, 2020.

WHEREAS, effective June 1, 1963 the Lessor entered into an Industrial Site Lease ("Lease") with Lessee covering the following described property:

Lots 3 through 8, Block 3; and Lots 6, 7 and 10, Block 2-C, El Paso International Airport Tracts, El Paso International Airport, El Paso, Texas ("Premises").

WHEREAS, on February 11, 1965, the Parties amended the Lease to correct the description of the Premises so that all references to Lot 10, Block 2-C in the Lease would read the south 2.007 acres of Lot 10, Block 2-C;

WHEREAS, on April 29, 2014, the Parties approved a Second Amendment to the Industrial Site Lease to extend the term of the Lease subject to Lessee submitting an Implementation Plan which identified the phases and action Lessee would take to vacate the Premises by May 31, 2017;

WHEREAS, on November 18, 2014, the Parties approved a Third Amendment to the Industrial Site Lease to allow Lessee additional time to submit its Implementation Plan to vacate the Premises;

WHEREAS, on November 28, 2017, the Parties approved a Fourth Amendment to the Industrial Site Lease to allow Lessee additional time to finalize its transition to a newly acquired site for its central offices;

WHEREAS, on February 26, 2019 the Parties approved a Fifth Amendment to the Industrial Site Lease to further extend the Lease through December 31, 2020;

WHEREAS, pursuant to the Lease Article IX – Rights Upon Expiration as amended by the Second Amendment, upon expiration of the Lease, Lessee at its own cost and expense shall be responsible for the removal of all improvements from the Premises and that the removal of all improvements, including the submittal of an environmental assessment and any required remediation of the Premises shall be completed within 180 days from the expiration of the Lease; and

WHEREAS, the Parties desire to amend Article IX of the Lease to allow ground level improvements such as asphalt and landscaping to remain in order to reduce the particulate air matter in and around the El Paso International Airport.

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Article IX, Rights Upon Expiration, as amended, is deleted in its entirety and replaced with the following:

Article IX, Rights Upon Expiration

Upon the expiration, termination or cessation of this Lease for any reason ("expiration"), Lessee, at its own cost and expense, shall be responsible for the removal of all improvements from the Premises, except for the asphalt and landscaping identified in Exhibit 1, incorporated herein for all purposes ("Excepted Area from Removal"), and must complete such removal within one hundred eighty (180) days from the expiration of this Lease.

No later than ninety (90) days after the removal of improvements described above, but for the Excepted Area of Removal, Lessee, at its own cost and expense, shall submit to Lessor a written copy of a current certified environmental site assessment of the Premises that complies with all applicable legal requirements, which shall include among other routine components, a soil analysis incorporating borings as may be required by Lessor, including the Excepted Area of Removal. If the environmental site assessment requires remediation, Lessor will notify Lessee within 30 days that the Premises shall require environmental remediation ("Notification"). If remediation is required, Lessee shall complete any work necessary, no later than 180 days after Lessor provides Notification, to cause the Premises to be in compliance with applicable environmental laws. If the environmental site assessment requires remediation of the Excepted Area from Removal, then Lessee shall remove the asphalt and landscaping identified in Exhibit 1 and remediate the subject area within 180 days of Notification. Upon Lessee's completion of the removal of asphalt and landscaping identified in Exhibit 1 and the remediation required by the environmental site assessment, Lessee shall notify Lessor. Lessor shall notify Lessee if remediation is not complete pursuant to Lessor's Notification within 30 days after receipt of Lessee's notice that remediation is complete, and the Parties shall agree to the timeframe to complete any remaining remediation. The City Manager or designee is authorized to agree to the timeframe for such completion on behalf of the Lessor and the Superintendent or designee is authorized to agree to the timeframe for such completion on behalf of the Lessee.

If the environmental site assessment does not require remediation, including the Excepted Area from Removal, then this Lease will automatically terminate 30 days after such notice to Lessor by Lessee, and Lessee shall have no further obligation to Lessor under the Lease.

Excluding the Excepted Area from Removal, any occupancy by Lessee for the purposes of removing the improvements, completing the environmental site assessment and any required remediation of the Premises shall be subject to the Ground Rental due hereunder, not any rental as identified in paragraph Article IV, D, Holding Over, and provided further that the Lessee shall continue to be bound by the terms and conditions of this Lease. Lessee and Lessor agree that this continued tenancy will not be continued as an extension or renewal of the lease term for other than the aforementioned one hundred eighty (180) days. Excluding the Excepted Area from Removal, if Lessee should occupy the Premises beyond the identified one hundred eighty (180) days for purposes of removing the improvements, completing the environmental site assessment and any required remediation of the Premises or if Lessee should occupy the Premises beyond the identified one hundred eighty (180) day for purposes other than removing the improvements, completing the environmental site assessment and any required remediation of the Premises, Lessee shall be subject to the paragraph Article IV, D, Holding Over. If Lessee fails to provide the environmental site assessment and any required remediation of the Premises, Lessor may provide such at Lessee's expense.

2. Except as expressly modified here all other terms and conditions of the Industrial Site Lease effective June 1, 1963, as amended by the Amendment to Agreement dated February 11, 1965, as amended by the April 29, 2014 Second Amendment to Industrial Site Lease, as amended by the November 18, 2014 Third Amendment, as amended by the November 28, 2018 Fourth Amendment and as amended by the February 26, 2019 Fifth Amendment shall remain in full force and effect and shall remain as written.
3. Regardless of the date executed, the Effective Date of this Sixth Amendment to the Industrial Site Lease shall be August 11, 2020.

IN WITNESS WHEREOF, this Sixth Amendment to the Industrial Site Lease has been approved by the parties hereto as of the date first noted above.

[SIGNATURES ON THE FOLLOWING PAGES]

APPROVED AS TO FORM:

Jeanne C. Collins

~~Signed: Monday, July 20, 2020~~
Jeanne C. Collins

General Counsel
El Paso Independent School District

LESSEE: El Paso Independent
School District

Bob Geske

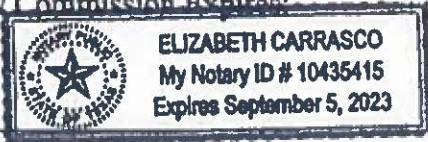
Bob Geske
President, Board of Trustee

ACKNOWLEDGMENT

THE STATE OF TEXAS)
)
COUNTY OF EL PASO)

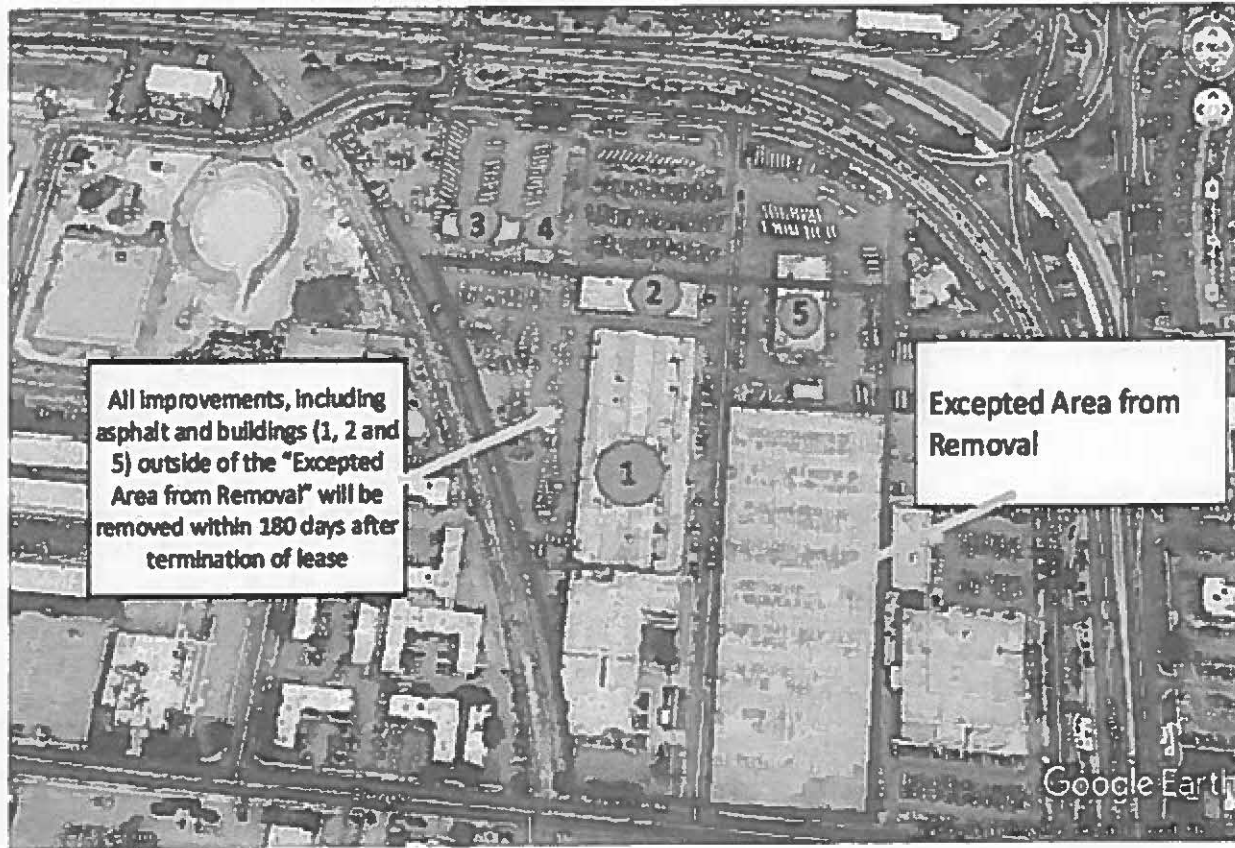
This instrument was acknowledged before me on this 14th day of August 2020
by Bob Geske as President, Board of Trustees of the El Paso Independent School District (Lessee).

My Commission Expires:



Elizabeth Carrasco
Notary Public, State of Texas

Exhibit-1



- Key to Buildings:**
- 1-ADMINISTRATION
 - 2-OPERATIONS
 - 3-MAINTENANCE SHOP
 - 4-DRIVER'S LOUNGE
 - 5-TRANSPORTION HUB

Note: Area highlighted in RED represents the leased area.