

Department of Port Control

Ordinance No.: 513-2023

EXECUTIVE SUMMARY

The Department of Port Control is requesting authority to enter into a Lease Agreement with AvAirPros Services, Inc. for the lease of certain space in the terminal building at Cleveland Hopkins International Airport for the purpose of operating and maintaining the inline baggage handling system, for the Department of Port Control. In addition, performing certain duties and obligations under a maintenance and operating agreement related to aeronautical equipment on behalf of the member air carriers serving the Airport. The desired term is for a period of five (5) years, with one – three (3) year option to renew, which shall require additional legislative authority.

Background/Purpose:

Effective February 1, 2019, the Department of Port Control (“Department”) entered into a Lease Agreement with AvAirPros Services, Inc. (“AvAirPros”) under the authority of Ordinance 84-2019, passed by the Council of the City of Cleveland on January 28, 2019, for the use and occupancy of approximately 4,880 square feet of space located in various areas of the terminal building to operate and maintain the Airports’ Inline Baggage Handling System. The term was set for two (2) years with three (3) one-year options to renew. This Lease Agreement is set to expire by its term on January 31, 2024.

AvAirPros Services, Inc. has requested to enter into a new lease for the aforementioned space for a term of five (5) years with one – three (3) year option to renew, exercisable by additional legislative authority.

Scope:

The following are provisions to be contained in the lease agreement:

- (A) The leasehold premises shall be approximately 4,880 square feet of space located at Cleveland Hopkins International Airport.
- (B) The leased premises will be used for the purpose of operating and maintaining the Airports’ Inline Baggage Handling System. This includes the baggage handling system control, data rooms, office, restrooms, workshop, locker room and storage space. In addition, performing certain duties and obligations under a maintenance and operating agreement related to aeronautical equipment on behalf of the member air carriers serving the Airport.
- (C) During each year of the initial term and each year of the option term, Lessee shall pay the City an annual rental rate to be determined based on the airports’ annual rates and charges calculation, subject to annual changes based on the formula

outlined in the Master Lease and Use Agreement, and is payable in 12 equal monthly installments.

Justification /Urgency:

The Lease of the space is necessary to operate and maintain the Airports' Inline Baggage Handling System performing certain duties and obligations under a maintenance and operating agreement related to aeronautical equipment on behalf of the member air carriers serving the Airport.

Anticipated Cost:

None

Schedule or Term of Contract:

The Department is requesting an initial term of five (5) years, with one - three (3) year option for renewal, option year subject to additional legislative approval.

Current Contract:

| Name of Entity | Agreement Number | Expiration of Term | Annual Amount |
|--------------------------|-------------------------|---------------------------|----------------------|
| AvAirPros Services, Inc. | LS 2019*006 | 1/31/2024 | \$64,278.73. /month |

Employee Information: AvAirPros

Total number of employees – 2

Number of employees that are minorities – 0

Number that are women – 1

Number that are City of Cleveland Residents – 0