Department of Port Control

Ordinance No.: 1326-2019

Business Development & Management

EXECUTIVE SUMMARY

The Department of Port Control is requesting authority to exercise the first option to renew Contract No. CT 3001 LA 2017-025 with Swissport USA, Inc. to provide office and storage space to support aviation ground handling operations and maintenance services for various airlines at Cleveland Hopkins International Airport.

Background/Purpose:

Under the authority of Ordinance 26-17 passed on January 30, 2017, the Department and Swissport entered into a lease agreement for an approximately 9,920 square foot building and parking support space, which is not needed for public use. The building is located at 5851 Cargo Road, Cleveland, Ohio 44135. The Premises are used for office, storage and work shop space to support aviation ground handling operations and maintenance services for the airlines at CLE.

The term was set at two (2) years with three (3) one-year options to renew. The Department is requesting authority to exercise the first one-year option, which is subject to additional legislative approval.

Scope:

The following are the material provisions:

- (A) The Director of Port Control is requesting authority to exercise the first option for the use and occupancy of approximately 9,920 square feet of building and adjacent parking support space. The second and third options can be exercised by the Director without further authority.
- (B)The Leased Premises shall be used to operate an aviation ground handling and maintenance services business.
- (C) Lessee shall pay the City a rental rate for each of the options based on an annual CPI adjustment, however never lower than the rate during the initial term.
- (D)All other terms of the Lease shall remain the same.

Justification/Urgency:

This facility is needed by Swissport to support the airlines at CLE with aviation ground handling and maintenance services.

Anticipated Cost:

None.

Schedule or Term of Contract:

The Department is requesting to exercise the first year option term of the three (3) oneyear options to renew.

<u>Current Contract</u>:

Name	Agreement	Amount
Swissport USA, Inc.	CT 3001 LA 2017-025	\$62,000/yr.

Employee Demographics:

Total number of employees: 85 Number of employees that are minorities: 44 Number of employees that are women: 34 Number of employees that are City of Cleveland Residents: 5