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(ITEM) From the Director, Department of Transportation, and the Interim Airport Director requesting authorization and approval of the integration, termination, and assignment of agreements between Milwaukee County and American Airlines, Inc., and between Milwaukee County and US Airways, Inc., due to the merger of American Airlines, Inc., and US Airways, Inc., by recommending adoption of the following:

A RESOLUTION

WHEREAS, on January 5, 2011, Milwaukee County entered into an Airline-Airport Use and Lease Agreement with US Airways, Inc. (US Airways); and

WHEREAS, on January 1, 1991, Milwaukee County entered into a Hydrant Fuel System Lease Agreement with US Airways; and

WHEREAS, on May 3, 2011, Milwaukee County entered into an Airline-Airport Use and Lease Agreement with American Airlines, Inc. (American); and

WHEREAS, on August 19, 1996, Milwaukee County entered into a Hydrant Fuel System Lease Agreement with Simmons Airlines, and the agreement was later assigned to American Eagle Airlines, Inc.; and

WHEREAS, on December 9, 2013, AMR Corporation and US Airways Group, Inc., announced the completion of the companies' merger to officially form American Airlines Group, Inc.; and

WHEREAS, American Airlines Group is the holding company for American and US Airways and has developed a plan to integrate the air carriers; and

WHEREAS, currently American and US Airways are both signatory air carriers at General Mitchell International Airport, and American Airlines Group is requesting the assignment of the US Airways signatory obligations to the American Airline-Airport Use and Lease Agreement; and

WHEREAS, US Airways would then be designated as an affiliate airline of American since the two air carriers remain on separate air carrier certificates with the Federal Aviation Administration; and

WHEREAS, American is ready, willing, and able to assume all obligations of US Airways and has requested that all of the obligations of US Airways be assigned to the American agreements effective August 1, 2014; and

44 WHEREAS, American has further requested the termination of the US Airways
45 Airline-Airport Use and Lease Agreement, as well as the US Airways Hydrant Fuel System
46 Lease Agreement, in order to achieve administrative efficiencies; and

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48 WHEREAS, American has agreed to sponsor the affiliate airlines of US Airways and
49 has requested that American be named as a sponsor to the Affiliate Airline-Airport Use
50 Agreements of Air Wisconsin Airlines Corporation and PSA Airlines, Inc.; and

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52 WHEREAS, Airport staff recommended that the Director, Department of
53 Transportation, and County Clerk be authorized to amend agreements between Milwaukee
54 County and American and to terminate agreements between Milwaukee County and US
55 Airways due to the integration of American and US Airways inclusive of the following:

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- 57 1. The Airline-Airport Use and Lease Agreement (Airport Agreement No. AC-2095)
58 between Milwaukee County and American be amended to include all of the
59 obligations contained under the Airline-Airport Use and Lease Agreement
60 (Airport Agreement No. AC-2039) between Milwaukee County and US Airways
61 effective August 1, 2014.
- 62
- 63 2. Milwaukee County terminate the Airline-Airport Use and Lease Agreement
64 (Airport Agreement AC-2039) between Milwaukee County and US Airways
65 effective August 1, 2014.
- 66
- 67 3. The Hydrant Fuel System Lease Agreement (Airport Agreement No. AC-1178)
68 between Milwaukee County and Simmons Airlines, Inc., as assigned to
69 American Eagle Airlines, Inc., be amended to include all of the obligations and
70 provisions under the Hydrant Fuel System Lease Agreement (Airport Agreement
71 No. AC-1121) between Milwaukee County and US Airways effective August 1,
72 2014.
- 73
- 74 4. Milwaukee County terminate the Hydrant Fuel System Lease Agreement (Airport
75 Agreement AC-1121) between Milwaukee County and US Airways effective
76 August 1, 2014.
- 77
- 78 5. The Hydrant Fuel System Lease Agreement (Airport Agreement No. AC-1178)
79 between Milwaukee County and Simmons Airlines, Inc., as assigned to
80 American Eagle Airlines, Inc., be assigned to American effective August 1, 2014.
- 81
- 82 6. Affiliate Airline-Airport Use Agreement (Airport Agreement No. AC-2046)
83 between Milwaukee County and Air Wisconsin Airlines Corporation be
84 amended to designate the Sponsoring Airline as American.
- 85
- 86 7. Affiliate Airline-Airport Use Agreement (Airport Agreement No. AC-2045)
87 between Milwaukee County and PSA Airlines, Inc., be amended to designate the

88 Sponsoring Airline as American.

89

90 ; and

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92 WHEREAS, the Committee on Transportation, Public Works, and Transit, at its
93 meeting of July 16, 2014, recommended adoption of the Department's request (vote 6-0);
94 and

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96 WHEREAS, the Committee on Finance, Personnel, and Audit, at its meeting of
97 July 24, 2014, also recommended adoption of the Department's request (vote 8-0); now,
98 therefore,

99

100 BE IT RESOLVED, that the Director, Department of Transportation, and the County
101 Clerk are hereby authorized to approve the integration, termination, and assignment of
102 agreements between Milwaukee County and American Airlines, Inc., and between
103 Milwaukee County and US Airways, Inc., due to the merger of American Airlines, Inc., and
104 US Airways, Inc.

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