

**WHEREAS**, in June 2006, the City executed the Five Party Agreement which, among other things, obligated the City to undertake the Love Field Modernization Program ("LFMP"); and

**WHEREAS**, on June 25, 2008, by Resolution No. 08-1877, the City Council approved a Term Sheet with Southwest Airlines Co. ("SWA") which, among other things, established the scope and preliminary budget of the LFMP, authorized the City to create the Love Field Airport Modernization Corporation ("LFAMC") and negotiate a Program Development Agreement ("PDA") with SWA; and

**WHEREAS**, the City, LFAMC and SWA desire to enter into the PDA to develop the LFMP at Dallas Love Field;

**WHEREAS**, SWA shall donate and City shall accept materials to be used in the construction of the new capital improvements (the "Donation Agreement").

**NOW, THEREFORE,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

**Section 1.** That the proposed PDA with SWA and the LFAMC is hereby approved and the City Manager is authorized to execute, on behalf of the City of Dallas and the LFAMC President, on behalf of the LFAMC, the PDA after approval as to form by the City Attorney.

**Section 2.** That the PDA evidence, among other things, the following terms and conditions:

- (a) Establishment of the scope, preliminary budget, funding, management organization, program control, design and construction processes, and financing plan of the LFMP.
- (b) Identification of procurement processes for each type of LFMP project:
  - i. The City Projects will be designed and constructed in accordance with the City's procurement process.
  - ii. The Southwest Projects will be designed and constructed in accordance with Southwest's internal procurement process.
  - iii. The aircraft apron and fuel system project will follow the City's procurement process and SWA will enter into the contracts, acting as the City's agent in developing these projects, in accordance with FAA grant funding requirements.

**Section 2.** (Continued)

- (c) Establishment of decision-making responsibilities:
- i. Key decisions concerning the LFMP, within the parameters of Council-approved budget and concept, will be made by a Steering Committee in which the City and SWA have equal votes.
  - ii. Day-to-day implementation of the PDA and of Steering Committee decisions will be handled by a Program Management Team consisting of SWA and City representatives.
  - iii. The City Council will approve (1) any material program scope changes; (2) any change to the program budget that would increase it to an amount greater than the preliminary budget approved in the Term Sheet; (3) any bond issuance by the LFAMC; and (4) any agreements implementing the LFMP financing plans.

**Section 3.** That the proposed Donation Agreement with SWA is hereby approved and the City Manager is authorized to execute, on behalf of the City of Dallas, the Donation Agreement after approval as to form by the City Attorney.

**Section 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas and it is accordingly so resolved.

Distribution: Aviation Department – Dan Weber – Love Field  
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City Attorney's Office – Bob Sims – 7DN  
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APPROVED BY  
CITY COUNCIL

NOV 10 2008

  
City Secretary