City of Denton



Meeting Agenda

Airport Advisory Board

Wednesday, September 11, 2024	3:00 PM	Airport Terminal Meeting Room

After determining that a quorum is present, the Airport Advisory Board of the City of Denton, Texas will convene in a Regular Meeting on Wednesday, September 11, 2024, at 3:00 p.m. in the Meeting Room at the Denton Enterprise Airport Terminal Building, 5000 Airport Road, Denton, Texas, at which the following items will be considered:

<u>1. PLEDGE OF ALLEGIANCE</u>

- A. U.S. Flag
- B. Texas Flag

"Honor the Texas Flag – I pledge allegiance to thee, Texas, one state under God, one and indivisible."

2. PRESENTATIONS FROM MEMBERS OF THE PUBLIC

Citizens may complete one Request to Speak "Public Comment" card per night for the "Presentations from Members of the Public" portion of the meeting and submit it to the Airport Staff. Presentations from Members of the Public time is reserved for citizen comments regarding items not listed on the agenda. No official action can be taken on these items. Presentations from Members of the Public is limited to five speakers per meeting with each speaker allowed a maximum of three (3) minutes.

3. ITEMS FOR CONSIDERATION

- AAB24-034 Consider approval of the minutes of August 14, 2024. A.
 - Attachments: Exhibit 1 - Agenda Information Sheet Exhibit 2 - Draft Minutes - August 14, 2024
- B. AAB24-031 Ratification of the Airport Business Permit for Aero Bear Aviation, LLC to conduct Mobile Maintenance and Repair services at the Denton Enterprise Airport.

Exhibit 1 - Agenda Information Sheet Attachments: Exhibit 2 - Airport Business Permit Exhibit 3 - Scope of Operations

- AAB24-032 C. Ratification of the Airport Business Permit for Aviation Repair Group to conduct Maintenance and Repair services at the Denton Enterprise Airport.
 - Attachments: Exhibit 1 - Agenda Information Sheet Exhibit 2 - Airport Business Permit Exhibit 3 - Scope of Operations Exhibit 4 - Location Map
- D. AAB24-033 Ratification of the Airport Business Permit for Time Travel Flights to conduct Flight Training services at the Denton Enterprise Airport.

<u>Attachments:</u>	Exhibit 1 - Agenda Information Sheet
	Exhibit 2 - Airport Business Permit
	Exhibit 3 - Scope of Operations
	Exhibit 4 - Location Map

E. <u>AAB24-035</u> Receive a report, hold a discussion, and provide a recommendation regarding an Airport Leasing and Development Policy.

 Attachments:
 Exhibit 1 - Agenda Information Sheet

 Exhibit 2 - Presentation

 Exhibit 3 - Draft Airport Lease and Development Policy

4. WORK SESSION

- A. <u>AAB24-036</u> Staff Reports:
 - 1. Monthly Operations Report September 2024
 - 2. Monthly Construction Report September 2024
 - 3. Airport Advisory Board-City Council Airport Related Items Matrix September 2024
 - Attachments:
 Monthly Operations Report September 2024

 Monthly Construction Report September 2024

 Airport Advisory Board-City Council Airport Related Items Matrix September 20

5. CONCLUDING ITEMS

A. Under Section 551.042 of the Texas Open Meetings Act, respond to inquiries from the Airport Advisory Board or the public with specific factual information or recitation of policy, or accept a proposal to place the matter on the agenda for an upcoming meeting AND under Section 551.0415 of the Texas Open Meetings Act, provide reports about items of community interest regarding which no action will be taken, to include: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutary recognition of a public official, public employee, or other citizen; a reminder about an upcoming event organized or sponsored by the governing body; information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality; or an announcement involving an imminent threat to the public health and safety of people in the municipality that has arisen after the posting of the agenda.

NOTE: The Airport Advisory Board reserves the right to adjourn into a Closed Meeting on any item on its Open Meeting agenda consistent with Chapter 551 of the Texas Government Code, as amended, or as otherwise allowed by law.

Following the completion of the Regular Meeting, the Airport Advisory Board will convene in a Work Session at which the following items will be considered:

CERTIFICATE

certify notice of official website Ι that the above meeting was posted on the (https://tx-denton.civicplus.com/242/Public-Meetings-Agendas) and bulletin board at City Hall, 215 E. McKinney Street, Denton, Texas, on September 6, 2024, in advance of the 72-hour posting deadline, as applicable, and in accordance with Chapter 551 of the Texas Government Code.

OFFICE OF THE CITY SECRETARY

NOTE: THE CITY OF DENTON'S DESIGNATED PUBLIC MEETING FACILITIES ARE ACCESSIBLE IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT. THE CITY WILL PROVIDE ACCOMMODATION, SUCH AS SIGN LANGUAGE INTERPRETERS FOR THE HEARING IMPAIRED, IF REQUESTED AT LEAST 48 HOURS IN ADVANCE OF THE SCHEDULED MEETING. PLEASE CALL THE CITY SECRETARY'S OFFICE AT 940-349-8309 OR USE TELECOMMUNICATIONS DEVICES FOR THE DEAF (TDD) BY CALLING 1-800-RELAY-TX SO THAT REASONABLE ACCOMMODATION CAN BE ARRANGED.



Legislation Text

File #: AAB24-034, Version: 1

AGENDA CAPTION Consider approval of the minutes of August 14, 2024.

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City of Denton

City Hall 215 E. McKinney Street Denton, Texas www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Denton Enterprise Airport

ACM: Frank Dixon

DATE: September 11, 2024

SUBJECT

Consider approval of the minutes of August 14, 2024.

BACKGROUND

The draft minutes from the Airport Advisory Board meeting of August 14, 2024, are attached for the Board's consideration and approval.

EXHIBITS

- 1. Agenda Information Sheet
- 2. Draft Minutes August 14, 2024

Respectfully submitted: Leanne Alexander, A.C.E. Airport Analyst

MINUTES AIRPORT ADVISORY BOARD August 14, 2024

After determining that a quorum was present, the Airport Advisory Board of the City of Denton, Texas convened in a Regular Meeting on Wednesday, August 14, 2024, at 3:00 p.m. in the Meeting Room at the Denton Enterprise Airport Terminal Building, 5000 Airport Road, Denton, Texas.

PRESENT: Vice Chair Rick Woolfolk, Members Ed Ahrens, David Smith, Ann Patterson, and Brownie Stonecipher.

ABSENT: Chair Robert Tickner and Member Davis Bird.

1. PLEDGE OF ALLEGIANCE

Members conducted the U.S. and Texas pledge of allegiance.

2. PRESENTATION FROM MEMBERS OF THE PUBLIC

None

3. ITEMS FOR CONSIDERATION

A. Consider approval of the minutes of June 12, 2024. (AAB24-025)

Member Smith moved to approve the item as presented. Member Ahrens seconded the motion. Motion carried.

AYES (5): Vice Chair Woolfolk, Members Ahrens, Smith, Patterson, and Stonecipher NAYS (0): NONE ABSENT (2): Chair Tickner and Member Bird

B. Receive a report, hold a discussion, and provide recommendation to City Council regarding the approval of a Second Amendment to Airport Lease for GKY Holdings 1, LLC covering property at 4858 Lockheed Lane, Denton, Texas at the Denton Enterprise Airport; amending the existing airport lease; authorizing the City Manager to execute the Second Amendment of Airport Lease; and providing an effective date. (AAB24-028)

Member Ahrens moved to approve the item as presented. Member Smith seconded the motion. Motion carried.

AYES (5): Vice Chair Woolfolk, Members Ahrens, Smith, Patterson, and Stonecipher NAYS (0): NONE ABSENT (2): Chair Tickner and Member Bird City of Denton Airport Advisory Board Minutes August 14, 2024 Page 2

4. WORK SESSION

A. Receive a report and hold a discussion regarding an overview of the operations of Sheltair Denton Jet Center, LLC, the Fixed Based Operator at Denton Enterprise Airport. (AAB24-030)

The item was presented by the Fixed Based Operator Manager, James Tucker, and discussion followed. There was no direction provided as the items were for presentation/discussion purposes only.

B. Receive a report and hold a discussion regarding the Denton Enterprise Airport Hangar waitlist Guidelines. (AAB24-026)

The item was presented by Airport staff member Leanne Alexander, and discussion followed. There was no direction provided as the items were for presentation/discussion purposes only.

C. Receive a report, hold a discussion, and give staff direction regarding components of a draft leasing policy. (AAB24-027)

The item was presented by Director Ryan Adams, and discussion followed. The item will be formally presented at the September 11, 2024, Airport Advisory Board meeting.

D. Staff Reports: (AAB24-029)

- 1. Monthly Operations Report August 2024
- 2. Monthly Construction Report August 2024
- 3. Administrative Update August 2024
- 4. Airport Advisory Board-City Council Airport Related Items Matrix August 2024

The items were presented, and discussion followed. There was no direction provided as the items were for presentation/discussion purposes only.

5. CONCLUDING ITEMS

The next scheduled Airport Advisory Board meeting is September 11, 2024, at 3:00 p.m.

With no further business, the meeting was adjourned at 3:54 p.m.

Х	
Bob Tickner Chairman	

Leanne Alexander Recording Secretary

MINUTES APPROVED ON: _____



Legislation Text

File #: AAB24-031, Version: 1

AGENDA CAPTION

Ratification of the Airport Business Permit for Aero Bear Aviation, LLC to conduct Mobile Maintenance and Repair services at the Denton Enterprise Airport.

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City of Denton

City Hall 215 E. McKinney Street Denton, Texas www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Airport

ACM: Frank Dixon

DATE: September 11, 2024

SUBJECT

Ratification of the Airport Business Permit for Aero Bear Aviation, LLC to conduct Mobile Maintenance and Repair services at the Denton Enterprise Airport.

PURPOSE

Pursuant to Denton Enterprise Airport Revised Code, Chapter 3, Article 3, commercial aeronautical activity conducted at the Airport requires a valid Airport Business Permit. In addition, the Airport Minimum Operating Standards outlines the process for obtaining such a permit. Aero Bear Aviation, LLC has requested an Airport Business Permit to conduct Mobile Maintenance and Repair services at the Denton Enterprise Airport.

Airport Business Permit administrative approval was given to Aero Bear Aviation, LLC on August 16, 2024. The Scope of Operations provided by Aero Bear Aviation, LLC is attached as **Exhibit 3**.

APPLICANT(S)

Aero Bear Aviation, LLC Jeremy Ward, Owner 3325 Shadow Ridge Grapevine, TX 76051

KEY CONSIDERATIONS

Aero Bear Aviation, LLC has provided the appropriate documentation and meets the requirements for said services as outlined in the Airport Minimum Operating Standards.

EXHIBITS

- 1. Agenda Information Sheet
- 2. Airport Business Permit
- 3. Scope of Operations

Respectfully submitted: Leanne Alexander Airport Analyst

DENTON AIRPORT BUS	CINIECC DEDR	PORT	DENTON
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(Required to conduct any con	nmercial activity on	the airport)	DFW ACCESS. EXTRADROMANY BUSINESS
Business or activity to be conducted (check all that	t apply):		
 Aircraft Charter Services Aircraft Leasing or Rental Services Aircraft Maintenance and Repair Services Aircraft Management Aircraft Sales Services Aircraft Washing Services 	 Fixed Based C Flight Training Hangar Leasin Mobile Maint On-Airport Res 	g Services ng Services tenance and R	epair Services ession
Other (list services):			14.00000712111
Specialized Aircraft Repair Services (list services)	rice):	THE HITSE	
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These activities are limited to the airport by ordinar Standards for further information on each type of b Applicant/Business Name:	nce. Please refer to t usiness. viation	the Airport Mi	nimum Operating
These activities are limited to the airport by ordinar Standards for further information on each type of b Applicant/Business Name: <u>Aero Bear A</u> Authorized Representative/Title: <u>Jeremy V</u>	viation	the Airport Mi	nimum Operating
These activities are limited to the airport by ordinar Standards for further information on each type of b Applicant/Business Name: <u>Aero Bear A</u> Authorized Representative/Title: <u>Jeremy V</u> Email Address: <u>bearaviation@yah</u>	viation	the Airport Mi	nimum Operating
These activities are limited to the airport by ordinar Standards for further information on each type of b Applicant/Business Name: <u>Aero Bear A</u> Authorized Representative/Title: <u>Jeremy V</u> Email Address: <u>bearaviation@yah</u> Website: <u>N/A</u>	viation Vard / Owi	the Airport Mi	nimum Operating
These activities are limited to the airport by ordinar Standards for further information on each type of b Applicant/Business Name: Aero Bear A Authorized Representative/Title: Jeremy V Email Address: bearaviation@yah Website: N/A Mailing Address: 3325 Shadow Ric	viation Vard / Own 00.com	the Airport Mi	en doping (1) Peansit (1) per set set set (2) per set
These activities are limited to the airport by ordinar Standards for further information on each type of b Applicant/Business Name: Aero Bear A Authorized Representative/Title: Jeremy V Email Address: bearaviation@yah Website: N/A Mailing Address: 3325 Shadow Ric City: Grapevine	viation Vard / Own 00.com	the Airport Mi	6051
These activities are limited to the airport by ordinar Standards for further information on each type of b Applicant/Business Name: Aero Bear A Authorized Representative/Title: Jeremy V Email Address: bearaviation@yah Website: N/A Wailing Address: 3325 Shadow Rice City: Grapevine state: Nork Phone: 817-996-5585 Cell Phone:	viation Vard / Own 00.com dge Texas 817-996-55	the Airport Mi	6051
These activities are limited to the airport by ordinar Standards for further information on each type of b Applicant/Business Name: Aero Bear A Authorized Representative/Title: Jeremy V Email Address: bearaviation@yah Website: N/A Mailing Address: 3325 Shadow Ric	viation Vard / Own oo.com Ige Texas 817-996-55 ge	ner	6051

The Applicant hereby requests the above action(s), and in consideration of this request being granted, agrees to the following:

- PERMIT LIMITATIONS: This permit may not be assigned or transferred, and is limited to the approved business activity listed above
- 2. INFORMATION CHANGES: The Applicant shall notify Airport Administration, in writing within fifteen (15) days, of any change to the information provided.
- 3. RELEASE OF LIABILITY: The City assumes no liability for damage or loss to personal property while operating at Denton Enterprise Airport.
- 4. INDEMNIFICATION: The Applicant and invitees shall indemnify the City pursuant to Chapter 3 of the Denton Revised Code. Permit holder shall endorse all liability insurance policies to include the City of Denton as an additional insured. Applicant further agrees to waive their insurers' subrogation rights against the City of Denton, and its Officers, Directors, Commissioners, and Employees.
- COMPLIANCE WITH THE LAW: The Applicant shall comply with all applicable laws, ordinances, rules and regulations. To view regulations, go to http://www.cityofdenton.com/airport

Please check the box for each item attached and submitted with the application:

- Lease/License
 Ecrtificate of Insurance
- Sublease Agreement

Sales and Use Tax Permit

FAA Certificates

8/20/2024

Datte

The undersigned representative certifies he/she is authorized to sign for the business and acknowledges receipt of a copy of this permit.

Applicants Signature:

Date: 08/02/2024

By checking this box, I affirm that the information provided above is accurate and that the above represents my official signature.

3	Staff Use Only
	DocuSigned by:
Application, permits and insurance reviewed b	ov: Leanne Alexandes/20/2024
Signature:	Date:

Airport Manager or designee's Comments/Stipulations:

Insurance approved on 08/16/2024 - Tracey Bowery

Certificate 2024-004

Date ratified by Airport Advisory Board:

Airport Business Permit - Orange

February 11, 2020

AERO BEAR AVIATION, LLC

Scope of Operations

OVERVIEW

1. Service Provided

General sheet metal/composite repairs, repair of aircraft discrepancies and routine maintenance to include 100 hour and Annual inspections on general aviation single and light twin piston engine aircraft not exceeding six (6) passengers.

2. Where will services be performed

Work will be performed at Above it All Aviation flight school, limited support of aircraft operated within the Aero Valley Flying Club, and personal single engine aircraft located at Denton Enterprise Airport.

3. Contact Information

Jeremy Ward, Owner 3325 Shadow Ridge Grapevine, TX 76051 (817) 996-5585 bearaviation@yahoo.com Legislation Text

File #: AAB24-032, Version: 1

AGENDA CAPTION

Ratification of the Airport Business Permit for Aviation Repair Group to conduct Maintenance and Repair services at the Denton Enterprise Airport.



City of Denton

City Hall 215 E. McKinney Street Denton, Texas www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Airport

ACM: Frank Dixon

DATE: September 11, 2024

SUBJECT

Ratification of the Airport Business Permit for Aviation Repair Group to conduct Maintenance and Repair services at the Denton Enterprise Airport.

PURPOSE

Pursuant to Denton Enterprise Airport Revised Code, Chapter 3, Article 3, commercial aeronautical activity conducted at the Airport requires a valid Airport Business Permit. In addition, the Airport Minimum Operating Standards outlines the process for obtaining such a permit. Aviation Repair Group has requested an Airport Business Permit to conduct Maintenance and Repair services at the Denton Enterprise Airport.

Airport Business Permit administrative approval was given to Aviation Repair Group on August 20, 2024. The Scope of Operations provided by Aviation Repair Group is attached as **Exhibit 3**.

APPLICANT(S)

Aviation Repair Group Jordan Bussard, Engine Service Coordinator 7515 Lemmon Ave, Hangar J Dallas, TX 75209

KEY CONSIDERATIONS

Aviation Repair Group has provided the appropriate documentation and meets the requirements for said services as outlined in the Airport Minimum Operating Standards.

EXHIBITS

- 1. Agenda Information Sheet
- 2. Airport Business Permit
- 3. Scope of Operations
- 4. Location Map

Respectfully submitted: Leanne Alexander Airport Analyst



Applicant/Business Name: Aviation	Repair Gro	up
Authorized Representative/Title:		
Email Address: jordan@aviati		
website: aviationrepairgro		
Mailing Address: 7515 Lemmo		gar J
		Zip: 75209
Work Phone: 940-222-0687		
Billing Address: 7515 Lemmor		
D	State: TX	Zip: 75209
Billing Phone: 940-222-0687 Fax		jordan@aviationrepairgroup.com

The Applicant hereby requests the above action(s), and in consideration of this request being granted, agrees to the following:

- 1. PERMIT LIMITATIONS: This permit may not be assigned or transferred, and is limited to the approved business activity listed above
- 2. INFORMATION CHANGES: The Applicant shall notify Airport Administration, in writing within fifteen (15) days, of any change to the information provided.
- 3. RELEASE OF LIABILITY: The City assumes no liability for damage or loss to personal property while operating at Denton Enterprise Airport.
- 4. INDEMNIFICATION: The Applicant and invitees shall indemnify the City pursuant to Chapter 3 of the Denton Revised Code. Permit holder shall endorse all liability insurance policies to include the City of Denton as an additional insured. Applicant further agrees to waive their insurers' subrogation rights against the City of Denton, and its Officers, Directors, Commissioners, and Employees.
- 5. COMPLIANCE WITH THE LAW: The Applicant shall comply with all applicable laws, ordinances, rules and regulations. To view regulations, go to http://www.cityofdenton.com/airport

Please check the box for each item attached and submitted with the application:

- Lease/License
- Certificate of Insurance
- Sublease Agreement
- Sales and Use Tax Permit
- □ FAA Certificates

The undersigned representative certifies he/she is authorized to sign for the business and acknowledges receipt of a copy of this permit.

Date: 05/JUNE/2024 Applicants Signature:

By checking this box, I affirm that the information provided above is accurate and that the above represents my official signature.

Staff Use Only

Application, permits and insurance reviewed by: Signature:	8/20/2024 Date:
Airport Manager or designee's Comments/Stipulations:	
Insurance approved 08/20/2024 - Tracey Bowery	
Certificate # 2024-005	
Approved by Airport Manager or designee: Signature: <u>Kyan Manager</u> ^{76544D73C36F499 Date ratified by Airport Advisory Board:}	Date:



Supplement to Airport Business Permit Application

Referring to Airport Minimum Operating Standards Section 2-1

- (a) Scope of Intended Operations
 - a. Aviation Repair Group provides line service and disassembly for engines and APU's for business aircraft
- (b) Land/Office Space/Storage Areas required for operation
 - a. ARG will be located and use the facilities in Hangar 3 located at 5040 Warbird Dr., Denton, TX 76207

(c) Improvements or Modifications

a. Exhaust fan to be installed in Hangar 3. Estimated cost \$7,181.00. Estimated completion date 30 August 2024. Details on file with City of Denton.

(d) Hours of Operation

a. Monday through Friday 8:00am - 5:00pm





Legislation Text

File #: AAB24-033, Version: 1

AGENDA CAPTION

Ratification of the Airport Business Permit for Time Travel Flights to conduct Flight Training services at the Denton Enterprise Airport.



City of Denton

City Hall 215 E. McKinney Street Denton, Texas www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Airport

ACM: Frank Dixon

DATE: September 11, 2024

SUBJECT

Ratification of the Airport Business Permit for Time Travel Flights to conduct Flight Training services at the Denton Enterprise Airport.

PURPOSE

Pursuant to Denton Enterprise Airport Revised Code, Chapter 3, Article 3, commercial aeronautical activity conducted at the Airport requires a valid Airport Business Permit. In addition, the Airport Minimum Operating Standards outlines the process for obtaining such a permit. Time Travel Flights has requested an Airport Business Permit to conduct Flight Training services at the Denton Enterprise Airport.

Airport Business Permit administrative approval was given to Time Travel Flights on August 27, 2024. The Scope of Operations provided by Time Travel Flights is attached as **Exhibit 3**.

APPLICANT(S)

Time Travel Flights Amanda Smolik, Owner 219 Lakewood Lane Ponder, TX 76259

KEY CONSIDERATIONS

Time Travel Flights has provided the appropriate documentation and meets the requirements for said services as outlined in the Airport Minimum Operating Standards.

EXHIBITS

- 1. Agenda Information Sheet
- 2. Airport Business Permit
- 3. Scope of Operations
- 4. Location Map

Respectfully submitted: Leanne Alexander Airport Analyst

DENTON AIRPORT BUS	RPRISE AIRPORT SINESS PERMIT	
(Required to conduct any co	mmercial activity on the airport)	
Business or activity to be conducted (check all tha	it apply):	
 Aircraft Charter Services Aircraft Leasing or Rental Services Aircraft Maintenance and Repair Services Aircraft Management Aircraft Sales Services Aircraft Washing Services 	 Fixed Based Operator Flight Training Services Hangar Leasing Services Mobile Maintenance and Repair Services On-Airport Rental Car Concession 	
Other (list services):		
Specialized Aircraft Repair Services (list services)	vice):	
Specialized Commercial Flying Service (list	service):	
Standards for further information on each type of		
Applicant/Business Name: Time Travel F		
Authorized Representative/Title: Amanda Smolik / Owner		
Email Address: a.f.smolik@gmail.co	m	
Website: www.timetravelflights.ne	et	
Mailing Address: 219 Lakewood Lan	е	
	e: TX76259	
	682-583-0519 _{Fax:}	
Same	· · UX	
City: State	e: Zip:	
Billing Phone: Fax:	Email:	

February 11, 2020

The Applicant hereby requests the above action(s), and in consideration of this request being granted, agrees to the following:

- 1. PERMIT LIMITATIONS: This permit may not be assigned or transferred, and is limited to the approved business activity listed above
- 2. INFORMATION CHANGES: The Applicant shall notify Airport Administration, in writing within fifteen (15) days, of any change to the information provided.
- 3. RELEASE OF LIABILITY: The City assumes no liability for damage or loss to personal property while operating at Denton Enterprise Airport.
- 4. INDEMNIFICATION: The Applicant and invitees shall indemnify the City pursuant to Chapter 3 of the Denton Revised Code. Permit holder shall endorse all liability insurance policies to include the City of Denton as an additional insured. Applicant further agrees to waive their insurers' subrogation rights against the City of Denton, and its Officers, Directors, Commissioners, and Employees.
- 5. COMPLIANCE WITH THE LAW: The Applicant shall comply with all applicable laws, ordinances, rules and regulations. To view regulations, go to http://www.cityofdenton.com/airport

Please check the box for each item attached and submitted with the application:

- Lease/License Certificate of Insurance
- Sublease Agreement

□ Sales and Use Tax Permit

FAA Certificates

The undersigned representative certifies he/she is authorized to sign for the business and acknowledges receipt of a copy of this permit.

Applicants Signature: Amula Smul

Date: 6/12/2024

By checking this box, I affirm that the information provided above is accurate and that the above represents my official signature.

Staff Use Only		
Application, permits and insurance reviewed by: Signature:	Date: _	8/27/2024
Airport Manager or designee's Comments/Stipulations:		
Certificate of Insurance approved on 06/25/2024 - Tracey Bowery		
Certificate #2024-006		
Approved by Airport Manager or designee: Signature:	Date: _	8/27/2024

TIME TRAVEL FLIGHTS

Scope of Operations

OVERVIEW

1. Service Provided

Flight Training offering flexible curriculum tailored to fit the needs of the student. The programs offered:

-Discovery Flight -Private Pilot's License -Instrument -Commercial -CFI + CFII -Evaluation -Fear Not Program

Operating Hours: Monday through Friday - 8:00am-5:00pm Saturday - 8:00am-3:00pm Sunday – Closed

Fleet: 1968 C-172 K, 160HP Engine, Steam gauges, Drooping wingtips 1967 C-175 H, 180HP Engine, Garmin 750, Aspen, G5, Trutrak Autopilot, JP

2. Where will services be performed

Flight Training will take place at 4845 Lockheed Lane. Time travel flights has a sublease in a shared hangar space. There is a small table and chairs to conduct pilot discussions and log book entries.

3. Contact Information

Amanda Smolik, Owner 4845 Lockheed Lane Denton, TX 76207 (682) 583-0519 www.timetravelflights.net



Legend Time Travel Flight

Lockheed Ln

-

500 ft

Clear Star St

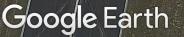
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Legislation Text

File #: AAB24-035, Version: 1

AGENDA CAPTION

Receive a report, hold a discussion, and provide a recommendation regarding an Airport Leasing and Development Policy.



City of Denton

City Hall 215 E. McKinney Street Denton, Texas www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Denton Enterprise Airport

ACM: Frank Dixon

DATE: September 11, 2024

SUBJECT

Receive a report, hold a discussion, and provide a recommendation regarding an Airport Leasing and Development Policy.

BACKGROUND

As a recipient of Federal Aviation Administration ("FAA") Airport Improvement Program funding, in addition to other federal funding, the City of Denton ("City") is obligated to operate Denton Enterprise Airport ("Airport") under FAA Grant Assurances. Among these federal obligations is the requirement to operate the Airport for the use and benefit of the public and for the Airport to be made available to all types, kinds, and classes of aeronautical activity on reasonable terms and without unjust discrimination.

These Grant Assurances further obligate the City to maintain a fee and rental structure for the facilities and services at the airport, making the Airport as self-sustaining as possible under existing circumstances and avoiding unjust economic discrimination within classes of users.

An Airport Leasing and Development Policy sets forth the parameters that shall be used by the City for leasing land and/or improvements for commercial or non-commercial general aviation purposes at the Airport.

The draft policy being considered was developed from best practice approaches and input from the Airport Advisory Board.

OPTIONS

n/a

RECOMMENDATION

Recommendation of the proposed draft policy.

ESTIMATED SCHEDULE OF PROJECT

Staff anticipates Council adoption in the early fall.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

May 8, 2024:	Work Session Presentation on Leasing Practices
June 12, 2024:	Work Session Presentation on Leasing Policy components
Aug. 14, 2024:	Work Session Presentation on Leasing Policy components

- EXHIBITS 1. Agenda Information Sheet
 - 2. Presentation
 - 3. Draft Airport Lease and Development Policy

Respectfully submitted: Ryan Adams Director of Airport



Draft Airport Leasing Policy

Airport Advisory Board

Summary

- Purpose of and Need for a Lease Policy
- Lease Policy Objectives
- Airport/Tenant Lease Relationship
- Policy Elements
 - Article I Introduction (presented in June 2024)
 - Article II Conditions for leasing Airport land or improvements (presented in June 2024)
 - Article III The Lease Agreement (presented in June 2024)
 - Article IV Rates, Fees, and Agreement Term (presented in August 2024)
 - Article V Reversion of Improvements (presented in August 2024)
- Next Steps

Purpose/Need for a Leasing Policy

Supports Federal Grant Assurances

- 5. Rights and Powers
- 19. Operations & Maintenance
- 22. Economic Non-Discrimination
- 23. Exclusive Rights
- 24. Fee & Rental Structure
- 29. Airport Layout Plan

• Benefits of a policy-based approach

- Supports a well-organized and comprehensive approach to leasing
- Encourages transparency and consistency; demonstrates equity
- Reduces ad-hoc decision-making
- Creates process efficiency in application approval and negotiation
- FAA Compliance
 - Reduces inadvertent non-compliance
 - FAA views presence of a policy favorably
 - "No Policy is a Policy"

Lease Policy Objectives

Federal Aviation Administration

Lease Policy Objectives

- Maximize Airport Revenue
- Minimize Airport Financial Obligations in Leasehold
- Fulfill Customer Service Goals
- Attract Private Investment instead of Airport Debt

Airport/Tenant Lease Relationship

Airport Receives

- Good, dependable service/activity
- Reliable income stream
- Full market return on invested capital
- Expectation of ownership of Improvements (and charging market rates)

Tenants Receive

- Airport/Airfield Access
- Good customer base
- Recoup investment costs (directly or indirectly)
- Business profit

Lease Policy Components

Article I

- Introduction
- Purpose
- Authority
- Applicability
- Compliance with Law

Article II

- Principal
 Development
 Criteria
- Designated Areas
- Application
- Approval
- Requests for Proposals

Article III

- Key Terms and Conditions
- Other Terms and Conditions
- Maintenance
- Additional Requirements

Lease Policy Components

Article IV

- Rent
- Rent Adjustment
- "Through the Fence"
- Fees
- Lease Term
- Lease Extensions

Article V

 Reversion of Improvements

Next Steps

- Council Consideration of Policy
- Implementation
 - Updates to lease agreement template, as necessary
 - Updates to application forms, as necessary

Airport Lease and Development Policy

Article I. Introduction

As a recipient of Federal Aviation Administration ("FAA") Airport Improvement Program funding, in addition to other federal funding, the City of Denton ("City") is obligated to operate Denton Enterprise Airport ("Airport") in accordance with FAA Grant Assurances. Among these federal obligations is the requirement to operate the Airport for the use and benefit of the public and for the Airport to be made available to all types, kinds, and classes of aeronautical activity on reasonable terms and without unjust discrimination.

These Grant Assurances further obligate the City to maintain a fee and rental structure for the facilities and services at the airport, making the Airport as self-sustaining as possible under existing circumstances and avoiding unjust economic discrimination within classes of users.

Section 1.01 Purpose

The Airport Lease and Development Policy ("Policy") sets forth the parameters that shall be used by the City for leasing land and/or improvements for commercial or non-commercial general aviation purposes at the Airport.

The Policy seeks to:

- 1. **Promote Aviation Growth** by encouraging the provision of essential aeronautical activities and aviation services for the benefit of the public while preserving the City's financial investment in the Airport. Non-aeronautical uses of Airport land will be permitted only on portions of the airport not needed for aviation purposes and in accordance with FAA policy.
- 2. **Apply Standards Uniformly** through equitable, reasonable, and not unjustly discriminatory treatment of all lessees and permittees while promoting the highest and best use of Airport property. The Policy facilitates orderly management of and ensures consistent quality of facilities at the Airport.
- 3. **Promote Long-Term Financial Self-Sufficiency** through a rental, rates, and fees structure that maximizes Airport revenue for its current and future development, management, maintenance, and operating expenses.
- 4. **Ensure Compliance** with applicable laws, regulations, ordinances, policies, guidelines, and requirements as they relate to the application for and acceptance of federal funds. This includes FAA regulations and current airport Minimum Operating Standards, Rules and Regulations, and other regulatory requirements as may be adopted or amended by the City.

All new and renewed lease agreements will require adherence to City Policy. City policy will promote and require fairness and consistency, uniform application of this policy, and prohibit economic discrimination relative to aviation leases.

The City will establish rents and fees associated with this consistent with FAA policy and in support of grant assurances, balancing competitiveness with financial sustainability, with provisions for periodic review and adjustment based on market conditions and operational needs.

Section 1.02 Authority of the City

The Airport is owned, operated, and governed by the City which expressly reserves the authority to lease Airport land and/or improvements, allow the occupancy and/or development of Airport land or improvements, grant the right to engage in any activity at the Airport, and implement, supplement, amend, modify, approve, or adopt any agreement, policy, standard, rule, regulation, or directives.

Any person wishing to lease for the exclusive use of any parcel of land on the Airport, or of any cityowned or operated facility must enter into a written lease agreement with the City specifying the terms and conditions of such use. The City Council may establish by ordinance those rates and fees, and those terms and conditions it deems appropriate and applicable to Airport use.

The Airport Director, acting under the authority of the City Manager, shall take those necessary decisions and/or actions to ensure compliance with:

- Existing leases, licenses, permits, and other written agreements between the City and persons within the Airport;
- This Policy, and those other policies, rules, or regulations established by the authority of the City Council, which apply within the Airport;
- Those responsibilities levied on the City by the federal or state governments concerning Airport operations and management.

The Airport Director may authorize an interim or emergency agreement to occupy or use City-owned improvements and infrastructure by appropriate public agencies. Examples of situations that may be suitable for such authorizations are military or law enforcement activities and the temporary occupation of airport areas by government agencies during natural disasters, or aircraft accident investigations.

Section 1.03 Applicability

This Policy shall apply to any new agreement or any new amendment to an existing agreement relating to the leasing of land and/or improvements, including the establishment or adjusting of rents, rates, fees, and other charges for commercial or non-commercial general aviation aeronautical activities.

This Policy shall not affect any agreement or amendment thereto that is properly executed before the date of adoption of this Policy except as provided for in such agreement, in which case, this Policy shall apply to the extent provided by such agreement.

The City reserves the right from time to time to amend, supplement, revise, alter, rescind, or add to the policies and procedures listed herein either in part or in their entirety. The Airport further reserves the right to use this Leasing Policy for the selection of non-aeronautical service providers and concessionaires as it deems appropriate.

Section 1.04 Compliance with Federal, State, and Local Law

This Policy is subject to federal law, FAA regulations, state statute, and local ordinance. In the event of provisions of this policy conflicting with the aforementioned law, the aforementioned laws shall prevail.

If any section, subsection, sentence, clause, or phrase of these policies and procedures is, for any reason, held to be invalid or unconstitutional by any court of competent jurisdiction, such decision shall neither affect nor impair any of the remaining provisions.

Article II. Leasing Airport Land or Improvements

Entities shall not occupy Airport land or improvements for any purpose unless the entity has an agreement or sublease, or occupied a hangar under a rental agreement with a duly permitted hangar rental business. In addition, entities shall not conduct aeronautical or non-aeronautical commercial activities at the airport unless the entity has an Airport Business Permit authorizing such activities. Entities shall also comply with the Denton Code of Ordinances, Airport Rules and Regulations, Minimum Operating Standards, and any other applicable federal, state, and local laws and regulations.

Section 2.01 Principal Development Criteria

The Airport has limited land resources, so it is important to adequately evaluate proposed Airport leases and development to ensure that the highest and best use of each property is realized and that such use is compatible with future Airport development and land use plans. Proposed leasing or development requests will be evaluated in accordance with this policy. Such evaluation will look to whether the proposed use conforms to the following (collectively, the "Principal Development Criteria"):

- 1. The use is shown to be appropriate and consistent with the Airport Layout Plan ("ALP"), Airport Master Plan, Airport Appraisal, and other relevant Airport planning documents or Airport expansion or development plans or goals.
- 2. The use will not interfere with the normal and efficient operation of the Airport or with the ability of other Airport users to enjoy reasonable access to their leaseholds or the public areas of the Airport, including its runway and public taxiways and aprons.
- 3. The use will advance the goal of achieving financial self-sustainability for the Airport by providing a consistent, reliable, and appropriately substantial source of revenue to the Airport, whether in the form of rent or other rates, fees, or charges.
- 4. The use will provide long-term benefits to the Airport through the tenant's construction, expansion, maintenance, or other development of useful and valuable improvements or facilities (or through the tenant's efficient use of improvements to existing Airport property or facilities).
- 5. The use will support the City's efforts to make the Airport an attractive, aesthetically pleasing gateway to, and source of economic development for, the City.
- 6. The use will not involve non-aeronautical use of Airport property or facilities more appropriate or necessary for aeronautical use, as determined at the sole discretion of the City.
- 7. The use does not pose exceptional or unreasonable financial, legal, or operational risk to the Airport or the City.
- 8. The use does not violate any applicable laws or regulations or any Grant Assurances or similar state or local obligations and does not pose a substantial risk of causing the City to violate any such laws, regulations, Grant Assurances, or obligations.

Section 2.02 Designated Areas

The City reserves the right to designate specific Airport land and/or improvements in which commercial and/or non-commercial aeronautical activities may or may not be conducted. The right to use the Airport and any airport land or improvements is non-exclusive except for the land and or improvements leased exclusively to an entity by the City.

The City may establish, through the Airport Master Plan or other Council-approved plan, certain areas approved for particular types of commercial and non-commercial activities within the Airport. These designated areas will indicate proposed future uses and activities for segments of the Airport property. If designated areas are established, all proposed activities and developments must be located in a designated area that corresponds to and does not conflict with such use.

To the extent allowed under FAA regulations, the City reserves the right to refuse proposals to use or develop airport land for aeronautical or non-aeronautical purposes.

Section 2.03 Lease Application

Prior to entering into formal lease discussions or negotiations, a prospective lessee shall complete a written application for a lease in a form prescribed by the City and pay any associated fees as established by the City Council. The application shall include, at minimum:

- 1. A description of the activity or activities that the applicant proposes to conduct under its requested development, with sufficient narrative to adequately explain the benefits of the activity or activities to the Airport and the City and to demonstrate that it meets the Principal Development Criteria.
- 2. The names and contact information of the prospective lessee(s) or, if an incorporated entity, of all parties owning an interest in the entity.
- 3. A description of the premises intending to be leased.
- 4. The type of facilities which the applicant proposes to construct on or for the proposed leasehold, if applicable.
- 5. An estimate of value of the proposed capital investment on the premises, if applicable.
- 6. For any commercial activity, the services to be provided, proposed hours of operation, number of aircraft to be based, and projected number of employees, and other relevant information.

The City reserves the right to request additional information from the lease applicant. Upon receipt, Airport staff will review the application and determine if the proposed use and leasehold location comply with this policy. Noncompliance may result in the rejection of the lease application.

Submission of an application and payment of applicable fees secures for the prospective Lessee the exclusive right to pursue a lease with the City for 120 days. During this time, the Airport will not consider nor discuss the leasing or development of the subject property with other interested parties. If no lease is executed by the end of the 120 days, the application will expire, and the City may accept applications for the property from other parties. This 120-day timeframe may be extended in writing by the Airport Director.

The City Council shall have the right to adopt an application fee and publish it in the Airport Rates and Fees schedule.

Section 2.04 Lease Approval

Within 60 days of receiving a completed application, the Airport shall convey the key terms and conditions (including rents, fees, and other charges) of a proposed lease agreement to the applicant. The applicant shall, within a reasonable amount of time, indicate if the key terms and conditions proposed by the Airport are acceptable or provide revised key terms and conditions. The Airport

Director may negotiate the revised key terms and conditions and/or initiate the competitive proposal process described in Section 2.05.

All new lease agreements, lease assignments or transfers, and subleases shall be reviewed by Airport staff and considered by the Airport Advisory Board. Approval by the City Council shall be required for any lease.

Section 2.05 Requests for Proposals

If Airport land and/or improvements exist or become available for leasing, the City may at its sole discretion and at any time, including upon receipt of an application for a lease or development, issue a request for proposals to assess the level of market demand and competitiveness for a proposed activity or use of Airport property. Any competitive proposal or bidding process shall comply with the City of Denton's purchasing policies and directives.

To determine whether it is appropriate to utilize competitive proposal or bidding, the City shall consider factors including, but not limited to:

- 1. The size and proposed use of the property.
- 2. The availability of similar property at the Airport.
- 3. Whether the property is going to be used for Aeronautical or Non-Aeronautical Activities.
- 4. Whether the property is developed or vacant.
 - a. If the property is vacant, the proposed use; type of Improvements will be developed; number of employees to work on the property.
 - b. Whether infrastructure (such as utility lines) needs to be installed or and if so, who will be responsible for such installation?
- 5. The financial strength and experience of the Applicant.
- 6. Economic impact the proposed use of the Airport property will have on the Airport.
- 7. Whether the proposed use of the Airport property will generate new revenue for the Airport or generate new activity at the Airport.

The request for proposals shall also list the criteria the City will use to make its selection, including but not limited to, compliance with this Policy and the Principal Development Guidelines, the benefits generated by the proposed activity, and the long-term revenue generated by the proposal. The City may consider additional factors that it deems relevant to make its final decision regarding the use or disposition of the Airport premises and privileges in question. The City shall examine all applications and select a proposal for further lease negotiations, if, in the City's opinion, it is in the best interest of the Airport and the community.

Article III. The Lease Agreement

Lease Agreements are designed to protect the public interest and contain more restrictive clauses than private-sector leases. Liabilities associated with possession and control of real property will be transferred to the Lessee to the greatest extent possible, including compliance with and subordination to all applicable federal, state, and local laws and regulations. Leases will additionally be subordinate to the City's Grant Assurances, other applicable federal and state laws and regulations, and City ordinances and regulations.

The following are not inclusive of all lease terms, conditions, and obligations. Authority is granted to City staff to negotiate leases that promote the Principal Development Criteria and the objectives of this Policy.

Section 3.01 Key Terms and Conditions

(a) Recitals:

All recitals shall include, at minimum, the desires of the City and the Lessee. All recitals shall be incorporated into the agreement by reference.

(b) Premises:

Each agreement shall meticulously describe the specific area of Airport property to be occupied, including precise boundaries and any shared or common areas. Leases will clearly outline the permitted activities and any restrictions on usage, ensuring compatibility with airport operations and safety regulations.

(c) Use:

Each agreement shall make clear the intended use of the premises.

- Commercial aeronautical activities The agreement shall identify the products, services, and/or facilities to be provided by the operator. The agreement may identify optional products, services, and/or facilities that may be provided by the operator with or without the approval of the Airport Director.
- Non-commercial aeronautical activities For non-commercial occupancy and/or use of the Airport land and/or improvements, the Agreement shall stipulate that the Lessee shall not offer or provide commercial products, services, or facilities or conduct commercial activities at the Airport or from the leased premises without an amendment of the lease agreement.
- 3. Non-aeronautical activities Leasing Airport land and/or improvements for nonaeronautical activities is not generally favored by the City of the FAA. The City may, in its sole discretion, consider such use in the event the non-aeronautical use of Airport land and/or improvements does not interfere with the primary aeronautical use of Airport land and/or improvements and is not in violation of any legal requirements, including the Grant Assurances. If such use is contemplated, the applicant must prove that the subject Airport land and/or Improvements will not conflict with the existing or foreseeable aeronautical use of the property during the entire term of a proposed agreement. The leasing of Airport land and/or Improvements for non-aeronautical activities will not be allowed without the prior written consent of the FAA.
- 4. Prohibited Activities: All prohibited uses and activities of the premises shall be identified; however, no lease agreement will allow any activities prohibited by applicable federal, state, or local laws and regulations even if such use is not specifically set out by the lease agreement.

(d) Term

The original term, commencement date, and ending date shall be conveyed in the Agreement. The term of the agreement shall be commensurate with the value of capital investment made by the Lessee into the leased premises and/or on the Airport, consistent with Article IV of this policy.

(e) Rents and Fees

The applicable rents and fees to be paid by the Lessee to the City shall be identified in the agreement. Rents and fees shall be established and adjusted in accordance with Article IV of this policy.

(f) Improvements

A description of the improvements, including minimum square footage of occupied space, shall be included in the agreement. The Lessee shall procure all necessary permits and certificates including, but not limited to, all City building, fire, safety, final certificate of occupancy, and meet other applicable requirements for improvements located on Airport property and within the legal boundaries of the Airport as identified on the Airport Layout Plan.

Upon expiration of the term of the agreement, ownership of permanent improvements that have been made to the leased premises by the Lessee shall revert to the City. The City shall retain the right to require the demolition and removal of the improvements and the return of the premises to its original condition and character by the Lessee, normal wear and tear excepted.

Section 3.02 Other Standard Terms and Conditions

Additional terms and conditions within the Lease Agreement shall include, but are not limited to:

- 1. Procedures for entering into a sublease agreement for all or part of the leased premises, including approval processes and sublessee obligations, to prevent unauthorized use and maintain accountability. All sublease agreements shall be approved by the City Council.
- 2. Procedures for transferring lease interests, including city approval requirements and any associated fees or conditions, shall be clearly defined to ensure orderly transitions. All sales, assignments, or transfers shall be approved by the City Council.
- 3. Conditions for granting rights of first refusal. Rights of first refusal may only be granted where the property that is subject to the right of first refusal is contiguous to the leased premises. No right of first refusal may be granted without the payment of a fee or other financial consideration being provided to the City. Other conditions of the right of first refusal will be negotiated by Airport staff. The City retains the right to refuse requests for rights of first refusal.
- 4. Conditions, procedures, and penalties for defaulting on lease obligations, including notification requirements and remedies available to the city.
- 5. Requirements that the Lessee shall be responsible, at its own expense, for connection to and service of public utilities.
- 6. Requirements for Lessee insurance coverage, including liability, property, and workers' compensation insurance, shall be clearly outlined to mitigate risk and protect airport assets.
- 7. The right of the City to, with notice to the Lessee, inspect the leasehold and improvements for compliance with lease terms, federal, state, or local law, and/or Airport rules and regulations.

- 8. Requirements that ensure construction adheres to local development standards, building codes, environmental laws, Airport Minimum Operating Standards, and other applicable statutes and regulations in order to maintain the safety and integrity of airport property
- Requirements for the Lessee to demonstrate possession of all necessary licenses, certifications, and permits required for activities permitted under the lease, with provisions for City verification and periodic updates.
- 10. Requirements for the Lessee to bear responsibility for the provision of utility service during their occupancy, including electricity, water, gas, sewage, and telecommunications services, with provisions for city oversight
- 11. Requirements for the Lessee to fulfill all tax obligations related to its activities, including property taxes, sales taxes, and income taxes, under applicable laws and regulations.
- 12. Requirements for Lessee to maintain accurate records of their operations, including financial statements, maintenance logs, and regulatory compliance documentation, subject to city audit and inspection.
- 13. Guidelines for holdover possession beyond the lease term, including rental adjustments and termination provisions, shall be established to address transitional periods and prevent unauthorized occupancy.
- 14. Any other conditions or requirements deemed appropriate by the City

Section 3.03 Maintenance of the Leasehold

The Lessee shall bear responsibility for ongoing maintenance of the leased premises and all improvements including, but not limited to, preventing the accumulation of debris and trash, abating fire and chemical hazards, abatement of nuisances, and the irrigation and maintenance of landscaping. The Lessee shall perform all work in accordance with applicable laws and regulations.

To prevent the premature aging and deterioration of the improvements, the Lessee, at its own expense, shall conduct a condition assessment on all improvements no later than the tenth (10th) anniversary of the Commencement Date, and every five (5) year anniversary thereafter. The Condition Assessment shall be conducted by a licensed architect, engineer, or other qualified individual, who shall be approved in writing by the City. The Condition Assessment shall examine, at minimum, the building's structural components, electrical, plumbing, heating and cooling systems, and roof. Additionally, any pavement (asphalt or concrete) within the leasehold area shall also be examined. The Condition Assessment shall be provided to the City within thirty (30) days of the condition assessment deadline. The Lessee shall within ninety (90) days provide to the Lessor a plan to correct any deficiencies identified in the Condition Assessment within one (1) year, unless extended in writing by the Airport Director, or designee. Failure to correct deficiencies identified in the Condition Assessment will constitute a breach of the lease agreement.

Section 3.04 Additional Lease Requirements

The Lease shall contain, or adopt by reference, all provisions required by the applicable law, including, without limitation, regulations promulgated by the FAA and Transportation Safety Administration, and assurances or agreements entered into by the City as a condition of any Federal Grant to the City for the Airport. The Lease or Permit shall be subordinate to any existing or future Federal grant assurances.

Article IV. Rents, Fees, and Agreement Term

Airport lease rates and associated fees shall be consistent with FAA policy and Grant Assurance obligations, specifically the requirement that the Airport be as financially self-sustaining as possible and that leases are provided on a consistent and equitable basis. To the extent feasible, aeronautical use fees must be established on a cost-recovery basis while the use of Airport property for non-aeronautical facilities and/or services must be based on fair market value.

Section 4.01 Rent

During the lease term, the Lessee shall pay the Airport market rent for applicable land and facility(ies). Where a Lessee has constructed a Facility, the Lessee shall pay Market Rent for land only during the Term of its Lease.

(a) Establishment of Market Rent

Market rent shall be established through a property appraisal by a qualified appraiser, or a market analysis performed by a similarly qualified individual or firm. Appraisals for properties shall have been performed within the two years before the execution of a lease agreement.

(b) Deviations from Market Rent

Below market rent may only be offered where the Lessee constructs public infrastructure that benefits other properties (i.e., taxilanes, taxiways, roads, or utilities) or makes improvements to an existing facility that extends the useful life of the facility, as approved by the City. In such cases, the value of the reduced rental rate may not exceed the value of the Lessee's investment in public infrastructure.

In the event that the City develops all or part of the Improvements, to establish rents the City may, in its sole discretion, establish a reasonable rate of return on the investment.

Rental rates for certain property uses, particularly non-aeronautical uses, may be based on a percentage of Lessee's gross income from its use of the property.

Section 4.02 Adjustment of Rent

To account for regular cost inflation, Lease rents shall be adjusted no later than every two years after the commencement date of the lease. This adjustment proportion that the then-current United States Consumer Price Index for all urban consumers ("CPI-U") for the Dallas-Fort Worth Bureau of Labor Statistics (1982-84 = 100) bears to that of the Commencement Date month.

Section 4.03 "Through the Fence" Agreements

FAA Grant Assurances require access to the Airport to be provided on an equitable basis. If an adjacent property requests access to the airport to conduct aeronautical activities, the property owner may be granted a "Through the Fence Agreement" granting them such access. As a condition of this access, the property shall pay market rent, including adjustments, under the terms outlined by this policy.

The City may impose additional requirements as a condition of any "through the fence agreement" access and any request for such agreement is subject to review and approval by City Council.

Section 4.04 Fees

The City shall reserve the right to establish and assess fees to recover the costs being incurred by the Airport associated with the planning, development, operation (including maintenance and repair), management, and marketing of the Airport.

Fees may include, but are not limited to, fuel flowage fees, aircraft parking fees, based aircraft fees, operator permit fees, percentage of gross receipts fees, aircraft landing fees, and/or temporary or special use permit fees. All fees shall be identified in the City's rates and fee schedule.

Section 4.05 Lease Term

Lease agreements shall specify the duration of occupancy. The length of a ground lease shall comply with federal and state regulations and be sufficient for the Lessee to amortize its capital investment into the leased premises. The lease term will depend on the value of capital invested in the leasehold. Airport staff shall, based on financial and market conditions, determine the appropriate investment to warrant a given lease term, considering additional factors such as site conditions, indirect benefits to the airport, and federal requirements, as applicable.

On a case-by-case basis, the City may consider a significantly longer lease term; still subject to federal and state regulations; to support Airport property development and allow a Lesse to amortize its investment, based on the following criteria:

- 1. Significant initial capital investment beyond the minimum requirements
- 2. Significant additional capital investment in the current leased property
- 3. Services provided to other Airport tenants and uses
- 4. Exceptional job creation and/or impact to the local economy
- 5. Public infrastructure extension which will benefit other properties (i.e., taxilanes, taxiways, roads, or utilities)
- 6. Potential to attract other new aviation business or to significantly increase airport revenues

Leases where no capital is invested into the property shall be limited to no more than 3 years.

Section 4.06 Lease Extensions

Extensions to leases shall only be permitted where the following criteria are met:

- 1. The extensions are at the Lessor's discretion;
- 2. The extensions are the result of an investment of capital on the premises for new improvements; or
- 3. The extensions are the result of a investment of capital in the leased premises that extends the life of existing improvements.

In cases where an extension is the result of an investment of capital, the extension term shall be commensurate with the value of the capital investment.

The City shall require that the rent paid for the term of any lease extension shall reflect the higher of the then-current rent or the fair market rent at the time of the extension. Rent shall be adjusted through the term of the extension as permitted within his policy. No extension or extensions may result in the total lease term extending beyond the statutory limit.

Article V. Reversion of Improvements to the City

Each lease agreement shall require that, at the end of the lease term, Lessees shall surrender all leased premises to the Airport, including any improvements made during the lease period, unless otherwise specified in the lease agreement. Lessees may be required to remove any improvements not deemed necessary for the ongoing operation of the airport, restoring the leased premises to their original condition at the Lessee's expense.

At the time of the reversion of the leased premises and improvements, the City may at its discretion:

- 1. Extend the current ground lease or enter into a new lease with the Lessee under the provisions of this policy;
- 2. Enter into a building lease at fair market value with a qualified Lessee;
- 3. Pursue redevelopment of the leasehold; or
- 4. Take any other action that is in the best interests of the Airport and in compliance with applicable laws and regulations.

The provision of a lease extension or new lease agreement shall be based on the best long-term financial interest of the airport. A long-term financial analysis shall be provided to the City Council during any consideration of a lease extension or new lease agreement under this provision.





Legislation Text

File #: AAB24-036, Version: 1

Staff Reports:

AGENDA CAPTION

1. Monthly Operations Report - September 2024

2. Monthly Construction Report - September 2024

3. Airport Advisory Board-City Council Airport Related Items Matrix - September 2024





<u>5000 AIRPORT RD. • DENTON, TEXAS 76207 • (940) 349-7736 • FAX (940) 349-7289</u> DENTON ENTERPRISE AIRPORT • DTO

MONTHLY OPERATIONS REPORT September 2024

The following tables provide details on operations, fueling, based aircraft, alerts, incidents, and wildlife management efforts. Historical Airport Operations, **Exhibit 1**, and Historical Fuel Flowage, **Exhibit 2**, provides airport historical operations and fuel flowage data from 2014-2024.

OPERATIONS	(Calendar	·Year)				
Operation Type	Aug-23	Aug-24	% Change	2023 YTD	2024 YTD	% Change
IFR Itinerant	591	824	39.4%	5,825	7,888	35.4%
VFR Itinerant	8,954	9,778	9.2%	54,097	68,074	25.8%
Local	11,863	4,253	-64.1%	76,595	68,492	-10.6%
Total	21,408	14,855	-30.6%	136,517	144,454	5.8%
FUELING (Fise	cal Year)					
Туре	Jul-23	Jul-24	% Change	2023 YTD	2024 YTD	% Change
AvGas	40,445	73,460	81.6%	374,403	480,051	28.2%
Jet A	93,023	70,968	-23.7%	1,155,596	946,386	-18.1%
Total	133,468	144,428	8.2%	1,529,999	1,426,437	-6.8%

Monthly Operations Report September 2024 Page 2

ALERTS		
Date	Туре	Description
N/A		

INCIDENTS	
Date	Description
08/23/2024	A semi-truck making a delivery on Sabre ln. struck a power line hanging over the road. Consequently, this peeled away a section of the sheet metal on the exterior wall of the hangar to which the line connects. DME came out and assessed the situation and once repairs were made by the hangar owner, the power was restored the following day. No other damage or injuries were reported.
08/20/2024	A Cessna 172 lost engine power on roll out after landing. The engine would not restart so the aircraft was towed to parking. No damage or injuries were reported.
08/11/2024	A semi-truck struck the handicap parking sign in the terminal parking lot in the middle of the night. No other damage was reported, and staff replaced the sign.
08/04/2024	A Cessna 172 had a flat nose wheel on 18R. The pilot was able to taxi the aircraft clear of the runway at A6. The aircraft was then tugged to the ramp by the FBO.

EXHIBITS

- 1. Historical Airport Operations 2014-2024 (Attached)
- 2. Historical Fuel Flowage 2014-2024 (Attached)
- 3. VirTower Stats (Attached)

DENTON ENTERPRISE AIRPORT HISTORICAL OPERATIONS

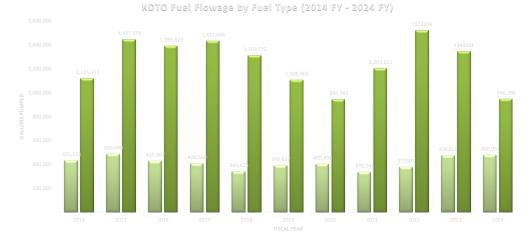
Month:	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
JAN	11019	14419	12074	11070	13036	12323	9830	9138	14030	13814	14618
FEB	10023	10891	12530	9300	7899	9307	11704	6697	10469	13218	20919
MARCH	13929	12886	9240	10846	10659	13074	10055	12423	12719	15134	21655
APRIL	14788	12816	10226	9390	11314	11709	12090	10631	13601	14993	16992
MAY	16140	12431	11958	11914	14854	11172	12690	10704	9902	19470	19503
JUNE	12949	15308	11962	10342	12521	12468	11282	11519	15321	18549	22043
JULY	14912	17359	13190	11162	13553	11718	14274	14124	15936	19931	13869
AUG	13558	18143	11461	10514	14888	10392	13076	12868	17597	21408	14855
SEP	13485	14665	13523	11010	11477	12176	10911	13672	20217	20484	
OCT	14334	13208	13021	10870	13682	11444	11445	12837	17794	18362	
NOV	10974	10906	9195	10249	13276	11367	10508	12482	14415	18860	
DEC	11228	12020	9166	10899	11539	11379	10296	12051	14217	17977	



Tower OPS 2014-2024

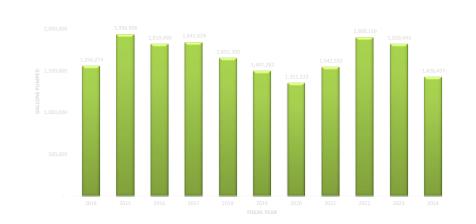
Denton Enterprise Airport Fuel Flowage Data (2014 FY - 2024 FY)

Month:	201	14	20	15	20	16	20:	17	20:	18	20	19	20	20	20)21	20	22	20	23	20	24	TOTAL
	AV Gas	Jet A	AV Gas	Jet A	AV Gas	Jet A	AV Gas	Jet A	AV Gas	Jet A	AV Gas	Jet A											
OCT	39932	127358	53341	123699	39858	115108	38343	132214	20728	143240	28452	107670	35715	105460	35631	105141	24214	116562	61611	148500	42075	110769	
NOV	32122	84320	32093	106167	39713	129726	39407	138470	18427	146159	30973	99147	31868	83005	47812	106976	27892	132701	27105	100558	42283	102797	
DEC	29433	69454	32056	110117	28155	117665	23553	93974	32083	127691	39148	92592	24587	82387	32267	83953	28292	156521	22190	141247	33729	87840	4,575,335.00
JAN	28150	94086	40413	118367	36273	92626	31290	123841	24219	106326	32119	82476	24087	83957	20584	77349	24027	119289	33805	111388	35531	104469	
FEB	31420	66208	40164	112469	33050	108927	27317	84073	20027	75550	24939	91478	31991	75548	23864	69928	24010	95155	32407	111078	51023	95895	
MAR	36387	94939	31828	164541	51459	118085	30972	114433	31988	106609	27799	98979	23853	60237	15971	116035	40014	142974	37711	123210	48135	103591	
APR	37600	81605	33813	158634	24972	133206	43548	97103	27769	96351	39613	90424	38629	29912	32354	99894	27734	138601	45444	110233	62405	103347	
MAY	42651	91438	35104	94632	27625	95236	39425	134854	31356	105264	27412	96991	31549	66916	19685	123164	31730	125991	32605	102672	41291	87236	
JUN	31482	83118	51039	122798	30860	116535	31497	112690	21686	122843	38995	81278	46965	81254	32022	106194	35282	118103	41080	113687	50119	79474	
JUL	51198	106097	52136	114103	51458	125261	28923	112760	39119	99127	42974	95958	39210	89037	24034	114757	33155	102139	40445	93023	73460	70968	13,768,505.00
AUG	36820	98847	47872	105756	31362	91756	35349	142080	42546	97711	26962	88429	38512	97331	27912	106957	40165	140596	57089	78284			
SEP	37928	123681	39621	116193	35082	145492	39936	145572	31477	82904	31231	81243	38492	90721	27405	92663	41386	133626	44820	110451			
Total:	435123	1121151	489480	1447476	429867	1389623	409560	1432064	341425	1309775	390617	1106665	405458	945765	339541	1203011	377901	1522258	476312	1344331	480051	946386	
	1556	274	1936	956	1819	490	1841	624	1651	200	1492	7282	1351	223	1542	2552	1900	0159	1820	0643	1426	437	18,343,840

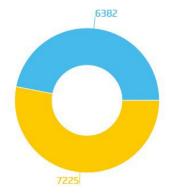


🖬 AV Gas 📲 Jet A





Operations Based vs Visiting KDT0 08/01/2024 0:00 > 08/31/2024 23:59 LT





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5000 AIRPORT RD. • DENTON, TEXAS 76207 • (940) 349-7736 • FAX (940) 349-7289 DENTON ENTERPRISE AIRPORT • DTO

MONTHLY CONSTRUCTION REPORT September 2024

The following provides a status update on the capital improvement projects that are in progress at the Airport:

RWY 18L-36R Reconstruction (Update to be Provided at the Meeting)

"Dedicated to Quality Service" www.cityofdenton.com

***Legal Review	Airport Adv	visory Board	City	Council
Description	Date	Action	Date	Action
Pending Items				
GKY Holdings 1, LLC – Lease Amendment	08/14/2024	5-0	09/17/2024	Pending
Airport Leasing and Development Policy	09/11/2024	Pending	Pending	Pending
US Trinity Aviation, LLC – Lease Agreement – Site 9	10/09/2024	Pending	Pending	Pending
HC Commercial – Lease Agreement – Site 10	10/09/2024	Pending	Pending	Pending
Chapter 3 Amendment	10/09/2024	Pending	Pending	Pending
GKY Holdings 1, LLC – Lease Agreement (7B/Tract 2)	11/13/2024	Pending	Pending	Pending
Airport Financial Analysis	11/13/2024	Work Session	Pending	Work Sessio
Completed Items with Airport Advisory Board and City Council				
Airport Master Plan	03/20/2024	Approved 5-0	04/02/2024	Approved 7-
Airport Financial Update	03/20/2024	Work Session	N/A	Approved 7-
Roanoke Air and Auto, Inc – Lease Agreement	03/20/2024	Approved 5-0	04/02/2024	Pending
Hangar 10 Flying Museum – Lease Assignment	02/14/2024	Approved 6-0	02/20/2024	Approved 7-
GKY Holdings 1, LLC – Lease Amendment	12/06/2023	Approved 4-0	12/12/2023	Approved 6-
Financial Analysis	12/06/2023	Approved 4-0	12/12/2023	Approved 6-
Nebrig Properties, LP – Lease Assignment	12/06/2023	Approved 4-0	12/12/2023	Approved 6-
TxDOT – Primary Runway Reconstruction Project	10/11/2023	Approved 4-0	10/24/2023	Approved 6-
Victory Aviation Supplies, LLC – Consent to Subsublease	09/13/2023	Approved 4-0	09/26/2023	Approved 7-
Ronald J. Gowan – Lease Assignment	09/13/2023	Approved 4-0	09/26/2023	Approved 7-
Petersen Hangars, LLC – Lease Assignment	09/13/2023	Approved 4-0	09/26/2023	Approved 7-
Dave Austin – Lease Assignment	08/09/2023	Approved 5-0	08/15/2023	Approved 7-
DTO 4858, LLC – Lease Assignment	08/09/2023	Approved 5-0	08/15/2023	Approved 7-
US Trinity – Lease Assignment	02/23/2023	Approved 4-0	03/07/2023	Approved 6-

Airport Advisory Board/City Council Airport Related Items **Council Airport Committee – Dissolved 09/28/2021				
***Legal Review	Airport Adv	visory Board	City	Council
Description	Date	Action	Date	Action
TxDOT – Runway Rehabilitation Project	12/14/2022	Approved 7-0	1/10/2023	Approved 5-0
THP Air, LLC – Lease Amendment	12/14/2022	Approved 7-0	1/10/2023	Approved 5-0
Sykes-Vaughan Investments, LLC – Lease Assignment x 6	11/9/2022	Approved 6-0	12/15/2022	Approved 7-0
Airport Rates and Fees Schedule	9/14/2022	Approved 5-0	9/27/2022	Approved 7-0



Applicant/Business Name: Aviation	Repair Gro	up
Authorized Representative/Title:		
Email Address: jordan@aviati		
website: aviationrepairgro		
Mailing Address: 7515 Lemmo		gar J
		Zip: 75209
Work Phone: 940-222-0687		
Billing Address: 7515 Lemmor		
D	State: TX	Zip: 75209
Billing Phone: 940-222-0687 Fax		jordan@aviationrepairgroup.com

The Applicant hereby requests the above action(s), and in consideration of this request being granted, agrees to the following:

- 1. PERMIT LIMITATIONS: This permit may not be assigned or transferred, and is limited to the approved business activity listed above
- 2. INFORMATION CHANGES: The Applicant shall notify Airport Administration, in writing within fifteen (15) days, of any change to the information provided.
- 3. RELEASE OF LIABILITY: The City assumes no liability for damage or loss to personal property while operating at Denton Enterprise Airport.
- 4. INDEMNIFICATION: The Applicant and invitees shall indemnify the City pursuant to Chapter 3 of the Denton Revised Code. Permit holder shall endorse all liability insurance policies to include the City of Denton as an additional insured. Applicant further agrees to waive their insurers' subrogation rights against the City of Denton, and its Officers, Directors, Commissioners, and Employees.
- 5. COMPLIANCE WITH THE LAW: The Applicant shall comply with all applicable laws, ordinances, rules and regulations. To view regulations, go to http://www.cityofdenton.com/airport

Please check the box for each item attached and submitted with the application:

- Lease/License
- Certificate of Insurance
- Sublease Agreement
- Sales and Use Tax Permit
- □ FAA Certificates

The undersigned representative certifies he/she is authorized to sign for the business and acknowledges receipt of a copy of this permit.

Date: 05/JUNE/2024 Applicants Signature:

By checking this box, I affirm that the information provided above is accurate and that the above represents my official signature.

Staff Use Only

Application, permits and insurance reviewed by: Signature:	8/20/2024 Date:
Airport Manager or designee's Comments/Stipulations:	
Insurance approved 08/20/2024 - Tracey Bowery	
Certificate # 2024-005	
Approved by Airport Manager or designee: Signature: <u>Kyan Manager</u> ^{76544D73C36F499 Date ratified by Airport Advisory Board:}	Date:

DENTON AIRPORT BUS			ENTON
DENION	SINESS PERMI		IRPORT
(Required to conduct any con	nmercial activity on th	e airport)	V ALCESS, DADRIUMARY BUSINESS
Business or activity to be conducted (check all tha	t apply):		
 Aircraft Charter Services Aircraft Leasing or Rental Services Aircraft Maintenance and Repair Services Aircraft Management Aircraft Sales Services 	Fixed Based Ope Flight Training S Hangar Leasing S Mobile Mainten On-Airport Rent	ervices Services ance and Repa	
Aircraft Washing Services			
Other (list services):	where Gry of Prinkan	in arts in	(agmdus)
Specialized Aircraft Repair Services (list services)	rice):		
Specialized Commercial Flying Service (list s These activities are limited to the airport by ordinar Standards for further information on each type of b	nce. Please refer to the		num Operating
These activities are limited to the airport by ordinar Standards for further information on each type of b Applicant/Business Name:	nce. Please refer to the usiness. viation	Airport Minin	num Operating
These activities are limited to the airport by ordinar Standards for further information on each type of b Applicant/Business Name:	nce. Please refer to the usiness. viation	Airport Minin	num Operating
These activities are limited to the airport by ordinar Standards for further information on each type of b Applicant/Business Name: <u>Aero Bear A</u> Authorized Representative/Title: <u>Jeremy V</u>	viation	Airport Minin	num Operating
These activities are limited to the airport by ordinar Standards for further information on each type of b Applicant/Business Name: <u>Aero Bear A</u> Authorized Representative/Title: <u>Jeremy V</u> Email Address: <u>bearaviation@yah</u>	viation	Airport Minin	num Operating
These activities are limited to the airport by ordinar Standards for further information on each type of b Applicant/Business Name: <u>Aero Bear A</u> Authorized Representative/Title: <u>Jeremy V</u> Email Address: <u>bearaviation@yah</u> Website: <u>N/A</u>	viation Vard / Owne	Airport Minin	num Operating
These activities are limited to the airport by ordinar Standards for further information on each type of b Applicant/Business Name: Aero Bear A Authorized Representative/Title: Jeremy V Email Address: bearaviation@yah Website: N/A Mailing Address: 3325 Shadow Ric	viation Vard / Owne oo.com	Airport Minin	an Alt
These activities are limited to the airport by ordinar Standards for further information on each type of b Applicant/Business Name: Aero Bear A Authorized Representative/Title: Jeremy V Email Address: bearaviation@yah Website: N/A Mailing Address: 3325 Shadow Ric City: Grapevine	viation Vard / Owne oo.com	Airport Minin)51
These activities are limited to the airport by ordinar Standards for further information on each type of b Applicant/Business Name: Aero Bear A Authorized Representative/Title: Jeremy V Email Address: bearaviation@yah Website: N/A Wailing Address: 3325 Shadow Rice City: Grapevine state: Nork Phone: 817-996-5585 Cell Phone:	viation Vard / Owne oo.com Ige Texas 817-996-558	Airport Minin)51
These activities are limited to the airport by ordinar Standards for further information on each type of b Applicant/Business Name: Aero Bear A Authorized Representative/Title: Jeremy V Email Address: bearaviation@yah Website: N/A Mailing Address: 3325 Shadow Ric City: Grapevine	viation Vard / Owne oo.com Ige Texas 817-996-558 ge	Airport Minin)51 A

The Applicant hereby requests the above action(s), and in consideration of this request being granted, agrees to the following:

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Please check the box for each item attached and submitted with the application:

- Lease/License
 Ecrtificate of Insurance
- Sublease Agreement

Sales and Use Tax Permit

FAA Certificates

8/20/2024

Datte

The undersigned representative certifies he/she is authorized to sign for the business and acknowledges receipt of a copy of this permit.

Applicants Signature:

Date: 08/02/2024

By checking this box, I affirm that the information provided above is accurate and that the above represents my official signature.

	Stat
l by:	(
, Olexandes/20/2024 Date:	Application, permits and insurance reviewed by: Signature:
651444 Date:	

Airport Manager or designee's Comments/Stipulations:

Insurance approved on 08/16/2024 - Tracey Bowery

Certificate 2024-004

Date ratified by Airport Advisory Board:

Airport Business Permit - Orange

February 11, 2020