#### **City of Denton**



#### Meeting Agenda

#### **Airport Advisory Board**

Wednesday, June 12, 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, June 12, 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:

#### **1. PLEDGE OF ALLEGIANCE**

- 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

- A. <u>AAB24-022</u> Consider approval of the minutes of May 8, 2024.
  - Attachments:
     Exhibit 1 Agenda Information Sheet

     Exhibit 2 Draft Minutes May 8, 2024
- B. <u>AAB24-021</u> Staff Reports:
  - 1. Monthly Operations Report June 2024
  - 2. Monthly Construction Report June 2024
  - 3. Administrative Update June 2024
  - 4. Airport Advisory Board-City Council Airport Related Items Matrix June 2024
  - Attachments:
     Monthly Operations Report June 2024 Complete

     Monthly Construction Report June 2024
     Administrative Update June 2024

     Airport Advisory Board-City Council Airport Related Items Matrix June 2024

#### 4. WORK SESSION

A. <u>AAB24-007</u> Receive a report, hold a discussion, and give staff direction regarding Airport Advisory Board Representatives on the Airport Master Plan Advisory Committee.

Attachments: Exhibit 1 - Agenda Information Sheet

B.	<u>AAB24-023</u>	Receive a report, hold a discussion, and give staff direction regarding components of a
		draft leasing policy.
	<u>Attachments:</u>	Exhibit 1 - Agenda Information Sheet
		Exhibit 2 - Presentation
C.	<u>AAB24-024</u>	Receive a report and hold a discussion regarding a presentation on Federal Aviation Administration Grant Assurances.

 Attachments:
 Exhibit 1 - Agenda Information Sheet

 Exhibit 2 - Presentation
 Exhibit 3 - FAA Airport Sponsor Grant Assurances

#### 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 that the above notice meeting posted the official website Ι of was on (https://tx-denton.civicplus.com/242/Public-Meetings-Agendas) and bulletin board at City Hall, 215 E. McKinney Street, Denton, Texas, on June 7, 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.

3



Legislation Text

#### File #: AAB24-022, Version: 1

AGENDA CAPTION Consider approval of the minutes of May 8, 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: June 12, 2024

#### **SUBJECT**

Consider approval of the minutes of May 8, 2024.

#### **BACKGROUND**

The draft minutes from the Airport Advisory Board meeting of May 8, 2024, are attached for the Board's consideration and approval.

#### **EXHIBITS**

- 1. Agenda Information Sheet
- 2. Draft Minutes May 8, 2024

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

#### MINUTES AIRPORT ADVISORY BOARD May 8, 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, May 8, 2024, at 3:00 p.m. in the Meeting Room at the Denton Enterprise Airport Terminal Building, 5000 Airport Road, Denton, Texas.

**PRESENT:** Chair Robert Tickner, Vice Chair Rick Woolfolk, Members Ed Ahrens, David Smith, Ann Patterson, Davis Bird, and Brownie Stonecipher.

#### ABSENT: None

#### 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 March 20, 2024. (AAB24-015)

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

AYES (6): Vice Chair Woolfolk, Members Ahrens, Smith, Patterson, Bird, and Stonecipher NAYS (0): NONE ABSENT (1): Chair Tickner

#### B. Staff Reports: (AAB24-016)

- 1. Monthly Operations Report May 2024
- 2. Monthly Construction Report May 2024
- 3. Airport Advisory Board-City Council Airport Related Items Matrix May 2024

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

#### C. Ratification of the Airport Business Permit for Sheltair Denton Jet Center, LLC to conduct Fixed Based Operator and On-Airport Rental Car Concession services at the Denton Enterprise Airport. (AAB24-019)

The item was presented, and discussion followed.

Member Ahrens moved to approve the item as presented. Vice Chair Woolfolk seconded the motion. Motion carried.

AYES (7): Chair Tickner, Vice Chair Woolfolk, Members Ahrens, Smith, Patterson, Bird, and Stonecipher NAYS (0): NONE ABSENT (0): NONE

### D. Ratification of the Airport Business Permit for Sheltair Aviation Denton, LLC to conduct Hangar Leasing services at the Denton Enterprise Airport. (AAB24-020)

The item was presented, and discussion followed.

Member Ahrens moved to approve the item as presented. Vice Chair Woolfolk seconded the motion. Motion carried.

AYES (7): Chair Tickner, Vice Chair Woolfolk, Members Ahrens, Smith, Patterson, Bird, and Stonecipher NAYS (0): NONE ABSENT (0): NONE

#### 4. WORK SESSION

### A. Receive a report and hold a discussion regarding an overview of Denton Enterprise Airport vehicular parking. (AAB24-017)

The item was presented by Airport Director Ryan Adams, 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 an update on Denton Enterprise Airport Leasing practices. (AAB24-018)

The item was presented by Airport Director Ryan Adams, and discussion followed. There was no direction provided as the items were for presentation/discussion purposes only.

#### 5. CONCLUDING ITEMS

Airport Director Ryan Adams spoke with the Board members regarding the need for two members to sit on the Airport Master Plan board.

Chair Tickner expressed interest in having a tour for educational purposes. Airport Director Ryan Adams requested a poll regarding which month would work best for the tour and stated that new members had been given a tour as they were established on the board. Airport Staff member Chase Patterson stated he would like to gather information regarding construction and when the best time would be for an overall Airport tour.

City of Denton Airport Advisory Board Minutes May 8, 2024 Page 3

The next scheduled Airport Advisory Board meeting is June 12, 2024, at 3:00 p.m.

With no further business, the meeting was adjourned at 4:30 p.m.

Х			
Bob Ticki	ner		
Chairmar	1		

X Leanne Alexander Recording Secretary

MINUTES APPROVED ON: \_\_\_\_\_



Legislation Text

#### File #: AAB24-021, Version: 1

#### AGENDA CAPTION

Staff Reports:

1. Monthly Operations Report - June 2024

2. Monthly Construction Report - June 2024

3. Administrative Update - June 2024

4. Airport Advisory Board-City Council Airport Related Items Matrix - June 2024

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#### MONTHLY OPERATIONS REPORT June 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	May-23	May-24	% Change	2023 YTD	2024 YTD	% Change						
IFR Itinerant	815	1,107	35.8%	3,751	5,233	39.5%						
VFR Itinerant	7,141	8,096	13.4%	29,700	39,136	31.8%						
Local	11,514	10,300	-10.5%	43,178	49,318	14.2%						
Total	19,470	19,503	0.2%	76,629	93,687	22.3%						

FUELING (Fiscal Year)												
Туре	Apr-23	Apr-24	% Change	2023 YTD	2024 YTD	% Change						
AvGas	45,444	62,405	37.3%	260,273	315,181	21.1%						
Jet A	110,233	103,347	-6.2%	846,214	708,708	-16.2%						
Total	155,677	165,752	6.5%	1,106,487	1,023,889	-7.5%						

Monthly Operations Report June 2024 Page 2

ALERTS		
Date	Туре	Description
05/29/2024	Alert II	The pilot in Cessna 152 reported losing engine power and were
		worried they could not make it back to the airport. They were
		eventually able to land safely without further incident.
05/28/2024	Alert II	The pilot of a Piper Seneca reported their left engine out
		midflight and they could not restart. The pilot continued into the
		airport for landing and was able to land without further incident.
05/27/2024	Alert III	A pilot in a Beech Sundowner lost control on landing and
		departed RWY 18L on the West side about midfield. There were
		no reported injuries, but the right main gear snapped off from the
		impact. The RWY 18L remained closed for the rest of the day. A
		salvage company came in the following morning and removed
		the aircraft and the runway was reopened.
05/20/2024	Alert II	A pilot reported engine backfires in flight and decided to land at
		an airfield about 3 miles South of Gainesville. The pilot was able
		to land without further incident.
05/07/2024	Alert II	A pilot in a Cessna 152 reported a rudder issue in flight. The
		pilot was able to land without further incident and was able to
		taxi to parking.

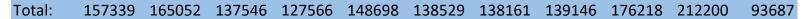
INCIDENTS	
Date	Description
05/07/2024	The pilot of a Cessna 172 reported brake issues on landing causing the aircraft to veer hard to the right. The pilot managed to clear the RWY at A2 and was towed back to parking.
05/06/2024	A Falcon 10 blew a tire on takeoff. They were able to come back and land without further incident. Airport Ops retrieved several pieces of rubber debris from the airfield and reopened the runway without further incident.

#### EXHIBITS

- Historical Airport Operations 2014-2024 (Attached)
   Historical Fuel Flowage 2014-2024 (Attached)
- 3. VirTower Stats (Attached)
- 4. Airport State and National Ranking (Attached)

#### **DENTON ENTERPRISE AIRPORT HISTORICAL OPERATIONS**

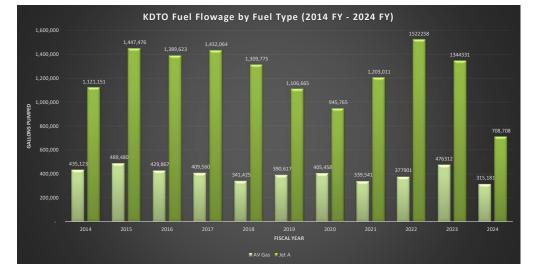
Month:	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
JAN	11019	14419	12074	11070	13036	12323	9830	9138	14030	13814	14618
FEB	10023	10891	12530	9300	7899	9307	11704	6697	10469	13218	20919
MARCH	13929	12886	9240	10846	10659	13074	10055	12423	12719	15134	21655
APRIL	14788	12816	10226	9390	11314	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	
JULY	14912	17359	13190	11162	13553	11718	14274	14124	15936	19931	
AUG	13558	18143	11461	10514	14888	10392	13076	12868	17597	21408	
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	

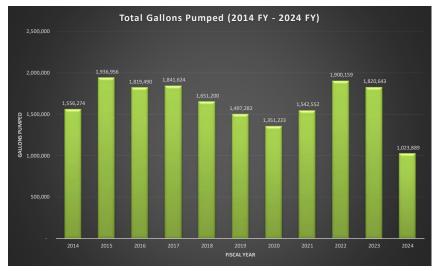




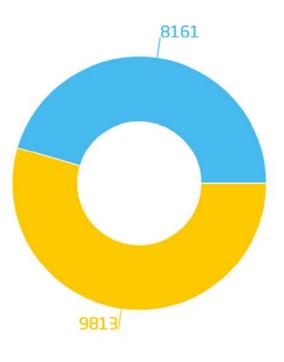
#### Denton Enterprise Airport Fuel Flowage Data (2014 FY - 2024 FY)

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	4,410,465.00
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			
JUN	31482	83118	51039	122798	30860	116535	31497	112690	21686	122843	38995	81278	46965	81254	32022	106194	35282	118103	41080	113687			
JUL	51198	106097	52136	114103	51458	125261	28923	112760	39119	99127	42974	95958	39210	89037	24034	114757	33155	102139	40445	93023			13,530,827.00
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	315181	708708	
	1556.	274	1936	956	1819	9490	1841	624	1651	200	1492	7282	1351	223	1542	2552	1900	0159	1820	643	1023	889	17,941,292





**Operations Based vs Visiting** KDT0 05/01/2024 0:00 > 05/31/2024 23:59 LT





### virtower

From 01/2024 To 04/2024 | State=TX Ranked by : Total Operations

Ranked by : Total C			ltinerant				Local		
# Facility	Air Carrier	Air Taxi	General Aviation	Military	Total	Civil	Military	Total	Total Operations
1 DFW	224,278	4,899	1,892	59	231,128	0	0	0	231,128
2 IAH	121,337	16,851	2,650	31	140,869	0	0	0	140,869
3 AUS	59,061	8,907	14,247	1,840	84,055	138	28	166	84,221
4 DAL	47,906	17,191	15,403	230	80,730	0	0	0	80,730
5 FTW	84	3,699	24,563	500	28,846	45,259	660	45,919	74,765
6 DTO	<mark>1</mark>	<mark>1,220</mark>	<mark>33,630</mark>	<mark>6</mark>	<mark>34,857</mark>	<mark>38,317</mark>	<mark>0</mark>	<mark>38,317</mark>	<mark>73,174</mark>
7 HOU	40,115	10,302	17,610	176	68,203	0	0	0	68,203
8 DWH	2	1,299	22,176	904	24,381	31,333	426	31,759	56,140
9 SAT	31,629	7,715	13,517	1,154	54,015	0	0	0	54,015
10 TKI	0	6,873	11,484	18	18,375	26,505	0	26,505	44,880
11 GTU	0	208	23,071	24	23,303	20,503	14	20,517	43,820
12 SJT	493	886	15,143	5,104	21,626	12,686	6,716	19,402	41,028
13 GKY	5	318	15,735	11	16,069	22,080	4	22,084	38,153
14 CXO	0	888	24,637	249	25,774	11,686	48	11,734	37,508
15 ADS	17	14,340	22,231	44	36,632	506	0	506	37,138
16 AFW	5,225	3,653	11,910	3,363	24,151	10,411	642	11,053	35,204
17 HQZ	8	204	8,727	13	8,952	25,082	46	25,128	34,080
18 ELP	13,944	5,118	7,740	2,306	29,108	2,206	697	2,903	32,011
19 ACT	656	1,812	12,742	1,330	16,540	12,350	157	12,507	29,047
20 GPM	0	12	13,848	22	13,882	14,779	22	14,801	28,683
21 FWS	0	726	9,603	10	10,339	16,250	2	16,252	26,591
22 RBD	0	173	13,476	65	13,714	12,771	4	12,775	26,489

From 01/2024 To 04/2024 | State=TX Ranked by : Total Operations

			ltinerant			Local					
# Facility	Air Carrier	Air Taxi	General Aviation	Military	Total	Civil	Military	Total	Total Operations		
23 HYI	0	545	11,935	88	12,568	13,400	42	13,442	26,010		
24 GGG	387	3,963	7,129	1,196	12,675	12,588	547	13,135	25,810		
25 SSF	0	1,401	10,308	1,086	12,795	12,739	262	13,001	25,796		
26 LBB	4,646	4,480	8,288	1,730	19,144	4,739	893	5,632	24,776		
27 SGR	0	2,818	12,115	22	14,955	8,664	0	8,664	23,619		
28 BAZ	0	834	8,855	854	10,543	11,459	898	12,357	22,900		
29 CRP	3,464	2,100	4,965	11,429	21,958	0	62	62	22,020		
30 CLL	601	1,748	10,664	2,912	15,925	4,337	778	5,115	21,040		
31 MFE	3,000	889	9,103	1,458	14,450	6,199	66	6,265	20,715		
32 MAF	6,100	2,691	6,654	2,658	18,103	718	1,331	2,049	20,152		
33 GYI	0	601	8,818	104	9,523	8,826	150	8,976	18,499		
34 VCT	0	841	1,875	4,280	6,996	640	8,741	9,381	16,377		
35 ABI	1,333	1,172	4,931	2,551	9,987	3,032	1,400	4,432	14,419		
36 LRD	2,808	3,928	5,579	860	13,175	334	858	1,192	14,367		
37 HRL	4,178	603	2,559	1,313	8,653	1,242	3,742	4,984	13,637		
38 GLS	0	2,296	6,027	251	8,574	4,743	152	4,895	13,469		
39 AMA	2,770	2,164	2,901	3,081	10,916	1,126	1,342	2,468	13,384		
40 CNW	0	102	2,881	528	3,511	7,590	866	8,456	11,967		
41 TYR	544	1,343	6,322	78	8,287	2,284	64	2,348	10,635		
42 BRO	1,651	1,178	3,460	1,042	7,331	1,254	254	1,508	8,839		
43 BPT	367	468	3,286	248	4,369	0	0	0	4,369		
Total:	576,610	143,459	474,690	55,228	1,249,987	408,776	31,914	440,690	1,690,677		

From 01/2024 To 04/2024 Ranked by : Total Operations

Ranked by : Total Op			ltinerant				Local		
# Facility	Air Carrier	Air Taxi	General Aviation	Military	Total	Civil	Military	Total	Total Operations
1 ATL	248,866	2,875	2,239	75	254,055	0	0	0	254,055
2 ORD	194,061	38,121	1,027	23	233,232	0	0	0	233,232
3 DFW	224,278	4,899	1,892	59	231,128	0	0	0	231,128
4 DEN	191,440	25,617	822	103	217,982	0	0	0	217,982
5 LAS	132,386	46,384	12,149	3,268	194,187	0	0	0	194,187
6 CLT	149,551	28,570	7,852	246	186,219	0	0	0	186,219
7 LAX	172,761	7,142	4,271	155	184,329	0	0	0	184,329
8 MIA	157,709	10,162	5,585	153	173,609	0	0	0	173,609
9 PHX	142,382	11,565	8,406	898	163,251	0	0	0	163,251
10 JFK	142,251	1,797	3,843	128	148,019	0	0	0	148,019
11 MCO	136,325	5,710	5,136	95	147,266	0	0	0	147,266
12 IAH	121,337	16,851	2,650	31	140,869	0	0	0	140,869
13 FFZ	5	25,925	29,577	389	55,896	82,967	4	82,971	138,867
14 DVT	4	24,254	21,763	29	46,050	90,253	116	90,369	136,419
15 EWR	128,815	2,995	4,051	49	135,910	0	0	0	135,910
16 SEA	125,594	1,253	386	6	127,239	0	0	0	127,239
17 LGB	11,952	4,924	37,088	218	54,182	72,134	8	72,142	126,324
18 BOS	104,234	15,413	2,378	61	122,086	0	0	0	122,086
19 MYF	1	1,697	35,076	447	37,221	83,659	72	83,731	120,952
20 SFO	108,474	7,001	2,234	891	118,600	0	0	0	118,600
21 HWO	0	312	30,743	0	31,055	85,085	0	85,085	116,140
22 LGA	112,749	1,601	1,060	28	115,438	0	0	0	115,438

From 01/2024 To 04/2024 Ranked by : Total Operations

Ranked by . Total Op	Itinerant								
# Facility	Air Carrier	Air Taxi	General Aviation	Military	Total	Civil	Military	Total	Total Operations
23 FLL	88,799	11,932	13,389	549	114,669	0	0	0	114,669
24 PRC	1	21,988	12,417	188	34,594	77,099	39	77,138	111,732
25 APA	12	16,480	33,601	1,015	51,108	59,857	46	59,903	111,011
26 TMB	7	2,461	50,588	91	53,147	56,868	62	56,930	110,077
27 HNL	56,395	30,550	17,558	5,038	109,541	22	2	24	109,565
28 SLC	80,024	13,515	13,629	1,071	108,239	206	0	206	108,445
29 MSP	98,343	4,762	2,385	633	106,123	0	0	0	106,123
30 IWA	4,678	28,276	8,441	760	42,155	62,785	544	63,329	105,484
31 DAB	1,993	60,798	14,142	256	77,189	27,337	0	27,337	104,526
32 SNA	31,217	8,717	31,145	70	71,149	29,595	46	29,641	100,790
33 VNY	30	11,832	38,868	131	50,861	48,570	2	48,572	99,433
34 DCA	96,921	696	701	739	99,057	0	0	0	99,057
35 SFB	6,614	25,968	11,760	258	44,600	51,498	20	51,518	96,118
36 GFK	810	34,421	3,443	35	38,709	56,911	0	56,911	95,620
37 PHL	69,752	20,336	3,566	171	93,825	0	0	0	93,825
38 DTW	90,462	1,354	1,423	9	93,248	0	0	0	93,248
39 IAD	60,555	20,176	8,851	189	89,771	0	0	0	89,771
40 CHD	3	9,276	20,983	58	30,320	58,992	0	58,992	89,312
41 VRB	668	22,866	19,018	87	42,639	44,279	31	44,310	86,949
42 BJC	5	6,167	31,285	364	37,821	47,990	388	48,378	86,199
43 BNA	64,323	9,094	10,613	901	84,931	8	0	8	84,939
44 AUS	59,061	8,907	14,247	1,840	84,055	138	28	166	84,221

From 01/2024 To 04/2024 Ranked by : Total Operations

	ltinerant				Local				
# Facility	Air Carrier	Air Taxi	General Aviation	Military	Total	Civil	Military	Total	Total Operations
45 TPA	64,746	8,432	9,686	238	83,102	2	0	2	83,104
46 CNO	18	396	21,862	618	22,894	57,954	196	58,150	81,044
47 DAL	47,906	17,191	15,403	230	80,730	0	0	0	80,730
48 VGT	1	7,219	22,700	426	30,346	45,401	445	45,846	76,192
49 BWI	67,759	4,591	2,873	315	75,538	0	0	0	75,538
50 ANC	40,241	18,562	12,326	1,471	72,600	2,486	0	2,486	75,086
51 FTW	84	3,699	24,563	500	28,846	45,259	660	45,919	74,765
52 GYR	58	22,935	10,296	121	33,410	40,292	0	40,292	73,702
53 PBI	24,826	23,500	24,364	715	73,405	4	0	4	73,409
54 DTO	<mark>1</mark>	<mark>1,220</mark>	<mark>33,630</mark>	<mark>6</mark>	<mark>34,857</mark>	<mark>38,317</mark>	<mark>0</mark>	<mark>38,317</mark>	<mark>73,174</mark>
55 SAN	61,795	4,735	2,714	302	69,546	1	0	1	69,547
56 HOU	40,115	10,302	17,610	176	68,203	0	0	0	68,203
57 MEM	58,662	4,306	4,759	326	68,053	0	0	0	68,053
58 CRG	0	861	31,383	260	32,504	34,843	66	34,909	67,413
59 FIN	0	149	18,187	81	18,417	48,728	192	48,920	67,337
60 MDW	50,956	8,793	6,942	93	66,784	0	0	0	66,784
61 OAK	34,562	8,951	8,850	118	52,481	14,198	26	14,224	66,705
62 RDU	41,540	8,054	14,735	1,271	65,600	363	68	431	66,031
63 RVS	1	17,958	12,567	40	30,566	34,474	0	34,474	65,040
64 EVB	0	61	20,872	8	20,941	42,013	8	42,021	62,962
65 FMY	0	1,588	36,123	214	37,925	24,682	2	24,684	62,609
66 FXE	13	9,192	40,212	125	49,542	12,653	0	12,653	62,195





#### MONTHLY CONSTRUCTION REPORT June 2024

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

#### Fire Station 9 (Status Unchanged: Update to be provided at the meeting)

#### I. Achievements

- FRP Install Complete
- Elevator Install Complete
- Apparatus Bay Conduit and Wiring Complete
- Apparatus Bay Ceiling Paint (1<sup>st</sup> Coat Complete)
- Gear Locker Assembly Complete
- East Canopy Install Complete
- Sauna Delivered
- Slide Pole Cages Delivered
- Irrigation Install Started

#### II. Next Steps

- Concrete Polish
- Install Carpet in Day Room
- Install Rubber Flooring in Workout Room
- Complete Plumbing Fixtures
- Finish Lighting Install
- Finish Observation Deck Paver System
- App Bay Folding Door Install
- Complete Fencing on West Side
- Start all Terminal Activities (Demo, Canopy, Paint)
- Finish Irrigation and Complete Landscape
- Final Paint
- Finish Ceiling Tile Install
- Install Pony Wall Glass behind Elevator
- Complete Fire Alarm and G2
- Install Appliances
- Install Sauna

#### RWY 18L-36R Reconstruction (Status Updated)

Phase 2 of the project, which involved the full reconstruction of Runway 18L/36R South of A6, as well as the installation of a new A6 connector is substantially complete, with temporary striping coming the week of June 11. While Phase 3 of the project, which involves a full closure and reconstruction of Runway 18L/36R is slated to start July 8, we will be working with the contractor to get a head start on some drainage work along the Runway throughout the remainder of June. While this will not involve multi-day runway closures, we do expect some night closures, as well as some closures of certain runway exits. All Notices to Airmen (NOTAMs) and communications to airport users will be sent out as soon as a schedule is finalized.





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#### ADMINISTRATIVE UPDATE June 2024

**<u>Reminder Regarding Conflicts of Interest</u>** – In the coming months, the Board will discuss and consider several items that are financial in nature or have significant financial implications, such as the Airport Leasing Policy, the recommendations for the Financial Analysis, and the rates and fees. On May 23, 2024, Airport Advisory Board members were provided an email reminder regarding the City's conflicts of interest obligations for board members. Staff is available if you have any questions. Staff contact: Ryan Adams, Airport.

**Financial Analysis Update** - On June 7, 2024, Airport Advisory Board members were provided an email with an update on the status of the Financial Analysis. The update includes results of the General Aviation Fee Study and recommended assumptions for the Cost Allocation Analysis. Board members are highly encouraged to review this information ahead of a planned discussion at the July Airport Advisory Board meeting. Staff contact: Ryan Adams

<u>Master Plan Public Information Workshop</u> – The Airport will host an Airport Master Plan Public Information Workshop on Wednesday, June 26, 2024, from 5:00 to 6:00 p.m. at the Airport Terminal (5000 Airport Road). Airport users and stakeholders can hear from the planning consultants, ask questions, and learn more about this incredibly important process and what it means for the future of the airport. Staff contact: Ryan Adams

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***Legal Review	Airport Adv	isory Board	City Council	
Description	Date	Action	Date	Action
Pending Items				
Airport Financial Analysis	07/10/2024	Work Session	Pending	Work Sessior
US Trinity Aviation, LLC – Lease Agreement – Site 9	Pending	Pending	Pending	Pending
HC Commercial – Lease Agreement – Site 10	Pending	Pending	Pending	Pending
GKY Holdings 1, LLC – Lease Amendment	Pending	Pending	Pending	Pending
GKY Holdings 1, LLC – Lease Agreement (7B/Tract 2)	Pending	Pending	Pending	Pending
Chapter 3 Amendment	Pending	Pending	Pending	Pending
Completed Items with Airport Advisory Board and City Council				
Airport Master Plan	03/20/2024	Approved 5-0	04/02/2024	Approved 7-0
Airport Financial Update	03/20/2024	Work Session	N/A	Approved 7-0
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 7-0
GKY Holdings 1, LLC – Lease Amendment	12/06/2023	Approved 4-0	12/12/2023	Approved 6-0
Financial Analysis	12/06/2023	Approved 4-0	12/12/2023	Approved 6-0
Nebrig Properties, LP – Lease Assignment	12/06/2023	Approved 4-0	12/12/2023	Approved 6-0
TxDOT – Primary Runway Reconstruction Project	10/11/2023	Approved 4-0	10/24/2023	Approved 6-0
Victory Aviation Supplies, LLC – Consent to Subsublease	09/13/2023	Approved 4-0	09/26/2023	Approved 7-0
Ronald J. Gowan – Lease Assignment	09/13/2023	Approved 4-0	09/26/2023	Approved 7-0
Petersen Hangars, LLC – Lease Assignment	09/13/2023	Approved 4-0	09/26/2023	Approved 7-0
Dave Austin – Lease Assignment	08/09/2023	Approved 5-0	08/15/2023	Approved 7-0
DTO 4858, LLC – Lease Assignment	08/09/2023	Approved 5-0	08/15/2023	Approved 7-0
US Trinity – Lease Assignment	02/23/2023	Approved 4-0	03/07/2023	Approved 6-0
TxDOT – Runway Rehabilitation Project	12/14/2022	Approved 7-0	1/10/2023	Approved 5-0

***Legal Review	Airport Adv	visory Board	City Council		
Description	Date	Action	Date	Action	
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	
3KAM Real Estate, LLC – Lease Assignment	6/08/2022	Approved 4-0	6/28/2022	Approved 7-0	
Willowbend Development, LLC – Consent to Assignment of Sublease	5/11/2022	Approved 5-0	5/17/2022	Approved 7-0	
Pedron Aircraft Works – Lease Assignment	5/11/2022	Approved 5-0	5/17/2022	Approved 7-0	
Ezell Aviation, Inc- Consent to Sublease (CFD Integration, LLC)	5/11/2022	Approved 5-0	5/17/2022	Approved 7-0	
Ezell Aviation, Inc– Consent to Sublease (DSR-Cherokee 180, LLC)	5/11/2022	Approved 5-0	5/17/2022	Approved 7-0	
Ezell Aviation, Inc- Consent to Sublease (Precision Aircraft Maintenance)	5/11/2022	Approved 5-0	5/17/2022	Approved 7-0	
Airport Tower Operations Agreement	3/9/2022	Approved 4-0	3/22/2022	Approved 7-0	
Airport Outer Marker Lease	3/9/2022	Approved 4-0	3/22/2022	Approved 7-0	



Legislation Text

#### File #: AAB24-007, Version: 1

#### AGENDA CAPTION

Receive a report, hold a discussion, and give staff direction regarding Airport Advisory Board Representatives on the Airport Master Plan Advisory Committee.



#### **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: June 12, 2024

#### **SUBJECT**

Receive a report, hold a discussion, and give staff direction regarding Airport Advisory Board Representatives on the Airport Master Plan Advisory Committee.

#### BACKGROUND

The Airport recently initiated its Master Plan project. A significant component of this 12-18 month process will be the creation of a Planning Advisory Committee of stakeholders to advise on the development of the Master Plan recommendations.

There are currently two seats available for members of the Airport Advisory Board to serve on this Committee. Staff would like direction from the Board on which two members should serve. To the extent possible, the members should be able to serve for the entirety of the project.

#### **OPTIONS**

n/a

#### **RECOMMENDATION**

Staff recommends direction be given.

#### ESTIMATED SCHEDULE OF PROJECT

The Committee will meet four times throughout the project. The first meeting is scheduled for 3 p.m. on Wednesday, June 26, 2024.

#### PRIOR ACTION/REVIEW (Council, Boards, Commissions)

n/a

#### EXHIBITS

1. Agenda Information Sheet

Respectfully submitted: Ryan Adams Director of Airport



Legislation Text

#### File #: AAB24-023, Version: 1

#### AGENDA CAPTION

Receive a report, hold a discussion, and give staff direction regarding components of a draft leasing 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: June 12, 2024

#### **SUBJECT**

Receive a report, hold a discussion, and give staff direction regarding components of a draft leasing 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 lease 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.

This presentation will review the first three articles of a future draft leasing policy:

- 1. The introduction;
- 2. Conditions for leasing Airport land or improvements; and
- 3. The agreement document.

A future discussion will cover the fourth (rents, fees, and agreement term) and fifth (reversion of improvements) articles.

#### **OPTIONS**

n/a

#### **RECOMMENDATION**

n/a

#### ESTIMATED SCHEDULE OF PROJECT

Staff anticipates a draft lease policy to be available for Board Review and Council adoption in the late summer.

# **PRIOR ACTION/REVIEW (Council, Boards, Commissions)** May 8, 2024: Work Session Presentation on Leasing Practices

#### **EXHIBITS**

- Agenda Information Sheet
   Presentation

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
  - Article II Conditions for leasing Airport land or improvements
  - Article III The Lease Agreement
  - Article IV Rates, Fees, and Agreement Term (July 2024)
  - Article V Reversion of Improvements (July 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

# **Introductory Components**

# Article I

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

• Policy seeks to:

- 1. Promote Aviation Growth
- 2. Apply Standards Uniformly
- 3. Promote Long-Term Financial Self-Sufficiency
- 4. Ensure Compliance
- Authority of the City to:
  - Enter into agreements
  - Set rates and fees
  - Ensure compliance
  - Occupy improvements in time of emergency

# **Introductory Components**

## Article I

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

- Policy only applies to new agreements or amended agreements
  - Not retroactive

## Article II

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

• Leases proposals must:

- 1. Be consistent with planning documents
- 2. Not interfere with airport ops or other leaseholders
- 3. Promote airport self-sufficiency
- 4. Provide long-term airport benefits
- 5. Support community economic development and airport aesthetics
- 6. Not unreasonably displace aeronautical uses with non-aeronautical
- 7. Does not pose risk to the City
- 8. Does not violate laws, regulations, or other legal obligations

## Article II

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

- Lease applications shall include:
  - Descriptions of proposed activity conducted on leased premises
  - Names and contact information of persons who would own interest in leasehold
  - Description of premises to be leased
  - Type and value of improvements proposed, if applicable
  - Commercial services to be provided, if applicable
- Fee to recoup administrative costs
- 120 deadline to execute lease
  - May be extended by director

## Article II

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

#### Negotiations

- Airport provides <u>key terms and</u> <u>conditions</u> within 60 days
- Director has the authority to negotiate any terms or conditions that are revised by the applicant
- Review and Final Approval
  - Reviewed by Staff and considered by Airport Advisory Board
  - Final approval by the City Council

## Article II

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

- City may at any time issue a request for proposals for:
  - A proposed activity
  - Use of an airport property
- Lists criteria to help determine if RFP is warranted, including:
  - Size and proposed use of property
  - Potential economic impact of use
- Requirements to:
  - Have clear selection criteria
  - Make selection in best interest of airport

## Article III

### • Key Terms and Conditions

- Other Terms and Conditions
- Maintenance
- Additional Requirements

- Key Requirements in Agreement
  - Recitals
  - Leased premises description
  - Description of intended use of and activities on leased premises
  - Term of the agreement
  - Rents and Fees
  - Description of improvements to be made (including their value) and requirement to follow building codes
- Expectation is these key terms and conditions change based on the lease

## Article III

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

- Other Requirements in the Agreement
  - Procedures for lease transfers, subleases
  - Conditions for default
  - Insurance requirements
  - Requirements for lessee to pay for utilities and applicable taxes
  - Requirement to maintain records and possess any necessary licenses
- Other conditions may be required as deemed appropriate by City
- Expectation is these conditions do not change from lease to lease

## Article III

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

- Lessee responsible for ongoing maintenance, including:
  - Preventing trash and debris build up
  - Mitigation of fire hazards, nuisances
  - Irrigation and landscaping
- Condition assessment
  - At lessee's expense
  - 10th year, and every 5 years afterward
  - City approves inspector
  - Lessee must correct deficiencies within 1 year, excepting normal wear and tear

### Article III

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

- Lease shall reference compliance with
  - Federal law and regulations
  - State law and local ordinance
  - Rules and Regulations, Minimum Operating Standards, etc.
- Security Deposit at Lease Execution
  - Two months rent
  - Held as security for operator's performance of lease obligations
  - Returned to Lessee within 30 days following termination of lease.

## **Next Steps**

#### Review remaining Articles at July meeting

- Article IV Rates, Fees, and Agreement Term (July 2024)
- Article V Reversion of Improvements (July 2024)
- Review and consider draft policy in August
  - Public input opportunity
- Council Consideration of Policy in August or September
  - Implementation
    - Updates to lease agreement template, as necessary
    - Updates to application forms, as necessary



Legislation Text

#### File #: AAB24-024, Version: 1

#### AGENDA CAPTION

Receive a report and hold a discussion regarding a presentation on Federal Aviation Administration Grant Assurances.



#### **City of Denton**

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

#### AGENDA INFORMATION SHEET

**DEPARTMENT:** Airport

ACM: Frank Dixon

**DATE:** June 12, 2024

#### **SUBJECT**

Receive a report and hold a discussion regarding a presentation on Federal Aviation Administration Grant Assurances.

#### **BACKGROUND**

The Federal Aviation Administration (FAA) Grant Assurances are obligations that airports agree to when they accept federal funding though the Airport Improvement Program (AIP). Numbering 39, these assurances define what is required for:

- The FAA to approve a grant application;
- The sponsor (i.e. the City of Denton) to construct a project; and
- The sponsor to operate and maintain the airport.

While most of City's obligations under the Grant Assurances remain in full force and effect throughout the useful life of the facilities that are being developed or equipment acquired using the grant funding, there is no limit on the duration of the assurances regarding certain exclusive rights, airport revenue, and property acquisition of federal funds.

Understanding of the grant assurances is critical to developing revenue and leasing policies, airport planning and land use, and many more aspects of airport operations.

Doug Joest with Aviation Management Consulting Group (AMCG) will provide an overview of the Grant Assurances, highlighting those obligations that pertain to leasing, revenue, land use, and reversionary clauses. Doug has over 35 years of aviation experience, including FBO management, Airport Authority Board Member, Airport Authority CFO, and Airport Authority Executive Director. In addition, he has substantial financial and accounting experience outside of the aviation industry.

#### **OPTIONS**

n/a

#### **RECOMMENDATION**

n/a

**PRIOR ACTION/REVIEW (Council, Boards, Commissions)** n/a

#### **EXHIBITS**

- Agenda Information Sheet
   Presentation
- 3. FAA Airport Sponsor Grant Assurances

Respectfully submitted: Ryan Adams Director of Airport

# FAA GRANT ASSURANCES RELATED TO AIRPORT LEASING



#### **PRESENTED BY**

Douglas P. Joest | SENIOR CONSULTANT

djoest@amcg.aero 303.792.8860

Denton Enterprise Airport Advisory Board Virtual June 12, 2024



### KEY AIRPORT SPONSOR ASSURANCES



#### What are Airport Sponsor Assurances?

- To secure Airport Improvement Program (AIP) funds (a grant), an airport sponsor is required to give certain assurances to the FAA known as the Airport Sponsor Assurances.
  - In essence, airport sponsors must agree to comply with the assurances (now 40) as a condition of receiving AIP funds.
- The assurances provide a means for the federal government to ensure that public use **airports** are **developed**, **operated**, and **maintained** in a **safe**, **secure**, **efficient**, **compatible**, and **compliant** manner.



#### FAA GRANT ASSURANCES

- 1. General Federal Requirements
- 2. Responsibility and Authority of the Sponsor
- 3. Sponsor Fund Availability
- 4. Good Title
- **5. Preserving Rights and Powers**
- 6. Consistency with Local Plans
- 7. Consideration of Local Interest
- 8. Consultation with Users
- 9. Public Hearings
- **10. Metropolitan Planning Organization**
- **11. Pavement Preventive Maintenance**
- **12. Terminal Development Prerequisites**
- **13. Accounting System, Audit, and Record Keeping Requirements**
- 14. Minimum Wage Rates
- **15. Veteran's Preference**
- **16. Conformity to Plans and Specifications**
- **17. Construction Inspection and Approval**
- **18. Planning Projects**
- **19. Operation and Maintenance**
- 20. Hazard Removal and Mitigation

- **21. Compatible Land Use**
- 22. Economic Nondiscrimination
- 23. Exclusive Rights
- 24. Fee and Rental Structure
- 25. Airport Revenues
- 26. Reports and Inspections
- 27. Use by Government Aircraft
- 28. Land for Federal Facilities
- 29. Airport Layout Plan
- **30. Civil Rights**
- 31. Disposal of Land
- **32. Engineering and Design Services**
- **33. Foreign Market Restrictions**
- 34. Policies, Standards, and Specifications
- 35. Relocation and Real Property Acquisition
- **36. Access By Intercity Buses**
- **37. Disadvantaged Business Enterprises**
- **38. Hangar Construction**
- **39. Competitive Access**
- 40. Maintain the availability of 100LL avgas



#### FAA GRANT ASSURANCES

- **1. General Federal Requirements** 2. Responsibility and Authority of the Sponsor 3. Sponsor Fund Availability 4. Good Title 5. Preserving Rights and Powers 6. Consistency with Local Plans 7. Consideration of Local Interest 8. Consultation with Users 9. Public Hearings **10. Metropolitan Planning Organization 11. Pavement Preventive Maintenance 12. Terminal Development Prerequisites** 13. Accounting System, Audit, and Record **Keeping Requirements 14. Minimum Wage Rates 15. Veteran's Preference 16. Conformity to Plans and Specifications 17. Construction Inspection and Approval 18. Planning Projects**
- **19. Operation and Maintenance**
- 20. Hazard Removal and Mitigation

- **21. Compatible Land Use**
- 22. Economic Nondiscrimination
- 23. Exclusive Rights
- 24. Fee and Rental Structure
- **25. Airport Revenues**
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- **37. Disadvantaged Business Enterprises**
- **38. Hangar Construction**
- **39. Competitive Access**
- 40. Maintain the availability of 100LL avgas



### **ASSURANCE 4**: **GOOD TITLE**



Airport must have and maintain good title to airport property.



#### ASSURANCE 5: PRESERVING RIGHTS AND POWERS



# Sponsor may not take action that deprives sponsor's rights and powers

 "Sponsor will not take or permit any action which would deprive it of any of the rights and powers necessary to perform the assurances in the grant agreement without the written approval of the FAA Administrator."

# Sponsor must promptly resolve past actions that deprives sponsor's rights and powers

 "Sponsor will act promptly to acquire, extinguish, or modify any outstanding rights or claims of right of others which would interfere with such performance."



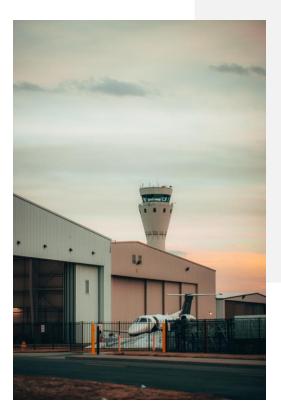
#### ASSURANCE 4 and 5: REVERSION

#### What is Reversion?

Upon expiration of the term of a lease, the ownership of the permanent improvements made by the lessee (tenant) *reverts* to the lessor (airport sponsor) or improvements must be demolished or removed at lessee's cost.



#### REVERSION



#### Assurance 4 – Sponsor Must Maintain Good Title

 An airport may have given away so much in a lease (or other agreement) that it no longer has "free and clear" title to the property (49 USC 47106(b)(1) and Grant Assurance 4)



#### REVERSION

# Assurance 5 – Preserving Rights and Powers

• Airport will not sell, lease or encumber, or otherwise transfer or dispose of any part of its title or interests in the "Exhibit A" without prior approval from the FAA



- Subordination clause
- Failure to include or exercise lease agreement reversionary clauses contributes to eliminating the sponsor's rights and powers



### ASSURANCE 19: OPERATION AND MAINTENANCE

# Airport must be operated in a safe and serviceable condition

 "The airport and all facilities which are necessary to serve the aeronautical users of the airport shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable federal, state, and local agencies for maintenance and operation."







#### Airport must be available on reasonable terms, without unjust discrimination

 "Sponsor will make its airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds, and classes of aeronautical use."



# Each similar commercial aeronautical activity shall be subject to same rents and fees

 "Each commercial aeronautical activity (operator) shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other such operators making the same of similar uses of the airport and utilizing the same or similar facilities."

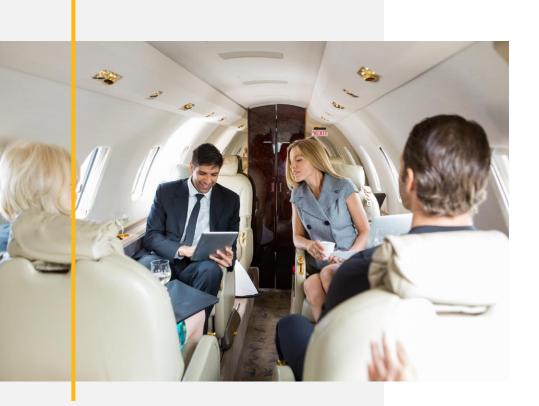


Each commercial aeronautical activity shall be provided on reasonable terms, without unjust discrimination



- "Each commercial aeronautical activity (operator) shall furnish services on a reasonable and not unjustly discriminatory basis to all airport users."
  - "This provision shall be included in the agreement with the operator and shall be enforced by the sponsor."





#### Sponsor may establish reasonable and not unjustly discriminatory rules and regulations

 Sponsor may establish reasonable and not unjustly discriminatory conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.





# Sponsor may prohibit activities that are unsafe or do not serve civil aviation needs

- "Sponsor may prohibit or limit any type, kind, or class of aeronautical use."
  - Must be necessary for safe operation of "airport".

- OR –

- Must be necessary to serve the civil aviation needs of the "public"
- FAA must concur with sponsor





#### Sponsor may engage in Commercial Aeronautical Activities

- "Sponsor may engage in competitive commercial aeronautical activity."
  - "Subject to same conditions as applicable to competing contractors or concessionaires."



#### Sponsor may not unreasonably prevent noncommercial self-service activities

- Sponsor will not exercise or grant any right or privilege which operates to prevent any person operating aircraft on the airport from performing any services on its own aircraft with its own employees and equipment that it may chose to perform including, but not limited to, maintenance, repair, and fueling of aircraft.
  - Each air carrier using the airport shall have the right to service itself or to use any commercial flight support service provider authorized or permitted by the airport to serve any air carrier at the airport.





# Sponsor will not grant exclusive use of the airport

• Sponsor will permit **no exclusive right** for the **use of the airport** by any person providing, or intending to provide, aeronautical services to the public (47107(a)(4)).

#### Definition of an exclusive right

• Any power, privilege or right **excluding** or **debarring another** from enjoying or exercising a like power, privilege, or right.



#### How is an exclusive right conferred?



- By express agreement
- By the imposition of unreasonable terms, conditions, and standards
- By any other means
- May be conferred on one or more parties

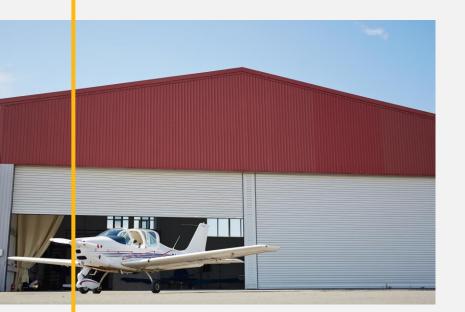


#### FAA policy on exclusive rights



- Granting an exclusive right...
  - Restricts the opportunity to engage in aeronautical activity on a federally funded airport
  - Limits the usefulness of federally funded airports
  - **Deprives** the **public** of the benefits of competitive commercial enterprise





# Sponsor may exclusively provide commercial aeronautical activities

- "Sponsor may engage in any commercial aeronautical activity and deny same rights to others without violating prohibition."
  - Proprietary Exclusive Right
  - Only as a principal
    - Using its own employees, equipment, and resources





#### Airport may have a single provider of a commercial aeronautical activity, if...

It would be unreasonably costly, burdensome, or **impractical** for more than one FBO to provide aeronautical service(s)

#### **AND**

Allowing more than one FBO to provide service(s) would require the reduction of space leased under an existing agreement



### ASSURANCE 24: FEE AND RENTAL STRUCTURE



#### Sponsor will strive to be selfsustaining by establishing a rent and fee program (policy)

 "Sponsor will maintain a fee and rental structure for the facilities and services at the airport which will make the airport which will make the airport as selfsustaining as possible under the circumstances existing at the particular airport."



FAA GRANT ASSURANCES RELATED TO AIRPORT LEASING



# **Questions and Answers**

# Thank You

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> djoest@amcg.aero 303.792.8860





FAA Airports

## ASSURANCES AIRPORT SPONSORS

## A. General.

- 1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
- 2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
- 3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this Grant Agreement.

## B. Duration and Applicability.

1. Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.

The terms, conditions and assurances of this Grant Agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

## 2. Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.

The preceding paragraph (1) also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

## 3. Airport Planning Undertaken by a Sponsor.

Unless otherwise specified in this Grant Agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 23, 25, 30, 32, 33, 34, and 37 in Section C apply to planning projects. The terms, conditions, and

assurances of this Grant Agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport.

## C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

## 1. General Federal Requirements

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance, and use of Federal funds for this Grant including but not limited to the following:

## **F**EDERAL LEGISLATION

- a. 49 U.S.C. subtitle VII, as amended.
- b. Davis-Bacon Act, as amended 40 U.S.C. §§ 3141-3144, 3146, and 3147, et seq.<sup>1</sup>
- c. Federal Fair Labor Standards Act 29 U.S.C. § 201, et seq.
- d. Hatch Act 5 U.S.C. § 1501, et seq.<sup>2</sup>
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. § 4601, et seq.<sup>1, 2</sup>
- f. National Historic Preservation Act of 1966 Section 106 54 U.S.C. § 306108.<sup>1</sup>
- g. Archeological and Historic Preservation Act of 1974 54 U.S.C. § 312501, et seq.<sup>1</sup>
- h. Native Americans Grave Repatriation Act 25 U.S.C. § 3001, et seq.
- i. Clean Air Act, P.L. 90-148, as amended 42 U.S.C. § 7401, et seq.
- j. Coastal Zone Management Act, P.L. 92-583, as amended 16 U.S.C. § 1451, et seq.
- k. Flood Disaster Protection Act of 1973 Section 102(a) 42 U.S.C. § 4012a.<sup>1</sup>
- I. 49 U.S.C. § 303, (formerly known as Section 4(f)).
- m. Rehabilitation Act of 1973 29 U.S.C. § 794.
- n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin).
- o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.) (prohibits discrimination on the basis of disability).
- p. Age Discrimination Act of 1975 42 U.S.C. § 6101, et seq.
- q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- r. Architectural Barriers Act of 1968, as amended 42 U.S.C. § 4151, et seq.<sup>1</sup>
- s. Powerplant and Industrial Fuel Use Act of 1978 Section 403 42 U.S.C. § 8373.<sup>1</sup>
- t. Contract Work Hours and Safety Standards Act 40 U.S.C. § 3701, et seq.<sup>1</sup>
- u. Copeland Anti-kickback Act 18 U.S.C. § 874.<sup>1</sup>

- v. National Environmental Policy Act of 1969 42 U.S.C. § 4321, et seq.<sup>1</sup>
- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended 16 U.S.C. § 1271, et seq.
- x. Single Audit Act of 1984 31 U.S.C. § 7501, et seq.<sup>2</sup>
- y. Drug-Free Workplace Act of 1988 41 U.S.C. §§ 8101 through 8105.
- z. The Federal Funding Accountability and Transparency Act of 2006, as amended (P.L. 109-282, as amended by section 6202 of P.L. 110-252).
- aa. Civil Rights Restoration Act of 1987, P.L. 100-259.
- bb. Build America, Buy America Act, P.L. 117-58, Title IX.

#### **EXECUTIVE ORDERS**

- a. Executive Order 11246 Equal Employment Opportunity<sup>1</sup>
- b. Executive Order 11990 Protection of Wetlands
- c. Executive Order 11998 Flood Plain Management
- d. Executive Order 12372 Intergovernmental Review of Federal Programs
- e. Executive Order 12699 Seismic Safety of Federal and Federally Assisted New Building Construction<sup>1</sup>
- f. Executive Order 12898 Environmental Justice
- g. Executive Order 13166 Improving Access to Services for Persons with Limited English Proficiency
- h. Executive Order 13985 Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government
- i. Executive Order 13988 Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation
- j. Executive Order 14005 Ensuring the Future is Made in all of America by All of America's Workers
- k. Executive Order 14008 Tackling the Climate Crisis at Home and Abroad

#### **FEDERAL REGULATIONS**

- a. 2 CFR Part 180 OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).
- b. 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. <sup>4, 5</sup>
- c. 2 CFR Part 1200 Nonprocurement Suspension and Debarment.
- d. 14 CFR Part 13 Investigative and Enforcement Procedures.
- e. 14 CFR Part 16 Rules of Practice for Federally-Assisted Airport Enforcement Proceedings.
- f. 14 CFR Part 150 Airport Noise Compatibility Planning.

- g. 28 CFR Part 35 Nondiscrimination on the Basis of Disability in State and Local Government Services.
- h. 28 CFR § 50.3 U.S. Department of Justice Guidelines for the Enforcement of Title VI of the Civil Rights Act of 1964.
- i. 29 CFR Part 1 Procedures for Predetermination of Wage Rates.<sup>1</sup>
- j. 29 CFR Part 3 Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States.<sup>1</sup>
- k. 29 CFR Part 5 Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (Also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to the Contract Work Hours and Safety Standards Act).<sup>1</sup>
- 41 CFR Part 60 Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and Federally-assisted contracting requirements).<sup>1</sup>
- m. 49 CFR Part 20 New Restrictions on Lobbying.
- n. 49 CFR Part 21 Nondiscrimination in Federally-Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964.
- o. 49 CFR Part 23 Participation by Disadvantage Business Enterprise in Airport Concessions.
- p. 49 CFR Part 24 Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs.<sup>1, 2</sup>
- q. 49 CFR Part 26 Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs.
- r. 49 CFR Part 27 Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance.<sup>1</sup>
- s. 49 CFR Part 28 Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation.
- t. 49 CFR Part 30 Denial of Public Works Contracts to Suppliers of Goods and Services of Countries That Deny Procurement Market Access to U.S. Contractors.
- u. 49 CFR Part 32 Governmentwide Requirements for Drug-Free Workplace (Financial Assistance).
- v. 49 CFR Part 37 Transportation Services for Individuals with Disabilities (ADA).
- w. 49 CFR Part 38 Americans with Disabilities Act (ADA) Accessibility Specifications for Transportation Vehicles.
- x. 49 CFR Part 41 Seismic Safety.

## FOOTNOTES TO ASSURANCE (C)(1)

- <sup>1</sup> These laws do not apply to airport planning sponsors.
- <sup>2</sup> These laws do not apply to private sponsors.
- <sup>3</sup> 2 CFR Part 200 contains requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation shall

apply where applicable to private sponsors receiving Federal assistance under Title 49, United States Code.

- <sup>4</sup> Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.
- <sup>5</sup> Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

## **SPECIFIC ASSURANCES**

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this Grant Agreement.

## 2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this Grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this Grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this Grant Agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

## 3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this Grant Agreement which it will own or control.

## 4. Good Title.

- a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.
- b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

## 5. Preserving Rights and Powers.

a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this Grant Agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere

with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.

- b. Subject to the FAA Act of 2018, Public Law 115-254, Section 163, it will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this Grant Agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this Grant Agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this Grant Agreement.
- c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.
- d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.
- e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.
- f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to ensure that the airport will be operated and maintained in accordance with Title 49, United States Code, the regulations and the terms, conditions and assurances in this Grant Agreement and shall ensure that such arrangement also requires compliance therewith.
- g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.

## 6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

## 7. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where the project may be located.

## 8. Consultation with Users.

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

## 9. Public Hearings.

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

## 10. Metropolitan Planning Organization.

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

## **11.** Pavement Preventive Maintenance-Management.

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

## 12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under 49 U.S.C. § 44706, and all the security equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

## 13. Accounting System, Audit, and Record Keeping Requirements.

a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this Grant, the total cost of the project in connection with which this Grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The

accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.

b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this Grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this Grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

## 14. Minimum Wage Rates.

It shall include, in all contracts in excess of \$2,000 for work on any projects funded under this Grant Agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor under 40 U.S.C. §§ 3141-3144, 3146, and 3147, Public Building, Property, and Works), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

## 15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this Grant Agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in 49 U.S.C. § 47112. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

## 16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this Grant Agreement, and, upon approval of the Secretary, shall be incorporated into this Grant Agreement. Any modification to the approved plans, specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this Grant Agreement.

## 17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

## 18. Planning Projects.

In carrying out planning projects:

- a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.
- b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
- c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.
- d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
- e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.
- f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
- g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
- h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

## 19. Operation and Maintenance.

- a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state, and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for:
  - 1. Operating the airport's aeronautical facilities whenever required;
  - 2. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
  - 3. Promptly notifying pilots of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or

facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.

b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

## 20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

## 21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

## 22. Economic Nondiscrimination.

- a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.
- b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to:
  - 1. Furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
  - 2. Charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
- c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.
- d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.
- e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable

classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.

- f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees (including, but not limited to maintenance, repair, and fueling) that it may choose to perform.
- g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.
- h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
- i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

## 23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

- a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and
- b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

## 24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for

which a Grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

## 25. Airport Revenues.

- a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:
  - 1. If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.
  - 2. If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.
  - 3. Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at 49 U.S.C. § 47102), if the FAA determines the airport sponsor meets the requirements set forth in Section 813 of Public Law 112-95.
- b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.
- c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of 49 U.S.C. § 47107.

## 26. Reports and Inspections.

It will:

a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the

public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;

- b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;
- c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this Grant Agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and
- d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:
  - 1. all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and
  - 2. all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

## 27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that:

- a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or
- b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

## 28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

## 29. Airport Layout Plan.

- a. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, it will keep up to date at all times an airport layout plan of the airport showing:
  - 1. boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;
  - the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities;
  - 3. the location of all existing and proposed non-aviation areas and of all existing improvements thereon; and
  - 4. all proposed and existing access points used to taxi aircraft across the airport's property boundary.

Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.

- b. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, if a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary:
  - 1. eliminate such adverse effect in a manner approved by the Secretary; or
  - 2. bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

## 30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, color, and national origin (including limited English proficiency) in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4); creed and sex (including sexual orientation and gender identity) per 49 U.S.C. § 47123 and related requirements; age per the Age Discrimination Act of 1975 and related requirements; or disability per the Americans with Disabilities Act of 1990 and related requirements, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any program and activity conducted with, or benefiting from, funds received from this Grant.

- Using the definitions of activity, facility, and program as found and defined in 49 CFR §§ 21.23(b) and 21.23(e), the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by or pursuant to these assurances.
- b. Applicability
  - 1. Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.
  - 2. Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter, or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.
  - 3. Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.
- c. Duration.

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

- 1. So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or
- 2. So long as the sponsor retains ownership or possession of the property.
- d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this Grant Agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

"The ([Selection Criteria: Sponsor Name]), in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, [select businesses, or disadvantaged business enterprises or airport concession disadvantaged business enterprises] will be afforded full and fair opportunity to submit bids in response to this invitation and no businesses will be discriminated against on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in consideration for an award."

- e. Required Contract Provisions.
  - It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the Department of Transportation (DOT), and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.

- 2. It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.
- 3. It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.
- 4. It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability as a covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:
  - a. For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
  - b. For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
- f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.
- g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

## 31. Disposal of Land.

- a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:
  - 1. Reinvestment in an approved noise compatibility project;
  - Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
  - 3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117;
  - 4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport; or
  - 5. Payment to the Secretary for deposit in the Airport and Airway Trust Fund.

If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.

- b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, upon application to the Secretary, be reinvested or transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:
  - 1. Reinvestment in an approved noise compatibility project;
  - Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
  - 3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117;
  - 4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport; or
  - 5. Payment to the Secretary for deposit in the Airport and Airway Trust Fund.
- c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.
- d. Disposition of such land under (a), (b), or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

## 32. Engineering and Design Services.

If any phase of such project has received Federal funds under Chapter 471 subchapter 1 of Title 49 U.S.C., it will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services in the same manner as a contract for architectural and engineering services is negotiated under Chapter 11 of Title 40 U S.C., or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

## 33. Foreign Market Restrictions.

It will not allow funds provided under this Grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by

the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

## 34. Policies, Standards, and Specifications.

It will carry out any project funded under an Airport Improvement Program Grant in accordance with policies, standards, and specifications approved by the Secretary including, but not limited to, current FAA Advisory Circulars (<u>https://www.faa.gov/airports/aip/media/aip-pfc-checklist.pdf</u>) for AIP projects as of [Selection Criteria: Project Application Date].

## 35. Relocation and Real Property Acquisition.

- a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.
- b. It will provide a relocation assistance program offering the services described in Subpart C of 49 CFR Part 24 and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.
- c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

## 36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

## 37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin, or sex, in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantaged Business Enterprise (ACDBE) programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. § 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. §§ 3801-3809, 3812).

## 38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

## **39. Competitive Access.**

- a. If the airport owner or operator of a medium or large hub airport (as defined in 49 U.S.C. § 47102) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that:
  - 1. Describes the requests;
  - 2. Provides an explanation as to why the requests could not be accommodated; and
  - 3. Provides a time frame within which, if any, the airport will be able to accommodate the requests.
- b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.