City of Denton



Meeting Agenda

Airport Advisory Board

Wednesday, August 14, 2024	3:00 PM	Airport Terminal Meeting Room
Wednesday, August 14, 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, August 14, 2024, at 3:00 p.m. in the Meeting Room at the Denton Enterprise Airport Terminal Building, 5000 Airport Road, Denton, Texas, at which the following items will be considered:

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

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

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

2. PRESENTATIONS FROM MEMBERS OF THE PUBLIC

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

3. ITEMS FOR CONSIDERATION

A. <u>AAB24-025</u> Consider approval of the minutes of June 12, 2024.

 Attachments:
 Exhibit 1 - Agenda Information Sheet

 Exhibit 2 - Draft Minutes - June 12, 2024

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

 Attachments:
 Exhibit 1 - Agenda Information Sheet

 Exhibit 2 - Location Map

 Exhibit 3 - Second Amendment to Airport Lease

4. WORK SESSION

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

<u>Attachments:</u> Exhibit 1 - Agenda Information Sheet Exhibit 2 - Presentation

B.	<u>AAB24-026</u>	Receive a report and hold a discussion regarding the Denton Enterprise Airport Hangar		
		Waitlist Guidelines.		
	<u>Attachments:</u>	Exhibit 1 - Agenda Information Sheet		
		Exhibit 2 - Presentation		
		Exhibit 3 - Hangar Waitlist Guidelines		
C.	<u>AAB24-027</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		
D.	<u>AAB24-029</u>	Staff Reports:		
		1. Monthly Operations Report - August 2024		
		2. Monthly Construction Report - August 2024		
		3. Administrative Update - August 2024		
4. Airport Advisory Board-City Council Airport Related Items Matrix - August 2024				
	<u>Attachments:</u>	Monthly Operations Report - August 2024		
		Monthly Construction Report - August 2024		
		Administrative Update - August 2024		
		Airport Advisory Board-City Council Airport Related Items Matrix - August 2024		
5. 0	ONCLUDING	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

Ι certify that the above notice of meeting was posted on the official website (https://tx-denton.civicplus.com/242/Public-Meetings-Agendas) and bulletin board at City Hall, 215 E. McKinney Street, Denton, Texas, on August 9, 2024, in advance of the 72-hour posting deadline, as applicable, and in accordance with Chapter 551 of the Texas Government Code.

OFFICE OF THE CITY SECRETARY

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



Legislation Text

File #: AAB24-025, Version: 1

AGENDA CAPTION Consider approval of the minutes of June 12, 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: August 14, 2024

SUBJECT

Consider approval of the minutes of June 12, 2024.

BACKGROUND

The draft minutes from the Airport Advisory Board meeting of June 12, 2024, are attached for the Board's consideration and approval.

EXHIBITS

- 1. Agenda Information Sheet
- 2. Draft Minutes June 12, 2024

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

MINUTES AIRPORT ADVISORY BOARD June 12, 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, June 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, Ann Patterson, and Brownie Stonecipher.

ABSENT: Members David Smith and Davis Bird.

1. PLEDGE OF ALLEGIANCE

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

2. PRESENTATION FROM MEMBERS OF THE PUBLIC

None

3. ITEMS FOR CONSIDERATION

A. Consider approval of the minutes of May 8, 2024. (AAB24-022)

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

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

B. Staff Reports: (AAB24-021)

- 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

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

4. WORK SESSION

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

The item was presented by Director Adams, and discussion followed. Vice Chair Woolfolk and Member Patterson volunteered to be representatives on the Airport Master Plan Advisory Committee.

B. Receive a report, hold a discussion, and give staff direction regarding components of a draft leasing policy. (AAB24-023)

The item was presented by Director Adams, and discussion followed. Board members requested additional information. Director Adams will elaborate on additional presentation topics at the next scheduled Airport Advisory Board meeting.

C. Receive a report and hold a discussion regarding a presentation on Federal Aviation Administration Grant Assurances. (AAB24-024)

The item was presented by Doug Joest, a representative of Aviation Management Consulting Group ("AMCG"), and discussion followed. There was no direction provided as the items were for presentation/discussion purposes only.

5. CONCLUDING ITEMS

The next scheduled Airport Advisory Board meeting is July 10, 2024, at 3:00 p.m. Vice Chair Woolfolk requested the board members be polled for a July 17, 2024, Special Meeting date. Airport staff member Alexander stated she would send out a poll and the majority quorum would determine the meeting date.

Vice Chair Woolfolk requested that Airport staff provide a list of municipalities that include a condition assessment in their lease agreements.

With no further business, the meeting was adjourned at 4:43 p.m.

Х	
Bob Tickner	
Chairman	

Х	
Leanne Alexander Recording Secretary	

MINUTES APPROVED ON: _____



Legislation Text

File #: AAB24-028, Version: 1

AGENDA CAPTION

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

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City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Airport

ACM: Frank Dixon

DATE: August 14, 2024

SUBJECT

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

BACKGROUND

The lease agreement with GKY Holdings 1, LLC ("Lessee") is a 30-year agreement executed on May 7, 2019, and effective from March 19, 2019, through March 18, 2049. The lease term may be extended by two optional renewals, each for an additional five years, at the sole discretion of the City. The leasehold encompasses 1.704 acres and includes a 20,000 square foot building currently utilized for office and classroom space, aircraft storage, and aircraft maintenance.

The Lessee has requested an amendment to Section 1.2 to incorporate an additional 14,466.76 square feet (0.336 acres) into the leasehold. This additional area is intended to accommodate Lessee's requirement for increased parking capacity.

RECOMMENDATION

Airport Staff recommends approval of the Second Amendment to Airport Lease (Exhibit 3)

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

May 7, 2019:Council approved the Airport Land Lease Agreement (Ordinance 19-394)July 28, 2020:Council approved a Consent to Collateral Agreement (Ordinance 20-734)June 28, 2022:Council approved a lease assignment and amendment (Ordinance 22-968)August 15, 2023:Council approved a lease assignment and amendment (Ordinance 23-1472)December 12, 2023:Council approved a first amendment to Airport Lease (Ordinance 23-2276)

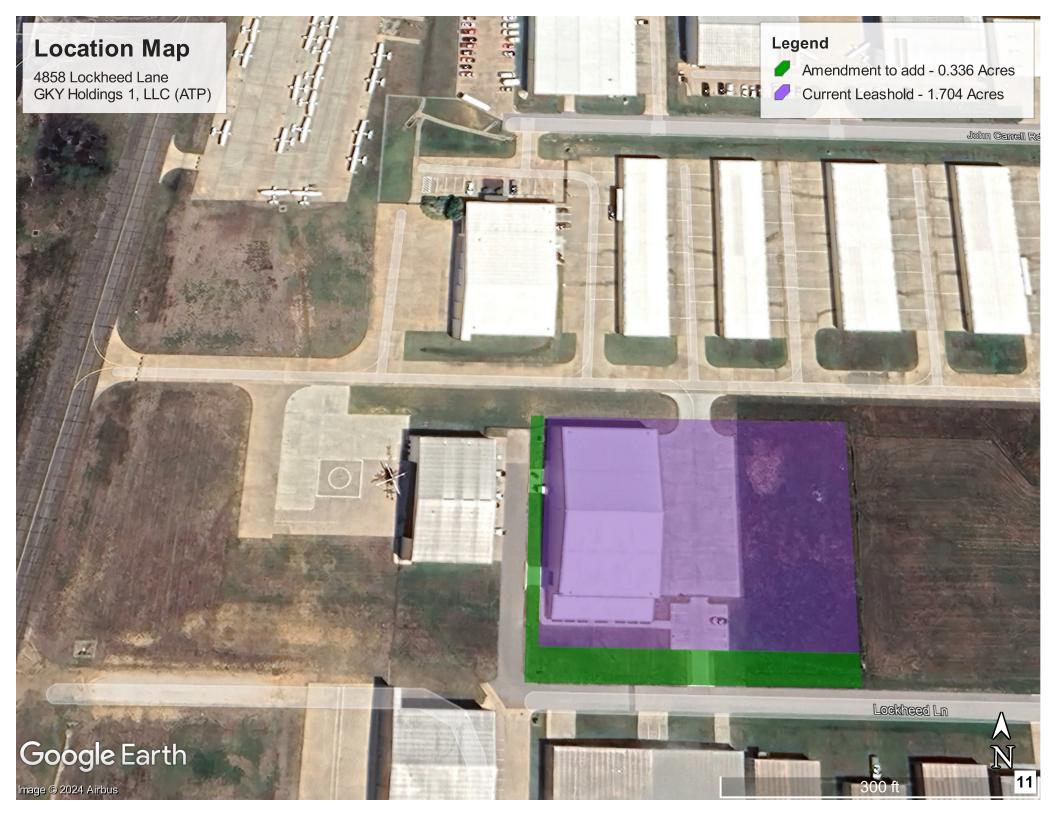
FISCAL INFORMATION

The current property lease encompasses 1.704 acres of land at an annual lease rate of \$28,995.56 (\$0.391 per square foot). Upon approval, the lease will be amended to cover 2.04 acres, with a revised annual rate of \$34,729.42. The annual lease rate includes a Consumer Price Index adjustment every two years from the commencement date and will be adjusted on March 1, 2025.

EXHIBITS

- Agenda Information Sheet
 Location Map
- 3. Second Amendment to Airport Lease

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



SECOND AMENDMENT TO AIRPORT LEASE AGREEMENT

THE STATE OF TEXAS	§	
	§	KNOW ALL MEN BY THESE PRESENTS
COUNTY OF DENTON	§	

This Second Amendment to Airport Lease Agreement ("Amendment") is effective as of the ____ day of _____, 2024 (the "Second Amendment Effective Date"), by and between the City of Denton, a Texas home-rule municipal corporation ("Lessor"), and GKY Holdings 1, LLC, a Texas limited liability company, successor-in-interest to 3KAM Real Estate, LLC and DTO 4858 LLC ("Lessee"), and amends that certain Airport Lease Agreement, effective as of May 7, 2019, by and between Lessor and Lessee (the "Lease").

WITNESSETH:

WHEREAS, the Lessor and Lessee now wish to amend the Lease to update the leasehold square footage; and

WHEREAS, Ordinance No. 22-968 assigned the Lease from 3KAM Real Estate, LLC to DTO 4858 LLC and amended Sections 1.2.A, 8.1.A, and 9.2; and

WHEREAS, Ordinance No. 23-1472 assigned the Lease from DTO 4858 LLC to GKY Holdings 1, LLC and amended section 3.2(A), 3.2(A)(c), and 9.2; and

WHEREAS, Ordinance No. 23-2276 approved an amendment to Sections 8.4 and 8.5; and

NOW, THEREFORE, in consideration of the promises and the mutual covenants contained in this Amendment, the parties hereto agree as follows:

<u>Section 1</u>. The Lease is hereby amended to include the additional land as set forth on Attachment 1 totaling an additional 14,466.76 square feet (0.336 acres) and Exhibit A is amended to include such additional land. The Lease now includes an area of 2.04 acres and the Rent as set forth in Section 2.1 is amended to a revised annual rate of \$34,729.42.

<u>Section 2</u>. Capitalized terms not defined in this Amendment shall have the meaning ascribed to them in the Lease.

<u>Section 3</u>. Except as amended by this Amendment, the provisions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Second Amendment Effective Date.

BY LESSOR: CITY OF DENTON, a Texas home-rule municipal corporation

SARA HENSLEY CITY MANAGER

ATTEST: LAUREN THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM: MACK REINWAND, CITY ATTORNEY

—DocuSigned by:

BY: Marcella lunn 4B070831B4AA438...

Leaseholder: GKY Holdings 1, LLC

By: Airline Transport Professionals Holdings, Inc., By: Durick S. Duruis Derrick S. Dennis, President

BOTH REVIEWED AND APPROVED as to financial and operational obligations and business terms.

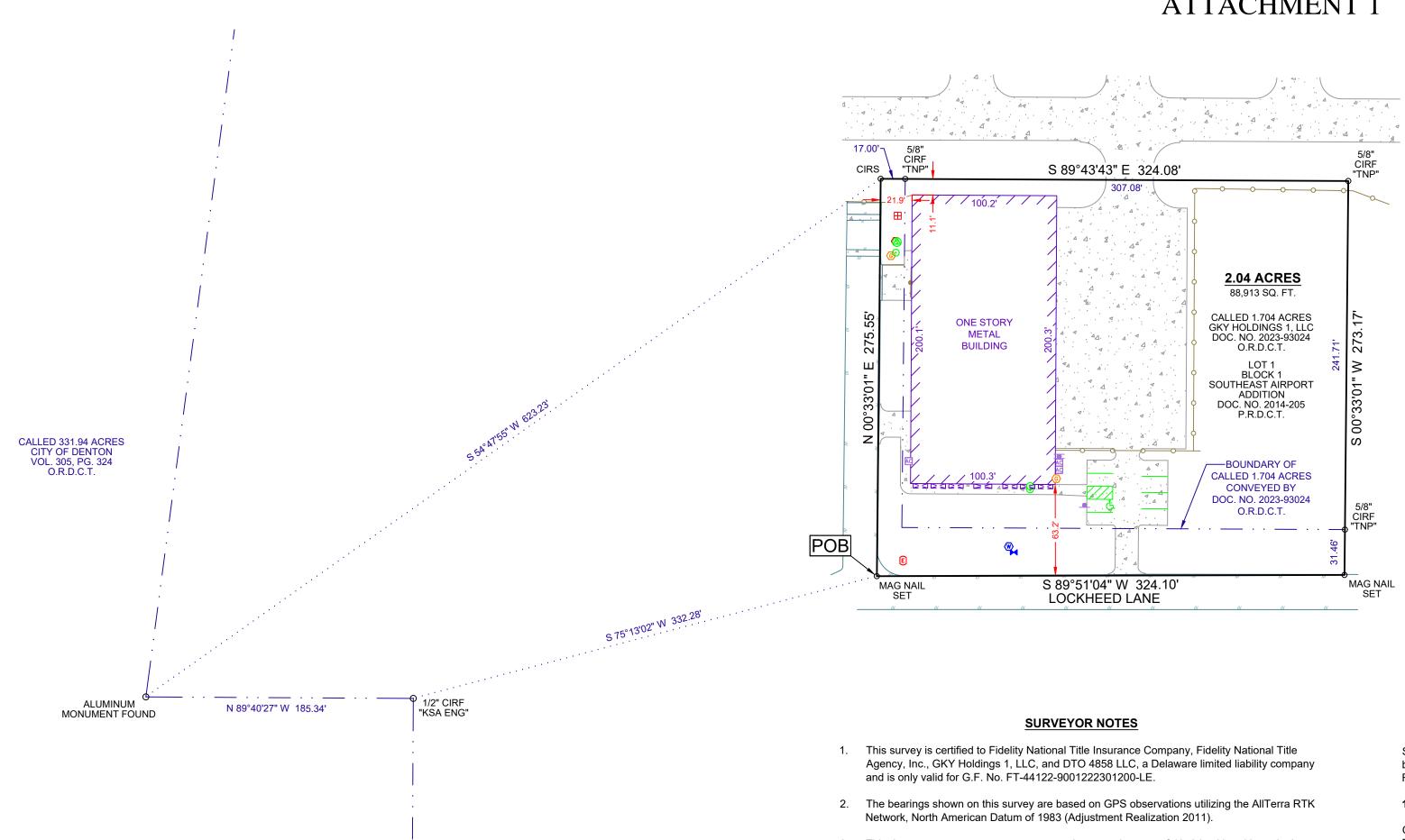
Ryan Adams

J_{76544D73C36F499} Signature Director of Airport

Title Airport

Department Date Signed: 7/24/2024

LAND TITLE SURVEY



LEGAL DESCRIPTION

Being a 2.04 acre tract of land out of the William Neil Survey, Abstract No. 970, situated in Denton County, Texas, being a portion of Lot 1, Block 1 of Southeast Airport Addition, a subdivision of record in Document Number 2014-205 of the Plat Records of Denton County, Texas, together with that certain Certificate of Correction of record in Document Number 2014-117507 of said Official Records, also being all of that certain called 1.704 acre tract of land conveyed to GKY Holdings 1, LLC by Assignment and Assumption of Airport Lease of record in Document Number 2023-93024 of the Official Records of Denton County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a mag nail set for the southwest corner hereof, from which a 1/2 inch iron rod with plastic cap stamped "KSA ENG" found at an interior ell corner in the west line of said Lot 1 bears S75°13'02"W. a distance of 332.28 feet:

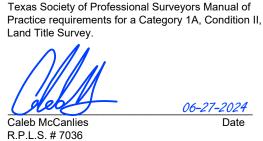
THENCE, over and across said Lot 1, the following four (4) courses and distances:

- 1. N00°33'01"E, a distance of 275.55 feet to a 1/2 inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set for the northwest corner hereof, from which an aluminum monument found at an exterior ell corner in the west line of said Lot 1 bears S54°47'55"W. a distance of 623.23 feet:
- 2. S89°43'43"E, passing at a distance of 17.00 feet a 5/8 inch iron rod with plastic cap stamped "TNP" found at the northwest corner of said 1.704 acre tract, and continuing on said course along the north line of said 1.704 acre tract a total distance of 324.08 feet to a 5/8 inch iron rod with plastic cap stamped "TNP" found at the northeast corner of said 1.704 acre tract and hereof:
- 3. S00°33'01"W, along the east line of said 1.704 acre tract, passing at a distance of 241.71 feet a 5/8 inch iron rod with plastic cap stamped "TNP" found at the southeast corner of said 1.704 acre tract, and continuing on said course a total distance of 273.17 feet to a mag nail set for the southeast corner hereof;
- 4. S89°51'04"W, a distance of 324.10 feet to the **POINT OF BEGINNING**, and containing an area of 2.04 acres (88,913 square feet) of land.

JOB NUMBER 2306.048-02 DATE 06/26/2024 REVISION 06/27/2024 **DRAWN BY** TER



Eagle Surveying, LLC 222 South Elm Street Suite: 200 Denton, TX 76201 940.222.3009 www.eaglesurveying.com TX Firm # 10194177

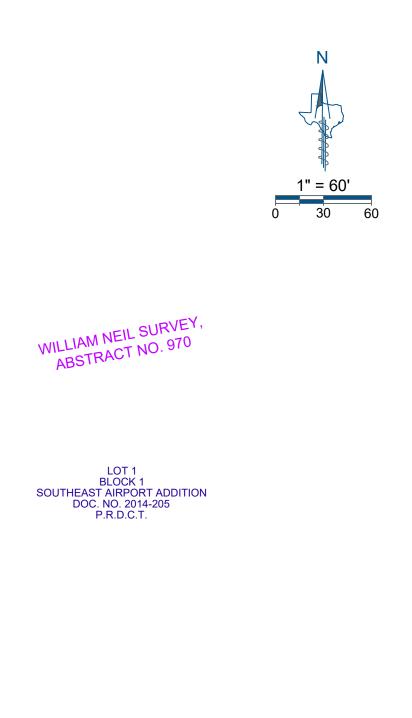


This survey substantially complies with the current

SURVEYORS CERTIFICATION



ATTACHMENT 1



3. This document represents an accurate on the ground survey of 4858 Lockheed Lane in the City of Denton, Denton County, Texas, on May 31, 2024.

4. All Capped Iron Rods Set are 1/2 inch with green plastic cap stamped "EAGLE SURVEYING".

FLOOD NOTE

This property is located in Non-shaded Zone "X" as scaled from the F.E.M.A. Flood Insurance Rate Map dated April 18, 2011 and is located in Community Number 480194 as shown on Map Number 48121C0355G. The location of the Flood Zone is approximate. For additional information regarding Flood Zone designation, please contact 1-(877) FEMA MAP.

ALTERATIONS AND ERRORS

This survey is the work product of the signing surveyor and may not be altered or modified in any manner, except by the signing surveyor. Any alteration or modification performed to this survey by any party except for the signing surveyor will be prosecuted to the fullest extent of the law. The surveyor will not be responsible to the client for any typos or errors for which a correction is not requested by the client within thirty days following the issuance of this survey.

SCHEDULE B EXCEPTIONS OF COVERAGE

Subject to the easements as shown on Schedule "B" of the title commitment provided by Fidelity National Title Insurance Company with G.F. No. FT-44122-9001222301200-LE as listed below:

10(f.) Easement(s) and rights incidental thereto, as granted in a document:

Granted to: Texas Power and Light Company Purpose: As provided in said document Recording Date: February 6, 1931 Recording No: in Volume 236, Page 23, Deed Records, Denton County, Texas **BLANKET EASEMENT - DOES AFFECT**

10(g.) Easement(s) and rights incidental thereto, as granted in a document:

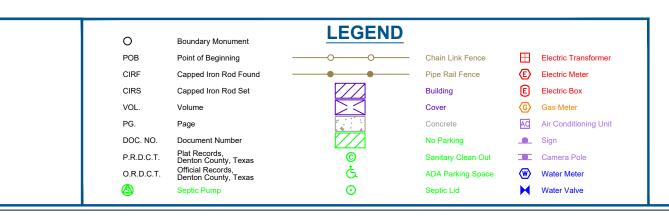
Granted to: Texas Power and Light Company Purpose: As provided in said document Recording Date: March 3, 1949 Recording No: in Volume 336, Page 578, Deed Records, Denton County, Texas UNABLE TO LOCATE BY DESCRIPTION IN RECORD DOCUMENT

10(h.) Easement(s) and rights incidental thereto, as granted in a document:

Granted to: Texas Power and Light Company Purpose: As provided in said document Recording Date: January 10, 1947 Recording No: in Volume 327, Page 569, Deed Records, Denton County, Texas UNABLE TO LOCATE BY DESCRIPTION IN RECORD DOCUMENT

10(i.) Easement(s) and rights incidental thereto, as granted in a document:

Granted to: Texas Power and Light Company Purpose: As provided in said document Recording Date: October 17, 1940 Recording No: in Volume 288, Page 30, Deed Records, Denton County, Texas UNABLE TO LOCATE BY DESCRIPTION IN RECORD DOCUMENT





Legislation Text

File #: AAB24-030, Version: 1

AGENDA CAPTION

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



City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Airport

ACM: Frank Dixon

DATE: August 14, 2024

SUBJECT

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

BACKGROUND

James Tucker, General Manager of Sheltair Denton Jet Center, LLC, will provide an overview of the functions and services of a Fixed Base Operator (FBO), with a specific focus on the offerings of Sheltair at the Airport. He will also discuss any upcoming projects or initiatives.

EXHIBITS

- 1. Agenda Information Sheet
- 2. Presentation

Respectfully submitted: Ryan Adams Director of Airport Sheltair Aviation Denton Jet Center

What is an FBO?





An FBO or Fixed Base Operator, is an organization granted the right by the airport to operate at the airport to provide aeronautical services such as fueling, hangaring, and tie-down parking. An FBO is the primary provider of support services to general aviation operators at a public use airport.



FBO's provide individuals the ease of travel without having to go through TSA or long waits on the airlines. Owners and operators are able to show up, board their aircraft and swiftly get to their destination. It also offers the privacy for high profile individuals who prefer to stay out of the public eye while traveling.

Sheltair Aviation

- Founded in 1963
- 21 Airport Locations across 4 states
- 16 FBO's

5

- 5 locations with only Properties
- Has acquired or developed 4.5 million sq. ft. on 712 acres with over 1300 tenants
- Employs over 600 employees
- Over \$1.1 million donated throughout the communities we serve
- Involved with the Denton Chamber of Commerce
- Involved with the Denton Economic Development

Services Provided

- Aircraft Fueling
- Aircraft Hangars
- Aircraft Towing
- Lavatory Services
- Car Valet
- Sports Charter Handling

Sheltair Denton Jet Center



Projects and Events

- T-hangar resurfacing expected to complete by end of August
- Hallo-wing October 12th
- Fencing around US Aviation Academy to provide better security to the airport
- Reskinning of T-hangars 2025

Questions



James Tucker 940-297-6411 jgtucker@sheltairaviation.com https://www.sheltairaviation.com/locations/dto/

Thank you



Legislation Text

File #: AAB24-026, Version: 1

AGENDA CAPTION

Receive a report and hold a discussion regarding the Denton Enterprise Airport Hangar Waitlist Guidelines.



City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Airport

ACM: Frank Dixon

DATE: August 14, 2024

SUBJECT

Receive a report and hold a discussion regarding the Denton Enterprise Airport Hangar Waitlist Guidelines.

BACKGROUND

The Denton Enterprise Airport staff will present detailed information on the Airport Hangar Waitlist Guidelines, covering general information, waitlist requirements and procedures, maintenance procedures conducted by Airport staff, notifications of hangar availability and acceptance, as well as details regarding deposits and fees.

EXHIBITS

- 1. Agenda Information Sheet
- 2. Presentation
- 3. Hangar Waitlist Guidelines

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



Airport Hangar Waitlist Guidelines

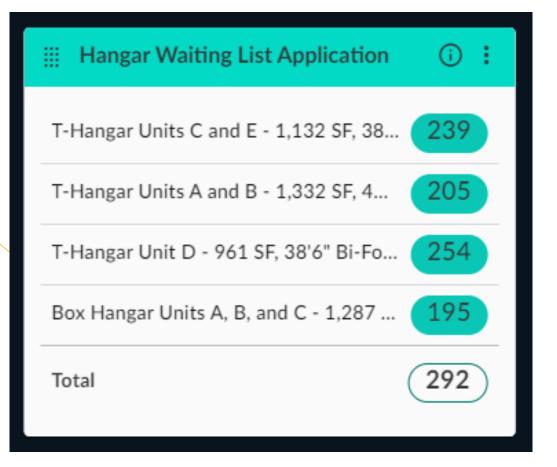
Airport Advisory Board

Introduction:

Overview: Introduce the Hangar Waitlist Guidelines and updates.

<u>Objective</u>: To provide a simple and fair process for aircraft owners to be placed on the waiting list for airport-managed hangars.

Hangar Availability:



Hangar Units: 27 aircraft storage hangars.

Types and Sizes:

- T-Hangar Units A and B: 1,332 SF
- T-Hangar Units C and E: 1,132 SF
- T-Hangar Units D: 961 SF
- Box Hangar Units A,B, and C: 1,287 SF

Amenities: Electricity and LED lighting, no water, gas, or sewer service.

Waiting List Requirements:

<u>Application Form</u>: Must include mailing address, telephone number(s), email address, and aircraft information

<u>Partnerships/Corporations</u>: All partners' names or corporate name must be listed

<u>Selection Criteria</u>: Applicants must select the size or category of hangar needed

Procedure:

Order of Processing: Based on the order applications are received.



<u>Review</u>: Waiting list is available for review during business hours.



<u>*Donations/Subleases</u>: Not allowed: lessee's name must match the name on the list.

Considerations for Larger Aircraft:



Priority: Optimize hangar space



<u>*Exception</u>: Airport reserves the right to give consideration to applicants who have larger aircraft.

Maintenance of Waiting List:



<u>*Periodic Contact</u>: The airport will periodically contact applicants to confirm continued interest.

<u>Responsibility</u>: Applicants must update their contact and aircraft information



<u>*Removal from List</u>: If no response within 5 business days, the applicant will be removed from the waitlist.

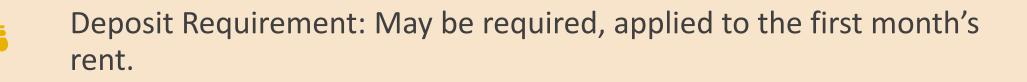
Notices of Hangar Availability:

Notification: Via email and phone

<u>Response Time</u>: *5 business days to respond and secure the hangar

<u>Proof of Ownership</u>: Required to show proof of ownership or lease of the aircraft and proof of aircraft insurance.

*Deposits and Fees:



No Refund: If the applicant declines, withdraws, or fails to respond.



Annual Fee: In lieu of a deposit, an annual maintenance fee may be charged.





DENTON ENTERPRISE AIRPORT (DTO) HANGAR WAITING LIST GUIDELINES

The Hangar Waiting List Guidelines is designed to provide a simple and fair process for aircraft owners to be placed on a waiting list for airport-managed hangars (the "Waiting List") at Denton Enterprise Airport ("Airport"). The Airport currently owns and leases twenty-seven (27) aircraft storage hangars. The hangar units come in varying sizes and prices as illustrated herein. All hangar storage is available on a first-come, first-served basis, and because demand is often greater than availability, it is mandatory to be on the Waiting List in order to be offered a hangar.

Airport guidelines is to process the Waiting List applicants in the order the applications are received. The official Waiting List is available for review in the Airport Administration Office during normal business hours (8:00 a.m. to 5:00 p.m., Monday through Friday).

Hangar Sizes and Descriptions:

- T-Hangar Units A and B 1,332 SF, 41'6" Electric Bi-Fold Door, 10' Rollup Door
- T-Hangar Units C and E 1,132 SF, 38'6" Electric Bi-Fold Door
- T-Hangar Unit D 961 SF, 38'6" Electric Bi-Fold Door
- Box Hangar Units A, B and C 1,287 SF, 38'6" Electric Bi-Fold Door

Current hangar rental rates are listed on the Airport Rates and Fees Schedule and can be found at <u>www.dentonairport.com/cityhangars</u>. Rates are subject to change. All units have electricity, and LED lighting, but do not have water, gas, or sewer service.

Waiting List Requirements and Procedure:

All parties interested in a Hangar must complete the <u>Hangar Waiting List Application</u> form with a current mailing address, telephone number(s), email address, and aircraft information (registration number, model, and type are required). If a partnership or corporation intends to be the lessee, all partners' names and/or the corporate name shall be listed on the application. Waiting List applicants are required to select the size or category of hangar needed as identified on the Waiting List application. All applicants will be required to acknowledge their understanding and agreement to abide by, at minimum, the guidelines, the Airport Rules and Regulations, and the Airport Minimum Operating Standards as well as any applicable federal, state, or local laws, regulations, ordinances, or otherwise.

A person on the Waiting List may not "donate" their place to another individual or sublease a hangar. The lessee's name must match the name on the list or be held in the name of a company they control.

While applicants may request more than one hangar size, to optimize hangar space, the Airport reserves the right to give consideration to applicants who have larger aircraft when larger hangars become available. It is therefore possible that someone lower on the list with a larger aircraft may be offered a hanger ahead of someone higher on the Waiting List, if that higher-listed applicant has a smaller aircraft.

In case of dispute, the Airport Director's decision can be appealed to the City Manager, or designee, whose decision is final.

Waiting List Maintenance

The Airport will periodically contact applicants, by phone and email, on the Waiting List to confirm their continued interest in an Airport-managed hangar, confirm hangar capacity needs, and/or ensure the applicant continues to meet the hangar Waiting List requirements. It is the applicant's responsibility to report changes in their aircraft and contact information to the Airport and applicants should promptly provide updated contact or aircraft information in the event of any changes.

If contact cannot be made or an applicant does not respond to email and phone messages left with the applicant within five (5) business days, the individual will be removed from the Waiting List.

Notices of Hangar Availability and Acceptance:

When a hangar becomes available, the individual at the top of the Waiting List for that specific type of hangar will receive notification of availability via email and phone.

Within five (5) business days of contact, the applicant must respond to the Airport's notification, enter into an Aircraft Storage Permit, and submit the first and last month's rent payment to secure the use of a hangar. If no response is received after five (5) business days from the notification attempt, the applicant will be removed from the Waiting List with no further rights to hangar storage under the current application. The Airport Director may, at their discretion, provide an extension of time for the applicant to enter into an Aircraft Storage Permit and submit the first and last month's rent payment.

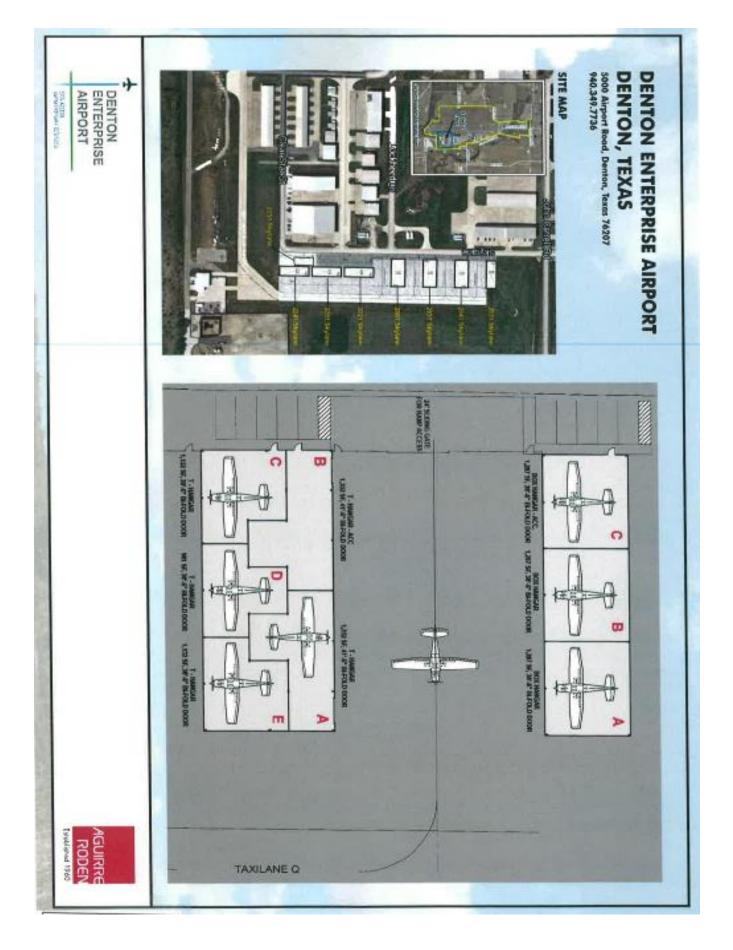
When the applicant accepts an Aircraft Storage Permit, they will be required to show proof of ownership or lease of the aircraft that will occupy the hangar, with proof of aircraft insurance at the level required by the City's Risk department. The aircraft must be based at Denton Enterprise Airport and must be airworthy.

Deposits and Fees

The Airport may require a deposit or downpayment to be submitted with the Waiting List Application, with such amounts being listed in the Airport Rates and Fees Schedule and approved by the Denton City Council. Any deposit will be applied to the first month's rent once an applicant signs a Aircraft Storage Permit. There will be no deposit refund if the applicant declines a hangar when offered, withdraws from the Waiting List, or fails to reply to the Airport's offer of a hangar rental within five (5) business days. The deposit will be forfeited to cover administrative costs.

In lieu of a deposit or downpayment, the Airport may charge an annual Waiting List maintenance fee to all hangar applicants. Such fees will be listed in the Airport Rates and Fees Schedule and approved by the Denton City Council.

All correspondence will be conducted via phone and/or email.





Legislation Text

File #: AAB24-027, 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: August 14, 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 final two articles of a future draft leasing policy:

- 1. Rents, Fees, and Agreement Term; and
- 2. Reversion of Improvements to the City.

Staff anticipates a draft of the policy being considered by the Board in August or September 2024.

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

June 12, 2024: Work Session Presentation on Leasing Policy components

EXHIBITS

- 1. Agenda Information Sheet
- 2. 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 (presented in June 2024)
 - Article II Conditions for leasing Airport land or improvements (presented in June 2024)
 - Article III The Lease Agreement (presented in June 2024)
 - Article IV Rates, Fees, and Agreement Term
 - Article V Reversion of Improvements
- 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 IV

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

Article V

• Reversion of Improvements

Article IV

• Rent

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

- Market rent for any lease
 - Aeronautical/non-aeronautical
 - Ground lease/building lease
- Market rent established by appraisal
 - Qualified appraiser or market analysis
 - Hired or approved by City
 - Performed within 2 years of lease execution
- Below market rent:
 - Lessee constructs public infrastructure
 - Lessee makes improvements to an existing building (as approved by City)
- Rents may be based on gross income from use of the property
 - e.g. restaurant use

Article IV

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

CPI Adjustment

- No later than every two years
- CPI for all urban consumers for DFW region
- "Through the Fence" agreements
 - Must meet Principal Development Criteria
 - Must pay market rent, including adjustments, based on the size of the property with access to the Airport
 - City may impose additional requirements

Article IV

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

- Establishes City's right to collect fees
 - e.g. fuel flowage fees
- References City's rates and fees schedule

Article IV

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

- Shall comply with federal and state law
- Sufficient to amortize Lessee investment
- Length dependent upon value of capital investment
- Longer lease terms may be considered if:
 - Significant capital investment
 - Exceptional impact to airport, local economy
 - Public Infrastructure construction
 - Development of a challenging site
- No capital Investment = 3-year lease limit

Article IV

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

• May be permitted when:

- Extensions are at Lessor's discretion;
- Result of a reinvestment of capital on the premises for new improvements; or
- Result of a reinvestment of capital on the premises that extends the life of existing improvements
- Extended term will be commensurate with value of invested capital
- Rent paid for extension shall reflect the higher of
 - Then-current rent at time of extension
 - Fair market rent at time of extension

Conditions for Leasing

Article V

• Reversion of Improvements

- Improvements become property of City at end of lease
- Lessees may be required to remove improvements not necessary for ongoing operation of airport.
- Options:
 - Extend ground lease (if policy requirements are met)
 - Enter into a building lease at fair market value with a qualified lessee
 - Pursue redevelopment
- Financial and management analysis shall be performed

Next Steps

- Review and consider draft policy
 - Public input opportunity
- Council Consideration of Policy
- Implementation
 - Updates to lease agreement template, as necessary
 - Updates to application forms, as necessary



Legislation Text

File #: AAB24-029, Version: 1

AGENDA CAPTION

Staff Reports:

1. Monthly Operations Report - August 2024

2. Monthly Construction Report - August 2024

3. Administrative Update - August 2024

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





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MONTHLY OPERATIONS REPORT August 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	Jul-23	Jul-24	% Change	2023 YTD	2024 YTD	% Change			
IFR Itinerant	678	842	24.2%	5,234	7,064	35.0%			
VFR Itinerant	8,427	8,830	4.8%	45,143	58,296	29.1%			
Local	10,826	4,197	-61.2%	64,732	64,239	-0.8%			
Total	19,931	13,869	-30.4%	115,109	129,599	12.6%			

FUELING (Fiscal Year)										
Туре	Jun-23	Jun-24	% Change	2023 YTD	2024 YTD	% Change				
AvGas	41,080	50,119	22.0%	333,958	406,591	21.7%				
Jet A	113,687	79,474	-30.1%	1,062,573	875,418	-17.6%				
Total	154,767	129,593	-16.3%	1,396,531	1,282,009	-8.2%				

Monthly Operations Report August 2024 Page 2

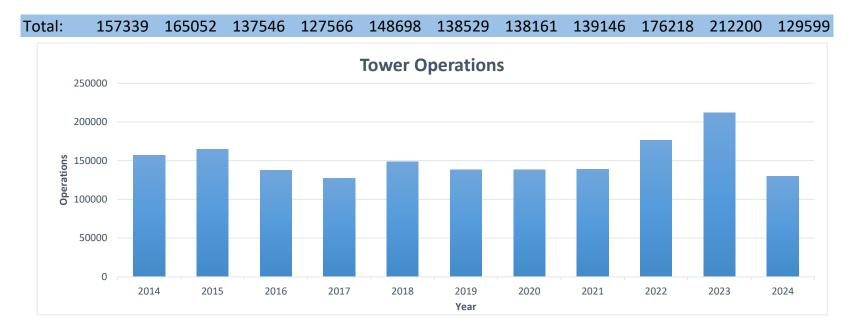
ALERTS		
Date	Туре	Description
07/13/2024	Alert I	A pilot was unsure if landing gear was functioning. They
		performed a low pass and confirmed that it appeared down. They
		were able to land safely without further incident.
07/06/2024	Alert II	The pilot of a 152 reported hearing a loud pop or crack from the
		engine immediately followed by a loss of RPM. The aircraft was
		able to land safely without further incident.
07/03/2024	Alert I	A single engine aircraft reported an alternator issue 4 miles from
		the airport. The aircraft was able to land without further incident.

INCIDENTS	
Date	Description
07/16/2024	A small engine fire broke out on a Piper Tomahawk during multiple start
	attempts. FBO staff quickly extinguished the fire with a portable
	extinguisher without further incident. There were no injuries, and the
	aircraft was parked until repairs could be made.
07/08/2024	A Challenger jet was taxiing to RWY 36L for departure when its wing came
	into contact with a piece of construction equipment parked near the
	taxiway. The aircraft returned to parking where it was to be inspected by the
	FAA for damage. No injuries were reported.

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

DENTON ENTERPRISE AIRPORT HISTORICAL OPERATIONS

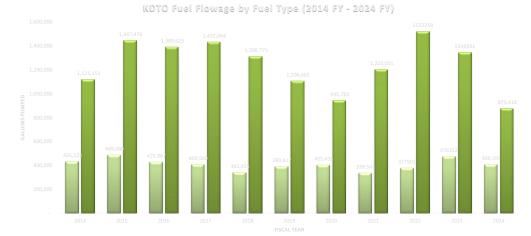
Month:	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
JAN	11019	14419	12074	11070	13036	12323	9830	9138	14030	13814	14618
FEB	10023	10891	12530	9300	7899	9307	11704	6697	10469	13218	20919
MARCH	13929	12886	9240	10846	10659	13074	10055	12423	12719	15134	21655
APRIL	14788	12816	10226	9390	11314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



Tower OPS 2014-2024

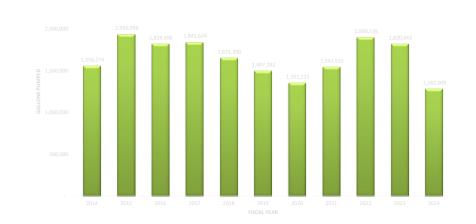
Denton Enterprise Airport Fuel Flowage Data (2014 FY - 2024 FY)

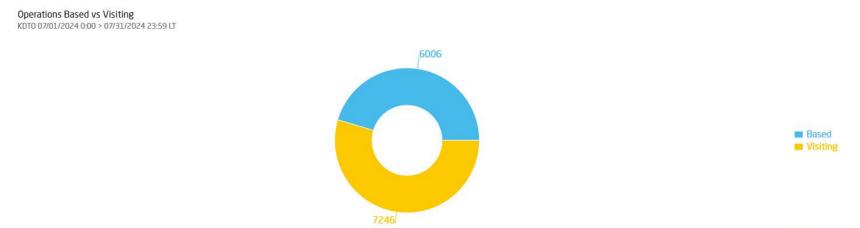
Month:	201	14	20	15	20:	16	201	17	20	18	20		ent <u>U.S. Gallo</u> 20		20	21	20	22	20	23	20	24	TOTAL
	AV Gas	Jet A	AV Gas	Jet A	AV Gas	Jet A	AV Gas	Jet A	AV Gas	Jet A	AV Gas	Jet A											
ОСТ	39932	127358		123699			38343	132214	20728	143240		107670	35715	105460	35631	105141	24214	116562	61611	148500	42075	110769	
NOV	32122	84320	32093	106167			39407	138470	18427			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	4,501,875.00
JAN	28150	94086	40413	118367	36273	92626	31290	123841	24219	106326	32119	82476	24087	83957	20584	77349	24027	119289	33805	111388	35531	104469	
FEB	31420	66208	40164	112469	33050	108927	27317	84073	20027	75550	24939	91478	31991	75548	23864	69928	24010	95155	32407	111078	51023	95895	
MAR	36387	94939	31828	164541	51459	118085	30972	114433	31988	106609	27799	98979	23853	60237	15971	116035	40014	142974	37711	123210	48135	103591	
APR	37600	81605	33813	158634	24972	133206	43548	97103	27769	96351	39613	90424	38629	29912	32354	99894	27734	138601	45444	110233	62405	103347	
MAY	42651	91438	35104	94632	27625	95236	39425	134854	31356	105264	27412	96991	31549	66916	19685	123164	31730	125991	32605	102672	41291	87236	
JUN	31482	83118	51039	122798	30860	116535	31497	112690	21686	122843	38995	81278	46965	81254	32022	106194	35282	118103	41080	113687	50119	79474	
JUL	51198	106097	52136	114103	51458	125261	28923	112760	39119	99127	42974	95958	39210	89037	24034	114757	33155	102139	40445	93023			13,697,537.00
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	406591	875418	
	1556.	274	1936	5956	1819	490	1841	624	1651	200	1497	7282	1351	223	1542	2552	1900	0159	1820	0643	1282	2009	18,199,412



🖬 AV Gas 📲 Jet A







virtower





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MONTHLY CONSTRUCTION REPORT August 2024

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

Fire Station 9 (Status Updated)

Fire Station 9 was open for operations beginning on July 8th, 2024. A grand opening and ribbon-cutting ceremony was held on July 26th to acknowledge this huge milestone for both the City and the Airport. Staff will be working with the Fire Department to schedule a tour for our board members at an upcoming meeting.

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





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ADMINISTRATIVE UPDATE August 2024

Explorer Program: We are excited to announce the launch of an Aviation Explorer Post at Denton Enterprise Airport. This initiative is part of our ongoing efforts to engage the community and inspire the next generation of aviation enthusiasts and professionals.

Exploring is a career education program that provides young people with hands-on experience and mentorship in various fields, including aviation. The program is designed to help youth build leadership skills, gain practical experience, and explore potential career paths. More information about the program can be found on <u>www.exploring.org</u> and specifically about the aviation-focused program on <u>www.exploring.org/aviation</u>.

To kick off this program, two open houses were scheduled. The first open house saw over 20 interested youths attend with more than 10 signing up that evening. The next open house is on Wednesday, August 14 at 6 PM

We invite all interested youth to join us and learn more about the program. Additionally, we are seeking a handful of airport stakeholders to serve on the advisory committee for the Aviation Explorer Post. Their expertise and guidance will be invaluable to the success of this program. Staff contact: Ryan Adams, Airport

<u>Airport Food Truck Pilot Program</u>: On Aug. 9, the Denton Enterprise Airport began hosting food trucks regularly as part of its food truck pilot program. With a small number of restaurant options available on the west side of I-35 and a significant volume of industrial and airport employees, the program will evaluate the viability of an ongoing or permanent food truck or food service presence at the airport. Food trucks will be scheduled to serve from 11 a.m. to 1 p.m. on alternating Fridays beginning Aug. 9 and conclude at the end of October. Food truck participants will be surveyed, and customer participation measured to determine if the program should be extended. The City Council and community members are invited to attend on Aug. 9 (details attached). Regular updates including schedule will be available at www.dentonairport.com/foodtrucks. Staff contact: Ryan Adams, Airport

2024 Hallo-wing: The 2024 Hallowing event, presented by the City of Denton and Sheltair Aviation, will be held on Saturday, October 12, 2024, from 10 a.m. to 2 p.m. We expect 2,500 Airport visitors for an event featuring trunk or treating at pre-staged aircraft, food trucks, games, and bounce houses. The 2024 event will be promoted as part of the City of Denton's <u>31 Days of Halloween</u>.

The City is seeking aircraft participants and event sponsors for our signature event. More information can be found at <u>www.dentonairport.com/hallo-wing</u>. Staff contact: Ryan Adams, Airport

***Legal Review	Airport Adv	City Council			
Description	Date	Action	Date	Action	
Pending Items				I	
Airport Financial Analysis	11/13/2024	Work Session	Pending	Work Session	
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	08/14/2024	Pending	08/20/2024	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	isory 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	

SECOND AMENDMENT TO AIRPORT LEASE AGREEMENT

THE STATE OF TEXAS	§	
	§	KNOW ALL MEN BY THESE PRESENTS
COUNTY OF DENTON	§	

This Second Amendment to Airport Lease Agreement ("Amendment") is effective as of the ____ day of _____, 2024 (the "Second Amendment Effective Date"), by and between the City of Denton, a Texas home-rule municipal corporation ("Lessor"), and GKY Holdings 1, LLC, a Texas limited liability company, successor-in-interest to 3KAM Real Estate, LLC and DTO 4858 LLC ("Lessee"), and amends that certain Airport Lease Agreement, effective as of May 7, 2019, by and between Lessor and Lessee (the "Lease").

WITNESSETH:

WHEREAS, the Lessor and Lessee now wish to amend the Lease to update the leasehold square footage; and

WHEREAS, Ordinance No. 22-968 assigned the Lease from 3KAM Real Estate, LLC to DTO 4858 LLC and amended Sections 1.2.A, 8.1.A, and 9.2; and

WHEREAS, Ordinance No. 23-1472 assigned the Lease from DTO 4858 LLC to GKY Holdings 1, LLC and amended section 3.2(A), 3.2(A)(c), and 9.2; and

WHEREAS, Ordinance No. 23-2276 approved an amendment to Sections 8.4 and 8.5; and

NOW, THEREFORE, in consideration of the promises and the mutual covenants contained in this Amendment, the parties hereto agree as follows:

<u>Section 1</u>. The Lease is hereby amended to include the additional land as set forth on Attachment 1 totaling an additional 14,466.76 square feet (0.336 acres) and Exhibit A is amended to include such additional land. The Lease now includes an area of 2.04 acres and the Rent as set forth in Section 2.1 is amended to a revised annual rate of \$34,729.42.

<u>Section 2</u>. Capitalized terms not defined in this Amendment shall have the meaning ascribed to them in the Lease.

<u>Section 3</u>. Except as amended by this Amendment, the provisions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Second Amendment Effective Date.

BY LESSOR: CITY OF DENTON, a Texas home-rule municipal corporation

SARA HENSLEY CITY MANAGER

ATTEST: LAUREN THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM: MACK REINWAND, CITY ATTORNEY

—DocuSigned by:

BY: Marcella lunn 4B070831B4AA438...

Leaseholder: GKY Holdings 1, LLC

By: Airline Transport Professionals Holdings, Inc., By: Durick S. Duruis Derrick S. Dennis, President

BOTH REVIEWED AND APPROVED as to financial and operational obligations and business terms.

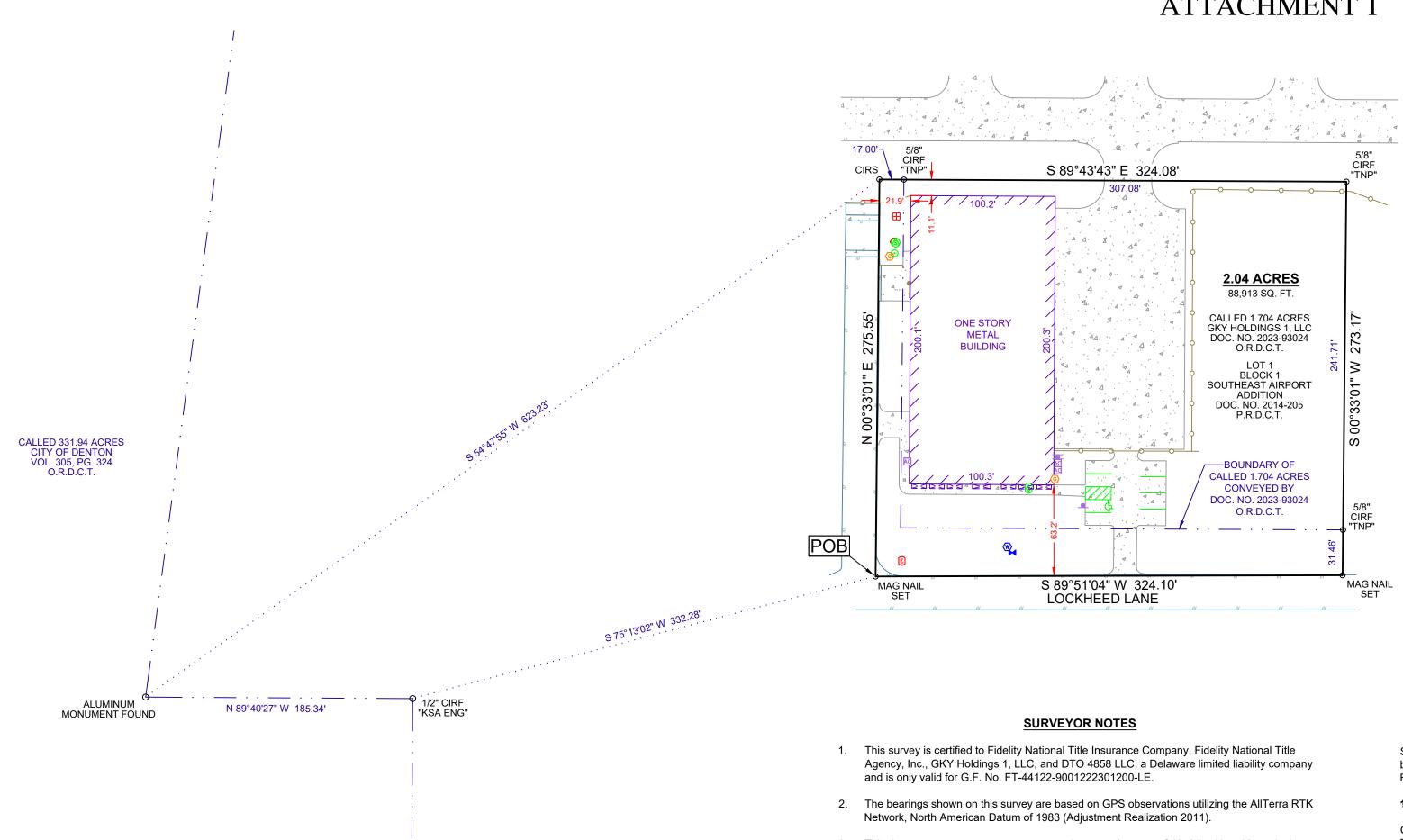
Ryan Adams

Signature Director of Airport

Title Airport

Department Date Signed: 7/24/2024

LAND TITLE SURVEY



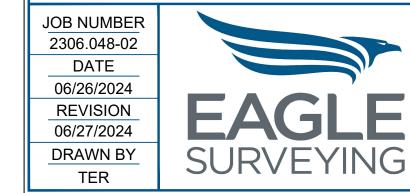
LEGAL DESCRIPTION

Being a 2.04 acre tract of land out of the William Neil Survey, Abstract No. 970, situated in Denton County, Texas, being a portion of Lot 1, Block 1 of Southeast Airport Addition, a subdivision of record in Document Number 2014-205 of the Plat Records of Denton County, Texas, together with that certain Certificate of Correction of record in Document Number 2014-117507 of said Official Records, also being all of that certain called 1.704 acre tract of land conveyed to GKY Holdings 1, LLC by Assignment and Assumption of Airport Lease of record in Document Number 2023-93024 of the Official Records of Denton County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a mag nail set for the southwest corner hereof, from which a 1/2 inch iron rod with plastic cap stamped "KSA ENG" found at an interior ell corner in the west line of said Lot 1 bears S75°13'02"W. a distance of 332.28 feet:

THENCE, over and across said Lot 1, the following four (4) courses and distances:

- 1. N00°33'01"E, a distance of 275.55 feet to a 1/2 inch iron rod with green plastic cap stamped "EAGLE SURVEYING" set for the northwest corner hereof, from which an aluminum monument found at an exterior ell corner in the west line of said Lot 1 bears S54°47'55"W. a distance of 623.23 feet:
- 2. S89°43'43"E, passing at a distance of 17.00 feet a 5/8 inch iron rod with plastic cap stamped "TNP" found at the northwest corner of said 1.704 acre tract, and continuing on said course along the north line of said 1.704 acre tract a total distance of 324.08 feet to a 5/8 inch iron rod with plastic cap stamped "TNP" found at the northeast corner of said 1.704 acre tract and hereof:
- 3. S00°33'01"W, along the east line of said 1.704 acre tract, passing at a distance of 241.71 feet a 5/8 inch iron rod with plastic cap stamped "TNP" found at the southeast corner of said 1.704 acre tract, and continuing on said course a total distance of 273.17 feet to a mag nail set for the southeast corner hereof;
- 4. S89°51'04"W, a distance of 324.10 feet to the **POINT OF BEGINNING**, and containing an area of 2.04 acres (88,913 square feet) of land.



Eagle Surveying, LLC 222 South Elm Street Suite: 200 Denton, TX 76201 940.222.3009 www.eaglesurveying.com TX Firm # 10194177



06-27-2024

Date

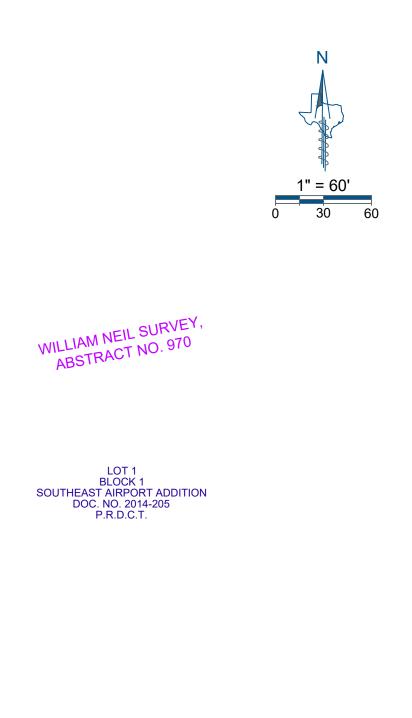


R.P.L.S. # 7036

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ATTACHMENT 1



3. This document represents an accurate on the ground survey of 4858 Lockheed Lane in the City of Denton, Denton County, Texas, on May 31, 2024.

4. All Capped Iron Rods Set are 1/2 inch with green plastic cap stamped "EAGLE SURVEYING".

FLOOD NOTE

This property is located in Non-shaded Zone "X" as scaled from the F.E.M.A. Flood Insurance Rate Map dated April 18, 2011 and is located in Community Number 480194 as shown on Map Number 48121C0355G. The location of the Flood Zone is approximate. For additional information regarding Flood Zone designation, please contact 1-(877) FEMA MAP.

ALTERATIONS AND ERRORS

This survey is the work product of the signing surveyor and may not be altered or modified in any manner, except by the signing surveyor. Any alteration or modification performed to this survey by any party except for the signing surveyor will be prosecuted to the fullest extent of the law. The surveyor will not be responsible to the client for any typos or errors for which a correction is not requested by the client within thirty days following the issuance of this survey.

SCHEDULE B EXCEPTIONS OF COVERAGE

Subject to the easements as shown on Schedule "B" of the title commitment provided by Fidelity National Title Insurance Company with G.F. No. FT-44122-9001222301200-LE as listed below:

10(f.) Easement(s) and rights incidental thereto, as granted in a document:

Granted to: Texas Power and Light Company Purpose: As provided in said document Recording Date: February 6, 1931 Recording No: in Volume 236, Page 23, Deed Records, Denton County, Texas **BLANKET EASEMENT - DOES AFFECT**

10(g.) Easement(s) and rights incidental thereto, as granted in a document:

Granted to: Texas Power and Light Company Purpose: As provided in said document Recording Date: March 3, 1949 Recording No: in Volume 336, Page 578, Deed Records, Denton County, Texas UNABLE TO LOCATE BY DESCRIPTION IN RECORD DOCUMENT

10(h.) Easement(s) and rights incidental thereto, as granted in a document:

Granted to: Texas Power and Light Company Purpose: As provided in said document Recording Date: January 10, 1947 Recording No: in Volume 327, Page 569, Deed Records, Denton County, Texas UNABLE TO LOCATE BY DESCRIPTION IN RECORD DOCUMENT

10(i.) Easement(s) and rights incidental thereto, as granted in a document:

Granted to: Texas Power and Light Company Purpose: As provided in said document Recording Date: October 17, 1940 Recording No: in Volume 288, Page 30, Deed Records, Denton County, Texas UNABLE TO LOCATE BY DESCRIPTION IN RECORD DOCUMENT

