

SHOW LOW AVIATION ADVISORY COMMITTEE
REGULAR MEETING - THURSDAY, APRIL 24, 2025

PURSUANT to A.R.S. Section 38-431.02, notice is hereby given to the Show Low Aviation Advisory Committee and to the general public, that a **Regular Meeting** of the Show Low City Council will be held on Thursday, April 24, 2025, at 4:00 PM in the City Council Chambers, 181 North 9th Street, Show Low, Navajo County, Arizona. The agenda for this meeting is as follows:

1. **CALL TO ORDER:**

2. **ROLL CALL:**

3. **APPROVAL OF MINUTES:**

A. Aviation Advisory Committee Regular Meeting of February 24, 2025.

4. **NEW BUSINESS:**

A. Introduction of New Board Members

B. Election of Officers for the Aviation Advisory Committee. (Chairman, Vice Chairman)

C. Consideration of Revised Schedule of Rates and Charges at the Show Low Regional Airport and Recommendation to the City Council

5. **CALL TO THE PUBLIC:**

Any citizen desiring to speak on a matter that is within the jurisdiction of the Aviation Advisory Committee may do so at this time. Comments may be limited to three minutes per person and shall be addressed to the Committee as a whole, and not to any individual member. Issues raised shall be limited to those within the jurisdiction of the Aviation Advisory Committee. Pursuant to the Arizona Open Meeting Law, the Committee cannot discuss or act on items presented at this time. At the conclusion of the call to the public, individual committee members may (1) respond to criticism made by those who have spoken, (2) ask staff to review a matter, and (3) ask that a matter be put on a future agenda.

6. **SUMMARY OF CURRENT EVENTS:**

A. Committee Members

B. Public Works Director

C. Airport Manager

7. **NEXT MEETING:**

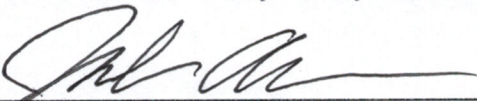
A. October 9, 2025

8. **ADJOURNMENT:**

NOTICE TO PARENTS AND LEGAL GUARDIANS: Parents and legal guardians have the right to consent before the City of Show Low makes a video or voice recording of a minor child, pursuant to A.R.S. § 1-602(A)(9). The Show Low Aviation Advisory Committee regular meetings are recorded and may be viewed on the City of Show Low's website. If you permit your child to attend/participate in a televised Aviation Advisory Committee meeting, a recording will be made. You may exercise your right not to consent by not allowing your child to attend/participate in the meeting.

Pursuant to the Americans with Disabilities Act (ADA), the Aviation Advisory Committee endeavors to ensure the accessibility of its meetings to all persons with disabilities. If you need accommodation for a meeting, please call the City Clerk's office at (928) 532-4061 at least 48 hours prior to the meeting for accommodation.

I, Jacob Allen, do hereby certify that the foregoing notice was posted on April 22, 2025.



Jacob Allen, Airport Manager
City of Show Low - Public Works Department

MINUTES OF THE REGULAR MEETING OF THE SHOW LOW AVIATION ADVISORY COMMITTEE HELD ON MONDAY, FEBRUARY 24, 2025, AT 4:00 PM IN THE CITY COUNCIL CHAMBERS, 181 NORTH 9TH STREET, SHOW LOW, NAVAJO COUNTY, ARIZONA

1. CALL TO ORDER:

Chairman Tom Cedarblade called the meeting to order at 4:00 p.m.

2. ROLL CALL:

COMMITTEE MEMBERS PRESENT: Chairman Thomas Cedarblade, Member John Hannah, Member Bruce Ironside, and Member Gary Winslow.

COMMITTEE MEMBERS ABSENT: Member Roger Williams.

STAFF MEMBERS PRESENT: Anna Atencio, City Attorney; Bill Kopp, Public Works Director; Jacob Allen, Airport Manager; and Kathy Clements, Assistant City Clerk.

CITY COUNCIL PRESENT: None.

GUESTS PRESENT: None.

3. APPROVAL OF MINUTES:

A. Aviation Advisory Committee Regular Meeting of September 28, 2023.

MEMBER GARY WINSLOW MOVED TO APPROVE THE MINUTES OF SEPTEMBER 28, 2023; SECONDED BY MEMBER BRUCE IRONSIDE; MOTION PASSED 4 TO 0, WITH CHAIRMAN CEDARBLADE AND MEMBERS HANNAH, IRONSIDE, AND WINSLOW VOTING IN FAVOR.

4. NEW BUSINESS:

A. Recognition of Aviation Advisory Committee members terms expiring in March 2025

Mr. Allen thanked committee members Roger Williams, Bruce Ironside, and Tom Cedarblade, whose terms on the Aviation Advisory Committee expire in March.

B. Consideration of Recommendation to Rescind Resolution No. R2017-04 and Recommend Adopting Resolution No. R2025-09 to reduce frequency of Aviation Advisory Committee meetings (Jacob Allen)

Mr. Allen said currently, Resolution No. R2017-04 read as follows:

“An annual meeting of the AAC shall be held in April of each for the purpose of electing officers. Additional regular quarterly meetings are generally held during January, July and October of each year. At a regular City Council meeting in the month of October, the AAC will present an annual report of its activities.”

Mr. Allen said the new Resolution No. R2025-09 would amend Attachment A with the following text:

Meetings

An annual regular meeting of the AAC shall be held in April of each for the purpose of electing officers. An additional regular meeting shall be held October of each year. Special meetings may be scheduled as needed if AAC matters require them to be addressed promptly. At a regular City Council meeting in the month of October, the AAC will present an annual report of its activities.

Meeting agendas shall be posted in advance and only those items on the posted agendas shall be discussed. All meetings shall be conducted in public and AAC members shall be noticed personally by telephone, mail or email. Robert's Rules of Order shall be utilized in the conduct of all meetings.

Mr. Allen said this would effectively reduce the frequency of Aviation Advisory Committee meetings from four times per year to two times per year and allow for additional meetings to be held as needed.

CHAIRMAN CEDARBLADE MOVED TO RECOMMEND TO THE SHOW LOW CITY COUNCIL APPROVAL OF ATTACHMENT A OF RESOLUTION NO. R2025-09; SECONDED BY MEMBER BRUCE IRNSIDE; MOTION PASSED 4 TO 0, WITH CHAIRMAN CEDARBLADE AND MEMBERS HANNAH, IRNSIDE, AND WINSLOW VOTING IN FAVOR.

- C. Consideration of Recommendation of Amendment to Commercial Leases and Operating Agreements (rent deposit, security deposit, holdover rates) (Jacob Allen)

Mr. Allen said the City recently incurred some damage to one of its hangar facilities and a tenant that did not vacate the premises in a timely manner at the expiration of the lease agreement. This amendment would add the following language to the Airport's commercial leases and commercial operating agreements regarding rent deposits, security deposits, and holdover rates.

Mr. Allen presented the amendment language.

1. Rent Deposit:

(a) Amount: Upon the execution of this Lease Agreement, the Tenant shall deposit with the Landlord the sum of [insert amount] (the "Rent Deposit") to secure the performance of all obligations of the Tenant under this Lease Agreement.

(b) Purpose of Deposit: The Rent Deposit is intended to cover any unpaid rent, damages to the leased premises, or any other charges, fees, or amounts that may become due under this Lease Agreement. In the event of default or failure by the Tenant to perform any obligations under the Lease, the Landlord may, at its sole discretion, apply all or part of the Rent Deposit toward such amounts as may be due.

(c) Return of Rent Deposit: Provided that the Tenant has fully complied with all terms and conditions of this Lease, and no amounts are due to the Landlord at the end of the Lease term, the Landlord shall return the Rent Deposit, or the balance thereof, to the Tenant within [insert number] days following the expiration or termination of this Lease Agreement. Any deductions made from the Rent Deposit will be itemized in writing and delivered to the Tenant.

(d) No Interest: The Rent Deposit shall not bear interest, unless required by law, and the Landlord shall hold the Rent Deposit in a separate account or in accordance with applicable law.

(e) Application of Rent Deposit: If the Tenant defaults on the payment of rent or any other obligation, the Landlord may, at its discretion, use the Rent Deposit in whole or in part to cover the default. The Tenant shall replenish the Rent Deposit to the original amount within [insert number] days of the Landlord's written demand. Failure to do so may constitute a default under this Lease Agreement.

(f) Transferability of Deposit: The Rent Deposit is not transferable or assignable by the Tenant, and no part of the Rent Deposit may be applied against rent or other charges due under this Lease, unless agreed to by the Landlord in writing.

2. Security Deposit:

(a) Amount: Upon the execution of this Lease Agreement, the Tenant shall pay to the Landlord a security deposit in the amount of Two Thousand Dollars (\$2,000) (the "Security Deposit").

(b) Purpose of Deposit: The Security Deposit is held by the Landlord to secure the Tenant's faithful performance of all obligations under this Lease Agreement, including but not limited to the payment of rent, repair of any damage to the leased premises, and satisfaction of any other obligations or charges arising under the Lease.

(c) Application of Security Deposit: In the event of a default by the Tenant, including non-payment of rent or other charges, the Landlord may, at its sole discretion, apply all or part of the Security Deposit to remedy the default. The Landlord may also use the deposit for any costs incurred in repairing damages to the leased premises caused by the Tenant, excluding normal wear and tear, or for any unpaid amounts owed by the Tenant at the expiration or termination of this Lease Agreement.

(d) Return of Security Deposit: Provided that the Tenant has fully complied with all terms and conditions of this Lease, the Landlord shall return the Security Deposit, or any remaining portion thereof, to the Tenant within [insert number] days after the expiration or earlier termination of this Lease, subject to any deductions for damages or unpaid amounts. The Landlord will provide an itemized list of any deductions made from the Security Deposit.

(e) No Interest: The Security Deposit shall not accrue interest, unless required by law. The Landlord shall hold the Security Deposit in a separate account or in accordance with applicable law.

(f) Tenant's Obligation to Replenish: If any portion of the Security Deposit is applied during the term of the Lease, the Tenant agrees to restore the Security Deposit to its original amount of \$2,000 within [insert number] days of the Landlord's written request. Failure to replenish the deposit may constitute a default under the Lease.

(g) Transferability of Security Deposit: The Security Deposit may not be transferred or assigned by the Tenant, and no portion of the Security Deposit may be applied against the rent or other amounts due under the Lease, unless agreed to by the Landlord in writing.

3. Holdover Rent:

(a) Holdover Period: If the Tenant remains in possession of the leased premises after the expiration or termination of the Lease Agreement, with or without the Landlord's consent, such tenancy shall be considered a holdover tenancy.

(b) Holdover Rent Rate: During any holdover period, the Tenant agrees to pay rent at a rate of two times the monthly rent as specified in this Lease Agreement (the "Holdover Rent"). The Holdover Rent shall be due and payable on the same terms and conditions as regular rent.

(c) Landlord's Right to Terminate Holdover Tenancy: The Tenant acknowledges that the Landlord has the right to terminate the holdover tenancy at any time by providing the Tenant with written notice, and may

take any legal action necessary to regain possession of the leased premises.

(d) Liability for Damages: The Tenant shall be liable for any damages caused by the holdover, including but not limited to additional costs or losses incurred by the Landlord due to the Tenant's failure to vacate the premises as required by the Lease Agreement.

(e) No Waiver: The Landlord's acceptance of holdover rent shall not be construed as a waiver of any rights to seek eviction or any other legal remedy for the Tenant's failure to vacate the premises.

Mr. Allen said staff recommended implementing these changes to the commercial leases and commercial operating agreements.

Member Winslow asked what the difference was between a rent deposit and a security deposit. Ms. Atencio said a security deposit could not be used for rent. It should only be used for damage to the property, and a rent deposit could be applied to unpaid rent or the last month's rent. The holdover rent was meant more as a deterrent to remain in a hangar once the lease expired.

Chairman Cedarblade asked how many days the deposits would be held after the Lessee vacated the premises. Mr. Allen said he was looking for a recommendation for the number of days.

Chairman Cedarblade said that there might be a state law determining the time a rent or security deposit could be held and asked staff to verify that information and use that number to determine the length to hold a security deposit after a lease expires or is terminated.

Chairman Cedarblade asked if the City would make these changes by an addendum to existing commercial leases. Ms. Atencio said these changes would be applied to new leases as it would be hard to change the deposit terms of the agreements after the fact.

Member Winslow asked if the security and rent deposit requirements were competitive. Chairman Cedarblade said that based on his experience, the deposit requirements were reasonable. He had to pay both a security and rent deposit at another airport, each equal to one month's rent.

Member Ironside asked what the monthly rent was for the hangars at Show Low Airport. Mr. Allen said rent was based on the square footage of the hangar, so the rents varied, but the average rent was about \$2,800.00 per month.

Member Ironside asked how long a typical commercial lease was at the airport. Mr. Allen said most of the leases were long-term. A new lease was signed for the city-owned three-bay hangar for 10 years. The city-owned hangars were all

used for commercial aviation purposes.

CHAIRMAN CEDARBLADE MOVED TO RECOMMEND APPROVING THE AMENDMENT TO COMMERCIAL LEASES AND OPERATING AGREEMENTS REGARDING RENT DEPOSIT, SECURITY DEPOSIT, AND HOLDOVER RATES TO SHOW LOW CITY COUNCIL; SECONDED BY MEMBER IRONSIDE; MOTION PASSED 4 TO 0, WITH CHAIRMAN CEDARBLADE AND MEMBERS HANNAH, IRONSIDE, AND WINSLOW VOTING IN FAVOR.

D. Draft Insurance Matrix for Commercial Operators

Mr. Allen reviewed the proposed changes to insurance in the Airport Minimum Standards as presented in Attachments 1 and 2. He said the proposed changes and draft insurance matrix would only apply to commercial operators. Both attachments were incorporated into the minutes.

Mr. Allen said the language in Section B. 1. Worker's Compensation Insurance, "as based on May 1996 dollars," would be removed. In Section B. 3. Public Liability Insurance would be changed to Commercial General Liability Insurance, and the language, "As of May 1996, an example of required insurance would be as follows: The combined single limit for all liability coverage's shall be \$5 million." would be removed.

Mr. Allen said that the example above referencing \$5,000,000.00 was confusing. Lessees thought that \$5,000,000.00 was the required amount. Instead, Attachment 2, Summary of Minimum Requirements for Commercial Aeronautical Activity, would be referenced to determine the minimum insurance requirements based on the commercial operator's business, which would be typically \$1,000,000/\$2,000,000 based on input from the City's Risk Pool.

Mr. Allen said that \$1,000,000.00 combined single-limit coverage for Motor Vehicle Insurance was required unless the operator's public liability coverage included vehicular operations on the airport. Staff felt that \$1,000,000.00 was excessive and that \$500,000.00 would be sufficient.

Mr. Allen said the items listed in red on the draft matrix, Attachment 2, were replaced with actual numbers instead of an "x" so Lessees would know the minimum insurance requirements.

Member Ironside said he would like to keep the Motor Vehicle minimum standard at \$1,000,000.00. Chairman Cedarblade agreed.

CHAIRMAN CEDARBLADE MOVED TO RECOMMEND APPROVING THE PROPOSED CHANGES TO AIRPORT MINIMUM STANDARDS ATTACHMENTS 1 AND 2 REGARDING REQUIREMENTS FOR MINIMUM INSURANCE STANDARDS; SECONDED BY MEMBER IRONSIDE; THE

MOTION PASSED 4 TO 0, WITH CHAIRMAN CEDARBLADE AND MEMBERS HANNAH, IRONSIDE, AND WINSLOW VOTING IN FAVOR.

5. CALL TO THE PUBLIC:

Any citizen desiring to speak on a matter that is within the jurisdiction of the Aviation Advisory Committee may do so at this time. Comments may be limited to three minutes per person and shall be addressed to the Committee as a whole, and not to any individual member. Issues raised shall be limited to those within the jurisdiction of the Aviation Advisory Committee. Pursuant to the Arizona Open Meeting Law, the Committee cannot discuss or act on items presented at this time. At the conclusion of the call to the public, individual committee members may (1) respond to criticism made by those who have spoken, (2) ask staff to review a matter, and (3) ask that a matter be put on a future agenda.

None.

6. SUMMARY OF CURRENT EVENTS:

A. Committee

Member Winslow congratulated staff on being named Airport of the Year.

B. Public Works Director

Mr. Kopp said the staff was currently working on the budget, which included some airport upgrades. He said the City received a large bison head from the Show Low Historical Society, which would be hung in the airport terminal.

Mr. Kopp said the City was planning an overflow parking project at the airport in the area just west of the existing parking lot. Crews replaced the HVAC in the terminal, and the Transportation Security Administration would be replacing some scanning equipment. He said the City had a fiber optic project planned, so fiber optics should be installed at the airport by the end of the year. The HVAC and heater were replaced in the Aircraft Rescue and Fire Fighting building, and the roof was replaced on the Bureau of Indian Affairs (old terminal) building.

C. Airport Manager

Mr. Allen said the Arizona Department of Transportation name Show Low Regional Airport - Airport of the Year, 2024.

Mr. Allen said 151,883.6 gallons of fuel were sold between July 2025 and January 2025. In January 2025, 20,312.5 gallons were sold, a five-year record for January.

Mr. Allen said Contour Airlines' on-time performance was 82.5%, and their completion factor was 99% for October 2024 through December 2024. January 2025's on-time performance was 91.2%. He shared the 2024

enplanements for the following months: October - 697, November – 624, December – 751, for a total of 2,072.

Mr. Allen said the airport's planning consultant, Dibble, completed the focused planning study for the crosswind runway project and submitted it to the Federal Aviation Administration (FAA). The scoping for the Environmental Assessment for the crosswind runway was underway, and comments from the FAA had been received. Dibble was addressing the comments. He said the scope and fees would be subject to an Independent Fee Assessment.

Mr. Allen said the Bipartisan Infrastructure Law funding was in place for the construction of two large helipads adjacent to Taxiway A. The City's consultant, Lochner, was recently asked by the FAA to make a "pen/ink" change to the Airport Layout Plan (ALP) to reflect the actual orientation of the helipads as designed. It would then undergo an FAA review process. Lochner was planning to put the project out to bid this month, but the ALP review period would cause a 30-day delay.

Mr. Allen said the Arizona Department of Transportation grant agreements for two projects have been accepted by the City Council. The Replacement LED Runway Signage on Runway 7-25 and Replacement Precision Approach Path Indicators/Runway End Identifier Lights on Runway 7-25 projects were expected to be completed this summer.

Mr. Allen said several new hangar development leases had been created, and new private hangar developments were erected at the airport recently. He said a Request for Proposals for non-commercial ground leases for hangar development was advertised in November of 2024 with a due date of December 11, 2024. The City received three proposals. City staff reviewed the proposals and coordinated new leases for new hangar developments. The City, in coordination with Big Dog Development, completed the hangar infrastructure project for Phase I and was preparing for Phase II.

Mr. Allen said staff was working on an insurance audit. Letters, including an insurance checklist, were sent to airport leaseholders requesting that they provide current certificates of insurance meeting the minimum requirements. We have received over 25 responses. Follow-up letters would be sent until all leaseholders complied.

Mr. Allen said a project to repaint the exterior of the terminal building was being put out to bid, and another project to remodel the terminal restrooms was scheduled for later this year.

7. **NEXT MEETING:**

Chairman Cedarblade said the next meeting of the Aviation Advisory Committee would be on April 24, 2025, at 4:00 p.m. in the City Council Chambers.

8. **ADJOURNMENT:**

There being no further business to be brought before the Aviation Advisory Committee, **CHAIRMAN CEDARBLADE ADJOURNED THE REGULAR MEETING OF THE SHOW LOW AVIATION ADVISORY COMMITTEE OF FEBRUARY 24, 2025 AT 4:37 P.M.**

ATTEST:

APPROVED:

Jacob Allen, Airport Manager

Signature

Name

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Aviation Advisory Committee of Show Low held on February 24, 2025. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 20__.

Jacob Allen, Airport Manager

ITEM 4.D

ATTACHMENT 1

A.

The following insurance requirements and limits reflect minimum and typical insurance coverage for the various commercial aeronautical activities. The required insurance coverage and limits will be determined during the development of a specific lease or agreement by the City's insurance carrier. The applicant will be required to provide a detailed disclosure of all activities, services or operations which will be associated with the lease or agreement. Included with the disclosure will be a maximum valuation of aircraft to be utilized or services. Any deviations from, changes to, or additions of activities, services or operations will prompt a review of the insurance requirements. Additionally, the operator's minimum insurance requirements shall be subject to adjustment at two (2) year intervals, at the sole discretion of the City, with the first adjustment date to be two (2) years following the commencement date of the lease or agreement.

B.

The following types of coverage and limits are minimum insurance requirements and are subject to modification by the City's insurance carrier during the development of the lease or agreement. The types of coverage listed below shall be carried by all operators of commercial aeronautical activities at the airport.

1. Worker's Compensation Insurance – as required and in such amounts to fully comply with the laws of the State of Arizona including employee's liability of \$1,000,000 ~~as based on May 1996 dollars.~~
2. Casualty Insurance – against loss or damage to buildings or other insurable improvements due to perils covered in the ISO Special Form in the amount of not less than 100% of replacement value.
3. ~~Commercial General Liability Public Liability Insurance~~ – against claims for death, bodily injury, or property damage occurring on, in, or about the operator's premises and the airport. ~~As of May 1996 an example of required insurance would be as follows: The combined single limit for all liability coverage's shall be \$5 million.~~

C.

Other types of insurance coverage may be required and will depend upon the precise nature of the commercial aeronautical activities to be conducted by the operator. The types of coverage which are listed below are representative of the additional insurance coverage and are not intended to be exhaustive. Additional insurance coverage which may be required include:

1. Aircraft Liability – against claims for death, bodily injury, or property damage relating

to the operator's use of an aircraft. Depending on commercial aeronautical activity, aircraft liability will need to cover passengers, aircraft renters, and student pilots.

2. Hangar Keeper's Liability – against claims for damage or loss to an aircraft during the movement of another aircraft in and around a hangar.

3. Product Liability – against claims for death, bodily injury, or property damage resulting from faulty or defective products. Typically supplements the manufacturer's product liability insurance.

4. Premises Liability

5. Chemical and Environmental Damage Liability

D.

Motor Vehicle Liability is required for any vehicle which is authorized by the Airport Manager to operate on the aircraft operating areas of the airport. Minimum amount of insurance is \$1 million combined single limit coverage. If the operator's public liability coverage includes vehicular operations on the airport, separate motor vehicle insurance shall not be required.

Attachment 2

**Summary of
MINIMUM REQUIREMENTS** FOR
COMMERCIAL AERONAUTICAL ACTIVITY (1)**

	FULL SERVICE FBO	AIRFRAME & POWER PLANT REPAIR	AVIONICS, INSTRUMENT, PROPELLER, REPAIR	AIR AMBU-LANCE	AIRCRAFT CHARTER, AIR TAXI	AIRCRAFT RENTAL	AIRCRAFT SALES	FLIGHT TRAINING	COMMERCIAL FLYING CLUB	SPECIALIZED COMMERCIAL AERONAUTICAL ACTIVITIES	SCHEDULED AIRLINE SERVICE
	8/7	8/5	8/5	24/7	8/5	(2)	(2)	(2)	(2)	(2)	(2)
Hrs. Oper/Days	X	X	X	X	X	X	X	X	X	X	X
Fuel Disp. Vehicles Paved	X	X	X	X	X	X	X	X	X	X	X
Ramp Space -- Paved	X	X	X	X	X	X	X	X	X	X	X
Hangar	X	X(4)	X(4)	X	X	X	X	X	X	X	X
Shop	X	X	X	X	X	X	X	X	X	X	X
Office	X	X	X	X	X	X	X	X	X	X	X
Public Area	X	X	X	X	X	X	X	X	X	X	X
Restrooms	X	X	X	X	X	X	X	X	X	X	X
Public Telephone	X	X	X	X	X	X	X	X	X	X	X
Line Serv. Equip	X	X	X	X	X	X	X	X	X	X	X
Ramp Vehicles	X	X	X	X	X	X	X	X	X	X	X
Parking Lot	X	X	X	X	X	X	X	X	X	X	X
Parts Inventory	X	X	X	X	X	X	X	X	X	X	X
Retail Fuel Sales	X	X	X	X	X	X	X	X	X	X	X
Aircraft	X	X	X	X	X	X	X	X	X	X	X
Unicom	X	X	X	X	X	X	X	X	X	X	X
INSURANCE (3)											
Aircraft Liability	*	*	*	*	*	*	*	*	*	*	*
Bodily Injury & Property Damage, Incl. Passengers	*	*	*	*	*	*	*	*	*	*	*
Student & Renter	X	X	X	X	X	X	X	X	X	X	X
Commercial General Liability	1mil/2 mil	1mil/2 mil	1mil/2 mil	1mil/2 mil	5 mil	1mil/2 mil	1mil/2 mil	1mil/2 mil	1mil/2 mil	1mil/2 mil	5 mil
Hangar's Keeper	1 mil	1 mil	*	1 mil	100% replacement value	100% replacement value	100% replacement value	100% replacement value	100% replacement value	100% replacement value	100% replacement value
Product Liability	*	*	*	*	*	*	*	*	*	*	*
Casualty	100% replacement value	100% replacement value	100% replacement value	100% replacement value	100% replacement value	100% replacement value	100% replacement value	100% replacement value	100% replacement value	100% replacement value	100% replacement value
Worker's Compensation	Statutory requirements	Statutory requirements	Statutory requirements	Statutory requirements	Statutory requirements	Statutory requirements	Statutory requirements	Statutory requirements	Statutory requirements	Statutory requirements	Statutory requirements
Motor Vehicle Liability	1 mil	1 mil	1 mil	1 mil	1 mil	1 mil	1 mil	1 mil	1 mil	1 mil	1 mil
Premises Liability	*	*	*	*	*	*	*	*	*	*	*
Chemical and Environmental Damage Liability	*	*	*	*	*	*	*	*	*	*	*

(1) Summary provides only general guidance, refer to applicable sections for complete details. See Section 1.5B for Waiver to Minimum Standards

(2) Hours of operation will be determined by October

(3) Insurance required for all motor vehicles operated at the Airport

(4) May sublease hangar space from FBO with approval from City

(5) Off-Airport office may be allowed as a waiver

*To be determined by the type of operations

** Minimum requirements may be increased based on type of operations

**CITY OF SHOW LOW
STAFF SUMMARY REPORT**

AGENDA TITLE: Consideration of Revised Schedule of Rates and Charges at the Show Low Regional Airport and Recommendation to the City Council. (Jacob Allen)

RECOMMENDED MOTION

I **MOVE** to recommend the proposed changes to the current rates and charges for the Show Low Regional Airport to the Show Low City Council for approval.

BACKGROUND

In February 2018, the City Council adopted Resolution No. R2018-07, which implemented a revised Schedule of Rates and Charges for the Show Low Regional Airport. This revision updated pricing structures and added new service rates.

Per City policy, the Aviation Advisory Committee is tasked with reviewing the airport's rates and fees every five years. Following this review, and in comparison, with rates at similar regional airports, staff has identified and proposed adjustments to various fees, including aircraft parking, landing fees, and other airport services.

These proposed changes, developed in collaboration with the Aviation Advisory Committee, will be submitted for City Council consideration and approval.

Attachments: Proposed Rates & Charges.

FISCAL IMPACT

Anticipated revenue: The adoption of the revised Schedule of Rates and Charges is expected to increase revenue for both the City and the airport. However, the exact financial impact cannot be determined at this time.

EXHIBIT A

SHOW LOW REGIONAL AIRPORT
SCHEDULE OF RATES AND CHARGES

Article 1 - Aircraft Parking

<u>Aircraft Type</u>	<u>Nightly</u>		<u>Monthly</u>	
	<u>Current</u>	<u>Proposed</u>	<u>Current</u>	<u>Proposed</u>
Single-engine, piston engine:	\$7.00	\$10.00	\$40.00	\$50.00
Small Twin-engine, piston engine:	\$10.00	\$15.00	\$60.00	no change
Turboprop:	\$35.00	\$35.00	\$320.00	no change
Jet:				
Less than 12,500 pounds	\$35.00	\$35.00	\$320.00	no change
Greater than 12,500 pounds	\$75.00	\$75.00	\$600.00	no change
Helicopter:				
Single-engine	\$10.00	\$15.00	\$70.00	\$75.00
Twin-engine	\$15.00	\$25.00	\$110.00	\$125.00
Any Aircraft over 12,500 pounds	\$75.00	no change	\$600.00	no change

¹ Single-engine and twin-engine piston aircraft will have their first night's parking fees waived.

Persons desiring to park their aircraft on a month-to-month basis will be offered a ten percent (10%) discount on annual fees if prepaid in full.

No parking fees shall be assessed to aircraft that do not remain overnight at the airport.

Overnight Hangar Rates

	<u>Current</u>	<u>Nightly</u>
		<u>Proposed</u>
Single-engine, piston engine:	\$30.00	no change
Twin-engine, piston engine:	\$40.00	no change
Turboprop, Single-engine:	\$50.00	no change
Turboprop, Multi-engine:	\$75.00	no change
Jet:	\$75.00	no change

These rates apply only when there is an available hangar owned by the City of Show Low. The space available in this hangar while used for the purpose of aircraft storage will be

for temporary aircraft storage, not to exceed seven days. In the case where an aircraft owner desires to store an aircraft for a longer period of time, a negotiation may occur with the Airport Manager.

Article 2 - AUTOMOBILE PARKING

Three (3) separate parking areas shall be established at the airport: The main parking lot directly south of the terminal building, the parking lot between the city-owned hangar at 3301 Airport Loop and the hangar directly west of the city's hangar at 3201 Airport Loop, and the fenced parking lot east of the terminal building (see attached map shown as Exhibit A-1).

The east lot shall be declared a long-term parking lot while the main lot and hangar parking lot shall be declared short-term parking lots. Vehicles parked at the airport in excess of 14 days, whether continuously or in aggregate, in any one calendar month shall be considered to be long-term. Vehicles parked less than 14 days shall be considered short-term. Each separate parking lot shall have signs erected stating the allowable duration of vehicle parking.

Automobile Parking Fees:

No fee shall be assessed to vehicles parked in the short-term lot provided that such vehicles are in compliance with the time limits stated above. Vehicles parked in the short-term lot in excess of the stated time limits shall be required to pay the applicable long-term rate(s).

	<u>Current</u>	<u>Proposed</u>
Long-term fee:	\$35.00 per month	\$40.00 per month

Persons desiring to park their automobiles on a month-to-month basis will be offered a ten percent (10%) discount on annual fees if prepaid in full.

Vehicle parking in the long-term lot shall be allowed by payment of fees and the submittal of vehicle and owner information to airport staff.

Violations:

Vehicles in violation of Article 2 shall be subject to assessment of unpaid fees as well as the provisions of the City of Show Low Section ~~40-4-2~~ **8.15.020**, Abandoned Vehicles, and Section ~~43-3-8~~ **9.15.080**, *Parking on City-Owned Property*.

Fees:

Fees in Article 2 shall be reviewed on a biennial basis.

Article 3 - AUTOMOBILE AND AIRCRAFT PARKING

Airport tenants who prepay annual automobile and aircraft parking fees shall be entitled to a reduction of one-half of the automobile parking fee when both the automobile and aircraft parking fees are prepaid and when paid at the same time. Aircraft parking fees shall remain at the applicable rate for the type aircraft.

Article 4 - COMMERCIAL OPERATION FEES

The following monthly Commercial Operation Fees shall be assessed to each commercial aeronautical activity or enterprise operating out of the Show Low Regional Airport with an operating agreement:

	<u>Current</u>	<u>Proposed</u>
Air Ambulance/Aeromedical Companies:	\$750.00	no change
Aircraft Charter/Air Taxi Operators:	\$250.00	no change
Commercial Flying Club:	\$250.00	no change
Airframe and Powerplant Repair:	\$150.00	no change
Avionics Repair:	\$150.00	no change
Special Commercial Activity:	\$125.00	no change
Aircraft Rental		
One aircraft available:	\$ 50.00	no change
Two or more aircraft available:	\$100.00	no change
Aircraft Sales:	\$100.00	no change
Aircraft Flight Instruction:	\$ 50.00	no change
Mobile Airframe and Powerplant Mechanic:	\$ 50.00 ²	no change

Commercial aeronautical activity operators shall pay each fee applicable to the operator's activities; however, the operator(s) in aggregate shall not pay more than the highest individual Commercial Operation Fee with the exception of air ambulance/aeromedical companies which shall be required to pay the respective monthly fee for air ambulance/aeromedical companies.

² Mobile mechanics shall be required to obtain and provide the applicable insurance policies equal to those required of a based airframe and powerplant repair station. Mobile mechanics shall be defined as aircraft mechanics conducting aircraft repair activities on the airport without a hangar or operating agreement.

Article 5 - Landing Fees

For all commercial aeronautical activities, the following landing fees shall be assessed based on a maximum aircraft landing weight and for each landing occurrence:

	<u>Current</u>	<u>Proposed</u>
12,500 pounds or less:	\$10.00	\$15.00
	waived with 250-gallon fuel purchase	
12,501 pounds to 25,000 pounds:	\$25.00	\$30.00
	waived with 500-gallon fuel purchase	
25,000 pounds or more:	\$80.00, waived with 750-gallon fuel purchase	

Article 6 - After Hours Service Fees

The following fees shall be assessed for activities occurring outside normal Airport hours of business:

1. Personnel Call-Outs: A minimum fee of \$125.00 shall be charged each time airport staff are requested to provide aircraft support services after or before normal posted business hours. Service fees shall be assessed during non-scheduled hours for services such as, but not limited to, aircraft fueling, weather observations, runway condition inspections, or any other on-demand service, other than snow removal operations, required by an aircraft owner or operator. This fee shall be assessed regardless of any amounts of fuel purchased. Should the time required to complete a request for service exceed two hours a second personnel call-out fee shall be charged.
2. Snow Removal: A fee of \$300.00 shall be charged each time airport staff are called out to the airport to provide on-demand snow removal services after or before the City’s established snow removal policy. This fee shall be based on a minimum of two persons operating snow removal equipment for no less than four hours.

The maximum fee for a combined after-hours personnel call-out and snow removal shall be \$300.00.

Fees:

Fees in Article 6 shall be subject to adjustment based on a review of personnel and equipment costs by the City of Show Low.

ARTICLE 7 - MISCELLANEOUS SERVICES FEES

Aircraft Services

	<u>Current</u>	<u>Proposed</u>
30-Minute Engine Preheat		
Single-engine aircraft:	\$35.00	no change
Twin-engine aircraft:	\$50.00	no change
Towing:	\$20.00	\$25.00
Engine Electrical Jump Start		
Two-master unit:	\$15.00	\$20.00
Power cart rectifier unit:	\$30.00	no change
1-hour minimum		
Each additional hour	\$30.00	no change

Automobile Services

Engine Electrical Jump Start

Long-term vehicles:

no charge

All others:

\$15.00

Administrative Services

Information research for current fiscal year:

Per City policy

Information research older than current fiscal year:

Per City policy

Terminal Building Conference Room

Terminal building tenants:

no charge

One to four hours (one hour minimum):

\$12.00 per hour³

Daily (more than four hours):

\$60.00³

³ Airport tenants other than terminal building tenants shall pay one-half of the applicable hourly or daily rates.

ARTICLE 8 - LATE PENALTY FEES

All fees shall be due and payable on the first day of each month or as the fees occur. All fees listed in this schedule of rates and charges shall be subject to a monthly late penalty fee of \$10.00 in addition to the fee(s) due. Late fees shall be cumulative on a monthly basis until the applicable fee(s) and late fee(s) are paid.

Commercial operators failing to pay the applicable fees and/or late fees may lose the right to conduct commercial activities at the Show Low Regional Airport until such time as all fees are paid in full.

ARTICLE 9 - FUEL FLOWAGE FEES

Aircraft fueled from aircraft fueling vehicles or tanks other than those owned and operated by the City of Show Low shall pay a fuel flowage fee of \$0.20 per gallon of fuel. This fee shall be assessed based on the volume of the tank or vehicle involved in the fueling operation. Operators of vehicles or tanks must provide the city with insurance policies evidencing liability and environmental coverage in an amount acceptable to the city.

ARTICLE 10 - COMMERCIAL OPERATOR ACCESS FEE

All for-profit commercial operators requiring access to aircraft operations areas of the airport shall be required to pay an access fee for entry into these areas. These fees shall be applicable to, but not limited to, cargo companies except those based at the airport, ambulance companies, taxis, limousines, and hunting outfitters.

Commercial operator access fees shall be as follows:

Per occurrence: \$15.00
Monthly: \$60.00

ARTICLE 11 – LEASE APPLICATION FEE

Persons desiring to enter into a ground lease shall pay the following fee to help offset the City's cost of advertising and preparing the various documents:

Per lease application: \$150.00

ARTICLE 12 – LEASE/OPERATING AGREEMENT ASSIGNMENT FEE

Persons or entities with a current ground lease or operating agreement shall pay the following fee when selling, assigning, or transferring their agreement to another person or entity:

Per sale, assignment or transfer: \$150.00

ARTICLE 13 – BULK FUEL DISCOUNTS

Persons or entities that purchase large amounts of fuel on a monthly basis shall be offered the following discounts:

2,000 to 4,999 gallons monthly: \$0.10 per gallon discount
5,000 gallons or more monthly: \$0.20 per gallon discount

Fuel purchases will be totaled on a monthly basis to determine the applicable discount, if any. Three months' worth of fuel sales shall be monitored to determine if a discount is applicable to the person or entity before establishing a discount rate. Should a person or entity fail to meet the 2,000-gallon minimum requirement for three successive months, their discount will be terminated until such time as their fuel purchases exceed 2,000 gallons per month for three successive months.

ARTICLE 14 – NONCOMMERCIAL GROUND LEASE RATES

Effective January 1, 2008 noncommercial ground leases shall be leased at the minimum rate of \$0.3085 per square foot per year. This rate shall be subject to a Consumer Price Index adjustment in January of each successive year.

ARTICLE 15 – RETAIL FUEL RATES

Wholesale aircraft fuel shall have the following mark-ups prior to retail sale:

Jet A \$1.00 per gallon

AvGas \$1.00 per gallon

Self-service fuel shall be reduced by \$0.25 per gallon for each type of fuel.

ARTICLE 16 – NON-PROFIT, “MERCY MISSION” FUEL DISCOUNTS

The City shall offer a discount of \$0.25 per gallon off of the full-service fuel truck price of fuel for aircraft and operators engaged in non-profit mercy missions such as medical, equipment or supply transport. Operators of aircraft must provide evidence of their official flight status from their governing body. An example of a non-profit “mercy mission” would be Angel Flight West or similar.