

**SHOW LOW AVIATION ADVISORY COMMITTEE**  
**REGULAR MEETING - THURSDAY, FEBRUARY 20, 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, February 20, 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:** Roger Williams - Excused

3. **APPROVAL OF MINUTES:**

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

4. **NEW BUSINESS:**

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

B. Rescind Resolution R2017-04 and Adopt R 2025-09 to reduce frequency of Aviation Advisory Committee meetings

C. Amendment to commercial leases and operating agreements (rent deposit, security deposit, holdover rates)

D. Draft Insurance Matrix for Commercial Operators

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. April 24, 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 February 18, 2025.

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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 THURSDAY, SEPTEMBER 28, 2023 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: Councilman Jon Adams.

GUESTS PRESENT: None.

**3. APPROVAL OF MINUTES:**

A. Aviation Advisory Committee Regular Meeting of May 11, 2023.

**CHAIRMAN CEDARBLADE MOVED TO APPROVE THE MINUTES OF MAY 11, 2023; SECONDED BY MEMBER GARY WINSLOW; MOTION PASSED 4 TO 0, WITH CHAIRMAN CEDARBLADE AND MEMBERS HANNAH, IRONSIDE, AND WINSLOW VOTING IN FAVOR.**

**4. NEW BUSINESS:**

A. Introduction to Crosswind Runway Focused Planning Study - Dibble

Jacob Allen introduced Charlie McDermott, Senior Project Manager and Jenny Watts, Senior Planner with Dibble, who were hired to work on the proposed Crosswind Runway Focused Planning Study (FPS).

Mr. McDermott said the project team was comprised of the City of Show Low, the Federal Aviation Administration (FAA), Dibble, SWCA Environmental Consultants, Lean Technology Airspace Consultants, and Armstrong Consultants.

Mr. McDermott said the FAA required the FPS to determine the appropriate environmental clearance under the National Environmental Policy Act (NEPA) and establish federal action. The FPS must demonstrate the project's

purpose and need and include pre-planning documentation leading to either an Environmental Assessment (EA) or an Environmental Impact Statement (EIS). Mr. McDermott said that an EA was anticipated for this project.

Mr. McDermott said the 2021 Airport Master Plan proposed the closure of the existing crosswind runway 4/22 and the development of a new crosswind runway. The justification for closing the existing crosswind runway was based on four key factors: poor pavement condition, it did not meet the FAA's 95% wind coverage requirement, the existing runway length was not optimal for most small aircraft, and it did not meet several FAA safety area design standards.

Mr. McDermott said the FPS included the following components: the development of preliminary FAA environmental clearance documentation components and validation of runway length, orientation, and location as depicted on the 2021 Airport Layout Plan. After the preferred location of the new runway was identified, the FPS would include screening of environmental resources, airspace analysis, 25 percent preliminary engineering design, documented Categorical Exclusions (CATEX) for the fill borrow sites, public outreach, and FPS submittal for FAA determination.

Ms. Watts said it was essential to engage with the community early and through this process foster buy-in and understanding. As part of the public outreach process, up to four public workshops would be hosted in an open-house format. The Dibble team would work directly with the City to determine the best locations and how to best share this information with the public via press releases, newspaper advertising, social media, and Show Low TV.

Ms. Watts said the outcome of the FPS would not change the types of aircraft using the facility, the airfield capacity, or the introduction of additional commercial services. The outcome of the FPS would allow the commencement of the NEPA environmental clearance process, and the new crosswind runway would enhance the safety of the airfield for users.

Chairman Cedarblade asked what the time frame was to get started on the process. Mr. McDermott said they would like to hold the first public meeting before Thanksgiving. Chairman Cedarblade asked when the 12-month time period would start. Mr. McDermott said that would begin when the Environmental Assessment started. The FAA would provide a Determination letter stating it was okay to move forward with the Environmental Study, and that was when the clock started.

Chairman Cedarblade asked how many of the four public meetings would take place before the EA. Mr. McDermott said all the public outreach meetings and the Focus Planning Study would be done and submitted to the FAA before the EA. Then, the FAA would let the City know when it could proceed with the EA. Ms. Watts said there would be additional public engagement programs for the EA process.

Chairman Cedarblade asked at what point tentative documentation would be ready to present at these public meetings. Mr. McDermott said boards showing where the proposed flight tracks would be compared to the current ones would be ready for the first meeting. The first group of public meetings aimed to have all issues vetted and community concerns addressed before the Environmental Assessment began.

Member Winslow asked if Dibble looked into the airport's history, all the way back to 1948, as part of the FPS. Mr. McDermott said yes, they would look at the airport history. It had to be considered as part of the FPS and carried over into the Environmental Assessment.

Member Ironside asked how the topic of the borrow site would be addressed during the outreach process, as that information would most likely not be available for the November meeting. Mr. McDermott said that at the first public meeting in November, the project would be introduced to the public and include what the project was, what the City was trying to accomplish, present data gathered, and get initial feedback from the community. They would not have all the answers at the first public meeting.

Member Ironside said there would probably be people concerned about what the borrow site would look like, and the City should try and have some information to present to the community as soon as possible. Mr. McDermott said Armstrong Consultants was responsible for identifying the borrow site, confirming the material at the site was adequate, and how it would be transported to the airport. Mr. Allen said the airport and two other sites were under consideration for the borrow sites.

**B. Airport Capital Program Review (ACP)**

Mr. Allen presented the approved Airport Capital Improvement Program (ACIP). He said the report included proposed FFA and Arizona Department of Transportation (ADOT) projects. Not all projects had received funding but were approved as part of the five-year plan. Regarding federally funded projects, the City of Show Low was considered an economically disenfranchised community, so the FAA paid 95 percent, ADOT matched 2.5 percent, and the City had to match 2.5 percent. Regarding state-funded projects, the state funded 90 percent, and the City match was 10 percent.

Mr. Allen said the projects that were included as part of the ACIP were the construction of two large helicopter pads to support firefighting operations, the replacement of signs with LED lighting on runway 7/25, and the replacement of the Precision Approach Path Indicators and Runway End Identifier Lights on runway 7/25 with LED units.

Mr. Allen said in 2025, the Environmental Assessment to construct runway 2/20 would follow the Focus Planning Study. That would be followed by the construction of the new proposed runway 2/20 and the construction of a

parallel taxiway along that runway. He said that in 2027, there were plans to reconstruct Taxiway Bravo. The airport also must acquire a new Aircraft Rescue and Fire Fighting truck. The last ACIP project, scheduled for 2029, was the reconstruction of the north apron.

**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 Members

None.

B. Public Works Director

Mr. Kopp said the City's capital improvement planning was starting. The first meeting would be held on October 25, 2023. He invited the Committee Members to share any projects they would like to nominate for the Capital Improvement Program.

Mr. Kopp said the City was advertising a Request for Proposal for hangar ground leases and had one interested party. Staff held a pre-bid meeting for the 10-Hanger Infrastructure project, and it was well attended.

C. Airport Manager

Mr. Allen said Armstrong Consultants was conducting surveying, geotechnical work, and boring in support of the Focus Planning Study. The grant funds for the ADOT-approved LED Runway Lighting project for runway 7/25 were received. The design was complete, and the contractor was waiting for materials. He said Public Works had been working on pavement maintenance at the airport. The Annual Part 139 Inspection was conducted on August 31, and the airport was found to be in compliance with all requirements.

Mr. Allen said there were a couple of projects that were supposed to start in July as part of the ADOT Airport Pavement Management System (APMS) program which included crack seal and seal coat on the primary runway 7/25, a mill and overlay of Taxiway Alpha, and slurry seal of runway 4/22. However, these projects were postponed until Spring 2024 due to contractor issues.

Mr. Allen said in March, the airport subscribed to 1200.aero, tracking operations software that allowed the airport to automatically track airport activity 24 hours a day. The system tracked daily operations, weather conditions, and operations by runway, aircraft type, and origin airport. Previously, staff tracked data by hand and only between 7:00 a.m. to 7:00 p.m. He shared the operations report from May 1, 2023, through September 28, 2023. In that period, the airport had 8,541 operations, 3,984 landings, 4,050 takeoffs, 179 go-arounds, and 328 overflights.

Mr. Allen said shared fuel sales for the following months: May - 19,659 gallons, June - 24,413 gallons, July - 45,913 gallons, and August - 35,385 gallons. He said the last three months' sales were five-year records.

Mr. Allen said Matt Smith and Luther Quintana retired last month. Austin Donald was now the new Senior Airport Lineman and three new linemen were hired: Kelly Sharping, Dean Higginbotham, and Tad Thurell.

7. **NEXT MEETING:**

A. October 17, 2023

Chairman Cedarblade said the next meeting of the Aviation Advisory Committee would be on October 17, 2023, 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 SEPTEMBER 28, 2023 AT 4:56 PM.**

ATTEST:

APPROVED:

\_\_\_\_\_  
Jacob Allen, Airport Manager

\_\_\_\_\_  
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 September 28, 2023. 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

**CITY OF SHOW LOW  
STAFF SUMMARY REPORT**

**AGENDA TITLE:** Consideration of Recommendation to Rescind Resolution R2017-04 and Recommend Adopting Resolution R2025-09 to reduce frequency of Aviation Advisory Committee meetings (Jacob Allen)

**RECOMMENDED MOTION**

I **MOVE** to recommend to the Show Low City Council the approval of Attachment A of Resolution No. R2025-09 reducing the frequency of Aviation Advisory Committee meetings.

**BACKGROUND**

Currently Resolution R2017-04 reads 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.”

The new resolution R2025-09 will amend the paragraph 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 A~~additional regular ~~quarterly~~ meetings ~~are generally shall be held during January, July and October~~ **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, ~~or mail or email. as required by law.~~ Robert's Rules of Order shall be utilized in the conduct of all meetings.

This will effectively reduce the frequency of AAC meetings from four times per year on a quarterly basis to two times per year and allowing for additional meetings to be held as needed.

**CITY OF SHOW LOW RESOLUTION NO. R2025-09**

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SHOW LOW, ARIZONA, RESCINDING RESOLUTION NO. R2017-04 AND REVISING THE MEETING SCHEDULE AND MEMBER NOTICE REQUIREMENTS FOR AVIATION ADVISORY COMMITTEE**

**RECITALS:**

**WHEREAS**, Section 2.05.190 of the Show Low City Code provides for the creation of committees and commissions, standing and special, as is deemed necessary by the City Council; and

**WHEREAS**, the City Council, by Resolution No. 968 dated November 6, 2002, established the Aviation Advisory Committee, including criteria for membership, composition, and scope; and

**WHEREAS**, the City Council, by Resolution No. R2004-29 dated October 5, 2004, rescinded Resolution No. 968 and revised the committee's membership criteria, scope, and meeting requirements; and

**WHEREAS**, the City Council, by Resolution No. R2007-11 dated March 20, 2007, rescinded Resolution No. R2004-29 and revised the committee's requirements to present an annual report to the City Council, changed the membership criteria, and clarified the definition of "resident"; and

**WHEREAS**, the City Council, by Resolution No. R2009-55 dated December 15, 2009, rescinded Resolution No. R2007-11 and reduced the size of the committee from seven to five members and clarified that the pilot to non-pilot ratio was a preference, not a requirement; and

**WHEREAS**, Resolution No. R2017-04, dated February 7, 2017, revised criteria related to term lengths, officers' terms, and meeting schedule; and

**WHEREAS** it is the intent of this resolution to revise the meeting schedule and forms of meeting notice to the members.

**ENACTMENTS:**

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and Council of the City of Show Low, Navajo County, Arizona as follows:

1. Resolution No. R2017-04 is hereby rescinded.

2. The meeting schedule and member notice requirements of the Aviation Advisory Committee of the Show Low City Council is hereby revised as outlined in Attachment A, hereto.

**PASSED AND ADOPTED** this 4<sup>th</sup> day of March 2025, by the Mayor and Council of the City of Show Low, Arizona.

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John Leech, Jr., Mayor

ATTEST:

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Rachael Hall, City Clerk

APPROVED AS TO FORM:

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Anna M. Atencio, City Attorney

## **Attachment A**

### **Membership**

The Aviation Advisory Committee (AAC) shall be appointed by the City Council and shall be comprised of five (5) members who shall be residents of Navajo County, Arizona.

Members shall be a mixture of currently licensed pilots, citizens, businesspersons, persons having aviation-related experience, including, but not limited to, non-current pilots, Federal Aviation Administration maintenance experience and airport operations experience, and other persons who have an interest in Show Low aviation issues, provided that not less than a majority of the AAC shall be residents of the City of Show Low. "Resident" is defined as one who lives within the boundary limits of the City of Show Low. It is the preference, but not a requirement, of the Council that at least two pilots, with the desire that one hold a commercial rating, and at least two non-pilots serve on the AAC.

The Airport Manager of the Show Low Regional Airport and one City Council member of the Show Low City Council shall also be members of the AAC and shall act in *ex officio* roles. Neither of these AAC members may be voting members of the AAC.

Member(s) of the Committee shall be removed by the City Council whenever any member is absent from three consecutive regular meetings for unexcused absences, if a member is found to not be serving the best interests of the City or for other reasons found, including lack of input, inefficiency, neglect of duties, or malfeasance in office. Termination(s) shall be at the will and pleasure of the City Council without the necessity of a hearing or notice, and such action shall be final. The Airport Manager shall be responsible for maintaining attendance records of members at all meetings.

### **Terms**

The terms of the members of the AAC shall be four (4) year staggered terms. In the event of the death, resignation or removal of a member, the vacancy may be filled by the City Council for only the unexpired portion of the term.

### **Officers**

The AAC shall elect a Chairman and Vice-Chairman from among its own members, who shall serve for two (2) years, and until their successors are elected. The Chairman shall preside over all meetings and exercise all the usual rights, duties, and prerogatives of the head of any similar organization. The Vice-Chairman shall perform the duties of the Chairman in the latter's absence or disability. Vacancies created by any cause shall be filled for the unexpired term by a new election.

## Organization

A majority of three (3) members of the AAC shall constitute a quorum. The concurrence of a quorum shall be required to transact any committee business or take official action, including, but not limited to, recommendations for the adoption of policies, rules, and regulations; Airport Minimum Standards; or reports.

## Conflict of Interest

No member of the AAC, as either a voting or non-voting member, shall act on his or her own behalf, as an agent, or represent anyone on any matter coming before the AAC, City Council, or other agency within the community pertaining to airport operations and development on any matter in which the member has a conflict of interest, as defined by Arizona Revised Statutes. A member may abstain from voting upon a declaration that the member has a conflict of interest, in which case such member shall take no part in the deliberation on the matter in question.

## Areas of Interest

The AAC and its members shall act as an advisory committee to the Show Low City Council. The AAC and its members shall have no authority to set policy, regulations, rates, or other matters that require City Council approval and action.

The duty of the AAC shall be to promote air carrier, air cargo, and general aviation needs for the City of Show Low and the surrounding White Mountain area while maximizing and optimizing revenues for the operations of the airport.

The AAC and its members shall provide recommendations and guidance to the City Council and the City's Planning and Zoning Commission on the following White Mountain region general aviation issues and Show Low Regional Airport-related issues:

1. Commercial aviation.
2. General and business aviation.
3. Aircraft maintenance.
4. Marketing and economic development.
5. Public relations.
6. Safety and security.
7. Rates and charges.
8. Rules and regulations.
9. Minimum Standards, consistent with FAA Standards, and City and State regulations.
10. Architectural Standards.
11. Leases and lease rates.
12. Land use policies at and surrounding the airport.
13. Airport Master Plan and long-range planning.

14. Federal Aviation Administration and Arizona Department of Transportation Aeronautics Division grant applications.
15. Grant applications from other entities.
16. Priority rankings for Capital Improvement Projects over \$50,000.
17. Such other aviation-related matters as the City Council may direct.

### Meetings

An annual **regular** meeting of the AAC shall be held in April of each for the purpose of electing officers. ~~An Aadditional regular quarterly meetings are generally shall be held during January, July and October~~ **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, ~~or mail~~ **or email. as required by law.** Robert's Rules of Order shall be utilized in the conduct of all meetings.

### Special Meetings

Special meetings may be called by the Chairman or, in the Chairman's absence, the Vice-Chairman. The Mayor, or the City Clerk upon the written request of three (3) members, or upon a motion duly made and passed at any regular or special open meeting, may convene the Committee at any time by notifying the members of the date, hour, and purpose of such special meeting. The public shall be given twenty-four (24) hours' notice of any such special meeting by posting such notice at such places as designated in a statement filed with the City Clerk pursuant to Arizona Revised Statutes except that, in the case of an actual emergency, a meeting may be held upon such notice as is appropriate to the circumstances. No special meeting may be set beyond the next regularly scheduled meeting.

### Compensation

Members of the Aviation Advisory Committee shall receive no compensation for serving on the committee except for actual expenses incurred in connection with the duties of their office outside of the city limits of Show Low upon prior authorization of the AAC and City Council. Mileage reimbursement for travel to and from meetings shall not be eligible for reimbursement.

**CITY OF SHOW LOW  
STAFF SUMMARY REPORT**

**AGENDA TITLE:** Consideration of Recommendation of Amendment to Commercial Leases and Operating Agreements (rent deposit, security deposit, holdover rates) (Jacob Allen)

**RECOMMENDED MOTION**

I **MOVE** to recommend approving the amendment to commercial leases and operating agreements regarding rent deposit, security deposit, and holdover rates to Show Low City Council for consideration.

**BACKGROUND**

The city has 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 will add the following language to the Airport's commercial leases and commercial operating agreements regarding rent deposits, security deposits and holdover rates.

**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.

Staff recommends implementing these changes to the commercial leases and commercial operating agreements.

**Show Low Regional Airport Minimum Standards  
Insurance Matrix for Commercial Operators  
Full Service- Fixed Base Operators (FBOs)**

<b>Activity</b>	<b>Insurance Type</b>	<b>Minimum Coverage</b>
<b>Fixed Base Operators (FBOs)</b>	Commercial General Liability	\$5,000,000 per occurrence, covering premises/operations, products/completed operations, professional, host liquor, and blanket contractual liabilities.
	Casualty Insurance	100% replacement value
	Aircraft Liability	\$5,000,000 per occurrence, covering third-party bodily injury, property damage, and passenger liability.
	Comprehensive/Commercial Automobile Liability	\$1,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the airport.
	Hangarkeeper's Liability	\$2,000,000 per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by the operator.
	Product Liability	\$5,000,000 per occurrence, covering any damages from aircraft sold or rented.
	Workers' Compensation and Employer's Liability	As required by law, with employer's liability coverage of \$1,000,000 per occurrence.

**Service Operations**

<b>Activity</b>	<b>Insurance Type</b>	<b>Minimum Coverage</b>
<b>Airframe and Powerplant Repair</b>	Commercial General Liability	\$5,000,000 per occurrence, covering premises/operations, products/completed operations, and professional liability.
	Casualty Insurance	100% replacement value
	Hangarkeeper's Liability	\$2,000,000 per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by the operator.
	Product Liability	\$5,000,000 per occurrence, covering any damages from aircraft sold or rented.
	Workers' Compensation and Employer's Liability	As required by law, with a minimum employer's liability of \$1,000,000 per occurrence.

**Show Low Regional Airport Minimum Standards  
Insurance Matrix for Commercial Operators**

<b>Activity</b>	<b>Insurance Type</b>	<b>Minimum Coverage</b>
<b>Avionics, Instrument, and Propeller Repair</b>	Commercial General Liability	\$5,000,000 per occurrence, covering premises/operations, products/completed operations, and professional liability.
	Casualty Insurance	100% replacement value
	Product Liability	\$5,000,000 per occurrence, covering any damages from aircraft sold or rented.
	Workers' Compensation and Employer's Liability	As required by law, with a minimum employer's liability of \$1,000,000 per occurrence.
<b>Air Ambulance</b>	Commercial General Liability	\$5,000,000 per occurrence, covering premises/operations, products/completed operations, and professional liability.
	Casualty Insurance	100% replacement value
	Aircraft Liability	\$10,000,000 per occurrence, covering third-party bodily injury, property damage, and passenger liability for air ambulance operations.
	Hangarkeeper's Liability	\$2,000,000 per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by the operator.
	Workers' Compensation and Employer's Liability	As required by law, with a minimum employer's liability of \$1,000,000 per occurrence.
<b>Aircraft Charter and Air Taxi</b>	Commercial General Liability	\$5,000,000 per occurrence, covering premises/operations, products/completed operations, and professional liability.
	Casualty Insurance	100% replacement value
	Aircraft Liability	\$10,000,000 per occurrence, covering third-party bodily injury, property damage, and passenger liability.
	Workers' Compensation and Employer's Liability	As required by law, with a minimum employer's liability of \$1,000,000 per occurrence.
<b>Aircraft Rental</b>	Commercial General Liability	\$5,000,000 per occurrence, covering premises/operations, products/completed operations, and professional liability.
	Casualty Insurance	100% replacement value

**Show Low Regional Airport Minimum Standards  
Insurance Matrix for Commercial Operators**

<b>Activity</b>	<b>Insurance Type</b>	<b>Minimum Coverage</b>
	Aircraft Liability	\$5,000,000 per occurrence, covering third-party bodily injury, property damage, and passenger liability.
	Workers' Compensation and Employer's Liability	As required by law, with a minimum employer's liability of \$1,000,000 per occurrence.
<b>Aircraft Sales</b>	Commercial General Liability	\$5,000,000 per occurrence, covering premises/operations, products/completed operations, and professional liability.
	Casualty Insurance	100% replacement value
	Workers' Compensation and Employer's Liability	As required by law, with a minimum employer's liability of \$1,000,000 per occurrence.
<b>Flight Training</b>	Commercial General Liability	\$5,000,000 per occurrence, covering premises/operations, products/completed operations, and professional liability.
	Casualty Insurance	100% replacement value
	Aircraft Liability	\$5,000,000 per occurrence, covering third-party bodily injury, property damage, and passenger liability.
	Workers' Compensation and Employer's Liability	As required by law, with a minimum employer's liability of \$1,000,000 per occurrence.
<b>Commercial Flying Clubs</b>	Commercial General Liability	\$5,000,000 per occurrence, covering premises/operations, products/completed operations, and professional liability.
	Casualty Insurance	100% replacement value
	Aircraft Liability	\$5,000,000 per occurrence, covering third-party bodily injury, property damage, and passenger liability.
	Workers' Compensation and Employer's Liability	As required by law, with a minimum employer's liability of \$1,000,000 per occurrence.
<b>Specialized Commercial Aeronautical Activities</b>	Commercial General Liability	\$5,000,000 per occurrence, covering premises/operations, products/completed operations, and professional liability.
	Casualty Insurance	100% replacement value

**Show Low Regional Airport Minimum Standards  
Insurance Matrix for Commercial Operators**

<b>Activity</b>	<b>Insurance Type</b>	<b>Minimum Coverage</b>
	Aircraft Liability	\$5,000,000 per occurrence, covering third-party bodily injury, property damage, and passenger liability.
	Workers' Compensation and Employer's Liability	As required by law, with a minimum employer's liability of \$1,000,000 per occurrence.
<b>Scheduled Airline Service</b>	Commercial General Liability	\$10,000,000 per occurrence, covering premises/operations, products/completed operations, and professional liability.
	Casualty Insurance	100% replacement value
	Aircraft Liability	\$20,000,000 per occurrence, covering third-party bodily injury, property damage, and passenger liability for scheduled airline service operations.
	Workers' Compensation and Employer's Liability	As required by law, with a minimum employer's liability of \$1,000,000 per occurrence.

**Notes:**

**1. Liability Coverages:**

- **Commercial General Liability (CGL)** covers bodily injury, property damage, and personal injury caused by an operator's activities at the airport.
- **Aircraft Liability** covers damage or injury caused by aircraft operations and third-party claims during flying activities.
- **Workers' Compensation** is required for all employees, with coverage aligned with state laws. Employer's liability is typically set at \$1,000,000 to cover additional legal expenses for employee injuries.

**2. Additional Considerations:**

- All operators should also consider purchasing **Environmental Liability** (for businesses involving hazardous materials such as fuel and oil) and **Pollution Legal Liability** if relevant to their operations (e.g., aircraft fueling and maintenance).
- The airport management may adjust the insurance requirements based on the size and scale of the operation, risk assessments, and contractual agreements.

**3. Coordination with Airport Authorities:**

- Operators should ensure compliance with airport-specific policies and coordinate with the airport authority to clarify any additional requirements, such as coverage limits, certificate of insurance submissions, or endorsements specific to the airport's needs.