

**City Council Airport Committee**  
**Tuesday October 5, 2017**  
**Approved Meeting Minutes**

After determining that a quorum is present, the Council Airport Committee of the Denton City Council convened in a regular meeting on Thursday October 5, 2017, at 9:03 a.m. in the City Hall, City Hall Conference Room at 215 E. McKinney St., Denton, Texas to consider the specific agenda items listed below:

**PRESENT:** Mayor Chris Watts, Councilman John Ryan and Councilman Don Duff.

**ABSENT:** None

**STAFF PRESENT:** Mario Canizares, Assistant City Manager; Mark Nelson, Transportation Director; Trey Lansford, Deputy City Attorney; Scott Gray, Airport Manager; and Julie Mullins, Administrative Assistant and Recording Secretary.

**OTHERS PRESENT:** Caroline Donovan, UNT Student.

**The Airport Committee of the Denton City Council convened into a Closed Meeting to consider specific items as these items is listed below under the Closed Meeting section of this agenda. When items for consideration are not listed under the Closed Meeting section of the agenda, the Airport Committee of the Denton City Council will not conduct a Closed Meeting and will convene at the time listed above for its regular or special called meeting. The Airport Committee of the Denton City Council 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, as set forth below.**

At 9:03 a.m. the Airport Committee of the Denton City Council convened into a Closed Meeting.

**1. CLOSED MEETING**

**A. [CAC17-017](#)**

Deliberations regarding Real Property – Under Texas Government code Section 551.072; Consultation with Attorneys – Under Texas Government Code Section 551.071.

Discuss, deliberate, and receive information from staff and provide staff with direction pertaining to Airport lease payments, penalties, and adjustments, where the deliberation of same in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person or potential litigation. Consultation with the City's attorneys regarding legal issues associated with Airport leases where a public discussion of these legal matters would conflict with the duty of the City's attorneys to the City of Denton, the Denton City Council, and the Council Airport Committee under the Texas Rules of Disciplinary Conduct of the State Bar of Texas, or would jeopardize the City's legal position in any administrative proceedings or potential litigation. (CPI Lease Review)

At 9:30 a.m. the Council Airport Committee re-convened in the Regular Meeting.  
No official action was considered on Closed Meeting item(s) under 551.071 of the Texas Government Code, as amended.

## **1. REGULAR MEETING**

### **A. CAC17-012**

Consider approval of Council Airport Committee minutes from the meeting held on July 25, 2017.

Mayor Watts made a motion to approve the minutes as presented. Councilman Duff seconded the motion. The motion was approved unanimously with a vote of (3-0)

### **B. CAC17-013**

Receive a report, hold a discussion on Airport Budget related items.

Gray stated during the budget process, some budget items had several questions back on August 11, 2017. An informal staff report was prepared and submitted. There were no follow up questions at that time.

Gray gave a presentation on two Airport pro formas, one with debt services being paid from the General Fund in fiscal year 2016-2017. Second without debt services.

Mayor Watts stated he had concerns on the way the bond debt services is presented on the spreadsheet.

Ryan suggested to break out the bonds by date. The older bonds before the Airport became an Enterprise Fund, would come out of the General Fund. The new bonds after becoming an Enterprise Fund would come out of Airport Enterprise Fund.

Gray stated, other issues at the Airport need to be addressed regarding an analysis on rates and fees for Solid Waste cost, Fuel Flowage fee, CPI adjustment, Leases; and Gas Well Royalties are used for CPI projects.

Gray stated SAMI Management is a professional real estate firm, they come from a commercial background. This firm has given the airport an analysis on reversion clause on leaseholds. Gray would like to have outside counsel to look at the leaseholds and give the Airport an analysis on what makes sense moving forward on the reversionary clause.

### **C. CAC17-015**

Receive a report, hold a discussion and make a recommendation to Denton City Council on the HTA Aviation lease and to consider an assignment to US Trinity Holdings, LLC.

Mayor Watts made a motion to make a recommendation to City Council to approve the assignment of a Commercial Operator Airport Lease to US Trinity Holdings, LLC.

Duff seconded the motion. The motion was approved unanimously with a vote of (3-0).

**D. CAC17-014**

Receive a report, hold a discussion and make a recommendation to Denton City Council on the James and Nancy Huff lease and to consider an assignment to US Trinity Holdings, LLC.


Duff made a motion to make a recommendation to City Council to approve the assignment of a Commercial Operator Airport Lease to US Trinity Holdings, LLC. Mayor Watts seconded the motion. The motion was approved unanimously with a vote of (3-0).


**E. CAC17-009**

Consider establishing a meeting schedule for future regular meetings of the Council Airport Committee.

Mayor Watts made a motion to approve the meeting schedule as presented to hold regularly scheduled meetings on the fourth Tuesday of each month. Duff seconded the motion. The motion was approved unanimously with a vote of (3-0).

**With no further business, the meeting was adjourned at 10:06 a.m.**

  
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JOHN RYAN  
COMMITTEE CHAIRMAN  
CITY OF DENTON, TEXAS

  
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JULIE MULLINS  
RECORDING SECRETARY