Airport Commission Regular Meeting
Charlotte-Monroe Executive Airport
Horne Terminal Building – Conference Room
5:00 PM - June 13, 2022

MEETING AGENDA

1. **Call to Order and Welcome Guests**
   a) SPECIAL PRESENTATION - CARMEN CRUMP
2. **Minutes for Approval**
3. **Department Report**
   a) Monthly Reports: Operations, Finance
   b) Project/Grant Status Report
4. **Approval of Hangar Plans and Lease Amendment with Charlotte-Monroe Hangar 1, LLC**
5. **Final Approval of Airport Layout Plan Update**
6. **Adjourn**

Next Meeting:

Monroe Airport Commission Regular Meeting
City Hall Conference Room
5:00 pm – April 11, 2022

Chair: Mr. Lynn Keziah

Attending Members: Mr. David Dotson, Mr. Gary Wilfong, Mr. John Stephens, Mr. John Wiggins (arrived 5:02), Mr. Patrick Furr, Ms. Hayden Desio-Munn

Staff in Attendance: Mr. Peter Cevallos, Mrs. Carmen Crump, Mr. Brian Borne, Mrs. Ashley Britt

Engineer of Record Attendee: Mr. Pat Turney

Guest: Mr. Howard Heda

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1. **Call to Order and Welcome Guests**
   Chairman Lynn Keziah called the meeting to order at 5:00 pm on April 11, 2022, welcoming the Commissioners and Staff in attendance.

2. **Minutes for Approval**

   a.) Approval of the minutes for the February 14, 2022 meeting was requested.

   Motion: Mr. Gary Wilfong made the motion to approve the minutes of the February 14, 2022 meeting.
   Second: Ms. Hayden Desio-Munn
   Action: The motion to approve the minutes passed unanimously with the following votes:

   AYES: Mr. David Dotson, Mr. Gary Wilfong, Mr. John Stephens, Mr. Patrick Furr, Ms. Hayden Desio-Munn
   NAYS: None

3. Department Reports

Presenter:
Mr. Peter Cevallos

a.) Operations

Summary:
Mr. Cevallos briefed the following for monthly operations: There are four (4) active Notice-to-Airmen (NOTAMs): one for the advisory on radio altimeter use being unreliable (this is a blanket advisory the FAA has issued in light of the 5G rollout); three "FDC" NOTAMs for adjustments being made to the Airport's instrument approaches. Mr. Cevallos briefed aircraft operations for March totaled 4,497 operations, the highest since October- specifically, there were 2,230 take-offs and 2,267 landings, with 793 departures and 812 arrivals; an average of 75 operations per day. Mr. Cevallos made a comparison for the different number of monthly operations for the entire fiscal year, stating that this past month was the highest since last July 2021. Board member Ms. Hayden Desio-Munn asked Mr. Cevallos what the reason is for the increase in operations, fuel sales during the month of October 2021. Mr. Cevallos responded that he did not have a definitive answer but he surmised it was because of good weather conditions for that time of year.

Under Aircraft Services, Mr. Cevallos briefed the following for September: 625 customers fueled, 718 were towed, and 339 were provided other services. Fuel totals for March are 52,229.5 gallons of fuel being dispensed with 13,420.5 being AVGAS and 38,809.0 Jet-A. Current fuel prices are $6.10 for Self-Service AVGAS and $6.70 for Full-Service AVGAS; for JET-A, prices are $5.40 for Self-Service, and $6.80 for Full-Service. This is a substantial increase from the previous report as prices have been affected by recent world events. Mr. Cevallos concluded his report briefing current occupancy as 70 tie-downs, 20 T-hangars, and 48 leasing hangar and office space; 174 transient customers overnighted in March 2022, with 87 being hangared.

Of interest, Mr. Cevallos briefed the Commission that he and Dawn Robinson, Lead Customer Service Representative, attended the 2022 National Business Aviation Association's Schedulers and Dispatchers Conference, held in San Diego, California. The Airport had a booth on the exhibitors' hall where they were able to promote the facility to potential new corporate clients and re-kindle relationships with current clients. The event is an international event that had more than 3,000 delegates attending from all sectors of the corporate aviation industry.

b.) Financial

Summary:

The Year-to-Date Budget Report for March shows that the Airport's revenues and expenditures trended slightly below forecast.

c.) Project/Grant Status

Summary:

The following is being reported for the current airfield projects:

- Airport Layout Plan Update: The Airport Engineers and staff are still awaiting any review comments from the FAA; Once received, the plan will be finalized for presentation and acceptance by the City.
- Quonset Hangar Reactivation: the second floor work is on-going; anticipation for work completion is within the next 30 days.
- Runway 05/23 Obstruction Removal Project: the project scope of work is being finalized for submittal to NCDOT for review; the trees on the Runway 23 end have been "topped", the FAA has been notified and the approach restriction for that runway end has been removed.
- The Rehab of Aprons D, E, F: the project scope of work is being finalized for submittal to NCDOT for review

4. Request for Aircraft Awning – Ricardo Traven

Presenter:
Mr. Peter Cevallos

Summary:
Mr. Cevallos summarized this request from Mr. Ricardo Traven to install an aircraft awning over his aircraft. Mr. Ricardo Traven is a based customer that parks his aircraft on the open ramp. The aircraft is parked on the ramp by the vehicular gate adjacent to the Customs terminal. He is charged $130 per month which is the rate for a twin engine tie-down. For the past year the City received approximately $8,800 in revenue from Mr. Traven. Mr. Traven's aircraft footprint takes up approximately 1,950 square feet of ramp, and to fulfill his request approximately 3,000 square feet of ramp is needed to install this fabric hangar. The structure is engineer certified as "hurricane" rated and utilizes an anchoring system of 42-inch spiral anchors that are screwed into the ground. Mr. Traven stated that the company, located in Charleston, has erected these pre-fab hangar structures in the NC, SC and GA region; specifically, at military bases in our area, at MCAS Cherry Point and Jacksonville NC. He's asking for a 5-year lease at the current lease rate he is charged. The area where he parks his aircraft is the area where transient aircraft park; further any rate determined for this lease would have to be uniquely calculated as there currently is no established rate for ramp space. The City entertains long-term leases when there is substantial investment made. This long-term lease request would also have to be advertised and taken to Council as it is longer than one year.

Mr. Cevallos offered the pros and cons for accommodating a structure such as this fabric hangar. He explained that a structure of this nature would offer an alternative solution for either other based aircraft, or as temporary cover for transient corporate aircraft during inclement weather. The drawback to having this structure is that it sets a challenging precedent for Airport staff as it would limit the flexibility Airport staff is afforded to arrange aircraft parking during busy periods of daily operations. In addition, Mr. Cevallos also stated that this structure does not meet the current Airport policy for minimum hangar construction, and that those standards are very specific to the type of material for hangar walls and roof: "Galvalume" sheet metal panels. Mr. Cevallos stated that the only locations that have these types of structures are at the military bases of Camp Lejune and Cherry Point. He said he confirmed with the Airport Engineer that there was not any type of these structures located at any civilian, general aviation airports.

The request was deliberated among the Commission, discussing the points presented. There was concern about the impact this structure would have to the ability to park aircraft, and it was recommended that it would be better served if there was an area on the ramp where this structure would be out of the way. However, given the ramp's space limitation, there was not another location where this could be placed. Further there was concern about the precedent it would set with allowing a structure, as this could open the door to other individuals asking for the same type of structure over their aircraft. Lastly, it was pointed out during the discussion that Mr. Traven is requesting a five-year lease, which would require this being advertised with public notice and sent up to City Council for approval.

At the end of the discussion, the Airport Commission concluded that while they appreciate Mr. Traven wanting to shield his aircraft with this fabric structure, they disagreed with the request to allow this structure being installed on the Airport's ramp.

Motion: Mr. John Wiggins made the motion to deny the requested authorization to install a fabric hangar over his aircraft parked on the Airport ramp and the associated five-year lease.
Second: Ms. Hayden Desio-Munn
Action: The motion to deny Mr. Traven's request passed unanimously with the following votes:

AYES: Mr. David Dotson, Mr. Gary Wilfong, Mr. John Stephens, Mr. John Wiggins, Mr. Patrick Furr, Ms. Hayden Desio-Munn
NAYS: None

5. Approval of Terminal Space Lease Agreement – The Hertz Corporation

Presenter:
Mr. Peter Cevallos

Summary:
Mr. Cevallos summarized this request by Hertz Corporation for a lease agreement to occupy space in the terminal lobby. Mr. Cevallos explained Hertz and Enterprise are the two car rental companies at the airport that support Airport customers. Hertz has expressed an interest to further enhance their presence by having an on-site office in the Airport terminal. As there is no provision for a car rental booth in the terminal, nor available office space, staff is prepared to offer some space in the lobby where Hertz could install a free-standing kiosk/booth, at no cost to the City. Hertz has agreed to this concept and is prepared to pay for the space at the lease rate established in the City of Monroe Fees Schedule, $12 per square foot, per year. They would man this booth at least 5 days a week, and possibly on weekends as well, depending on the amount of business. In addition, the lease authorizes Hertz to have a total of 8 parking spaces available to pre-position rental vehicles, and allows Hertz to stage Tesla electric vehicles and install charging station to support these vehicles. A two-year lease for this presence in the lobby has been drafted and signed by Hertz. In addition, Mr. Cevallos explained that as part of the negotiation, Hertz has offered to update the FBO Concession Agreement to coincide with the new lease terms. The new Concession Agreement will provide the City a concession fee equal to ten percent of the monthly net time and mileage changes generated by the rentals that are conducted through the Airport.

The Commission discussed the request, asking Mr. Cevallos if Enterprise has expressed a similar interest to have on-site representation. Mr. Cevallos stated that they have not approached him, but he is willing to offer the same size space should they have an interest to install a like structure in the lobby. Board member Desio-Munn asked how the rented vehicles were going to be safeguarded. Mr. Cevallos responded that current protocol is for the keys to vehicles to be under constant control, either by Hertz and/or Airport staff. In addition, Mr. Cevallos mentioned that there is a Monroe Police Officer assigned to the Airport for security.

At the end of the discussion, Airport Commission all agreed that this two-year lease agreement for Hertz to have a booth in the terminal lobby would be a benefit to the Airport, and it should be forwarded to City Council for their approval.

Motion: Mr. John Wiggins made the motion to recommend to City Council Hertz's request of a two-year lease for a kiosk for their approval and to authorize the City Manager to sign the lease agreement.
Second: Mr. John Stephens

Action: The motion to approve Hertz's request passed unanimously with the following votes:

AYES: Mr. David Dotson, Mr. Gary Wilfong, Mr. John Stephens, Mr. John Wiggins, Mr. Patrick Furr, Ms. Hayden Desio-Munn
NAYS: None

Additional Discussion:

The following items were presented and discussed:

- Board Member Wiggins stated that at the February 14, 2022, Airport Commission meeting, the Airport Commission took action to recommend Mr. Gary Wilfong be appointed as Airport Commission Vice-Chair. Mr. Wiggins requested that this action be changed to Mr. Gary Wilfong being made Airport Commission Chair, and that Chair Lynn Keziah be made Vice-Chair. Chair Keziah agreed with this change, and there was no objection from the Commission. City Manager Borne said that the original recommendation would be withdrawn from Council's agenda, and this new recommendation would be sent to the Citizen's Appointment Committee for consideration, followed by Council.

- Board Member Mr. Patrick Furr asked Mr. Cevallos his thoughts on Tinker Belle, and if it was an asset to the Airport. Mr. Cevallos explained that Tinker Belle was managed by Mr. Pete Hovanec, and it was more appropriate for Mr. Hovanec to address the Airport Commission on the value of Tinker Belle, and that he would gladly invite Mr. Hovanec to address the Airport Commission at the next meeting. Mr. Cevallos offered his opinion stating that the aircraft is an important historical asset but that it does require much maintenance and effort to keep it running. He stated while the aircraft itself does occupy the equivalent of four tie-down spaces, the related hangar that is used by the Warrior & Warbird Group that manages the aircraft is leased by Mr. Hovanec and he pays the market rate for the hangar, $1,500 a month. Mr. Cevallos stated that if Mr. Hovanec was not in the hangar, he would be able to lease out that space for general aircraft storage. Mr. Cevallos reiterated that he would speak with Mr. Hovanec to speak to the Airport Commission at the next meeting.

- Board member Mr. Gary Wilfong stated the point was made at the February Commission meeting that to further grow the airport, maintenance would be needed on the airfield. He asked of staff if there was any consideration to engage South Piedmont Community College to have a mutual arrangement where the college would set up a training program whereby maintenance technicians could be trained, which in turn, Aerowood would be able to benefit with qualified workers. Mr. Cevallos related his experiences at his previous airport where a similar arrangement was in place with the local technical college being a "pipeline" to companies that could utilize trained aircraft mechanics. City Manager Mr. Brian Borne stated that there are very preliminary on-going discussions to see the feasibility of this type of program in the area.

- Chair Lynn Keziah asked about the status to complete the Quonset Hangar renovations. Mr. Cevallos stated that the inspections for the electrical and the mechanical have been completed, and the general contractor Thomas Construction is currently working on finishing the second floor. When asked the estimated completion of the renovations, Mr. Cevallos stated that he needed to confirm with the contractor but his hope was to have the work completed by the end of the month.

6.) <u>Adjourn</u>

The Chair Lynn Keziah requested a motion to adjourn.

Motion: Mr. John Wiggins made the motion to adjourn.
Second: Mr. Patrick Furr
Action: The motion to adjourn passed unanimously with the following votes:

AYES: Mr. David Dotson, Mr. Gary Wilfong, Mr. John Stephens, Mr. John Wiggins, Mr. Patrick Furr, Ms. Hayden Desio-Munn
NAYS: None

MONTHLY AIRPORT OPERATIONS REPORT

MONTH OF **MAY 2022**

AIRFIELD STATUS

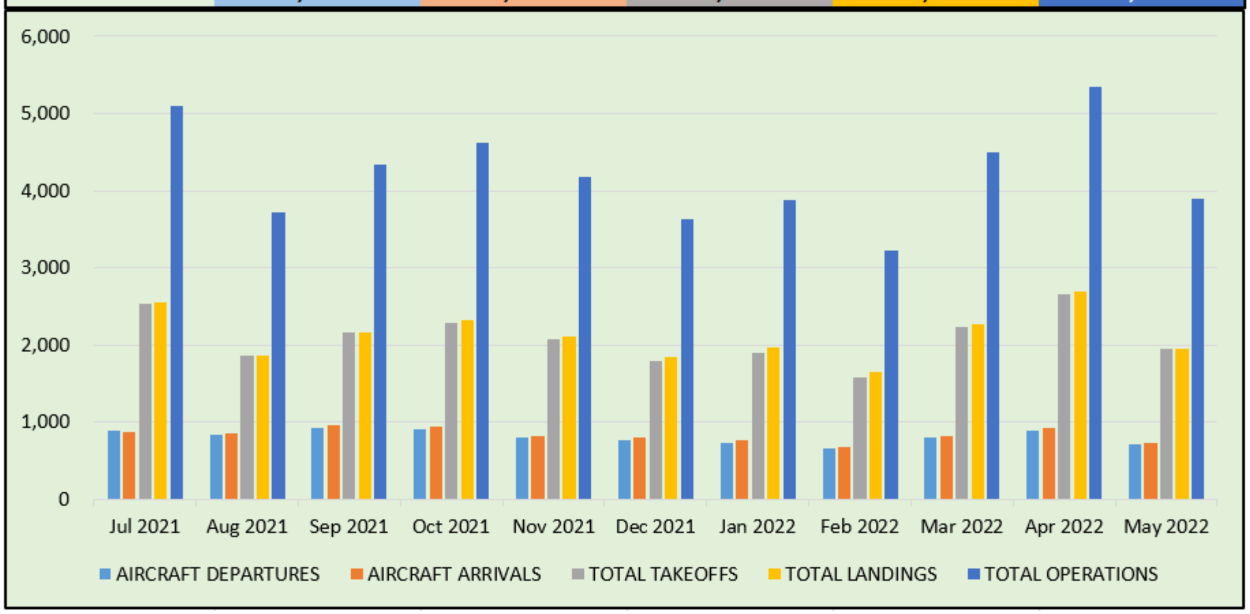
AIRFIELD CONDITION = **GREEN**

CURRENT NOTAMS 1 Aerodrome: Radio Altimeter unreliable ***(5G related)***
3 FDCs: associated with arrival and departure procedures

AIRCRAFT OPERATIONS

TAKEOFFS = 1,943 **LANDINGS = 1,951** **DEPARTURES = 708** **ARRIVALS = 721**

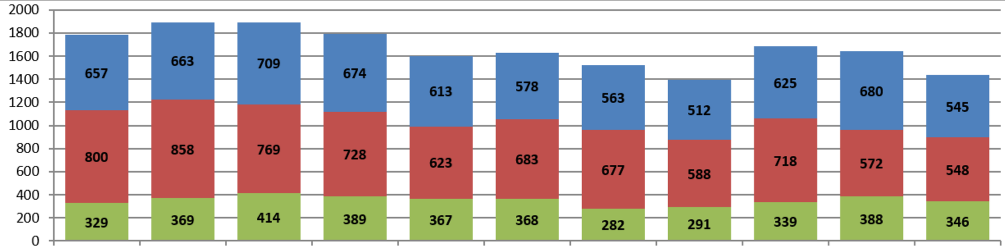
FY2022	AIRCRAFT DEPARTURES	AIRCRAFT ARRIVALS	TOTAL TAKEOFFS	TOTAL LANDINGS	TOTAL OPERATIONS
Jul 2021	881	874	2,542	2,550	5,092
Aug 2021	842	848	1,866	1,860	3,726
Sep 2021	933	951	2,169	2,167	4,336
Oct 2021	904	938	2,294	2,329	4,623
Nov 2021	803	815	2,065	2,104	4,169
Dec 2021	768	797	1,782	1,841	3,623
Jan 2022	730	773	1,905	1,972	3,877
Feb 2022	657	676	1,585	1,644	3,229
Mar 2022	793	812	2,230	2,267	4,497
Apr 2022	894	921	2,652	2,698	5,350
May 2022	708	721	1,943	1,951	3,894
TOTALS	8,913	9,126	23,033	23,383	46,416



AIRCRAFT SERVICES

CUSTOMERS SERVED: FUELED = 545 TOWED = 548 OTHER = 346

FY 2022	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	YR TOTALS	MNTH AVG
FUELING	657	663	709	674	613	578	563	512	625	680	545	**6819**	**568**
TOWING	800	858	769	728	623	683	677	588	718	572	548	**7564**	**630**
OTHER SERVICES *	329	369	414	389	367	368	282	291	339	388	346	**3882**	**324**

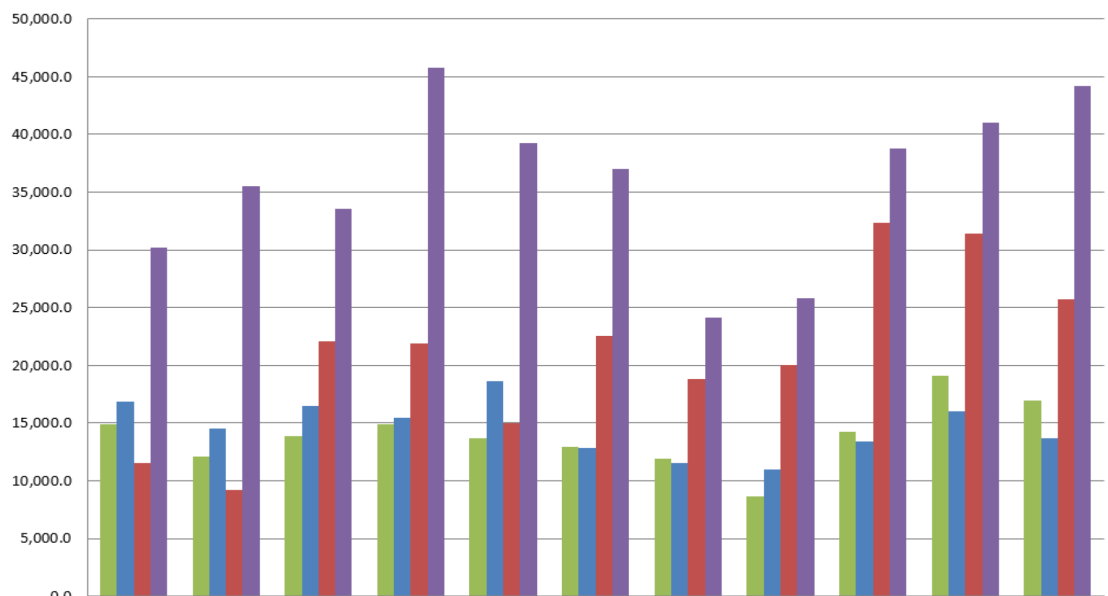


** = Other Services include aircraft parking, catering, rental cars, aircraft loading/unloading*

FUEL

DISPENSED:	AVGAS = 13,676.1 GALS	JET A = 44,164.0 GALS	**TOTAL = 57,840.1 GALS**
ON HAND:	AVGAS = 3,114 GALS	JET A = 22,228 GALS* *(*Airport: 1,183 gals.)*	**TOTAL = 23,015.0 GALS**
CURRENT PRICE:	**AVGAS = \$6.60 SS \$7.20 FS**	**JET A = \$6.60 SS \$7.50 FS**	

AIRPORT FUEL DISPENSED - FY 2021 vs. FY 2022 COMPARISON



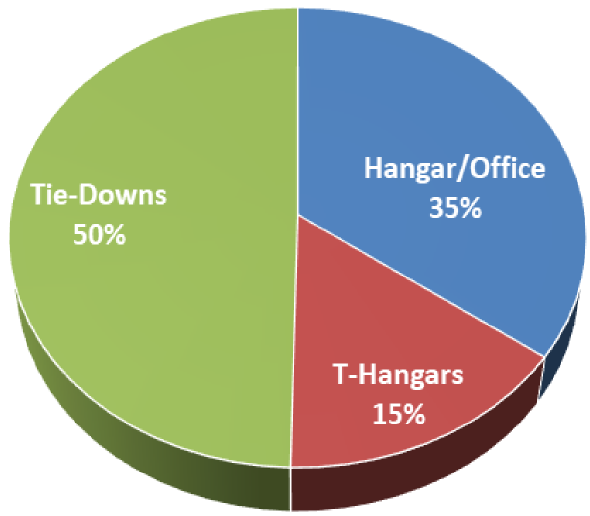
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY
AVGAS FY 2021 Totals	14,858.3	12,096.3	13,867.2	14,875.5	13,639.7	12,946.0	11,894.2	8,672.6	14,262.0	19,101.3	16,968.6
AVGAS FY 2022 Totals	16,822.3	14,563.8	16,472.4	15,452.3	18,629.7	12,821.9	11,581.8	10,966.0	13,420.5	16,036.8	13,676.1
JET-A FY 2021 Totals	11,504.0	9,248.0	22,073.0	21,878.0	14,982.0	22,522.0	18,835.0	20,008.0	32,351.0	31,431.0	25,728.0
JET-A FY 2022 Totals	30,228	35,500.0	33,584.0	45,727.0	39,253.0	37,032.0	24,167.0	25,816.0	38,809.0	40,986.0	44,164.0

O - 2

OCCUPANCY

BASED CUSTOMERS (LEASED SPACE):

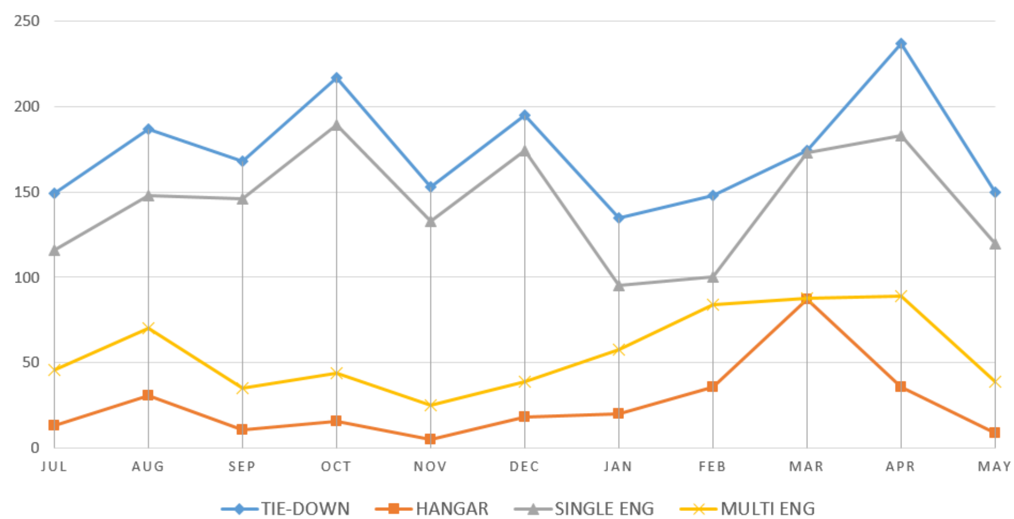
HGR/OFFICE*= 49　　T-HGR = 20　　T/D = 70



** = Value includes both Bulk Hangar & total Hangar occupancy*

TRANSIENTS OVERNIGHTING:

FY2022	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	TOTALS	AVG
TIE-DOWN	149	187	168	217	153	195	135	148	174	237	150	**1913**	**178**
HANGAR	13	31	11	16	5	18	20	36	87	36	9	**282**	**24**
SINGLE ENG	116	148	146	189	133	174	95	100	173	183	120	**1577**	**131**
MULTI ENG	46	70	35	44	25	39	58	84	88	89	39	**617**	**51**



AIRPORT FY22 BUDGET REPORT - MAY

FOR 2022 11

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USE/COL
580 Airport Fund							
5801000 Airport Revenues							
00 No Department	-2,145,643	-2,020,300	-2,639,252.44	-285,434.00	.00	618,952.44	130.6%
TOTAL Airport Revenues	-2,145,643	-2,020,300	-2,639,252.44	-285,434.00	.00	618,952.44	130.6%
5808620 Airport-Operations							
86 Airport	2,409,266	2,510,970	2,462,828.42	122,424.06	26,265.73	21,875.85	99.1%
TOTAL Airport-Operations	2,409,266	2,510,970	2,462,828.42	122,424.06	26,265.73	21,875.85	99.1%
5808630 Airport-Customs Service							
86 Airport	86,190	92,931	35,011.79	2,050.11	2,741.99	55,177.22	40.6%
TOTAL Airport-Customs Service	86,190	92,931	35,011.79	2,050.11	2,741.99	55,177.22	40.6%
TOTAL Airport Fund	349,813	583,601	-141,412.23	-160,959.83	29,007.72	696,005.51	-19.3%
TOTAL REVENUES	-2,145,643	-2,020,300	-2,639,252.44	-285,434.00	.00	618,952.44	
TOTAL EXPENSES	2,495,456	2,603,901	2,497,840.21	124,474.17	29,007.72	77,053.07	
582 Airport Capital Projects							
5821000 Airport Capital Proj. Revenue							
00 No Department	0	0	-4,046,974.14	.00	.00	4,046,974.14	100.0%
TOTAL Airport Capital Proj. Reven	0	0	-4,046,974.14	.00	.00	4,046,974.14	100.0%
5828600 Airport Capital Proj. Expense							

AIRPORT FY22 BUDGET REPORT - MAY

FOR 2022 11

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USE/COL
86 Airport	0	42,000	9,032,202.73	3,222.00	275,155.62	-9,265,358.35	*******%
TOTAL Airport Capital Proj. Expen	0	42,000	9,032,202.73	3,222.00	275,155.62	-9,265,358.35	*******%
TOTAL Airport Capital Projects	0	42,000	4,985,228.59	3,222.00	275,155.62	-5,218,384.21	*******%
TOTAL REVENUES	0	0	-4,046,974.14	.00	.00	4,046,974.14	
TOTAL EXPENSES	0	42,000	9,032,202.73	3,222.00	275,155.62	-9,265,358.35	
820 Property & Casualty							
8202515 Property & Liability Insurance							
25 Human Resources	208,680	211,249	198,735.00	28,829.83	6,548.00	5,966.00	97.2%
TOTAL Property & Liability Insura	208,680	211,249	198,735.00	28,829.83	6,548.00	5,966.00	97.2%
TOTAL Property & Casualty	208,680	211,249	198,735.00	28,829.83	6,548.00	5,966.00	97.2%
TOTAL EXPENSES	208,680	211,249	198,735.00	28,829.83	6,548.00	5,966.00	
GRAND TOTAL	558,493	836,850	5,042,551.36	-128,908.00	310,711.34	-4,516,412.70	639.7%

** END OF REPORT - Generated by Peter Cevallos **

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Charlotte Monroe Executive Airport

STAFF REPORT

TO: Airport Commission

VIA: Brian Borne, Interim City Manager

DATE: June 13, 2022

FROM: Peter Cevallos, Airport Manager

SUBJECT: Approval of Hangar Plans and Lease Amendment with Charlotte-Monroe Hangar 1, LLC

SUMMARY STATEMENT

Staff is requesting the Airport Commission approve the proposed hangar plans as presented by Charlotte-Monroe Hangar 1, LLC, and recommend City Council approve an amendment to the lease agreement with Charlotte-Monroe Hangar 1, LLC, which increases the tenant's leasehold by 7,060 square feet and increases their annual lease payment by $3,001.

REVIEW

In November 2021, City Council approved the lease with Charlotte Monroe Hangar 1, LLC for a hangar site in the Corporate Hangar Area so they can construct a 15,000 sq. ft. aircraft storage hangar. Staff initially determined a parcel size of 200 feet by 100 feet size, or 30,000 square feet, to adequately place the proposed hangar (this property size would allow a 25-foot buffer around the entire building). Based on the total cost that has been invested and the size of the property, staff has calculated required payback rate of approximately $0.42 per square foot, per year, an annual lease rate of $12,764, with a lease term thirty years, with two renewals of five (5) years. The client agreed to the lease rate and terms, and signed the lease.

Per the terms in the lease agreement, Charlotte Monroe Hangar 1, LLC presented the Airport staff with their hangar site plans for approval. The proposed hangar is designed to be 18,500 sq. ft., and includes over 3,000 sq. ft. of office space. Hangar door height is proposed 27 feet, and the office space will be two stories. The lessee is also proposing a total of 11 parking spots and a circular drive on the landside of the hangar. Due to the hangar bay size, building code will require fire suppression, and the hangar floor surface will be graded and drained to prevent water or fuel from remaining on the floor; the floor drains will discharge through an oil separator.

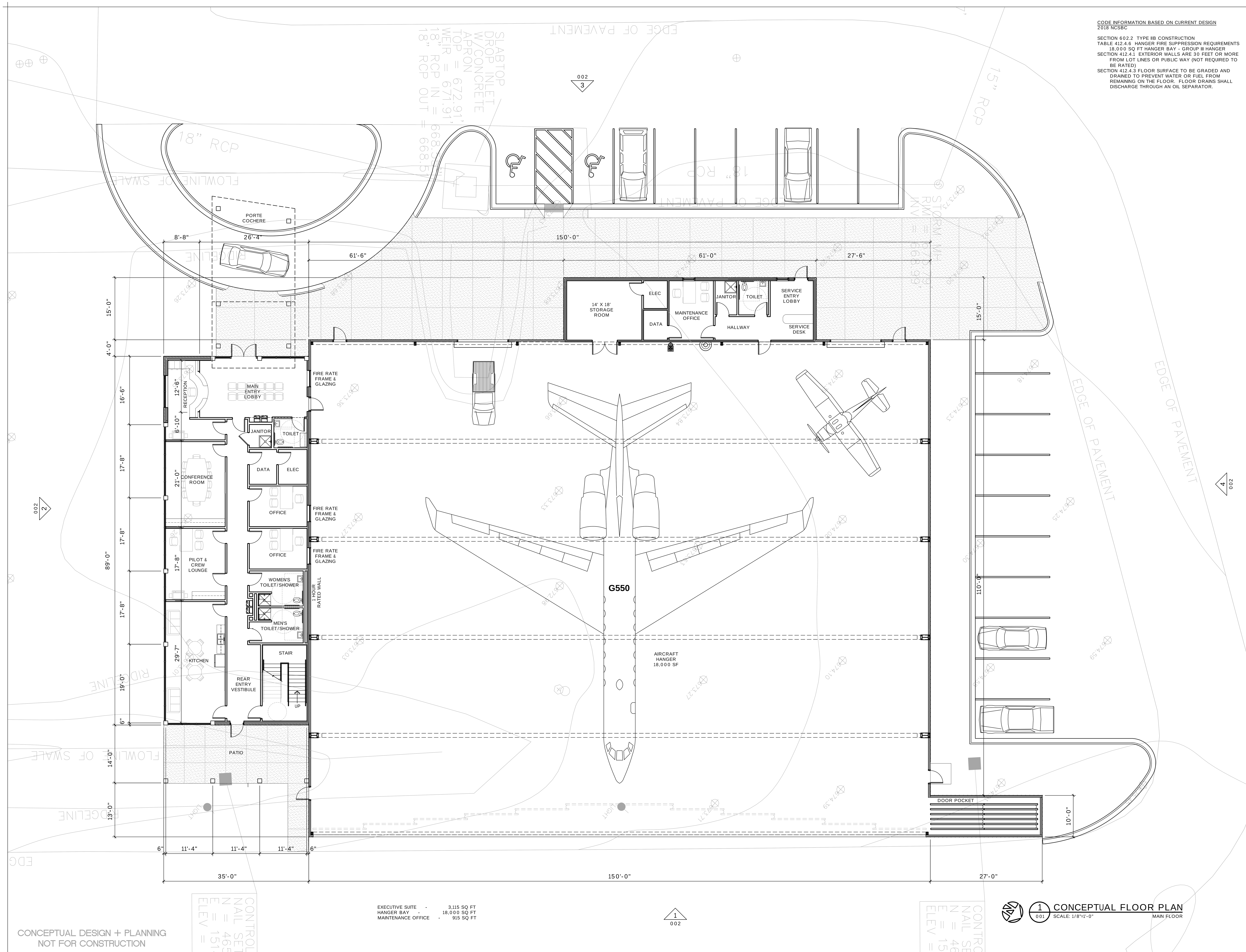
Due to the hangar's increase in size and complexity, the leasehold has increased from 30,000 square feet to 37,060 square feet, an increase of nearly 25%, to properly accommodate the hangar. As more property is occupied, the annual lease payment will also increase, from $12,764 to $15,765; an increase of the same. All other items in the lease agreement remain the same.

RECOMMENDATION

Staff is requesting the Airport Commission approve the proposed hangar plans and recommend City Council:

- Approve the lease amendment with Charlotte Monroe Hangar 1, LLC, increasing the size of leasehold by 7,060 sq. ft. and increasing the annual lease payment by $3,001; and,
- Authorize the Interim City Manager to sign the lease amendment.

Attachment(s):
- Proposed Hangar Plans
- Charlotte-Monroe Hangar 1 Lease Amendment
- Charlotte-Monroe Hangar 1 Lease Agreement



CODE INFORMATION BASED ON CURRENT DESIGN
2018 NCSBC

SECTION 602.2 TYPE IIB CONSTRUCTION
TABLE 412.4.6 HANGER FIRE SUPPRESSION REQUIREMENTS
18,000 SQ FT HANGER BAY - GROUP III HANGER
SECTION 412.4.1 EXTERIOR WALLS ARE 30 FEET OR MORE FROM LOT LINES OR PUBLIC WAY (NOT REQUIRED TO BE RATED)
SECTION 412.4.3 FLOOR SURFACE TO BE GRADED AND DRAINED TO PREVENT WATER OR FUEL FROM REMAINING ON THE FLOOR. FLOOR DRAINS SHALL DISCHARGE THROUGH AN OIL SEPARATOR.

EXECUTIVE SUITE	-	3,115 SQ FT
HANGER BAY	-	18,000 SQ FT
MAINTENANCE OFFICE	-	915 SQ FT

CONCEPTUAL DESIGN + PLANNING
NOT FOR CONSTRUCTION

PINNACLE ARCHITECTURE
PROFESSIONAL ASSOCIATION
P.O. BOX 187, 630 TEAM ROAD, SUITE 200
MATTHEWS, NORTH CAROLINA 28106
PH: (704) 847-9851 FAX: (704) 847-9853
701 EAST BAY STREET, SUITE 302
CHARLESTON, SOUTH CAROLINA 29403
PH: (843) 872-5345 FAX: (843) 872-5374

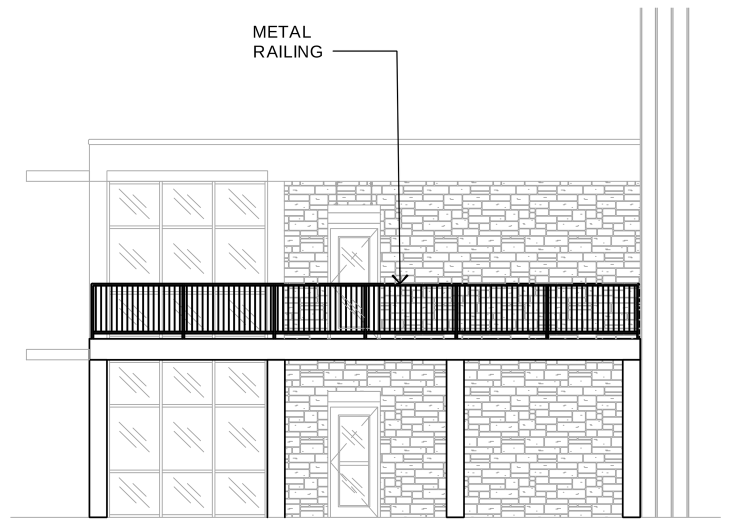
ISSUE DATE 05.10.22
DRAWN BY JAE
CHECKED BY FMW, REB
PROJECT: 22XX

NEW AIRCRAFT HANGER
CHARLOTTE-MONROE EXECUTIVE AIRPORT
MONROE, NORTH CAROLINA
OVERALL SITE PLAN & FLOOR PLAN

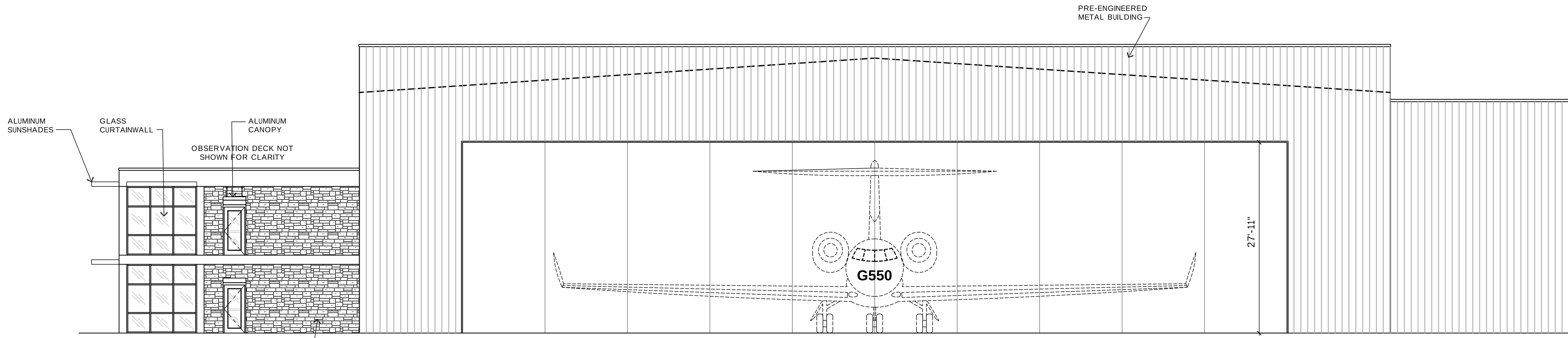
REVISION SCHEDULE

#	DATE	REFERENCE

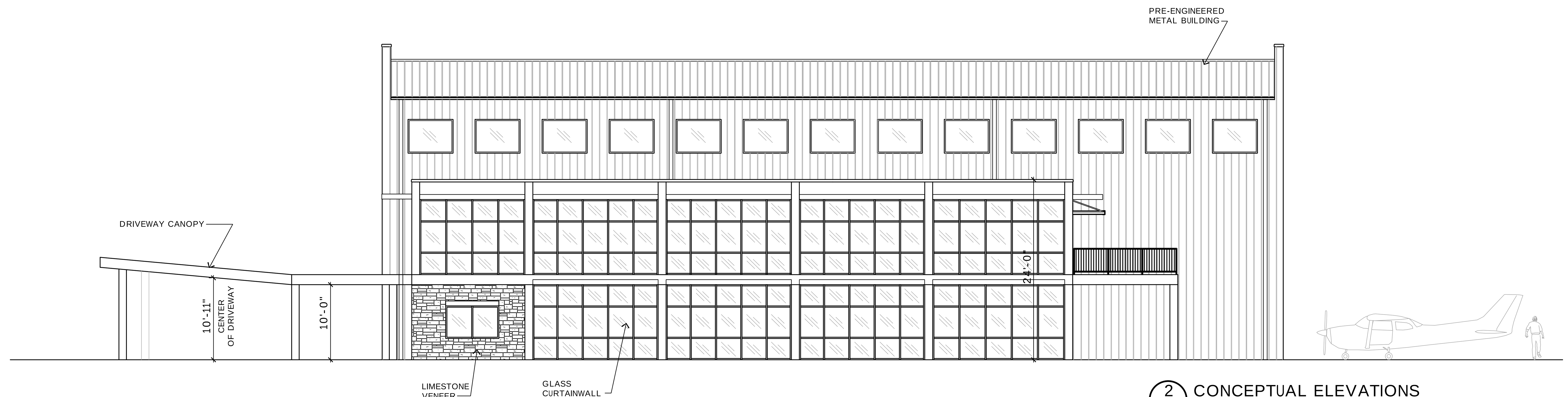
001



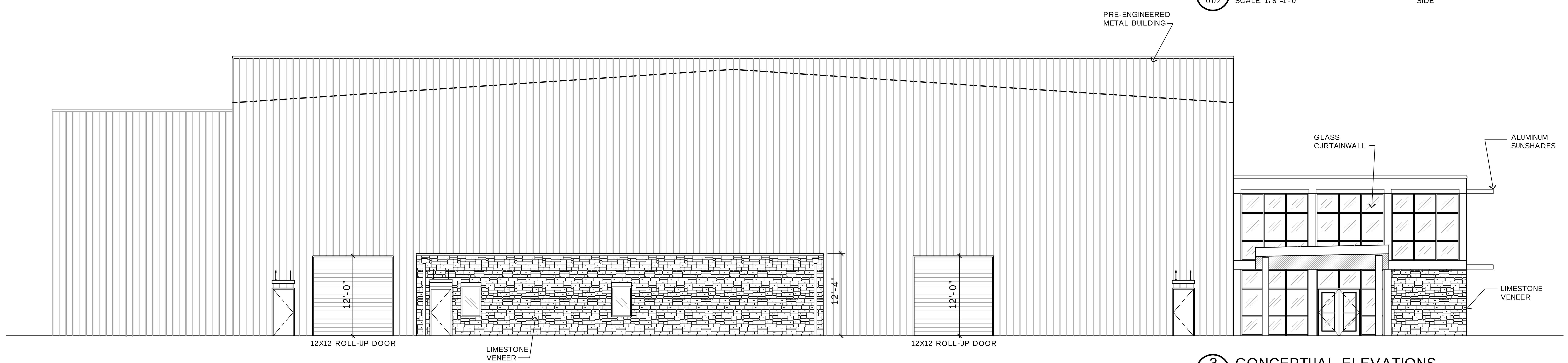
5 CONCEPTUAL ELEVATIONS
002 SCALE: 1/8"=1'-0 PARTIAL @ OBSERVATION DECK



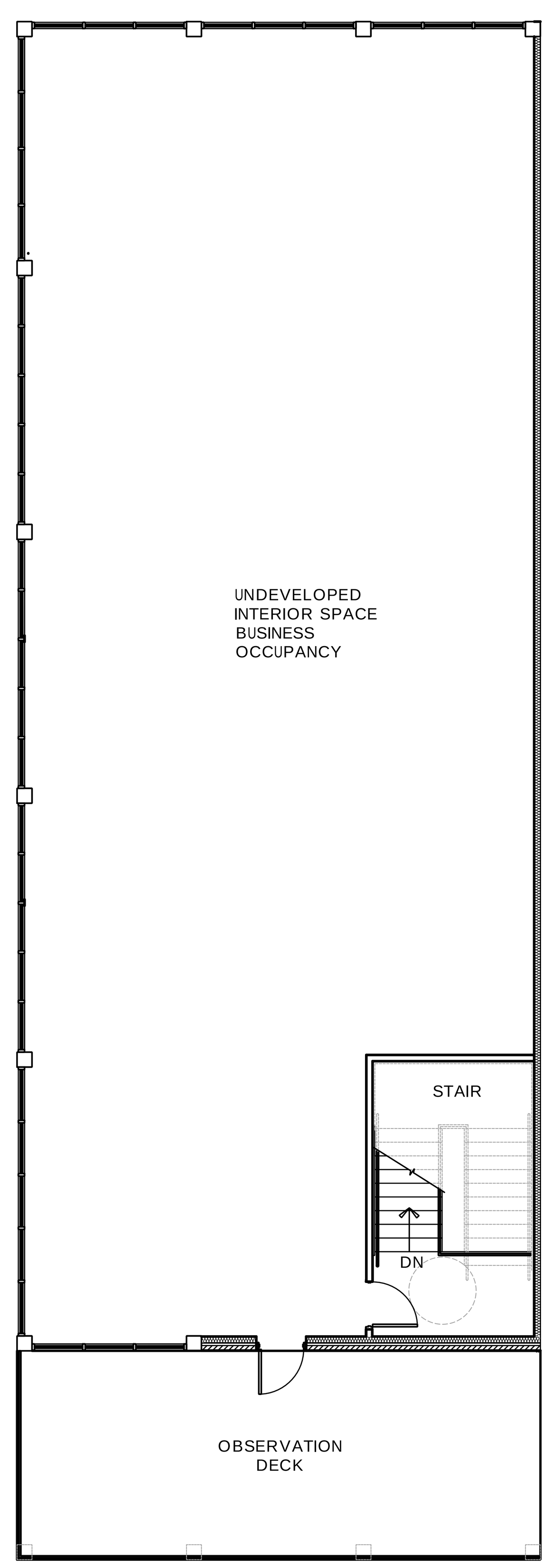
1 CONCEPTUAL ELEVATIONS
002 SCALE: 1/8"=1'-0" FRONT



2 CONCEPTUAL ELEVATIONS
002 SCALE: 1/8"=1'-0" SIDE

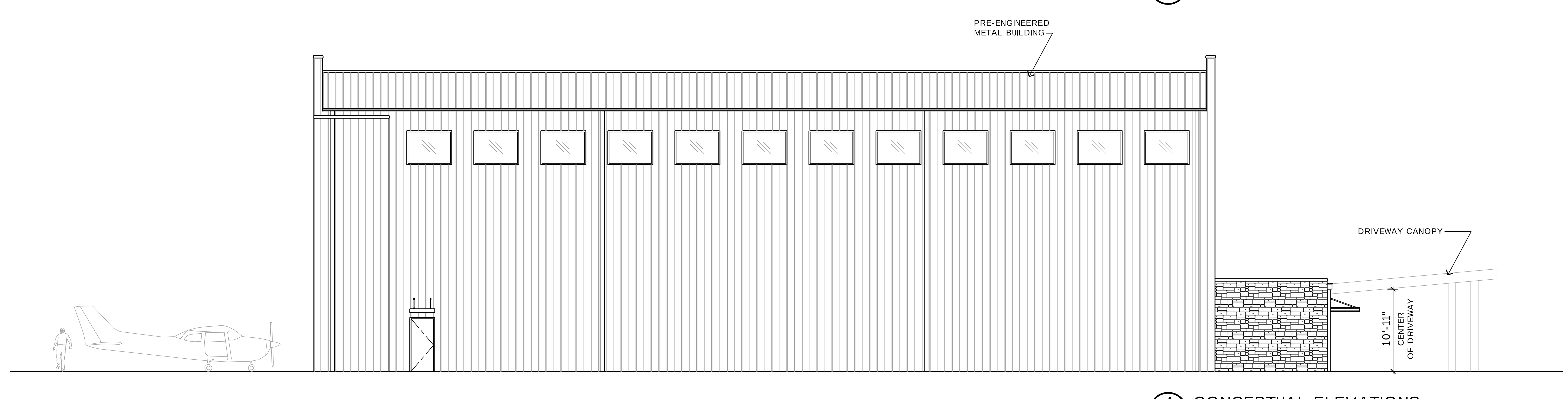


3 CONCEPTUAL ELEVATIONS
002 SCALE: 1/8"=1'-0" REAR



6 CONCEPTUAL FLOOR PLAN
001 SCALE: 1/8"=1'-0" UPPER FLOOR

EXECUTIVE SUITE UPPER FLOOR - = 3,115 SQ FT



4 CONCEPTUAL ELEVATIONS
002 SCALE: 1/8"=1'-0" SIDE

CONCEPTUAL DESIGN + PLANNING
NOT FOR CONSTRUCTION

PINNACLE ARCHITECTURE
PROFESSIONAL ASSOCIATION
P.O. BOX 187, 630 TEAM ROAD, SUITE 200
MATTHEWS, NORTH CAROLINA 28106
PH: (704) 847-9851 FAX: (704) 847-9853
701 EAST BAY STREET, SUITE 302
CHARLESTON, SOUTH CAROLINA 29403
PH: (843) 872-5345 FAX: (843) 872-5374

ISSUE DATE	05.10.22
DRAWN BY	JAE
CHECKED BY	FMK, REB
PROJECT	22XX

NEW AIRCRAFT HANGER
CHARLOTTE-MONROE EXECUTIVE AIRPORT
MONROE, NORTH CAROLINA

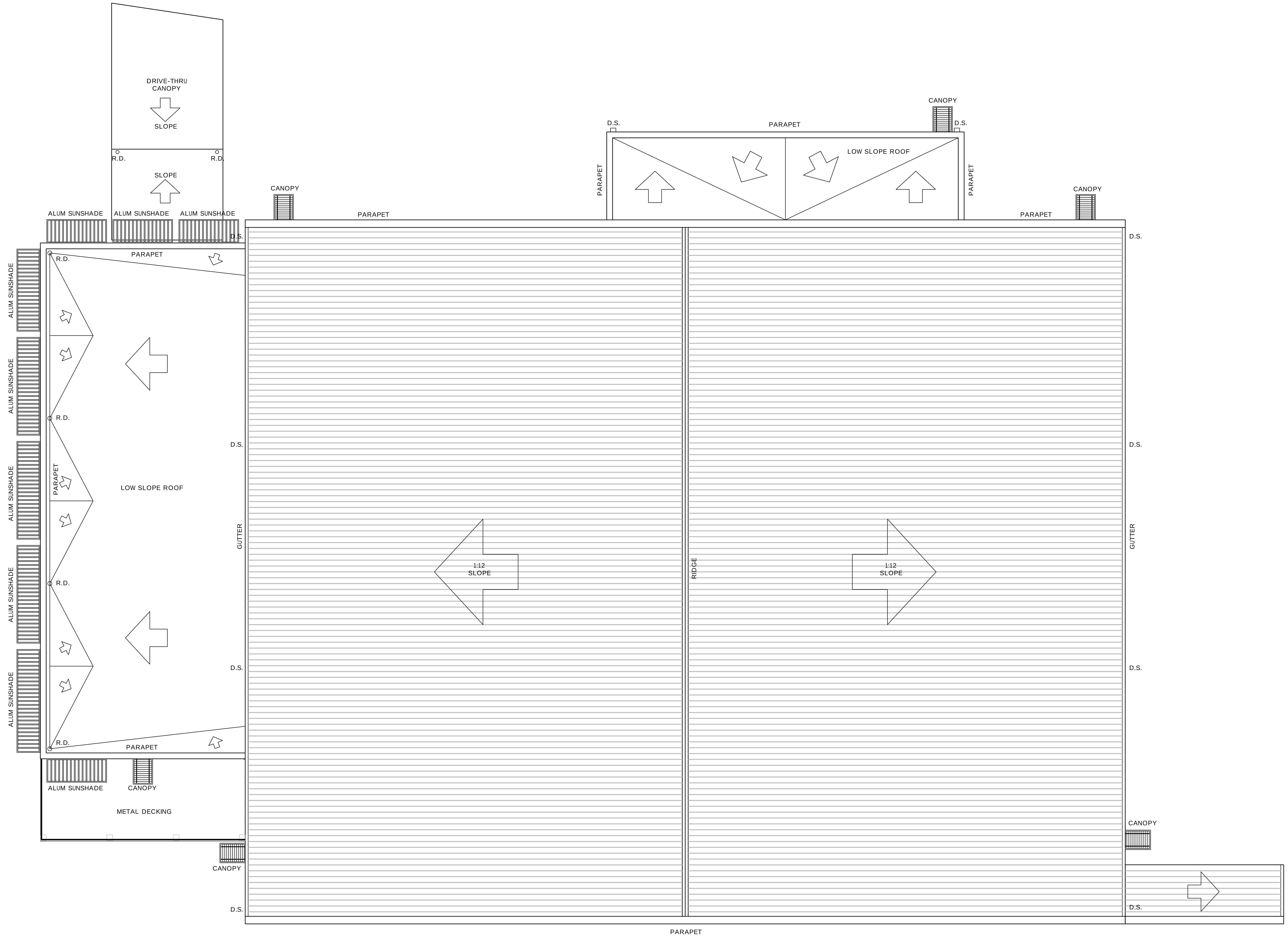
EXTERIOR ELEVATIONS
UPPER FLOOR PLAN

REVISION SCHEDULE

△	DATE	REFERENCE

002

CONCEPTUAL DESIGN + PLANNING
NOT FOR CONSTRUCTION



CONCEPTUAL ROOF PLAN
SCALE: 1/8"=1'-0"

1
003

PINNACLE ARCHITECTURE
PROFESSIONAL ASSOCIATION
P.O. BOX 187, 630 TEAM ROAD, SUITE 200
MATTHEWS, NORTH CAROLINA 28106
PH: (704) 847-9851 FAX: (704) 847-9853
701 EAST BAY STREET, SUITE 302
CHARLESTON, SOUTH CAROLINA 29403
PH: (843) 872-5345 FAX: (843) 872-5374

ISSUE DATE 05.10.22
DRAWN BY JAE
CHECKED BY FMW, REB
PROJECT: 22XX

NEW AIRCRAFT HANGER
CHARLOTTE-MONROE EXECUTIVE AIRPORT
MONROE, NORTH CAROLINA

ROOF PLAN

REVISION SCHEDULE

#	DATE	REFERENCE

003

CONCEPTUAL DESIGN + PLANNING
NOT FOR CONSTRUCTION

STATE OF NORTH CAROLINA
UNION COUNTY

CHARLOTTE - MONROE EXECUTIVE AIRPORT
HANGAR LEASE AMENDMENT

THIS LEASE AMENDMENT, made and entered into this _______ day of _____________, 20_____, by and between the **City of Monroe**, a North Carolina Municipal Corporation, hereinafter called "Lessor", and **Charlotte-Monroe Hangar 1 LLC**, hereinafter called "Lessee"; all of Union County, North Carolina;

WHEREAS, the Lessor is the owner of the Charlotte -Monroe Executive Airport; and

WHEREAS, effective November 11, 2021, the Lessor entered into a Lease Agreement with the Lessee to lease that certain parcel of real estate situated at 1406 Aviation Drive, Monroe, NC 28110 at the Charlotte-Monroe Executive Airport on which the Lessee will construct and maintain an aircraft hangar under the terms and conditions of the Lease; and

WHEREAS, the Lessee desires to make substantial improvements to the demised premises including but not limited to constructing a hangar of a minimum size of 15,000 square feet and other major improvements within the parcel, which would increase the size of the demised premises by 7,060 square feet; and

WHEREAS, the Lessor agrees and consents to the improvements by the Lessee and agrees to extend the shape and dimensions of the demised premises, as depicted on the attached revised Exhibit A; and

WHEREAS, the Lessor conveys a new lease rate based on the expanded demised premises, as described in the attached revised Exhibit B.

NOW, THEREFORE, in consideration of the expansion of the demised premises and the proposed hangar size, along with other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the following amendments to the terms and conditions of the Lease:

Paragraph 1. Demise. is amended to read, “In consideration of the payment from time to time by the Lessee of the rents hereinafter set forth and in further consideration of the prompt performance by the Lessee of each of the covenants on its part to be performed hereunder, the Lessor does hereby lease unto the Lessee, its successors and assigns, the parcel of real estate, measuring 37,060 square feet and situated at 1406 Aviation Drive, Monroe, NC 28110, at the Charlotte-Monroe Executive Airport, hereinafter called the “demised premises," described on Exhibit A attached hereto and made a part hereof, for the construction of a minimum 15,000 square-foot corporate hangar to be used for the storage of a corporate jet aircraft and helicopter. To have and to hold the said demised premises, together with all improvements, appurtenances, rights, privileges and easements thereto belonging or otherwise incident or appertaining upon the terms and conditions hereinafter set forth.”

The first section in Paragraph 3. Rental. is amended to read, “The minimum annual rental for the demised premises, as described in paragraph 1 shall be Fifteen Thousand, Seven Hundred Sixty-Five Dollars ($15,765), as described in Exhibit B, Lease Payback Schedule, attached hereto and made a part hereof. At the agreed upon regular intervals of every five (5) years, the annual rental shall be adjusted upward to reflect an increase of three (3) percent during the term of the lease. In no event shall the rental for the current period be less than the rental payable during the previous period." The remaining portion of this paragraph remains unchanged.

The first section in Paragraph 10. Maintenance and Repairs. is amended to read, "The Lessee shall be responsible for the entire upkeep, maintenance and repair of all improvements, including all pavements, located on the demised premises and the fixtures and equipment appurtenant thereto, and shall keep the same in good, safe, tenantable condition, in good appearance, properly painted and landscaped. All repairs and maintenance shall be performed in a good and workmanlike manner. Lessee will deliver said improvements and demised premises at the termination of this Lease in good order and repair, reasonable wear and tear excepted." The remaining portion of this paragraph remains unchanged.

Exhibits A and B are revised as attached, and supersede the original attached exhibits.

Except as expressly modified herein, all terms and conditions of the Lease Agreement between the Parties are hereby affirmed, ratified, and readopted in all respects.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Lease Agreement Amendment as duly authorized acts and on behalf of said parties the day and year first written above:

LESSOR:

City of Monroe

By: ______________________________
Brian Borne, Interim City Manager

ATTEST:

____
Bridgette H. Robinson, City Clerk

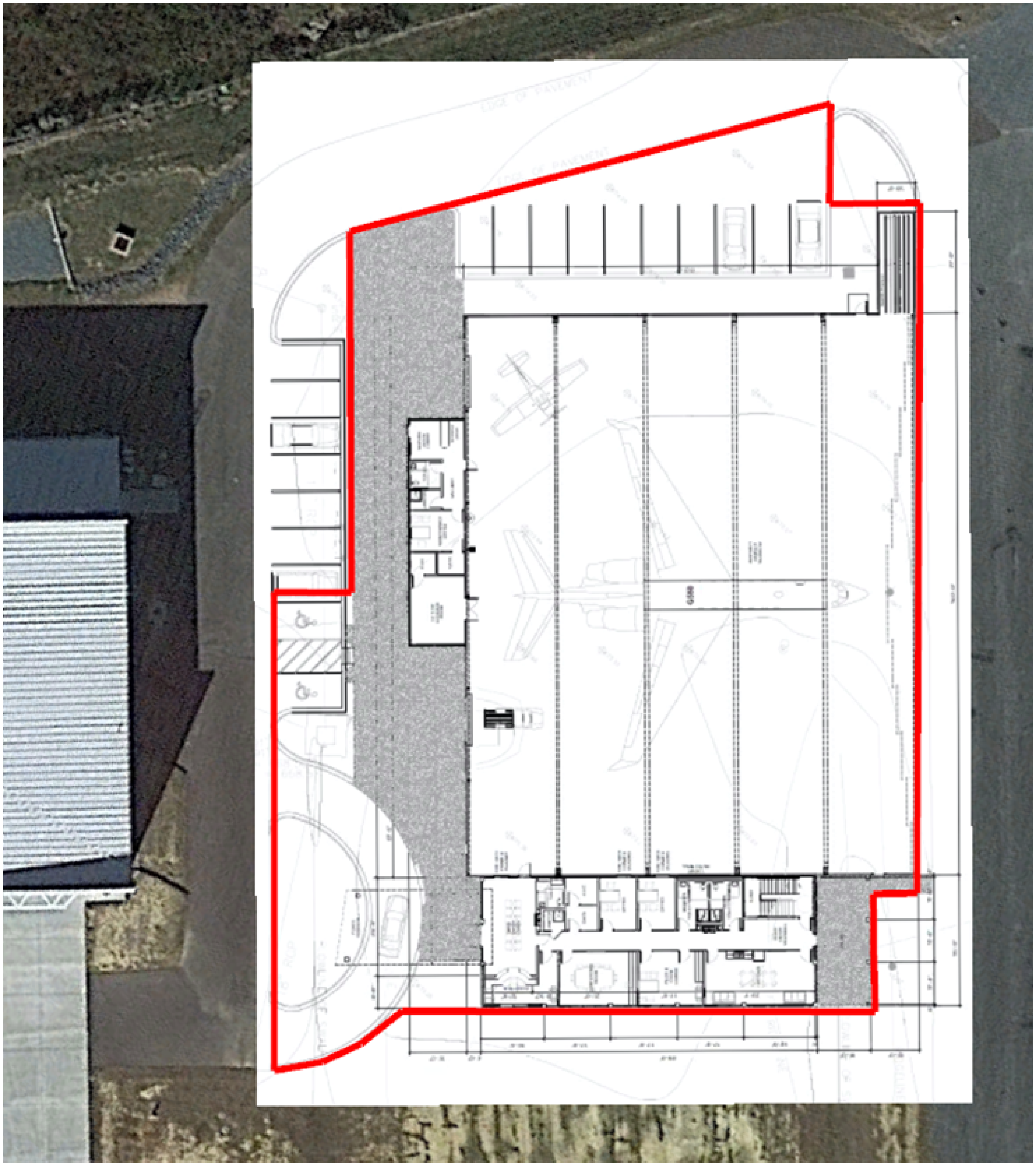
LESSEE:

Charlotte-Monroe Hangar 1 LLC

_______________________ By: __________________________

_______________________ Its: __________________________

REVISED EXHIBIT A: Demised Premises



Site Dimensions *(as depicted by red outline)*: 37,060 square feet

REVISED EXHIBIT B: Lease Payback Schedule

YEAR	ANNUAL RENT	YEAR	ANNUAL RENT
2022	$ 15,765	2042	$ 17,743
2023	$ 15,765	2043	$ 17,743
2024	$ 15,765	2044	$ 17,743
2025	$ 15,765	2045	$ 17,743
2026	$ 15,765	2046	$ 17,743
2027	$ 16,237	2047	$ 18,275
2028	$ 16,237	2048	$ 18,275
2029	$ 16,237	2049	$ 18,275
2030	$ 16,237	2050	$ 18,275
2031	$ 16,237	2051	$ 18,275
2032	$ 16,725	2052	$ 18,824
2033	$ 16,725	2053	$ 18,824
2034	$ 16,725	2054	$ 18,824
2035	$ 16,725	2055	$ 18,824
2036	$ 16,725	2056	$ 18,824
2037	$ 17,226	2057	$ 19,388
2038	$ 17,226	2058	$ 19,388
2039	$ 17,226	2059	$ 19,388
2040	$ 17,226	2060	$ 19,388
2041	$ 17,226	2061	$ 19,388

CHARLOTTE-MONROE)
EXECUTIVE AIRPORT) LEASE AGREEMENT
CITY OF MONROE)

THIS LEASE AGREEMENT ("Lease") entered into this 21 day of ~~December,~~ November 2021 (the "Effective Date") by and between the **CITY OF MONROE**, hereinafter called Lessor, and **Charlotte-Monroe Hangar 1 LLC**, hereinafter called Lessee,

WITNESSETH:

1. Demise. In consideration of the payment from time to time by the Lessee of the rents hereinafter set forth and in further consideration of the prompt performance by the Lessee of each of the covenants on its part to be performed hereunder, the Lessor does hereby lease unto the Lessee, its successors and assigns, the parcel of real estate situated at 1406 Aviation Drive, Monroe, NC 28110, at the Charlotte-Monroe Executive Airport, hereinafter called the "demised premises," described on Exhibit A attached hereto and made a part hereof, for the construction of a 15,000 square-foot corporate hangar by Lessee to be used for the storage of a corporate jet aircraft. To have and to hold the said demised premises, together with all improvements, appurtenances, rights, privileges and easements thereto belonging or otherwise incident or appertaining upon the terms and conditions hereinafter set forth.

2. Term. The term and duration of this Lease shall be for a period of **Thirty** (**30**) years, beginning December 1, 2021, and ending on November 31, 2051, together with any renewal term(s) exercised by Lessee (the "Term").

3. Rental. The annual rental for the leasehold, as described in paragraph 1 shall be Twelve Thousand Seven Hundred Sixty-Four dollars ($12,764), as described in Exhibit B, Lease Payback Schedule, attached hereto as Exhibit B and made a part hereof ("Annual Rent"). At the agreed upon regular intervals of every five (5) years, the Annual Rent shall be adjusted upward to reflect an increase of three (3) percent during the Term of this Lease. In no event shall the Annual Rent for the current period be less than the Annual Rent payable during the previous period.

All Annual Rent payable hereunder shall be paid to Lessor without any offset or deduction whatsoever, in monthly installments equal to one-twelfth (1/12) of the Annual Rent, in advance on the first day of each month. Rent payments shall begin on the later of November 1, 2022 or on the anniversary of the Effective Date, with any portion of a month to be prorated.

All rent payments shall be made at or mailed to:

City of Monroe
P. O. Box 69
Monroe, North Carolina 28111

or at such other address as Lessor may designate in writing.

4. Site Development Reimbursement. As a part of this Lease, the Lessor will make certain infrastructure improvements that allow access to and operation of the proposed corporate Hangar Improvements, subject to the reasonable review and approval of Lessee for such improvements that affect the construction of the Hangar Improvements. These improvements to be completed by Lessor include site grading to accommodate a building pad for the Hangar Improvements, access road to Hangar Improvements, and utility access to include water, electric, natural gas, and sewer being delivered to the demised premises (collectively, the "Lessor Improvements"). The Lessor Improvements will be funded by an internal loan

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from the City of Monroe. The Lessee agrees to reimburse the Lessor for such Lessor Improvements design and costs through the Lease Payback Schedule during the first twenty (20) years of the Term of the Lease. Such reimbursement payback schedule is included in the Annual Rent as shown on Exhibit B, and is based on one-fourth pro-rata share of the Lessor Improvements cost. Lessor shall diligently work to complete the Lessor Improvements affecting the use and construction of the Hangar Improvements as quickly as possible, provided such Lessor Improvements shown on Exhibit A shall be completed by the Lessor no later than the first anniversary of the Effective Date.

5. Hangar Construction/Completion: Upon the Lessee's completion of the plans and specifications for the corporate hangar, the Lessee shall prepare and deliver to Lessor, at its sole cost, the plans and specifications of the desired 15,000 square-foot corporate hangar for Lessor's review and approval, pursuant to City of Monroe Policy MA-03, Charlotte-Monroe Executive Airport Minimum Hangar Construction Standards (the "Hangar Improvements"), such approval not to be unreasonably withheld, conditioned, or delayed. Lessee agrees to place the order for the steel building within 5 business days of Lessor's approval of the plans and issuing the building permit for the Hangar Improvements. Lessee may begin construction of the Hangar Improvements, subject to the terms and conditions herein, prior to completion of the Lessor Improvements, provided that the completion of such Lessor Improvements are not required to begin such construction. Provided all requirements for Lessee to begin construction of the Hangar Improvements have been completed, Lessee agrees to begin construction of the Hangar Improvements on or before within 30 days of the delivery of the steel building. Lessee will begin remitting payments of the Annual Rent in monthly installments on the later of November 1, 2022 or the anniversary of the Lessor's approval of Lessee's plans and specifications and issuance of the building permit for same.

6. Option to Renew. Provided the Lessee is not in default under this Lease with such default continuing, the Lessee shall have the option to renew the Term of this Lease for two options of five (5) years each. Annual Rent for each renewal period shall continue using the same lease payback schedule as described in Exhibit B attached hereto and made a part hereof. The Lessee's option to renew shall be exercised by written notice to Lessor at least six months prior to the expiration of the original or any renewal term hereof.

7. Taxes. The Lessee shall pay when due all taxes (including ad valorem real estate taxes), assessments or other governmental charges of every kind of nature, whether extraordinary or ordinary and whether or not presently contemplated by the parties, including ad valorem taxes now or hereafter imposed by the City of Monroe and Union County, which shall or may be imposed on, or arise in connection with the demised premises, the use of the demised premises or any part thereof. The Lessor shall be responsible for making sure the demised premises is a separately assessed tax parcel and Lessee shall only be responsible for taxes related to the demised premises and Lessee's use of thereof and Hangar Improvements thereon. The Lessee shall deliver receipts evidencing payment of all such taxes, assessments or charges to Lessor within ten (10) days after the first day allowed for payment thereof. The Lessee shall also pay all personal property taxes assessed against its personal property, machinery, equipment or supplies located on the demised premises, which may be subject to taxation, by any governmental authority.

8. Utilities. The Lessee shall register all appropriate utilities in its name, and be solely liable for the payment of utility charges as they become due including those for sewer, water, gas, electricity and telephone services. The Lessor makes no representation with respect to the availability, volume or capacity of any utilities, which may be required by the Lessee and assumes no responsibility for providing utility services, subject to the Lessor's requirement to have necessary utilities delivered to the demised premises in accordance with paragraph 4 herein. The Lessee further agrees that all waste products emptied into the septic tank system or sewer disposal lines or plants will conform to the regulations and restrictions of the City of Monroe.

9. Alteration and Additions. With the prior written consent of Lessor such consent not to be unreasonably withheld, conditioned, or delayed, the Lessee shall have the right, during the continuance of

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this Lease, to make alterations, additions or improvements to the demised premises and Hangar Improvements, all at its own expense and at no cost to the Lessor. Such alterations, additions or improvements shall become a part of the demised premises and belong to the Lessor, without compensation to the Lessee, at the expiration of this Lease. Such alterations, additions or improvements shall not endanger the demised premises and shall not be in conflict with the Charlotte-Monroe Executive Airport Minimum Hangar Construction Standards or any other rules or regulations of any governmental authority having jurisdiction thereof.

10. Maintenance and Repairs. The Lessee shall be responsible for the entire upkeep, maintenance and repair of all improvements located on the demised premises and the fixtures and equipment appurtenant thereto, and shall keep the same in good, safe, tenantable condition, in good appearance, properly painted and landscaped. All repairs and maintenance shall be performed in a good and workmanlike manner. Lessee will deliver said improvements and demised premises at the termination of this Lease in good order and repair, reasonable wear and tear excepted.

Lessee on termination of this Lease or at any time during the continuance thereof, may remove from said demised premises the Hangar Improvements and any other improvements installed by Lessee located thereon, its aircraft and aircraft maintenance equipment, and all of its personal property located thereon, including without limitation, shelving, trade fixtures, counters, racks and other equipment of a non-permanent nature, including temporary electrical trays and conduits and window air conditioning units ("Tenant's Property"). Buildings and fences, electrical fixtures, carpeting, built-in shelving and other like items attached to the buildings shall be deemed a part of the realty and become property of the Lessor. Lessee shall repair any damage that may be done to the demised premises from the removal of Tenant's Property.

11. Damage. Should the whole or any part of the Hangar Improvements or other improvements at any time located on the demised premises be partially damaged or wholly destroyed by fire or other causes after the commencement of the Term of this Lease, Lessee may terminate this Lease by providing written notice to Lessor within thirty (30) days after such damage. Unless this Lease is terminated by Lessee as provided herein, such destruction or injury shall not operate to terminate this Lease, but this Lease shall continue in full force and effect, and Lessee agrees, at its own expense without unreasonable delay, to restore or rebuild said improvements to a condition equal or greater in value to that just prior to said loss. If this Lease is terminated by Lessee after any such damage or injury, then Lessee agrees, at its own expense without unreasonable delay, to remove and raze the damaged improvements on the demised premises and restore the demised premises to a condition that existed prior to the installation of the Hangar Improvements. Lessee shall be entitled to receive all insurance proceeds received from Lessee's insurance with respect to the Hangar Improvements and other improvements installed by Lessee on the demised premises.

12. Insurance. The Lessee shall indemnify, defend and hold harmless the City of Monroe from any and against all damages and liabilities for anything and everything whatsoever arising from or out of the occupancy by or under the Lessee, the Lessee's agents or servants and/or from any loss or damage arising from any fault, negligence and/or intentional acts either criminal or contractual by the Lessee or any failure on Lessee's part to comply with any of the covenants, terms and conditions herein contained or otherwise. Lessee agrees to maintain minimum liability insurance of $1,000,000 for each occurrence for bodily injury or $2,000,000 in the aggregate, and $500,000 each occurrence for property damage, with a recognized company or companies indemnifying the Lessor against public liability and property damage occurring as a result of each and every phase of activity conducted by Lessee in and upon or in connection with the demised premises herein leased at the Charlotte-Monroe Executive Airport, and shall be kept in force and effect at all times during the Term of this Lease.

Lessee, during the entire Term hereof, shall keep the improvements located upon the demised premises, including all repairs, replacements, alterations, additions and changes thereto made by Lessee, insured against loss or damage by fire and causes covered by the customary standard extended coverage applicable to property of similar character located in Monroe, North Carolina, in an amount equal to the full insurable value of such improvements including repairs, replacements, alterations or additions thereto. All such insurance shall be written in a company or companies, and with policies acceptable to Lessor and Lessee shall furnish to the Lessor a copy of a binder from the insurer. The Lessee shall furnish the Lessor with all policies, or copies thereof, with receipts evidencing payment of the premiums and all such policies, binders or certificates, and shall provide for thirty (30) days' notice from the insurer to the Lessor of any cancellation or amendment to any such policy, binder or certificate.

13. Environmental. The Lessee shall not bury, dump, pour, spill or place on the demised premises, or release into the environment any hazardous, toxic or harmful waste, substance or material of any kind or nature. The Lessee agrees to indemnify and hold the Lessor harmless from any and all claims, suits, actions, judgments, fines, costs, or damages (including reasonable attorneys' fees and legal expenses) for injury to persons, property, or the environment, or for decontamination or clean-up of the demised premises or environment arising out of or resulting from the Lessee's use of the demised premises or breach by the Lessee of the foregoing covenant

14. Use, Occupancy and Compliance with Regulations. The demised premises shall be used solely for the operation of a corporate aviation hangar and related aviation activities. Lessee shall cooperate with the Lessor in every reasonable way to aid and maintain an efficient operable aviation facility, it being agreed and understood between the parties hereto that Lessee shall be subject to the following: Exhibit C, Monroe Code of Ordinances, Chapter 131: Charlotte-Monroe Executive Airport (otherwise understood as the Airport Rules and Regulations); and Exhibit D, City of Monroe Policy MA-03, Charlotte-Monroe Executive Airport Minimum Hangar Construction Standards. All copies now or hereafter adopted by the City of Monroe and of which are attached.

As necessary conditions to its being granted a lease on public property, Lessee agrees to operate the demised premises, which are open to the public without discriminatory or otherwise unreasonable charges or fees. The Lessee, in the operation and use of the demised premises, will not on the grounds of race, color or national origin, discriminate or permit discrimination against any person or group of persons in any manner prohibited by Part 15, of the Federal Aviation Regulations. Noncompliance shall constitute a material breach of this Lease and, in the event of such noncompliance; the Federal government or the Lessor shall have the right to take such action as the government may direct to enforce compliance.

The Lessor, the Federal Aviation Administration or any other Federal, State or local agency having jurisdiction over the demised premises, shall have the right with reasonable notice to enter upon the demised premises at any time during normal business hours for the purpose of making reasonable inspections without interference or hindrance by the Lessee. The Lessor shall have the right to make any improvements to the demised premises or to the Charlotte-Monroe Executive Airport which, in the Lessor's sole judgment, may be necessary to further develop the demised premises or to comply with the requirements of the Federal Aviation Administration with respect to the aviation facilities, provided that such improvements do not interfere with Lessee's use of the demised premises. The Lessor shall have the right to enter into agreements with governmental agencies with respect to applications for funds to improve the facilities at Charlotte-Monroe Executive Airport and this Lease is expressly made subject to all such governmental agreements.

14.Ordinances. The Lessee shall, at its own cost and expense, promptly observe and keep all laws, rules, orders, ordinances and regulations of the Federal, State and City Governments and all departments and bureaus thereof, and those of any other competent authority applicable to said demised premises, as well as to all repairs and alterations which may be made thereon, and also, at its cost and expense, shall promptly comply with all laws, rules, orders, regulations and requirements of the Board of Fire Underwriters or of any similarly constituted body, and will use no part of said demised premises in a manner so as to create a nuisance, and will use no part of said demised premises in a manner so as to create a nuisance. Upon failure

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to comply with any of the foregoing requirements, Lessor may, at its option, after thirty (30) days written notice to Lessee of its intention to do so, comply with the same for and on account of Lessee, and the cost of such compliance shall be paid with interest at twelve (12%) percent to Lessor upon demand.

15. Liens. The Lessee will not allow any mechanic's or material man's lien to stand against any portion of the demised premises for work performed for account of Lessee, provided, however, that Lessee may secure the discharge of the property from such liens by filing bond pursuant to applicable law and pending legal proceedings. Lessor shall not then have the right to pay, remove or discharge any such mechanic's or material man's lien or judgment thereby contested, and any delay of Lessee in paying the same until final determination of such disputed matter shall not be deemed a default of the conditions of this Lease.

16. Default Clause. In the event of the failure of Lessee to make any monthly payments of Annual Rent when due or to comply with any agreement or covenant herein made, including the obligation to construct improvements, and should Lessee remain so in default for a period of thirty (30) days after written notice thereof to Lessee (provided, however, if Lessee's violation or failure cannot reasonably be cured within thirty (30) days, Lessee shall be allowed additional time as is reasonably necessary to cure the violation or failure so long as the Lessee begins the cure within thirty (30) days and diligently pursues the cure to completion), or in the event that Lessee is placed in voluntary or involuntary bankruptcy or receivership, or is placed in any sort of insolvency or reorganization due to insolvency proceedings under State or Federal law and such bankruptcy, receivership or proceeding is not vacated or set aside within thirty (30) days from the date the Lessee is placed in such bankruptcy, receivership or insolvency proceeding, then and in any of such events Lessor, at Lessor's option, may (a) declare the full rental for the entire Term immediately due and payable without prejudice to any other remedies in law or equity available to Lessor, or (b) declare this Lease terminated and take possession of the demised premises forthwith and thenceforth hold the same with full right of Lessor to recover all past due rents and any and all damages, including reasonable attorney's fees, caused Lessor as a result of said default. Should the said Term at any time be ended under the terms and conditions hereof, or in any other way, Lessee hereby covenants and agrees upon request of Lessor to surrender and deliver up the said demised premises and property peaceably to said Lessor immediately upon the termination of said Term. In addition to the rights to terminate, and all other remedies set forth in this paragraph, Lessor shall also have all other rights and remedies which may be available under the laws of the State of North Carolina, subject to the conditions applicable to Lessor's rights as hereinabove provided. Notwithstanding the foregoing, where any breach of this agreement constitutes a violation of Federal, State or local law, Lessee shall cure such breach as soon as possible after notice of same and the failure to cure such breach within thirty (30) days of notice from Lessor shall entitle Lessor to terminate this Lease or seek any available remedy at law or equity.

17. Condemnation. If the whole of the demised premises shall be taken for any public or quasi-public use under any statute or by right of eminent domain or by private purchase in lieu thereof or in the event of a partial taking (or purchase) of the demised premises which results in the demised premises being rendered unusable for the purposes for which Lessee is using the demised premises immediately prior thereto and it is not economically feasible for Lessor to restore the improvements thereof, then this Lease shall automatically terminate as of the date of any such total or partial taking and the rentals due hereunder shall be adjusted to the date thereof.

In the event of a partial taking (or purchase) not resulting in termination of this Lease as aforesaid and as hereinafter provided, Lessee shall, at its own cost and expense, make all repairs to the buildings and improvements on the demised premises affected by such taking (or purchase) to the extent necessary to restore the same to a complete architectural unit (taking into consideration the amount of land remaining after such taking or purchase); provided, however, that Lessee shall not be obligated to expend an amount in excess of the proceeds of the net award available to Lessee for such purposes as hereinafter provided. Provided, however, in the event any material partial taking (or purchase) shall occur at any time during the last two years of the initial or any renewal term hereof, then both Lessor and Lessee each shall have the

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right, but not the obligation, to terminate this Lease by giving thirty (30) days prior written notice thereof to the other within thirty (30) days after the date of such taking (or purchase), with rentals to be adjusted to date of termination. In the event of any taking (or purchase) of the demised premises, the parties hereto agree to cooperate in applying for and in prosecuting any claim therefore and the aggregate net award after deducting reasonable expenses, costs and attorney's fees incurred in connection therewith, shall be paid to Lessor and Lessee as their respective interests may appear.

18. Temporary Possession by Government Agency. If, during the Term of this Lease, the Federal government or any other governmental agency acquires temporary possession of all or any part of the demised premises by virtue of any law now or hereafter in effect which materially interferes with the Lessee's use or occupancy of all or any portion of the demised premises, this Agreement shall not terminate, but shall remain in full force and effect. Provided, however, that the rentals payable hereunder for that portion of the demised premises thereby affected shall be proportionately abated during the period that the Lessee is deprived of such use or occupancy.

19. Covenant of Title, Authority and Possession. Lessor covenants and warrants that Lessor has full right and lawful authority to enter into this Lease for the full Term aforesaid, and that Lessor is lawfully seized of the entire demised premises hereby demised and has good fee simple leasehold title thereto. Lessor further covenants that if the Lessee shall discharge the obligations herein set forth to be performed by the Lessee, the Lessee shall have and enjoy, during the Term hereof, the possession of the demised premises.

20. Assignment and Subletting. The Lessee may not assign this lease or sublet any part of the demised premises without the prior written consent of the Lessor, which consent will not be unreasonably withheld.

21. Inspection and Advertisement. The Lessor shall have the right during the continuance of this lease to enter and inspect the demised premises and improvements in order to exercise any right or power reserved to the Lessor under the terms and provisions hereof; and during the last six (6) months of the Term, Lessor shall have the right to show the demised premises to prospective tenants or buyers and display about the demised premises the usual signs advertising the sale or lease thereof. In connection with any such entry, the Lessor shall reasonably endeavor to minimize the disruption to the Lessee's use of the demised premises, and shall reasonably endeavor to give the Lessee at least twenty-four (24) hours advance notice of such entry (except in the event of an emergency).

22. Notice. All notices provided for in this lease shall be sent by registered or certified mail to the Lessor and Lessee at the following addresses, unless the parties shall designate a different address in writing:

Lessor: City of Monroe
P. O. Box
Monroe, North Carolina 28111

Lessee: Charlotte-Monroe Hangar 1 LLC
PO Box 1561
Monroe, NC 28111-1561

23. Natures and Extent of Agreement. This Lease sets forth all the covenants promises, agreements, conditions and understandings between Lessor and Lessee concerning the demised premises and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between them other than those herein set forth. No subsequent alteration, amendment, change or addition to this agreement shall be binding upon Lessor or Lessee unless reduced to writing and signed by each.

JW

Paragraph headings and sub-headings throughout this agreement are for convenience and reference only, and the words contained therein shall in no way be held to explain, amplify or aid in the interpretation, construction or meaning of the provisions of this agreement.

For words used in this Lease, the use of one gender shall include the other gender, and the singular shall include the plural, or the plural shall mean the singular, as the case may be. Should any provision of this Lease be held invalid or unenforceable by any court of competent jurisdiction, the remaining provisions hereof shall remain in full force and effect.

This Lease shall be construed according to the laws of the State of North Carolina.

In the event that the terms and provisions of this Lease, including the collection of rents, shall be enforced through legal proceedings, the prevailing party in such proceedings shall be entitled to recover from the other all costs of the action, together with its reasonable attorney's fees, to the extent permitted by North Carolina law.

24. Binding Effect. This Lease shall inure to the benefit of and be binding upon the Lessor and the Lessee hereunder, and their respective successors and assigns.

25. E-Verify Requirement. Lessee shall comply with the requirements of Article 2 of Chapter 64 of the General Statutes. Further, if Lessee utilizes a subcontractor, Lessee shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the General Statutes.

JW

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed as of the day and year first written above on the first page.

In the Presence of:

LESSOR:

City of Monroe

By: ______________________ 11/22/2021

~~Bobby G. Kilgore, Mayor~~ Brian J. Borne, Interim City Manager

ATTEST:

____

Bridgette H. Robinson, City Clerk

WITNESS:

____

____

LESSEE:

Charlotte-Monroe Hangar 1 LLC

By: ______________________

Manager,-Member

EXHIBIT A: Demised Premises at 1406 Aviation Drive, Monroe, NC 28110

EXHIBIT B: Lease Payback Schedule

YEAR	ANNUAL RENT	YEAR	ANNUAL RENT
2022	$ 12,764	2042	$ 14,366
2023	$ 12,764	2043	$ 14,366
2024	$ 12,764	2044	$ 14,366
2025	$ 12,764	2045	$ 14,366
2026	$ 12,764	2046	$ 14,366
2027	$ 13,147	2047	$ 14,767
2028	$ 13,147	2048	$ 14,767
2029	$ 13,147	2049	$ 14,767
2030	$ 13,147	2050	$ 14,767
2031	$ 13,147	2051	$ 14,767
2032	$ 13,541	2052	$ 15,210
2033	$ 13,541	2053	$ 15,210
2034	$ 13,541	2054	$ 15,210
2035	$ 13,541	2055	$ 15,210
2036	$ 13,541	2056	$ 15,210
2037	$ 13,948	2057	$ 15,666
2038	$ 13,948	2058	$ 15,666
2039	$ 13,948	2059	$ 15,666
2040	$ 13,948	2060	$ 15,666
2041	$ 13,948	2061	$ 15,666

STAFF REPORT

TO: Airport Commission

VIA: Brian Borne, City Manager

DATE: June 13, 2022

FROM: Peter Cevallos, Airport Manager

SUBJECT: Final Approval of Airport Layout Plan Update

SUMMARY STATEMENT

Airport staff, with assistance from the Airport Engineers Talbert, Bright, & Ellington, present the Airport Layout Plan Update for the Airport Commission's final approval.

REVIEW

In November 2019, Airport Engineers Talbert, Bright, & Ellington, were commissioned by the City to provide an update to the Airport's Layout (or Master) Plan that is currently on file with the N. C. Department of Transportation and the Federal Aviation Administration (FAA). This plan is a statutory requirement so the Airport can be formally recognized as part of the National Plan of Integrated Airports Systems (NPIAS). Further, this plan is the base document where all future projects are identified and shows incorporation for the Airport's future growth. The plan identifies not only the future needs for airfield components such as runway and taxiways improvements, it also identifies the area of development for future hangars and aprons, and other facilities that would support the Airport's mission as a public-use airport.

While there is no major change in the overall objective and strategy to the Airport's projected future growth, it is the intent of staff to utilize this Airport Layout Plan Update as the necessary script to execute funding strategies for the identified projects and, as necessary, funding requests to the appropriate agencies to ensure their completion.

To date, the following major milestones were accomplished for the Airport Layout Plan Update:

- In March 2020, Talbert, Bright, & Ellington presented the Airport's facility inventory and aviation forecast, detailing the Airport current capability, flight operations information and the expected growth for the next twenty plus years. This forecast was accepted by the N. C. Department of Transportation in March 2020 as record, and served the basis of this final version. Based on that forecast, the Airport is expected to continue growing with increased aircraft activity.

- At the January 11, 2021 Airport Commission meeting, the Commission approved the projected hangar development phases that are described in the Airport Layout Plan (ALP) Update. These phases are color coded and coincide with four periods of approximately five-years, giving staff the proper focus for an orderly and accurate development. The projected total should all areas described be completed would be as much 120 hangars, totaling close to 600,000 square feet.

- In February, 2021 the Airport's Airport Layout Plan (ALP) Update was publicly displayed, with many favorable comments made.

- In October 2021, Airport Engineers Talbert, Bright, & Ellington made a formal presentation of the ALP Update, reviewing all the major components. This presentation was made as a general courtesy to the Airport Commission for their awareness of the version that was being reviewed by the State and the FAA. It was anticipated that baring any major questions or suggested comments by either agency, the plans would be ready for formal acceptance.

- In November of 2021, Mr. Cevallos made a presentation to the Commission focusing on a specific slide from the Airport Engineer's October 2021 presentation, the two lists of capital projects designed to support the Airport's growth. The project lists are divided into two major classifications: those projects which are specifically eligible for grant funding, and those projects that directly support generating revenue such as hangar construction, which are ineligible to directly be funded by grants.

Staff has received notification from the N. C. Department of Transportation and FAA that the Airport's ALP Update has been reviewed, and both agencies recommend approval. To achieve formal conditional approval of the plan requires first the signature of the City, then formal acceptance by signature from the State. It is the intent of staff to move forward on formal, and final adoption, of the ALP Update. With City Manager coordination, it would be Staff's intent to present this final version of the ALP Update at the next City Council Strategic Meeting, scheduled to be held in July. The final version describes all previously presented information and plans that detail the Airport's growth for the next twenty years. Staff will continue to focus on developing the Airport according to the presented phases, along with the major capital projects that will enhance the Airport's capability.

Attached to this staff report is a list of projects that staff will focus on for the first five-year phase of the Airport's development plan. The list will be used in dialogue with the State and FAA for grant funding, and can serve as a guide for those requirements that would require either City funding and/or as part of a negotiation for private construction.

RECOMMENDATION

Staff request is for the Airport Commission to approve the Airport Layout Plan Update as presented, and recommend this update be forwarded to City Council for their consideration and approval.

Attachment(s):
Airport Capital Project Considerations

CHARLOTTE-MONROE EXECUTIVE AIRPORT
CAPITAL PROJECT CONSIDERATIONS
June 1, 2022

CURRENT AIRFIELD PROJECTS BEING CONSIDERED FOR GRANT FUNDING:

	Project Title	Project Description	Primary Purpose	Total Project Cost
1.	**Strengthen Runway to 95,000 Dual Wheel, Fillet Widening**	Rehabilitate and strengthen the runway pavement from 67,500 lbs. dual wheel strength to 95,000 lbs., and widening the taxiway connectors	Enhance safety and operations	$5,268,200
2a.	**Strengthen Taxiways to 95000 Dual Wheel Fillet Widening (Phase 1)**	*Complementary to above project:* Rehabilitate and strengthen the taxiway system to the same bearing strength as the runway project, 95,000 lbs. This initiative is divided into three sections/phases (see subsequent listings below)	Enhanced safety and operations	$1,935,100
2b.	**Strengthen Taxiways to 95000 Dual Wheel Fillet Widening (Phase 2)**	Same as previous/above: Phase 2	Enhance safety and operations	$1,935,100
2c.	**Strengthen Taxiways to 95000 Dual Wheel Fillet Widening (Phase 3)**	Same as previous/above: Phase 3	Enhance safety and operations	$1,935,100
3.	**Air Traffic Control Tower & Access Road**	Construct new air traffic control tower and construct a new access road to the proposed air traffic control tower.	Enhance safety and operations	$4,791,000
4.	**EQY - East Partial Parallel Taxiway**	Construct a partial parallel taxiway on the east side of Runway 5-23 to allow for future development.	Enhance safety and operations *(Also has Economic Development value)*	$3,232,000
5.	**Terminal Building Expansion**	A proposed 6200 square foot expansion to the existing terminal building includes expanded passenger lobby, existing offices reconfiguration and new office space	To serve passengers more effectively	$1,900,000

CHARLOTTE-MONROE EXECUTIVE AIRPORT
CAPITAL PROJECT CONSIDERATIONS
June 1, 2022

CURRENT AIRFIELD PROJECTS NOT BEING ELIGIBLE OR RANK VERY LOW FOR GRANT FUNDING:

Project *Title*	**Project Description**	**Primary Purpose**	**Total Project Cost**
Maintenance / Service Hangar	Construct a maintenance / service hangar capable of support turbine aircraft maintenance. Hangar must be of sufficient size, minimum of 25,000 sq. ft. in the hangar bay area, and be sufficient office shop space to support large maintenance operations, minimum 10,000 sq. ft.	Economic Development	~$9,500,000
Infrastructure Improvements	Develop two areas of airport property: SW end adjacent to Runway End 05 & area across from Main Terminal, to prepare for further hangar development. Improvements would include road access, utility infrastructure, and organize/prepare hangar sites	Economic Development	~$3,000,000