



**REGULAR MEETING
OF THE CITY COUNCIL**

September 28, 2021

ADDISON TREEHOUSE

**14681 MIDWAY RD. SUITE 200, ADDISON, TX 75001
6:30 PM EXECUTIVE SESSION & WORK SESSION
7:30 PM REGULAR MEETING**

Notice is hereby given that the Addison City Council will conduct a Regular Meeting on Tuesday, September 28, 2021 at the Addison TreeHouse. Seating for the public will be available using CDC recommended social distancing measures. Telephonic or videoconferencing capabilities will be utilized to allow individuals to address the Council. Email comments may be submitted to: iparker@addisontx.gov by 3:00 pm the day of the meeting. Members of the public are entitled to participate remotely via Toll-Free Dial-in Number: 877.853.5247; Meeting ID: 409.327.0683; Participant ID: #. For more detailed instructions on how to participate in this meeting visit our Agenda Page. The meeting will be live streamed on Addison's website at: www.addisontexas.net.

Call Meeting to Order

Pledge of Allegiance

EXECUTIVE SESSION

Closed (Executive) Session of the Addison City Council pursuant to:

Section 551.087, Texas Government Code, to discuss or deliberate regarding commercial or financial information that the City Council has received from a business prospect or business prospects that the City Council seeks to have locate, stay, or expand in or near the territory of the Town of Addison and with which the City Council is conducting economic development negotiations,

and/or to deliberate the offer of a financial or other incentive to such business prospect or business prospects:

- Project Shop
- Project Gazelle

Section 551.072, Tex. Gov. Code, to deliberate the purchase, exchange, lease, or value of real property, pertaining to:

- 4505 Claire Chenault
- 4485 Eddie Rickenbacker
- 4553 Jimmy Doolittle

Reconvene in to Regular Session: In accordance with Texas Government Code, Chapter 551, the City Council will reconvene into Regular Session to consider action, if any, on matters discussed in Executive Session.

WORK SESSION

1. Present and Discuss a **Draft Ordinance for User Fees for International Flights Arriving at Addison Airport.**
2. Present and Discuss **Options for Town Facilitation of Community Garage Sale Activities.**

REGULAR MEETING

Announcements and Acknowledgments Regarding Town and Council Events and Activities

- Present the 2021 Addison Foodservice Safety and Sanitation Awards

Discussion of Meetings / Events

Public Comment

The City Council invites citizens to address the City Council on any matter, including items on the agenda, except public hearings that are included on the agenda. Comments related to public hearings will be heard when the specific hearing starts. Citizen comments are limited to three (3) minutes, unless

otherwise required by law. To address the Council, please fill out a City Council Appearance Card and submit it to a staff member prior to the Public Comment item on the agenda. The Council is not permitted to take any action or discuss any item not listed on the agenda. The Council may choose to place the item on a future agenda.

Consent Agenda

All items listed under the Consent Agenda are considered routine by the City Council and will be enacted by one motion with no individual consideration. If individual consideration of an item is requested, it will be pulled from the Consent Agenda and discussed separately.

3. Consider Action on a **Resolution to Approve an Agreement with WaterTower Theatre, Inc. for the Use of the Addison Theatre Centre.**
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Regular Items

4. Present, Discuss, and Consider Action on an **Ordinance to Amend the Town's Annual Budget for the Fiscal Year Ending September 30, 2021.**
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Adjourn Meeting

NOTE: The City Council reserves the right to meet in Executive Session closed to the public at any time in the course of this meeting to discuss matters listed on the agenda, as authorized by the Texas Open Meetings Act, Texas Government Code, Chapter 551, including §551.071 (private consultation with the attorney for the City); §551.072 (purchase, exchange, lease or value of real property); §551.074 (personnel or to hear complaints against personnel); §551.076 (deployment, or specific occasions for implementation of security personnel or devices); and §551.087 (economic development negotiations). Any decision held on such matters will be taken or conducted in Open Session following the conclusion of the Executive Session.

THE TOWN OF ADDISON IS ACCESSIBLE TO PERSONS WITH DISABILITIES. PLEASE CALL (972) 450-7017 AT LEAST 48 HOURS IN ADVANCE IF YOU NEED ASSISTANCE.

POSTED BY: _____

Irma G. Parker, City Secretary

DATE POSTED: Thursday, September 23, 2021

TIME POSTED: 5:30 PM

DATE REMOVED FROM BULLETIN BOARD: _____

REMOVED BY: _____

Council Meeting

1.

Meeting Date: 09/28/2021

Department: Airport

Pillars: Excellence in Transportation Systems

AGENDA CAPTION:

Present and Discuss a **Draft Ordinance for User Fees for International Flights Arriving at Addison Airport.**

BACKGROUND:

The purpose of this item is to discuss the possible implementation of user fees to defray a portion of the costs of providing U.S. Customs services for international aircraft arrivals at Addison Airport.

There are six airports in the Dallas – Fort Worth metropolitan area which general aviation aircraft may use to clear U.S. Customs: Dallas – Fort Worth International (DFW); Dallas Love Field (DAL); Fort Worth Meacham (FTW); Fort Worth Alliance (AFW); Addison (ADS); and McKinney National (TKI). DFW is the area's International Airport of Entry. The other five airports (including Addison) provide services through the U.S. Customs User Fee Airport program. User Fee airports are required to reimburse Customs and Border Protection (CBP) for all costs of providing Customs services, including overtime expenses incurred by CBP officers providing clearance services outside of normal business hours. User Fee Airports are permitted to charge fees to users to recover the costs of providing those services.

Addison joined the User Fee Airport program in 1994 and has provided Customs services continuously since then. Addison has not charged for providing clearance services, even though it was and is entitled to do so, other than a direct pass-through to users of overtime charges incurred for after-hours arrivals. The decision not to charge for clearances at Addison appears to have been made for both competitive and philosophical reasons. The competitive reason was that there were three area airports (DFW, DAL, and FTW) offering Customs services free of charge. The philosophical reason was that Addison at that time favored a full-service, everything-included business model over a fee-for-service model. Dallas Love Field (DAL) implemented Customs user fees in 2015. Fort Worth Meacham (FTW) implemented user fees in 2019. Fort Worth Alliance charged a fee from the time it joined the User Fee Airport program in 2003. Implementation of user fees at these airports has significantly altered the local competitive environment.

In light of changes in the local market and in recognition of the cost of providing a new Customs facility, airport staff is seeking to implement user fees at Addison when U.S. Customs begins to provide services from the new facility. User Fee payments will be collected by means of an automated kiosk located on the airside of the entry to the CBP facility.

RECOMMENDATION:

Staff seeks direction from Council.

Attachments

Draft Ordinance - Customs User Fees

Presentation - Proposed U.S. Customs User Fees

User Fee Airports

Airport User Fees

Customs Revenue Model

TOWN OF ADDISON, TEXAS

ORDINANCE NO. _____

AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS AMENDING CHAPTER 2 (ADMINISTRATION), SECTION 2-351 (MASTER FEE ORDINANCE) OF THE CODE OF ORDINANCES OF THE TOWN OF ADDISON, TEXAS BY ADDING A NEW SUBSECTION CONTAINING FEES RELATED TO ADDISON AIRPORT CUSTOMS SERVICES PROVIDED BY UNITED STATES CUSTOMS AGENTS WHEN PROCESSING INBOUND INTERNATIONAL FLIGHTS; PROVIDING FOR SAVINGS/REPEALING, SEVERABILITY AND AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

SECTION 1. Amendment to Chapter 2 (Administration), Section 2-351 (Master Fee Ordinance) of the Code of Ordinances. That Chapter 2 (Administration), Section 2-351 (Master Fee Ordinance) of the Code of Ordinances, Addison, Texas is hereby amended to read as follows:

“Sec. 2-351 – Master fee ordinance.

...

(g) Addison Airport United States Customs User Fees:

United States Customs User Fees		
	Maximum Gross Take-off Weight of Aircraft	Fee Amount
Rate 1	Up to 12,500 lbs.	\$100.00
Rate 2	12,501 to 50,000 lbs.	\$200.00
Rate 3	Over 50,000 lbs.	\$400.00

An owner or operator of an aircraft that makes an international arrival shall pay to the Town of Addison the above fees per international arrival (based on the certified maximum gross take-off weight of the aircraft, as determined by the aircraft’s manufacturer data).

(a) Any international clearance occurring outside the published U.S. Customs and Border Protection Addison Airport Port of Entry Office Hours shall incur an additional fee of TWO HUNDRED DOLLARS AND NO/100 (\$200.00).

- (b) Any international clearance requiring handling or disposal of USDA Regulated Garbage, as defined and controlled under Title 7 of the Code of Federal Regulations, shall incur an additional fee of SEVENTY-FIVE DOLLARS AND NO/100 (\$75.00).
- (c) Fees required by this subsection are due and payable to the Town of Addison within ten (10) days after the date the aircraft's owner or operator receives an invoice from the Town of Addison detailing the fees owed."

SECTION 2. Savings; Repealing. This Ordinance shall be cumulative of all other ordinances of the Town and shall not repeal any of the provisions of those ordinances except in those instances where the provisions of those ordinances are in direct conflict with the provisions of this Ordinance. Provided, however, that the repeal of such ordinances or parts of such ordinances, and the amendments and changes made by this Ordinance, shall not affect any right, property or claim which was or is vested in the Town, or any act done, or right accruing or accrued, or established, or any suit, action or proceeding had or commenced before the time when this Ordinance shall take effect; nor shall said repeals, amendments or changes affect any offense committed, or any penalty or forfeiture incurred, or any suit or prosecution pending at the time when this Ordinance shall take effect under any of the ordinances or sections thereof so repealed, amended or changed; and to that extent and for that purpose the provisions of such ordinances or parts of such ordinances shall be deemed to remain and continue in full force and effect.

SECTION 3. Severability. The sections, paragraphs, sentences, phrases, clauses and words of this Ordinance are severable, and if any section, paragraph, sentence, phrase, clause or word in this Ordinance or application thereof to any person or circumstance is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Ordinance, and the City Council hereby declares that it would have passed such remaining portions of this Ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

SECTION 4. Effective Date. This Ordinance shall take effect upon its passage and approval.

PASSED AND APPROVED by the City Council of the Town of Addison, Texas on this ____ day of _____ 2021.

TOWN OF ADDISON, TEXAS

Joe Chow, Mayor

ATTEST:

APPROVED AS TO FORM:

Irma Parker, City Secretary

Whitt Wyatt, City Attorney

Proposed Implementation of U.S. Customs User Fees

Council Work Session – September 28, 2021

The logo for ADDISON is a white circle containing the word "ADDISON" in blue, uppercase, sans-serif font. The circle is set against a blue background that features a white diagonal line running from the top-left to the bottom-right, creating a triangular shape in the top-left corner.

Classes of International Airports

Three classes of airports authorized to handle international arrivals:

- **International Airports of Entry (19 CFR Section 122.11)**

Examples: Dallas – Fort Worth International (DFW); El Paso International (ELP); San Diego International (SAN); Miami International (MIA); Del Rio International (DRT); Key West International (EYW); Yuma International (NYL); Pembina (North Dakota) Municipal Airport (PMB)

- **Landing Rights Airports (19 CFR Section 122.15)**

Examples: Dallas Love Field (DAL); Fort Worth Meacham (FTW); Fort Lauderdale Executive (FXE); Teterboro (TEB); New Orleans Lakefront (NEW); DeKalb – Peachtree (PDK); Atlanta Hartsfield – Jackson International (ATL); Washington Dulles International (IAD); Los Angeles International (LAX)

- **User Fee Airports (19 CFR Section 122.15)**

Examples: Addison Airport (ADS); McKinney National (TKI); Fort Worth Alliance (AFW); Sugar Land (SGR); Conroe – North Houston Regional (CXO); Morristown Municipal (MMU); Van Nuys (VNY); Naples Municipal (APF); Boca Raton (BCT); Denver Centennial (APA)

The U.S. Customs and Border Protection (CBP) User Fee Airport (UFA) Program:

A User Fee Airport is an airport which has been approved by the Commissioner of Customs and Border Protection to receive, for a fee, the services of a CBP officer for the processing of aircraft, passengers, and cargo entering the United States. The applicant must meet the following criteria for UFA consideration:

- The volume or value of business at the airport does not justify the availability of inspectional services on a non-reimbursable basis.
- The current governor of the state in which the airport is located supports the UFA designation in a letter to the Commissioner of CBP.
- The requestor (*e.g.*, airport authority) agrees to **reimburse CBP for all costs associated with the services**, including all expenses of staffing a minimum of one full-time CBP officer.
- The requestor completes an Agriculture Compliance Agreement (ACA) with fixed base operators and garbage haulers for handling international garbage.

There are currently 65 airports participating in the UFA program. User Fee Airports pay **ALL COSTS** to provide the service but may charge fees to users to recover those costs.

Fees Charged at Customs User Fee Airports

- Fees charged for clearance services at User Fee Airports vary widely, from no charges at all to as much as \$2,000 (or more) for clearing large aircraft. Additional charges for after-hours (overtime) clearances are common.
- Fee structures are typically based on some aircraft characteristic, but these can vary widely. Number and type of engines (*e.g.*, piston, turbo-prop, jet) or aircraft weight (*e.g.*, Maximum Gross Take-Off Weight [MGTOW], Maximum Gross Landing Weight [MGLW]) are typical bases for fee structures. At least one airport includes aircraft wingspan in its criteria.
- Some airports – mainly among those with commercial or charter passenger service – charge a fee for each passenger cleared. User Fee airports have a 20-person per aircraft limit.
- In addition to fees for U.S. Customs services, some airports may impose other charges such as landing fees, remain-overnight [RON] fees, and/or ramp and facility fees. When making cost comparisons among airports, it is important to consider an airport's entire fee structure as well as local market conditions.

Fees Charged at Customs User Fee Airports

- Customs User Fees at 15 National category GA/Reliever airports (the same category as Addison, so the most similar to Addison) were reviewed in detail
- These 15 airports represent 23% (15/65) of the User Fee Airports
 - APA – Denver Centennial
 - BJC – Rocky Mountain Metro
 - HIO – Hillsboro (Portland, OR)
 - PWK – Chicago Executive
 - SGR – Sugar Land Regional
 - APF – Naples Municipal
 - CRQ – McClellan-Palomar
 - MMU – Morristown Municipal
 - RYY – Cobb County (Georgia)
 - UGN – Waukegan Regional (IL)
 - BCT – Boca Raton
 - DPA – DuPage County
 - PTK – Oakland County Int’l.
 - SDL – Scottsdale
 - VNY – Van Nuys
- Customs Fee structures vary quite a bit, depending on local factors
- Aircraft Maximum Gross Takeoff Weight (MGTOW) is the most common criterion used to set Customs clearance fees
- Airports serving the same market often have similar fee structures (for example, DPA, PWK, and UGN are similar, as are APA and BJC)

Customs Services at DFW-Area Airports

Addison's competition for general aviation international traffic in the DFW area:

One International Airport of Entry:

- **Dallas – Fort Worth International Airport (DFW)**

Four other airports participating in the User Fee Airport program:

- **Dallas Love Field (DAL)**
- **Fort Worth Meacham International (FTW)**
- **Fort Worth Alliance Airport (AFW)**
- **McKinney National Airport (TKI)**

Of these, only DAL, DFW, and TKI are really close enough to compete for some of the same traffic as Addison; FTW and AFW are on the opposite side of the metroplex and are not a significant factor.

Customs Fees at DFW-Area User Fee Airports

DAL – Dallas Love Field – Dallas, TX

Single engine reciprocal propeller	\$105.
Twin engine reciprocal propeller	\$140.
Light turbine (less than 12,500 pounds)	\$350.
Medium turbine (12,500 to 40,000 pounds)	\$560.
Large turbine (40,001 to 100,000 pounds)	\$700.
Transport category (over 100,000 pounds)	\$1,050.

There are no additional charges for after-hours (overtime) clearances or disposal of Regulated Garbage.

Love Field charges a landing fee for general aviation (GA) aircraft of \$5.90 per 1,000 lbs. based on aircraft certified Maximum Landing Weight (MLW).

Source: https://codelibrary.amlegal.com/codes/dallas/latest/dallas_tx/0-0-0-1651#JD_5-16

TKI – McKinney National Airport – McKinney, TX

No clearance fees during regular service hours.

Flat fee of \$200 for overtime clearances.

USDA Regulated Garbage handling/disposal: \$150.

Source: [phone call with McKinney National Airport staff](#)

FTW – Fort Worth Meacham Airport – Fort Worth, TX

AFW – Fort Worth Alliance Airport – Fort Worth, TX

All aircraft, flat fee for clearance \$300.

After hours (overtime) clearances: \$200 additional

Landing fees are charged at Fort Worth Alliance Airport to commercial aircraft operating under FAR Parts 121, 125, 129, or 135 with a Maximum Certified Gross Landing Weight (MCGLW) over 40,000 pounds.

Source: <http://meacham.com/pdf/adopted-rates-and-charges-fy2021.pdf>

Current/Projected Annual Operating Costs

- Annual salary and benefits for one CBP Officer, **\$192,000** (fixed cost)
- Annual IT/Security system costs, per RMOA, **\$46,000** (fixed cost)
- Annual operating costs for CBP facility (estimated) **\$10,200** (fixed cost)
- CBP charges for overtime call-outs
 - Average overtime charge is approximately \$300
 - Just over 60% of international arrivals incur overtime charges
 - Estimated cost for **400 annual arrivals** is **\$73,500** (variable cost)
- Disposal costs for Regulated Garbage
 - Current disposal cost is approximately \$80 per bag; will reduce to \$75
 - Just over 40% of international arrivals have Regulated Garbage
 - Estimated cost for **400 annual arrivals** is **\$12,225** (variable cost)
- Approximate total annual operating costs for CBP services: **\$333,925**

Total Annual Fixed
Costs (approximate):
\$248,200

Total Annual Variable
Costs (400 arrivals):
\$85,775

Addison – International Arrival Traffic Analysis

- **International arrivals from January 1, 2020, through July 31, 2021**
 - Total of 673 international arrivals (Customs clearances) in that period
 - Aircraft registration/type information available if:
 - Airport received bill from CBP for **overtime** costs – 413 arrivals (**61.4%**)
 - Airport handled **Regulated Garbage** from the aircraft – 274 arrivals (**40.7%**)
 - Aircraft with both Regulated Garbage and CBP overtime charges – 168 arrivals (25.0%)
 - Identified 519 (77.1%) of the total 673 arrivals by aircraft type from this data
 - Arrivals included only one piston-engine aircraft (a light twin) and one (turbine) helicopter
 - **Distributions by aircraft Maximum Gross Takeoff Weight (MGTOW)**

• Up to 12,500 pounds	34 arrivals
• 12,501 – 25,000 pounds	129 arrivals
• 25,001 – 35,000 pounds	68 arrivals
• 35,001 – 40,000 pounds	73 arrivals
• 40,001 – 50,000 pounds	54 arrivals
• 50,001 – 75,000 pounds	82 arrivals
• 75,001 – 100,000 pounds	64 arrivals
• Over 100,000 pounds	15 arrivals
 - These data were used to analyze a variety of Customs fee models for Addison

Current Annual Customs Revenue and Costs

- Current practice is to charge Customs users only for CBP overtime costs and Regulated Garbage disposal; Addison has not charged for regular clearances.
 - Direct pass-through to users of overtime charges billed to airport by CBP. Users are billed only after CBP bills the airport for costs. Average overtime charge is just under \$300 but actual charges can range from \$40 to \$600.
 - Current charge \$95/bag for disposal of Regulated Garbage; covers airport's costs of providing service.
- Estimated revenues from CBP overtime charges and Regulated Garbage disposal fees based on 400, 450, 500, 550, and 600 annual international arrivals are shown below.

Addison Airport - Customs Charges cost recovery for Overtime and Regulated Garbage Only		<u>Note:</u> this is the current practice	400	revenue estimate, 400 annual arrivals	450	revenue estimate, 450 annual arrivals	500	revenue estimate, 500 annual arrivals	550	revenue estimate, 550 annual arrivals	600	revenue estimate, 600 annual arrivals
Average Overtime Charge	\$300	61.4%	245	\$73,500	276	\$82,800	307	\$92,100	338	\$101,400	368	\$110,400
Regulated Garbage	\$95	40.7%	163	\$15,485	183	\$17,385	204	\$19,380	224	\$21,280	244	\$23,180
Operating Revenue				\$88,985		\$100,185		\$111,480		\$122,680		\$133,580
CBP Officer Annual Salary & Benefits				\$192,000		\$192,000		\$192,000		\$192,000		\$192,000
CBP Annual IT/Security Costs				\$46,000		\$46,000		\$46,000		\$46,000		\$46,000
CBP Facility Upkeep Annual Costs				\$10,200		\$10,200		\$10,200		\$10,200		\$10,200
Overtime Expenses (estimated)				\$73,500		\$82,800		\$92,100		\$101,400		\$110,400
Regulated Garbage disposal costs				\$13,040		\$14,640		\$16,320		\$17,920		\$19,520
Total Operating Costs				\$334,740		\$345,640		\$356,620		\$367,520		\$378,120
Operating Revenue - Costs				(\$245,755)		(\$245,455)		(\$245,140)		(\$244,840)		(\$244,540)
Cost Recovery percentage				26.6%		29.0%		31.3%		33.4%		35.3%

Addison – Proposed Customs User Fee Schedule

A blue circular logo with the word "ADDISON" in white capital letters.

Airport staff is proposing a three-tiered Customs user fee schedule based on aircraft Maximum Gross Take-Off Weight (MGTOW):

Up to 12,500 lbs.	\$100.
12,501 lbs. to 50,000 lbs.	\$200.
Over 50,000 lbs.	\$400.

An additional **\$200** fee will be charged for clearances outside of regular service hours (overtime clearances). Regular service hours will be 10:00am to 7:00pm, Monday through Friday, effective October 11, 2021. (Current hours of operation are 8:00am to 5:00pm, Monday through Friday. The change will reduce the incidence of overtime clearance charges.)

Regulated Garbage disposal fee: **\$75** per arrival.

Projected Annual Customs User Fee Revenue

Projected revenues from Customs user fees based on 400, 450, 500, 550, and 600 annual international arrivals are shown below. Percentages of aircraft in each of the three different weight categories (from the proposed fee schedule) were estimated from nineteen months of international arrival data (January 1, 2020 – July 31, 2021).

Addison Airport Revised Proposed Customs User Fee Schedule		3-tier model	count Jan20- Jul21	% of total	400	revenue estimate, 400 annual arrivals	450	revenue estimate, 450 annual arrivals	500	revenue estimate, 500 annual arrivals	550	revenue estimate, 550 annual arrivals	600	revenue estimate, 600 annual arrivals
Rate 1	Up to 12,500 lbs.	\$100	34	6.6%	26	\$2,600	29	\$2,900	33	\$3,300	36	\$3,600	39	\$3,900
Rate 2	12,501 - 50,000 lbs.	\$200	324	62.4%	250	\$50,000	281	\$56,200	312	\$62,400	343	\$68,600	375	\$75,000
Rate 3	Over 50,000 lbs.	\$400	161	31.0%	124	\$49,600	140	\$56,000	155	\$62,000	171	\$68,400	186	\$74,400
	Average Fee	\$255.50	519		400	\$102,200	450	\$115,100	500	\$127,700	550	\$140,600	600	\$153,300
	Overtime Charges	\$200		61.4%	245	\$49,000	276	\$55,200	307	\$61,400	338	\$67,600	368	\$73,600
	Regulated Garbage	\$75		40.7%	163	\$12,225	183	\$13,725	204	\$15,300	224	\$16,800	244	\$18,300
	Operating Revenue					\$163,425		\$184,025		\$204,400		\$225,000		\$245,200
	CBP Officer Annual Salary & Benefits					\$192,000		\$192,000		\$192,000		\$192,000		\$192,000
	CBP Annual IT/Security Costs					\$46,000		\$46,000		\$46,000		\$46,000		\$46,000
	CBP Facility Upkeep Annual Costs					\$10,200		\$10,200		\$10,200		\$10,200		\$10,200
	Overtime Expenses (estimated)					\$73,500		\$82,800		\$92,100		\$101,400		\$110,400
	Regulated Garbage disposal costs					\$12,225		\$13,725		\$15,300		\$16,800		\$18,300
	Total Operating Costs					\$333,925		\$344,725		\$355,600		\$366,400		\$376,900
	Operating Revenue - Costs					(\$170,500)		(\$160,700)		(\$151,200)		(\$141,400)		(\$131,700)
	Cost Recovery percentage					48.9%		53.4%		57.5%		61.4%		65.1%

Addison – Proposed Customs User Fee Schedule

This table compares total costs for ADS and DAL for several representative aircraft types.

Aircraft Type	MGTOW (pounds)	MLW (pounds)	Dallas Love Field (DAL)			Addison Airport (ADS)					
			Type/Weight category	Customs Clearance Fees	Landing Fees	Total Clearance Costs	Weight Category (MGTOW)	Customs Clearance Fees Only	Customs With Garbage Only	Customs With Overtime Only	With Garbage and Overtime
Cessna P210	4,000	3,800	single-engine piston	\$105.00	\$23.60	\$128.60	≤ 12,500 lbs.	\$100.00	\$175.00	\$300.00	\$375.00
Cessna 421C	7,450	7,200	twin-engine piston	\$140.00	\$41.30	\$181.30	≤ 12,500 lbs.	\$100.00	\$175.00	\$300.00	\$375.00
Pilatus PC-12	10,450	9,921	turbine ≤ 12,500 lbs.	\$350.00	\$59.00	\$409.00	≤ 12,500 lbs.	\$100.00	\$175.00	\$300.00	\$375.00
Piaggio P-180 Avanti	12,100	11,500	turbine ≤ 12,500 lbs.	\$350.00	\$70.80	\$420.80	≤ 12,500 lbs.	\$100.00	\$175.00	\$300.00	\$375.00
Embraer Phenom 300	17,968	16,865	12,501 - 40,000 lbs.	\$560.00	\$100.30	\$660.30	12,501 - 50,000 lbs.	\$200.00	\$275.00	\$400.00	\$475.00
Cessna C650	22,000	20,000	12,501 - 40,000 lbs.	\$560.00	\$118.00	\$678.00	12,501 - 50,000 lbs.	\$200.00	\$275.00	\$400.00	\$475.00
Hawker 800XP	28,000	23,350	12,501 - 40,000 lbs.	\$560.00	\$135.70	\$695.70	12,501 - 50,000 lbs.	\$200.00	\$275.00	\$400.00	\$475.00
Cessna C680A	30,800	27,575	12,501 - 40,000 lbs.	\$560.00	\$165.20	\$725.20	12,501 - 50,000 lbs.	\$200.00	\$275.00	\$400.00	\$475.00
Cessna C750	36,100	31,800	12,501 - 40,000 lbs.	\$560.00	\$188.80	\$748.80	12,501 - 50,000 lbs.	\$200.00	\$275.00	\$400.00	\$475.00
Hawker 4000	39,500	33,500	12,501 - 40,000 lbs.	\$560.00	\$200.60	\$760.60	12,501 - 50,000 lbs.	\$200.00	\$275.00	\$400.00	\$475.00
Challenger 350	40,600	34,150	40,001 - 100,000 lbs.	\$700.00	\$200.60	\$900.60	12,501 - 50,000 lbs.	\$200.00	\$275.00	\$400.00	\$475.00
Falcon 900	48,300	44,500	40,001 - 100,000 lbs.	\$700.00	\$265.50	\$965.50	12,501 - 50,000 lbs.	\$200.00	\$275.00	\$400.00	\$475.00
Falcon 8X	73,000	62,400	40,001 - 100,000 lbs.	\$700.00	\$365.80	\$1,065.80	> 50,000 lbs.	\$400.00	\$475.00	\$600.00	\$675.00
Gulfstream G-IV	74,600	66,000	40,001 - 100,000 lbs.	\$700.00	\$389.40	\$1,089.40	> 50,000 lbs.	\$400.00	\$475.00	\$600.00	\$675.00
Global 5000	92,500	78,600	40,001 - 100,000 lbs.	\$700.00	\$466.10	\$1,166.10	> 50,000 lbs.	\$400.00	\$475.00	\$600.00	\$675.00
Gulfstream G650	99,600	83,500	40,001 - 100,000 lbs.	\$700.00	\$495.60	\$1,195.60	> 50,000 lbs.	\$400.00	\$475.00	\$600.00	\$675.00
Boeing 737-200	115,500	103,000	> 100,000 lbs.	\$1,050.00	\$607.70	\$1,657.70	> 50,000 lbs.	\$400.00	\$475.00	\$600.00	\$675.00
Boeing Business Jet (BBJ1)	171,000	134,000	> 100,000 lbs.	\$1,050.00	\$790.60	\$1,840.60	> 50,000 lbs.	\$400.00	\$475.00	\$600.00	\$675.00

Total costs for DAL clearances include landing fees. Costs at ADS may include additional charges for overtime and regulated garbage.

	ADS fees >5% higher than DAL
	ADS fees within ±5% of DAL fees
	DAL fees >5% higher than ADS

Staff recommends approval of the Customs fee schedule proposed on Slide 11 of this presentation, to be effective when the new U.S. Customs facility becomes operational.

Fee collection will be by means of an automated payment kiosk located on the airside of the entry door to the new U.S. Customs facility.

Questions?

ADDISON



User Fee Airports

Location	Name	Identifier	FAR 139	Hub/ASSET	USDA RG Fee	O/T Fee	U.S. Customs User Fees (per clearance)	website / link for Customs and/or fee information
Egg Harbor Township, New Jersey	Atlantic City International Airport	ACY	I	Small			no data on website	http://www.sjta.com/acairport/services.asp
Ardmore, Oklahoma	Ardmore Industrial Airpark	ADM	no	GA-Reg'l.			no data on website (phone 580-389-5238)	http://www.ardmoredevelopment.com/property/industrial-parks/ardmore-industrial-airpark/
Addison, Texas	Addison Airport	ADS	no	GA-Nat'l/R	\$95	amount billed by CBP	change pending	
Fort Worth, Texas	Fort Worth Alliance Airport	AEW	IV	GA-Nat'l/R		\$500 flat fee after hours	flat fee \$300 per clearance	per telephone call with Chris Ash 10/26/2015 (same rates as FTW)
Englewood, Colorado	Centennial Airport	APA	no	GA-Nat'l/R		\$300 additional	\$105 to \$360 (MGTOw-based)	https://www.centennialairport.com/index.php/en/for-pilots/airport-services
Naples, Florida	Naples Municipal Airport	APF	I	GA-Nat'l/R	\$75	\$140/hr (2-hr min)	\$50 to \$600 (type/wingspan-based)	http://flynaples.com/us-customs
Appleton, Wisconsin	Appleton International Airport	ATW	I	Non-Hub	\$75	\$180 flat fee	none	https://atwairport.com/general-aviation/customs/
Boca Raton, Florida	Boca Raton Airport	BCT	no	GA-Nat'l/R		\$140/hr., 2-hour min.	\$50 to \$425 (type/MTOW-based)	http://bocaairport.com/customs/
Bedford, Massachusetts	L.G. Hanscom Field	BED	I	Non-Hub		\$251 to \$397 add'l	\$88 to \$698 (GLW-based)	http://bocaairport.com/wp-content/uploads/2018/05/BRAAF-RATES-5-23web.pdf
Bakersfield, California	Meadows Field Airport	BFL	I	Non-Hub			\$250	https://www.massport.com/hanscom-field/operations/operating-fees/
Johnson City, New York	Binghamton Regional Airport	BGM	I	Non-Hub		unspecified additional	\$40 to \$600 (type/MGTOw-based)	http://www.binghamtonairport.com/customs.html
Broomfield, Colorado	Rocky Mountain Metropolitan Airport	BJC	II	GA-Nat'l/R		double normal charge	\$175 to \$680 (MGTOw-based)	https://www.jeffco.us/1674/Customs
Mascoutah, Illinois	MidAmerica St. Louis Airport	BLV	I	Non-Hub			no data on website (formerly Scott AFB)	http://www.flymidamerica.com/pilot/Pages/landing.aspx
Belgrade, Montana	Bozeman Yellowstone International	BZN	I	Non-Hub		\$225 additional	\$50 to \$1,200 (MGLW-based)	https://bozemanairport.com/us-customs
Carlsbad, California	McClellan-Palomar Airport	CRQ	I	GA-Nat'l/R		\$175 to \$4,640	\$85 to \$2,340 (mostly MGTOw-based)	http://www.sandiegocounty.gov/content/sdc/dpw/airports/palomar/customs.html
Conroe, Texas	Conroe North Houston Regional Airport	CXO	no	GA-Reg'l./R	\$190	\$365 all aircraft	\$50 to \$300, based on MTOW	http://lonestaraairport.org/airport-customs-facility/
Daytona Beach, Florida	Daytona Beach International Airport	DAB	I	Non-Hub			no data on website	http://www.flydaytonairst.com/about-dab/useful-phone-numbers.shtml
Dallas, Texas	Dallas Love Field Municipal Airport	DAL	I	Medium			\$105 to \$1,050 (MGTOw-based)	https://www.dallas-lovefield.com/airport-info/general-aviation/international-arrivals-and-customs
Decatur, Illinois	Decatur Airport	DEC	II	GA-Reg'l.		yes (unspecified)	no data; implies no charge during business hours	http://www.decatur-parks.org/airport/u-s-customs-service/
West Chicago, Illinois	Dupage County Airport	DEA	no	GA-Nat'l/R		additional \$225	\$87 to \$525 (MGTOw-based)	http://www.dupageairport.com/airport-info/aviation-services/
Edinburg, Texas	South Texas International Airport at Edinburg	EBG	no	GA-Local			no data on website	http://cityofedinburg.com/departments/airport/u_s_customs.php
Gypsum, Colorado	Eagle County Regional Airport	EGE	I	Non-Hub			no data - for CBP charges contact Vail Valley Jet Center (FBO)	https://www.flyvail.com/general-aviation/us-customs
Monroe, North Carolina	Charlotte-Monroe Executive Airport	EQY	no	GA-Reg'l./R			no data on website	https://www.monroenc.org/Departments/Charlotte-Monroe-Executive-Airport/Fuel-Prices-Services
Fresno, California	Fresno Yosemite International Airport	FAT	I	Small			\$150 (GA aircraft); \$12/pax for commercial	https://www.fresno.gov/finance/wp-content/uploads/sites/11/2020/07/FY21-MFS_AIRPORTS-554.pdf
Fort Worth, Texas	Fort Worth Meacham Airport	FTW	IV	GA-Nat'l/R		additional \$200	\$300/clearance	http://meacham.com/pdf/adopted-rates-and-charges-fy2021.pdf
Yoder, Indiana	Fort Wayne International Airport	FWA	I	Non-Hub			\$75 "international processing fee"	https://fwairport.com/airport-business/properties-development/
Hillsboro, Oregon	Hillsboro Airport	HIO	no	GA-Nat'l/R			\$60 to \$500	https://www.portofportland.com/HIO/LandingFees
Harlingen, Texas	Valley International Airport	HRL	I	Non-Hub			no fee during normal business hours	http://www.flythevalley.com/us-customs-and-border-protection/
Mesa, Arizona	Phoenix-Mesa Gateway Airport	IWA	I	Small		\$377.05 per inspector min.	\$73.16 to \$754.09 based on MGLW; GA Landing Fee in effect	https://www.gatewayairport.com/policiesdocumentsandforms
Lakeland, FL	Lakeland Linder International Airport	LAL	I	Non-Hub		unspecified additional	no fee during normal business hours	US Customs & Border Protection Fly Lakeland
Lansing, Michigan	Capital Region International Airport	LAN	I	Small	\$90 up to 4 bags		\$100/flight (commercial, GA >6,500 lbs, cargo >12,500 lbs)	https://www.flylansing.com/sites/default/files/Resolution%20Rates%202019_0.pdf
Leesburg, Florida	Leesburg Regional Airport	LEE	no	GA-Reg'l.		\$140 additional	\$50 to \$250 (type/MGTOw-based)	https://www.leesburgflorida.gov/government/departments/airport/u_s_customs.php
Lexington, Kentucky	Blue Grass Airport	LEX	I	Small		\$100/hr. (2-hr min)	\$50 to \$550 (MGLW-based)	http://www.bluegrassairport.com/uscustoms.html
Midland, Texas	Midland International Airport	MAF	I	Small			no data on website	http://www.flymaf.com/139/Customs
Manchester, New Hampshire	Manchester Airport	MHT	I	Small		\$400 additional	\$150 to \$650 (type/weight-based)	https://www.flymanchester.com/flights-airlines/u-s-customs-and-border-protection-services/
Melbourne, Florida	Melbourne Airport	MLB	I	Non-Hub	\$1,300/flight		no charges apparent (operations geared to commercial service)	http://www.mlbaair.com/AirportOperations/CommercialGeneralAviation.aspx
Morristown, New Jersey	Morristown Municipal Airport	MMU	no	GA-Nat'l/R		amount billed by CBP	\$37.50 to \$1,850 (based aircraft "membership")	https://www.mmuaair.com/u-s-customs-border-protection/
Marathon, Florida	Florida Keys Marathon Airport	MTH	I	GA-Reg'l.			no data on website	https://www.monroecounty-fl.gov/109/Florida-Keys-Marathon-International-Air
Moses Lake, Washington	Grant County International Airport	MWH	IV	GA-Local			no data on website	https://www.portofmoseslake.com/aeronautics/
Myrtle Beach, South Carolina	Myrtle Beach International Airport	MYR	I	Small			no data on website	https://www.flymyrtlebeach.com/information/customs/
Ontario, California	Ontario International Airport	ONT	I	Medium			no data on website (commercial service operation?)	https://www.flyontario.com/security
Orlando, Florida	Orlando Executive Airport	ORL	no	GA-Reg'l./R			no data on website	https://www.orlandoairports.net/orlando-executive-airport/
Palm Springs, California	Palm Springs International Airport	PSF	I	Small			no data on website	https://palmSpringsairport.com/business/#airport-operations
Waterford, Michigan	Oakland County International Airport	PTK	IV	GA-Nat'l/R			free under 12,500 lbs., then up to \$600 based on MTOW (2019)	https://www.oakgov.com/aviation/Pages/doing-business.aspx#rates
Wheeling, Illinois	Chicago Executive Airport	PWK	no	GA-Nat'l/R		\$180 additional	\$90 to \$540 (type/MGTOw-based)	http://chiexec.com/u-s-customs/
Rome, New York	Griffiss International Airport	RME	IV	GA-Reg'l.			no fee data on website	http://ocgov.net/airport/USCustoms
Rogers, Arkansas	Rogers Municipal Airport	ROG	no	GA-Nat'l.			no fee data on website	http://rogersar.gov/190/Airport
Rochester, Minnesota	Rochester International Airport	RST	I	Non-Hub			no fee data on website	https://flyrst.com/general-aviation/u-s-customs/
Kennesaw, Georgia	Cobb County Airport-McCollum Field	RYY	no	GA-Nat'l/R	\$185	\$150 or \$250 additional	\$300/pre-paid, \$350/based, \$450/transient, \$700 >15 pax	https://www.cobbcounty.org/transportation/airport
San Bernardino, California	San Bernardino International Airport	SBD	IV - inact.	GA-Reg'l.	\$200	\$50/hr	\$50 to \$525 (MLW-based)	https://www.sbdairport.com/facilities-amenities/fee-schedule/
Sheboygan, Wisconsin	Sheboygan County Memorial Airport	SBM	no	GA-Reg'l.		\$400 to \$800 per MTOW	\$75 to \$600 based on MTOW	https://www.sheboygancounty.com/departments/departments-r-z/transportation/airport/airport-customs
South Bend, Indiana	South Bend International Airport	SBN	I	Non-Hub		\$100.00	\$50 to \$200 (commercial: \$5/passenger)	https://flysbn.com/sbn/general-aviation/
Scottsdale, Arizona	Scottsdale Airport	SDL	no	GA-Nat'l/R		\$225 additional	\$50 to \$750 (type/MGTOw-based)	http://www.scottsdaleaz.gov/airport/customs
St. Augustine, Florida	St. Augustine Airport	SGJ	I	GA-Nat'l.		\$150 for first hour +	\$50 to \$250	http://www.flynf.com/p60-US-Customs-Border-Protection-Services.aspx
Sugar Land, Texas	Sugar Land Regional Airport	SGR	no	GA-Nat'l/R			no charge for services	http://www.sugarlandtx.gov/index.aspx?nid=1061
San Antonio, Texas	Kelly Field Annex	SKF	no	GA-Reg'l.		\$240 additional*	\$255 to \$660* (*old data; fee data not on current website)	https://www.portsanantonio.us/customs
Santa Ana, California	John Wayne Airport	SNA	I	Medium			no fee data provided on website	https://www.ocair.com/generalaviation/docs/General-Aviation-Program-FAQ_20200922.pdf
Sarasota, Florida	Sarasota/Bradenton International Airport	SRQ	I	Small		\$200	\$50 to \$350 (type/weight based)	https://srq-airport.com/ga-customs
Stuart, Florida	Martin County Airport - Witham Field	SUA	no	GA-Nat'l.	\$25	\$140/hr., 2-hour min.	\$30 to \$500 (type/wingspan-based)	https://www.martin.fl.us/Customs
New Windsor, NY	New York Stewart International	SWF	I	Non-Hub	\$100		\$55 to \$605 (ADG, based/transient)	https://old.panynj.gov/airports/pdf/scheduleofcharges-swf.pdf
McKinney, Texas	McKinney National Airport	TKI	no	GA-Nat'l/R	\$150	\$200	none during regular hours	http://flytki.com/104/US-Customs
Trenton, New Jersey	Trenton Mercer Airport	TTN	I	Non-Hub			no data on website	https://www.mercercounty.org/departments/transportation-and-infrastructure/trenton-mercier-airport
Waukegan, Illinois	Waukegan Regional Airport	UGN	no	GA-Nat'l/R		\$350/hr	\$150 to \$1,910 (type/MGLW-based)	https://waukeganairport.com/services/
Victorville, California	Southern California Logistics Airport	VCV	IV	GA-Nat'l.			no data on website	https://www.victorvilleca.gov/government/city-departments/airport/for-pilots
Van Nuys, California	Van Nuys Airport	VNY	no	GA-Nat'l/R			contact Signature Flight Support for fees	https://www.flyvny.com/us-customs-and-border-protection
Ypsilanti, Michigan	Willow Run Airport	YIP	IV	GA-Nat'l.			\$70 to \$960 (MGLW-based)	https://www.willowrunairport.com/about/fees

U.S. Customs User Fee Airports Fee Schedules / Charges

Texas User Fee Airports

ADS – Addison Airport – Addison, TX

Airport category: General Aviation – National / Reliever

PROPOSED FEE STRUCTURE

Up to 12,500 lbs	\$125
12,501 lbs to 25,000 lbs	\$225
25,001 lbs to 35,000 lbs	\$300
35,001 lbs to 40,000 lbs	\$375
40,001 lbs to 50,000 lbs	\$450
50,001 lbs to 75,000 lbs	\$600
75,001 lbs to 100,000 lbs	\$750
Over 100,000 lbs	\$900

An additional \$300 will be charged for clearances outside of normal service hours.
Regulated Garbage disposal fee: \$75 per arrival.

AFW – Fort Worth Alliance Airport – Fort Worth, TX

Airport category: FAR 139 Class IV; General Aviation – National / Reliever

All Aircraft \$300

An additional \$200 will be charged for clearances conducted after normal duty hours.

FTW – Fort Worth Meacham Airport – Fort Worth, TX

Airport category: FAR 139 Class IV; General Aviation – National / Reliever

All Aircraft \$300

An additional \$200 will be charged for clearances conducted after normal duty hours.

Source: <http://meacham.com/pdf/adopted-rates-and-charges-fy2021.pdf>

CXO – Conroe – North Houston Regional Airport – Conroe, TX

Airport category: General Aviation – Regional / Reliever

Aircraft Category (Based on max. take-off weight)	Regular Rate
Up to 8,000 lbs	\$50
8,001 lbs to 20,000 lbs	\$150
Over 20,000 lbs	\$300
Federal Holidays, Weekends, After Hours	\$365 for all aircraft
Regulated Trash Pickup/Disposal	\$190 per bag

Source: <http://lonestairairport.org/airport-customs-facility/>
email from CXO Airport Director James Brown (with rate sheet)

DAL – Dallas Love Field Airport – Dallas, TX

Airport category: FAR 139 Class I, Medium Hub

INTERNATIONAL ARRIVAL FEES effective December 1, 2020.

TYPE OF AIRCRAFT	FEE
Single engine reciprocal propeller	\$105
Twin engine reciprocal propeller	\$140
Light turbine (less than 12,500 pounds)	\$350
Medium turbine (12,500 to 40,000 pounds)	\$560
Large turbine (more than 40,000 to 100,000 pounds)	\$700
Transport category (more than 100,000 pounds)	\$1,050

Source: https://codelibrary.amlegal.com/codes/dallas/latest/dallas_tx/0-0-0-1651#JD_5-16

EBG – South Texas International Airport at Edinburg – Edinburg, TX

Airport category: FAR 139 Class I, Non-Hub

No fees listed on website; service appears to be provided free of charge.

Source: https://cityofedinburg.com/departments/airport/u_s_customs.php

HRL – Valley International Airport – Harlingen, TX

Airport category: General Aviation – Local

No fees during normal business hours; no fees listed on website.

Source: <http://www.flythevalley.com/us-customs-and-border-protection/>

MAF – Midland International Air and Space Port – Midland, TX

Airport category: FAR 139 Class I, Small Hub

No fees listed on website; service appears to be provided free of charge.

Source: <http://www.flymaf.com/139/Customs>

SGR – Sugar Land Regional Airport – Sugar Land, TX

Airport category: General Aviation – National / Reliever

Services are now offered free of charge. SGR previously charged for services but discontinued the charge because international flights were going instead to Houston William P. Hobby Airport (HOU), which is a U.S. Customs Landing Rights airport that cannot charge for services.

Source: <http://www.sugarlandtx.gov/index.aspx?nid=1061>

SAF – Kelly Field Annex – San Antonio, TX

Airport category: General Aviation – Regional

Fee schedule is not currently posted on the website. Old fee data indicated clearance charges ranging from \$255 to \$660 with an additional charge of \$240 for overtime clearances.

Source: <https://www.portsanantonio.us/customs>

TKI – McKinney National Airport – McKinney, TX

Airport category: General Aviation – National / Reliever

No clearance fees during regular service hours. Flat fee of \$200 for overtime clearances. Fee of \$150 for USDA Regulated Garbage handling/disposal.

Source: <http://flytki.com/104/US-Customs>

Other User Fee Airports (Not in Texas)

APA – Denver Centennial Airport – Englewood, CO

Airport category: General Aviation – National / Reliever

Light aircraft (up to 7,500 lbs.)	\$105
Turboprop/Light Jet (7,501-15,000 lbs.)	\$250
Mid-size Jet (15,001-25,000 lbs.)	\$310
Large Jet (25,001-75,000 lbs. MTOW)	\$360

An additional fee of \$300 will be charged for clearances conducted after normal duty hours.

Source: <https://www.centennialairport.com/index.php/en/for-pilots/airport-services>

ATW – Appleton Airport – Appleton, WI

Airport category: FAR 139 Class I, Non-hub

FEE SCHEDULE

Aircraft Customs clearance	no fee
Overtime charge (flat fee)	\$180
International Garbage Processing	\$75
Towing near facility out of red box area	\$50

Source: <https://atwairport.com/airport-info/general-aviation/customs/>

BCT – Boca Raton Airport – Boca Raton, FL

Airport category: General Aviation – National / Reliever

Boaters:	\$15 per person
Single Engine Piston	\$50
Twin Engine Piston	\$75
Turboprop	\$150
Small Jet (Less than 20,000 lbs. MTOW)	\$225
Medium Jet (20,001-60,000 lbs. MTOW)	\$325
Large Jet (more than 60,001 lbs. MTOW)	\$425
After Hours / Overtime	\$140 per hour, two-hour minimum (plus regular clearing fee)

Source: <http://bocairport.com/wp-content/uploads/2018/05/BRAAFL-RATES-5-23web.pdf>
<https://bocairport.com/customs-2/>

BED – L.G. Hanscom Field Airport – Bedford, MA

Airport category: FAR 139 Class I, Non-hub

CUSTOMS' USER FEE-COST RECOVERY PROGRAM (REVIEWED ANNUALLY) FOR AIRCRAFT USING CUSTOMS BASED ON AIRCRAFT'S MAX GROSS LANDING WEIGHT (EFFECTIVE JULY 1, 2020)

Aircraft Weight	Clearance Fee	After-Hours Surcharge*
0-8,000 lbs.	\$88	\$251
8,001-15,000 lbs.	\$355	\$327
15,001-30000 lbs.	\$433	\$397
30,001-75,000 lbs.	\$488	\$397
Over 75,000 lbs.	\$698	\$397

Note: airport has departure fees plus night-time arrival and departure fees

Source: <https://www.massport.com/hanscom-field/operations/operating-fees/>

BGM – Greater Binghamton Airport – Binghamton, NY

Airport category: FAR 139 Class I, Non-Hub

Aircraft Size	Description	Rate
Large Jet	(over 32,000 lbs.)	\$600
Medium Jet	(18,001 to 32,000 lbs.)	\$450
Small Jet	(up to 18,000 lbs.)	\$300
Twin Engine Piston		\$75
Twin Engine Turbo Prop		\$150
Single Engine Piston		\$40
Single Engine Turbo Prop		\$115

Source: <http://www.binghamtonairport.com/customs.html>

BJC – Rocky Mountain Metropolitan Airport – Broomfield, CO

Airport category: FAR 139 Class II; General Aviation – National / Reliever

Light aircraft (up to 7,500 lbs.)	\$175
Turboprop/Jet (7,501-15,000 lbs.)	\$415
Mid-size Jet (15,001-25,000 lbs.)	\$515
Large Jet (25,001-75,000 lbs. MTOW)	\$595
Extra-Large Jet (more than 75,001 lbs.)	\$680

Overtime Charges equal two times the regular rate for clearances after normal business hours. Rates effective November 1, 2016. Subject to change without notice.

Source: <https://www.jeffco.us/1674/Customs>

BLV – Mid-America St. Louis Airport – Belleville, IL

Airport category: FAR 139 Class I, Non-hub

No U.S. Customs User Fee information provided on website
Landing fees for aircraft over 12,500 lbs.

Source: <http://www.flymidamerica.com/pilot/Pages/landing.aspx>

BZN – Bozeman Yellowstone International Airport – Belgrade, MT

Airport category: FAR 139 Class I, Non-hub

User fees are based on aircraft Maximum Gross Landed Weight and are defined below:

(Up to 4,800 lbs MGLW)	\$50
(4,801 to 8,500 lbs MGLW)	\$150
(8,501 lbs to 12,500 lbs MGLW)	\$500
(12,501 lbs to 30,000 lbs MGLW)	\$850
(30,001 lbs MGLW or greater)	\$1,200

Users requesting service outside of normal hours must pay an additional \$225 user fee.

Source: <https://bozemanairport.com/us-customs>

CRQ – McClellan-Palomar Airport – Carlsbad, CA

Airport category: FAR 139 Class I, INACTIVE; General Aviation – National / Reliever

These rates are effective January 1 through December 31, 2021.

Aircraft Category (Based on max. take-off weight)	Regular Rate	Overtime Rate
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Up to 7,500 lbs	\$85	\$175
7,501 lbs to 14,000 lbs	\$350	\$695
14,001 lbs to 20,000 lbs	\$465	\$930
20,001 lbs to 27,500 lbs	\$580	\$1,160
27,501 lbs to 35,000 lbs	\$725	\$1,450
35,001 lbs to 75,000 lbs	\$870	\$1,740
Over 75,000 lbs	\$1,740	\$3,480
Any aircraft with capacity for 15 passengers or more	\$2,320	\$4,640

*For aircraft with a capacity of 15 or more passengers, the fee based on passenger capacity rather than weight shall apply.

Source: <https://www.sandiegocounty.gov/content/sdc/dpw/airports/palomar/customs.html>

FAT – Fresno Yosemite International Airport – Fresno, CA

Airport category: FAR 139 Class I, Small Hub

General Aviation Aircraft	\$150 per clearance
Commercial passengers	\$12 per passenger

Source: https://www.fresno.gov/finance/wp-content/uploads/sites/11/2020/07/FY21-MFS_AIRPORTS-554.pdf

HIO – Portland – Hillsboro Airport – Portland, OR

Airport category: General Aviation – National / Reliever

Single engine aircraft	\$60
Twin/Propeller	\$175
Other turbine/jet engine	\$500

Source: <https://www.portofportland.com/HIO/LandingFees>

IWA – Phoenix-Mesa Gateway Airport – Mesa, AZ

Airport category: FAR 139 Class I, Small Hub

Category (based on MGLW)	Inspection Fee (per aircraft arrival)
<5,000	\$73.16
5,001 – 12,500.	\$225.10
12,501 – 35,000	\$315.14
35,001 – 100,000	\$432.20
100,001 – 255,000	\$607.77
> 255,000	\$754.09

Source: <https://www.gatewayairport.com/policiesdocumentsandforms>

LAL – Lakeland Linder Airport – Lakeland, FL

Airport category: FAR 139 Class I; General Aviation – National / Reliever

Unspecified fees charged for clearances conducted after normal duty hours.

Source: <https://www.flylakeland.com/us-customs-and-border-protection>

LAN – Capital Region International Airport – Lansing, MI

Airport category: FAR 139 Class I, Non-Hub

Commercial passenger flights	\$100 per clearance
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General Aviation >6,500 lbs.	\$100 per clearance
Cargo aircraft >12,500 lbs.	\$100 per clearance
Regulated garbage incineration up to 4 bags:	\$90.

Source: https://www.flylansing.com/sites/default/files/Resolution%20Rates%202019_0.pdf

LEE – Leesburg International Airport – Leesburg, FL

Airport category: General Aviation – Regional

Aircraft	Fee
Single-engine piston	\$50
Twin-engine piston	\$75
Single- or twin-engine turbine	\$100
Jets less than 20,000 lbs. gross weight	\$150
Jets equal or greater than 20,000 lbs. gross weight	\$250

Source: https://www.leesburgflorida.gov/government/departments/airport/us_customs.php

LEX – Blue Grass Airport – Lexington, KY

Airport category: FAR 139 Class I, Small Hub

Fees based on aircraft Maximum Gross Landing Weight (MGLW)

up to 7,500 lbs.	\$50
7,501-12,500 lbs.	\$150
12,501-30,000 lbs.	\$300
30,001-80,000 lbs.	\$350
Over 80,000 lbs.	\$550

Additional fees of \$100 charged for clearances conducted after normal duty hours, 2-hour minimum.

Source: <https://bluegrassairport.com/uscustoms.html>

MHT – Manchester-Boston Regional Airport – Manchester, NH

Airport category: FAR 139 Class I, Small Hub

Propeller	\$150
Light jet, up to 12,500 lbs.	\$250
Medium jet, 12,501-41,000 lbs.	\$450
Over 41,000 lbs.	\$650
After hours clearances, additional charge:	\$400.

Source: <https://www.flymanchester.com/flights-airlines/u-s-customs-and-border-protection-services/>

MTH – Florida Keys Marathon International Airport – Marathon, FL

Airport category: FAR 139 Class I; General Aviation – Regional

No U.S. Customs User Fee information provided on website

Source: <https://www.monroecounty-fl.gov/109/Florida-Keys-Marathon-International-Airp>

RYY – Cobb County Airport - McCollum Field – Kennesaw, GA

Airport category: General Aviation – National / Reliever

Pre-paid 10+ clearances over 18 months	\$300 per clearance
Based aircraft	\$350

Transient aircraft \$450

An additional \$150 will be charged for clearances conducted after normal duty hours.

Over 15 passengers \$700

An additional \$250 will be charged for clearances (>15 pax) conducted after normal duty hours. Regulated garbage disposal \$185 per bag

Source: <https://www.cobbcounty.org/transportation/airport>

Customs Revenue Model

Addison Airport 2021 Proposed Customs User Fee Schedule			%age of arrivals	Arrivals: 400 annual	Revenue estimate, 400 annual arrivals	Cost estimates, annual expenses (400 annual arrivals)		
Rate 1	Up to 12,500 lbs.	\$125	7.8%	31	\$3,875.00	CBP Officer Salary	\$192,000.00	
Rate 2	12,501 to 25,000 lbs.	\$225	24.7%	99	\$22,275.00	IT/Security Expense	\$46,000.00	
Rate 3	25,001 to 35,000 lbs.	\$300	13.5%	54	\$16,200.00	Facility Maintenance	\$10,800.00	
Rate 4	35,001 to 40,000 lbs.	\$375	13.1%	52	\$19,500.00			
Rate 5	40,001 to 50,000 lbs.	\$450	10.2%	41	\$18,450.00			
Rate 6	50,001 to 75,000 lbs.	\$600	15.7%	63	\$37,800.00			
Rate 7	75,001 to 100,000 lbs.	\$750	12.8%	51	\$38,250.00			
Rate 8	over 100,000 lbs.	\$900	2.1%	9	\$8,100.00			
			100%	400	\$164,450.00	Sub-total	\$248,800.00	
Overtime Charges		\$300	58%	232	\$69,600.00	Overtime costs	\$69,600.00	
Regulated Garbage		\$75	41%	164	\$12,300.00	Garbage disposal costs	\$12,300.00	
Annual revenue and cost estimates					Revenue:	\$246,350.00	Annual Cost:	\$330,700.00

Arrivals: 500 annual	Revenue estimate, 500 annual arrivals	Cost estimates, annual expenses (500 annual arrivals)		
39	\$4,875.00	CBP Officer Salary	\$192,000.00	
124	\$27,900.00	IT/Security Expense	\$46,000.00	
68	\$20,400.00	Facility Maintenance	\$10,800.00	
65	\$24,375.00			
51	\$22,950.00			
78	\$46,800.00			
64	\$48,000.00			
11	\$9,900.00			
500	\$205,200.00	Sub-total	\$248,800.00	
290	\$87,000.00	Overtime costs	\$87,000.00	
205	\$15,375.00	Garbage disposal costs	\$15,375.00	
Revenue:		\$307,575.00	Annual Cost:	\$351,175.00

Arrivals: 600 annual	Revenue estimate, 600 annual arrivals	Cost estimates, annual expenses (500 annual arrivals)		
47	\$5,875.00	CBP Officer Salary	\$192,000.00	
148	\$33,300.00	IT/Security Expense	\$46,000.00	
81	\$24,300.00	Facility Maintenance	\$10,800.00	
78	\$29,250.00			
61	\$27,450.00			
94	\$56,400.00			
77	\$57,750.00			
13	\$11,700.00			
599	\$246,025.00	Sub-total	\$248,800.00	
348	\$104,400.00	Overtime costs	\$104,400.00	
246	\$18,450.00	Garbage disposal costs	\$18,450.00	
Revenue:		\$368,875.00	Annual Cost:	\$371,650.00

Council Meeting

2.

Meeting Date: 09/28/2021

Department: Development Services

Pillars: Gold Standard in Customer Service

Milestones: Promote and protect the Addison Way

AGENDA CAPTION:

Present and Discuss **Options for Town Facilitation of Community Garage Sale Activities**.

BACKGROUND:

For over two decades, the Town has hosted a bi-annual community garage sale event to support residents who wish to display and sell personal items for reuse. Traditionally, these events have been held in retail center parking lots, most recently at Addison Town Center. These events are managed by the Development Services Department and require approximately \$16,000 in funding per event to account for needed equipment rental and setup, supplies, and staffing.

Due to the pandemic, the community garage sale was last held in October 2019. Since that time, the Town has implemented the bi-annual sustainability event, where Town residents are provided the opportunity to drop off personal items for shredding and electronics recycling. Staff is seeking Council feedback on potential community garage sale programming. If this service is to continue, the Town will need to identify an alternative location, as Addison Town Center management and tenants are not able to accommodate the garage sale in their parking lot. As it currently stands, the Town's best option for executing this event moving forward is the Town's land to the south of Addison Circle Park, subject to ongoing construction needs for the Addison Circle Silver Line Station and future TOD development needs.

Alternatively, staff will present options for future Town participation in community garage sale events. These options include transitioning to a promotional role, pursuing web and app-based platforms for virtual activities, and considering a more passive approach focused on communicating and implementing existing regulations related to garage sales.

RECOMMENDATION:

Staff seeks direction from Council.

Attachments

Presentation - Community Garage Sale Facilitation Options

Options for Town Facilitation of Community Garage Sale Activities

September 28, 2021

The logo for the town of Addison, featuring the word "ADDISON" in a bold, blue, sans-serif font centered within a white circle. The circle is set against a blue background that is part of a larger graphic design on the right side of the slide, which includes diagonal white lines and a grey triangle in the top right corner.

ADDISON

Community Garage Sale Background

- Community event held twice annually to support garage sale needs for Addison residents
- Historically, the event has occurred on private property, initially at the former Sam's Club site and then at Addison Town Center
- Event is managed by the Development Services Department with a typical event budget of \$16,000 to cover equipment rental and setup, supplies, and staffing needs
- Due to the pandemic, the event has not been held since October 2019



Community Garage Sale - Ongoing Challenges

ADDISON

- Limited options for event space
- Participants not complying with the spirit of the event
 - Using the event to sell goods associated with a business venture
 - Non-resident vendors
- Competition with app-based commerce
 - Facebook Marketplace
- Perception that Addison does not allow garage sales
- Table registration fees only cover 10 – 15% of event costs



Moving Forward – Potential Options

- **Option #1:** Conduct bi-annual garage sale event consistent with past practices
 - Utilize Town-owned property south of Addison Circle Park
 - Pair with bi-annual sustainability events addressing shredding and electronic recycling



Garage Sale customers will be able to park along Festival Way.

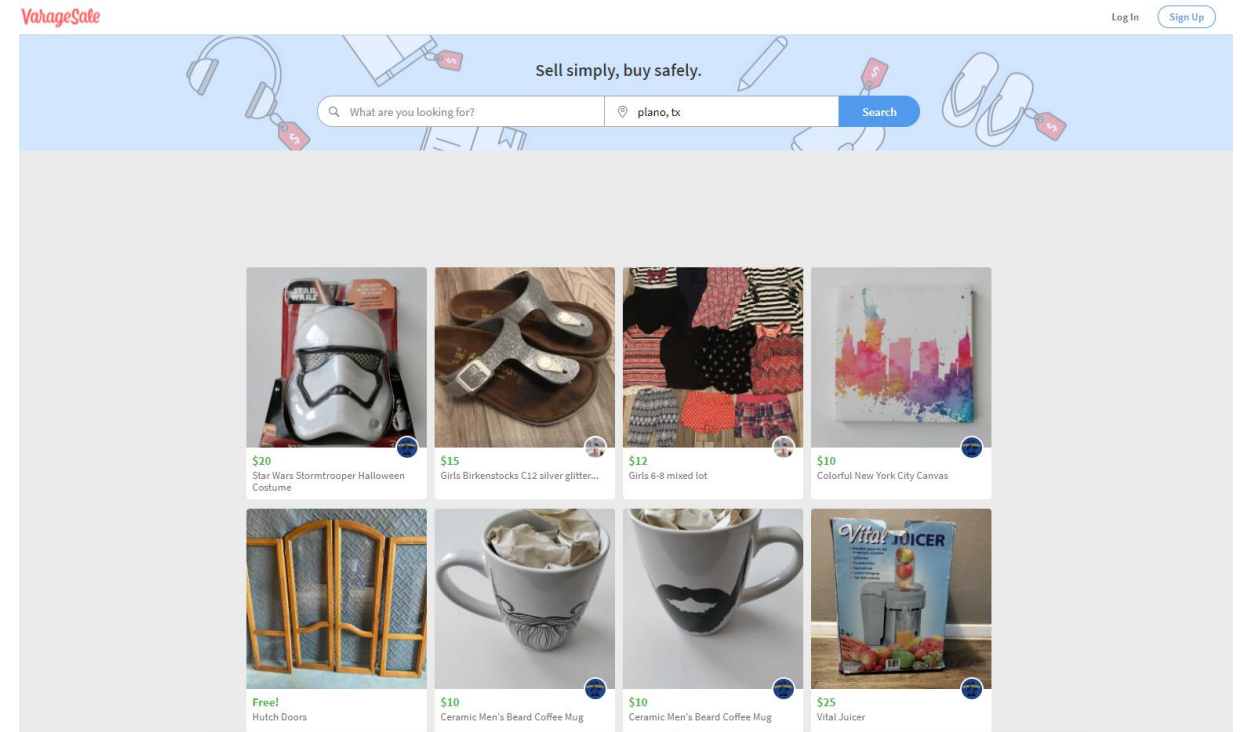
Moving Forward – Potential Options

- **Option #2:** Transition the Town to a promotional role for a bi-annual community garage sale
 - Conduct outreach and create a marketing framework for residents to participate in a community garage sale event from their home
 - Town staff creates maps to identify garage sale participants and promotes the event via Town social media channels
 - Town creates temporary wayfinding signage to guide event traffic



Moving Forward – Potential Options

- **Option #3:** Support a webpage or app to support virtual garage sale activities
 - Varage Sale
 - <https://www.varagesale.com/usa/tx>
 - Town Garage Sale Facebook Page
 - Requires staff to monitor



Moving Forward – Potential Options

- **Option #4:** Disengage from garage sale facilitation and share Town garage sale regulations with interested residents
 - Sign restrictions
 - On-street parking restrictions



Moving Forward – Potential Options

- **Option 1: Continue past community garage sale practices**
 - *Pro*: Maintains past level of service and provides garage sale opportunities for apartment residents
 - *Con*: Availability of event space and operational costs

- **Option 2: Transition to promotional role**
 - *Pro*: Supports garage sale activities for interested residents, low cost
 - *Con*: Dispersed events may be less convenient for shoppers

- **Option 3: Apply new technology to support virtual sales**
 - *Pro*: Follows recent trends and allows people to buy/sell at their convenience
 - *Con*: Town would have very limited oversight

- **Option 4: Disengage from garage sales facilitation**
 - *Pro*: Allows interested residents to have garage sales at their convenience
 - *Con*: Eliminates a service previously provided by the Town

Questions?

Council Meeting

3.

Meeting Date: 09/28/2021

Department: Special Events

Pillars: Optimize the Addison Brand

Milestones: Define and promote Addison Identity

AGENDA CAPTION:

Consider Action on a **Resolution to Approve an Agreement with WaterTower Theatre, Inc. for the Use of the Addison Theatre Centre.**

BACKGROUND:

WaterTower Theatre, Inc. has been the primary lessee of space in the Addison Theatre Centre since 1996. The performing arts organization rents administrative office and storage space from the Town, and produces several shows on the Addison Theatre Centre Main Stage each year. The facility use agreement is similar to a standard lease agreement, which allows the lessee (WaterTower Theatre, Inc.) to rent space and pay a monthly rent to the lessor, property owner and manager (Town of Addison). The facility use agreement includes:

- Itemized list of spaces to be leased by WaterTower Theatre and the monthly rent rate.
- Monthly rate for phone service.
- Details regarding which party is responsible for the maintenance and upkeep of various aspects of the facility, including janitorial services and furnishings.
- A discounted rate for rental of performance spaces.

The previous facility use agreement ran from Fiscal Year 2017 through Fiscal Year 2021, and will expire on September 30, 2021. Prior to that 5 year agreement, the facility use agreement was renewed annually. Both parties have agreed to return to an annual agreement; as such, this facility use agreement will operate from October 1, 2021 through September 30, 2022 with four one-year renewal options. The leased spaces, office and storage space rental rate, and overall terms of the agreement remain the same as the expiring agreement.

In the expiring agreement, WaterTower Theatre was permitted to contract with outside organizations to 'present' productions under the WaterTower Theatre name. Such 'presented' productions were charged a higher daily rental rate than productions that were created and produced solely by WaterTower Theatre. Under this new agreement, the higher rental rate for such 'presented' productions has been eliminated, allowing WaterTower Theatre to do such productions under its lower, standard daily rental rate. All other performance

space rental fees remain the same as the expiring agreement.

RECOMMENDATION:

Administration recommends approval.

Attachments

Resolution - WaterTower Theatre Use Agreement

RESOLUTION NO. R21-_____

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS APPROVING AN AGREEMENT WITH THE WATERTOWER THEATRE, INC. FOR THE USE OF THE ADDISON THEATRE CENTRE; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT; ESTABLISHING USE, TERM, RENTAL AREA, MONTHLY RENTAL/EQUIPMENT RATE, INSURANCE REQUIREMENTS AND AN EFFECTIVE DATE.

WHEREAS, the City Council of the Town of Addison, Texas (“City Council”) has investigated and determined that it is in the best interest of the Town of Addison, Texas (“Town”) utilize public property such as the Addison Theatre Center (“ATC”) in an effective manner; and

WHEREAS, the City Council has further investigated and determined that is beneficial to allow a reputable theatre company to use the ATC on an annual basis to achieve this goal; and

WHEREAS, the WaterTower Theatre (“WTT”) is a reputable company who’s history demonstrates capability in the use of the Addison Theatre Centre; and

WHEREAS, as a result, the City Council desires to enter into this Use Agreement (“Agreement”), whereby the Town and the WTT may contractually agree on the terms and conditions of use of the Addison Theatre Centre; and

WHEREAS, the Agreement contains **Exhibit A** which indicates areas accessible to the lessee; and

WHEREAS, the proposed dates, times and spaces requested by WTT in connection with shows or events to be produced by WTT during the term of this Agreement are attached hereto as **Exhibit B**; and

WHEREAS, WTT shall pay the Town rent for its use of the various spaces at the ATC according to the schedule of fees set in **Exhibit C**; and

WHEREAS, ticketing and seating operations for all performances will be compliant with the Americans with Disabilities Act’s 2010 Revision Requirements, as amended, as required by the Town, and attached hereto as **Exhibit D**; and

WHEREAS, an inventory of furniture rental items owned by the Town and rented to WTT is attached hereto as **Exhibit E**.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

SECTION 1. That the findings set forth in this Resolution are hereby in all things approved.

SECTION 2. The Agreement for the use of the Addison Theatre Centre, a copy of which is attached to this Resolution along with Exhibits A-E is hereby approved.

SECTION 3. The City Council authorizes the City Manager, or his designee, to execute said Agreement.

SECTION 4. This Resolution shall take effect from and after its date of adoption.

DULY RESOLVED AND ADOPTED by the City Council of the Town of Addison, Texas, on this the **28th** day of **SEPTEMBER 2021.**

TOWN OF ADDISON, TEXAS

Joe Chow, Mayor

ATTEST:

APPROVED AS TO FORM:

Irma G. Parker, City Secretary

Whitt Wyatt, City Attorney

AGREEMENT FOR THE USE OF THE ADDISON THEATRE CENTRE

THIS AGREEMENT is between the Town of Addison, a municipal corporation, of Dallas County, Texas (“TOWN”) and the WaterTower Theatre, Inc. (“WTT”), a Texas nonprofit corporation, with its principal place of business at Addison Theatre Centre, Addison, Dallas County, Texas (each a “Party” and collectively the “Parties”), each acting by and through its duly authorized representatives.

WHEREAS, the TOWN has as one of its purposes the establishment, maintenance, promotion, and operation of cultural facilities for the benefit of the public; and

WHEREAS, the TOWN has constructed the Addison Theatre Centre (“ATC”) in the furtherance of such purposes; and

WHEREAS, the ATC is located upon real estate as shown in **Exhibit A** which is attached and made a part of this Agreement; and

WHEREAS, the TOWN intends that the ATC will provide WTT with office space together with access to rehearsal and performance space, as well as serve as an outstanding performance facility that will attract other prominent performing groups and individuals to Addison; and

WHEREAS, the TOWN and WTT desire to enter into an agreement whereby WTT would be a user of the ATC with scheduling rights as defined in this document;

NOW, THEREFORE, in consideration of the mutual covenants and terms and conditions set forth herein, the TOWN and WTT agree as follows:

SECTION 1

PURPOSE; ATC DEFINED

(a) The purpose of this Agreement is to state the terms and conditions under which WTT will use and occupy the described portions of the ATC and to describe the responsibilities of the TOWN in the operation and management of the ATC.

(b) As used in this Agreement ATC means the structure shown in Exhibit A. The areas indicated in Exhibit A shaded in blue denote the areas that are accessible to the lessee of the main theatre space and/or the studio theatre space. “Administrative Offices” shall mean those certain offices located in the ATC designated by the City Manager of the TOWN (the “City Manager”) for use by WTT, solely for WTT’s administrative activities, and set out on the plans, as attached Exhibit A denoted in red.

(c) WTT, its employees, agents, patrons, and invitees shall have a nonexclusive license to use the common areas designated on Exhibit A attached hereto but such license shall at all times be subject to the exclusive control and management by the TOWN. The term “common areas” shall include but not be limited to parking area, walkways, green areas and landscaped areas. WTT

hereby agrees to be bound by and to comply with such reasonable rules and regulations as the TOWN may establish with respect to the use of such common areas. The TOWN agrees to inform WTT in writing of such rules and regulations, and of any changes to such that might occur.

SECTION 2

LEASE OF ATC

The TOWN, upon the terms and conditions contained herein, agrees to allow WTT use of, in accordance with the use and occupancy provisions of this Agreement, those facilities and areas within the ATC that are needed from time to time for its various activities including but not limited to performances, rehearsals, auditions, meetings, administration, ticket and merchandise sales, library, dressing, storage, and such other activities as approved by the Theatre Centre Supervisor (hereafter "Manager"), in writing, and as further set forth on the ATC Master Booking Calendar. WTT shall furnish, in writing no later than April 1st of each year, a schedule setting out all dates, times and spaces needed, as well as the type of use for each date. Any exclusions or modifications to the schedule shall be determined by the Manager, and a final approved calendar schedule shall be provided to WTT no later than April 30th. Schedule changes may be requested from time to time through written notice from WTT to the Manager. The TOWN agrees to provide written confirmation of WTT's use of spaces, on the dates and times requested, if such spaces are available when requested.

SECTION 3

TERM AND TERMINATION

(a) The term of this Agreement is one (1) year beginning on the 1st day of October 2021, and continuing until September 30, 2022, unless the term is extended or earlier terminated, as provided herein.

(b) The TOWN may terminate this Agreement at any time if:

(i) WTT fails to make any payment required under this Agreement within ten (10) business days after written notification of delinquency of payment by the TOWN; or

(ii) WTT violates any other provision of this Agreement and fails to begin correction of the violation within twenty-five (25) days of written notification of the violation from the TOWN and fails to accomplish correction within a reasonable period thereafter; or

(iii) For any reason or no reason if the TOWN shall give WTT sixty (60) days written notice.

(c) WTT may terminate this Agreement by giving the City Manager written notice sixty (60) days or more in advance of the termination date.

(d) This Agreement may be renewed for up to four (4), one (1) year additional terms, if the Parties agree to the renewal at least 90 days before the expiration of the one year term.

SECTION 4

USE AND OCCUPANCY BY WTT

(a) *Office Areas.* During the term of this agreement, WTT has the use of the defined office space, as set out in Section 1(b) above and attached Exhibit A denoted in red.

(b) *Schedule of Uses.* The proposed dates, times, and spaces requested by WTT in connection with shows or events to be produced by WTT during the term of this Agreement are attached hereto as Exhibit B and incorporated herein for all purposes. All required spaces must be reserved by WTT in advance, including but not limited to those portions of the ATC referred to as the Main Stage, Studio Theatre, and Lobby for all events. This includes the use of space for staging purposes such as auditions. WTT is hereby advised that spaces in the ATC are available on a “first come” basis and are confirmed by notice in writing from the Manager and receipt by the TOWN of the payment for the required fees.

(c) *Box Office.* Box Office will be open and manned continuously by WTT on its performance days from one hour prior to each performance through the intermission of that performance.

(d) *Staffing.* When WTT is producing or presenting an event, WTT must provide members of its staff to oversee the event from start to finish. A WTT representative must be on the premises throughout the duration of the event, including production days. Without in any way limiting any provision of this Agreement, in the event an emergency or urgent situation arises at or about the ATC while WTT is producing or presenting an event, WTT shall take such steps as are prudent and necessary to immediately respond to the emergency, including, without limitation, causing patrons at the ATC to vacate the premises and contacting the emergency services of the TOWN.

(e) *TOWN Events.* No WTT performances may take place in the facilities during special events produced by the TOWN. Limited use of the facilities MAY be granted at the Manager’s discretion for rehearsals, builds, and technical work. If such permission is granted, a maximum of ten (10) parking passes will be issued to WTT allowing access to a designated parking area at the TOWN’s discretion.

During special events produced by the TOWN all common areas and areas available to theatre rental groups, as identified on the attached Exhibit A, will be made available by WTT for use by the TOWN unless prior written authorization has been granted by the Manager.

(f) *Presenting Shows.* It is expected that WTT will produce shows, and, with the Town’s express consent, present shows. “Producing” a show means that WTT takes the steps to create the show from the ground up. “Presenting” a show refers to an outside group bringing in a show or production to which WTT attaches its name.

Presenting is subject to prior written approval by the TOWN. A copy of the proposed contract will be sent to the Manager prior to being forwarded to the potential presenter. Both produced and presented shows will be subject to the same fee structure, identified in the attached Exhibit C.

(d) *Food and Beverage.* Except as provided herein, food and beverages are prohibited within the Main Stage and Studio Theatre spaces at the ATC. The sole exceptions will be bottled water with a lid that may be brought into the performance spaces at any time. However, no liquid may be stored or consumed in the vicinity of any electronic equipment. The secure covered “sippy cup” designed cups may be used by patrons during performances. WTT staff shall inspect the seating areas and clean up spills immediately.

Food and beverage may be brought in the Main Stage and Studio Theatre during special events such as the annual Gala fundraiser. A performance will not, however, constitute a special event. All food, food service items, beverages, beverage containers, catering supplies and trash must be removed from the spaces that evening immediately following the conclusion of the event. All spills, stains and other food and beverage messes shall be cleaned that evening. All catering equipment, including but not limited to, chafing dishes, plates, silverware, glassware and service pieces shall be cleaned and neatly stored or removed the night of the event. Failure to clean up in this manner will result in the Manager contacting the cleaning service to provide a full cleaning of the space. The resulting cleaning fee will be charged to WTT on the next regular monthly invoice.

Food and beverage are allowed in the Upstairs and Downstairs Lobby area for opening receptions and social gatherings. WTT shall submit proposed dates for Lobby use to the Manager for approval, subject to availability. If food is donated for these events, WTT is responsible for a food donation Catering Fee of \$1.00 per attendee, not to exceed \$300 per event.

(e) *Use of Dressing Rooms.* Dressing rooms 1 – 4 are included with the rental of the Main Stage. If the Studio Theatre is rented to another group, dressing rooms 5 and 6 will be made available to the group in the Studio Theatre. If the Studio Theatre is not being rented by another group or not needed by that renting group, dressing rooms 1 – 6 may be used by the renter of the Main Stage. Per Section 4(e) all dressing rooms and green room will be available to the TOWN for use during special events produced by the TOWN.

(f) *Smoking in Productions.* Smoking or other use of any type of tobacco product is prohibited within the ATC. In the instances where smoking needs to be portrayed as part of a production, only smokeless prop, powder or water based “e-cigarettes” may be used.

(g) *ADA Compliance, Ticketing and Seating.* Ticketing and seating operations for all performances will be compliant with the Americans with Disabilities Act’s 2010 Revision Requirements, as amended, as required by the TOWN, and attached hereto as **Exhibit D** for all purposes.

(h) *Keys and Alarm Codes.* Interior and exterior keys and alarm codes will be provided by the Town for WTT employees only; they will not be provided to volunteers or temporary laborers. All keys must be signed in and out, including contact information, a proposed four-digit code for the alarm, and signature agreeing to the terms and conditions for incoming and exiting WTT employees. WTT will be charged \$15.00 per alarm code change, addition or deletion, once the threshold of two (2) changes free of charge is surpassed. Lost keys will incur a \$50.00 fee.

SECTION 5

USE AND OCCUPANCY BY THE TOWN

(a) *Scheduling Other Events.* Other than the dates and times when WTT has scheduled an event in accordance with Section 4, the TOWN has the unrestricted right to schedule other events in the ATC. The TOWN and WTT agree to cooperate and assist the other in scheduling events in the ATC for dates not scheduled by WTT. However, such efforts by WTT are subject to the express terms of Section 20 of this Agreement, and WTT recognizes that only the TOWN has authority to book events.

(b) *Concessions.*

(i) WTT may sell concessions only during WTT performances and must comply with all Town of Addison Environmental Health Regulations. Alcoholic beverages may only be dispensed in compliance with the TABC (Texas Alcoholic Beverage Commission) rules and regulations. WTT shall have the right to use concession areas in connection with and at the time of WTT's scheduled performances. WTT shall have no rights with respect to use of the concession areas or equipment, or other food and beverage service items belonging to or under the control of the TOWN at any other time. WTT will have access to the concession area for food and beverage storage and sale only on performance dates.

(ii) The TOWN shall not be liable to WTT, its employees, agents, patrons, or invitees for damages or otherwise for the quality, failure, unavailability, or disruption of any food or beverage or service thereof in connection with WTT performances.

(c) *Control of the ATC.* The TOWN retains the right to control the management of the ATC through its representatives, and to enforce all necessary rules for its management and operation, and the TOWN, through its police officers, fire fighters, and other designated representatives, reserves the right at any time to enter any portion of the ATC. For non-emergency purposes, the TOWN shall attempt to provide reasonable notice to WTT.

SECTION 6

RENTAL

(a) WTT shall pay to the TOWN rent for its use of the various spaces at the ATC according to the schedule of fees set forth in Exhibit C, attached hereto and made a part hereof. Payments for rent shall be due and payable on or before the 15th day of each month as payment for the immediately preceding month. The first such installment of rent is due and payable on or before November 15, 2021, and the last such installment is due and payable on or before October 15, 2022 (and the obligation of WTT to make the last installment shall survive the expiration of this Agreement).

(b) Rent shall consist of three parts:

(i) A flat, monthly rental fee for use of the WTT Administrative Offices, as identified in Exhibit A, and TOWN-owned furniture and furnishings, as identified in Exhibit E. The list for furniture and furnishings may be amended from time to time, and

such amendment may result in a change in the rental fee. All items used by WTT will continue to be the sole property of the TOWN and, with at least sixty (60) days notice from the TOWN to WTT, shall be returned to the TOWN in the condition rented, with normal wear and tear; and

(ii) A space rental fee for spaces available to theatre rental groups, as identified in Exhibit A, based on the usage of those spaces each month. Usage will be determined and totaled by the number of days each space is used in a calendar month as noted in the Master Booking Calendar; and

(iii) A monthly fee for telephone service to the WTT Administrative Offices. This fee will be a flat monthly rate based on the average monthly usage rate for the prior fiscal year. In addition, any changes to the phone system requested by WTT will be charged back to WTT at the prevailing rate.

(c) WTT shall have access to the Boardroom/Rehearsal Room, as identified on Exhibit A, for rehearsals, events and meetings. The monthly fee for the use of the Boardroom/Rehearsal Room is included in the monthly rental fee for WTT Administrative Offices listed on Exhibit C. Periodically TOWN staff may contact WTT inquire about Boardroom/Rehearsal Room availability for an ATC client rental. If WTT confirms the space is available, the Manager will book the room for use by the ATC client. On the occasion the Boardroom/Rehearsal Room is rented to another group, WTT shall clear the space of all WTT property for the duration of the rental. The TOWN retains full use of the lockable, corner closet located within the Boardroom/Rehearsal Room and WTT shall not store any items in this space.

(d) The Studio Theatre shall be used for rehearsals, events and performances only related to shows that take place in the Studio Theatre. Rehearsal for Main Stage shows shall take place in the Boardroom/Rehearsal Room or Main Stage.

(e) The rental rates and schedule of fees for the use of the ATC by WTT are set forth in Exhibit C, and may be subject to change pursuant to market analysis or as the TOWN deems necessary and in its best interest.

SECTION 7

USE OF EQUIPMENT

(a) The TOWN recognizes that there may be third party users of the ATC on behalf of WTT for the purposes of staging a theatrical performance and that they may request the use of TOWN-owned equipment. Any lease or other agreement with a third party user allowed to operate TOWN-owned equipment shall expressly provide that any damages to or loss of the equipment from a third party user shall be the responsibility of that third party, and deposits will be required in the discretion of the TOWN. Any damages to or loss of TOWN-owned equipment in the ATC during the conduct of WTT's performances, programming, or day-to-day use shall be the responsibility of WTT.

(b) The cost of repair for any damage to any TOWN equipment from use of the equipment by WTT or replacement of any lost equipment shall be the sole responsibility of WTT

and shall be subject to offset against any funding or grant obligations of the TOWN to WTT. The TOWN shall not be responsible for consequential damages resulting from inability to use the equipment. WTT agrees that each person employed by WTT to provide services in the ATC will be required to conduct himself/herself in a professional manner, and WTT will cooperate with the TOWN to assure professional conduct is maintained at all times.

(c) No equipment owned by the TOWN may be contracted or committed by WTT without the Manager's written approval. No services provided by TOWN employees may be contracted or committed by WTT without the Manager's written approval. In the event WTT is working in conjunction with an outside company as co-presenter or producer, a written list of equipment needed must be submitted to the Manager one month prior to WTT signing a contract with the outside company. No TOWN-owned equipment shall be removed from the property; nor may it be used on the property outside of the building without Manager's written approval.

SECTION 8

UTILITIES

The TOWN shall provide for all water, air conditioning, heat, and electricity incurred in the ATC. WTT shall reimburse the Town for all costs associated with its telephone service, including long distance, at a flat rate established in Exhibit C. The TOWN shall not be liable to WTT in damages or otherwise for the quality, quantity, failure, availability, or disruption of water, air conditioning, heat, electricity, and other utilities furnished by the TOWN; provided that if WTT reasonably cancels any performance solely for and as the direct result of the TOWN's failure to provide any of the foregoing resources, and provided evidence of such cancellation by WTT and failure to provide such resources by the TOWN (which evidence shall be in form and content reasonably satisfactory to the TOWN) is promptly provided to the TOWN following such cancellation, WTT will have no obligation to pay the performance space rental fee amounts to the TOWN required pursuant to this Agreement in connection with the cancelled performance.

SECTION 9

MAINTENANCE SERVICES

(a) The TOWN shall provide:

(i) Routine janitorial service and maintain the interior of the ATC in a clean condition, by providing routine janitorial service a minimum of three (3) times per week. WTT must leave the spaces in a reasonable condition following all productions/events, which includes but is not limited to: placing all lobby, green room and dressing room trash in garbage cans and walking the performance space for playbills and trash left by patrons after every performance. The same definition of routine janitorial service applies to educational camps. Any services above routine will be billed to WTT at the prevailing rate.

(ii) Maintenance of the heating, ventilation and cooling system in the ATC.

(iii) Maintenance of the ATC grounds and structure in reasonably good condition and in compliance with applicable laws.

(b) The TOWN shall not be liable for repairs to any portion of the ATC until it receives written notice of the necessity for such repairs and, provided further, that such repairs are not necessitated by any act or omission of WTT, or any of WTT's agents, employees, contractors, invitees or patrons.

(c) WTT shall not cause or permit any waste, damage, or injury to the ATC. WTT shall, at its sole cost and expense, repair any damage or injury caused to the ATC by WTT, its employee's agents, invitees or patrons.

(d) WTT shall store its property and the personal property of the TOWN in a neat and orderly manner, and its operations in the ATC shall be carried out in accordance with the highest professional standards.

(e) WTT shall not store or maintain flammable or hazardous materials in the ATC in violation of the Fire Code or other applicable laws and codes.

(f) In the event the obligations of WTT set out in Sections (d) and (e), above, are not carried out in a timely manner, then the Town has the right, but not the obligation, to satisfy such requirements at the cost of WTT.

SECTION 10

OWNERSHIP OF PROPERTY

(a) The ATC and all improvements to the ATC are the property of the TOWN. All personal property owned by the TOWN and placed in the ATC remains the property of the TOWN.

(b) All personal property owned by WTT and placed in the ATC remains the property of WTT.

(c) All personal property owned by a sublessee, contractor or concessionaire of the TOWN and placed in the ATC remains the property of the sublessee, contractor or concessionaire, respectively, unless otherwise provided in the sublease, concession contract, or contractor's contract.

(d) On or before July 1 of each year, during the existence or continuation of this agreement, WTT shall furnish to the TOWN a listing of all of the personal property of WTT located in the ATC.

(e) WTT shall not allow or permit any of the personal property of the TOWN to be loaned for use or operation by any third parties.

SECTION 11

ACKNOWLEDGEMENTS IN PRINTED MATERIALS

WTT agrees to prominently acknowledge the TOWN for its support of WTT in all appropriate printed materials. All public references to WTT will be characterized as "WTT at the Addison Theatre Centre" or some derivative of that indicating the WTT is at the ATC.

SECTION 12

INSURANCE

(a) WTT shall procure, pay for, and maintain the following insurance written by companies licensed in the State of Texas or meeting the surplus lines requirements of Texas law and acceptable to the City Manager. The insurance shall be evidenced by delivery of executed certificates of insurance and certified copies of the policies to the Manager, along with all endorsements. The insurance requirements shall remain in effect throughout the term of this Agreement. The City Manager reserves the right to modify the kinds of coverage and deductibles required and increase minimum limits of liability of the coverage whenever, in his discretion, it becomes necessary. Should such a modification be made by the TOWN, the TOWN will provide WTT written notice and thirty (30) days to make the necessary modifications (or such longer period of time as WTT may require to make the necessary modifications, provided WTT shall at all times pursue such modifications with all due diligence and continuity).

(i) *Workers' Compensation* as required by law; *Employers Liability Insurance* of not less than \$100,000 for each accident.

(ii) *Commercial General Liability Insurance*, including Personal Injury Liability, Independent Contractor's Liability, Premises Operation Liability, and Contractual Liability, covering, but not limited to, the liability assumed under the indemnification provisions of this Agreement, with limits of liability for bodily injury, death, and property damage of not less than \$1,000,000. Coverage must be on an "occurrence" basis, and the policy must include Broad Form Property Damage Coverage, with Fire and Extended Coverage Liability of not less than \$1,000,000 per occurrence.

(iii) *Comprehensive Automobile and Truck Liability Insurance* covering owned, hired and non-owned vehicles, with minimum limits of \$1,000,000, each occurrence, for bodily injury, death, and property damage, such insurance to include coverage for loading and unloading hazards.

(iv) \$2,000,000 combined single limits bodily injury and property damage liability insurance, including death, as an excess of all the primary coverages required above.

(b) Each liability insurance policy must include the following conditions by endorsement to the policy:

(i) The TOWN must be named as an additional insured.

(ii) Each policy must require that sixty (60) days before the cancellation, nonrenewal, or any material change in coverage, a notice thereof shall be given to the TOWN by certified mail to: City Manager, Town of Addison, Box 9010, Addison, TX 75001-9010.

(iii) Companies issuing the insurance policies shall have no recourse against the TOWN for payment of any premiums, assessments, or any deductibles, all of which are at the sole risk of WTT.

(iv) The Term "Town" or "Town of Addison" includes all Authorities, Boards, Bureaus, Commissions, Divisions, Departments, and offices of the TOWN and the individual

members, employees and agents of the TOWN including the TOWN's Manager, while acting in their official capacities on behalf of the TOWN.

(v) The policy clause "Other Insurance" shall not apply to the TOWN where the TOWN is an additional named insured on the policy.

(c) Each party hereto hereby waives each and every claim which arises or may arise in its favor and against the other party hereto during the term of this lease or any extension or renewal thereof for any and all injuries (including death) and loss of, or damage to, any of its property which claim, loss or damage is covered by valid and collectible fire and extended coverage insurance policies, liability insurance policies, workers' compensation policies, and any other insurance policies which may be in place from time to time, to the extent that such claim, loss or damage is recovered under said insurance policies. Said waivers shall be in addition to, and not in limitation or derogation of, any other waiver or release contained in this Agreement with respect to any loss, damage or injury (including death) to persons or to property. Inasmuch as the above mutual waivers will preclude the assignment of any aforesaid claim by way of subrogation (or otherwise) to an insurance company (or any other person), each party hereto hereby agrees immediately to give each insurance company which has issued to its policies of fire and extended coverage insurance, liability insurance, workers' compensation insurance, or such other insurance, written notice of the terms of said mutual waivers, and to have said insurance policies properly endorsed, if necessary to prevent the invalidation of said insurance coverages by reason of said waivers.

(d) WTT shall use best efforts for security precautions necessary for the protection of its property. The TOWN shall be liable for any damage to or loss of WTT property used or stored on, in, or about the ATC, arising from negligence of the TOWN or its agents.

(e) Insurance required under this section must be furnished annually for the duration of this Agreement. Executed certificates of insurance must also be delivered annually.

(f) To the extent reasonably obtainable, the TOWN will secure fire and extended coverage insurance on the ATC with coverages and limits to be determined by the TOWN to insure the ATC with coverages and limits to be determined by the TOWN. In the event all or any portion of the ATC is damaged or destroyed by fire or other casualty, the TOWN shall, at its cost and expense, limited to a maximum expenditure of the amount of insurance proceeds, if any, available to the TOWN by reason of such fire or other casualty, restore, repair, replace and rebuild the ATC as nearly as possible to its value, condition and character immediately prior to such damage or destruction. Coverage provided in this subsection shall be for the benefit of the TOWN and shall not protect WTT for loss or damage of property owned by WTT.

SECTION 13

ABATEMENT OF NUISANCES; TOWN SPECIAL EVENTS

(a) WTT shall promptly comply with all governmental orders and directives for the correction, prevention, and abatement of nuisances caused by WTT, its officers, agents, or employees, or invitees in or upon or connected with the ATC, and shall pay for the costs of

compliance. The TOWN and WTT agree to cooperate with each other in the abatement of nuisances caused by noise associated with events scheduled in ATC.

(b) WTT hereby recognizes that the Town produces Special Events on scheduled dates through the year, which scheduled Special Events shall take priority over any other use, and notice of such Special Events will be made available to WTT (which notice may be made available by means or methods other than as set forth in Section 20 of this Agreement) at the earliest reasonable opportunity as determined by the TOWN.

SECTION 14

ALTERATIONS, ADDITIONS, AND IMPROVEMENTS

(a) To the extent reasonably necessary or desirable for WTT to use and occupy the ATC, upon prior written approval of the Manager, WTT may erect or install within the performance space any temporary alterations, additions, or equipment needed for a production which do not alter the structural integrity or basic configuration of the performance space. WTT must comply with all applicable governmental laws, statutes, ordinances, codes, and regulations regarding structures.

(b) All installations, alterations, additions and improvements made in, on, or to the ATC by WTT or the TOWN shall be deemed to be property of the TOWN and unless the TOWN directs otherwise, shall remain upon and be surrendered with the ATC as a part thereof in good order, condition and repair, ordinary wear and tear excepted, upon WTT's vacating or abandonment of the ATC. If the TOWN directs, WTT shall remove all or any portion of the improvements and WTT's property, on or immediately prior to the termination of WTT's right to possession. The Town may choose to reconfigure the theatre space at any time not reserved by WTT. The Town will return the seating to the previous configuration if requested by WTT.

SECTION 15

ASSUMPTION OF RESPONSIBILITY; INDEMNIFICATION

(a) WTT AGREES TO ASSUME AND DOES HEREBY ASSUME ALL RESPONSIBILITY AND LIABILITY FOR DAMAGES OR INJURIES SUSTAINED BY PERSONS OR PROPERTY, WHETHER REAL OR ASSERTED, BY OR FROM (I) THE PERFORMANCE OF SERVICES PERFORMED AND TO BE PERFORMED HEREUNDER, OR (II) THE OCCUPATION AND USE OF THE ATC PURSUANT TO THIS AGREEMENT, BY WTT OR BY ANY OF ITS OWNERS, OFFICERS, DIRECTORS, MANAGERS, EMPLOYEES, MEMBERS, AGENTS, SERVANTS, REPRESENTATIVES, CONSULTANTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES, INVITEES, PATRONS, GUESTS, VOLUNTEERS, CUSTOMERS, AND CONCESSIONAIRES (IN THE CAPACITY AS OWNER, OFFICER, DIRECTOR, MANAGER, EMPLOYEE, MEMBER, AGENT, SERVANT, REPRESENTATIVE, CONSULTANT, CONTRACTOR, SUBCONTRACTOR, LICENSEE, INVITEE, PATRON, GUEST, VOLUNTEER, CUSTOMER, OR CONCESSIONAIRE OF OR FOR WTT), OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY ANY OF THEM OR ANYONE FOR WHOSE ACTS ANY OF THEM MAY BE LIABLE.

(b) ***INDEMNITY OWED BY WTT.*** WTT COVENANTS AND AGREES TO FULLY DEFEND, INDEMNIFY AND HOLD HARMLESS THE TOWN OF ADDISON, TEXAS AND THE ELECTED OFFICIALS, THE OFFICERS, EMPLOYEES, REPRESENTATIVES, AND VOLUNTEERS OF THE TOWN OF ADDISON, TEXAS, INDIVIDUALLY AND/OR COLLECTIVELY, IN BOTH THEIR OFFICIAL AND PRIVATE CAPACITIES (THE TOWN OF ADDISON, TEXAS AND THE ELECTED OFFICIALS, THE OFFICERS, EMPLOYEES, REPRESENTATIVES, AND VOLUNTEERS OF THE TOWN OF ADDISON, TEXAS, EACH BEING AN “ADDISON PERSON” AND COLLECTIVELY THE “ADDISON PERSONS”), FROM AND AGAINST ANY AND ALL COSTS, CLAIMS, LIENS, HARM, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, PROCEEDINGS, JUDGMENTS, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY, AND SUITS, OF ANY KIND AND NATURE WHATSOEVER MADE UPON OR INCURRED BY ANY ADDISON PERSON, WHETHER DIRECTLY OR INDIRECTLY, (THE “CLAIMS”), THAT ARISE OUT OF, RESULT FROM, OR RELATE TO: (1) THE USE AND OCCUPANCY OF THE ATC BY WTT OR BY ANY OWNER, OFFICER, DIRECTOR, MANAGER, EMPLOYEE, MEMBER, AGENT, SERVANT, REPRESENTATIVE, CONSULTANT, CONTRACTOR, SUBCONTRACTOR, LICENSEE, INVITEE, PATRON, GUEST, VOLUNTEER, CUSTOMER, OR CONCESSIONAIRE OF OR FOR WTT (IN THE CAPACITY AS OWNER, OFFICER, DIRECTOR, MANAGER, EMPLOYEE, MEMBER, AGENT, SERVANT, REPRESENTATIVE, CONSULTANT, CONTRACTOR, SUBCONTRACTOR, LICENSEE, INVITEE, PATRON, GUEST, VOLUNTEER, CUSTOMER, OR CONCESSIONAIRE OF OR FOR WTT), OR ANY OTHER PERSON OR ENTITY FOR WHOM WTT IS LEGALLY RESPONSIBLE, AND THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, MANAGERS, EMPLOYEES, AGENTS, REPRESENTATIVES, CONSULTANTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES, AND CONCESSIONAIRES (COLLECTIVELY, “WTT PERSONS”), (2) REPRESENTATIONS OR WARRANTIES BY WTT UNDER THIS AGREEMENT; AND/OR (3) ANY OTHER ACT OR OMISSION UNDER, IN PERFORMANCE OF, OR IN CONNECTION WITH THIS AGREEMENT BY WTT OR BY ANY OF THE WTT PERSONS. SUCH INDEMNITY AND HOLD HARMLESS SHALL AND DOES INCLUDE CLAIMS FOUND TO HAVE BEEN CAUSED IN PART BY THE NEGLIGENCE OR GROSS NEGLIGENCE OF ANY ADDISON PERSON, OR CONDUCT BY ANY ADDISON PERSON THAT WOULD GIVE RISE TO STRICT LIABILITY OF ANY KIND. HOWEVER, WTT’S LIABILITY UNDER THIS CLAUSE SHALL BE REDUCED BY THAT PORTION OF THE TOTAL AMOUNT OF THE CLAIMS (EXCLUDING DEFENSE FEES AND COSTS) EQUAL TO THE ADDISON PERSON OR ADDISON PERSONS’ PROPORTIONATE SHARE OF THE NEGLIGENCE, OR CONDUCT THAT WOULD GIVE RISE TO STRICT LIABILITY OF ANY KIND, THAT CAUSED THE LOSS. LIKEWISE WTT’S LIABILITY FOR ADDISON OR ANY OTHER ADDISON PERSON’S DEFENSE COSTS AND ATTORNEYS’ FEES SHALL BE REDUCED BY THAT PORTION OF THE DEFENSE COSTS AND ATTORNEYS’ FEES EQUAL TO THE ADDISON PERSON OR ADDISON PERSONS’ PROPORTIONATE SHARE OF THE NEGLIGENCE, OR CONDUCT THAT WOULD GIVE RISE TO STRICT LIABILITY OF ANY KIND, THAT CAUSED THE LOSS.

WTT SHALL PROMPTLY ADVISE THE TOWN IN WRITING OF ANY CLAIM OR DEMAND AGAINST ANY ADDISON PERSON OR WTT RELATED TO OR ARISING OUT OF WTT’S ACTIVITIES UNDER THIS AGREEMENT AND SHALL SEE TO THE INVESTIGATION AND DEFENSE OF SUCH CLAIM OR DEMAND AT WTT’S SOLE COST AND EXPENSE. THE ADDISON PERSONS SHALL HAVE THE RIGHT, AT THE ADDISON PERSONS’ OPTION AND AT OWN EXPENSE, TO PARTICIPATE IN SUCH DEFENSE WITHOUT RELIEVING WTT OF ANY OF ITS OBLIGATIONS HEREUNDER.

THE PROVISIONS OF THIS DEFENSE, INDEMNITY, AND HOLD HARMLESS OBLIGATION, AND ANY OTHER DEFENSE, INDEMNITY, AND HOLD HARMLESS OBLIGATION SET FORTH IN THIS AGREEMENT, SHALL SURVIVE THE TERMINATION OR EXPIRATION OF THIS AGREEMENT.

SECTION 16

BONDS

Unless waived in writing by the City Manager, WTT agrees to cause its contractors to provide, before commencing any work or construction in its designated areas, a performance bond and labor and material payment bond for any improvements the construction of which could result in a third party filing or seeking to file a lien against the ATC, which is undertaken by WTT during the term of this Agreement in a sum equal to the full amount of the construction contract award, with the TOWN and WTT named as joint obligees.

SECTION 17

NON-DISCRIMINATION

During the term of this agreement, WTT shall not discriminate against any employee or applicant for employment because of race, age, color, sex, religion, ancestry, national origin, place of birth, or handicap. Should WTT violate the provisions of this section, or fail to comply with the requirements of the Americans with Disabilities Act, the TOWN may terminate this Agreement if WTT fails to correct the violations within sixty (60) days of written notice of the violation by the TOWN.

SECTION 18

AUDITS

WTT shall have its financial statements audited on an annual basis by an independent auditing firm of certified public accountants and shall submit a copy of the auditor's report for the preceding fiscal year with its proposed annual operating budget to the City Manager. The TOWN reserves the right to require a special audit of WTT's books and records at any time either by the City Manager or by an outside independent auditor if such action is determined necessary by the Town Council. The TOWN shall pay all expense of the independent auditor related to the special audit. WTT shall make available to the TOWN or its agents all necessary books, records and other documents necessary to perform such audit.

SECTION 19

ASSIGNMENT; NO THIRD-PARTY BENEFIT

(a) WTT shall not assign this Agreement, in whole or in part, without the prior written consent of the TOWN, which consent is in the sole and unrestricted discretion of the TOWN. Assignment of this Agreement shall not relieve WTT of its obligations under this Agreement. Approval of the TOWN to one assignment shall not constitute approval to any other or further assignment of this Agreement. WTT shall not sublease or sublet or permit the ATC, or any part thereof to be used by others.

(b) This Contract is solely for the benefit of the parties hereto and is not intended to and shall not be deemed to create or grant any rights, contractual or otherwise, to any third person or entity.

SECTION 20

NOTICES

Any notice, payment, statement, or demand required or permitted to be given by either party to the other may be effected by personal delivery, actual receipt via regular mail, postage prepaid, return receipt requested. Mailed notices shall be addressed to the parties at the addresses appearing below, but each party may change its address by written notice in accordance with this section.

If intended for the TOWN, to:

Wesley S. Pierson
City Manager
Town of Addison
P.O. Box 9010
Addison, TX 75001-9010

If intended for WTT, to:

Shane Peterman
Producing Artistic Director
WaterTower Theatre, Inc.
15650 Addison Road
Addison, TX 75001

SECTION 21

APPROVALS

(a) Whenever in this Agreement the approval of the TOWN is required for any purpose, WTT shall file the appropriate documents with the Manager with notice of action proposed to be taken, and the Manager agrees to notify WTT of the TOWN's approval or disapproval within 60 days of the filing thereof.

(b) Approval shall be by the City Council of the TOWN where required by the Charter of the TOWN. The City Manager may delegate approval authority to the facilities manager or his authorized representatives where permitted by the Charter of the TOWN or ordinances, and notify WTT of such delegation.

SECTION 22

SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and inure to the benefit of the TOWN and WTT and their respective successors and permitted assigns.

SECTION 23

APPLICABLE LAWS

This Agreement is made subject to the charter and ordinances of the TOWN, as amended, and all applicable laws and regulations of the State of Texas and the United States. The Agreement

shall be governed by and construed under and in accordance with the laws of the State of Texas without reference to the choice of laws rules of any jurisdiction.

SECTION 24

INTELLECTUAL PROPERTY AND COPYRIGHT INDEMNIFICATION

WTT ASSUMES FULL RESPONSIBILITY FOR COMPLYING WITH ALL UNITED STATES LAWS AND TREATY TERMS PERTAINING TO INTELLECTUAL PROPERTY ISSUES AND ANY APPLICABLE REGULATIONS, INCLUDING BUT NOT LIMITED TO THE ASSUMPTION OF ALL RESPONSIBILITIES FOR PAYING ALL ROYALTIES WHICH ARE DUE FOR THE USE OF DOMESTIC OR FOREIGN COPYRIGHTED WORKS IN WTT'S PERFORMANCES, TRANSMISSIONS OR BROADCASTS, AND WTT AGREES TO DEFEND, INDEMNIFY, AND HOLD HARMLESS THE TOWN, ITS OFFICERS, EMPLOYEES, AND AGENTS, FOR ANY CLAIMS OR DAMAGES (INCLUDING BUT NOT LIMITED TO COURT COSTS AND REASONABLE ATTORNEY'S FEES) GROWING OUT OF WTT'S INFRINGEMENT OR VIOLATION OF ANY STATUTE, TREATY TERM OR REGULATION APPLICABLE TO INTELLECTUAL PROPERTY RIGHTS, INCLUDING BUT NOT LIMITED TO COPYRIGHTS.

SECTION 25

NO PARTNERSHIP OR JOINT VENTURE

Nothing contained in this Agreement shall be deemed to constitute the TOWN and WTT as partners or joint venturers with each other.

SECTION 26

NO WAIVER

No waiver by the TOWN of any default or breach of any term, covenant, or condition of this Agreement by WTT shall be treated as a waiver of any subsequent default or breach of the same or any other term, covenant, or condition of this Agreement.

SECTION 27

FORCE MAJEURE

If the ATC or any portion of it shall be destroyed or damaged by fire or any other calamity so as to prevent the use of the premises for the purposes and during the periods specified in this Agreement, or the use of the ATC by WTT is prevented by act of God, strike or lockout against the TOWN, WTT or any third party, material or labor restrictions by any governmental authority, civil riot, flood or other cause beyond the control of the TOWN, then, depending on the extent of damage to the ATC, the TOWN shall notify WTT as soon as reasonably practical, that the parties shall be excused from performance of the Agreement for such period of time as is reasonably necessary to remedy the effects of the occurrence and, at the option of the TOWN, this Agreement shall terminate and the TOWN shall not be liable for any claim by WTT for damage or loss by reason of termination. If the performance of this agreement for the reasons identified above is

prohibited for a period of one hundred eighty (180) days or longer, then WTT shall have the right to terminate.

SECTION 28

VENUE

The obligations of the parties under this Agreement are performable in Dallas County, Texas, and if legal action is necessary to enforce them, exclusive venue shall lie in Dallas County, Texas.

SECTION 29

LEGAL CONSTRUCTION

In the case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable, it shall not affect any other provision thereof and this Agreement shall be considered as if such invalid, illegal, or unenforceable provision had never been contained in this Agreement.

SECTION 30

SIGNAGE

WTT shall not place or permit to be placed on the exterior of the ATC, or the door, window or roof thereof, or on any display window space, or within five feet behind the storefront of the ATC, if visible from the common area, any sign, plaque, decoration, lettering, advertising matter or descriptive material without the TOWN's prior written approval. All signs, decorations, lettering, advertising matter or other items used by WTT and approved by the TOWN as aforesaid shall conform with the standards of design, motif, and decor from time to time established by the TOWN for the ATC. WTT shall furnish to the Manager a written proposal describing any signage to be placed in the ATC. The Manager agrees to respond within fourteen (14) days in writing to the proposal.

SECTION 31

USE OF THE ROOF

WTT shall not attach to or construct on or penetrate the roof of the ATC without the prior written consent of the City Manager.

SECTION 32

SOVEREIGN IMMUNITY

The parties agree that the TOWN has not waived its sovereign immunity by entering into and performing its obligations under this Agreement.

SECTION 33

DISPUTE RESOLUTION

Pursuant to subchapter I, Chapter 271, TEXAS LOCAL GOVERNMENT CODE, WTT agrees that, prior to instituting any lawsuit or other proceeding arising from any dispute or claim of breach under this Agreement (a "Claim"), the parties will first attempt to resolve the Claim by taking the following steps: (i) A written notice substantially describing the factual and legal basis of the Claim shall be delivered by WTT to the TOWN within one-hundred eighty (180) days after the date of the event giving rise to the Claim, which notice shall request a written response to be delivered to WTT not less than fourteen (14) business days after receipt of the notice of Claim; (ii) if the response does not resolve the Claim, in the opinion of WTT, WTT shall give notice to that effect to the TOWN whereupon each party shall appoint a person having authority over the activities of the respective parties who shall promptly meet, in person, in an effort to resolve the Claim; (iii) if those persons cannot or do not resolve the Claim, then the parties shall each appoint a person from the highest tier of managerial responsibility within each respective party, who shall then promptly meet, in person, in an effort to resolve the Claim.

SECTION 34

NO BOYCOTT ISRAEL

Pursuant to Texas Government Code Chapter 2270, WTT's execution of this Agreement shall serve as verification that WTT does not presently boycott Israel and will not boycott Israel during the term of this Agreement.

EXECUTED _____, but effective as of October 1, 2021 as approved by the parties hereto.

TOWN OF ADDISON, TEXAS

WATERTOWER THEATRE, INC.

By: _____
Wesley S. Pierson, City Manager

DocuSigned by:
By: Shane Peterman
Shane Peterman, Producing Artistic Director

ATTEST:
By: _____
Irma Parker, City Secretary

ATTEST:
By: _____
Its: _____

EXHIBIT A ADDISON THEATRE CENTRE

Theatre Map of Space Rented Monthly

- WTT Administrative Offices
- ATC Administrative Offices
- Available to Theatre Rental Groups
- Common Areas

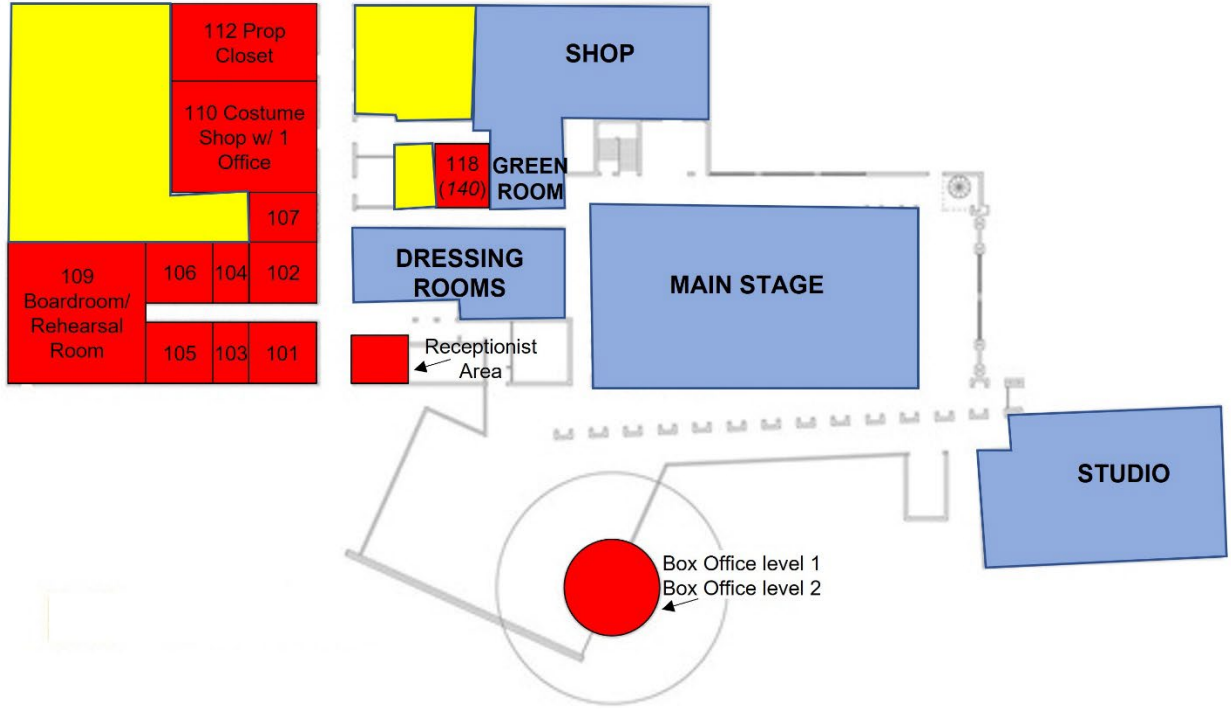


EXHIBIT B**Approved WTT 2021-2022 Season Calendar****Main Stage****Show 1 – The Taming**

12 Shows (Video-On-Demand TBA)

Load In: 9/13/21-9/19/21*
 Rehearsal: 9/20/21-10/9/21
 Tech: 10/10/21-10/12/21
 Performances: 10/13/21-10/24/21
 Strike: 10/25/21-10/27/21

*Addison Oktoberfest takes place 9/16/21-9/19/21, with set-up for spaces inside of the Addison Theatre Centre beginning as early as 9/15/21. The Studio Theatre, 1st and 2nd floor lobbies, Green Room and all Dressing Rooms will be in use during these dates and WTT will have a limited number of parking passes for these dates.

Show 2 - TBA

Video-On-Demand only

Load In: 11/1/21-11/7/21
 Rehearsal: 11/8/21-11/15/21
 Tech: 11/16/21-11/18/21
 Shoot: 11/19/21-11/21/21
 Audio: 11/22/21 (location TBA)
 Strike: 11/22/21-11/24/21

Show 3 - Ella Interactive

6 Shows and Video-On-Demand

Load In: 12/6/21-12/8/21
 Performances: 12/9/21-12/12/21
 Strike: 12/13/21-12/15/21

Show 4 – The Odd Couple

12 Shows

Load In: 2/28/22-3/6/22
 Rehearsal: 3/7/22-3/26/22
 Tech: 3/27/22-3/29/22
 Performances: 3/30/22-4/10/22
 Strike: 4/11/22-4/13/22

Show 5 – A Gentleman’s Guide to Love and Murder

12 Shows

Load In: 6/13/22-6/20/22
 Rehearsal: 6/21/22-7/15/22*
 Tech: 7/16/22-7/19/22
 Performances: 7/20/22-7/31/22
 Strike: 8/1/22-8/5/22

*Addison Kaboom Town! takes place 7/3/22, with set-up for spaces inside of the Addison Theatre Centre beginning 7/1/22. The Studio Theatre, 1st and 2nd floor lobbies, Green Room and all Dressing Rooms will be in use during these dates and WTT will have a limited number of parking passes for these dates.

Freedom Summer Workshop

Load In: 8/15/22
 Rehearsal: 8/15/22-8/19/22
 Performances: 8/20/22

EXHIBIT C

WTT RATE SHEET

WTT ADMINISTRATIVE OFFICES, FURNITURE & FURNISHINGS RENTAL

\$1,200.00 per month

WTT TELEPHONE SERVICE FEE

\$400.00 per month

USE OF SPACE DEFINITIONS

Performance Day = Anytime an audience is in attendance, including preview and invited dress, or anytime filming occurs.

Production Day = Build, tech, rehearsal, strike, reconfigure space, education, or any other use.

Dark Day = Any day the space is occupied by WTT scenery or equipment and cannot be rented.

MAIN STAGE

WTT Performance Rate	\$300.00 per day
WTT Production Rate	\$200.00 per day
WTT Dark Day Rate	\$100.00 per day

STUDIO THEATRE

WTT Performance Rate	\$150.00 per day
WTT Production Rate	\$100.00 per day
WTT Dark Day Rate	\$ 50.00 per day

STONE COTTAGE

WTT Rental Rate	\$100.00 per day
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EXHIBIT D



EXHIBIT D

ADA Seating Policy

In the Main Stage Theatre, Row Q is specifically set aside for mobility impaired* patrons and their companions. Row Q can seat 5 wheelchairs with 5 companion seats next to them in accordance with ADA code. Additional wheelchair companions will be offered seating as close to Row Q as possible. All but one pair (a wheelchair space and a companion) of Row Q seats that have not been reserved will be released for general admission sales after the house has reached sold out. Sold out is defined as 95% of all seats occupied in the house. Anytime Row Q seats are sold to non-wheelchair patrons they will be informed that if a wheelchair patron should need that seat they will be relocated to a different seat within the theatre. The last wheelchair and companion pair may not be released to general admission sales until 15 minutes prior to curtain.

In the Studio Theatre there will be 8 seats (4 wheelchairs spaces and 4 companion seats) on the front row marked for mobility impaired* patrons, in accordance with ADA code. As the Studio Theatre is general admission, seats will not be put in the empty wheelchair space or be released to non-wheelchair patrons until all other seats have been filled or 15 minutes prior to curtain, whichever comes first.

In the Stone Cottage Theatre there will be 4 seats (2 wheelchairs spaces and 2 companion seats) on the front row marked for mobility impaired* patrons, in accordance with ADA code. As the Stone Cottage Theatre is general admission, seats will not be put in the empty wheelchair space or be released to non-wheelchair patrons until all other seats have been filled or 15 minutes prior to curtain, whichever comes first.

In the event patrons in the Main Stage Theatre purchase tickets online for seats in Row Q when one in their party is not mobility impaired, an immediate investigation will commence. The FOH Supervisor or House Manager on duty will find out the purchaser's name and ask how they purchased their tickets. If the tickets were transferred from a mobility impaired person, the investigation will come to a close. If the tickets were purchased online by a non-mobility impaired person, the patron will have committed a crime. The patron will be issued a verbal warning and moved to seats elsewhere in the theatre, if available. Any subsequent infractions by the patron will result in reporting the patron to the proper authorities and the patron's party will be moved to seats elsewhere in the theatre.

*Mobility Impaired, for the purposes of this policy, is defined as confined to a wheelchair or scooter. The patron may choose to transfer from a wheelchair into a seat provided. Those using walkers, canes and crutches are not considered mobility impaired but exceptions can be made by the house manager to allow these patrons ground row seating if it is available.

Updated August 18, 2016

EXHIBIT E

WTT Inventory of Furniture Rental Items

These items are owned by the Town and rented to WTT on a monthly basis as outlined within the Use Agreement.

Room 102

- 66" yellow table

Room 111

- Above desk hutch

Receptionist Area

- Black desk and above desk hutch

Council Meeting

4.

Meeting Date: 09/28/2021

Department: Finance

Pillars: Gold Standard in Financial Health

Milestones: Continue development and implementation of Long Term Financial Plan

AGENDA CAPTION:

Present, Discuss, and Consider Action on an **Ordinance to Amend the Town's Annual Budget for the Fiscal Year Ending September 30, 2021.**

BACKGROUND:

The Fiscal Year (FY) 2021 budget was adopted by Council on September 8, 2020. This is the second amendment for the FY2021 Town of Addison annual budget.

Each year, the Finance Department reviews the budget to determine which items should be recognized with formal budget amendments. When budget variances occur that are outside of the authority of the City Manager, these adjustments are presented to the Council in the form of a budget amendment.

Major items include:

General Fund

- An amendment is needed for the Council Special Projects, City Manager's Office, General Services, and Emergency Communications Departments in the General Fund. On June 22, 2021 the Council approved additional funding of up to \$72,000 to Metrocrest Services to respond to the COVID-19 pandemic. This amendment appropriates this \$72,000 in the Council Special Projects Department. An additional appropriation of \$25,000 is needed in the City Manager's Office to provide funding for salary increases not included in the original budget. An additional appropriation of \$5,000 is needed in the Emergency Communications due to communications expenditures slightly exceeding the original budget. An additional appropriation of \$500,000 is needed in the General Services Department to provide seed money for a newly created Facility Maintenance Fund. This plan was a part of the Fiscal Year 2022 budget process to provide ongoing funding for the maintenance of Town facilities. These additional appropriations are offset by increased Sales Tax Revenue of \$602,000 resulting in a net impact of \$0.

- Additionally, this budget amendment authorizes the City Manager to transfer unexpended appropriations and excess revenue from the Fiscal Year 2020-2021 budget to the Self-Funded Projects Fund. The amount of this transfer (if applicable) will be known in late November 2021 after the Town has recorded all revenues and expenditures for Fiscal Year 2020-2021. Utilizing this method to provide funding to the Self-Funded Special Projects Fund was discussed during the Fiscal Year 2021-2022 budget process to eliminate budgeted transfers and the appearance of deficit budgeting. The Fiscal Year 2020-2021 estimate included in the Fiscal Year 2021-2022 budget included an additional transfer amount of \$789,050.

Airport Fund

- An additional appropriation of \$250,000 is needed in the Airport Fund to provide seed money for a newly created Facility Maintenance Fund. This plan was a part of the Fiscal Year 2022 budget process to provide ongoing funding for the maintenance of Town facilities. These additional appropriations are offset by increased Fuel Flowage Fee Revenue of \$250,000 resulting in a net impact of \$0.

Utility Fund

- An additional appropriation of \$250,000 is needed in the Utility Fund to provide seed money for a newly created Facility Maintenance Fund. This plan was a part of the Fiscal Year 2022 budget process to provide ongoing funding for the maintenance of Town facilities. These additional appropriations are offset by a corresponding decreased appropriation in Water Purchases of \$250,000 resulting in a net impact of \$0.

Facility Maintenance Fund

- The proposed budget amendment recognizes \$1,000,000 in Service Fee Revenue in this newly created fund from the General Fund (\$500,000), the Airport Fund (\$250,000), and the Utility Fund (\$250,000).

Debt Service Fund

- An amendment is needed in the Debt Service Fund to recognize the bond proceeds and refunding cost associated with the 2021 General Obligation Taxable Refunding Bonds in the amount of \$4,315,000. The transaction created approximately \$1.5 million in total interest savings over the remaining life of the debt. The net impact to the fund is \$0.

Grant Fund

- An amendment is needed in the Grant Fund to recognize revenue and associated expenditures associated with CARES Act funding received from Dallas County in the amount of \$665,000. The net impact to the fund is \$0.

Fund	Impact on Budgeted Expenditures	Impact on Budgeted Revenues	Impact on Fund Balance
General Fund	\$602,000	(\$602,000)	\$0
Airport Fund	\$250,000	(\$250,000)	\$0
Utility Fund	\$0	(\$0)	\$0
Facility Maintenance Fund	\$0	(\$1,000,000)	\$1,000,000
Debt Service Fund	\$4,315,000	(\$4,315,000)	\$0
Grant Fund	\$665,000	(\$665,000)	\$0

The attachments reflect the proposed budget changes by fund in the ordinance and budget amendment summary.

RECOMMENDATION:

Administration recommends approval.

Attachments

Ordinance - Fiscal Year 2021 Year-End Budget Amendment
Presentation - Fiscal Year 2021 Year-End Budget Amendment

ORDINANCE NO. _____

AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS AMENDING THE ANNUAL BUDGET FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2021 TO PROVIDE FUNDING FOR THE CREATION OF A FACILITY MAINTENANCE FUND; METROCREST SERVICES; SALARIES IN THE CITY MANAGER’S OFFICE; CONTRACTUAL SERVICES FOR EMERGENCY COMMUNICATIONS; 2021 GENERAL OBLIGATION TAXABLE REFUNDING BONDS; AND CARES ACT GRANT; PROVIDING THAT EXPENDITURES SHALL BE MADE IN ACCORDANCE WITH SAID BUDGET AS AMENDED; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on September 8, 2020, the City Council of the Town of Addison, Texas (the “City”) adopted a budget for the City for the fiscal year beginning October 1, 2020 and ending September 30, 2021 as set forth in Ordinance No. 020-40 of the City; and

WHEREAS, Section 5.08 of the City Charter provides that the budget may be amended or changed, under conditions which may arise and which could not reasonably have been foreseen in the normal process of planning the budget, to provide for any additional expense in which the general welfare of the citizenry is involved, that such amendments shall be by Ordinance, and that they shall become an attachment to the original budget; and

WHEREAS, Section 102.010 of the Texas Local Government Code authorizes the City Council to make changes in the adopted budget for municipal purposes, and the changes to the budget made herein are for municipal purposes; and

WHEREAS, this amendment and changes to the City’s 2020-2021 budget made herein are as a result of conditions that have arisen and could not reasonably have been foreseen in the normal process of planning the budget, provide for additional expenses in which the general welfare of the citizenry is involved, and the City Council finds that the amendments provided for herein are of a serious public necessity and an urgent need for the City.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

SECTION 1. The above and foregoing recitals are true and correct and are incorporated herein and made a part of this Ordinance.

SECTION 2. In accordance with Section 5.08 of the City Charter, Ordinance No. 020-40 of the Town of Addison, Texas (the “City”) adopting the 2020-21 annual budget, is hereby amended to: (a) allocate \$500,000 from the General Fund to transfer to the Facility Maintenance Fund, \$25,000 in the City Manager’s Office for salaries, \$72,000 in Council Special Projects for Metrocrest Services, and \$5,000 for contractual services in Emergency Communications all of which is offset by an increase of \$602,000 in Sales Tax revenue; (b) allocate \$250,000 from the Airport Fund to transfer to the Facility Maintenance Fund offset by an increase of \$250,000 in Fuel Flowage Fee revenue; (c) allocate \$250,000 from the Utility Fund to transfer to the Facility Maintenance Fund offset by an reduction of \$250,000 in Water Purchases; (d) allocate \$4,315,000 from the Debt Service Fund for the 2021 General Obligation Taxable Refunding Bonds offset by

OFFICE OF THE CITY SECRETARY

ORDINANCE NO. _____

bond proceeds from the same transaction in the amount of \$4,315,000; and (f) allocate \$665,000 in the Grant Fund for expenditures related to CARES Act funding received from Dallas County which is offset by the revenue in the amount of \$665,000 all as detailed on **EXHIBIT A**, attached hereto and incorporated herein.

SECTION 3. Specific authority is given to the City Manager to authorize transfers from the General Fund to the Self-Funded Special Projects Fund of unexpended appropriations and excess revenue for the Fiscal Year 2020-2021.

SECTION 4. This Ordinance shall take effect upon its passage and approval.

DULY RESOLVED AND ADOPTED by the City Council of the Town of Addison, Texas on this **28th** day of **SEPTEMBER 2021**.

TOWN OF ADDISON, TEXAS

Joe Chow, Mayor

ATTEST:

APPROVED AS TO FORM:

Irma Parker, City Secretary

Whitt Wyatt, City Attorney

EXHIBIT A

**TOWN OF ADDISON
GENERAL FUND BY CATEGORY
FY2020-21**

	<u>Current</u>		<u>Revised</u>
	<u>Budget</u>	<u>Amendment</u>	<u>Budget</u>
BEGINNING BALANCES	\$ 20,134,439	\$ -	\$ 20,134,439
REVENUES:			
Ad valorem Taxes	\$ 19,425,398	\$ -	\$ 19,425,398
Non-Property Taxes	13,954,766	602,000	14,556,766
Franchise Fees	2,260,000	-	2,260,000
Licenses and Permits	1,142,550	-	1,142,550
Service Fees	1,970,276	-	1,970,276
Fines and Penalties	260,000	-	260,000
Rental Income	8,500	-	8,500
Interest and Other Income	328,000	-	328,000
TOTAL OPERATIONAL REVENUE	<u>\$ 39,349,490</u>	<u>\$ 602,000</u>	<u>\$ 39,951,490</u>
TOTAL REVENUES	<u>\$ 39,349,490</u>	<u>\$ 602,000</u>	<u>\$ 39,951,490</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 59,483,929</u>	<u>\$ 602,000</u>	<u>\$ 60,085,929</u>
EXPENDITURES:			
Personnel Services	\$ 25,457,989	\$ 25,000	\$ 25,482,989
Supplies	1,547,943	-	1,547,943
Maintenance	3,609,469	5,000	3,614,469
Contractual Services	7,289,332	72,000	7,361,332
Capital Replacement / Lease	1,423,868	500,000	1,923,868
Capital Outlay	-	-	-
TOTAL OPERATIONAL EXPENDITURES	<u>\$ 39,328,602</u>	<u>\$ 602,000</u>	<u>\$ 39,930,602</u>
Transfer to Self-Funded Projects Fund	710,950	-	710,950
Transfer to Streets Capital Projects Fund	-	-	-
Transfer to Infrastructure Investment Fund	-	-	-
TOTAL EXPENDITURES	<u>\$ 40,039,552</u>	<u>\$ 602,000</u>	<u>\$ 40,641,552</u>
ENDING FUND BALANCES	<u>\$ 19,444,377</u>	<u>\$ -</u>	<u>\$ 19,444,377</u>
Fund Balance Percentage	49.4%		48.7%

**TOWN OF ADDISON
AIRPORT FUND
FY2020-21**

	Current Budget	Amendment	Revised Budget
BEGINNING WORKING CAPITAL	\$ 6,134,545	\$ -	\$ 6,134,545
REVENUES:			
Intergovernmental	\$ 50,000	\$ -	\$ 50,000
Service Fees	783,150	250,000	1,033,150
Rental Income	4,305,960	-	4,305,960
Interest and Other Income	50,000	-	50,000
TOTAL OPERATIONAL REVENUE	<u>\$ 5,189,110</u>	<u>\$ 250,000</u>	<u>\$ 5,439,110</u>
TOTAL REVENUES	<u>\$ 5,189,110</u>	<u>\$ 250,000</u>	<u>\$ 5,439,110</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 11,323,655</u>	<u>\$ 250,000</u>	<u>\$ 11,573,655</u>
EXPENSES:			
Personnel Services	\$ 2,157,056	\$ -	\$ 2,157,056
Supplies	61,900	-	61,900
Maintenance	479,730	-	479,730
Contractual Services	1,309,914	-	1,309,914
Capital Replacement / Lease	230,958	250,000	480,958
Debt Service	819,647	-	819,647
TOTAL OPERATIONAL EXPENSES	<u>\$ 5,059,205</u>	<u>\$ 250,000</u>	<u>\$ 5,309,205</u>
One-Time Decision Packages	51,000	-	51,000
Capital Projects (Cash Funded)			
Customs Facility	1,565,411	-	1,565,411
Bravo/Golf Taxiway Improvements	20,000	-	20,000
Facility Repairs and Improvements	427,000	-	427,000
ADA Repairs and Improvements	31,500	-	31,500
TOTAL EXPENSES	<u>\$ 7,154,116</u>	<u>\$ 250,000</u>	<u>\$ 7,404,116</u>
ENDING WORKING CAPITAL	<u>\$ 4,169,539</u>	<u>\$ -</u>	<u>\$ 4,169,539</u>
Working Capital Percentage	82.4%		78.5%

**TOWN OF ADDISON
UTILITY FUND
FY2020-21**

	Current Budget	Amendment	Revised Budget
BEGINNING WORKING CAPITAL	\$ 6,383,618	\$ -	\$ 6,383,618
REVENUES:			
Water Sales	\$ 7,502,499	\$ -	\$ 7,502,499
Sewer Charges	6,270,477	-	6,270,477
Tap Fees & Other	20,500	-	20,500
Penalties	75,000	-	75,000
Fines and Penalties	-	-	-
Rental Income	-	-	-
Interest and Other Income	105,500	-	105,500
TOTAL OPERATIONAL REVENUE	<u>\$ 13,973,976</u>	<u>\$ -</u>	<u>\$ 13,973,976</u>
TOTAL REVENUES	<u>\$ 13,973,976</u>	<u>\$ -</u>	<u>\$ 13,973,976</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 20,357,594</u>	<u>\$ -</u>	<u>\$ 20,357,594</u>
EXPENSES:			
Personnel Services	\$ 2,318,042	\$ -	\$ 2,318,042
Supplies	216,281	-	216,281
Maintenance	650,623	-	650,623
Contractual Services		-	
Water Purchases	3,652,672	(250,000)	3,402,672
Wastewater Treatment	3,746,596	-	3,746,596
Other Services	1,385,463	-	1,385,463
Capital Replacement / Lease	340,797	250,000	590,797
Debt Service	1,517,931	-	1,517,931
Capital Outlay	65,000	-	65,000
TOTAL OPERATIONAL EXPENSES	<u>\$ 13,893,405</u>	<u>\$ -</u>	<u>\$ 13,893,405</u>
One-Time Decision Packages	350,000	-	350,000
Capital Projects (Cash Funded)			
Water System Improvements	138,000	-	138,000
Chlorine Booster Station	25,000	-	25,000
TOTAL EXPENSES	<u>\$ 14,406,405</u>	<u>\$ -</u>	<u>\$ 14,406,405</u>
ENDING WORKING CAPITAL	<u>\$ 5,951,189</u>	<u>\$ -</u>	<u>\$ 5,951,189</u>
Working Capital Percentage	42.8%		42.8%

**TOWN OF ADDISON
FACILITY MAINTENANCE FUND
FY2020-21**

	Current Budget	Amendment	Revised Budget
WORKING CAPITAL	\$ -	\$ -	\$ -
REVENUES:			
Service Fees	\$ -	\$ 1,000,000	\$1,000,000
TOTAL OPERATIONAL REVENUE	\$ -	\$ 1,000,000	\$1,000,000
TOTAL REVENUES	\$ -	\$ 1,000,000	\$1,000,000
TOTAL AVAILABLE RESOURCES	\$ -	\$ 1,000,000	\$1,000,000
EXPENSES			
TOTAL EXPENSES	\$ -	\$ -	\$ -
ENDING WORKING CAPITAL	\$ -	\$ 1,000,000	\$1,000,000
Working Capital Percentage	0.0%	0.0%	0.0%

**TOWN OF ADDISON
GRANT FUNDS
FY2020-21**

	Current Budget	Amendment	Revised Budget
BEGINNING BALANCES	\$ 49,251	\$ -	\$ 49,251
REVENUES:			
Intergovernmental	\$ 8,100	\$ 665,000	\$ 673,100
Interest and Other Income	400	-	400
TOTAL OPERATIONAL REVENUE	<u>\$ 8,500</u>	<u>\$ 665,000</u>	<u>\$ 673,500</u>
TOTAL REVENUES	<u>\$ 8,500</u>	<u>\$ 665,000</u>	<u>\$ 673,500</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 57,751</u>	<u>\$ 665,000</u>	<u>\$ 722,751</u>
EXPENDITURES:			
Contractual Services	\$ 13,700	\$ 665,000	\$ 678,700
TOTAL OPERATIONAL EXPENDITURES	<u>\$ 13,700</u>	<u>\$ 665,000</u>	<u>\$ 678,700</u>
TOTAL EXPENDITURES	<u>\$ 13,700</u>	<u>\$ 665,000</u>	<u>\$ 678,700</u>
ENDING FUND BALANCES	<u>\$ 44,051</u>	<u>\$ -</u>	<u>\$ 44,051</u>
Fund Balance Percentage	321.5%		6.5%

**TOWN OF ADDISON
GENERAL OBLIGATION DEBT SERVICE FUND
FY2020-21**

	Current Budget	Amendment	Revised Budget
BEGINNING BALANCES	\$ 6,335	\$ -	\$ 6,335
REVENUES:			
Ad valorem Taxes	\$ 7,915,707	\$ -	\$ 7,915,707
Interest and Other Income	16,000	-	16,000
TOTAL OPERATIONAL REVENUE	<u>\$ 7,931,707</u>	<u>\$ -</u>	<u>\$ 7,931,707</u>
OTHER SOURCES:			
Bond Proceeds	-	4,315,000	4,315,000
TOTAL REVENUES	<u>\$ 7,931,707</u>	<u>\$ 4,315,000</u>	<u>\$ 12,246,707</u>
EXPENDITURES:			
Contractual Services	5,000	-	5,000
Debt Service	7,643,653	-	7,643,653
TOTAL OPERATIONAL EXPENDITURES	<u>\$ 7,648,653</u>	<u>\$ -</u>	<u>\$ 7,648,653</u>
OTHER USES:			
Refunding Cost	-	4,315,000	4,315,000
TOTAL EXPENDITURES	<u>\$ 7,648,653</u>	<u>\$ 4,315,000</u>	<u>\$ 11,963,653</u>
ENDING FUND BALANCES	<u>\$ 289,389</u>	<u>\$ -</u>	<u>\$ 289,389</u>
Fund Balance Percentage	3.8%		3.8%

FY2021 End of Year Budget Amendment

The logo for Addison, featuring the word "ADDISON" in a bold, blue, sans-serif font centered within a white circle. The circle is set against a blue background that is part of a larger graphic design on the right side of the slide, which includes diagonal lines and a grey triangle in the top right corner.

ADDISON

Regular amendments are an accepted practice

- Represents active monitoring and management of fiscal affairs
- Mitigates impact of changes in circumstances
- Transparency

Town's budget amendment policy:

- Transfers between accounts in a department with approval of Chief Financial Officer (CFO)
- Transfers between departments of less than 5% change with approval of City Manager
- Transfers between funds or more than 5% change must be approved by City Council

Revenues

- Sales Tax Revenue = \$602,000

Expenses

- Council Special Projects Department additional funding for Metrocrest Services = \$72,000
- City Manager's Department salaries = \$25,000
- Emergency Communications Department communications services = \$5,000
- General Services Department Facility Maintenance Fund seed money = \$500,000

- This budget amendment also authorizes the City Manager to transfer unexpended appropriations and excess revenue from the Fiscal Year 2020-2021 budget to the Self-Funded Special Projects Fund.
- The amount of this transfer (is applicable) will be known in late November 2021 after the Town has recorded all revenues and expenditures for Fiscal Year 2020-2021.
- Utilizing this method to provide funding to the Self-Funded Special Projects Fund was discussed during the Fiscal Year 2021-2022 budget process to eliminate budgeted transfers and the appearance of deficit budgeting. The Fiscal Year 2020-2021 estimate included in the Fiscal Year 2021-2022 budget included an anticipated additional transfer amount of \$789,050.

Revenues

- Fuel Flowage Fees = \$250,000

Expenses

- Facility Maintenance Fund seed money = \$250,000

Revenues

Expenses

- Facility Maintenance Fund seed money = \$250,000
- Water Purchases = (\$250,000)

Revenues

- Service Fees = \$1,000,000

Expenses

Revenues

- Intergovernmental = \$665,000

Expenses

- Contractual Services = \$665,000

Revenues

- Bond Proceeds = \$4,315,000

Expenses

- Refunding Cost = \$4,315,000

Questions?