



PEROT FIELD



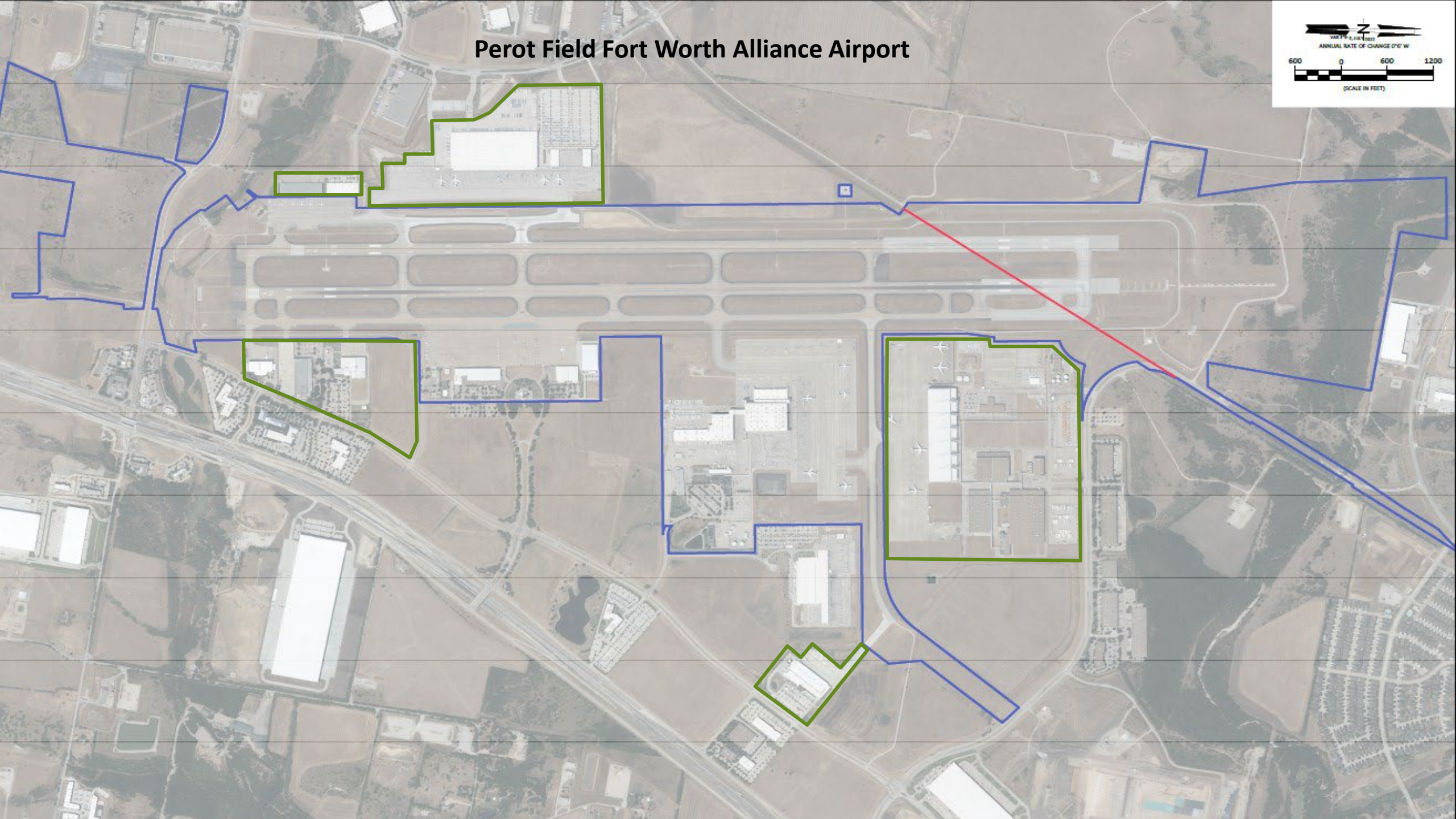
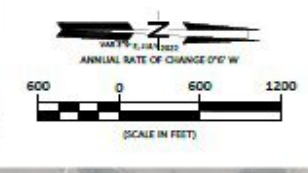
FORT WORTH
ALLIANCE AIRPORT

PROFESSIONAL SERVICES MANAGEMENT AGREEMENT

MANAGEMENT, OPERATION AND MAINTENANCE



Perot Field Fort Worth Alliance Airport



Background Information

- On December 15, 1993, City and Alliance Air Services, Inc. entered into a contract, for the management, operation, and maintenance of Fort Worth Alliance Airport (Agreement)
- The Agreement was later amended six (6) times for a variety of reasons, including the contract's assignment to Alliance Air Management, Ltd.
- The Agreement's original term ended upon the execution of **Amendment No. 6**, effective as of January 1, 2020, which created a new term going out to **December 31, 2050** with an option to renew for an additional ten year period (New Term).
- In 2023, Alliance Air requested the City consider amending the facility requirements outlined in Amendment No. 6 based on:
 - Changes in the economic climate since 2020
 - Substantial rehabilitation costs to an existing facility now home to the new FBO
 - An evaluation of the best potential uses for the Airport and its available space

Amendment No. 6

General Terms and Conditions:

- Alliance Air invest a minimum of \$30 million in a brand-new, state-of-the-art Fixed Base Operations (FBO) facility
- If Alliance Air does not expend the required minimum \$30 million for the new FBO facility and complete it by December 31, 2028, then the New Term would automatically be shortened to December 31, 2033, with 3 optional renewal extensions of 10 years each at the City's discretion
- Reduced Alliance Air's revenue allocation from 75% to 65% and increased the City Airport revenue allocation from 25% to 35%, 10% of which is segregated to be used for capital projects at the Airport

Proposed Revisions to Agreement

Amendment No. 6

Capital Improvements

Requires Alliance Air to design and construct a new Fixed Based Operations (FBO) facility consisting of a newly constructed terminal building with minimum size of 80,000 square feet with an associated minimum spending commitment of **\$30,000,000**.

Revised Facilities Commitment – spending contribution will be no less than \$30M

Capital Improvements

Acknowledges expenses incurred by **Alliance Air to renovate and rehabilitate the building located at 13901 Galaxy Way for the new FBO facility**. The rehabilitated area includes 23,830 square feet of office space for administration/operations, 68,000 square feet of existing hangar space, and 25,000 square feet of aviation support storage, and shop space - **\$18,556,205**

Requires Alliance Air to **design and construct a new hangar** containing in the aggregate approximately 30,000 square feet, which may include office space and aviation support storage; - **\$8,400,000** (estimated)

Requires Alliance Air to **expand the fuel farm facility** to increase fuel storage capacity for Avgas from 10,000 gallons to 20,000 gallons, and Jet A from 20,000 gallons to 40,000 gallons to accommodate future airport development and fuel demand - **\$1,610,000**

Requires Alliance Air to **renovate the former FBO administrative office building to support US Customs and Border Protection Services** personnel and operations - **\$1,800,000** (estimated)

Additional Agreement Details

- Preserves Alliance Air minimum \$30 million capital investment obligation;
- Incorporates all prior amendments to the Agreement;
- Alliance Air's revenue allocation remains 65% and the City Airport revenue allocation at 35%, 10% of which is segregated to be used for capital projects at the Airport
- Removes provisions in the Agreement that are no longer applicable; and
- Revises financial reporting and accounting requirements to align with recommendations from a 2022 audit of the management agreement.

FBO/Aviator Way



Before

FBO/Aviator Way



FBO/Aviator Way

For once you have tasted flight you will walk the earth with your eyes turned skywards for there you have



Before

FBO/Aviator Way



Welcome To
Perot Field Fort Worth

CURRENT CONDITIONS	
44.2°F GROUND TEMPERATURE	5.2 kt WIND SPEED
283° WIND DIRECTION	

 **Alliance**
AVIATION SERVICES

FBO/Aviator Way



FBO/Aviator Way



Before

FBO/Aviator Way

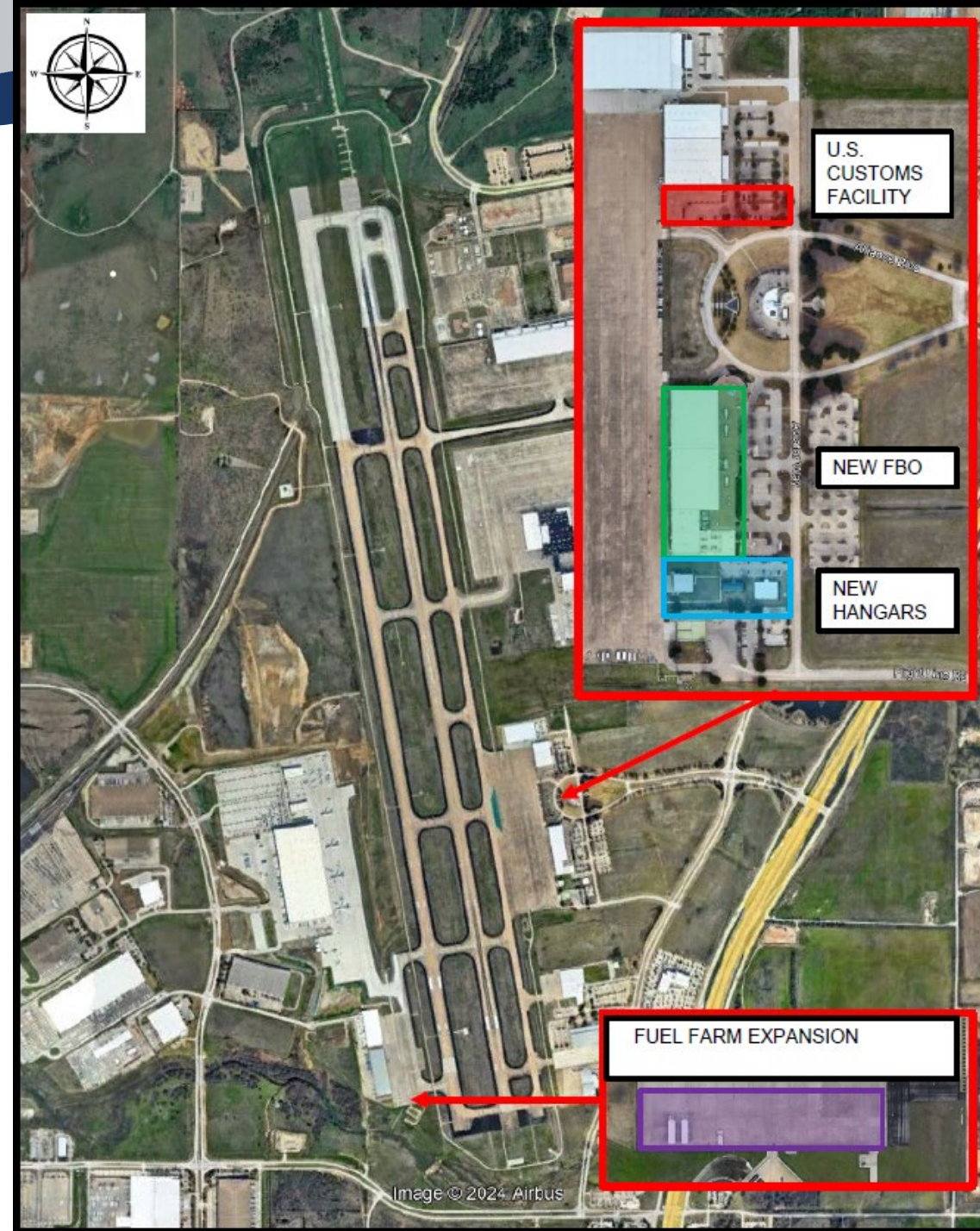


FBO/HANGAR



Benefits of the New Agreement

- Rehabilitates and maximizes the utilization of 116,800 square feet of existing aircraft hangar space, office and administration space, and aviation support and storage space
- Promotes the early development of approximately 30,000 SF of new hangar space
- Expands aviation fuel storage capacity
- Increases airport system revenue (ground lease expansion)
- Provides convenience to those who utilize the services of US Customs and Border Protection
- Improves financial reporting requirements to validate landing fees



Questions

