

12
1997 KELLER SPRINGS TUNNEL
LAND REPLACEMENT
Mel



3015 Raleigh Street • P.O. Box 190369
Dallas, Texas 75219
Phone 214/522-6200
Fax 214/528-4826

April 3, 1997

H.B. Zachry Company
P.O. Box 21130
San Antonio, TX 78221-0130

Attn: Mr. David S. Zachry
Vice President

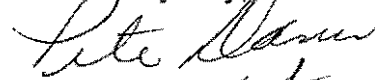
RE: DNT 260 - Addison Airport Toll Tunnel

Gentlemen:

A preconstruction meeting for the above referenced project has been set for 1:30p.m., April 9, 1997 at the offices of the Texas Turnpike Authority (the "TTA"), 3015 Raleigh Street, Dallas, Texas 75219. The purpose of this meeting will be to discuss project management, communications, scheduling, reports, safety, public relations, utilities and other items appropriate to the prosecution of the project. Please have in attendance your project management personnel and all major subcontractors.

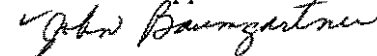
The TTA, by copy of this letter, is notifying and requesting attendance of other parties with interest in the project, namely City of Dallas, Town of Addison, City of Carrollton and utility operators.

Yours very truly,


Pete Davis, P.E.
Director of Engineering

cc: H.B. Zachry, Grand Prairie
Sissy Cylo, City of Carrollton
Sam Wilson, City of Dallas
Ron Whitehead, Town of Addison
Jodie Smith - TU Electric
Howard Lewis - Lone Star Gas
W. D. Shipp - Southwestern Bell

Tommy Kelly, Brown & Root
James W. Griffin
The Ginn Corporation
HDR Engineering
HNTB Corporation

nlg 

MEMBERS: JERE W. THOMPSON, JR., CHAIRMAN, DALLAS • LUTHER G. JONES, JR., VICE CHAIRMAN, CORPUS CHRISTI
ANNE S. WYNNE, AUSTIN • DONNA R. PARKER, FORT WORTH • DAVID M. LANEY, DALLAS • LORRAINE PERRYMAN, ODESSA
TOMAS CARDENAS, JR., EL PASO • DAVID E. BERNSEN, BEAUMONT • LEAHY S. WROTEN, FAIRVIEW • RAUL A. BESTEIRO, JR., BROWNSVILLE
NATHELYNE A. KENNEDY, HOUSTON • DONALD D. DILLARD, DALLAS • JAMES W. GRIFFIN, EXECUTIVE DIRECTOR • JIMMIE G. NEWTON, SECRETARY • SUSAN A. BUSE, TREASURER

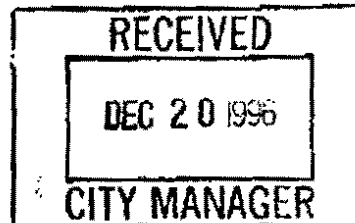
AN AGENCY OF THE STATE OF TEXAS



U.S. Department
of Transportation
**Federal Aviation
Administration**

Southwest Region
Arkansas, Louisiana,
New Mexico, Oklahoma,
Texas

Fort Worth, Texas 76193-0000



December 18, 1996

Mr. Ron Whitehead
City Manager
Town of Addison
P.O. Box 144
Addison, TX 75001-0144

Dear Mr. Whitehead:

This is in response to your letter of December 5, 1996, concerning the Keller Springs Tunnel under Addison Airport.

Your letter of October 13, 1994, offered a frame work under which the Federal Aviation Administration (FAA) could agree to the release of land for the subject project. The land release issue centers on the premise that there is a benefit to civil aviation. As discussed in our meeting of November 21, 1996, and listed below are the requirements for the release of the land. The town of Addison must demonstrate the following:

- a. The land is no longer needed for aeronautical purposes
- b. The airport is receiving the fair market value for the property
- c. The airport has an immediate need that can be accomplished using the sale proceeds

If each of these points can be addressed, the town of Addison will need to formally request approval from the FAA for a release and sale. Your request should cover the following items:

- a. What agreements with the United States obligates the land?
- b. What is requested?
- c. Why the release of obligation is requested?

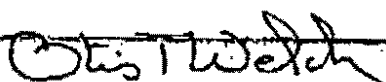
Celebrating 50 Years of Airport Development

2

- d. What facts and circumstances justify the request?
- e. What requirements of state or local law should be considered in the language of an FAA issued document if the request is granted?
- f. What property is involved?
- g. How was the property acquired by the town of Addison?
- h. What is the present condition of the property and how is it used?
- i. How will the property be used?
- j. What is the fair market value (FMV) of the property?
- k. What will be done with the proceeds from the property?
- l. A comparison of the relative advantage or benefit to the airport from the sale of property as opposed to retention for rental income.
- m. Provide a scaled drawing showing all airport property and facilities currently obligated for airport purposes by agreements with the United States. Include the land appraisal for the land you request to be released.

If you have any questions, please call Mr. Charles T. Carroll at (817) 222-5654.

Sincerely,



Otis T. Welch
Manager, Texas Airport
Development Office



ADDISON AIRPORT

December 16, 1996

Mr. Ron Whitehead
City Manager
Town of Addison
P.O. Box 144
Addison, Texas 75001

RE: Letter to the FAA dated December 5, 1996 concerning the Toll Tunnel

Dear Ron:

Upon receipt of your letter to the FAA concerning undeveloped property within the airport, this letter follows with comments on those properties you have identified as available for development. The following lettered items correspond with a photocopied aerial from your letter with matching lettered tracts:

- A. Million Air has a pending lease on this property which they have tried to get through the Airport Board since September. One large multi-storage hangar and some office space is planned for this site. This item has not been placed on an Airport Board agenda for action. This item was tabled at the September Airport Board meeting and no meeting has convened since for action.
- B. This property is already under ground lease. Due to property restriction and access, it is unlikely that this will be able to be developed as aviation.
- C. AATI has an existing ground lease and is seeking an extension to this property. This property has been scheduled for the Airport Board since September. A large multi-storage hangar capable of holding jet aircraft is planned for this site. This item was tabled at the September Airport Board meeting and no meeting has convened since for action.
- D. AATI had a pending lease on this property which we scheduled for the last Airport Board meeting in September. At your insistence, we temporarily withdrew our request to lease this property. This property was planned to have several multi-storage hangars capable of handling corporate aircraft.

- E. Ron Frederick has a pending lease on this property which he tried to get through Airport Board in September. Two large multi-storage hangars for corporate aircraft are planned for this site. This item has not been placed on an Airport Board agenda for action. This item was tabled at the September Airport Board meeting and no meeting has convened since for action.
- F. Half of the indicated area is beyond the building restriction line. As you have outlined, there are two lessees; AATI and KPI. Both AATI and KPI intend to build a large multi-storage hangar beside each other on this site.
- G. This property is used by the second-largest flight school at Addison for aircraft tiedown. Lessee has no intention of building.
- H. This is the new site for the relocation of three Port-o-Ports per conversations with John Baumgartner.
- I. This is the proposed JetCourt development area which we worked unsuccessfully with your staff to attempt to relocate many of the hangars being removed by the Tunnel Project. Additionally, a portion of this property is beyond the building restriction line.
- J. Most of this property is being used for an auto parking area for the South Terminal leasehold. The remaining small undeveloped portion has poor rear access and several encumbrances.
- K. This property is under ground lease with AVGroup to meet the requirements of their FBO and potentially for additional hangar space.
- L. This property is under ground lease with AVGroup to meet the requirements of their Self-Serve FBO.

To the best of my judgment and understanding, all of the identified properties are either pending development or are being used by their lessee in the way they deem the highest and best use for their aviation business. It has always been our intent to develop any properties, however, we have been unable to get the few remaining of these parcels before the Airport Board for approval so development can begin.

Mr. Ron Whitehead
December 16, 1996
Page 3

You also indicated that you have chosen to deal with the "issue of relocating displaced aircraft" by providing these fifty to sixty hangared aircraft with tiedown space. As you know, they were in hangars and moving them to tiedowns will cause many to leave the airport. Hangar space is very tight and the airport can ill afford to lose 15-20% of our hangar storage. This is a very important source of revenue to keep this airport from becoming a burden to other sources of funding support. The sixty airport businesses also rely on these aircraft to support their livelihood.

Finally, you indicated that, because of the contract we have to manage this airport, that you are short of airport funds that could be used to purchase acreage and relocate aircraft. First of all, this is not an airport project and any Tunnel funding should not come out of this account. This Tunnel Project has been the Town of Addison's project from the very beginning to relieve auto traffic on Beltline Road. Either the Texas Turnpike Authority or the Town, not the airport, should fund acreage and hangar replacement. Additionally, there are substantial funds in your airport account. Last year the aircraft owners and airport businesses paid approximately \$700,000 in local ad valorem property taxes on aircraft and airport improvements. This airport has never been a financial burden to the State, Federal, or local government. There is not another general aviation airport in the State of Texas that has contributed or continues to contribute as much financially to the surrounding community or directly to the local taxing authorities such as the Town of Addison. For 40 years, this airport has been a model development for the aviation and business community.

Ron, as you might gather, I am not too pleased to be presented to the FAA as the reason for not being able to meet the terms and conditions agreed upon several years ago. However, it is very simple to regain our support. Do what is right. Do what we agreed upon. I know that we have talked about all the above items with you or your staff before. So, if you have any further questions or concerns about these properties, please call me at 248-7733, extension 103. It may be time again for us to sit down with the FAA to work this out.

Sincerely,



Sam Stuart
President
Addison Airport of Texas, Inc.

Attachment

cc: Otis Welch, FAA
Charles Carroll, FAA
John Baumgartner, TOA



CITY MANAGER'S DEPARTMENT

• (214) 450-7000 • FAX (214) 960-7684

Post Office Box 144 Addison, Texas 75001-0144

5300 Belt Line Road

December 5, 1996

Mr. Otis Welch
Federal Aviation Administration
2601 Meacham Blvd.
Fort Worth, Texas 76137-4298

Re: Keller Springs Tunnel - Addison Airport

Dear Mr. Welch:

Thank you for taking time to meet with us to discuss our airport and the challenges associated with the Texas Turnpike Authority's (TTA) efforts to construct the tunnel under the airport. As we mentioned, the three main issues regarding the airport are compensation to the lease holders, relocation of displaced aircraft, and replacement of land acquired for right-of-way.

Addison is working with the TTA to fairly compensate the parties effected by the tunnel construction. We are negotiating settlements with all of the investors and will provide tie-down space to any displaced aircraft. These efforts are all being accomplished with the funds provided by the TTA to acquire the property for the tunnel.

The remaining issue involves the replacement of land at the airport being used for the tunnel. The TTA is acquiring a total of 3 acres of airport property for right-of-way for the tunnel. Because our current contract with AATI provides us with limited resources to invest in airport improvements, we would propose to replace the 3 acres of property by December 31, 2001.

There are several vacant tracts and two occupied tracts that abut the west side of the airport that the Town is interested in acquiring for airport use (see exhibit I). The Town respectfully requests the FAA consider each of these properties as acceptable replacement land, provided that they total at least three acres and are a minimum of one acre in size.

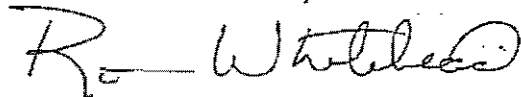
The Town feels that the temporary loss of the three acres will not hinder new development at the airport. Currently, there are approximately 20 acres on the airport available for development (see exhibit I). This property should be sufficient to meet the needs of the aviation community for the next 5 years.

Mr. Otis Welch
Page Two

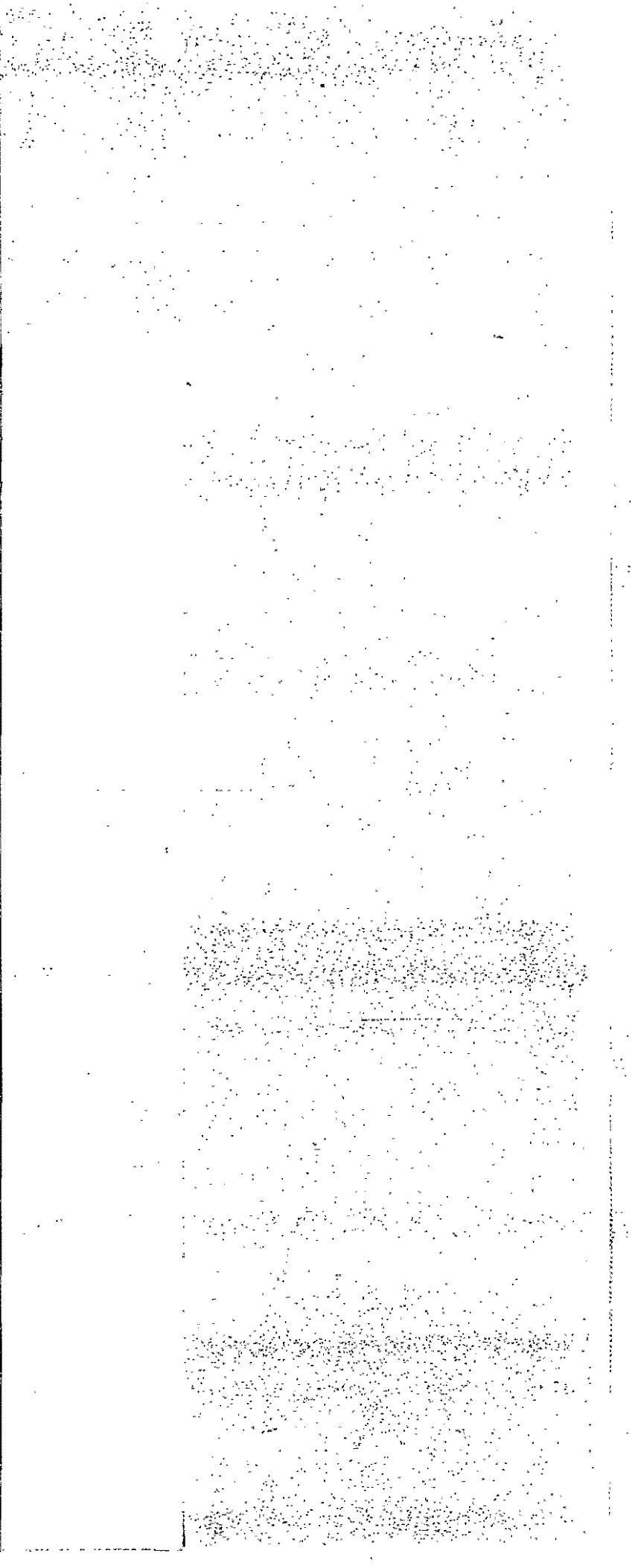
I trust that this adequately explains our plans for the airport to mitigate the impacts from the tunnel project. Should the FAA find this appropriate, we would be happy to develop an agreement to acquire the replacement property.

Please call John Baumgartner (972) 450-2871 if you have any questions or need additional information.

Sincerely,

A handwritten signature in cursive script that reads "Ron Whitehead". The signature is written in dark ink and is positioned above the printed name.

Ron Whitehead
City Manager





CITY MANAGER'S DEPARTMENT

• (214) 450-7000 • FAX (214) 960-7684

Post Office Box 144 Addison, Texas 75001-0144

5300 Belt Line Road

December 5, 1996

Mr. Otis Welch
Federal Aviation Administration
2601 Meacham Blvd.
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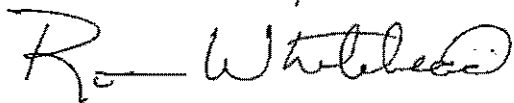
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Mr. Otis Welch
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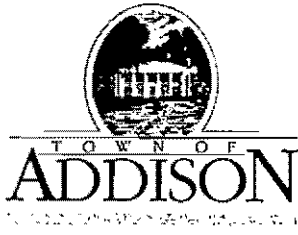
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Sincerely,

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Ron Whitehead
City Manager



PUBLIC WORKS DEPARTMENT

Post Office Box 144 Addison, Texas 75001

(214) 450-2871

16801 Westgrove

November 11, 1996

Certified Mail # 471 492 872

Mr. Sam Stuart
Addison Airport of Texas, Inc.
4505 Claire Chennault
Dallas, Texas 75248

Re: Keller Springs Toll Tunnel - Land Acquisition

Dear Sam:

The Town of Addison and the Texas Turnpike Authority are excited about starting this much needed infrastructure project. We appreciate your assistance in working with us to develop a plan that minimizes the impact to our existing airport tenants.

Unfortunately, the toll tunnel is already behind schedule and the investigation of any new options will delay it even further, therefore, the Town feels the necessity to bring our negotiations to closure and are offering AATI the following to acquire their leasehold interest in the affected property;

1. A lump sum payment of \$390,000 based on the Town/ITA being able to take possession of the property on January 1, 1997 for every month possession is delayed, we would reduce our offer \$9,500;
2. Reimbursement of outside expenses associated with development of the jet court based on invoices received to date in an amount not to exceed \$5,000;
3. An allowance of \$20,000 to provide displaced aircraft free outside tie-down and monthly plane washes until a hangar is available or for a maximum of six months.

We would appreciate your formal response by November 20, 1996. Please call me if you have any questions or need additional information.

Sincerely,

John R. Baumgartner, P.E.
Director of Public Works

Attachments: Property Description

cc: Ron Whitehead