CITY OF FRESNO, CALIFORNIA – DEPARTMENT OF AIRPORTS

MINIMUM STANDARDS FOR FRESNO CHANDLER EXECUTIVE AIRPORT

SECTION 1. PURPOSES OF MINIMUM STANDARDS AND APPLICABILITY

The City of Fresno, California recognizes the prohibition imposed by Section 308 of the Federal Aviation Act against granting an exclusive right to conduct any aeronautical activity at a Public Airport, and recognizes the City has agreed to the same prohibition in its acceptance of airport improvement grants from the Federal Aviation Administration. Moreover, the City wishes that there be healthy competition at the Fresno Chandler Executive Airport, conducted on a level playing field, and wishes that a broad array of high-quality products and services be available at the Airport. The City is publishing these Minimum Standards so that any Entity interested in engaging in any Revenue Generating Aviation Activity at the Airport may know the principles that apply and the requirements that must be met and maintained. Note, however, that it is <u>not</u> the intention of the City to create any private right of action to enforce these Minimum Standards.

These Minimum Standards do <u>not</u> apply to Entities previously authorized to offer or conduct specific Revenue Generating Aviation Activities at, on or from the Airport. The standards each such previously authorized Entity has been meeting shall comprise that Entity's minimum standards and must be maintained by that Entity. However, should any previously authorized Entity be granted authority to engage in additional Revenue Generating Aviation Activities, then, as a condition of such additional authorization, these Minimum Standards shall apply to each and every Business authorized, including the Revenue Generating Aviation Activities previously authorized. Further, these Minimum Standards shall apply to each and every authorized Business, upon any renewal or extension of a previously authorized Entity's Agreement or Lease.

SECTION 2. DEFINITIONS

The following terms shall have the meanings indicated:

Agreement or Lease – a written, enforceable contract, regardless of its duration or term, between the City and an Entity, which authorizes that Entity to engage in some Revenue Generating Aviation Activity at the Airport and/or which may cover that entity's use or occupy of space at the Airport.

Aircraft – are aeronautical vehicles or devices including, but not limited to, powered fixed wing airplanes, rotorcraft, dirigibles and blimps, and non-powered gliders, rotorcraft and balloons.

Aircraft Operation – is any arrival or departure of an Aircraft at the Airport or any Aircraft movement on the AOA.

Aircraft Operations Area or **AOA** – all the runways, taxiways, helipads, Ramps, hold areas and any other area used or intended to be used for the take off or landing or surface maneuvering of Aircraft, or any areas within the perimeter fence and adjacent to surface maneuvering areas.

Airline – an Entity operating Aircraft pursuant to Part 121 or Part 135 of the FARs.

Airport – the Fresno Chandler Executive Airport unless the context indicates Fresno Yosemite International Airport (**FYI**) as well.

Airport Layout Plan or **ALP –** a plan view of an airport, drawn to scale and showing all that airport's aeronautical and other Improvements and projected future Improvements – as amended from time-to-time, and as approved by the FAA.

Airport Master Plan or **Master Plan** – a comprehensive document that considers an airport's history, regional demographic changes, and other relevant factors and trends; then projects traffic and use for the future, then examines the probable noise, environmental and other impacts of same; and, finally, programs an orderly and balanced plan of Airport development to accommodate anticipated demand while minimizing adverse impacts. The major airport land use allocations are illustrated in a complementary ALP.

Airworthy – an Aircraft that is compliant with the FARs and safe to fly.

Business - a Revenue Generating Aviation Activity

City - The City of Fresno, California, a municipal corporation.

Core FBO Services - see FBO below

Department of Airports or **Department -** The City's Department of Airports.

Derelict Aircraft – an Aircraft: that has not been Airworthy for six months or more <u>and</u>: (1) is not in the process of being made Airworthy; or (2) is not in the process of rehabilitation for public display; or (3) has not been specially prepared, treated and preserved for future rehabilitation. An Aircraft will be presumed a Derelict Aircraft if it has not been Airworthy for six months or more and is obviously deteriorating (tires flat and/or drying out or cracking; or rubber drying out and losing resiliency; or paint

oxidizing, crazing and/or flaking off; or Plexiglas discoloring, cracking or crazing; or metal corroding or rusting; or fabric fraying; etc.).

Director of Aviation or **Director** - the individual filling the position of the City's Director of Aviation, or an individual authorized to represent him/her.

Entity - an individual or a firm, corporation, partnership, joint venture or other legal person.

Equipment – all tools, tooling and machinery, together with the supplies and apparatus necessary to properly conduct the Revenue-Generating Aviation Activity authorized.

FAA – the Federal Aviation Administration.

FAR or **FARs** – the then current Federal Air Regulations.

FCH - Fresno Chandler Executive Airport

FCH Environs Specific Plan or FCH Specific Plan - a comprehensive airport planning document that considers the development policies and standards of the City of Fresno General Plan and the Edison Community Plan, including related environmental impact analyses as required by the California Environmental Quality Act or CEQA.

Fixed Base Operator or **FBO** – is an Entity authorized and required to offer, at a minimum, to the operators of based and transient/itinerant personal or business Aircraft up to 12,500# gross weight: (1) retail sales and delivery into-plane of Aircraft fuels, lubricants and additives; (2) overnight tie-down and hangarage; (3) minor Aircraft maintenance, servicing and repair; (4) tire "airing" and battery "boosts"; (5) pilot and passenger waiting lounge with restrooms and public phones and direct-access to the most current aviation weather information; (6) air-to-ground radio communications; (7) removal of disabled Aircraft from the AOA (these activities 1–7 are, collectively, the "**Core FBO Services**"). FBOs may be authorized to engage in Revenue-Generating Aviation Activities in addition to, but in not in substitution of, the Core FBO Services. An FBO may enter a Subcontract with a third party to provide Core FBO Service no. 3, light Aircraft and powerplant servicing, maintenance and repair, and/or additional, non-Core FBO Services, provided such Subcontractor holds or enters a complementary Agreement with the City.

Note: Only FBOs will be authorized to offer retail sales and/or delivery into-plane of Aircraft fuels. City also retains its right to offer retail sales and/or delivery into-plane of Aircraft fuels.

FYI - Fresno Yosemite International Airport

Improvements – all buildings, structures, and facilities including, but not limited to, pavement, fencing, signs and landscaping constructed, installed or placed on, under or above any leased area by, or with the concurrence of, a Lessee of Airport property.

Leased Premises or **Premises** – real estate at the Airport covered by an Agreement or Lease.

Lessee or **Operator** or **Tenant** – an Entity that has entered an Agreement or Lease with the Department.

Lessor or **Landlord** – the Department

Mobile Service Provider or **MSP** - an Entity that conducts one or more authorized Revenue Generating Aviation Activities on, at or from the Airport, but does not operate out of leased or Subleased Premises. Examples of MSPs include, but are not limited to, Aircraft mechanics, flight instructors, Aircraft detailers, and oil recyclers.

On Demand Air Transportation - is unscheduled commercial air transportation for hire operated under FAR parts 119 and 135

Preventive Aircraft Maintenance - maintenance that is not considered a major aircraft alteration or repair and does not involve complex assembly operations listed in FAR Part 43.

Public Airport - an airport used or intended to be used for public purposes (A) that is under the control of a public agency and (B) of which the area used or intended to be used for the landing, taking off, or surface maneuvering of Aircraft is publicly owned.

Ramp – paved areas suitable for parking Aircraft.

Repair Facility – a facility (sometimes called a shop) that is used for repairing Aircraft or Aircraft systems, components or accessories including, without limitation thereto, engines, powerplants, propellers, radios, navigational aids and instruments

Revenue-Generating Aviation Activity – any commercial activity which relates to the fabrication, operation, maintenance, modification, repair, cleaning [exterior and/or interior], refurbishing, restoration, overhaul, painting, plating or refinishing of Aircraft; or of the airframes, powerplants, components, equipment, systems or accessories of Aircraft Revenue-Generating Aviation Activities include, but are <u>not limited to</u>, pilot training; demonstration flights; "dog-fighting"; Aircraft rental; sightseeing flights; glider towing; parachuting; "sky diving"; aerial ambulance; aerial firefighting; aerial photography or surveying; aerial advertising; aerial traffic or news reporting; powerline, pipeline or other aerial patrolling; aerial application; weather modification; air taxi or charter; Aircraft sales, including fractional ownership; commercial flying clubs; management of Aircraft owned by others; Aircraft scheduling: passenger handling; ground handling; passenger security screening; baggage, mail or freight

loading/unloading and/or transportation on the Airport; Aircraft marshalling and push-back; receipt and/or storage on the Airport of mail, baggage or freight; flight dispatch; loading bridge operation; the sale and/or delivery or installation of Aircraft components, parts, systems or accessories, and the sale and/or delivery of products used by or in Aircraft, including fuel, lubricants, additives, oxygen and flight meals.

Revenue Generating Aviation Activities do <u>not</u> include any of the above activities if conducted by a governmental unit or agency in support of its governmental functions; nor do Revenue-Generating Aviation Activities include Airline operations or any of the above activities conducted by an Airline with its own employees in support of its Airline operations; nor do Revenue Generating Aviation Activities include Aircraft Operations by transient or itinerant Aircraft, or non-commercial Aircraft operations by personal or business aircraft based at the Airport in a Leased hangar or tie-down space.

Specialized Aviation Service Operator or **SASO** – an Entity that is authorized to engage in one or more Revenue Generating Aviation Activities, but is not an FBO.

Sublease or **Subcontract** - a written agreement stating the terms and conditions under which a third party Entity (the **Sublessee** or **Subcontractor**) rents space (**Subleased Premises**) at the Airport from a Lessee, and/or conducts a Revenue Generating Aviation Activity from a Lessee's Premises. A Sublease or Subcontract can not authorize the Sublessee or Subcontractor to conduct any Business at the Airport: business privileges can be authorized only by the City, in a complementary Agreement between the Subcontractor or Sublessee and the City

Through-the-Fence Business Operation - An aviation-related business activity located in the immediate vicinity of the Airport, but not on Airport property, which activity would be a Revenue Generating Aviation Activity if located at or on Airport property; and which requires some entrance upon Airport property by the business operator for the business activity to be accomplished. A Through-the-Fence Business Operation relies upon Airport users as a continuous and significant source of its business. An example would be an Aircraft inspection and repair business where the Aircraft or a major Aircraft component is ground transported off the Airport for the inspection and repair and returned to the Airport upon completion of the inspection and repair.

SECTION 3. STATEMENT OF POLICY - PRINCIPLES APPLYING

It is the policy of the City to operate and develop FCH as a reliever airport for the City's airline airport, FYI, with FCH primarily serving general aviation Aircraft. Both Airports will be operated and developed by the Department as a financially self-supporting, complementary system of airports serving the entire range of airport users safely, securely and efficiently, offering reliable, high quality aviation products and services to meet the air transportation needs and desires of the region's citizens, visitors, commerce and economy in an environmentally friendly manner and as a good neighbor.

To meet these policy goals, the Department shall be guided by the following principles:

- 1. No Entity may regularly engage in any Revenue Generating Aviation Activity at, on or from the Airport without first entering a written Agreement with the City which will prescribe the Revenue Generating Aviation Activity or Activities authorized and/or required to be offered.
- 2. Entities so authorized will be required to make a financial investment in Improvements and/or Equipment sufficient to satisfy the reasonably anticipated demand for the Business(es) authorized.
- 3. The rents, fees and/or charges charged to their clients and customers by authorized Entities shall not be higher than are reasonable and customary in that trade or business in Central California.
- 4. The rents, fees and/or charges charged by the Department shall be fair and not unduly discriminatory, taking into consideration the Department's direct and indirect costs of providing, maintaining, servicing and keeping secure the Airport, including the rented or Subleased Premises, the market value of same, the revenue potential of the Revenue Generating Aviation Activities authorized and their relative importance to the region. Before commencing Business operations, authorized Entities shall post and maintain security equivalent to not less than three months' of the anticipated rents fees and/or charges payable to the Department.
- 5. The term of any Agreement, including any options to extend, shall be no longer than required to reasonably amortize the investment in Improvements to Airport Premises that the Lessee is required to make.
- 6. In addition to compliance with all applicable building, zoning and hazard codes and the FCH Specific Plan, all Improvements must be approved by the Department as to architectural suitability, location and height with respect to other Airport facilities. No Improvement will be permitted that in any way interferes with or derogates Airport operations, or other Airport facilities, or encroaches into or conflicts with any building restriction line or safety area depicted on the current ALP.
- 7. The then effective Airport Master Plan and FCH Specific Plan shall control the types, placement and sizing of all future facilities at the Airport. No extant facility that does not conform with the then current Airport Master Plan and FCH Specific Plan shall be used or leased on terms that might impede or delay the timely development of the Airport in conformity with the then current Airport Master Plan and FCH Specific Plan, nor shall any Improvements to such facility be allowed if that might impede or delay timely subsequent development of the Airport in conformity with the said Master Plan and FCH Specific Plan.

- 8. The highest and best use shall be made of the limited Airport premises so as to maximize the capacity of the Airports system to meet the air transportation needs and desires of the Airports' region. Lower or lesser uses may be authorized on an interim basis to provide interim revenues to the Department, but any such lower or lesser use(s) shall be on bases that will not impede or delay the eventual highest and best use. Hangars shall be used for the storage of Aircraft that are Airworthy or in the process of being made Airworthy and Aircraft associated support materials, AND/OR in the case of authorized FBOs or SASOs for the conduct of their authorized Business(es). Without limiting the generality of the foregoing, no hangar may be used primarily for storing or inventorying personal property that is not closely associated with the servicing, maintenance and/or care of Airworthy Aircraft or Aircraft actively in process of being made Airworthy, or being prepared for public display, or being specially prepared, treated and preserved for future rehabilitation.
- 9. Through-the-Fence Business Operations shall be authorized only if the products or services to be offered are not already available on the Airport and there is no reasonable possibility of accommodating the Through-the-Fence applicant on the Airport.

SECTION 4. GENERAL LEASE PROVISIONS/OBLIGATIONS; INCORPORATION BY REFERENCE

All Agreements authorizing any Revenue Generating Aviation Activity at the Airport shall incorporate by reference the following provisions and the then effective Minimum Standards, but only to the extent each such provision or standard is not in conflict with any express provision of the Agreement. In the case of any conflict, the Agreement shall control.

- 1. Employee Conduct and Customer Service Emphasis
 - A. Management Control and Supervision Each authorized Operator is required to employ the necessary quantity of trained management and supervisors to provide for the safe, secure, and timely compliance with its Lease obligations.
 - B. Personnel Training and Certification All authorized Operator personnel shall be fully qualified and trained to provide a high quality standard of courteous, efficient, and safe service to the public and customers. Personnel shall meet all Federal, State, and local certification and licensing requirements applicable to their individual duties.
- 2. Facilities for the storage and disposal of toxic materials and contaminants must comply with all applicable governmental rules, regulations, standards and requirements. Operator will obtain all necessary permits for storage and disposal

and will provide Lessor with copies of such permits and evidence of compliance with the terms and conditions thereof. Improper storage or disposal of toxic materials or contaminants shall be grounds for termination of the lease. Operator shall be liable for the costs of correcting any contamination or damage to the Leased Premises and/or adjacent areas caused by improper storage, disposal or use of any such materials, which liability shall survive the expiration or earlier termination of the Lease.

- 3. Nothing contained in the Lease shall be construed to grant or authorize the granting of an exclusive right to provide aeronautical services to the public as prohibited by Section 308 (a) of the Federal Aviation Act of 1958, as amended, and the City reserves the right to grant to others the privilege and right of conducting any one or all activities of an aeronautical nature, so long as they meet the Minimum Standards.
- 4. The City reserves the right, but shall not be obligated to the Operator, to maintain and keep in repair the landing area of the Airport and all publicly owned facilities of the airport, together with the right to direct and control all use of said landing area and facilities, including Operator's use.
- 5. The City reserves the right to further develop or improve the AOA as it deems necessary, regardless of the desires or view of the Operator, and without interference or hindrance by or from the Operator.
- 6. During the time of war or national emergency, the City shall have the right to Lease the landing area or any part thereof to the United States Government for military use, and if such Lease is executed, the provisions of the Operator's Lease insofar as they are inconsistent with the provisions of the Government's Lease, shall be suspended.
- 7. The City reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction together with the right to prevent the Operator from erecting, or permitting to be erected any building or other structure on or adjacent to the Airport which, in the opinion of the City, would limit the usefulness of the Airport or constitute a hazard to Aircraft.
- 8. The Lease shall be subordinate to the provisions of any existing or future agreement between the City and the United States, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the receipt or expenditure of Federal funds for the development of the Airport.
- 9. The Operator shall not assign or otherwise transfer any interest in Operator's Lease, nor shall Operator Sublease or assign any interest in its Leased Premises or any portion thereof without the express, written consent of the City.

- 10. No Airport facilities, including hangars, Ramps and vehicular parking areas, shall be used for the storage of cars, trucks, recreational vehicles, boats, trailers, mobile homes, household furnishings or any other personal property not associated with the conduct of the Business or use authorized. Without limiting the generality of the foregoing, Operator shall not store at the Airport any Derelict Aircraft, nor shall Operator allow its Premises at the Airport to be used for the storage of Derelict Aircraft.
- 11. Operator shall submit on an annual basis all information deemed by the Department to be relevant to Operator's credit worthiness and financial stability. Operator is required to satisfy the Director that it is financially able to perform the services authorized in its Agreement. This shall include the responsibility to demonstrate continued financial solvency and business ability by submitting an annual financial statement, credit references, and any other proof the Director may require from time to time. Information provided shall be in a format determined by and acceptable to the Director. The Director shall be the final judge as to the qualifications and financial ability of Operator. Operator agrees that the Director may undertake such investigation and inspection as it deems necessary and appropriate.
- 12. The use of any Airport Premises shall conform to all applicable Airport /local/state/ federal rules and regulations including but not limited to; building and fire codes; E.P.A. regulations and storm water discharge permit restrictions.
- 13. During Operator's activity at the Fresno Chandler Executive Airport, the Operator shall pay for and maintain in full force and effect all policies of insurance required hereunder with an insurance company(ies) either (i) admitted by the California Insurance Commissioner to do business in the State of California and rated not less than "A-VII" in Best's Insurance Rating Guide, or (ii) authorized by CITY'S Risk Manager or his/her designee. The following policies of insurance are required:
 - (i) COMMERCIAL GENERAL LIABILITY insurance which shall be at least as broad as Insurance Services Office (ISO) form CG 00 01 and shall include coverage for "bodily injury", "property damage" and "personal and advertising injury", including premises and operation, products and completed operations, contractual liability and hangar keepers liability (if applicable) with limits of liability of not less than \$1,000,000 per occurrence and \$2,000,000 general aggregate for bodily injury and property damage, \$1,000,000 per occurrence for personal and advertising injury and \$2,000,000 aggregate for products and completed operations.

- (ii) COMMERCIAL AIRCRAFT LIABILITY insurance which shall include coverage for "bodily injury" (including passengers) and "property damage", including aircraft personal injury liability, newly acquired aircraft liability, non-owned aircraft liability, hangar keepers liability and contractual liability with limits of liability of not less than \$10,000,000 per occurrence for bodily injury and property damage [required only if Operator's activity includes the operation of aircraft].
- (iii) COMMERCIAL AUTOMOBILE LIABILITY insurance which shall be at least as broad as the most current version of Insurance Services Office (ISO) form CA 00 01 and shall include coverage for "any auto" with limits of liability of not less than \$1,000,000 per accident for bodily and property damage.
- (iv) Fire and Extended Coverage Insurance against loss or damage to the building or structure, including improvements and betterments, by fire and lightning, with extended coverage insurance for vandalism and malicious mischief insurance and sprinkler system leakage insurance. Such extended coverage insurance will, as nearly as practicable, cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance. Such insurance will be in an amount equal to the full replacement cost (without deduction for depreciation) of the building or structure, including improvements betterments. and with coinsurance penalty.
- (v) WORKERS' COMPENSATION insurance as required under the California Labor Code.
- (vi) EMPLOYERS' LIABILITY insurance with minimum limits of \$1,000,000 each accident, \$1,000,000 disease each employee and \$1,000,000 disease policy limit [required only if Operator has employees].

All policies of insurance required hereunder shall be endorsed to provide that the coverage shall not be cancelled, non-renewed, reduced in coverage or in limits except after thirty (30) calendar day written notice by certified mail, return receipt requested, has been given to the City. Upon issuance by the insurer, broker or agent of a notice of cancellation, non-renewal or reduction in coverage or limits, Operator shall furnish City with a new certificate and applicable endorsements for such policy(ies). In the event any policy(ies) are due to expire during Operator's activity at Fresno Chandler Executive Airport, Operator shall provide a new

certificate and all applicable endorsements evidencing renewal of such policy(ies) not less than 15 calendar days prior to the expiration date of the expiring policy(ies).

The General Liability, Automobile Liability and Aircraft Liability insurance policies shall name City of Fresno, its officers, officials, agents, employees and volunteers as an additional insureds. Operator's insurance shall be primary as respects to the City, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents and volunteers shall be excess of the Operator's insurance and not contribute with it. Any Workers' Compensation insurance policy shall contain a waiver of subrogation as to CITY, its officers, officials, agents, employees and volunteers. Operator shall have furnished CITY with the certificate(s) and applicable endorsements for ALL required insurance before conducting any activity at the Fresno Chandler Executive Airport.

Operator shall furnish City with copies of the actual policies upon the request of CITY'S Risk Manager or his/her designee and this requirement shall survive the use of City grounds and facilities.

If at any time during Operator's activity at Fresno Chandler Executive Airport, Operator fails to maintain the required insurance in full force and effect, the Operator's activity at Fresno Chandler Executive Airport shall be discontinued immediately until notice is received by City that the required insurance has been restored to full force and effect and that the premiums therefore have been paid for a period satisfactory to CITY.

The City reserves the right to change the required insurance coverage at any time by letter and the Operator shall comply within thirty (30) days from date of notice.

14. Operator shall indemnify, hold harmless and defend City and each of its officers, officials, employees, agents and volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage) incurred by City, Operator or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising or alleged to have arisen directly or indirectly out of the activity of the Operator, its principals, officers, agents, employees, persons under the supervision of Operator, vendors, suppliers, invitees, consultants, subconsultants, subcontractors, anyone employed directly or indirectly by any of them or for whose acts they may be liable or any or all of them at the Fresno Chandler Executive Airport.

15. Lessee, or Lessee's personal representative, its successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, gender, religion or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction in the use of any improvements on, over or under such land and the furnishing of services thereon, no person on the grounds of race, gender, religion or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Lessee, shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, office of the Secretary, Part 21 nondiscrimination federally-assisted programs of the U.S. Department of Transportation - effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. In the event of breach of any of the above nondiscrimination covenants, the Department shall have the right to terminate the Lease and to re-enter and repossess said land and the facilities thereon, and hold the same as if said Lease had never been made or issued.

Lessee agrees to furnish services on a fair, equal and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that the Lessee may be allowed to make reasonable and nondiscriminatory discount, rebate or other similar types or price reductions to volume purchasers.

- 16. Lessee, if applicable, must provide a plan meeting all local, state and federal regulations for the storage, containment and disposal of contaminants and toxic waste.
- 17. Lessee agrees to comply with airport rules and regulations as established and revised from time to time by the Director.
- 18. Lessee agrees to engage only in the Business or activity authorized by its Agreement. Failure to actively engage in one or more of the Businesses authorized for a period of 90 days or more, shall be grounds for termination by the City of the authority to engage in that or those Businesses, or termination of the Lease.

Lessee shall notify the Director of every instance where Lessee has knowledge of, or suspects that, another Entity is using Lessee's Premises for a Revenue-Generating Aviation Activity not authorized by the Department. Failure to timely take reasonable means to determine if a particular activity constitutes an unauthorized Revenue-Generating Aviation Activity shall make Lessee liable to the City for the fees and charges pertinent to the unauthorized Revenue-Generating Aviation Activity as if it had been authorized. Further, Lessee shall

forthwith take steps to terminate the unauthorized Revenue-Generating Aviation Activities.

- 19. Operator shall abide by all provisions of the then current, approved Airport Security Plan. Without limiting the generality of the foregoing, Operator shall not provide airport gate codes or keys to any member of the general public AND Operator assumes responsibility for the conduct of its employees, officers, directors, agents, customers, clients and business invitees at the Airport. If violations of the Airport Security Plan by the Operator or any of the people for whom the Operator has assumed responsibility result in fines being levied against the City by any federal or state agency, Operator will reimburse the Department for the full cost of such fines within thirty (30) days of payment. Any conduct which the Director deems to constitute a violation of the Approved Airport Security Plan or a threat to pubic safety, health or security must be discontinued immediately and may not be re-commenced until specifically authorized in writing by the Director.
- 20. Operator and/or Operator's employees must possess all the licenses, certificates and ratings necessary to lawfully engage in the businesses and activities authorized and/or required.
- 21. Operator shall keep the Leased or Subleased Premises neat, clean and appropriately supplied and shall conduct the lawful, sanitary, and timely handling and disposal of all solid waste, regulated waste, and other materials including, but not limited to, sump fuel, used oil, solvents, and other regulated waste. The piling and storage of crates, boxes, barrels, containers, refuse, and surplus property is not permitted upon Airport Premises.
- 22. Operator shall provide and properly locate about the Leased Premises the proper number, types, and sizes of fire extinguishers, and other safety equipment, in accordance with the Uniform Fire Code. All fire extinguisher certifications must be kept current.
- 23. Operator acknowledges that owners of Aircraft are entitled to use the AOA and may tie-down, adjust, repair, refuel, clean, and otherwise service their own aircraft, provided the service is performed by the Aircraft owner him/herself Any unreasonable restrictions imposed on owners or operators or Aircraft by the Operator will be construed as a violation of City policy.

SECTION 5. MINIMUM FACILITIES, EQUIPMENT, HOURS OF OPERATION, STAFFING, ET. AL.

1. Application of this Section 5

All Entities authorized to conduct any Revenue Generating Aviation Activity at the Airport shall comply with ALL the requirements set forth in this Section 5 that are applicable to the Business(es) authorized UNLESS expressly waived or modified in writing by the Director. The mere omission of any particular minimum requirement in a Lease shall not constitute a waiver or modification of the minimum requirement.

The Director may expressly waive or modify, in writing, any portion of these Section 5 minimum requirements for any Entity upon Director's determination that such waiver or modification is in the best interest of the public and will not result in undue discrimination against other Entities authorized to engage in the same or similar Business(es) at the Airport.

When an Agreement authorizes multiple Revenue Generating Aviation Activities, the authorized Entity shall comply with the minimum requirements established for each separate Business authorized, but the space or capacity requirements need not be cumulated if the Operator can demonstrate, to the satisfaction of the Director, that the facilities will be adequate to allow all the authorized Businesses to be conducted simultaneously. In such cases, the minimum requirement that is most strict or imposes the highest standard shall apply, as a minimum.

Revenue Generating Aviation Activities not currently being offered or provided at the Airport, and for which minimum requirements have not yet been established, will be addressed by the Director as and when applications to offer or engage in such Businesses are received.

2. FBOs

Buildings

Each FBO shall lease or construct a public use terminal building complex including:

- A customer service counter/office of not less than 100 square feet, with operating two-way air-to-ground radio, current aviation charts [covering California and the immediately adjacent states] for sale, and facilities for obtaining rental cars or the use of a courtesy car
- A well lighted, comfortably heated and air conditioned waiting lounge of not less than 400 square feet, furnished with comfortable seating for not less than ten people
- A discreet flight planning area within or adjacent to the lounge, properly equipped with appropriate wall charts, NOTAMs board, local-access telephone to contact Flight Service, and a computer to access current aviation weather information.
- Men's and Ladies' rooms accessible from the lounge.
- A public use phone with posted list of numbers to call for after-hours FBO services, overnight accommodation, and ground transportation.

- A free-span hangar of not less than 20,000 square feet
- Paved parking as required by code, but not less than sufficient to park ten automobiles
- Above-ground, double-walled fuel storage tank(s) with not less than 12,000 gallons capacity of aviation gasoline
- A tank of not less than 5,000 gallons storage for Jet A fuel, which may be truckmounted or stationary. If stationary, it shall be above ground, double-walled and located with the aviation gasoline storage and plumbed for self fueling like aviation gasoline
- Storage for not less than 144 quarts of the most popular grades of aviation oil
- An air hose for inflating aircraft tires, and a constant supply of paper towels for pilots use wiping dipsticks and/or cleaning aircraft windshields.

Equipment

Each FBO shall provide:

- A tug capable of towing an aircraft of 12,500 # gross weight
- Tow bars to fit common GA aircraft
- An air start cart or vehicle
- An electric "boost" cart or vehicle with 1600 amps capacity at both 14 and 28 volts, with adapters to fit common GA aircraft [all the foregoing may be combined in one or more vehicles]
- An air compressor capable of compressing air to not less that 125 psi for landing gear strut and/or tire inflation
- Bottled nitrogen for inflating Aircraft landing gear struts and/or tires
- Dollies and other equipment for use with the tug in removing disabled aircraft of 12,500 # gross weight from the AOA
- Aviation grade oxygen re-fills

Hours of Operation

Each FBO shall be open for business and attended during all daylight hours except Sundays and not more than nine major holidays each year. Any closures or other deviations from this schedule must be requested in advance and approved in writing by the Director.

During regular business hours, each FBO shall promptly provide Equipment and trained personnel to remove disabled Aircraft (under 12,501#) from the AOA – at the request of, and with an appropriate release of liability or indemnification from the owner or operator of the disabled aircraft or the Director.

Outside regular business hours, each FBO shall be on-call to provide the same Equipment and trained personnel within four (4) hours. If multiple FBOs are obligated to provide aircraft removal services on the Airport, they may agree among

themselves as to which shall be on-call and when, provided that a copy of their written agreement is supplied to the Director and kept current thereafter

Each FBO shall be on-call to provide after-hours fuel service within four (4) hours of a customer request.

Each FBO shall have on duty during the required operating hours of each Core FBO service a quantity of personnel sufficient to meet the Minimum Standards for each authorized and/or required business. However, multiple responsibilities may be assigned to employees where feasible.

Qualifications of Fuel Handling Personnel

All FBO fuel handling personnel shall be trained in the safe and proper handling, dispensing, and storage of aviation fuels. The FBO shall develop and maintain Standard Operating Procedures (SOP) for refueling and ground handling operations and shall ensure compliance with standards set forth in the Uniform Fire Code and FAA Advisory Circular 00-34A, Aircraft Ground Handling and Servicing. The SOP shall address bonding and fire protection, public protection, control of access to the fuel storage area, and marking and labeling of fuel storage tanks and fuel dispensing equipment, and shall be submitted to the Director no later than thirty (30) days prior to the FBO commencing fueling activities.

Additionally, the FBO shall comply with <u>FAA Advisory Circular 150/5230-4</u>, <u>Aircraft Fuel Storage</u>, <u>Handling</u>, and <u>Dispensing on Airports</u>, Airport rules and regulations, and all other applicable laws related to aircraft fuel handling, dispensing and storage. Each FBO shall obtain all applicable fueling certifications and permits, and receive periodic refresher training as required. The Director and/or the FAA may periodically conduct inspections of the FBO activities and facilities to ensure compliance with laws, regulations, and Minimum Standards.

Additional Requirements for FBOs

Each FBO shall furnish good, prompt, courteous and efficient services, adequate to meet all reasonable demands, on a fair, reasonable and non-discriminatory basis. Each FBO shall operate its business in a first-class manner and shall, at all times, keep its premises at the Airport in a safe, clean and orderly condition consistent with the Business activities authorized, and satisfactory to the Director. Each FBO shall accept not less than three major credit cards and at least one oil company credit card.

Each FBO shall select and appoint a full-time manager of its operations at the Airport. Such manager shall be properly qualified and experienced and shall be vested with full power and authority to act in the name of the FBO in respect to the

method, manner and conduct of the authorized Business. Such manager or a duly authorized subordinate shall be present and available at the Airport during regular business hours. Each FBO shall provide the Director, and keep current, a typed list of the names, addresses, and contacts for all personnel responsible for the operation and management of the FBO. In addition, the Director shall be provided a point-of-contact with phone numbers for emergency situations.

All FBO personnel who have regular contact with the public or customers of the FBO (except the FBO's pilots, office personnel, marketing personnel and offsite sales persons) shall wear attractive uniforms with appropriate insignia and nameplate so they may be readily identified.

Each FBO shall control the conduct, demeanor and appearance of its employees and representatives. Upon receiving a reasonable and specific complaint from the Director concerning the conduct, demeanor or appearance of any employee, the FBO shall forthwith take all steps necessary to remove the cause of the complaint.

SASOs

A. General Requirements for all SASOs

Operating hours

Eight daylight hours per day, on the same five continuous days each week, exclusive of a two week period when a SASO may, by prior notice, be closed for vacation. The operating hours shall be posted near the door to the Operator's Leased or Subleased Premises.

Leased Space

Each SASO shall operate out of a building located on the airport. The Leased or Subleased Premises shall be of an appropriate size to accommodate the services being offered, be accessible to the public, and be marked with appropriate external signage. Each SASO shall provide paved auto parking appropriate for the needs of the business.

Responsible Personnel

Each SASO shall provide the Director, and keep current, a typed list of names, addresses, and contacts of all personnel responsible for the operation and management of the SASO.

B. Additional Requirements for Specific SASOs

1. Flight Training SASOs

SASOs providing aircraft dual and solo ground and flight instruction necessary to complete the written examination and flight check for any category of pilot certificate or rating shall, as a minimum:

- a. Provide at least one (1) or more FAA certified flight instructors as necessary to meet the flight training demand and schedule requirements.
- b. Provide at least four (4) properly licensed and maintained fixed wing aircraft and/or at least one (1) helicopter equipped to accomplish the services offered. If only helicopter instruction is offered, no fixed wing aircraft will be required.
- c. Provide air-conditioned classroom space of not less than 100 square feet.

2. Airframe and Power Plant Maintenance SASOs

SASOs providing major or minor airframe and/or power plant servicing, maintenance, overhaul, repairs or modifications shall:

- a. Operate from a ventilated shop space large enough to accommodate one multi-engine Aircraft of 12,500# gross weight.
- b. Have on-duty at lest one (1) FAA-certified technician who posses an airframe and/or powerplant certificate, with inspection authorization, or possess and operates pursuant to repair station certificate pursuant to FAR Part 145.
- c. Provide equipment, supplies and parts required for GA aircraft and power plant inspection, maintenance and repair.

3. On-Demand SASOs

SASO's providing On-Demand Air Transportation shall:

- a. Provide at least one (1) person who is appropriately licensed and rated to permit the flight activity offered by the SASO.
- b. Provide one properly maintained and equipped aircraft to accomplish the services offered.

An On-Demand SASO shall have and display, a current FAR Part 135 Certificate.

4. Aircraft Rental SASOs

SASOs renting aircraft to be flown by third-party, licensed pilots shall:

- a. Have at least one (1) person available to meet customers' needs.
- b. Have available for rental, a minimum of four (4) owned or leased fixed wing aircraft and/or one helicopter, all of them certified and Airworthy. These may be the same aircraft used for flight instruction if the Aircraft Rental SASO is also a Flight Training SASO.

Avionics Maintenance and Sales SASOs

SASOs providing avionics services, which include the maintenance, repair, and installation of aircraft avionics, radios instruments, and accessories, and includes the sale of such equipment, shall:

- a. Operate in ventilated office or shop space on the Airport that is able to accommodate at least one fixed wing aircraft.
- b. Have at least one (1) trained and FAA certified technician.
- c. Hold the appropriate FAA certificates required for the types of services offered.

6. Aircraft Hangar Rental SASOs

An Aircraft hangar rental SASO leases and rents hangars or hangar space or tiedown space to third-party aircraft owners or operators solely for those thirdparties' storage of their owned or operated Aircraft. An Aircraft hangar rental SASO shall:

a. Lease or construct hangars sufficient to store, in complete security, not less than twenty (20) single-engine GA Aircraft. Each hangar shall be lighted and have not less than 15 amps electrical service. SASO shall provide for its hangar tenants at least one lockable rest room for every 20 hangars or portion thereof, with an outside hose bibb. Further, SASO shall provide trash bins for use by SASO's tenants, which SASO shall empty as often as required but not less

- than once each week, disposing of the trash at SASO's expense at a location off the Airport.
- b. Make known contact name and phone number for SASO, hangar availability, and rental rates by posted informational sign. Operator shall employ a system of master-keyed padlocks and shall supply each hangar tenant a discrete lock, which said tenant shall use exclusively to secure his/her rented hangar. Two copies of the master key shall be provided to the Director.
- c. Provide the Director, and keep current, a list of all Operator's renters, with their names addresses and phone numbers and the make, model and "N" number of their stored Aircraft, plus a list of Aircraft owners, if any, waiting for a hangar to become available for rental.
- d. SASO shall rent hangars for aircraft storage purposes only. Without limiting the generality of the foregoing, no hangar may be used primarily for storing or inventorying personal property that is not closely associated with the servicing, maintenance and/or care of an Airworthy Aircraft stored in the hangar. or Aircraft actively in process of being made Airworthy in the hangar, or an Aircraft being prepared for public display, or being specially prepared, treated and preserved for future rehabilitation in the hangar. Extensive Storage of personal property in any hangar, except as a incident of the hangar's primary use as aforesaid, shall constitute a breach of the SASO's Agreement with the City.
- e. Hangar tenants may perform only Preventive Aircraft Maintenance in accordance with 14 CFR Part 43 within their rented hangars. Any other aircraft maintenance must be performed by an authorized FBO, SASO, MSP, or by the tenant in accordance with 14 CFR Part 43.3(d). Experimental aircraft construction and maintenance is allowed in accordance with 14 CFR Parts 21 and 65. Any type of hazardous or combustible material storage shall be permitted within the hangar property only in amounts allowed under the Uniform Fire Code. The piling and storage of crates, boxes, barrels, and containers, refuse, and surplus property shall not be permitted outside the hangar. All activity in or about the hangars shall be in accordance with the requirements of the Uniform Fire Code.

7. Aircraft Sales SASOs

SASOs providing new and/or aircraft sales and aircraft brokerage services shall:

a. Operate from an exclusively occupied office on the Airport and have at least one (1) qualified aircraft salesperson who holds a current pilot certificate with appropriate aircraft type ratings

8. Aircraft Restoration, Painting, and Refurbishing SASOs

SASOs providing the restoration, painting and refurbishing of aircraft structures, propellers, accessories, interiors, exteriors, and components, shall:

- a. Operate from a ventilated shop space large enough to accommodate one multi-engine Aircraft of 12,500# gross weight.
- b. Have at least one (1) qualified person that has certificates appropriate for the work performed.
- c. Meet all requirements of the Uniform Fire Code.
- d. If painting is to be performed on the Airport, holds any and all the air quality and other permits required for same.

9. Specialized Flying Services SASOs

SASOs providing specialized commercial flying services such as non-stop sightseeing tours, aerial photography or surveying, power line or pipeline patrol, firefighting or fire patrol, air ambulance, airborne mineral exploration, banner towing, and other air transportation operations specifically excluded from FAR Part 135 shall:

- a. Provide at least one (1) person who holds a current FAA
 appropriate pilot certificate and medical certificate with ratings
 appropriate for the operator's aircraft.
- b. Own or lease at least one (1) Airworthy Aircraft.

10. Commercial Skydiving

Inasmuch as the Airport is located under FYI's Class C Airspace, no skydiving whatsoever is authorized at, on or from the Airport.

11. Aerial Applications

Aerial application operations are not authorized at, on or from the Airport.

12. Mobile Service Providers.

If the Director shall determine that the significant needs of Chandler's based aircraft owners are not being adequately served by the authorized, on-airport SASOs, he may, in his discretion, authorize Mobile Service Providers who shall meet at least the following general requirements:

Each MSP shall hold a City issued Commercial Aviation Operator Permit.

Each MSP shall ensure compliance with Airport Security Access Plan.

Each MSP shall provide sufficient qualified personnel necessary to meet the Minimum Standards for each aeronautical service provided. multiple responsibilities may be assigned to employees where feasible.

Each MSP shall provide the Director, and keep current, a written statement of names, addresses, and contacts of all personnel responsible for the operation and management of the MSP.

7/11/05 version