

**Friday Harbor Airport
Port of Friday Harbor**

**Minimum Standards for
Commercial Aeronautical Activities**

THE PORT OF FRIDAY HARBOR
A Municipal Corporation of the State of Washington

Port of Friday Harbor Resolution No. 91-009
Minimum Standards for Commercial Aeronautical Activities
at Friday Harbor Airport

WHEREAS Friday Harbor Airport (the "Airport") is a facility of the Port of Friday Harbor, a Washington Municipal Corporation (the Port); and

WHEREAS the Board of Commissioners of the Port of Friday Harbor (the "Commission") is the governing body solely responsible for the operation, regulation, maintenance and development of the Airport; and

WHEREAS it is the obligation and the goal of the Commission to operate the Airport as a fiscally self-sustaining aeronautical enterprise;

NOW THEREFORE BE IT RESOLVED that the Commission, in order to protect the public health, safety and interest in the Airport, hereby adopts the following Minimum Standards for Commercial Aeronautical Activities (the "Minimum Standards") at the Airport:

1. DEFINITIONS. As used herein, the following terms shall have the meanings indicated:
 - A. "Aeronautical Activity" means any activity which involves, makes possible, or is required for the operation of aircraft, or which contributes to or is required for the safety of such operations.
 - (1) The following activities, commonly conducted on airports, are aeronautical activities within this definition; charter operations, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other included activities, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can appropriately be regarded as an "aeronautical activity".
 - (2) The following are examples of what are not considered aeronautical activities: ground transportation (taxis, car rentals, limousines); restaurants; barber shops; auto parking lots.
 - B. "Aircraft" means any vehicle, whether now known or hereafter invented, used or designed for navigation through or flight in the air, whether heavier or lighter than air and whether powered or unpowered.

- C. "Airport" means the existing Friday Harbor Airport and any future additions thereto or changes therein together with any other airports which may be acquired or operated, or both, by the Port.
- D. "Airport Master Plan" means the plans and scale dimensional drawings of the Airport, as such now exists or hereafter shall be developed, which indicate current and proposed usages for each identifiable segment of the Airport, as adopted and approved by the Commission and by the Federal Aviation Administration.
- E. "Applicant/Operator" means any individual person, sole proprietorship, general or limited partnership, corporation, trust or unincorporated association making application for, leasing, or in any other way using any facility or portion of the land at the Airport.
- F. "Commission" means the board of elected commissioners of the Port of Friday Harbor.
- G. "Director" means the appointed director of the Port of Friday Harbor.
- H. "District" means the geographic area constituting the Port of Friday Harbor.
- I. "Employee" means any person who furnishes services to the Port, or to any applicant/operator or lessee of the Port or any owner of any aircraft on the Airport, including services performed in the furtherance of interstate commerce, which are performed for wages or under any written or oral contract calling for the performance of personal services, whether express or implied, in exchange for any valuable consideration. Every employee shall be subject to the provisions of Titles 50 and 51 of the Revised Code of Washington and shall behave in conformity with Internal Revenue Service Regulations and Rulings which define an individual's status as an "employee".
- J. "Exclusive Right" means a power, privilege, or other right excluding or debarring another from enjoying or exercising a like power, privilege or right. An exclusive right may be conferred either by express agreement, by imposition of unreasonable standards or requirements, or by any other means. Such a right conferred on one or more parties but excluding others from enjoying or exercising a similar right or rights would be an exclusive right.
- K. "Federal Aviation Administration" ("FAA") means the existing federal governmental agency or any successor agency or administrative authority thereto established by the Federal Aviation Act of 1958.
- L. "Fixed Base Operation" ("FBO") means any person, business entity, or agent thereof, licensed to conduct business in the State of

Washington for the purpose of providing any or all of the commercial aeronautical activities enumerated below.

Fixed Base Operations may be either of two types:

- (1) "Full Service FBO" means any FBO which meets the specific minimum leasing requirements hereafter defined and which provides a minimum of all of the following services.
 - (a) Air tax and charter
 - (b) Flight training
 - (c) Rentals and sales of aircraft
 - (d) Repair and maintenance of aircraft airframes, engines and accessories
 - (e) Sales of aircraft parts
 - (f) Sales and repair of avionics

In addition to any of those services listed above, the Full Service FBO may provide sales to the public of aviation fuels or lubricants and other aeronautical products or services.

- (2) "Limited Service FBO" means any FBO which provides one or more of the aeronautical services listed in Paragraph 1.L(1) above as a limited or specialized commercial aeronautical activity but which does not meet the minimum leasing requirements for a Full Service FBO as defined above.

M. "Minimum Standards" means the qualification established herein, as they now exist or may be amended from time to time by the Commission upon recommendations by the Director or at the initiative of the Commission, which set forth the requirements to be met as a condition for grant of right to any lessee or applicant/operator to conduct any commercial aeronautical activity at, on or from the Airport.

N. "Port District" means the district of the Port of Friday Harbor.

O. "Rules and Regulations" means the written statements of administrative policy and procedure which have been formally adopted from time to time and declared by the Commission to be in effect in order to protect public health, safety, welfare and public interest in the Airport and its associated operation.

P. Any terms not defined here shall have the meaning defined in Merriam-Webster's Unabridged Dictionary, latest edition.

2. LAND AND FACILITY USE

A. Exclusive Rights Prohibited. No person or business entity may be granted or exercise an exclusive right to conduct any commercial aeronautical activity on, at or from the Airport, pursuant to Section 308(a) of the Federal Aviation Act of 1958, as enacted or thereafter

amended from time to time. No person or business entity may use all or any portion of the Airport, or conduct any commercial activity at, on or from the Airport, or solicit any business on, at or from the Airport unless all such commercial aeronautical activity is conducted in compliance with the minimum standards established herein or hereafter adopted or amended by the Commission.

- B. Licenses and Permits Required. Any person or business entity proposing to conduct any commercial aeronautical activity at, on or from the Airport shall first obtain all federal, state and local permits, licenses and contracts as are applicable and required for the proposed type of activity before entering into any lease or operating agreement with the Port.

3. **APPLICATION FOR LEASE OR OPERATING AGREEMENT.** All applications for: leases of land or facilities, or both, at the Airport, any concession agreement, Airport use agreement or any other operating agreement for conduct of any commercial enterprise or aeronautical activity at, on or from the Airport shall be made to the Director or the Director's authorized representative. Every such application shall then be presented to the Commission. The applicant shall submit all information and supporting material necessary or requested by the Commission, to establish the qualifications of and compliance by the applicant with all applicable statutes, ordinances, rules and regulations or policies pertaining to the proposed activity or use of the Airport. Each application shall be signed and submitted by a person who owns an interest in the subject commercial aeronautical enterprise or the person who will be responsible for the management of the enterprise as a director or officer if the enterprise is a corporation.

- A. Minimum Information Requirements. The Commission shall not accept or take any action upon any request to lease any building, any space within any building or any land on the Airport or otherwise authorize conduct of any commercial activity at, on or from the Airport by an applicant until the applicant submits a written proposal which includes at least the following information:

- (1) The name(s) and address(es) of the applicant(s).
- (2) The form of business entity and the organizational structure of the applicant.
- (3) The description of the location, facility, use and/or activity being proposed, including full disclosure of the extent of use of any material hazardous to human health or the environment which is to be stored, used, or disposed of on, at or from the Airport in connection with the subject proposal.
- (4) The names and qualifications of all persons who will be involved in conducting the proposed activity on behalf of the applicant.

- (5) A certified true and full statement of the finances of the applicant.
- (6) A written listing of the furniture, fixtures, equipment, inventory and services, if any, and all other assets owned or to be purchased by the applicant to be used or performed in connection with the conduct of the proposed activity at, on or from the Airport, including full disclosure of all liens, encumbrances, or other claims against any such asset.
- (7) A statement of the date proposed for commencement of conduct of the proposed activity or service and of the term for conduct or performance of same;
- (8) A statement of the estimated cost of any structure or facility to be constructed or provided by the applicant, of specifications for the same, and of the means or methods proposed by the applicant for financing of the same, together with a drawing accurately depicting the proposed site therefore;
- (9) A written description of the specific types and amounts of insurance being proposed by the applicant to indemnify the applicant and the Port, as required hereunder in order to fulfill the minimum requirements therefore for the proposal;
- (10) A list of the names together with the financial statements for all proposed sureties or guarantors of the proposed lease or operating agreement;
- (11) A pro forma financial statement for the first year of operation of the proposed activity; and
- (12) A full written disclosure of any application, license, or permit previously held by the applicant or anyone associated with the applicant which was denied, suspended or revoked by the FAA or any other governmental agency exercising jurisdiction over such applicant, license or permit and of any fine or other penalty imposed upon any such party in connection therewith within the past ten (10) consecutive years.

The Commission shall be the sole judge of what constitutes adequate qualifications and financial capacity of any applicant to conduct any proposed activity and shall be the sole judge of what types of activities may be permitted at, on or from the Airport or any other property of the Port.

B. Supporting Documents. If requested to do so by the Commission, the applicant shall submit the following supporting documents and other information:

- (1) A current financial statement.

- (2) A current credit report documenting all locations where the applicant has done business during the preceding five (5) years under its present or any other identity.
 - (3) A written authorization to the FAA and all aviation or aeronautical commissions, administrators, or department of all states in which the applicant has engaged in commercial aeronautical activity of any kind granting permission to same to supply to the Commission all information in their files relating to the applicant and his or her activities in their states. The applicant shall execute such forms, releases and discharges therefor as may be requested by and of these agencies.
 - (4) Certified true and accurate copies of all applicable licenses, permits or certificates whereby the applicant is licensed by the State of Washington to conduct the proposed activity.
4. REVIEW OF APPLICATION BY COMMISSION. When reviewing an application, the Commission will examine the following considerations, and may deny the application on one or more of the bases defined below.
- A. "Not Qualified" means that the applicant, for any reason, does not meet the qualifications or requirements established by these minimum standards.
 - B. "Safety Hazard" means that the applicant's proposed activity or construction will create a hazard to safety on, at or about the Airport.
 - C. "Airport Expenditure" means that the granting of the application will require the expenditure of Airport funds, labor or materials in an amount which the Commission believes will exceed the value to the Port of the benefits from the proposal.
 - D. "Availability" means that there is no appropriate, adequate or available space or building on the Airport that can accommodate the activities of the applicant at the time of the application.
 - E. "Noncompliance with the Master Plan" means that the proposed operation, development or activity on the Airport does not comply with the provisions of the master plan for the Airport.
 - F. "Congestion" means that the development or activity or use of the area requested by the applicant may result in an unreasonable deprivation of or restriction to public access to adjacent or nearby locations of other facilities or tenants of the Port.
 - G. "Misrepresentation" means that the Commission has determined that an applicant has submitted false information, made on or more

misrepresentations, or failed to make full disclosure of all relevant facts on that party's application or supporting documents.

- H. "History of Revocation or Denial" means that an applicant has previously had a permit revoked or denied by another airport authority for failure to comply with one or more contractual agreements similar to those being required by the Commission or the subject application.
 - I. "Defaulted Performance" means that an applicant has materially defaulted in the performance of one or more terms or conditions to an existing or prior lease or other agreement between the Port and the applicant.
 - J. "Lack of Finances" means that an applicant does not have the financial ability to conduct the proposed operation for a minimum of twelve (12) months.
 - K. "Conviction of Crime" means that an applicant has been convicted of committing a crime or violating a criminal statute or ordinance and that such conviction in the judgment of the Commission substantiates that the applicant is unlikely to be a responsible operator on the Airport.
 - L. "Ecological Considerations" means that the Commission has determined that an applicant's proposed activity will constitute a hazard to the health, safety or welfare of residents of the District.
 - M. "Surety" means that the applicant has been unable to post a twelve (12) month performance bond or to prepay rent equal to three (3) months rental. The Commission has authority to amend the amounts of performance bonds or security deposits required to be provided by applicants to be in accordance with the Commission's determination of the degree of significance of the proposed activity's impact on the economy of San Juan County and/or based on the applicant's history of prior payment of fees and rents due the Port by the applicant.
 - N. "Exclusive Rights" means that the proposed operation or activity on, at or from the Airport would create or confer an exclusive right forbidden by Section 308(a) of the Federal Aviation Act of 1958, as enacted or thereafter amended.
5. STANDARD REQUIREMENTS FOR ALL COMMERCIAL AERONAUTICAL ACTIVITIES
- A. Every applicant desiring to conduct commercial activities at, on or from the Airport shall meet the following requirements:
 - (1) Such applicant shall demonstrate to the satisfaction of the Commission that it has a history of management of same or a comparable type of activity as that being proposed and employs adequate personnel to conduct the proposed commercial activity at,

on or from the Airport in a manner which shall be satisfactory to the Port.

- (2) Such applicant shall be required to demonstrate adequate ability to finance all facilities and services which it shall require in order to conduct its proposed activity at, on or from the Airport.
- (3) Such applicant shall be required to possess or obtain all necessary certificates, permits and licenses from the Town of Friday Harbor, San Juan County, the FAA and every other unit of government or agency authorized to regulate the type of activity being proposed by the applicant.

B. In considering any application for establishing commercial aeronautical activities, the Commission shall give due consideration to whether or not such proposed activity will serve the public interest.

6. PROVISIONS OF LEASE, OPERATING AGREEMENT OR AIRPORT USE AGREEMENT

- A. Written Lease Required. Upon approval by the Commission of an application, as submitted or modified, the Director shall prepare a written lease, contract or agreement therefore setting forth all material terms and conditions necessary to assure, when appropriate:
- (1) That these minimum standards are incorporated into every such lease, contract or agreement by specific reference.
 - (2) That the applicant/operator complies with these minimum standards for each specific activity to be permitted under such lease, contract or agreement.
 - (3) That the Commission reserves the right to amend these minimum standards for commercial aeronautical activities at the Airport or other rules and regulations therefore promulgated by the Port.
 - (4) That any structure or facility constructed or placed upon the Airport by the applicant conforms to all applicable health and safety regulations, building codes and fire regulations of every applicable federal, state and local agency.
 - (5) That the financial performance and other important elements of such lease, contract or agreement is guaranteed.
 - (6) That the agreement specifically provides for payment by the applicant/operator of all applicable fuel flowage fees, landing fees, and passenger facility charges.
 - (7) That controlling interests in the activity of the applicant may not be transferred by purchase of stock or other sale or assignment of the

corporation or other business entity to which the lease, contract or agreement is granted without the prior written consent of the Commission.

- (8) That any lease, contract or agreement entered into with the applicant/operator shall terminate if the applicant/operator fails to comply with all of these minimum standards, then existing or thereafter modified, after the Port has given notice to such applicant of the requirement to comply therewith.

B. Minimum Required Lease Terms. In addition to the above provisions, all contract agreements for conduct of commercial activities at, on or from the Airport shall be required to satisfy the following as minimum standards:

- (1) Term. Each such agreement shall be for a specified term which may be month to month, year to year or a specific number of months or years, or both, and shall contain a specific termination date. The length of the term of every such lease agreement shall be negotiated with the applicant/operator by the Director in compliance with the provisions of RCW 14.08.120.
- (2) Premises. Each such agreement shall specify and describe with particularity, as applicable, the nature and location of the subject premises on the Airport.
- (3) Use of Premises. Each such agreement shall state the specific uses of the leased premises and the Airport which are authorized by that Agreement.
- (4) Rights Granted. Each such agreement shall specify each commercial aeronautical activity authorized by that agreement in accordance with these minimum standards.
- (5) Rents and Fees. Each agreement shall specify all rents and/or fees to be paid to the Port by each lessee or applicant/operator for conduct of every subject activity to be conducted at the Airport which is provided for under that agreement. Rates charged shall be based on fair market values determined by current appraisals, on fair and reasonable terms and without unjust discrimination. Airport users will be charged for facilities and services on a schedule of rents and fees which shall enable the Commission to operate the Airport as a financially self-sustaining entity unless, in the sole discretion of the Commission, support for the Airport may be paid from other funds of the Port in order to satisfy a common need of residents of the District or a public necessity.
- (6) Adjustment of Rents and Fees. Each such agreement shall specify the date or dates, if any, when the rents and fees thereunder will be subject to adjustment.

- (7) Failure to Pay Rents and Fees. Each such agreement shall set forth the Commission's rights and remedies in the event that the lessee or applicant/operator thereunder shall fail to pay any rents or fees required by or otherwise default upon any material provision of that agreement.
- (8) Financial Conditions. Each such agreement shall reserve to the Commission the right to inspect at any reasonable time the applicant/operator's or lessee's financial records as they pertain to that agreement with the Port if such applicant/operator or lessee shall at any time fail to perform in a timely manner any of its obligations under such agreement and the Commission shall have reasonable cause to investigate whether such failure may be indicative of insolvency of the applicant/operator or lessee. Each such agreement shall also require all commercial operators to maintain a performance bond equal to a total of twelve (12) months' revenue or prepayment in cash of an amount equal to three (3) months' fees and charges for the benefit of the Port for the term of that agreement. This provision may be waived at the sole discretion of the Commission for applicants/operators or lessees who construct their own buildings on the Airport.
- (9) Ownership of Leasehold Improvements. Each such agreement shall provide for the vesting of title to leasehold improvements in the Port upon the expiration of that agreement unless the Commission shall otherwise agree in writing.
- (10) Indemnification and Insurance. Each such agreement shall provide that the lessee or applicant/operator shall furnish suitable indemnity, insurance or bond to protect and hold the Port, the Commission, their appointed agents, officials and employees free and harmless from claims arising from the applicant/operator's or lessee's acts or failures to act or from damages resulting from the operation of aircraft, or any liability arising in connection with the conduct of the proposed activity at the Airport by the lessee or applicant/operator or anyone acting for them. **Prior to beginning operations or occupying the Airport premises, every lessee or applicant/operator at the Airport shall obtain and keep in full force and effect throughout the term of the agreement, a policy of comprehensive general liability insurance in a minimum amount of TWO MILLION DOLLARS (\$2,000,000) combined single limit coverage for personal injury, death or property damage in any one occurrence.** The Commission shall expressly reserve the right to require greater limits of coverage of any such insurance.
- (a) Such minimum liability insurance requirements may be reviewed and amended by the Commission from time to time, and

- (b) Additional minimum amounts for insurance to be required shall be determined by the Commission in consideration of the nature of the subject activity.
- (11) Taxes. Each such agreement shall obligate the lessee or applicant/operator to pay when due all federal, state and local taxes which shall be levied during the term of that agreement as a consequence of such lessee's or applicant/operator's uses of the premises under that agreement.
- (12) Liability for Default. Each such agreement shall reserve to the Port every right to present any claim and/or seek any remedy available to the Port at law or in equity against any lessee or applicant/operator which shall breach or default upon any material provision of such agreement with the Port. Such agreement shall provide, in addition, that every such lessee or applicant/operator which shall breach or default upon its agreement with the Port but continue to engage in the same or similar business or operation elsewhere within the State of Washington shall, from the effective date of such breach or default, become and remain ineligible to qualify for any lease or operating agreement with the Port for a period not less than two times the full term of the agreement on which such lessee or applicant/operator commits any such breach or default.

7. MINIMUM STANDARDS FOR SPECIFIED COMMERCIAL ACTIVITIES

- A. Standards for Scheduled Commercial Passenger Service at the Airport (FAA Part 135 Commuter Operations). Each lessee or applicant/operator conducting any scheduled commercial passenger service at, on or from the Airport shall be required to comply with the following minimum standards.
 - (1) The minimum lease term for scheduled commercial passenger service at, on or from the Airport is one (1) year.
 - (2) Each lessee or applicant/operator shall provide scheduled stops to and from at least SeaTac International Airport from the Airport with minimum service of two (2) stops per day, seven (7) days per week and fifty-two (52) weeks per year.
 - (3) Each lessee or applicant/operator shall rent or provide space adequate to handle the volume of passenger and freight traffic anticipated and shall rent additional space if it is needed therefor in order to comply with any provision of these minimum standards.
 - (4) Each lessee or applicant/operator shall pay a ramp rental fee equal to the rental fee for tiedown spaces equal in number to the maximum number of its aircraft that will be on the

ground at the Airport at any one time if such applicant/operator does not otherwise pay rental for tiedown space therefor.

- (5) Each lessee or applicant/operator shall demonstrate continuing financial responsibility by furnishing to the Port the following supporting documents:
 - (a) A current financial statement.
 - (b) A written listing of the furniture, fixtures, equipment, inventory and services, if any, and all other assets owned or to be purchased by the lessee or applicant/operator to be used or performed in connection with the conduct of the proposed activity at, on or from the Airport, including full disclosure of all liens, encumbrances, or other claims against any such asset.
 - (c) A current credit report for all business which the lessee or applicant/operator has conducted anywhere within the United States during the preceding five (5) years.
- (6) Each lessee or applicant/operator shall maintain a telephone at the Airport that can be used by its employees and that will provide a recorded message or call-forwarding to a telephone number that will provide information on its flights or reservations and related information about the subject activity whenever no employee of the lessee or applicant/operator is on duty at the Airport to do so.
- (7) Each lessee or applicant/operator shall employ or contract to be represented by an agent at the terminal building at the Airport who will be present thirty (30) minutes prior to arrival of each of its scheduled aircraft operations, through and until fifteen (15) minutes after the departure of each such scheduled aircraft operation.
- (8) Each lessee or applicant/operator shall prominently display its current operating schedules in the terminal building at the Airport.
- (9) Each lessee or applicant/operator shall obtain liability insurance for each of its passengers in an amount not less than TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000) per passenger seat for personal injury to or death of any one person and in the minimum amount of FIVE MILLION DOLLARS (\$5,000,000) combined single limit for any single occurrence and shall name to Port and its elected and appointed officers, employees and agents as additional insured. Each such certificate of insurance shall provide for not less than thirty (30) days advance notice of cancellation to the Port.
- (10) Each lessee or applicant/operator shall report its landings at the Airport monthly and pay in timely manner all landing

fees and passenger facility charges due therefor in accordance with the Port's then current schedule of fees and charges.

- (11) Each lessee or applicant/operator shall report all passenger enplanements and freight statistics for each month and monthly for the year to date within fifteen (15) days after the last day of each calendar month on such forms as shall be provided by the Port and shall regularly report to the FAA all passenger enplanements in compliance with all applicable rules, regulations and policies of that agency.
 - (12) Each lessee or applicant/operator shall post a lease bond equal in amount to one (1) year's rent or deposit cash in an amount equal to three (3) months' rent plus one (1) month's estimated landing fees or such other appropriate security as may be approved by the Commission.
 - (13) Each lessee or applicant/operator shall prominently display within the terminal at the Airport copies of all of its licenses and certificates required by the FAA in order to conduct scheduled passenger operations.
 - (14) Each lessee or applicant/operator shall rent vehicle parking spaces from the Port for all of its vehicles stationed at the Airport.
 - (15) Each lessee or applicant/operator shall use adequate collection and safe disposal methods for all of its trash and hazardous wastes.
 - (16) Each lessee or applicant/operator shall conduct an air carrier security program that has been approved by the FAA Civil Aviation Security Field Office.
 - (17) If the lessee or applicant/operator requires weather services, it shall employ a qualified weather observer on its staff or under contract to the Airport who shall be available to make weather observations on a schedule and in coordination with the Port and other carriers at the Airport who require weather information.
 - (18) Each lessee or applicant/operator shall comply with the Port's noise abatement procedures.
- B. Standards for Aircraft Charter and Taxi Service (FAA Part 135, Charter on Demand): Each lessee or applicant/operator conducting any aircraft charter or air taxi service at, on or from the Airport shall be required to provide as a minimum standard:
- (1) Passengers lounge, restrooms and telephone facilities on the Airport. These requirements may be met by rental of common space in the main passenger terminal at the Airport.

- (2) A space for loading and unloading of passengers equivalent to at least a minimum area equal to one (1) tiedown space. Such space may be a common space in front of the terminal, rented from the Port or subleased from another lessee of the Port, provided that such space is for the lessee's or applicant/operator's exclusive use.
 - (3) Adequate table, desk or counter area for checking in of passengers, ticketing, collecting fares, and handling luggage.
 - (4) Suitable currently certificated aircraft to be operated and attended by qualified certificated operating crews, with qualified certificated standby crews on call at all times.
 - (5) In addition to the minimum combined single limit liability insurance in the amount of TWO MILLION DOLLARS (\$2,000,000) each such lessee or applicant/operator shall provide to the Port proof of passenger liability insurance coverage in the amount of not less than TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000) per passenger seat and employees and agents as additional insured thereon. Such insurance shall include a certificate providing for not less than thirty (30) days advance notice to the Port of cancellation thereof.
 - (6) Timely reports to the Port of all passenger enplanements and freight weights for each month and monthly for the year to date within fifteen (15) days after the last day of each calendar month on forms provided by the Port and regular reports to the FAA of all passenger enplanements.
 - (7) If the carrier requires weather services, a qualified weather observer on its staff or under contract to the Airport who shall be available to take weather observations on a schedule and in coordination with the Port and other carriers who require weather information.
 - (8) Evidence satisfactory to the Director that it at all times complies with the Port's noise abatement procedures.
- C. Standards for Air Freight Service. All operators of air freight service shall provide as a minimum standard:
- (1) Minimum combined single limit liability insurance coverage in the amount of TWO MILLION DOLLARS (\$2,000,000) naming the Port and its elected and appointed officers, employees and agents as additional insured. Such insurance shall include a certificate providing for not less than thirty (30) days advance notice to the Port of cancellation thereof.
 - (2) A minimum of one (1) paved tiedown space for loading and unloading of freight. Such space may be rented from the Port or subleased from

another lessee of the Port, provided that such space is for the applicant/operator's exclusive use.

- (3) Adequate table, desk or counter area for checking in and handling freight if such transactions with the applicant/operator's customers take place at the Airport. If freight is to be delivered to or picked up at the Airport by the applicant/operator's customers, the applicant/operator shall provide space and a drop box large enough to contain all such freight and packages to be left at the Airport or terminal. Such space may be rented from the Port or subleased from another lessee of the Port, provided that such space is for the applicant/operator's exclusive use.
- (4) Suitable certificated aircraft which shall be operated and tended by certificated and qualified operating crews.
- (5) If the applicant/operator requires weather services, it shall employ a qualified weather observer on its staff who shall be available to take weather observations on a schedule and in coordination with the Port and other carriers who require weather information.
- (6) Evidence satisfactory to the Director that it at all times complies with the Port's noise abatement procedures.

D. Standards for Land and Facility Leasing. Each lessee or applicant/operator leasing any land or facility at or on the Airport shall be required to perform as a minimum standard as follows:

- (1) The FBO shall rent all land to a line at least thirty-five (35) feet outward from each of the T-hangar walls or to a point halfway between the applicant/operator's leased space and that of each adjacent lessee.
- (2) Each FBO shall evaluate requirements for parking sites for its employees and customers on a case by case basis in order to provide adequate parking to meet public demand.
- (3) Every FBO shall provide for adequate collection and safe disposal of all trash, wastes and other discarded materials, including but not limited to used lubricants, solvents and other wastes. The accumulation or storage of crates, boxes, barrels and other containers on the Airport is not permitted. Storage of hazardous waste materials on the Airport is prohibited.
- (4) Every FBO shall provide adequate paved aircraft parking, tiedown and storage facilities for all of its operations on the Airport.

E. Standards for Aircraft Airframe, Engineer and Accessory Repair and Maintenance Service. All applicants/operators of aircraft engine, airframe and accessory repair and maintenance facilities or services for public hire shall provide as minimum standard:

- (1) Sufficient hangar space on the Airport to store any aircraft being serviced by it. Unless it is available for direct lease from the Port, such hangar space may be subleased from another lessee of the Port, provided such hangar space is approved for the proposed use or activity and used exclusively for the applicant/operator's repair business.
 - (2) Suitable inside and outside storage space on the Airport, including sufficient parking space for aircraft awaiting repair or maintenance and for aircraft awaiting delivery after repair and maintenance lasting more than twenty-four (24) hours duration. Such paved area may be leased from the Port or sub-leased from another lessee of the Port, provided it is sub-leased for the applicant/operator's exclusive use and is adjacent to the hangar space occupied by that applicant/operator.
 - (3) Adequate shop space on the Airport to house all furniture, fixtures, equipment and inventory of the applicant/operators, including but not limited to machine tools, jacks, lifts and testing equipment used to perform overhauls of aircraft airframes, engine and accessories as required for FAA certification and for repair of parts not needing replacement on single engine and light multi-engine land-based general aviation aircraft which use the Airport.
 - (4) At least one (1) FAA-certified airframe and power plant mechanic present and available or on call during normal business hours during the term of the agreement.
 - (5) Facilities for washing and cleaning of aircraft using water metered to the applicant/operator if the applicant/operator engages in such business.
 - (6) Evidence satisfactory to the Director that the applicant/operator complies at all times with all federal, state and local laws, rules, regulations and building codes as the same apply to any of the applicant/operator's permitted activities.
 - (7) Equipment at the Airport which enables the applicant/operator to remove downed or inoperable aircraft from the runway or taxiways of the Airport. The applicant/operator must be available on call to remove any such downed or inoperable aircraft when requested to do so by the Port. The Port shall compensate the applicant/operator for every such removal performed at the request of the Port.
- F. Standards for Aircraft Sales, Leasing and Rental. Aircraft sales, leasing and rental service may only be conducted by an applicant/operator having a current valid agreement with the Port to provide such services and who is not then in breach of any term or condition thereof.

G. Standards for Aircraft Parts Sales and Service. Aircraft parts sales and service may only be provided by an applicant/operator having a current agreement with the Port to conduct activities described in Sections 6.E or 6.F above and who is not then in breach of any term or condition thereof.

H. Standards for Public Aircraft Tiedown Service. Public tiedown service may only be performed by an applicant/operator having an agreement with the Port to conduct such commercial activities and who is not then in breach of any term or condition thereof.

I. Standards for Public Sales of Aviation Fuels and Lubricants

(1) Lessees or applicants/operators conducting aviation fuel and oil sales or service to the public on the Airport are required to provide as a minimum standard:

- (a) Grade or grades of aviation fuels compatible with commonly encountered aircraft.
- (b) Adequate inventory of at least two (2) brands of grades of aviation oil and other lubricants generally accepted in aeronautical commerce.
- (c) Properly trained line personnel on duty at least eight (8) hours per day or readily accessible as specified in the contract or lease agreement between the Port and such applicant/operator.
- (d) Conveniently located heated lounges or waiting rooms for passengers and crews of aircraft being serviced, including sanitary public restroom facilities and a public telephone.
- (e) For conducting refueling operations, adequate electrical grounding facilities which are installed and used at each fueling location. Such grounding equipment must safely maintain the aircraft at a neutral electrical potential with respect to the applicant/operator's fuel pumps. Approved types of fire extinguishers or other fire fighting equipment of types and capabilities commensurate with the nature and degree of hazard involved in refueling and servicing aircraft must be kept readily available. The applicant/operator must comply with any additional fire safety regulations that may hereafter be required by a federal, state, county or local government or agency.
- (f) Underground storage of all fuel which must be dispensed through an approved filtration system that removes water and particulate contaminants from all such fuel. This requirement does not preclude dispensing fuel from an approved aviation fuel truck.
- (g) One or more aviation fuel trucks equipped, maintained in such condition and operated so as to comply with all laws and regulations applicable thereto for prevention of damage to the environment by any product stored, transported or dispensed by any such fuel truck. All costs for operation of any such aviation fuel truck shall be the sole responsibility of the applicant/operator.

- (h) Adequate and lawful sanitary handling and disposal away from the Airport of all trash, waste and other spent or used materials, including but not limited to used lubricants, solvents and other waste. The accumulation or storage of crates, boxes, barrels and other containers by the lessee or applicant/operator must be confined to the interiors of buildings within the leased premises.
- (2) The Port requires the payment of fuel flowage fees from all general aviation operators using the Airport. Nothing herein shall be construed as waiving fuel flowage fees to be paid to the Port by the applicant/operator.

J. Standards for Avionics Sales and Service

- (1) All persons providing avionics sales and service are required to provide as a minimum standard:
 - (a) Suitable inside and outside storage space on the Airport for aircraft awaiting repair or delivery after repair
 - (b) Properly trained and qualified technicians
 - (c) The capability to repair or replace current state of the art avionics equipment.
- (2) The minimum space, as required in subsection J.(1)(a) above, may be leased from the Port or sub-leased or rented from another lessee of the Port on the Airport, provided such rented or sub-leased space is approved for the proposed use or activity and used exclusively for the applicant/operator's avionics business.
- (3) Restroom facilities available on the premises, as required by local code.

K. Standard for Flight Training and Ground Schools. All applicant/operators conducting flight training activities shall provide as a minimum standard:

- (1) Staff and facilities sufficient to comply with all federal and state laws and regulations governing conduct of flight training and ground schools.
- (2) Insurance coverage of at least TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000) per passenger seat for personal injury of or death to any one person for flight training, and at least ONE MILLION DOLLARS (\$1,000,000) combined single limit liability insurance coverage for any single occurrence, naming the Port and its elected and appointed officers, employees and agents additional insured. Such insurance shall include a certificate providing for not less than thirty (30) days advance notice to the Port of cancellation thereof.
- (3) Adequate facilities for storing, parking, servicing and repairing all of its aircraft.

- (4) A student schooling license for each student to be trained on the Airport, purchased therefor by the flight school operators and instructor pilots using the Airport.

L. Standards for Other Specialized Aeronautical Services.

- (1) Other specialized types of commercial aeronautical services are too varied to reasonably permit the establishment of published minimum standards therefor.
- (2) When specific commercial aeronautical services are proposed for conduct at the Airport under the control of the Port which do not fall within the specific categories enumerated above, the Commission may adopt minimum standards therefor on an individualized basis, which shall take into consideration at least the objectives and capabilities of the applicant and public demand for such services. In every such case, whether an applicant/operator shall propose to use the Airport or shall be found by the Commission to already be using the Airport for commercial aeronautical activity, on a regular or irregular basis, whether based or not based on the Airport, every such applicant/operator shall be required to meet a public liability insurance requirement established by the Commission as adequate to protect the public, the applicant/operator, the Port, the Commission and its elected and appointed officers, employees and agents and to hold same free and harmless from any liability arising in connection with such operations. The limits of such liability insurance coverage shall be set forth in any subsequent agreement between the Port and the subject applicant/operator for the aeronautical services being or to be provided by that applicant/operator.

M. Standards for Lease of Airport Land and Facilities. The following guidelines apply as a minimum standard to the lease of any land at the Airport or any other facility of the Port at the Airport or elsewhere which is not otherwise provided for herein.

- (1) It is the intent of the Commission that all agreements for lease of any land or facility of the Airport be "net" agreements. The total costs for amortizing the investment and maintenance associated with the lease of any such facility of the Airport are to be borne by the lessee or applicant/operator. Hangars may be constructed by FBOs or other applicant/operators on space leased from the Port, provided that all such buildings or construction meets all minimum requirements therefor established by the Commission.
- (2) The value of all land subject to lease by the Port to any lessee or applicant/operator shall be reappraised every five (5) years, unless a stated shorter term shall be specified in the lease or use agreement therefor. Rent for land, buildings and/or facilities of the Airport shall be adjusted periodically, based on the most current appraisal

therefor. Costs of appraisals to determine the value of property or rent, or both, for the initial term of any lease shall be borne by the Port. Costs of any appraisals to determine the value of property or rent, or both, performed after any such initial appraisal shall be borne by the Port. Costs for any arbitration to determine any such value shall be shared equally by the Port and the lessee. No lessee or applicant/operator may assign or sublet all or any portion of its leased lands, facilities or buildings on the Airport without first obtaining written approval therefor by the Commission.

In order to renew its lease or agreement with the Port, every applicant operator therefor shall be required to demonstrate its continued need for use of such Airport-owned facilities.

- (3) All utilities required by any lessee or applicant/operator shall be paid directly by the lessee or applicant/operator.
- (4) All building maintenance and repairs, except as otherwise set forth specifically by written agreement, on Port-owned or financed facilities shall be borne by the applicant/operator benefited therefrom. All building maintenance or repairs made to privately owned facilities location on the Airport shall be paid directly by the owner or applicant/operator of those facilities.
- (5) All paving shall be permanent and shall be compatible with the design, materials and landscaping of the Airport as described in the master plan for the Airport.
- (6) All buildings to be located on the Airport shall be of permanent construction, be fire-resistant and be compatible with the design and landscaping of other structures on the Airport as described in the master plan for the Airport, except as the Commission may otherwise approve in writing.
- (7) Detailed plans, specifications and architectural designs for all construction proposed to be built at the Airport under any lease or agreement with the Port shall require approval by the Commission before any construction thereof shall commence.
- (8) Privately owned structures on Port property shall be removed and its site shall be restored to its previous condition at the termination of every lease or use agreement, or such improvements shall become the property of the Port at the expiration of the lease period therefor.
- (9) Maintenance of any area leased from the Port during the term of the lease shall be the sole responsibility of the lessee or applicant/operator, provided that if the lessee or applicant/operator fails to maintain the lease area as required the Port may do so and shall be entitled to recover its costs therefor from such lessee or applicant/operator.

- (10) Pavements constructed by the Port on all Airport premises subject to any exclusive lease agreement shall be maintained by the lessee or applicant/operator thereof.
- (11) All sublease agreements or assignments require prior written approval by the Commission.
- (12) All leased facilities shall be landscaped to comply with such requirements for landscaping as may be contained in the site plans approved for those facilities by the Commission. Each lessee or applicant/operator shall be required to provide a plan for landscaping of its leased area to maintain same in a neat, clean and aesthetically pleasing condition, as determined by the Commission.

N. Standards for Construction of Hangars by Other Than FBOs. The Commission recognizes the need for individual hangars to be constructed by other than FBOs. Such buildings may be permitted in specific areas designated for such purpose by the Port. For all such buildings the following conditions shall be met as minimum standards therefor.

- (1) Facilities shall be constructed only in accordance with plans and specifications approved by the Commission.
- (2) Hangars shall be constructed only in accordance with the most recent layout plans for the Airport and engineering and architectural guidelines approved by the Port.
- (3) Costs of construction and maintenance of taxiway improvements to any leased site shall be borne by the lessee thereof.

O. General Standards for Construction or Alterations

- (1) All plans and specifications for new construction or alteration of existing structures on the Airport shall be approved in writing by the Commission prior to commencement of construction thereof. All such plans and specifications shall be subject to review by the Commission for conformity to architectural standards, location of building lines, obstruction, clearance and other characteristics applicable to responsible administration and operation of the Airport by the Commission.
 - (a) All improvements or alterations to the leased buildings or premises on the Airport shall become the property of the Port upon completion thereof, but the lessee or applicant/operator responsible for any such improvement or alterations shall be responsible for all maintenance costs therefor during the term of the lease thereof.
 - (b) Within thirty (30) days of completion of any such construction or alteration, the lessee shall submit to the Director one (1) complete

set of "as built" scale plans for same together with a detailed cost breakdown therefor.

- (c) All buildings and construction location on the Airport shall comply with all applicable state, county and city health, safety, building and fire codes, FAA, state and county inspections, and any other specific requirements therefor established by the Port.
- (d) All plans or specifications for construction or installation of utilities, including but not limited to water, electrical and telephone utilities, shall require prior written approval by the Commission, including any such utility constructed or installed by any public utility company.

- (2) All buildings and other fixed improvements added by a lessee or applicant/operator to premises leased from the Port shall, at the termination of the lease or use agreement, become the property of the Port or be removed as provided for under the lease or use agreement. Upon expiration of the lease, except for termination by cancellation for default, the lessee or applicant/operator, its successors, heirs and assigns, shall upon transfer of ownership of the building(s) and other fixed improvements to the Port, have the right of first refusal to enter into a new lease or use agreement with the Port for such improvement.

P. Amendment of Standards. The Commission shall review these minimum standards for commercial aeronautical activities at the Airport from time to time and shall promulgate such revisions or additions hereto as the Commission may deem necessary under the circumstances in order to protect the health, safety and interest of the public, the District and the Port. Lessees and applicant/operators subject to any of these minimum standards may continue to conduct activities under previously approved minimum standards for their respective operations for so long as their agreements with the Port therefor remain valid and in full force. Any subsequent amendment of an agreement authorizing a change in commercial aeronautical activities must comply with all minimum standards applicable thereto, which shall be in effect at the time of approval of such agreement for change.

Q. Notices. Notices of intent to amend minimum standards previously adopted by resolution of the Commission shall be sent by first class mail post paid to all Fixed Base Operators and to all other interested parties and applicant/operators and lessees who are parties to leases or use agreements between them and the Port for the purpose of conducting commercial aeronautical activities at, on or from the Airport.

Mike Ahrenius, Commissioner

Greg Hertel

Brian Calvert, Commissioner

Date