

AIRPORT MINIMUM OPERATING STANDARDS

PRESCOTT MUNICIPAL AIRPORT
ERNEST A. LOVE FIELD
PRESCOTT, ARIZONA



EFFECTIVE DATE: Pending City Council Approval

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REVISIONS

REVISION NO.

DATE

SECTION

INTRODUCTION:

The use and leasing of public airport facilities is a complex process in which consideration must be given to compliance with various federal and state policies and requirements. Various federal documents provide guidance and compliance requirements for using and leasing airport facilities, including:

- ❖ FAA Federal Grants Assurances
- ❖ FAA Order 5190.6, Airport Compliance Program
- ❖ FAA Order 5100.38A, Airport Improvement Program Handbook
- ❖ FAA AC 150/5190-6, Exclusive Rights at Federally Obligated Airports
- ❖ FAA AC 150/5190-7, Minimum Standards for Commercial Aeronautical Activities

These documents, and any other related federal, state, and local documentation, should be consulted during the process of negotiating aviation agreements. Additionally, local legal counsel should review any legally binding agreement prior to execution.

Airport operators have found that the best method of ensuring fairness, consistency, and compliance in the leasing of airport facilities is through development of three key instruments, which are:

- ❖ An effective local lease policy
- ❖ Minimum Standards for Commercial Aeronautical Activities
- ❖ An effective airport lease agreement

This section presents Minimum Operating Standards for Commercial Aeronautical Activities. Minimum Standards are defined by the FAA as the “qualifications which may be established by an airport owner as the minimum requirements to be met as a condition for the right to conduct an aeronautical activity on the airport.” Accordingly, minimum standards should provide a fair and reasonable opportunity, without unlawful discrimination, to all applicants to qualify, or otherwise compete, to occupy available airport land and/or improvements and engage in authorized aeronautical activities. In essence, minimum standards establish base line, or “minimum”, requirements and qualifications to ensure a safe and specified level of service for the community, as well as fairness and consistency in the leasing of airport facilities.

CITY OBJECTIVES

The City of Prescott owns and operates Prescott Municipal Airport (Ernest A. Love Field) for the benefit of the local community and the state and national air transportation system. The City desires to ensure that the public receives a safe and reasonable standard of aeronautical services. The City also desires to provide a fair and reasonable opportunity, without discrimination, to all qualified parties interested in leasing facilities and providing commercial aeronautical services at Prescott Municipal Airport. The City also desires to comply with State and Federal policy and regulations to the leasing of airport facilities and property including but not limited to the public advertisement of leasing opportunities and public notice of intent to lease airport facilities or land.

Accordingly, the objective of the City of Prescott in promulgating these minimum standards for commercial aeronautical activities is to:

- ❖ Provide a fair and consistent mechanism for leasing of facilities and provision of aeronautical services at Prescott Municipal Airport.
- ❖ Maintain compliance with State and Federal policy, regulations, and grant assurances.

These minimum standards contained herein should not be considered all-inclusive of the requirements that must be met to operate a commercial aeronautical activity at Prescott Municipal Airport. All commercial aeronautical activities located at the airport will be subject to all applicable federal, state and local laws, codes and ordinances and other similar regulatory measures, including airport rules and regulations. Also, a written lease agreement with the City of Prescott is required prior to commencement of any commercial aeronautical service or activity. Furthermore, the minimum standards contained herein may be revised, supplemented, and/or amended by the City from time to time in such a manner as to reflect changes at the airport and fairness and consistency to all existing and prospective future airport tenants.

FEDERAL/STATE POLICY

The City of Prescott accepts Federal and State funding for airport development projects at Prescott Municipal Airport, and consequently must comply with Federal and State regulations and policy. As set forth in the Airport and Airways Improvement Act of 1982, as amended, and the Airport Improvement Program sponsor assurances, “the sponsor of an airport that has received federal grant assistance is required to operate the airport for the use and benefit of the public, and to make it available for all types, kinds, and classes of aeronautical activity.”

Federal Aviation Administration Advisory Circular (AC) 150/5190-7 provides basic information and guidance pertaining to minimum standards and state grant obligations involves several distinct requirements. Most important is that the airport and its facilities must be available for public use. The terms imposed on those who use the airport and its services must be reasonable and applied without unjust discrimination. Upon acceptance of federal grants for development of airport facilities, the City must agree to comply with numerous federal grant assurances.

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ARTICLE 1. Definitions; Application; Waiver

Section 1.1 Definitions.

All definitions contained in the airport rules and regulations are incorporated by reference in these minimum-operating standards. For the purposes of these minimum operating standards, all references to the “rules and regulations” are to the airport rules and regulations.

Section 1.2 Application of minimum operating standards

- (a) All persons conducting commercial aeronautical activities at the airport (hereinafter referred to as commercial operator) shall, as a condition of conducting such activities, comply with all applicable requirements concerning such activities as set forth in these minimum operating standards and any amendments thereto. These requirements set forth herein are the minimum standards which are applicable to persons conducting commercial aeronautical activities at the airport and all persons are encouraged to exceed such minimum standards in conducting their activities.
- (b) These minimum operating standards shall be deemed to be a part of each commercial operator’s lease, license, permit or agreement with or from the City unless any such provisions are waived or modified by the City pursuant to section 1.5. The mere omission of any particular standard from a commercial operator’s lease, license, permit or agreement with the City shall not constitute a waiver or modification of such standard in the absence of clear and convincing evidence that the City intended to waive or modify such standard.

Section 1.3 Conflicting Minimum Standards and Lease, License, Permits or Agreements

- (a) Where there a conflict exists between any minimum standards or limitation prescribed in the Minimum Operating Standards and an airport lease, license, permit or agreement as currently exists on the effective date of these Minimum Standards, the terms and conditions of the lease, license, permit or agreement will prevail.
- (b) Compliance with the minimum standards does not excuse failure to comply with any other applicable regulation, policy, ordinance or law.

Section 1.4 Multiple activities by one commercial operator

Whenever a commercial operator conducts multiple activities pursuant to one lease, license, permit or agreement with the City, such commercial operator must comply with the minimum standards set forth herein for each separate activity being conducted. If the minimum standards for one commercial operator’s activities are inconsistent with the minimum standards for another commercial operator’s activities, then the minimum standards, which are most beneficial to the City, and/or which are most protective of the public’s health, safety and welfare, shall apply.

Section 1.5 Activities not covered by minimum operating standards.

Any activities for which there are no specific minimum standards set forth herein shall be subject to such standards and provisions as are developed by the airport manager on a case-by-case basis and set forth in such commercial operator's written lease, license, permit or agreement with or from the City.

Section 1.6. Waiver or modifications of standards.

The airport manager may waive or modify any portion of these minimum operating standards for the benefit of any governmental agency performing non-profit public services, fire protection or fire-fighting operations. The City Manager may waive or modify any portion of these minimum operating standards for any person when it is determined that such waiver or modification is in the best interest of the City and will not result in unjust discrimination among commercial operators at the airport.

ARTICLE 2. PERMIT APPLICATION PROCESS

Section 2.1 Applications

Any person who desires to conduct any commercial aeronautical activities at the airport covered by these minimum operating standards shall, prior to conducting such activities, submit an application with the appropriate fees to, and receive approval thereof, from the airport manager. In addition to the following requirements, the airport manager may require the applicant to provide additional information, which is necessary to ensure compliance with the Prescott City Code, rules and regulations, and/or these minimum operating standards. The applicant shall, at minimum, submit the following documentation with the above-referenced application:

- (1) A detailed description of the scope of the intended operation, including all services to be offered;
- (2) The amount of land, office space, and/or aircraft storage areas required for the operation;
- (3) A detailed description of any improvements or modifications to be constructed or made to airport property, including cost estimates and a construction timetable;
- (4) The proposed hours of operation;
- (5) Documentation of the applicant's financial capabilities to construct any improvements and to conduct any proposed activities;
- (6) A detailed description and/or evidence of the applicant's technical abilities and experience in conducting the proposed activities, including personal references;
- (7) The proposed commencement date for the applicant's activities and the term of the lease, license, permit or agreement sought, including all option periods;
- (8) One of the following:
 - (i) If the applicant is a corporation, a certified copy of the articles of incorporation as filed with the Corporation Commission;
 - (ii) If the applicant is a limited liability company, a certified copy of the articles of organization filed with the Corporation Commission;
 - (iii) If the applicant is a limited partnership, a certified copy of the certificate of limited partnership filed with the Secretary of State; or
 - (iv) If the applicant is a general partnership, an executed copy of the written partnership agreement, and any amendments thereto; and
- (9) An original copy of a certificate of insurance, in the amounts outlined hereunder, naming the City as an additional insured;
- (10) A copy of a lease/sublease or other agreement with the City or a bona fide airport tenant;

- (11) A copy of the applicant's City of Prescott Business/Privilege Tax License;
- (12) A rates and charges schedule of all services to be conducted at Prescott Municipal Airport; and
- (13) Copies of applicable Federal Aviation Administration (FAA) certificates.

Section 2.2 Processing; denial

The airport manager shall be responsible for processing the application for a lease, license, permit or agreement to conduct activities at the airport. The airport manager may deny any application if it is determined that:

- (a) The applicant does not meet the qualifications and standards set forth in the Prescott City Code, the rules and regulations, or these minimum operating standards;
- (b) The proposed activities are likely to create a safety hazard at the airport;
- (c) The activities will require the City to expend funds, or to supply labor or materials as a result of the applicant's activities, or will result in a financial loss to the airport;
- (d) No appropriate space or land is available to accommodate the proposed activities;
- (e) The proposed activities are not consistent with the airport's master plan and/or airport layout plan;
- (f) The proposed activities are likely to result in a congestion of aircraft or buildings, a reduction in airport capacity, or an undue interference with airport operations or the operations of any existing airport users at the airport;
- (g) The applicant or any of its principals has knowingly made any false or misleading statements in the course of applying for a lease, license, permit or agreement;
- (h) The applicant or any of its principals has a record of violating the Prescott City Code, the rules and regulations, these minimum operating standards, federal aviation regulations or any other applicable laws, ordinances, rules or regulations;
- (i) The applicant does not have the technical capabilities or experience or financial resources to properly conduct the proposed activities;
- (j) The applicant has not submitted appropriate documentation supporting the proposed activity as outlined in Section 2.1.

Section 2.3 Appeal process

The applicant shall have the ability to appeal the denial of an application by the airport manager, subject to the following provisions:

- (a) Providing written notice of appeal to the airport manager within ten (10) business days of said denial.
- (b) The notice of appeal will be forwarded to the City manager for review.
- (c) Applicant shall be notified in writing of the date of the scheduled appeal review.
- (d) Applicant shall be present at the appeal review to justify the applicant's application. If applicant is not present, the airport manager's denial shall remain unchanged.
- (e) The City manager shall take comments from the applicant and the airport manager.
- (f) The City manager shall render a decision in writing within ten (10) business days of the conclusion of the hearing and the decision shall be final as to the denial or approval of the application.

ARTICLE 3. GENERAL PROVISIONS

Section 3.1 General provisions.

Except as otherwise provided in City Code, all leases, licenses, permits or agreements with the City which affect the airport are subject to the following provisions:

- (a) Rights to engage in specific activities at the airport are non-exclusive.
- (b) Defense and indemnification of the City and its elected or appointed officials, officers, representatives, directors, commissioners, agents or employees from and against all damages, claims, suits, actions, losses and expenses (including court costs and reasonable attorney's fees) for personal injury or death or for property damage or loss arising out of use of the airport;
- (c) A termination clause allowing the City to terminate the commercial operator's lease, license, permit or agreement within a stated time period after notice of default is given to the commercial operator if the commercial operator fails to cure its default within the specified time period, and allowing the City to terminate the lease, license, permit or agreement immediately if the commercial operator fails to maintain the required insurance.
- (d) No improvements or modifications to airport property without the prior written consent of the City. Before commencing any improvements or modifications, the commercial operator shall submit detailed construction plans and specifications to the City. Upon completion of the construction, the commercial operator shall provide the City with two (2) complete sets of detailed plans and specifications of the work as completed. All improvements or modifications made to airport property shall become the property of the City, at no cost to the City, upon termination of the commercial operator's lease, license, permit or agreement.
- (e) No lease, license, permit, agreement, or any rights thereunder, shall be assigned without the prior written consent of the City. The airport manager may require any potential assignee to submit biographical and financial information prior to a proposed assignment.
- (f) The Arizona Revised Statutes, including but not limited to the requirement for public advertisement of airport lease opportunities and notification of pending lease actions.
- (g) All FAA required provisions.

ARTICLE 4. INSURANCE

Section 4.1 General insurance requirements

Except as otherwise provided in Articles 6 or 7, each commercial operator shall at all times maintain in effect the following types and minimum amounts of insurance, required by the City, as applicable to the business to be conducted:

- (a) Commercial General Liability insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 annual aggregate. Such insurance shall contain contractual liability insurance covering applicable leases, licenses, permits, or agreements.
- (b) Commercial/business automobile liability insurance for all owned, non-owned and hired vehicles assigned to or used in performance of commercial aeronautical activities in the amount of a least \$1,000,000 per occurrence. If any hazardous material, as defined by any local, state or federal authority, is the subject, or transported, in the performance of this contract, an MCS 90 endorsement is required providing \$5,000,000 per occurrence limits of liability for bodily injury and property damage.
- (c) Special Causes of Loss Property Form covering all improvements and fixtures on the commercial operator's premises in an amount not less than the full replacement cost thereof, to the extent of the commercial operator's insurance interest in the premises.
- (d) Worker's compensation insurance as required by law and employers liability insurance in the amount of \$100,000 per accident, \$100,000 disease per person, \$500,000 disease policy limit.
- (e) Aircraft liability insurance in the amount of at least \$1,000,000 per occurrence single limit Bodily Injury and Property Damage Liability including Passengers.
- (f) Hangarkeeper's liability insurance in the amount of at least \$3,000,000 per occurrence, or more as values require.
- (g) Fueling products-completed liability insurance in the amount of at least \$5,000,000 per occurrence.
- (h) Products-completed operations liability insurance in the amount of at least \$1,000,000 per occurrence.
- (i) If applicable, Lessee shall maintain Environmental Impairment Liability coverage for any fuel storage facility, tank, piping, ancillary equipment, containment system or structure used, controlled, constructed or maintained by Lessee in the amount of \$1,000,000 Each Incident, \$2,000,000 Aggregate. This policy shall cover on-site and off-site third party bodily injury and property damage including expenses for defense, corrective action for storage tank releases and tank clean up for storage tank releases.

- (j) All insurance policies cited herein shall contain a waiver of subrogation rights endorsement with respect to the City.

Section 4.2 Additional insurance required by City.

Such other insurance as the City may reasonably determine to be necessary for such commercial operator's activities.

Section 4.3. Form; acceptance by City.

All insurance shall be in a form and from an insurance company with a Best's financial rating of at least B ++ 6. All policies, except worker's compensation policy, shall name the City of Prescott and its elected or appointed officials, officers, representatives, directors, commissioners, agents and employees as "Additional Insureds," and the commercial operator shall furnish certificates of insurance evidencing the required coverage cited herein prior to engaging in any commercial aeronautical activities. Such certificates shall provide for unequivocal thirty-day (30) notice of cancellation or material change of any policy limits or conditions.

ARTICLE 5. GENERAL OPERATIONAL REQUIREMENTS

Section 5.1 Airport rules and regulations.

Each commercial operator shall abide by the Prescott City Code, rules and regulations and any other documents established by the City for the safe, orderly and efficient operation of the airport.

Section 5.2 Taxiway access.

If not already provided, a commercial operator shall provide paved access from the operator's leased premises to the airport's taxiway/taxilane/apron system. Such access shall meet all applicable FAA standards for the largest aircraft type anticipated using the leased premises or as required by the airport manager.

Section 5.3 Right-of-entry reserved.

The City reserves the right at all reasonable times to enter upon each commercial operator's premises for any lawful purpose, provided that such entry does not unreasonably interfere with the commercial operator's use of the premises.

Section 5.4 Rates and charges.

Each commercial operator may determine the rates and charges for all of its activities and services, provided that such rates and charges shall be reasonable and fairly applied to all of the commercial operator's customers.

Section 5.5 Personnel, subtenants and invitees; control and demeanor.

Each commercial operator shall employ a sufficient number of trained, on-duty personnel to provide for the efficient, safe, orderly and proper compliance with its obligations under its lease, license, permit or agreement. Each commercial operator shall control the conduct and demeanor of its personnel, subtenants, licensees and invitees and, upon objection by the City concerning the conduct and demeanor of any such person, the commercial operator shall immediately take all lawful steps necessary to remove the cause of the objection. Each commercial operator shall conduct its operations in a safe, orderly, efficient and proper manner so as not to unreasonably disturb, endanger or be offensive to others.

Section 5.6 Interference with utilities and systems.

No commercial operator shall do or permit to be done anything that may interfere with the effectiveness or accessibility of any public utility system, drainage system, sewer system, fire protection system, sprinkler system, alarm system or fire hydrant and hoses.

Section 5.7 Minimum facility requirements

Each commercial operator shall provide the following infrastructure to all facilities:

- (a) Onsite auto parking facilities at a rate of four spaces per acre plus one space for every 5,000 square feet of gross hangar area over 5,000 square feet. Parking must include sufficient Americans with Disabilities Act (ADA) compliant parking spaces.
- (b) At least one ADA complaint public use unisex bathroom for each 5,000 square feet of hangar space.
- (c) Shielded lighting for aircraft ramps and automobile parking lots.
- (d) Premises shall be landscaped.
- (e) Outside equipment/parts storage areas and trash bins must be screened from public view.
- (f) Adequate fencing, signage and other controls to deter inadvertent access of persons and vehicles onto the airside areas of the premises.

Section 5.8 City Code Compliance

Each commercial operator is responsible for complying with all applicable building and fire codes including the payment of construction and inspection fees. All hangar buildings must be sprinkled or have alternative fire suppression to the satisfaction of the City fire marshal.

Section 5.9 Fire equipment.

Each commercial operator shall supply and maintain such adequate and readily accessible fire extinguishers and equipment as may be required by law and/or the City's fire department.

Section 5.10 Vehicle identification

Any vehicle used on the airport operations area (AOA) must bear identification designating the commercial operator to whom the vehicle is assigned. Letters shall be a minimum of three (3) inches in height on a contrasting background and displayed in a manner that is acceptable to the airport manager.

Section 5.11 Indemnification.

To the fullest extent permitted by law, any person accessing or using the airport or any of its facilities, and the person's successors, assignees and guarantors, shall indemnify, defend, pay and hold the City, its agents, employees, officials, directors, officers, commissioners, and representatives harmless from and against all claims, demands, charges, penalties, obligations, fines, administrative and judicial actions or proceedings, suits, liabilities, judgments, damages, losses, costs and expenses of any kind or nature (including, but not limited to, attorney fees, court costs and cost of appellate proceedings) arising from said access or use, or from any act or omission of said person (and its employees, agents or anyone for whose acts or omissions said person may be liable) including, without limitation, the discharge of any duties or the exercise of any

rights or privileges pursuant to this chapter or any regulations or minimum operating standards promulgated hereunder. This section applies, without limitation, to claims of personal injury, bodily injury, sickness, disease or death, and to claims of property damage (including, City property), destruction or other impairment of every description (including, without limitation, lose of use), and to claims of environmental property damage (including, without limitation, cleanup, response, removal and remediation costs).

ARTICLE 6. FIXED BASE OPERATORS (FBO)

Section 6.1 Statement of concept.

- (a) A fixed base operator means a person engaged in commercial aeronautical activities on airport property including, at a minimum, the following:
1. Aircraft fueling and lubrication;
 2. Aircraft line services;
 3. Aircraft storage, parking, and tiedown;
 4. Major aircraft maintenance and repair services;
 5. Retail sales of aircraft parts and accessories; and
 6. Provisions of customary facilities, amenities, and ancillary services to general aviation users including, at a minimum, the following: public restrooms, public telephone, passenger/crew waiting area/lounge, conference room, snack and beverage vending machines, and computerized weather briefing/flight planning services.
- (b) A fixed base operator shall comply with all of the standards and requirements contained in this article. In addition, a fixed base operator may engage in any general aviation specialty service activity identified in article 7 (and which is not already specifically required by this section) upon meeting all standards identified for the specific activity, with the exception of those standards related to minimum required office space.

Section 6.2 Land and facility requirements.

- (a) Land: At least five (5) acres of contiguous airport property.
- (b) Apron: At least 40,000 square feet of apron designed and constructed for at least a 60,000 pound gross weight aircraft, either airport property or tenant developed (not including building area, automobile parking, and fuel storage area) to support aircraft operations. This area shall accommodate the following:
1. Airplane Design Group II aircraft (wingspans up to seventy-nine (79) feet);
 2. Transient aircraft parking for ten (10) aircraft corporate/business jet aircraft and twenty (20) general aviation aircraft;
 3. Circulation taxilanes to facilitate access to/from aircraft parking and staging areas; and
 4. Adequate ramp area to simultaneously accommodate transient aircraft operations, towing of aircraft to/from storage hangars/shades, and staging of based aircraft.
- (c) FBO Building: At least 4,000 square feet of combined office and lobby space with a minimum of 1,500 square feet dedicated to customer service and support functions.

- (d) Hangar Space: At least 20,000 square feet of interior clear space capable of handling a 60,000 pound gross weight aircraft.

Section 6.3 Hours of operation.

Unless otherwise agreed to in writing by the airport manager, a fixed base operator shall provide aircraft fueling and line services seven (7) days-per-week, including holidays, from at least 6:00 a.m. to 10:00 p.m., and if providing maintenance services, shall provide aircraft maintenance and repair services at least eight (8) hours per day, five (5) days per week. The fixed base operator shall also be on-call twenty-four (24) hour per day with after hours response times of one (1) hours or less.

Section 6.4 Subcontracting services; restrictions.

A fixed base operator may not subcontract any of activities described in section 6.1 except for major aircraft maintenance and repair services and the retail sale of aircraft parts and accessories. If the activity is not identified in section 6.1, a fixed base operator may subcontract any activities described in article 7, provided that such subcontractor meets the requirements in article 7 and operates from the fixed base operator's premises and in such areas as are approved by the airport manager.

Section 6.5 Minimum requirements of FBO services.

(a) Aviation fueling.

1. A fixed base operator shall comply with the National Fire Protection Association's codes and standards, as amended, FAA Advisory Circular 150/5230-4, as amended, all requirements of the rules and regulations, and all other applicable laws related to aircraft fuel handling, dispensing and storage.
2. A fixed base operator shall construct, install and/or maintain an on-airport above ground aviation fuel storage facility in a location approved by the airport manager. The fuel storage facility shall have total capacity for a minimum three days supply of aviation fuel for aircraft being serviced by the fixed base operator. In no event shall the total storage capacity be less than:
 - i. One 20,000 gallon above ground storage tank for Jet
 - ii. One 20,000 gallon above ground storage tank for Avgas; and
3. A fixed base operator shall demonstrate the capability to expand fuel storage capacity. A fixed base operator shall not construct or modify any fuel storage or distribution facilities without the written consent of the City and without complying with all City, state and federal safety standards. The City shall inspect such facilities periodically to ensure compliance with all standards.
4. A fixed base operator shall provide dispensing equipment sufficient to serve the needs of aircraft normally frequenting the airport, including the provision of at least two Jet fuel service vehicles and two Avgas refueling vehicles. Jet fuel service vehicles shall have single point and over-wing fueling capabilities and a

minimum capacity of 3,000 gallons. Avgas fuel service vehicles shall have a minimum capacity of 1,000 gallons. A fixed base operator shall have access to back-up fuel service vehicles. All equipment must meet local and federal safety standards. The metering devices shall be annually inspected, checked and certified by qualified business entities. The City may inspect such equipment periodically to ensure compliance with all standards.

5. A fixed base operator shall require all of its fuel service personnel to complete an aviation fuel service training course, obtain an airfield drivers permit, and receive periodic refresher training as required by the airport manager, the fire department and the FAA. A fixed base operator shall develop an in-house aviation fuel service training program or utilize a nationally-recognized fuel training program (i.e. NATA Professional Line Service Training or training program developed by major oil company such as Air BP, Avfuel, etc.) that is acceptable to the airport manager. The City and the FAA may periodically conduct inspections of the fixed base operator's activities and personnel to ensure adherence to safe practices.

(b) Aircraft line services

1. A fixed base operator shall employ and have on-duty during required hours of operations sufficient properly trained and qualified employees capable of providing aircraft fueling, aircraft parking, and ancillary aircraft ground support services and related customer services and support.
2. A fixed base operator shall have and maintain the equipment that is required to safely and efficiently tow the types of aircraft normally frequenting the airport, including a tug and towbars (dependant upon type of tug) rated for such aircraft.
3. A fixed base operator shall maintain such tools and equipment, including a ground power units, oxygen cart and supplies, fire extinguishers, chocks, tiedown supplies, etc. as are necessary for the servicing and support of aircraft types expected to use the airport.

(c) Aircraft storage, parking and tiedown

1. A fixed base operator shall lease, rent or license aircraft storage, parking and tiedown facilities to aircraft owners or operators solely for aircraft storage, parking and tiedown purposes.

Section 6.6 Insurance.

A fixed base operator shall maintain the applicable types and amounts of insurance required by Article 4, except that the operator shall at all times maintain, as a minimum amount, commercial general liability insurance in the amount of at least \$5,000,000 per occurrence, \$5,000,000 products-completed operations, \$5,000,000 hangarkeeper's, and \$5,000,000 annual aggregate.

Section 6.7 **Monthly fees**

Fixed base operators shall pay fees as described by lease, license, permit or agreement.

(a.) Fees

1. A monthly land rental payment commensurate with market rates.
2. An airport fuel flowage fee, as identified in the airport rates and fees schedule, for fuel dispensed during the calendar month just ended.

(b) Applicability and form

1. The above-indicated fees are not in lieu of any transaction privilege taxes or other taxes.
2. Forms acceptable to the City's accounting office and/or the airport manager shall accompany all payments due to the City.

ARTICLE 7. GENERAL AVIATION SPECIALTY SERVICES.

Section 7.1 Hangar/shade leasing services.

A hangar/shade leasing services operator means a person engaged in the business of leasing, renting or licensing hangars/shades to based aircraft owners or operators solely for aircraft storage purposes. Transient aircraft storage is prohibited. A hangar/shade leasing services operator may engage in the business of constructing and operating hangars/shades to be leased. A hangar/shade leasing services operator shall comply with the following minimum standards:

- (a) A hangar/shade leasing services operator shall lease sufficient land to accommodate the proposed number of hangars/shades based on a one to one (1:1) ratio of hangar space and ramp space.
- (b) The construction plans and specifications for any hangars/shades to be constructed, including minimum hangar/shade sizes and architectural design plans, is subject to the written approval of the City.
- (c) A hangar/shade leasing services operator leasing, renting or licensing hangars/shades in its operations shall maintain the types and amounts of insurance required by article 4 for any of its activities which may be covered by such insurance.
- (d) A hangar/shade leasing service operator's hangars/shades shall include at least one (1) indoor restroom for every thirty (30) hangar/shade facilities for the use by operator's lessees, and appropriate office space for the operator's employees.
- (e) Pay fees as prescribed by lease, license, permit or agreement. At a minimum, an operator located on airport shall pay twenty-five dollars (\$25.00) per month for a monthly aeronautical business permit fee in addition to paying a monthly land rental payment commensurate with market rates.

Section 7.2 Aircraft sales services.

An aircraft sales services operator means a person engaged in the sale or brokerage of new and/or used aircraft and shall:

- (a) Lease from a bona fide airport tenant or the City a minimum of 100 square feet of office space.
- (b) If conducting sales services, maintain an approved Aircraft Dealers Certificate from the State of Arizona.
- (c) At all times maintain in effect the types and minimum amounts of insurance specified in article 4, for any of its activities at the airport which may be covered by such insurance.
- (d) Pay fees as prescribed by lease, license, permit or agreement. At a minimum, an operator, in addition to paying a monthly land rental payment commensurate with market rates, shall pay the greater of twenty-five dollars (\$25.00) per month or a

monthly aeronautical business permit fee of one-hundred dollars (\$100.00) per sale of an aircraft. These monthly aeronautical business permit fees are applicable to all aircraft sales subject to the State of Arizona's transaction privilege tax.

Section 7.3 Aircraft maintenance and repair services.

An aircraft maintenance and repair services operator means a person providing one or more of the following services: airframe, engine or accessory overhaul; repair services on aircraft, including jet aircraft and helicopters; and sales of aircraft parts and accessories. An aircraft maintenance and repair services operator shall:

- (a) Lease sufficient land to accommodate the proposed operations.
- (b) Provide office space, hangar/shade facilities, a paved aircraft parking apron, an adequate number of paved automobile parking spaces for its customers, a public lounge and waiting room and public restrooms on its premises.
- (c) Provide sufficient shop space, equipment, supplies and availability of parts equivalent to that required for certification by the FAA as an approved repair station.
- (d) Either: (1) employ and have on-duty during normal business hours at least one person who is currently certified by the FAA with ratings appropriate to the work being performed and who holds an airframe, power plant or aircraft inspector rating; or (2) maintains a current FAR Part 145 Certificate.
- (e) Not conduct major maintenance, repair operations, or business activities at any time inside hangars/shades or other structures not designed for such function. Specific lease agreement and/or City fire codes shall determine what hangars/shades or other structures shall be approved for major maintenance activities.
- (f) At all times maintain in effect the types and minimum amounts of insurance specified in article 4, for any of its activities at the airport which may be covered by such insurance, except that the operator shall at all times maintain commercial general liability insurance in the amount of at least \$5,000,000 per occurrence, \$5,000,000 products-completed operations, and \$5,000,000 annual aggregate.
- (g) Pay fees as prescribed by lease, license, permit or agreement. At a minimum, an operator, in addition to paying a monthly land rental payment commensurate with market rates, shall pay the greater of twenty-five dollars (\$25.00) per month or a monthly aeronautical business permit fee of one and one-half (1 1/2) of gross income from the operator's sales of all services, and one and one-half (1 1/2) percent of adjusted gross income for the operator's sales of parts and accessories. Adjusted gross income shall be income equal to gross income less the operator's cost for the parts or accessories.

Section 7.4 Aircraft leasing or rental services.

An aircraft leasing or rental services operator means a person engaged in the leasing or rental of aircraft to the public. An aircraft leasing or rental services operator shall:

- (a) Lease from a bona fide airport tenant or the City a minimum of 100 square feet of office space.
- (b) Employ and have on-duty during normal business hours at least one employee.
- (c) At all times maintain in effect the types and minimum amounts of insurance specified in article 4, for any of its activities at the airport which may be covered by such insurance.
- (d) Pay fees as prescribed by lease, license, permit or agreement. At a minimum, an operator, in addition to paying a monthly land rental payment commensurate with market rates, shall pay the greater of twenty-five dollars (\$25.00) per month or a monthly aeronautical business permit fee of one and one-half (1 1/2) percent of adjusted gross income from the operator's leasing and rental income. For aircraft rental, adjusted gross income shall equal gross income less the cost to provide the aircraft or lease payment on the aircraft. Adjusted gross income shall not be reduced by the sum of any operations and maintenance expenses including, but not limited to, insurance, fuel, oil, parts, repairs and accessories.

Section 7.5 Flight training services.

A flight training services operator means a person engaged in instructing pilots in dual and solo flight training, in fixed-wing and/or rotary-wing aircraft, and providing such related ground school instruction as is necessary to take a written examination and flight check ride for the categories of pilot's licenses and ratings involved. A flight training services operator shall:

- (a) Lease from a bona fide airport tenant or the City a minimum of 100 square feet of office space.
- (b) Provide adequate classroom facilities for the amount and type of training involved.
- (c) Employ and have on-duty during normal business hours at least one instructor who is currently certified by the FAA to provide the type of training offered.
- (d) At all times maintain in effect the types and minimum amounts of insurance specified in article 4, for any of its activities at the airport which may be covered by such insurance.
- (e) Pay fees as prescribed by lease, license, permit or agreement. At a minimum, an operator, in addition to paying a monthly land rental payment commensurate with market rates, shall pay the greater of twenty-five dollars (\$25.00) per month or a monthly aeronautical business permit fee of one and one-half (1 1/2) percent of gross income from the operator's sales of all services including, but not limited to, flight instruction, ground school, testing examinations, sales of books and materials.

Section 7.6 Specialized aircraft repair services and sales.

A specialized aircraft repair services operator means a person engaged in the business of repairing aircraft radios, avionics, instruments, propellers, accessories, upholstery, painting and/or similar aircraft components. A specialized aircraft repair services operator sells new or used parts and components necessary for such repairs. A specialized aircraft repair services operator shall:

- (a) Provide sufficient land to accommodate the proposed operations.
- (b) Provide hangar/shade facilities, a paved aircraft parking apron, an adequate number of paved automobile parking spaces for its customers, a public lounge and waiting room and public restrooms on its premises.
- (c) Employ and have on-duty during normal business hours at least one person who is currently certified by the FAA with ratings appropriate to the services offered.
- (d) Not conduct maintenance or repair operations or business activities at any time inside hangars/shades or other structures not designed for such functions. Specific lease agreements and/or City fire codes shall determine what hangars/shades or other structures shall be approved for major maintenance activities.
- (e) At all times maintain in effect the types and minimum amounts of insurance specified in article 4, for any of its activities at the airport which may be covered by such insurance, except that the operator shall at all times maintain commercial general liability insurance in the amount of at least \$3,000,000 per occurrence, \$3,000,000 products-completed operations, and \$3,000,000 annual aggregate.
- (f) Pay fees as prescribed by lease, license, permit or agreement. At a minimum, an operator, in addition to paying a monthly land rental payment commensurate with market rates, shall pay the greater of twenty-five dollars (\$25.00) per month or a monthly aeronautical business permit fee of one and one-half (1 1/2) percent of gross income from the operator's sales of services, and one and one-half (1 1/2) percent of adjusted gross income from the operator's sales of parts and accessories. Adjusted gross income shall be income equal to gross income less the cost to provide the parts or accessories.

Section 7.7 Aircraft charter services.

An aircraft charter services operator means a person engaged in the business of providing air transportation of persons or property to the general public for hire, either on a charter basis or as defined by the FAA under Part 135. Aircraft charter services may include the performance of aircraft management services as defined in these minimum operating standards, as long as all requirements of such services are met. An aircraft charter services operator shall:

- (a) Lease from a bona fide airport tenant or the City a minimum of 1,000 square feet of office space and provide an adequate number of paved automobile parking spaces for its customers, a public lounge and waiting room and public restrooms on its premises.
- (b) Employ and have on-duty during normal business hours at least one person who holds current FAA commercial pilot and medical certificates and ratings appropriate for the operator's flight activities. All flight crews shall be properly rated for the aircraft operated, and the operator shall provide reasonable assurance of the continued availability of qualified operating crews.

- (c) Own or lease exclusively by written agreement aircraft currently certified and continuously airworthy. All aircraft shall meet the requirements of the FAA certificate held by the aircraft charter service operator.
- (d) Have and provide the City with, a current FAR Part 135 Certificate or provisional FAR Part 135 Certificate, as well as the aircraft identification page from the operating specifications listing all aircraft on the certificate.
- (e) At all times maintain in effect the types and minimum amounts of insurance specified in article 4, for any of its activities at the airport which may be covered by such insurance.
- (f) Pay fees as prescribed by lease, license, permit or agreement. At a minimum, an operator, in addition to paying a monthly land rental commensurate with market rates, shall pay a monthly aeronautical business permit fee of one or more of the following:
 - 1. A monthly permit fee of fifty dollars (\$25.00) for the operation of each aircraft weighing less than 12,500 pounds certificated maximum takeoff weight; and
 - 2. A monthly permit fee of fifty dollars (\$50.00) for the operation of each aircraft weighing more than 12,500 pounds but equal to or less than 41,000 pounds certificated maximum takeoff weight; and
 - 3. A monthly permit fee of one-hundred and fifty dollars (\$150.00) for the operation of each aircraft weighing more than 41,101 pounds certificated maximum takeoff weight.

Section 7.8 Specialized commercial flying services

A specialized commercial flying services operator means a person engaged in air transportation for hire for any of the following purposes: nonstop sightseeing flights that begin and end at the airport, aerial photography or survey, powerline or pipeline patrol, air ambulance service, airborne mineral exploration, or any other operations specifically excluded from FAR Part 135. A specialized commercial flying services operator shall:

- (a) Lease from a bona fide airport tenant or the City a minimum of 1000 square feet of office space and provide an adequate number of paved automobile parking spaces for its customers, a public lounge and waiting room and public restrooms on its premises.
- (b) Employ and have on-duty during normal business hours at least one person who holds a current commercial pilot and medical certificates with appropriate ratings for the aircraft to be flown.
- (c) At all times maintain in effect the types and minimum amounts of insurance specified in article 4, for any of its activities at the airport which may be covered by such insurance.
- (d) Pay fees as prescribed by lease, license, permit or agreement. At a minimum, an operator, in addition to paying a monthly land rental payment commensurate with market rates, shall pay the greater of twenty-five dollars (\$25.00) per month or a monthly aeronautical business permit fee of one and one-half (1 1/2) percent of gross income from the operator's sales of all services

Section 7.9. Aircraft management services.

An aircraft management services operator means a person performing one or more of the following services in the management of another person's aircraft: pilot staffing, records management, and other aircraft-related services not including services detailed in any other sections contained herein. Aircraft management also encompasses the exercise of the privilege of FAR Part 91.501 on behalf of the owner and the brokerage of a qualified aircraft through a FAR Part 135 operator to the general public. Aircraft management does not include the control of, or operation of, aircraft under FAR Part 135. An aircraft management services operator shall:

- (a) Lease from a bona fide airport tenant or the City a minimum of 100 square feet of office space.
- (b) At all times maintain in effect the types and minimum amounts of insurance specified in article 4, for any of its activities at the airport which may be covered by such insurance.
- (c) Pay fees as prescribed by lease, license, permit or agreement. At a minimum, an operator, in addition to paying a monthly land rental commensurate with market rates, shall pay a monthly aeronautical business permit fee of one or more of the following:
 1. A monthly permit fee of fifty dollars (\$25.00) for the operation of each aircraft weighing less than 12,500 pounds certificated maximum takeoff weight; and
 2. A monthly permit fee of fifty dollars (\$50.00) for the operation of each aircraft weighing more than 12,500 pounds but equal to or less than 41,000 pounds certificated maximum takeoff weight; and
 3. A monthly permit fee of one-hundred and fifty dollars (\$150.00) for the operation of each aircraft weighing more than 41,101 pounds certificated maximum takeoff weight.

Section 7.10. Mobile aircraft maintenance and repair services.

A mobile aircraft maintenance and repair services operator means a person providing one or more of the following services at the aircraft based location or within a designated aircraft maintenance area on the airport: airframe, engine or accessory overhaul; repair services on aircraft; and sales of aircraft parts and accessories. A mobile aircraft maintenance and repair services operator shall:

- (a) Either: (1) employ at least one person who is currently certified by the FAA with ratings appropriate to the work being performed and who holds an airframe, power plant, or aircraft inspector rating; or (2) maintains a current FAR Part 145 Certificate; and provide proof of such ratings and certificates to the airport manager upon request.
- (b) Only conduct aircraft maintenance and repair services on piston aircraft weighing less than 12,500 pounds certificated maximum takeoff weight.
- (c) Not conduct major aircraft alterations or repairs or business activities at any time inside hangars/shades or other structures not designed for such function. Specific lease agreement and/or City fire codes shall determine what hangars/shades or other structures shall be approved for major aircraft alterations or repairs.
- (d) At all times maintain in effect the types and minimum amounts of insurance specified in article 4, for any of its activities at the airport that may be covered by such insurance, and provide proof of such insurance to the airport manager upon request.

- (e) Pay fees as prescribed by lease, license, permit or agreement. At a minimum, an operator, in addition to paying a monthly land rental payment commensurate with market rates, shall pay the greater of twenty-five dollars (\$25.00) per month or a monthly aeronautical business permit fee of one and one-half (1 1/2) percent of gross income from the operator's sales of services, and one and one-half (1 1/2) percent of adjusted gross income from the operator's sales of parts and accessories. Adjusted gross income shall be income equal to gross income less the cost to provide the parts or accessories.

Section 7.11. Mobile aircraft washing services

Mobile aircraft washing services operators engage in the cleaning, detailing and/or washing of aircraft either for the general public or for individual businesses. Aircraft washing is restricted to designated wash rack/pad areas and/or other areas permitted un-der an Approved Washing Plan (AWP) and shall be performed in accordance with Sec-tion 2-11 of the Airport Rules and Regulations. Operators providing mobile aircraft washing services shall meet the following standards:

- (a) Submit and receive approval of an aircraft washing plan that contains the follow-ing information:
 - 1. Name of individual/company conducting washing services, contact name and phone number.
- (b) A detailed description of washing method/operation, including the following details:
 - 1. Wash water containment method(s), (ramp scrubber, berms, containment boom, tarps, dry, etc.)
 - 2. An estimate of the amount of water used per wash and frequency of operation,
 - 3. Name and amount of chemical(s) used per wash, And
 - 4. If “dry” washing or waxing/coating operations are conducted, provide affirmation that tarps, vacuum system and/or sweeping will be used to collect residual material for its proper disposal and to protect the ramp (if applicable). Operators must properly dispose of “dry” wash materials and/or residual waste.
 - 5. Material Safety Data Sheets (MSDS) for all chemicals to be used.
- (c) If washing is conducted outside of designated wash rack/pad, indicate the method of disposal of retrieved wash/waste water. If water is to be disposed of on airport property the following steps shall be taken:
 - 1. Disposal of wash/waste water shall be done through an oil/water interceptor into the sanitary sewer system. At no time is wash/waste water to be disposed of in storm water drainage or dirt/grass areas.
 - 2. Approval for the discharge of wash/waste water on airport property shall be obtained from the airport director. An approval letter shall be included in the AWP, and be accessible on-demand each time disposal is conducted on airport property.
 - 3. A copy of the AWP shall be on wash site at all times while aircraft washing activities are performed, and shall be accessible to the airport director on-demand.
 - 4. The aircraft washing services operator shall maintain a complete list of individuals/companies contracting for washing services and all aircraft washed during each month, including the date that service was provided, aircraft owner (if avail-able), FAA registration number, and make and model of aircraft for a period

of six (6) months. The list shall be made available to the airport director upon request.

- (d) A mobile aircraft washing services operator shall at all times maintain in effect the types and minimum amounts of insurance, and contain provisions cited herein for any of its activities at the airport that may be covered by such insurance specified in section 4.
- (e) The operator shall pay fees as prescribed by lease, license, permit or agreement. At a minimum an operator shall pay the greater of twenty-five dollars (\$25.00) per month or a monthly aeronautical business permit fee of one and one-half (1 1/2) percent of gross income from the operator's sales.

Section 7.12. Airport rental car concession services.

An airport rental car concession services operator means a person providing rental car services at the airport. An airport rental car concession services operator shall:

- (a) Have an airport lease, license, permit or agreement in effect with the City.
- (b) At all times maintain in effect the types and minimum amounts of insurance specified in article 4, for any of its activities at the airport that may be covered by such insurance.
- (c) Employ and have on duty sufficient personnel during normal business hours.
- (d) Pay fees as prescribed by lease, license, permit or agreement. At a minimum, an operator, in addition to paying a monthly land rental payment commensurate with market rates, shall pay the greater of twenty-five dollars (\$25.00) per month or a monthly aeronautical business permit fee of one and one-half (1 1/2) percent of gross income from the operator's sales of all services. Automobiles are considered rented at Prescott Airport (and, therefore included in gross income) if:
 - 1. The automobile is delivered to the customer at the airport; or
 - 2. The rental agreement is entered into at the airport even though the automobile is delivered elsewhere; or
 - 3. The automobile is pickup at the airport; or
 - 4. A vehicle rented at the airport is exchanged for another vehicle at any location within twenty-five (25) miles of the Prescott Airport for a time-period running consecutively with the original rental agreement.

Section 7.13. Aircraft brokerage services.

A charter brokerage services operator means a person brokering another person's aircraft for use in charter operation or filling seats in an aircraft for purposes of charter operation. Charter brokerage service does not include the control or operation of aircraft under FAR Part 135. A charter brokerage services operator shall:

- (a) At all times maintain in effect the types and minimum amounts of insurance specified in article 4, for any of its activities at the airport that may be covered by such insurance.

- (b) Pay fees as prescribed by lease, license, permit or agreement. At a minimum, an operator shall pay a monthly fee of \$1.00/1,000 pounds maximum certificated takeoff weight of all aircraft arriving or departing the airport in conjunction with this service.

Section 7.14. Flying clubs.

A flying club is a non-profit entity or organization organized solely for the purpose of providing its members with one or more aircraft for their personal use and enjoyment. A flying club shall meet the following standards and shall comply with these minimum standards:

- (a) At the time of applying for a lease, license, permit or agreement with or from the City to operate a flying club at the airport, the club shall furnish the airport manager with:
 - 1. A copy of its articles of incorporation, if the club is a corporation;
 - 2. A copy of its articles of organization, if the club is a limited liability company;
 - 3. A copy of its certificate of limited partnership, if the club is a limited partnership;
 - 4. A copy of its partnership agreement, if the club is a general partnership;
 - 5. A copy of the club's roster or list of members, including names of officers and directors;
 - 6. Evidence of required insurance;
 - 7. A description of all aircraft used;
 - 8. Evidence that all aircraft are properly certificated; evidence of ownership of such aircraft; and
 - 9. Any operating rules of the club.
- (b) The clubs book's and records shall be made available for inspection and copying by the airport manager at any reasonable time. The club shall update its roster or list of members twice annually and provide the airport manager with such updated roster or list no later than June 30 and December 31 of each year.
- (c) All aircraft used by the club shall be owned by the club or leased exclusively by written agreement to the club, and all ownership or lease rights to such aircraft must be vested on a pro-rata basis in all of the club's members.
- (d) The property rights of the club members shall be equal, and no part of any revenues received by the club shall inure to the direct benefit of any member (e.g. by salary or bonus).
- (e) The club shall not derive greater revenue from the use of its aircraft than the amount necessary for the operation, maintenance and replacements of its aircraft and facilities.
- (f) The club's aircraft shall not be used by anyone other than the club's members and shall not be used by anyone for hire, charter or air taxi. Flight instruction may be given in club aircraft, but only by one club member to another member. The member providing the flight instruction may be compensated by credit against payment of club dues or flight time.

- (g) The club and its members are prohibited from leasing, selling, trading or bartering any good or service to or with any non-members of the club, except that a club may sell or exchange its aircraft and equipment for replacement or liquidation purposes.
- (h) The club shall at all times maintain in effect the types and minimum amounts of insurance specified in Section 4 of these Minimum Operating Standards for any of its activities at the airport which may be covered by such insurance.
- (i) The flying club shall pay fees as prescribed by lease, license, permit or agreement, and any applicable fees identified on the airport rates and fees schedule.