

Scottsdale Airport

SDL

AIRPORT ADMINISTRATION OFFICE
15000 N. AIRPORT DR., SUITE 200
SCOTTSDALE, ARIZONA 85260
480.312.2321 FAX 480.312.8480

AIRPORT MINIMUM OPERATING STANDARDS



REVISIONS

<u>REVISION No.</u>	<u>DATE</u>	<u>SECTION</u>
1	9/7/99	Article 7-General Aviation Specialty Services. Section 7.
2	9/7/99	Article 7-General Aviation Specialty Services. Section 7.
3	7/10/00	Article 7-General Aviation Specialty Services. Section 7.
4	2/28/01	Article 4-Insurance Section 4-1.
5	2/28/01	Article 6-Fixed Base Operators Section 6-6.
6	2/28/01	Article 7-General Aviation Specialty Services. Section 7-1.
7	4/18/01	Article 1-Definitions; Application; Waiver. Section 1-4.
8	9/19/01	Article 6-Fixed Base Operator
9	7/1/02	Article 6-Fixed Base Operator
10	7/1/02	Article 7-General Aviation Specialty Services. Section 7.
11	4/9/03	Article 7-General Aviation Specialty Services. Section 7-10.
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13	1/1/08	Article 7-General Aviation Specialty Services. Section 7-3.
14	1/1/08	Article 7-General Aviation Specialty Services. Section 7-4.
15	1/1/08	Article 7-General Aviation Specialty Services. Section 7-6.
16	1/1/08	Article 7-General Aviation Specialty Services. Section 7-11.
17	1/1/08	Article 7-General Aviation Specialty Services. Section 7-12.
18	1/1/08	Article 7-General Aviation Specialty Services. Section 7-13.
19	1/1/08	Article 7-General Aviation Specialty Services. Section 7-14.
20	7/18/09	Article 1-Definitions; Application; Waiver. Section 1-5.
21	9/22/11	ALL SECTIONS
22	5/13/15	Attachment A – Airport Insurance Requirements

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Article 1 Definitions; Application; Waiver

Section 1-1. Definitions.

All definitions contained in Chapter 5 of the Scottsdale Revised Code and the Airport Rules and Regulations are incorporated by reference into these Minimum Operating Standards. For purposes of these Minimum Operating Standards, all references to the “rules and regulations” are to the Airport Rules and Regulations.

Aircraft Management Services Agreement means a written agreement, between an aircraft owner and Aircraft Management Services Operator, to provide one or more of the following services for the owner’s aircraft:

- (a) employ and supervise flight and maintenance personnel;
- (b) perform and/or supervise aircraft maintenance;
- (c) arrange aircraft fleet insurance;
- (d) provide FAA liaison and regulatory compliance services;
- (e) provide aircraft hangar and shop facilities;
- (f) pay aircraft related expenses;
- (g) keep aircraft records; and
- (h) provide aircraft crew and passenger scheduling and support.

If the Aircraft Management Services Operator performs or supervises aircraft maintenance, the term of the Aircraft Management Services Agreement must be for at least twelve (12) months.

Section 1-2. Application of Minimum Operating Standards.

All persons conducting commercial aeronautical activities at the Airport (hereinafter referred to as commercial airport 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. The 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. These Minimum Operating Standards shall be deemed to be a part of each commercial airport 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 airport operator’s written 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. Multiple activities by one commercial airport operator.

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

Section 1-4. 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 Aviation Director on a case-by-case basis and set forth in such commercial airport operator's written lease, license, permit or agreement with or from the City and shall pay the greater of twenty-five dollars (\$25.00) per month or a monthly aeronautical business permit fee of two and one-half (2 1/2) percent of gross income from the operator's sales of all services.

Section 1-5. Waiver or modification of standards.

The Aviation Director 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 or designee 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 airport operators at the Airport.

Article 2 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 and as outlined in the Aeronautical Business Permit Checklists, as amended shall, prior to conducting such activities, submit an Aeronautical Business Permit Application, subject to the Aviation Director's approval. In addition to the following requirements, the Aviation Director may require the applicant to provide additional information which is necessary to ensure compliance with the Scottsdale Revised Code, Rules and Regulations, and/or these Minimum Operating Standards. The applicant shall, at minimum, submit the following documentation with the above-referenced application:

- (a) A detailed description of the scope of the intended operations, including all services to be offered;
- (b) The amount of land, office space, and/or aircraft storage areas required for the operation, if applicable;
- (c) A detailed description of any improvements or modifications to be constructed or made to airport property, including cost estimates and a construction timetable, if applicable;
- (d) Documentation of the applicant's financial capabilities to construct any improvements, if applicable;
- (e) One of the following:
 - 1. If the applicant is a corporation, a copy of the articles of incorporation as filed with the Corporation Commission;
 - 2. If the applicant is a limited liability company, a copy of the articles of organization filed with the Corporation Commission;
 - 3. If the applicant is a limited partnership, a copy of the certificate of limited partnership filed with the Secretary of State; or
 - 4. If the applicant is a general partnership, a copy of the written partnership agreement;
- (f) An original copy of a certificate of insurance, in the amounts outlined hereunder, naming the City as an additional insured;
- (g) A copy of a lease/sublease or other agreement with the City or a bona fide airport tenant;
- (h) A copy of the applicant's City of Scottsdale Business/Privilege Tax License, if applicable;
- (i) Copies of applicable Federal Aviation Administration (FAA) certificates.

Section 2-2. Processing; denial.

The Aviation Director, in accordance with Scottsdale Revised Code Section 5-121, shall be responsible for processing an application for a lease, license, permit or agreement to conduct activities at the Airport. Any lease, license, permit or agreement not meeting the criteria outlined in Scottsdale Revised Code Section 5-121 is subject to the approval of the Airport Advisory Commission and the City Council. The Aviation Director may deny any application if the Aviation Director determines that:

- (a) The applicant does not meet the qualifications and standards set forth in Chapter 5 of the Scottsdale Revised 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 Chapter 5 of the Scottsdale Revised 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 may appeal the denial of an application by the Aviation Director, subject to the following provisions:

- (a) The applicant must provide written notice of appeal to the Aviation Director within ten (10) days of said denial.

- (b) The applicant shall be notified in writing of the date, time and place of the scheduled appeal hearing.
- (c) The applicant or the applicant's counsel shall be present at the hearing to justify the applicant's application. If the applicant or counsel is not present, the Aviation Director's denial shall remain unchanged.
- (d) The Airport Appeals Board shall take comments from the applicant and the Aviation Director.
- (e) The decision of the Airport Appeals Board shall be final as to the denial or approval of the application.
- (f) An applicant may be represented by counsel at the hearing and the City may be represented by the City Attorney's or City Prosecutor's office. Formal rules of evidence shall not apply. Both the applicant and the City shall have the right to present evidence through testimony or exhibits and to cross-examine witnesses. The Airport Appeals Board shall preside over the proceedings and shall determine the order and manner of proof.
- (g) At the conclusion of the hearing, the Airport Appeals Board shall rule on the appeal and notify the applicant of the ruling in writing, by mail, within ten (10) calendar days of the hearing, unless all parties stipulate that additional time is required to render a fair decision. The Airport Appeals Board's decision shall be supported by a preponderance of evidence.

Article 3 General Contractual Provisions

Section 3-1. General Provisions.

Except as otherwise provided in Chapter 5 of the Scottsdale Revised 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 and 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 the use of the Airport;
- (c) A termination clause allowing the City to terminate the commercial airport operator's lease, license, permit or agreement no later than thirty (30) days after notice of default is given to the commercial airport operator if the commercial airport operator fails to cure its default within the thirty (30) day period, and allowing the City to terminate the lease, license, permit or agreement immediately if the commercial airport operator fails to maintain the required insurance.
- (d) No improvements or modifications to airport property without the prior written consent of the City and without posting appropriate payment and performance bonds. Before commencing any improvements or modifications, the commercial airport operator shall submit detailed construction plans and specifications to the City. Upon completion of the construction, the commercial airport 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 airport operator's lease, license, permit or agreement.
- (e) No lease, license, permit, agreement, or any rights hereunder, shall be assigned without the prior written consent of the City. The Aviation Director may require any potential assignee to submit biographical and financial information at least thirty (30) days prior to a proposed assignment.
- (f) All FAA required provisions.

Article 4 Insurance

Section 4-1. General insurance requirements.

Each commercial airport operator shall at all times maintain in effect the following types and minimum amounts of insurance as applicable to the business to be conducted as outlined in Attachment A - Airport Minimum Operating Standards Insurance Requirements.

Section 4-2. Additional insurance required by City's Risk Management Director.

In addition to the types and amounts of insurance required by Section 4-1 and Attachment A, each commercial airport operator shall at all times maintain such other insurance as the City's Risk Management Director may reasonably determine to be necessary for such commercial airport 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 and its elected or appointed officials, officers, representatives, directors, commissioners, agents and employees as "Additional Insureds," and the commercial airport operator shall furnish certificate of insurances evidencing the required coverage cited herein prior to engaging in any commercial aeronautical activities. Such certificates shall provide for unequivocal thirty (30) day 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 airport operator shall abide by the Scottsdale Revised 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, each commercial airport operator conducting aeronautical activities shall provide paved access from its leased premises to the airport's taxiway/taxilane/apron system. Such access shall meet all applicable FAA standards for the largest aircraft type anticipated to use the commercial airport operator's premises.

Section 5-3. Right-of-entry reserved.

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

Section 5-4. Rates and charges.

Each commercial airport 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 airport operator's customers.

Section 5-5. Personnel, subtenants and invitees; control and demeanor.

Each commercial airport 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 airport operator shall control the conduct and demeanor of its personnel, subtenants, licensees and invitees and, upon objection by the City concerning the conduct or demeanor of any such person, the commercial airport operator shall immediately take all lawful steps necessary to remove the cause of the objection. Each commercial airport 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 airport 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. Fire equipment.

Each commercial airport 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 5-8. Vehicle identification.

Any vehicle used in the airside area must bear identification designating the commercial airport 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 Aviation Director.

Section 5-9. Indemnification.

- (a) To the fullest extent permitted by law, any person accessing or using the airport or any of its facilities, or any airpark taxilanes, and the person's successors, assigns and guarantors, must indemnify, defend and hold harmless, the City, its agents, employees, elected and appointed officials, directors, officers, commissioners and representatives from and against all allegations, demands, proceedings, suits, actions, claims, damages, losses, expenses (including, but not limited to, claims adjustment, attorney fees and court costs), related to, arising from or out of, or resulting from:
1. Any negligent or intentional actions, acts, errors, mistakes or omissions caused in whole or in part by such person, or the person's employees and agents, or
 2. The exercise of any rights or privileges under Scottsdale Revised Code, Chapter 5, or under the Airport Minimum Operating Standards, Airpark Minimum Standards, Airport Rules and Regulations, and Airpark Rules and Regulations.
- (b) This section includes, but is not limited to, environmental claims for property damage, cleanup, response, removal and remediation.

Article 6 Fixed Base Operators

Section 6-1. Statement of concept.

- (a) Fixed Base Operator means a person engaged in a wide range of commercial aeronautical activities on airport property including, at a minimum, the following:
1. Aircraft fueling and lubrication;
 2. Aircraft line services;
 3. Major aircraft maintenance and repair services;
 4. Aircraft storage, parking, and tiedown;
 5. Retail sale of aircraft parts and accessories; and
 6. Provision of customary facilities, amenities, and ancillary services to general aviation users including, at a minimum, the following: public restrooms, public telephones, passenger waiting areas/lounges, conference rooms, crewmember lounges, and 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) Building/Facilities: Four (4) acres of contiguous leased airport land. This area should accommodate the following:
1. Executive Terminal Building: 8,000 square feet with a minimum of 6,000 square feet dedicated to customer service and support functions.
 2. Hangar Space: 24,000 square feet with 16,000 square feet dedicated to aircraft storage and 8,000 square feet dedicated to aircraft maintenance and repair.
 3. Shop: 3,000 square feet of shop space to support aircraft maintenance and repair activities, including the storage of parts and accessories.
 4. Automobile parking area.
 5. Fuel storage area to meet the minimums outlined in Section 6-5.
- (b) Apron: At least 280,000 square feet of either common area airport property or tenant developed leased land (not including any building area, automobile park-

ing area, 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 forty (40) jet aircraft;
3. Circulation taxilanes to facilitate access to/from aircraft parking and staging areas; and
4. Adequate area to simultaneously accommodate transient aircraft operations, towing of aircraft to/from storage hangars/shades, and staging of based aircraft.

Section 6-3. Hours of operation.

Unless otherwise agreed to in writing by the Aviation Director, a Fixed Base Operator shall provide aircraft fueling and line services seven (7) days per week, from 6:00 a.m. to 10:00 p.m., and shall keep the fixed base operation open for aircraft maintenance and repair at least eight (8) hours per day, five (5) days per week. The Fixed Base Operator shall also be on-call twenty-four (24) hours per day with after hours response times of one (1) hour or less.

Section 6-4. Subcontracting services; restrictions.

- (a) A Fixed Base Operator may not subcontract any of the activities identified 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 Aviation Director.
- (b) A Fixed Base Operator shall not sublease, permit or allow any other person to operate as a general aviation specialty service operator within the leased or permitted area, or conduct any business venture which directly or indirectly relates to aeronautics or flight, without the prior written approval of the City.

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, 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 (or install) and maintain an on-airport above or below ground fuel storage facility in a location approved by the Aviation Director. The fuel storage facility shall have total capacity for 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:

- a. 24,000 gallons for Jet fuel storage;
 - b. 8,000 gallons for Avgas storage; and
 - c. A Fixed Base Operator shall demonstrate the capability to expand fuel storage capacity within a reasonable time period.
3. 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 safety standards. The City may 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 the aircraft normally frequenting the Airport, including the provision of at least two (2) Jet fuel refueling vehicles and one (1) Avgas refueling vehicle. Jet fuel refueling vehicles shall have single-point and over-the-wing fueling capabilities and minimum capacity of 2,000 gallons. Avgas refueling vehicles shall have minimum capacity of 750 gallons. A Fixed Base Operator shall have access to a back-up Avgas refueling vehicle (with the same capabilities and minimum capacities). All equipment must meet all City safety standards. The metering devices shall be annually inspected, checked and certified by appropriate state and local agencies. The City may inspect such equipment periodically to ensure compliance with all standards.
 5. In accordance with industry standards, a Fixed Base Operator shall require all of its fuel-handling personnel to attend training courses and receive periodic refresher training, as required by the Aviation Director and City Fire Department. A Fixed Base Operator shall develop a standard operating procedure for aviation fueling activities and provide a current copy of the same to the Aviation Director. The City and 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 operation at least one (1) properly trained and qualified employee capable of providing aircraft fueling, aircraft parking, and ancillary aircraft ground 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 move (tow) the aircraft normally frequenting the Airport, including a tug and tow bars with rated draw bar pull sufficient for such aircraft.
3. A Fixed Base Operator shall maintain tools, jacks, tugs, tire repair equipment, ground power units, emergency starting equipment, portable compressed air tanks, oxygen cart and supplies, fire extinguishers, chocks, ropes

and tiedown supplies as are necessary for the servicing of aircraft types expected to use the Airport.

(c) Major aircraft maintenance and repair services

1. A Fixed Base Operator shall provide major airframe, engine and accessory overhaul repair services for piston, turboprop, and turbine aircraft.
2. Provide sufficient shop space, equipment, supplies and availability of parts equivalent to that required for certification by the FAA as an approved repair station.
3. Either: (1) employ and have on-duty during normal business hours at least one (1) person who is currently certified by the FAA with ratings appropriate to the work being performed and holds an airframe, power plant, or aircraft inspector rating; or (2) maintain a current FAR Part 145 Certificate.

(d) 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.

(e) Aircraft customers designated by the Aviation Director shall be identified with chalks indicating the Fixed Base Operator name or abbreviation.

(f) Sale of aircraft parts and accessories

1. A Fixed Base Operator shall provide retail sales of aircraft parts and accessories as are necessary for the servicing of aircraft types expected to use the Airport.

(g) Emergency response – disabled aircraft removal

1. Upon the Aviation Director's request, a Fixed Base Operator shall immediately provide tugs, tow bars, and other related equipment and sufficient personnel necessary to assist with emergencies, including removing a disabled aircraft from the air operations area.

Section 6-6. Insurance.

A Fixed Base Operator shall maintain the applicable types and amounts of insurance required by Article 4 and Attachment A.

Section 6-7. Monthly aeronautical business permit fee.

- (a) A Fixed Base Operator shall pay fees as prescribed by lease, license, permit or agreement. At a minimum, said lease, license, permit or agreement shall include a monthly land rental payment commensurate with market rates and the following monthly aeronautical business permit fees:

1. An airport/airpark fuel flowage fee, as identified in the Scottsdale Airport/Airpark Rates and Fees Schedule, for fuel dispensed during the calendar month just ended.
 2. An additional one (1) cent per gallon fuel flowage fee above what is identified in the Scottsdale Airport/Airpark Rates and Fees Schedule, for fuel dispensed during the calendar month just ended.
 3. At the conclusion of each fiscal year ending June 30, a Fixed Base Operator shall reconcile their records and shall, if the fees payable for services performed pursuant to Article 7 of the Airport Minimum Operating Standards exceed the amount of fuel flowage fees paid pursuant to Section 6-7(a) 2 during the preceding fiscal year, pay the difference between the two (2) amounts to the Airport on or before July 31 of each year.
 4. Seventy-Five (75) percent of the gross overnight tiedown fees unless the Fixed Base Operator's apron is considered part of its leasehold.
 5. Ninety (90) percent of the transient fee identified in the Scottsdale Airport/Airpark Rates and Fees Schedule.
 6. The above-indicated fees are not in lieu of any transaction privilege taxes or other taxes.
- (b) All payments due the City shall be accompanied by forms prescribed by the City's Finance office or the Aviation Director.

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 aircraft owners or operators solely for aircraft storage purposes. 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 the following.
 - 1. Hangars/shades for the storage of aircraft as follows: 2,500 square feet for jet aircraft, 2,000 square feet for turboprop and twin engine aircraft, and 1,000 square feet for single engine aircraft and helicopters.
 - 2. Each Hangar/Shade Leasing Services Operator shall register with the Aviation Director only as many aircraft to be based at the Airport as can be stored within the operator's hangar/shade under Section 7-1(a) 1 above. Transient aircraft storage is prohibited.
- (b) The construction plans and specifications for any hangars/shades to be constructed, including minimum hangar/shade sizes and architectural design plans, are subject to the written approval of the City.
- (c) A Hangar/Shade Leasing Services Operator leasing, renting or licensing hangars/ shades shall maintain the applicable types and minimum amounts of insurance as required by Article 4 and Attachment A.
- (d) A Hangar/Shade Leasing Services Operator's hangars/shades shall include at least three (3) indoor restrooms for each thirty (30) hangar/shade facilities for the use by operator's lessees, and appropriate office and lounge areas for the operator's employees.
- (e) At a minimum, pay a monthly aeronautical business permit fee of two and a half (2.5) percent of gross base hangar rent received for aircraft storage (with such rent at least being equal to current market rate).
- (f) At a minimum, a Hangar/Shade Leasing Services Operator shall pay an annual permit fee of three-hundred dollars (\$300.00) in advance for the storage of rotor-wing aircraft.

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 applicable types and minimum amounts of insurance as specified in Article 4 and Attachment A.
- (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 and aircraft parking and storage area fees, shall pay an annual permit fee of three hundred dollars (\$300.00) in advance.

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 (1) 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) maintain 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 applicable types and minimum amounts of insurance specified in Article 4 and Attachment A.
- (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 and aircraft parking and storage area fees, shall pay the greater of twenty-five dollars (\$25.00) per month or a monthly aeronautical business permit fee of two and one-half (2 1/2) percent of gross income from the operator's sales of all services, and one and one-half (1 1/2) percent of gross income for the operator's sales of parts and 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 (1) person.
- (c) At all times maintain in effect the applicable types and minimum amounts of insurance specified in Article 4 and Attachment A.
- (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 and aircraft parking and storage area fees, shall pay the greater of twenty-five dollars (\$25.00) per month or a monthly aeronautical business permit fee of one (1) percent of gross income from the operator's leasing and rental income.

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 (1) instructor who is currently certified by the FAA to provide the type of training offered.
- (d) At all times maintain in effect the applicable types and minimum amounts of insurance specified in Article 4 and Attachment A.
- (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 two and one-half (2 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.

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) Lease 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 at least one (1) 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 applicable types and minimum amounts of insurance specified in Article 4 and Attachment A.
- (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 and aircraft parking and storage area fees, shall pay the greater of twenty-five dollars (\$25.00) per month or a monthly aeronautical business permit fee of two and one-half (2 1/2) percent of gross income from the operator's sales of all services, and one and one-half (1 1/2) percent of gross income from the operator's sales of parts and 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 100 square feet of office space.
- (b) Employ and have on-duty during normal business hours at least one (1) 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 applicable types and minimum amounts of insurance specified in Article 4 and Attachment A.
- (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 and aircraft parking and storage area fees, shall pay a monthly aeronautical business permit fee of one or more of the following:
 - 1. A monthly permit fee of one-hundred dollars (\$100.00) for the operation of one or more piston-engine aircraft less than 12,500 pounds certificated maximum takeoff weight; and
 - 2. A monthly permit fee of one-hundred and fifty dollars (\$150.00) for the operation of each turbine/jet aircraft less than 12,500 pounds certificated maximum takeoff weight; and
 - 3. A monthly permit fee of two-hundred and fifty dollars (\$250.00) for the operation of each aircraft weighing 12,500-29,999 pounds certificated maximum takeoff weight; and
 - 4. A monthly permit fee of three-hundred and fifty dollars (\$350.00) for the operation of each aircraft weighing 30,000 pounds or more certificated maximum takeoff weight.
 - 5. If the Aircraft Charter Services Operator is paying a permit fee for an aircraft under Aircraft Management Services, the operator is not required to remit a fee under Aircraft Charter Services Operator for the same aircraft.

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, fire-fighting or fire patrol, 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 100 square feet of office space.
- (b) Employ and have on-duty during normal business hours at least one (1) person who holds current commercial pilot and medical certificates with appropriate ratings for the aircraft to be flown.

- (c) At all times maintain in effect the applicable types and minimum amounts of insurance specified in Article 4 and Attachment A.
- (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 and aircraft parking and storage area fees, shall pay the greater of twenty-five dollars (\$25.00) per month or a monthly aeronautical business permit fee of two and one-half (2 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 services for compensation pursuant to an Aircraft Management Services Agreement for an aircraft to be operated exclusively under FAR Part 91 on behalf of the owner. Aircraft management does not include the control of or operation of aircraft under FAR Part 135. An Aircraft Management Services Operator shall:

- (a) At all times maintain in effect the applicable types and minimum amounts of insurance specified in Article 4 and Attachment A.
- (b) 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 and aircraft parking and storage area fees, shall pay a monthly aeronautical business permit fee of one or more of the following:
 1. A monthly permit fee of one-hundred dollars (\$100.00) for the management of one or more piston-engine aircraft less than 12,500 pounds certificated maximum takeoff weight; and
 2. A monthly permit fee of one-hundred and fifty dollars (\$150.00) for the management of each turbine/jet aircraft less than 12,500 pounds certificated maximum takeoff weight; and
 3. A monthly permit fee of two-hundred and fifty dollars (\$250.00) for the management of each aircraft weighing 12,500-29,999 pounds certificated maximum takeoff weight; and
 4. A monthly permit fee of three-hundred and fifty dollars (\$350.00) for the management of each aircraft weighing 30,000 pounds or more certificated maximum takeoff weight.
 5. If the Aircraft Management Services Operator is paying a permit fee for an aircraft under Aircraft Charter Services, the operator is not required to remit a fee under Aircraft Management Services Operator for the same aircraft.

Section 7-10. Mobile Aircraft Washing Services.

- (a) Mobile Aircraft Washing Services Operators engage in the cleaning, detailing or washing of aircraft either for the general public or for individual businesses.

- (b) No person shall conduct mobile aircraft washing services without an approved Aircraft Washing Plan.
- (c) Aircraft washing is restricted to designated wash rack areas and/or other areas permitted under an approved Aircraft Washing Plan and shall be performed in accordance with Sections 2-11 of the Airport Rules and Regulations and Sections 212 and 503 of the Airpark Rules and Regulations.
- (d) Approval for the discharge of wash/waste water on airport property must be obtained from the Aviation Director. The approval letter must be included in the Aircraft Washing Plan. Disposal of wash/waste water must be done through an oil/water interceptor in to the sanitary sewer system.
- (e) A Mobile Aircraft Washing Services Operator shall at all times maintain in effect the applicable types and minimum amounts of insurance as specified in Article 4 and Attachment.
- (f) 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 two and one-half (2 1/2) percent of gross income from the operator's sales.

Section 7-11. 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 areas 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 (1) 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) maintain a current FAR Part 145 Certificate.
- (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 applicable types and minimum amounts of insurance specified in Article 4 and Attachment A.
- (e) 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 two and one-half (2 1/2) percent of

gross income from the operator's sales of all services, and one and one-half (1 1/2) percent of gross income for the operator's sales of parts and accessories.

Section 7-12. Airport Rental Car Concession Services.

An Airport Rental Car Concession services operator means a person providing rental car services to customers at the Airport. An Airport Rental Car Concession Services operator shall:

- (a) At all times maintain in effect the applicable types and minimum amounts of insurance specified in Article 4 and Attachment A.
- (b) Park rental cars landside, unless the car is being staged by a Fixed Base Operator for an arriving aircraft.
- (c) Wash all rental cars off-airport, unless the operator has lease rights to utilize the city-owned rental car storage and wash area.
- (d) Pay fees as prescribed by lease, license, permit or agreement. At a minimum, an operator shall pay a monthly aeronautical business permit fee of eight (8) percent of gross income from the operator's sales of all services. Automobiles are considered rented at the 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 was reserved in advance at the Airport by the customer or through an airline, Fixed Base Operator, or travel agent; or
 - 4. A vehicle rented at the Airport is exchanged for another vehicle at any location within twenty-five (25) miles of the Airport for a time period running consecutively with the original rental agreement.

Section 7-13. Off-Airport Catering Services.

An Off-Airport Catering Services Operator means a person providing catering services at the Airport, and whose primary offices are located off-airport. An Off-Airport Catering Services Operator shall:

- (a) Pay fees as prescribed by license, permit or agreement. Pay an annual permit fee of three-hundred dollars (\$300.00) in advance. In addition, at a minimum, an operator located off-airport shall pay a monthly aeronautical business permit fee of seven (7) percent of gross income from the operator's sales of all services at the Airport. Catering services are considered conducted at the Airport (and, therefore, included in gross income) if catering is delivered to the customer at the Airport for the purpose of in flight food service.

Section 7-14. Charter 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 applicable types and minimum amounts of insurance specified in Article 4 and Attachment A.
- (b) Pay fees as prescribed by lease, license, permit or agreement. At a minimum, an operator shall pay a monthly aeronautical business permit fee of \$1.00/1,000 lbs maximum certificated takeoff weight of all aircraft arriving or departing the Airport in conjunction with this service.

Attachment A – AIRPORT INSURANCE REQUIREMENTS

	Fixed Based Operator	Hang-ar/shade leasing services	Aircraft sales services	Aircraft maintenance and repairs services	Aircraft leasing and rental services	Flight training services	Specialized aircraft repair services	Aircraft charter services	Specialized commercial flying services	Aircraft management services	Mobile aircraft washing services	Mobile aircraft maintenance and repair services	Airport rental car concession services	Charter Brokerage Services
COMMERCIAL GENERAL LIABILITY ¹														
Each Occurrence	\$5,000,000	\$1,000,000	\$1,000,000	\$5,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Aggregate	\$5,000,000	\$2,000,000	\$2,000,000	\$5,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
COMMERCIAL/BUSINESS AUTOMOBILE LIABILITY (Combined Single Limit) ¹														
Each Occurrence	\$5,000,000	N/A	N/A	\$1,000,000	N/A	N/A	\$1,000,000	N/A	N/A	N/A	\$1,000,000	\$1,000,000	\$1,000,000	N/A
HANGARKEEPER'S LIABILITY ^{1, 2}														
Each Occurrence	\$5,000,000	\$3,000,000	N/A	\$3,000,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
AIRCRAFT AND PASSENGER LIABILITY ¹														
Each Occurrence	N/A	N/A	N/A	N/A	\$1,000,000	N/A	N/A	\$1,000,000	\$1,000,000	N/A	N/A	N/A	N/A	N/A
PROPERTY INSURANCE ¹														
Each Occurrence	Required	Required	N/A	Required	N/A	N/A	Required	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PRODUCTS-COMPLETED OPERATIONS LIABILITY ¹														
Each Occurrence	\$5,000,000	N/A	N/A	\$5,000,000	N/A	N/A	\$1,000,000	N/A	N/A	N/A	N/A	\$1,000,000	N/A	N/A
ENVIRONMENTAL IMPAIRMENT LIABILITY (Combined Single Limit) ¹														
Each Occurrence	\$1,000,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Aggregate	\$2,000,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
WORKER'S COMPENSATION (Limits Based Upon Statutory Requirements \$100,000/\$100,000/\$500,000)														

¹ When coverages or limits set forth in Attachment A are not commercially available, appropriate replacement coverage or limits are subject to approval in advance, by the Aviation Director.

² Operators utilizing only owned Aircraft or do not have “care, custody, or control” of the aircraft are not required to have Hangarkeepers Liability Insurance.

All policies including Workman’s Compensation shall contain a waiver of subrogation rights endorsement in favor of Scottsdale Airport and the City of Scottsdale.

All policies, except Workers’ Compensation, shall name the City of Scottsdale, its agents, employees, elected and appointed officials, directors, officers, commissioners and representatives as Additional Insureds.

IMPORTANT NOTE: This outline of insurance requirements is offered for informational purposes only. The operator, lessee, licensee, permittee or other person using the Airport or airpark, is responsible for working with an informed and reputable insurance representative to understand and obtain all the applicable insurance required by these Airport Minimum Operating Standards. The City does not warrant that the minimum coverage contained in this Attachment A is sufficient to protect any airport or airpark user from liabilities that might arise out the access or use of the Airport, any of its facilities, or any airpark taxilanes.

The Certificate Holder is: The City of Scottsdale, Scottsdale Airport, 15000 N. Airport Drive, Suite #200, Scottsdale, AZ 85260.