

CITY OF BEND, OREGON
BEND MUNICIPAL AIRPORT
RULES AND REGULATIONS, MINIMUM STANDARDS AND LEASING AND
DEVELOPMENT POLICY

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**PART I
INTRODUCTION**

Effective Date:

1. GENERAL

- 1.1. Bend Municipal Airport (KBDN or the “Airport”) is a general aviation airport owned and operated by the City of Bend, Oregon (the “City”) and located in Deschutes County (the “County”), outside of the city limits.
- 1.2. As owner, operator, and sponsor of the Airport, the City has the authority to establish rules and regulations, minimum standards, and policies for operations at the Airport. These rules, regulations, minimum standards and policies may be modified, adopted, and updated from time to time.
- 1.3. The Airport is a public use facility served by general aviation for passenger and cargo air transportation, including air taxi operators, military aircraft, flight schools, aerial firefighting, crop dusters and medical transport operators. It is used by aircraft owners, operators, pilots, and passengers for their air transportation, business, and recreational flying activities.
- 1.4. The City government, representing the people of Bend, Oregon, supports the Airport and its activities and intends to do that which is necessary and consistent with all applicable law to ensure the Airport’s viability in order that it may continue to safely, efficiently, and adequately serve, to the best of its ability, the needs of all who use the Airport and rely on its services.
- 1.5. The Airport Manager or their designee shall have the authority to enforce these Rules and Regulations, Minimum Standards, and Leasing and Development Policies on behalf of the City consistent with Bend Municipal Code Chapter 5.10. These rules and regulations, minimum standards, and policies are “Airport Regulations” for purposes of Bend Municipal Code Sections 5.10.000 and 5.10.005 and the Airport Manager is hereby designated as a Code Enforcement Officer for the purpose of enforcing these Airport Regulations.
- 1.6. To the extent that any provision of these Airport Rules and Regulations, Minimum Standards, or Leasing and Development Policy conflicts with any of the Grant Assurances, the Grant Assurances shall supersede and control.

2. AIRPORT RULES AND REGULATIONS

- 2.1. The City has adopted the Airport Rules and Regulations, as set forth here in Part II, to promote the safe and efficient use of the Airport (the “Rules and Regulations”). The purpose of these Rules and Regulations is to inform Airport users, tenants, employees, guests, and all other Persons on the Airport of the precautions necessary to maintain a safe environment and to set forth the various policies in place at the

Airport. All Persons on, or using, the Airport must comply with these Rules and Regulations.

3. MINIMUM STANDARDS FOR COMMERCIAL AERONAUTICAL OPERATORS

- 3.1. The City has adopted the Minimum Standards for Commercial Aeronautical Operators at the Airport (the “Minimum Standards”), as set forth herein in Part III, in order to foster, encourage, and ensure the economic health and orderly development of aviation and related aeronautical activities at the Airport. These are standards, and requirements that apply to all authorized Commercial Aeronautical Operators at the Airport. These Minimum Standards are developed based in part on FAA Advisory Circular 150/5190-7, Minimum Standards for Commercial Aeronautical Activities (as may be amended). All Persons on, or using, the Airport for a commercial enterprise must comply with the Minimum Standards.

4. AIRPORT LEASING AND DEVELOPMENT POLICY

- 4.1. The City has adopted Leasing and Development Policy (the “Leasing and Development Policy”), as set forth herein in Part IV, in order to facilitate the development and use of the Airport. The City shall use this Leasing and Development Policy in making decisions about the lease, use, and development of Airport property. All Persons proposing to use or lease Airport property must comply with this Leasing and Development Policy.

PART II AIRPORT RULES AND REGULATIONS

1. INTRODUCTION

- 1.1. These Airport Rules and Regulations are designed to establish the necessary regulations and standards for the management, governance, and use of the Airport, and to ensure the continued viability and safety of the Airport for its users and for the residents of the city and the county. These Rules and Regulations are intended to be reasonable, attainable, uniformly applied, non-arbitrary and non-discriminatory. These Airport Rules and Regulations apply to every Person using or accessing the Airport and shall be followed by every such Person.
- 1.2. All activities, including but not limited to Aeronautical Activities, at the Airport shall be conducted in accordance with these Rules and Regulations. All pertinent rules, regulations, orders and rulings of the FAA and the Oregon Department of Aviation (“ODA”) as are or may in the future be in effect are made a part of these Rules and Regulations by this reference. The City will operate the Airport for the use and benefit of the public to make it available to all types, kinds, and classes of Aeronautical Activity on fair and reasonable terms and without unjust discrimination.¹
- 1.3. The Bend Municipal Code Code (the “Code”) contains additional provisions related to the use of the Airport. Relevant provisions of the Code include 1.30, 1.50, 3.05 and 5.10. The most current version of the Code is located on the City’s web site at bend.municipal.codes and is also available from the City Recorder’s office upon request. The City may amend such Code provisions from time to time. In the event of a conflict between the Code and these Rules and Regulations, the Code shall prevail.

2. AUTHORITY AND ENFORCEMENT

- 2.1. Consistent with Part I, Section 1.6, above, the Airport Manager is authorized to take all reasonable actions necessary to protect and safeguard the public while present at the Airport and to oversee all Airport operations consistent with these Rules and Regulations, those of the FAA and the laws of the State of Oregon and the ordinances of the City of Bend.

3. PUBLIC USE

- 3.1. The Airport shall be open for public use at all hours, subject to all applicable federal, state, and local laws, rules, and regulations and restrictions due to weather,

¹ As used in these Rules and Regulations, Minimum Standards, and Leasing and Development Policy, the term “unjust discrimination” refers to the FAA’s use of such term pursuant to Grant Assurance 22, *Economic Nondiscrimination*. The use of such term is not intended to suggest that discrimination in any other context besides herein is acceptable or “just.”

construction, the conditions of the Airport, special events and other circumstances, as may be determined from time to time by the City. The Airport is provided by the City for the use, benefit, and enjoyment of all Persons.

4. GROUND VEHICLES

- 4.1. Each Person on the Airport shall observe and comply with applicable traffic laws of the State of Oregon with respect to all streets, roads, and vehicular parking areas at the Airport.
- 4.2. Each Person on the Airport shall comply with applicable speed limits, which shall be fifteen (15) miles per hour (mph) for any vehicle on the Airport, unless a lower speed limit is designated by Airport signage.
- 4.3. Except for emergency vehicles or official Airport vehicles, no Person shall take or drive any vehicle onto the Airport other than on established streets, roads and vehicular parking facilities for a non-aeronautical purpose, unless permission has first been obtained from the Airport Manager.
- 4.4. Persons may take or drive ground vehicles onto a ramp or non-active taxiway only for an aeronautical purposes. Persons taking or driving ground vehicles within the movement area must comply with all applicable FAA best practices and guidance, including compliance with all applicable FARs.
- 4.5. With the exception of approved fuel trucks, Aircraft tugs, emergency vehicles, and appropriately equipped and operated passenger shuttles, no Person shall operate a vehicle, unless authorized in writing by the Airport Manager or after commissioning of an ATCT, the Air Traffic Manager, on an active taxiway or the runway.
- 4.6. Ground vehicles shall not be left unattended anywhere on the Airport unless parked in a dedicated vehicular parking area or facility, or permitted under an applicable lease. Vehicles may be left unattended in a hangar.
- 4.7. Vehicles may be subject to tow, if necessary, at the owner and/or operator's expense.

5. AIRCRAFT OPERATIONS

- 5.1. No Person shall operate or maintain any Aircraft at the Airport except in strict compliance with all rules and regulations of the FAA, ordinances, rules, regulations, and policies of the City, and with all other applicable Laws and Policies.
- 5.2. Every Person operating an Aircraft is responsible for the safe operation of the Aircraft and for the safety of others exposed to such operation, and shall exercise good operating procedures at all times, including in compliance with all applicable FAA regulations.

- 5.3. Aircraft shall not be operated carelessly or negligently nor in disregard of the rights and safety of others.
- 5.4. No Person shall interfere or tamper with any Aircraft at the Airport or start the engine of such Aircraft without the consent of the Aircraft's owner or operator.
- 5.5. Unstaffed aeronautical vehicles (sometimes known as drones) may not be operated at or over the Airport without the prior written consent of the FAA, and with such consent, only to the extent that such operations comply with Oregon and federal law and regulations, including without limitation 14 CFR Part 107.
- 5.6. Only Aircraft properly registered, licensed or otherwise authorized by the FAA or pursuant to applicable federal law shall operate at the Airport.
- 5.7. Only Persons properly registered, licensed or otherwise authorized by law to operate a given Aircraft may operate such Aircraft at the Airport.
- 5.8. Unless a NOTAM has been issued and except for safety or emergency situations, all Aircraft shall follow the appropriate taxiway and runway guidance marking and lighting when operating on the Airport.
- 5.9. Landings and takeoffs are restricted to the runway unless specifically authorized otherwise by the Airport Manager or, if applicable, the ATCT. Taxiways are to be used exclusively for the movement of aircraft to and from runways except as otherwise allowed under these Rules and Regulations for ground vehicles for an aeronautical purpose.
- 5.10. The only approved landing surface for fixed wing Aircraft is Runway 16/34.
- 5.11. The Airport has a designated Helicopter Operations Area that is provided for helicopter arrivals, departures, parking, fueling and hangaring needs. All helicopter operations are strongly encouraged to use this facility designed specifically for helicopter use and to FAA standards for rotorwing use.
- 5.12. All helicopter operations should be over a paved Airport surface. If necessary for operational or safety reasons to operate over any unpaved surfaces, pilots must air taxi above a reasonable AGL and KIAS to avoid the creation of dust and FOD blown on to adjacent runway, taxiway, taxilane and hangar surfaces.
- 5.13. All helicopter/rotorcraft Aircraft must utilize established traffic patterns when operating in the pattern. Fixed wing patterns are on the west side of the Airport (right downwind Runway 16). Helicopter patterns are on the east side of the Airport (right downwind Runway 34). Operators must consult the Airport Facilities Directory or Airport NOTAMS for the latest operational information.
- 5.14. In the event any Aircraft is damaged to the extent that it cannot be moved under its own power, the Airport Manager shall be immediately notified by the Aircraft owner or operator. Subject to governmental investigations and inspection of the

wreckage, the owner or operator of the damaged aircraft, or the owner's agent or legal representative shall, as soon as reasonably possible, obtain the necessary permission for removal of said Aircraft from all landing areas, taxiways, and all other traffic areas, and place or store said Aircraft in normal hangar/tie down areas or elsewhere as approved by the Airport Manager. The Airport Manager shall have the authority to remove the disabled Aircraft at the Aircraft owner's and/or operator's expense if the Aircraft is impacting Airport operations and the owner and/or operator fails to remove such Aircraft in a timely manner as determined in the reasonable discretion of the Airport Manager or their designee.

- 5.15. Damage to Airport facilities such as but not limited to airport signs, lights, PAPI, AWOS, REIL or other City-owned property may be repaired by the City and all expenses charged to the owner, operator or pilot of the Aircraft causing the damage. Charges may include an additional administrative cost to reimburse the city for its actual cost of handling such repair.
- 5.16. No Person may approach, hinder, touch, gesture, threaten, harass or communicate via radio with an Aircraft for the purpose of harassment when the Aircraft is operating at the Airport.
- 5.17. Subject to any applicable federal, state, and local law, rule, or regulation, including but not limited to the regulations, orders, and directives of the FAA, the City shall have the authority to close any portion of the Airport as appropriate whenever the Airport or any portion thereof is unsafe for Aeronautical Activity.

6. FLYING CLUBS

- 6.1. A Flying Club is not a Commercial Aeronautical Activity serving the public but is an organization for the purpose of providing its members with one or more Aircraft for their personal use and enjoyment. The Flying Club is considered as an individual Aircraft owner. Since Flying Clubs are not Commercial Aeronautical Activities serving the public, they shall be exempt from the Airport Minimum Standards upon satisfactory fulfillment of the conditions contained herein, unless they engage in Commercial Aeronautical Activities, at which point they are subject to applicable Minimum Standards for such activities. In order to operate at the Airport, a Flying Club must meet the following conditions:
 - 6.1.1. The Flying Club must be a nonprofit or not-for-profit entity (e.g., corporation, association, or partnership) organized for the express purpose of providing its members with aircraft for their personal use and enjoyment only.
 - 6.1.2. Each member must be a bona fide owner of the Aircraft or be a member of the Flying Club.
 - 6.1.3. The Flying Club may not derive a profit from the operation, maintenance, or replacement of its Aircraft.

- 6.1.4. Flying Club Aircraft will not be used by Persons other than bona fide members and by no one for commercial operations and tickets may not be sold for carriage on the aircraft.
- 6.1.5. The property rights of the members of the Flying Club shall be equal and no part of the net earnings of the club will inure to the benefit of any member in any form (salaries, bonuses, etc.).
- 6.1.6. Flight instruction may not be given in Flying Club aircraft except when given by an operator authorized to provide flight training or by an instructor who is a member of the flying club and is providing instruction to another member.
- 6.1.7. Aircraft used by the Flying Club shall be owned or in the exclusive control of the Flying Club through an exclusive leasing arrangement.
- 6.1.8. The Flying Club shall file a copy of its bylaws, articles of formation, association, partnership or other documentation supporting its existence and shall keep current with the City a complete list of the club's membership, including names of officers and directors; evidence that ownership of club aircraft is vested in the club; evidence of insurance in the form of a certificate of insurance and endorsement naming the City as additional insured in the following minimum amounts: commercial general liability \$1,000,000 per accident and \$1,000,000 in the aggregate; property damage \$1,000,000 with hold harmless clause in favor of the City, its officers and employees (ten days prior notice of cancellation shall be filed with the City); and operating rules of the club. The books and other records of the club shall be available for review at any reasonable time by the City or a designated representative.
- 6.1.9. A Flying Club which violates any of the foregoing, or permits one or more members to do so, may be required to terminate all operations. Individual members who violate the foregoing rules may be subject to enforcement under these Rules and Regulations.

7. NOISE

- 7.1. The City has established noise abatement protocols that may be amended from time to time. Persons must follow such noise abatement protocols when it is safe to do so at the discretion of the PIC. A "Fly Friendly" brochure setting forth the City's noise abatement protocols is available on the Airport website that depicts known noise sensitive areas.
- 7.2. The above noise abatement procedures do not apply when, in the pilot's judgment, they would result in an unsafe flight path, operation or maneuver.

8. AIRCRAFT PARKING AND MAINTENANCE

- 8.1. No Person shall park, store, tie-down or leave any Aircraft on any area of the Airport other than paved parking aprons designated for that purpose. All Aircraft parked outside on any Airport apron must be properly secured and structurally intact.
- 8.2. Operators shall properly secure their Aircraft while parked or stored. Pilots are responsible for parking and tying down their Aircraft, including any special security measures required by weather conditions or other conditions at the Airport. Operators also shall be responsible for securing Aircraft in a manner necessary to avoid damage to other Aircraft or buildings at the Airport in the event of winds or other severe weather.
- 8.3. All maintenance to Aircraft or engines shall be made in hangars or areas designated for this purpose by the Airport Manager and not on any part of the landing area, taxiways, ramps, aprons, and fueling/service areas. Aircraft may be serviced or have minor maintenance performed when parked in a tie down area.
- 8.4. The washing of Aircraft, equipment, or items such as fuel trucks is only permitted in designated areas on the Airport, if such areas exist, or on leased areas where it will not result in oils, fuels, lubricants, or similar contaminants entering the storm water drain system or ground contamination.
- 8.5. Persons may paint Aircraft or equipment on the Airport only upon first obtaining all required federal, state, and local environmental permits, as applicable, only in compliance with applicable federal and state law, and only in designated facilities.

9. SAFETY

- 9.1. All Persons using the Airport and its facilities shall exercise the utmost care and caution against fire and injury to other Persons and/or property.
- 9.2. All transportation, storage and other handling of all fuel including aviation and vehicle fuel shall comply with applicable federal, state, and local laws, rules, and regulations, including without limitation the City and County Fire Code and these Rules and Regulations.
- 9.3. All fueling procedures shall be in strict compliance with National Fire Protection Association standards, including NFPA 407 requirements (as amended or superseded) as well as FAA Advisory Circular 150/5230-4C (as amended or superseded).
- 9.4. No Person shall fuel or drain fuel from any Aircraft while the engine is running or while such Aircraft is in a hangar or enclosed space that is not approved for such activity. Helicopters with an FAA approved “hot fuel” procedure may fuel with the engines running on the Helicopter Operations Area.

- 9.5. No Person shall use flammable or volatile liquids in cleaning Aircraft engines, propellers, and other Aircraft components unless such cleaning occurs in open air or in a facility designed for such use with proper ventilation and equipped with adequate and readily accessible fire extinguishers.
- 9.6. Each hangar shall have available appropriately mounted and approved fire extinguishers. All tenants or lessees are responsible to provide and maintain fire extinguishers except in City-owned facilities.
- 9.7. No Person shall store any material or equipment in such a manner that it becomes a hazard. Gasoline, jet fuel, lubricating oil, or any other flammable substance shall be stored in accordance with applicable codes and regulations. No Person shall store any lubricating oils or fuel on the Airport except in specified and labeled containers or receptacles.
- 9.8. All Persons on the Airport shall keep all areas of the premises leased or used by them, clean and free of oil, grease, and other flammable materials. Hangar floors shall be kept clean, free from waste materials or other trash and rubbish. Any Person operating or using any equipment on the Airport shall use extreme caution and care.
- 9.9. No Person shall smoke or ignite any matches, flares, lighters, or other objects which produce an open flame anywhere within a hangar, shop building, or structure in which any Aircraft is or may be stored, or in which any fuel, oil or flammable substance is stored, or within fifty (50) feet of any Aircraft or any fueling facilities.
- 9.10. Loading stations and mobile fuel trucks shall be maintained in a safe operating condition. Any indication of leaking, or malfunctioning equipment shall be removed from service until repaired.
- 9.11. Fuel nozzles shall not be dragged along the ground.
- 9.12. If a spill is observed, fuel servicing shall be stopped immediately by way of releasing the dead man control. In the event that a spill continues, the equipment emergency fuel shutoff shall be activated. The Airport Manager must be notified and fueling operations shall not be continued until the spill has been cleared and it is determined to be safe.

10. SELF-SERVICING OF AIRCRAFT

- 10.1. For purposes of this Section 10, “Self-Serve” is defined consistent with FAA’s Airport Compliance Order 5190.6b to mean an owner or operator servicing their own aircraft and equipment.
- 10.2. Aircraft operators are permitted to fuel, wash, repair, or otherwise service their own based Aircraft (utilizing their own equipment), provided there is no performance of or attempt to perform such services for others and further provided that such right

is conditioned upon compliance with these Rules and Regulations and all other applicable regulatory measures.

- 10.3. An Aircraft operator may hire an individual as an employee to provide, under the direction and supervision of the Aircraft operator, services on the Aircraft operator's Aircraft. Such services may only be provided by an employee of the Aircraft operator utilizing the equipment of the Aircraft operator. Such Persons must be bona fide employees of the Aircraft operator. Self-service activities cannot be contracted out to a third party.
- 10.4. Self-fueling of Aircraft is permitted on the Airport in designated areas. All self-fueling on the Airport must be conducted in compliance with all applicable federal, state, and local codes and regulations and is subject to prior execution of a self-fueling Agreement with the City. Fuel flowage fees apply to this activity. The Airport Manager has the right to prohibit self-fueling services at any time if the operation is deemed unsafe for lack of compliance with these Rules and Regulations or applicable law.
- 10.5. Any Person conducting self-fueling operations shall be solely and fully responsible and liable in the event such self-fueling operations cause or permit hazardous material(s) to be released on Airport property. If any release of hazardous material(s) occurs on Airport property, the material(s) will be removed and secured in accordance with all applicable government regulations at such Person's sole cost and expense. In addition to all other rights and remedies of the City, if such Person does not immediately clean up and remove such hazardous material(s), the City may pay to have the material(s) removed and such Person shall reimburse the City any costs incurred by the cleanup.
- 10.6. Persons conducting self-fueling operations on the Airport are required to pay the current approved fuel flowage fees as explained in the Fees Resolution. This fee shall be paid on a monthly basis. The flowage fee payment must be accompanied by a log listing the quantity and types of fuel dispensed and a copy of the delivered fuel receipts from the distributor.

11. FUELING CO-OPS

- 11.1. Fueling co-ops are prohibited.

12. SPECIAL EVENTS

- 12.1. Special events such as, but not limited to, air shows, air races, skydiving, balloon operations or other similar events or activities requiring the general use of the Airport, other than activities specifically described and allowed herein, shall be held only after formal written approval for same has been granted by the Airport Manager, which approval may be given in the Airport Manager's sole discretion consistent with applicable federal, state, and local law. The Airport Manager will be notified not less than thirty (30) days in advance of any fly-ins planned or

promoted by FBOs or other Persons at the Airport. Said approval shall specify the areas of the Airport authorized for such special use, dates, and such other terms and conditions as the City may require, including but not limited indemnification, insurance, and other limitations of Airport liability.

13. GLIDER OPERATIONS

- 13.1. Glider operations shall be conducted in accordance with traffic patterns and safety procedures shall be followed, as approved by the Airport Manager, and reviewed by the FAA. In addition, glider operators must conduct activities in accordance with the ground lease, if applicable.

14. BUSINESS ACTIVITIES

- 14.1. No Person shall use the Airport or any portion thereof or any of its improvements or facilities for commercial, business, or profit-making activities without (a) compliance with these Rules and Regulations and the Airport Minimum Standards and Leasing and Development Policy; (b) the consent and required approval and/or licenses for such activities from the City; and (c) such written leases, subleases and/or other Agreements prescribed by the City.

15. NONAERONAUTICAL ACTIVITY

- 15.1. Nonaeronautical commercial activity at the Airport must have the prior approval of the Airport Manager.
- 15.2. All aeronautical facilities other than hangars may not be used for nonaeronautical Activity, including without limitation habitation, nonaeronautical commercial activity, or storage of nonaeronautical equipment or items such as motor vehicles or boats.
- 15.3. Hangars may be used for nonaeronautical activities only to the extent permitted by the FAA's policy on the nonaeronautical use of airport hangars, as may be amended.

16. PEDESTRIANS AND ANIMALS

- 16.1. Pedestrians must remain clear of the movement area at all times unless authorized by the Airport Manager to be on the movement area for an operational purpose such as glider launching or recovery.
- 16.2. Recreational walking, running, bicycle riding or any other activities not directly related to the operation of Aircraft are prohibited and will be considered trespass on the movement area.
- 16.3. Animals must be kept on a leash and under direct control at all times.

17. ADVERTISING AND SIGNAGE

- 17.1. Unless otherwise permitted by lease or other agreement, no signs or other advertising other than those installed by the City shall be placed or constructed upon the Airport or upon any building or structure or improvements thereon without having first obtained approval from the Airport Manager.
- 17.2. Signs must meet County sign codes and be approved by the County, where applicable.
- 17.3. Signs placed on non-leased City property must be promptly removed upon request by the Airport Manager.

18. WASTE

- 18.1. No Person shall throw, dump or deposit any waste, refuse or garbage on the Airport except in appropriate closed, permitted receptacles. All waste, refuse or garbage shall be placed and kept in closed garbage cans or containers. All hazardous waste must be controlled and disposed of in accordance with all state and City environmental regulations.
- 18.2. All operating areas shall be kept in a safe, neat, clean and orderly manner at all times and in such manner as to minimize any hazards.
- 18.3. No outside storage of any hazardous items is permitted, including without limitation outside storage of oil, fuel, or chemical drums.
- 18.4. No Person shall use dumpsters or other waste collection facilities without prior authorization.

19. ALTERATIONS AND IMPROVEMENTS

- 19.1. No buildings, structures, tie-downs, ramps, paving, taxi areas or any other improvement or addition on the Airport shall be placed or constructed on the Airport or altered or removed without prior approval of the City.

20. FEES

- 20.1. The City reserves the right to impose reasonable rates and charges for use of the Airport for the following purposes: to compensate the City for costs to operate, maintain and develop the Airport; to make the Airport as self-sustaining as possible; to compensate the City for the privilege of conducting commercial activities on and deriving revenue from the Airport; and to derive a reasonable rate of return from the use of Airport facilities. The imposition of such fees must follow applicable City processes, including adoption by the Bend City Council, as required by law.
- 20.2. The City may impose reasonable rates and charges, including, but not limited to: landing fees, terminal fees, apron and ramp fees, fuel flowage fees, rent for use of City or other Airport property and facilities, parking fees, access fees, equipment

fees, fees for carriage of Persons to or from the Airport, concession and privilege fees, and permit and administrative fees.

- 20.3. The City may adopt and direct publication of a schedule or schedules of rates and charges. Such rates and charges may be adjusted from time to time by the adoption and publication of a new such schedule. Neither the adoption nor amendment of the schedule of rates and charges shall require an amendment to the Rules and Regulations.
- 20.4. All Persons on the Airport will be liable to pay the then-current rates and charges applicable to their use of, and activities on, that Airport, except in the event that a rate or charge is established by a lease, permit, or other Agreement with the City, and such lease, permit, or other Agreement does not permit adjustment of the rates and charges by the means provided herein.
- 20.5. Fees must be paid no later than the 15th of each month for all Airport related activities occurring the previous month unless a lease or other written agreement provides otherwise. Billing by the City is regarded as a courtesy and the written terms of the Agreement(s) shall apply. Failure to receive a bill does not waive any obligation for timely payment.

21. WAIVER

- 21.1. In accordance with federal and state laws, rules and regulations, the City may waive all or any portion of these Rules and Regulations for the benefit of any government or government agency providing public or emergency services, including, for example, and without limitation: law enforcement, disaster relief, search and rescue, fire prevention, firefighting, or military training.
- 21.2. The City further may waive all or any provision of these Rules and Regulations in the event of a bona fide emergency, which may include for example, and without limitation, a natural disaster, acts of terrorism, a pandemic where state or federal restrictions are imposed to ensure the safety of the general public, or other similar occurrences.

22. SEVERABILITY

- 22.1. The provisions of these Rules and Regulations shall be severable, and if any of the provisions hereof shall be held to be unconstitutional or invalid, such determinations shall not affect the constitutionality or validity of any of the remaining provisions.

PART III
MINIMUM STANDARDS FOR COMMERCIAL AERONAUTICAL OPERATORS

1. INTRODUCTION

- 1.1. The following Minimum Standards for Commercial Aeronautical Service Providers (“Minimum Standards”) have been established by the City in the public interest for the safe and efficient operation of the Airport to enhance orderly growth; to comply with federal, state and local government legal requirements; and to provide information to parties operating or desiring to operate at the Airport. These standards, in general, establish minimum levels of service that shall be offered in order to protect the public welfare and prohibit irresponsible, unsafe, or inadequate services.
- 1.2. The City reserves the right to amend these Minimum Standards from time to time.

2. GENERAL PROVISIONS

2.1. Applicability

- 2.1.1. Each Person seeking to perform or performing Commercial Aeronautical Activities at the Airport is responsible for compliance with the Minimum Standards as a condition of operating at the Airport.
- 2.1.2. The Minimum Standards shall not apply to the following activities provided, however, that such activities shall be subject to the Rules and Regulations and all other applicable federal, state, and local laws, rules, and regulations:
 - 2.1.2.1. Non-commercial Aeronautical Activities, including without limitation Flying Clubs that do not perform Commercial Aeronautical Activities and that meet the City’s rules and regulations for a bona fide Flying Club, or individuals storing their own Aircraft;and
 - 2.1.2.2. Self-service, including with limitation self-fueling, by a Person on the Airport.
- 2.1.3. These Minimum Standards do not govern the non-commercial use of Airport property. No Person shall conduct a Commercial Aeronautical Activity as a lessee or sublessee of Airport property that is leased or designated for non-commercial use.
- 2.1.4. Each Person performing or seeking to perform a Commercial Aeronautical Activity at the Airport must comply with these Minimum Standards, including without limitation the requirements contained in Section 3 and applicable requirements contained in Section 4 and Section 5.

2.2. Additive Standards and Conflicts

- 2.2.1. These Minimum Standards are intended to be additive, except where otherwise provided herein. A Commercial Aeronautical Service Provider may be required to satisfy multiple requirements hereunder to perform multiple Commercial Aeronautical Activities.
- 2.2.2. In the event of conflicting Minimum Standards for a Commercial Aeronautical Service Provider performing multiple Commercial Aeronautical Activities, the Commercial Aeronautical Service Provider will be required to satisfy the higher or more demanding standard.
- 2.2.3. The City may permit a Commercial Aeronautical Service Provider conducting multiple Commercial Aeronautical Activities to satisfy a Minimum Standard that is less than the sum of the standards for each Commercial Aeronautical Activity, if the City determines, in its sole discretion, that each of the following conditions is satisfied: (i) the offset will not affect the Commercial Aeronautical Service Provider's ability to provide high-quality products, services, and facilities to Airport users in keeping with the policies hereof; and (ii) the offset will not create an unfair competitive relationship among Commercial Aeronautical Service Providers at the Airport. An offset granted pursuant to this provision shall not constitute a temporary waiver or temporary variance as provided in Section 2.4 below.

2.3. No Exclusive Rights

- 2.3.1. No permit, license, Agreement, or lease for exclusive use to provide an Aeronautical Activity, service or operation at the Airport shall be issued by the City, unless such permits, licenses, leases or Agreements are permitted by law. The City may grant permits, licenses, leases or Agreements to other Persons for the performance of services as provided in these standards, provided that said Person complies with the minimum requirements as set forth in these standards and there is land available, properly developed and served, for such purposes.

2.4. Waivers and Variances

- 2.4.1. The City may waive all or any portion of the Minimum Standards for the benefit of any government or government agency providing public or emergency services, including, for example, and without limitation: law enforcement, disaster relief, search and rescue, fire prevention, firefighting, or military training.
- 2.4.2. The City further may waive all or any provision of these Minimum Standards in the event of a bona fide emergency, which may include for example, and without limitation, a natural disaster, acts of terrorism, a pandemic where

state or federal restrictions are imposed to ensure the safety of the general public, or other similar occurrences.

- 2.4.3. The City may approve a temporary waiver of the Minimum Standards if the applicant for such a waiver demonstrates, to the satisfaction of the City, that each of the following conditions has been satisfied: (i) the Commercial Aeronautical Service Provider seeking the waiver will be the only operator on the Airport to provide a specific product, service, or facility as of the effective date of the Agreement and the City has determined that the product, service, or facility is desired on the Airport; (ii) the operator has agreed to come into full compliance with the Minimum Standards within a prescribed schedule; (iii) the schedule is enforceable by the City; (iv) the temporary waiver is needed to alleviate the financial burden of initiating a new Commercial Aeronautical Activity at the Airport; and (v) the temporary waiver will not materially interfere with the Commercial Aeronautical Service Provider's ability to provide high quality products, services and facilities to Airport users.
- 2.4.4. The City may approve a temporary or permanent variance from the Minimum Standards if the applicant for such a variance demonstrates, to the satisfaction of the City, that each of the following conditions is satisfied: (i) a special condition or unique circumstance exists that makes the application of the Minimum Standards unduly burdensome; (ii) the variance is narrowly tailored to address the special condition or unique circumstance that the City desires to address; (iii) the operator has agreed to come into full compliance with the Minimum Standards if the conditions for granting the variance cease to exist; (iv) the variance will not create an unfair competitive relationship among Commercial Aeronautical Service Providers at the Airport, and (vi) the variance will not materially interfere with the Commercial Aeronautical Service Provider's ability to provide high-quality products, services, and facilities to Airport users.
- 2.4.5. Any waiver or variance approved by the City hereunder shall apply only to the specific Commercial Aeronautical Service Provider and the specific circumstance and shall not serve to amend, modify, or alter the Minimum Standards nor shall it serve as a precedent for future actions.

2.5. Severability

- 2.5.1. The provisions of these Minimum Standards shall be severable, and if any of the provisions hereof shall be held to be unconstitutional or invalid, such determinations shall not affect the constitutionality or validity of any of the remaining provisions.

3. REQUIREMENTS FOR ALL COMMERCIAL AERONAUTICAL SERVICE PROVIDERS

3.1. Application

- 3.1.1. Each prospective Commercial Aeronautical Service Provider shall submit the following information in writing to the City at the time of application and thereafter shall submit such additional information as may be requested by the City.
- 3.1.2. The prospective Commercial Aeronautical Service Provider may propose to provide one or more Commercial Aeronautical Activities covered by these Minimum Standards. Where more than one activity is proposed, the minimum requirements will vary (dependent upon the nature of individual services in such combination) but will not necessarily be cumulative in all instances. Because of these variables, the applicable Minimum Standards on combinations of services will be discussed with the prospective Commercial Aeronautical Service Provider at the time of its application.
- 3.1.3. A non-refundable initial application fee as set forth in the City's fee resolution may be required at time of application submission.
- 3.1.4. As a condition precedent to the granting of an operating privilege on the Airport, each prospective Commercial Aeronautical Service Provider must submit a detailed description of the intended operation and the means and methods proposed to comply with these Minimum Standards in order to provide high-quality service to the aviation and general public, including the following (as applicable):
 - 3.1.4.1. The name, address, and telephone/facsimile number of the applicant. If the applicant is a corporation, name, address and telephone/facsimile number of registered agent of the corporation. If the applicant is a partnership, name, address and telephone number of all general partners.
 - 3.1.4.2. The services to be offered.
 - 3.1.4.3. The proposed date for commencement of operations.
 - 3.1.4.4. The amount of land to be or already leased and building to be or already constructed or leased.
 - 3.1.4.5. The number of Aircraft to be provided, if applicable.
 - 3.1.4.6. The number of Persons to be employed and hours of proposed operation.
 - 3.1.4.7. The number and types of insurance coverage maintained. Evidence of insurance will be a condition precedent to the prospective Commercial Aeronautical Operator beginning its proposed operations at the Airport.

- 3.1.4.8. Evidence of financial capability to perform and provide the proposed services and facilities.
- 3.1.4.9. Copies of all licenses, certifications, and permits possessed by the applicant or its key employees that are necessary or required to perform the proposed services.
- 3.1.5. The City may deny an application to conduct Commercial Aeronautical Activities in accordance with the provisions of Section 3.6 of the Airport Leasing and Development Policy.
- 3.2. Additional Documentation
 - 3.2.1. In addition to the above, if needed for full evaluation by the City, the City may request on occasion the applicant submit the following supporting documents to the City, together with any other such documents and information as may be requested by the City:
 - 3.2.1.1. Description of the methods to be used to assure compliance with fire, sanitation, health and safety codes if applicable.
 - 3.2.1.2. Layout site plan of proposed facilities including utilities, drainage, and landscaping if applicable.
 - 3.2.1.3. Designated professional engineer that the prospective Commercial Aeronautical Operator will use to design the facilities if applicable.
 - 3.2.1.4. Proposed development construction schedule and engineering cost estimates if applicable.
 - 3.2.1.5. A current financial statement certified by a Certified Public Accountant, which indicates that the prospective Commercial Aeronautical Service Provider currently has assets of such an amount as to successfully finance, equip and supply the facilities being proposed. In lieu of such statement, a performance bond may be considered by the City.
 - 3.2.1.6. Demonstration of financial capability to initiate operations and to construct improvements and appurtenances that may be required for the proposed operation and shall also indicate its ability to provide working capital to carry on the contemplated operations once initiated.
 - 3.2.1.7. A written listing of the assets owned or being purchased which will be used in the operation of the business on the Airport.
 - 3.2.1.8. A current credit report covering areas in which the applicant has done business during the past ten years.

- 3.2.1.9. A written list of Persons who work at other airports where the applicant has engaged in commercial Aeronautical Activity that can provide a reference for the applicant and their current contact information, including phone numbers and email addresses.
- 3.2.1.10. A written authorization for the FAA and aviation or aeronautic commissions, administrators, or departments in states in which the applicant has engaged in aviation business to supply the City with information in their files relating to the applicant or his operation. The applicant shall execute such forms, releases, and discharges as may be requested by any of these agencies.

3.3. Experience

- 3.3.1. The prospective Commercial Aeronautical Service Provider shall furnish the City with a statement of its past experience in the specified services proposed to be furnished, together with a statement setting forth personnel to be used for the operations and the experience of said personnel.

3.4. Written Agreement

- 3.4.1. No Person, including a Commercial Aeronautical Service Provider, shall offer or perform a Commercial Aeronautical Activity, operation, or service at the Airport without a written lease agreement leasing land, hangar, or office space to the Commercial Aeronautical Service Provider and authorizing such service, operation or activity having first been obtained from the City. Aeronautical activities of scheduled air carriers and municipal, state, and federal agencies shall be regulated under other appropriate regulations and agreements with the City.
- 3.4.2. The City's Airport Leasing and Development Policy contains additional requirements for the use and lease of Airport property. Each Agreement entered into by a Commercial Aeronautical Service Provider shall be consistent with, and each Commercial Aeronautical Service Provider shall comply with, such Leasing and Development Policy.

3.5. Subleasing

- 3.5.1. Subleasing is only permitted with the prior written approval of the City. The City may require sublessees to enter into a written operating permit or other Agreement directly with the City as a condition of such approval. Commercial Aeronautical Service Providers shall remain liable for the terms and conditions of their lease with the City even if subleasing all or a portion of their leased premises to another Person.
- 3.5.2. SASOs may not subcontract with other Persons for the performance of Commercial Aeronautical Activities on airport property. This does not in

any way preclude the uses of subcontractors by SASOs in the performance of Commercial Aeronautical Activities off airport property.

- 3.5.3. FBOs may subcontract for the performance of Commercial Aeronautical Activities provided that each subcontractor independently qualifies to provide pursuant to, and complies with, these Minimum Standards for each Commercial Aeronautical Activity such subcontractor performs.

3.6. Safety

- 3.6.1. Each Commercial Aeronautical Service Provider shall comply with, and shall ensure its sublessees and contractors comply with, the Airport Rules and Regulations regarding safety, including without limitation with respect to fuel storage, handling, and operations.
- 3.6.2. Each Commercial Aeronautical Service Provider shall conduct its operations and ensure their employees, contractors, and representatives conduct themselves at the Airport in a safe, secure, and orderly manner.

3.7. Indemnification

- 3.7.1. Each Commercial Aeronautical Service Provider shall indemnify, hold harmless and defend the City and the City's employees, representatives, agents, and officials from any and all claims related to the Commercial Aeronautical Service Provider's use of the Airport and its premises or arising under or relating to its Agreement with the City.

3.8. Insurance

- 3.8.1. The prospective Commercial Aeronautical Service Provider shall procure and maintain insurance of the types and in at least the minimum limits set forth in Appendix A to these Minimum Standards and in compliance with this Section and its agreement with the City. The insurance company, or companies, writing the required policy, or policies, shall be licensed to do business in the State of Oregon. In all cases, the Operator must comply with state law with respect to employer's liability/worker's compensation and unemployment insurance.
- 3.8.2. Such policies will name the City as an additional insured, and all agreements will contain a clause wherein the Commercial Aeronautical Service Provider indemnifies and holds harmless the City for any and all claims, damages, costs, or judgments arising as a result of the Commercial Aeronautical Operator's conduct of any operations on the Airport. Insurance coverage must be approved by the City and certificates and endorsements must be provided to the City and maintained in full force and effect at all times.

3.8.3. Insurance required by the City shall include, when applicable, coverage of: Premises and operations, Independent contractors and subcontractors liability, real property (fire), personal injury, employer's liability/worker's compensation and unemployment insurance, builder's risk, and product/completed operations coverage. The applicable insurance coverages shall be in force during the construction of the Commercial Aeronautical Service Provider's facilities and/or prior to entry upon the Airport for the conduct of business.

3.9. Fees for Services

3.9.1. Each Commercial Aeronautical Operator shall furnish all services authorized or licensed by the City on a fair, and non-discriminatory basis to all users thereof and shall charge fair, reasonable and non-discriminatory prices for each unit of service, provided that an Commercial Aeronautical Service Provider may provide reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

4. REQUIREMENTS FOR SPECIALIZED AERONAUTICAL SERVICE OPERATORS (SASOS)

4.1. General

4.1.1. In addition to the general requirements for Commercial Aeronautical Service Provider provided in Section 3 above, each Commercial Aeronautical Operator shall comply with the Minimum Standards provided below for each type of Commercial Aeronautical Activity it performs.

4.2. Air Taxi Services

4.2.1. A Commercial Aeronautical Service Provider performing Air Taxi Services at the Airport shall do so in accordance with the following requirements:

4.2.1.1. The Commercial Aeronautical Service Provider shall construct, lease, sublease or make available to passengers an area which includes sufficient lounge and restroom facilities, which may be shared with other Commercial Aeronautical Service Providers, including an FBO. Adequate hard surfaced aircraft ramp must be provided within the leased area sufficient to accommodate the Commercial Aeronautical Service Provider's activities, operations, and tie-down facilities.

4.2.1.2. The Commercial Aeronautical Service Provider shall have available for rental, either owned or under exclusive written lease to the Operator, a sufficient number of Aircraft properly certificated to handle the proposed scope of its operation, but not less than one (1) certified and currently air worthy Aircraft. The Commercial Aeronautical Operator shall employ or contract for at least one Person having current FAA certified flight instructor ratings for each of the Aircraft models offered for rental. The Commercial Aeronautical Operator shall develop and implement written policies to ensure that only qualified and licensed Persons may rent Aircraft and shall provide a copy of said policies to the City.

4.2.1.3. The Commercial Aeronautical Service Provider shall have (1) its premises open during business hours, at minimum, and (2) its services available on an as-needed basis sufficient to meet the needs of the public at all other times.

4.2.1.4. During its hours of operation, the Commercial Aeronautical Service Provider shall employ or contract for and have on duty sufficient personnel trained, rated, and qualified to perform the Aircraft Taxi Services, including customer service, as necessary, and which must include at least one employee who is a commercial pilot certificated to conduct the flight services of the Operator's operation. During non-business hours, the Commercial Aeronautical Service Provider must

also staff sufficient personnel who are available to receive requests for on-call services.

4.3. Aircraft Manufacturing or Sales

4.3.1. A Commercial Aeronautical Service Provider performing Aircraft Sales at the Airport shall do so in accordance with the following requirements:

4.3.1.1. The Commercial Aeronautical Service Provider shall construct, lease, or sublease an area of sufficient size to permit the storage and/or display of inventory aircraft for sale or used in that Commercial Aeronautical Service Provider's Aircraft Sales business on the Airport.

4.3.1.2. The Commercial Aeronautical Service Provider shall have its premises open during business hours.

4.3.1.3. The Commercial Aeronautical Service Provider shall provide necessary and satisfactory arrangement for repair and service of Aircraft but only for the duration of the guarantee or warranty period.

4.4. Aircraft Parts and Accessories Sales

4.4.1. A Commercial Aeronautical Service Provider performing Aircraft Parts and Accessories Sales at the Airport shall do so in accordance with the following requirements:

4.4.1.1. The Commercial Aeronautical Service Provider shall construct, lease, or sublease an area of sufficient size to permit the storage and/or display of inventory for sale or used in that Commercial Aeronautical Service Provider's Aircraft Parts and Accessories Sales business on the Airport.

4.4.1.2. The Commercial Aeronautical Operator shall have its premises open during business hours.

4.4.1.3. The Commercial Aeronautical Operator shall employ or contract for and have onsite a sufficient number of personnel qualified to provide the services, and at minimum one (1) employee during business hours at all times.

4.4.1.4. No repairs shall be permitted on the premises, or elsewhere on the Airport, by the Commercial Aeronautical Service Provider unless they have also been approved by the City to perform such activity pursuant to the requirements of Section 4.5 of these Minimum Standards.

4.5. Aircraft Maintenance

4.5.1. A Commercial Aeronautical Service Provider performing Aircraft Maintenance, including (1) Aircraft Engine, Propellor, and Accessory

Maintenance, (2) Radio and Instrument Maintenance, Repair and Installation, and/or (3) Aircraft Painting at the Airport shall do so in accordance with the following requirements:

- 4.5.1.1. The Commercial Aeronautical Service Provider performing Aircraft Maintenance shall construct, lease, or sublease an area of sufficient size to accommodate the aircraft for which service is intended. Such facility shall be staffed by mechanics and personnel who are qualified and competent and who hold any and all certificates necessary from the FAA or ODAV.
- 4.5.1.2. The Commercial Aeronautical Service Provider performing Aircraft Maintenance must comply with all applicable FAA regulations, including that it shall provide sufficient equipment, supplies, and parts for aircraft maintenance operations under 14 CFR Part 43 with the exception of those requiring a repair station certification. The Commercial Aeronautical Service Provider shall obtain and maintain current 14 CFR Part 145 Class I or Class II repair station certification for operations that require such FAA certification (eg. Radio Repair and Testing, Propellor Overhauls and Engine Overhauls).
- 4.5.1.3. The premises of the Commercial Aeronautical Service Provider performing Aircraft Maintenance shall be open and services available as provided in the lease in addition to on-call services.
- 4.5.1.4. For Aircraft Engine, Propellor, and Accessory Maintenance, the Commercial Aeronautical Service Provider shall employ or contract for (and have on duty or readily available on call during required operating hours), sufficiently uniformed, efficient, and trained mechanics and personnel in numbers required to meet the Minimum Standards set forth in this category currently certified by the FAA with ratings appropriate to the work being performed and holding an airframe and power plant (A&P) rating. The Commercial Aeronautical Service Provider shall have an employee in the office at all times during required operating hours, who may be the same Person as required in the proceeding sentence. The Commercial Aeronautical Service Provider shall have personnel available on two hours' notice on an on-call basis at all times outside of the Commercial Aeronautical Service Provider's regularly scheduled business hours for emergency service.
- 4.5.1.5. For Radio and Instrument Maintenance, Repair and Installation, For Aircraft Engine, Propellor, and Accessory Maintenance, the Commercial Aeronautical Service Provider shall employ or contract for (and have on duty or readily available on call during required operating hours), sufficiently uniformed, efficient, and trained mechanics and personnel in numbers required to meet the Minimum Standards set forth in this category currently certified by the FAA with ratings appropriate

to the work being performed but never less than one (1) Person currently certificated as FAA-rated radio, instrument or propeller repairman with proper Federal Communications Commission license to conduct complete aircraft transmitter, receiver and antennae repair, and one (1) other repairman, not necessarily rated. The Commercial Aeronautical Service Provider shall have personnel available on two hours' notice on an on-call basis at all times outside of the Commercial Aeronautical Operator's regularly scheduled business hours for emergency service.

- 4.5.1.6. For Aircraft Painting, the Commercial Aeronautical Service Provider shall employ or contract for (and have on duty or readily available on call during required operating hours), sufficiently uniformed, efficient, and trained mechanics and personnel in numbers required to meet the Minimum Standards set forth in this category; comply with all state and federal regulations regarding painting and the storage of painting materials including OSHA and fire regulations; ensure that any hazardous materials handled, loaded or stored shall at all times be handled in accordance with federal, state and local laws, rules and regulations regarding the environment; ensure that any garbage or rubbish which contains painting chemicals shall not be stored on the Airport and shall be disposed of by the Commercial Aeronautical Service Provider in a lawful manner off the Airport, provided further that no incineration or open burning is permitted on City property for such disposal.

4.5.2. Independent Aircraft Mechanics

- 4.5.2.1. Upon the request of an owner or operator of a based Aircraft at the Airport (for purposes of this Section, "Owner"), an individual may be authorized by the City to perform Aircraft Maintenance on such Aircraft as an Independent Aircraft Mechanic without complying with the Minimum Standards otherwise contained in this Section, subject to the following:
 - 4.5.2.1.1. The Independent Aircraft Mechanic must register with the Airport Manager, describing in detail the maintenance/repair for which the Independent Aircraft Mechanic has been contracted by the Owner and state the name and contact information of the Owner desiring such maintenance/repair ("Registration").
 - 4.5.2.1.2. A Registration will be valid for one (1) year from the date the Registration is completed and all necessary documentation is submitted to the City.
 - 4.5.2.1.3. Each Registration may require a nonrefundable fee as set forth in the City's fee resolution.

- 4.5.2.1.4. The Independent Aircraft Mechanic shall keep on file with the City their current phone number and address.
- 4.5.2.1.5. The Independent Aircraft Mechanic shall comply with all applicable federal, state, and local laws, rules, and regulations, including without limitation the Airport Rules and Regulations, the applicable Minimum Standards, and FAA regulations, and shall obtain all required licenses and certifications in connection with services to be performed pursuant to this Section.
- 4.5.2.1.6. The Independent Aircraft Mechanic must provide the City with evidence of insurance satisfactory to cover its anticipated services, in the sole judgment of the City, which shall be, at minimum, commercial general liability insurance of \$2,000,000 per occurrence and \$2,000,000 aggregate, naming the City as an additional insured, with hold harmless clauses in favor of the City, its officers, agents, representatives, and employees.
- 4.5.2.1.7. The Independent Aircraft Mechanic shall provide the City with evidence of required FAA certifications, including but limited to certifications under 14 CFR Part 43.
- 4.5.2.1.8. The Independent Aircraft Mechanic may not employ other mechanics operating on the Airport without complying with the Minimum Standards in this Section for Aircraft Maintenance.
- 4.5.2.1.9. Independent Aircraft Mechanics may not advertise or offer their services to the general public as a service offered at the Airport. The City's policy to allow Independent Aircraft Mechanics is to allow Aircraft owners and operators the ability to choose or continue using a preferred mechanic, not to create an environment for Persons to engage in Aircraft Maintenance without meeting the Minimum Standards otherwise contained in this Section. The City reserves the right to amend or revoke this policy at any time.
- 4.5.2.1.10. Any Person found violating the requirements of this Section or any other applicable Minimum Standards or Rules and Regulations may have their Registration revoked.

4.6. Flight Instruction

4.6.1. A Commercial Aeronautical Service Provider performing Flight Instruction at the Airport shall do so either under CFR Part 141 or under 14 CFR Part 61 in accordance with the following requirements:

4.6.1.1. Full-Time Flight Schools (CFR Part 141 and Part 61)

4.6.1.1.1. Except pursuant to Section 4.6.1.2 below, the Commercial Aeronautical Service Provider providing Flight Instruction at the Airport shall construct, lease or sublease or share an office building of sufficient size to provide a suitable classroom with a minimum of two hundred (200) square feet of inside floor space and shall construct, lease or sublease an area on the Airport of sufficient size to accommodate such structure and all Aircraft used by the Commercial Aeronautical Service Provider for the training.

4.6.1.1.2. The Commercial Aeronautical Operator shall comply with all FAA requirements including with respect to required materials for training pursuant to 14 CFR 141 or 14 CFR 61.

4.6.1.1.3. The Commercial Aeronautical Operator shall have available for use in flight training, either owned or under exclusive written lease to the Commercial Aeronautical Service Provider, a sufficient number of Aircraft properly certificated to handle the proposed scope of its student operation. The Commercial Aeronautical Service Provider may engage in Aircraft maintenance of only those Aircraft either owned or under exclusive written lease.

4.6.1.1.4. Commercial Aeronautical Service Provider who engage in Flight Instruction only pursuant to 14 C.F.R. Part 61 may also conduct the Flight Instruction on student-owned or leased Aircraft with the approval of the City, subject to meeting the requirements of Section 4.6.1.2.

4.6.1.1.5. The Commercial Aeronautical Service Provider shall have its premises open and services available as required by the lease and shall have an employee in the facility at all times during the required hours. The Commercial Aeronautical Service Provider shall have on duty at least one (1) flight instructor currently certificated by the FAA to provide the type of flight training offered and shall have available on call at least one (1) additional flight instructor currently certificated by the FAA to provide the type of flight training

offered; and shall provide a currently-certificated ground school instructor available as needed.

4.6.1.2. Independent Flight Instructors

- 4.6.1.2.1. Upon the request of an owner or operator of a based Aircraft at the Airport (for purposes of this Section, “Owner”), an individual may be authorized by the City to perform Flight Instruction for such Owner as an Independent Flight Instructor without complying with the Minimum Standards otherwise contained in this Section for Full-Time Ground Schools, subject to the requirements of this Section 4.6.1.2.
- 4.6.1.2.2. The Independent Flight Instructor must register with the Airport Manager, describing in detail the type of flight instruction for which the Independent Flight Instructor has been contracted by the Owner and state the name and contact information of the Owner desiring such instruction (“Registration”).
- 4.6.1.2.3. The term of such Registration shall terminate upon one (1) year from the date the Registration is completed and all necessary documentation is submitted to the City.
- 4.6.1.2.4. Each Registration may require a nonrefundable fee as set forth in the City’s fee resolution.
- 4.6.1.2.5. The Independent Flight Instructor shall keep on file with the City their current phone number and address.
- 4.6.1.2.6. The Independent Flight Instructor shall comply with all applicable federal, state, and local laws, rules, and regulations, including without limitation the Airport Rules and Regulations, the applicable Minimum Standards, and FAA regulations, and shall obtain all required licenses and certifications in connection with services to be performed pursuant to this Section.
- 4.6.1.2.7. The Independent Flight Instructor must provide the City with evidence of insurance satisfactory to cover its anticipated services, in the sole judgment of the City, which shall be, at minimum, commercial general liability insurance, \$2,000,000 per occurrence and \$2,000,000 aggregate, naming the City as an additional insured, with hold harmless clauses in favor of the City, its officers, agents, representatives, and employees.

- 4.6.1.2.8. The Independent Flight Instructor shall provide the City with evidence of required FAA certifications.
- 4.6.1.2.9. Independent Flight Instructors may not employ other flight instructors operating on the Airport without meeting the Minimum Standards for a Full-Time Flight School.
- 4.6.1.2.10. Independent Flight Instructors may not lease or rent aircraft to individuals receiving flight training from the Independent Flight Instructor.
- 4.6.1.2.11. Independent Flight Instructors may not advertise or offer their services to the general public as a service offered at the Airport. The City's policy to permit Independent Flight Instructors is to allow pilots to utilize the instructor of their choice on a limited basis without creating an unfair competitive environment at the Airport for Flight Instruction. The City reserves the right to amend or revoke this policy at any time.
- 4.6.1.2.12. Any Person found violating the requirements of this Section or any other applicable Minimum Standards or Rules and Regulations may have their Registration revoked.
- 4.6.1.2.13. Transient flight instructors designated examiners and FAA flight check personnel are exempt from the requirements of this Section.

4.7. Commercial Fueling Services

- 4.7.1. A Commercial Aeronautical Service Provider performing Commercial Fueling Services at the Airport shall do so in accordance with the following requirements:
 - 4.7.1.1. No Person may conduct any Commercial Fueling at the Airport except an FBO or the lessee under the HOA Lease and Management Agreement in compliance with these Minimum Standards.
 - 4.7.1.2. Each FBO shall provide at least two types of aviation fuel, to include Jet Fuel and 100LL (or FAA approved substitute).
 - 4.7.1.3. Each FBO shall provide at least 10,000 gallons of fixed (permanent) tank capacity for each type of fuel provided.
 - 4.7.1.4. All fueling operations must be in compliance with NFPA 407 and FAA Advisory Circular 1505230-4C (as amended).

- 4.7.1.5. Each FBO shall provide self-serve fuel dispensing equipment. Dispensing location(s) must be approved by the City Fire Marshall. Dispensers shall be installed, operated and maintained so as to meet all fire codes, applicable regulations and provide twenty-four (24) hour a day fuel dispensing capability.
- 4.7.1.6. Each FBO shall designate a specific area(s) for Aircraft fueling and mark such areas, “NO SMOKING” and with other appropriate markings consistent with NFPA 407 and FAA Advisory Circular 1505230-4C (as amended).
- 4.7.1.7. Each FBO shall maintain separate fueling systems for grade of fuel provided including separate tanks, filters, pumps and hoses.
- 4.7.1.8. Each FBO shall maintain and use adequate facilities in each fueling area and utilize such bonding during all fueling operations, consistent with NFPA 407.
- 4.7.1.9. Each FBO shall ensure that adequate fire extinguishers are in working condition, visible, and within 75 feet of all fueling areas. Each fire extinguisher shall be checked and recharged if necessary, at least once a month and in accordance with manufacturer’s standards and other applicable regulations.
- 4.7.1.10. Fuel filters shall be changed in accordance with the fuel pump and filter manufacturer’s standards.
- 4.7.1.11. Each FBO shall register with the Fuels Tax Branch, State of Oregon Department of Motor Vehicles and provide copies of the monthly fuels tax report to the City (*see* ORS 319.140) no later than 10 days following the end of each month.
- 4.7.1.12. Each FBO shall license and meter all fuel dispensing equipment with the Department of Agriculture, weights and measures division in compliance with state law (*see* ORS 618.121).
- 4.7.1.13. Each FBO shall comply with and ensure their employees, agents, contractors and representatives comply with the requirements of the City relating to spills and other standards as promulgated by the City.
- 4.7.1.14. Each FBO shall have sufficient numbers of personnel adequately trained to operate fuel dispensing equipment in accordance with all applicable local, state and federal laws, available during normal business hours and on an on-call basis.
- 4.7.1.15. All fuel sold by an FBO on the Airport must be stored in approved fuel tanks located on a leased fuel farm location on the Airport. The FBO

shall not place or maintain any fueling facilities on the Airport, mobile or fixed, which are not approved by the City. The FBO shall not deliver fuel into any Aircraft unless the fuel has first been placed in a suitable and approved filtration tank. There shall be no fueling direct from a common carrier transport truck into mobile fuel truck. Minimum fuel storage requirements are ten thousand (10,000) gallons of Jet A, and 10 thousand (10,000) gallons of 100LL (or its aviation approved equivalent) aviation fuel. The fuel farm and all fuel servicing vehicles are subject to both monthly and random inspection by both the City Fire Department and Airport staff. Construction plans for fuel farm must be reviewed and approved by the City Building Department, City Fire Marshall, and Airport Manager.

- 4.7.1.16. Fueling vehicles/equipment will be in 100% fully operational status and in complete compliance with the above directives, or they will be stored at the FBO fuel farm. Leaks of any magnitude will not be tolerated. Leaking vehicles or fuel storage tanks will be repaired or drained immediately and/or subject to Fire Department citation, fine and immediate termination of fuel servicing capability. Any Person operating fuel servicing equipment or any fuel handling equipment shall be qualified to do so. Fuel attendants must participate in line service training programs to enhance fueling safety. Line services will be available at a minimum from daylight to dusk. Linemen will be contactable by phone or radio (monitoring CTAF and Unicom) at all times during the above hours. Emergency call out services will be available twenty-four (24) hours seven (7) days per week. Fuel Suppliers may negotiate services for major holidays with the Airport Manager.

4.8. Aircraft Storage

- 4.8.1. A Commercial Aeronautical Service Provider performing Aircraft Storage at the Airport shall do so in accordance with the following requirements:
 - 4.8.1.1. The Commercial Aeronautical Service Provider performing Aircraft Storage shall construct, lease, or sublease an area of sufficient size to accommodate the aircraft for which service is intended.
 - 4.8.1.2. The Commercial Aeronautical Service Provider assumes all responsibility for compliance with Rules and Regulations and Minimum Standards on the part of sublessees.
 - 4.8.1.3. The Commercial Aeronautical Service Provider shall provide access to all hangars to the City for the purpose of inspection and shall provide to the City upon request, a listing of all Aircraft stored by type, number, and lessee's name, address and phone number, and a copy of each

Aircraft's liability insurance policy showing the City as an additional insured party.

4.9. Crop Dusting/Spraying

4.9.1. A Commercial Aeronautical Service Provider performing Crop Dusting/Spraying from the Airport shall do so in accordance with the following requirements:

4.9.1.1. The Commercial Aeronautical Service Provider shall construct, lease, or sublease an area of office space which shall include suitable facilities for the safe loading, unloading, storage and containment of hazardous chemical materials.

4.9.1.2. The Commercial Aeronautical Service Provider shall have available for use, either owned or under exclusive written lease to the Commercial Aeronautical Operator, at least one (1) Aircraft suitable for agricultural operations and employ an appropriately certificated pilot.

4.9.1.3. The Commercial Aeronautical Service Provider shall take all necessary measures to protect against spillage or accidental discharge of chemical spray mixtures or materials on runways and taxiways or dispersal by wind force to other operational areas of the Airport.

4.9.1.4. Any hazardous materials handled, loaded and/or stored shall at all times, be handled in accordance with state, federal, City and County laws, rules and regulations. The leased premises by the Commercial Aeronautical Service Provider shall be surrounded with a minimum six (6) foot high, chain-linked fence or similar barricade to prevent entry. The Commercial Aeronautical Service Provider shall ensure that any hazardous materials including all agricultural spray materials handled, loaded or stored shall at all times be handled in accordance with federal, state and local laws, rules and regulations regarding the environment; ensure that any garbage or rubbish which contains painting chemicals shall not be stored on the Airport and shall be disposed of by the Commercial Aeronautical Service Provider in a lawful manner off the Airport, provided further that no incineration or open burning is permitted on City property for such disposal.

4.9.1.5. The Commercial Aeronautical Service Provider shall comply with all applicable FAA regulations for its operations.

4.10. Temporary Specialized Commercial Aeronautical Activities

4.10.1. Specialized Commercial Aeronautical Activities that a Commercial Aeronautical Service Provider desires to perform on a temporary basis,

including without limitation: aerial photography, aerial surveying, and parachute jumping, are prohibited.

5. REQUIREMENTS FOR FIXED BASE OPERATORS (FBOs)

- 5.1. In addition to the Minimum Standards applicable to any and all Commercial Aeronautical Activities that an FBO performs at the Airport, a Commercial Aeronautical Service Provider who operates as an FBO shall do so in accordance with the following requirements:
 - 5.1.1. The FBO shall construct or lease an area of sufficient size and location to accommodate the FBO's activities and operations, including but not limited to hangar space, storage of FBO tenant and transient aircraft, and aircraft repair and maintenance services and spare parts storage. The FBO shall provide heated, lighted, and air-conditioned Terminal and office space that will include space for crew and passenger lounges, public restrooms and telephones, flight training, and flight planning. The FBO shall provide sufficient automobile parking to accommodate employees and customers, with no on-street parking. Adequate hard-surface aircraft ramp must be provided within the leased area to accommodate the FBO's activities, operations, and adequate tie-down facilities.
 - 5.1.2. The FBO will be required to provide the City with a written assurance that it will be solely responsible and fully liable in all regards for any fuel spill occurring at the FBO's location. The FBO will also be required to submit to the Airport Manager a written fuel spill response procedure and a copy of its operating manual.
 - 5.1.3. The FBO shall provide adequate and sanitary handling of all trash, waste and other materials including, but not limited to, used oil, sump fuel, and solvents.
 - 5.1.4. The FBO shall comply with FAA Advisory Circulars 00-34, Aircraft Ground Handling and Servicing, 150/5210-5, Marking and Lighting of Vehicles Used on Airports, 150/5230-4C, Aircraft Fuel Storage, Handling and Dispensing, or applicable local rules and regulations, whichever are more restrictive, all as amended or updated from time to time.
 - 5.1.5. The FBO shall provide service hours that best serve the public requirements. Hours of operation shall not be less than eight (8) hours per day, seven (7) days per week. The FBO shall have full-time personnel on duty and onsite and adequate equipment during normal business hours and shall provide on-call services 24/7. Hours of operation may be seasonally adjusted and shall be conspicuously posted. A change in the hours of operation must be approved by Airport Manager, except where governed by applicable lease.
- 5.2. Ancillary FBO Services
 - 5.2.1. In addition to the required Commercial Aeronautical Activities an FBO must perform, the FBO must also provide the following Ancillary FBO Services:

- 5.2.1.1. Airport surveillance, including monitoring of the FBO's leased premises for safety and security issues. An FBO shall promptly notify the Airport Manager or other onsite Airport staff of any potentially dangerous conditions or hazards existing at the Airport.
 - 5.2.1.2. Ramp assistance, including Aircraft recovery and towing service for disabled Aircraft within one (1) hour of receiving a call for service and including parking, tie-down, and storage of only functioning aircraft within the FBO's leased area.
 - 5.2.1.3. Apron servicing of, and assistance to, Aircraft, including transient parking, storage, and tie-down service, for both based and transient Aircraft upon or within facilities leased to a Commercial Aeronautical Operator or Aircraft parking areas designated for such purpose.
 - 5.2.1.4. Adequate tie-down facilities and equipment, including ropes, or other types of restraining devices and wheel chocks for the Aircraft typically using the Airport.
 - 5.2.1.5. Equipment for starting and towing aircraft and fire extinguishers.
 - 5.2.1.6. Crew and passenger lounge facilities.
 - 5.2.1.7. Public restrooms that are conveniently located, and ventilated and accessible to the passengers and crews, and will be maintained in a clean and sanitary manner. At least one working telephone will be provided for public use.
 - 5.2.1.8. Adequate loading, unloading, and towing equipment to safely and efficiently move Aircraft and store them in times of all reasonably expected weather conditions.
- 5.3. Additional Services
- 5.3.1. An FBO may, at its option with prior City approval and subject to compliance with these Minimum Standards, perform additional Commercial Aeronautical Activities. Such Commercial Aeronautical Activities shall be authorized by the City by appropriate amendment to the FBO's lease with the City.

**PART IV
AIRPORT LEASING AND DEVELOPMENT POLICY**

1. INTRODUCTION

- 1.1. This Airport Leasing and Development Policy (“Policy”) establishes requirements for Persons who wish to lease Airport property and/or facilities. The Policy is intended to provide guidance to City and Airport staff, current and potential Airport users and tenants, and other interested parties with respect to what terms and conditions apply to the aeronautical and nonaeronautical leasing of Airport property and to ensure that such leasing is consistent with federal, state, and local requirements governing the Airport.
- 1.2. The City has accepted federal funds for the development of the Airport, pursuant to which the City has agreed to abide by certain terms and conditions in how it operates and maintains the Airport (the “Grant Assurances”). This Policy is intended to reflect, and is subject and subordinate to, those federal Grant Assurances. The Airport Manager shall have the authority to modify this Policy to incorporate any rule, regulation, or order of the FAA without further action by the City Manager.
- 1.3. The City must ensure that it structures Agreements to protect current and future interests and generate sufficient revenue to operate and expand the Airport. To ensure self-sustainability and retain flexibility with lessees, Agreements may take on various forms and include differing stipulations based upon the function, location, and types of lessees involved. Existing and prospective lessees should be treated equitably, but not necessarily the same depending on individual circumstances. As such, the Airport Manager, in their sole discretion, has the right to waive any standard(s) contained herein if such action(s) benefits(s) the Airport and does not violate city, county, state, or federal law or regulation. In all respects, these standards are subject and subordinate to federal regulations, as currently exists or as may be amended in the future.

2. GENERAL

- 2.1. Applicability
 - 2.1.1. To the extent that this Policy reflects the obligations of the City under the Grant Assurances, it applies to all Agreements currently in force (to aid in application of the Grant Assurances which are incorporated into the terms of such Agreements), and to all Agreements entered into after the Effective Date, as well as to any extension or material modification of an Agreement that was entered into prior to the Effective Date. In all other cases, the Policy shall apply to Agreements entered into prior to the Effective Date to the maximum extent possible and shall apply to any future material amendment, modification or extension of such Agreements, as well as to Agreements entered into after the Effective Date.

- 2.1.2. This Policy applies to the use or lease of any Airport property whether commercial or non-commercial, aeronautical or nonaeronautical.
- 2.1.3. The City reserves the right to grant exceptions to or waive the requirements of this Policy for governmental authorities or emergency services providers, consistent in all cases with the Grant Assurances and all federal requirements.

2.2. Severability

- 2.2.1.1. The provisions of this Policy shall be severable, and if any of the provisions hereof shall be held to be unconstitutional or invalid, such determinations shall not affect the constitutionality or validity of any of the remaining provisions.

3. LEASING POLICY

3.1. Types of Agreements

- 3.1.1. An Agreement with the City may take the form of a land lease, facilities lease, use agreement, license, permit, some combination of these arrangements, or another form. All Agreements shall specify the permitted uses, prohibited uses, the land, facilities, and improvements to be used or leased, and the rents and fees to be paid to the City for privileges granted under the Agreement. No Person shall be permitted to conduct any commercial activity on the Airport without an Agreement with the City or pursuant to an approved sublease to an Agreement, except for Independent Mechanics or Independent Flight Instructors, as set forth in the Minimum Standards.
- 3.1.2. For purposes of this Policy, an “applicant” or a “lessee” shall mean any Person who enters into or proposes to enter into an Agreement the City.
- 3.1.3. City-owned T-hangars may not be used for commercial purposes. If privately-owned T-hangars are used for commercial purposes, insurance and other requirements for commercial use described in Section 3.1 of the Minimum Standards will apply.

3.2. Governing Documents

- 3.2.1. Agreements entered into on behalf of the City must be consistent with, but not limited to, compliance with the Code of Federal Regulations, Grant Assurances, Airport Master Plan, Airport Layout Plan (“ALP”), Airport Rules and Regulations), Airport Minimum Standards (“Minimum Standards”), FAA’s Policy and Procedures Concerning the Use of Airport Revenue, the Airport’s Disadvantaged Business Enterprise (“DBE”) plan, this Leasing Policy, the Bend Municipal Code, and the Fee Resolution, as

these exist or as may be adopted or amended in the future, and as fully incorporated herein by reference.

3.3. Application Process

- 3.3.1. Any Person interested in leasing Airport property (e.g., ground leases) and/or facilities (e.g., box hangars, t-hangars, tie-down, and other leased space) from the City at the Airport for aeronautical use must follow the application process described in Section 3 and 4 of this Leasing Policy. If seeking to enter into an Agreement with the City for nonaeronautical use of Airport property and/or facilities, contact the Airport Manager and describe such proposed use in detail. Prospective Commercial Aeronautical Operators, including master developers, must follow the application process described in Section 3.1 of the Minimum Standards in addition to Sections 3 and 4 of this Leasing Policy.

3.4. Multiple Interested Parties; Competitive Processes

- 3.4.1. Upon receipt of an application or statement of interest to lease bare ground at the airport for Aeronautical Activities, or at any other time, including if the City has reason to believe that more than one person may be interested in providing similar Aeronautical Activities or may be interested in operating at the same or similar location, the City may, but is not obligated to, issue a request for qualifications or proposals or otherwise select an operator(s) or lessee(s) through a competitive solicitation in accordance with applicable law and Airport policies, including by providing written notice as described in section 3.4.4, below. In that instance, the competitive procurement process will supersede the formal written application or statement of interest process described herein, provided, however, the City shall accept responses for a reasonable time period so as not to unreasonably delay consideration of any pending applications.
- 3.4.2. If an applicant has submitted an application or statement of interest in compliance with this Section, and the City receives an additional application or statement of interest that indicates an interest in the particular space at the Airport requested by the first applicant with a pending application, it will notify both applicants of the other's interest. In such event, the City shall make reasonable efforts to accommodate one or both applicants at another location on the Airport, to the extent that appropriate space is available and such applicant(s) are qualified pursuant to this Policy, the Minimum Standards, and all applicable federal, state, and local law, rules, and regulations.
- 3.4.3. When the City has not initiated a competitive process, but while the City is considering an application, statement of interest and/or in negotiations with an applicant for a potential lease agreement, the City shall continue to accept and consider applications or statements of interest from other persons

interested in developing that subject property and will not reserve any property for an applicant.

3.5. Additional Requirements Prior to Execution of Lease

3.5.1. Permits, Plans and Approvals

3.5.1.1. Prior to entering into an Agreement with the City, an applicant must show the ability to comply with County building codes, site requirements and permitting processes both financially and in conformance with required processes before proceeding with the building process. The presenting of a County-approved site plan, building permits, engineering approvals and an agreement with a qualified bonded contractor will be sufficient to show ability. In the event that an applicant chooses to construct his/her own hangar, it will in no way relieve him/her from meeting all building requirements expressed above, except for the selection of a contractor.

3.5.2. Bond

3.5.2.1. Each applicant may be required to post a bond allowing for full completion of the intended project, in compliance with all codes, by the City should the applicant fail to complete the project. Each potential tenant will have 60 days to present the above documentation. The ground being leased may not be encumbered in any way that would obligate the City to satisfy or obtain a release from any creditor to repossess the property or the improvements should a lessee default on its leased or land improvements.

3.5.3. Good Standing

3.5.3.1. The applicant must be in good standing with the City and current on all accounts. Good standing will be interpreted having paid previous accounts on time in the full amount and not subject to any legal actions, such as bankruptcy, that could negatively affect the ability of the applicant to complete the project. If an applicant has no previous account history with the City, a credit check will be performed at the applicant's expense.

3.6. Grounds for Denial

3.6.1.1. The following may be grounds for the City to deny an application for a new Agreement, including denial of an application to perform Commercial Aeronautical Activities:

3.6.1.2. The applicant (or applicant's principal) is a current tenant at the Airport who has not utilized their leasehold for its intended purpose to its

maximum capacity may not be granted an additional lease(s) (e.g., if a commercial hangar has not been fully subleased).

- 3.6.1.3. The applicant proposes to conduct a Commercial Aeronautical Activity for which it does not meet the established qualifications, standards, and requirements.
- 3.6.1.4. The applicant's proposed operations or construction will create a safety hazard on the Airport.
- 3.6.1.5. The granting of the application will require the City to spend Airport revenue or public funds, or to supply labor or materials in connection with the proposed operations to an extent which or at a time when the City is unwilling to enter into such arrangement; or, the operation will result in a financial loss to the Airport.
- 3.6.1.6. There is no appropriate, adequate, or available space or building on the Airport to accommodate the entire activity of the applicant at the time of the application.
- 3.6.1.7. The proposed operation or Airport development or construction does not comply with the Airport Layout Plan or current Airport Master Plan.
- 3.6.1.8. The development or use of the area requested by the applicant will result in depriving existing operators of portions of the area in which they are operating; or will result in a congestion of aircraft or buildings; or will result in unduly interfering with the operations of any present operator on the Airport through problems in connection with aircraft traffic or service, or preventing free access to the operator's area.
- 3.6.1.9. The applicant, or person with a substantial interest therein, has either intentionally or unintentionally, supplied the City with any false information or has misrepresented any material fact in their application or in supporting documents or has failed to make full disclosure on their application or in supporting documents.
- 3.6.1.10. The applicant, or person with a substantial interest therein, has a record of violating the Minimum Standards, the rules and regulations of this or any other airport, or FAA regulations.
- 3.6.1.11. The applicant, or person with a substantial interest therein, has defaulted in the performance of any agreement with the City.
- 3.6.1.12. The applicant, or person with a substantial interest therein, has a credit report which contains derogatory information and does not appear to have satisfactory business responsibility and reputation.

- 3.6.1.13. The applicant does not appear to have, or have access to, the finances necessary to lease the Airport property and/or conduct the proposed operation for a minimum period of six months (for example, the applicant lacks the ability to post performance bond equal to six months' rental) or to construct the necessary proposed improvements.
- 3.6.1.14. The applicant, or person with a substantial interest therein, has been convicted of any crime or violation of any ordinance of such nature that it indicates to the City that the applicant would not be a desirable operator on the Airport.
- 3.6.1.15. The FAA has determined that any proposed development would constitute an obstruction or hazard to air navigation.
- 3.6.1.16. Denial of the application is otherwise appropriate because it would cause the sponsor to be in violation of applicable federal, state, or local obligations.
- 3.6.2. Nothing contained herein shall be construed to prohibit the City from denying, for any reason it deems sufficient, an application to do business on the Airport for the purpose of selling, furnishing or establishing non-aviation products and supplies or any service or business of a nonaeronautical nature, or the application by a person for an area on the Airport for the personal non-profit use of such person.
- 3.7. General Requirements for Airport Agreements
 - 3.7.1. Term
 - 3.7.1.1. The original term, commencement, and ending date shall be included in the Agreement.
 - 3.7.1.2. The term of an Agreement may vary depending on the individual circumstances of the Agreement and may be determined by applicable law, or by negotiation. Standard ground lease term is 20 years plus 2 ten (10) year renewals, consistent with the FAA's guidance not to exceed a term that is reasonably necessary to amortize a tenant's investment. Ground leases containing a term longer than fifty (50) years from the effective date, including unilateral extensions, are prohibited.
 - 3.7.1.3. Where the lessee develops all or part of the Leased Premises, the term shall be commensurate with the amount of capital investment by the lessee made to develop the Leased Premises (*e.g.*, reflect the time necessary for the lessee to recover its investment in the Leased Premises plus a reasonable return on that investment). The term may also be tied to the term of any debt incurred in the construction and/or investment in improvements to the Leased Premises.

- 3.7.1.4. Options and future preferences (*e.g.*, rights of first refusal) will generally be avoided.
- 3.7.1.5. Extensions beyond the initial term may be granted in certain circumstances to tenants that do not opt into the Reversion Deferral Fee Program, but will be offered only in the sole discretion of the City and will be subject to the payment of fees or capital investments no less than lost revenue resulting from the extension of the ground lease.
- 3.7.2. Reversion Deferral Fee Program
- 3.7.3. Eligible lessees may defer reversion of their improvements by opting into the Airport’s Reversion Deferral Fee Program (“Program”) and paying the Program opt-in fee of \$500 as set forth in the City’s fee resolution.
- 3.7.4. Program Eligibility and Requirements
 - 3.7.4.1. All ground lessees in good standing are eligible to participate in the Program. Lessees wishing to participate in the program must pay the applicable opt-in fee and apply in writing. The application must include the requested lease extension term, which in no event shall exceed 20 years following the then-current expiration date of the lease. The City will notify lessees of acceptance into the program within a reasonable time following submission of a complete application.
 - 3.7.4.2. The granting of any renewal lease term will be conditioned upon lessee entering into a new lease agreement using the City’s lease agreement form(s) then in use at the time of renewal. The term of the new lease will equal the remainder of the then-current lease, including extensions, and the requested extension term, provided that in no event shall the new lease term exceed 49 years in total starting on the effective date of the new lease.
 - 3.7.4.3. Lease rates shall equal rent, which will remain unaffected by the Program, plus the applicable deferral fee, described below, in effective as of the date a complete Program application is submitted to the City. The total deferral fee over the life of the new lease shall be prorated for equal periodic payments beginning at the time the new lease is executed.
 - 3.7.4.4. Lessees participating in the Program may not request a subsequent extension under the Program until there is five (5) years or less remaining on the lease; provided that, in the event of a sale or transfer of the premises, the lessee may request a subsequent extension to facilitate the sale equal to the number of years necessary to result a new lease equal to 30 years. Such extension shall solely be for the purpose of buyer financing.

3.7.5. Deferral Fee

3.7.5.1. *Reversion Deferral Fee.* The reversion deferral fee shall be \$.50 per square foot of ground leased area per year (as set forth in the City’s fee resolution) multiplied by the number of years included in the lease extension granted under this Program paid in equal installments as provided in Section 3.7.4.3, above. The reversion deferral fee shall increase by 3% annually upon the anniversary of the effective date of this Leasing Policy.

3.7.5.1.1. *Initial Period Incentive.* Notwithstanding 3.7.5.1., All eligible lessees that submit an application and pay the opt-in fee within one year of the effective date of this Leasing Policy shall pay a deferral fee of equal to \$0.35 per square foot of ground leased per year (as set forth in the City’s fee resolution) multiplied by the number of years included in the lease extension granted under this Program paid in equal installments as provided in Section 3.7.4.3, above.

3.7.5.1.2. Such eligible lessees shall also be granted a lease extension of up to five years at no cost equal to the length of time that would result in an original lease, including extensions, equal to 40 years.

3.7.6. Title to Improvements

3.7.6.1. At the expiration of a ground lease, the following requirements shall apply except where specific language in a lease that predates this Leasing Policy provides otherwise, in which case the lease language shall prevail. Nothing in this section shall be interpreted to prevent a noncommercial or commercial tenant from participating in the Reversion Deferral Fee Program described above prior to the expiration of the lease.

3.7.6.1.1. For property or improvements leased for noncommercial purposes, at the termination or expiration of the lease, the City shall have the option at its sole discretion either to (a) require the tenant to remove the improvements at the end of the lease term or (b) take ownership of any and all improvements (reversion). Any new or extended lease will be based upon the value of the property with improvements commensurate with the then most recently conducted appraisal.

3.7.6.1.2. For property or improvements leased for commercial purposes, the tenant will be given two options: (a) terminating the lease and transferring ownership to the City of any and all improvements and entering into a new lease (if desired) based upon the value of the property with improvements; or (b) entering into a

new lease with the City based upon the unimproved value of the property at the time plus additional rent based upon a to-be-negotiated gross revenue share that is designed to fairly compensate the City for the value of improvements over the lease term.

3.7.6.2. The City, as Airport sponsor, may not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in its grant agreements without the written approval of the Secretary of Transportation. Granting a third party (including another City department) unlimited or unrestricted rights in Airport land would likely violate this requirement.

3.7.6.3. The City will have a reversionary interest in improvements maintained or constructed on the property by a lessee. The City may require that the lessee remove such improvements at the end of the term of the Agreement. After such reversion, rent must be adjusted accordingly to reflect the leased premises covered in any succeeding years.

3.7.7. Avigation Easements

3.7.7.1. The City shall reserve to itself and its successors and assignees, for the use and benefit of the public, a right of avigation over the leased premises for the passage of aircraft utilizing the Airport.

3.7.8. Revenue Share

3.7.8.1. In addition to ground rent, the City may require that a lessee pay to the City a percentage of the revenue generated by the lessee's commercial activities that make use of Airport property and/or facilities.

3.7.9. Fees and Charges

3.7.9.1. The lessee shall be subject to all applicable fees and charges in addition to ground rent and any revenue share included in the Agreement, including without limitation fuel flowage fees, Airport security, and vehicle parking fees, and other fees authorized by the Airport or the City.

3.7.10. Escalation Clause

3.7.10.1. Except as provided in the Code, agreements that lease Airport property and/or facilities for terms of more than five (5) years must include escalation provisions that adjust rental rates paid to the City (a) based on the appraisal of airport property lease values that the City obtains every fifth year; and (b) annually, = based industry appropriate methodologies (*e.g.*, rent studies, appraisals).

3.7.11. Tenant Improvements

- 3.7.11.1. Improvements constructed by lessees pursuant to an Agreement with the City shall be authorized by the City in such Agreement and shall be constructed and maintained in accordance with all applicable federal, state and local laws, rules and regulations, including without limitation the Airport Rules and Regulations and in accordance with the Development Standards contained in Section 5 herein.

3.7.12. Indemnification

- 3.7.12.1. The lessee agrees to indemnify, defend, and hold the City harmless as to liability of any kind resulting from the acts or omissions of the lessee.

3.7.13. Hazardous Materials

- 3.7.13.1. The lessee shall be solely and fully responsible for compliance with applicable laws relating to the environment and shall indemnify, defend, protect, and hold harmless the City arising from or related to the presence or discharge of Hazardous Materials.

3.7.14. Insurance

- 3.7.14.1. The lessee shall be responsible for procuring, maintaining, and furnishing evidence of liability and property insurance in the form, type, and amount required by the City under the Agreement and any applicable state or local law. Insurance requirements shall be reviewed by the designated departments and officials at the City responsible for ensuring the City is adequately protected from risk by such policies.

3.7.15. Federal Contract Provisions

- 3.7.15.1. The Agreement shall include and the lessee shall comply with the provisions required by the FAA, including without limitation those related to nondiscrimination and nonexclusive use of the Airport, as they may be amended from time to time.

3.7.16. Force Majeure

- 3.7.16.1. The City or lessee shall be excused if delayed, hindered, or prevented from performance of the Agreement by reason of war, pandemic, national emergency, or acts of nature. However, the lessee shall not be relieved of paying rentals, fees, and/or other charges when due and owing.

3.7.17. Subordination

3.7.17.1. Any Agreement shall contain a provision stating that such agreement shall be subject and subordinate to the provisions of any existing or future agreements between the City and the United States of America relative to the operation and maintenance of the Airport System, the terms and execution of which have been or may be required as a condition precedent to the expenditure by or reimbursement to the City of Federal funds for the development of the Airport. All Airport Agreements entered into by any Person operating on the Airport are subject to these requirements and lessees must incorporate applicable provisions into any sublease or subcontracting agreement that a Person may enter into.

3.7.18. Minority Business Enterprises

3.7.18.1. It is the policy of the City to utilize Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) in all aspects of contracting. This commitment can be demonstrated by the efforts taken in the development of a MBE Plan and in correspondence within this organization stating such position. The plan will be made available upon request.

3.7.19. War or National Emergency

3.7.19.1. During time of war or national emergency, the City shall have the right to lease the Airport, and/or landing area, or any part thereof to the United States Government for military use, and, any license or authority granted under these rules and any lease and agreement executed pursuant hereto shall be subject to such government lease and the provisions of the government lease shall control insofar as they are inconsistent with the said operators agreement, lease or authority.

3.7.20. Subleasing, Assignment and Transfer; Leasehold Mortgages

3.7.20.1. Ground lease agreements shall provide that subleasing is permitted only with prior written approval of the City. In certain circumstances, the City and a lessee may negotiate for a standard form of sublease and requirements for sublessees that may be used by the lessee without City approval, such form and requirements to be provided for in the negotiated lease agreement. In all cases, lessees shall remain liable for all payments, terms and conditions of their lease notwithstanding any subleasing arrangement.

3.7.20.2. Agreements may not be transferred or assigned without the prior written approval of the City and payment of the applicable transfer fee as set out in the City's fee resolution.

3.7.20.3. Leasehold mortgages must be approved by the City in writing and extend no further than the term of the lease Agreement.

3.7.20.4. Subleasing of City-owned hangars is prohibited.

3.7.21. City Right of Entry

3.7.21.1. To the extent necessary to protect the rights and interest of the City or to investigate compliance with the terms of the regulations and standards, the Airport Manager or any authorized agents of the City shall have the right to inspect at all reasonable times all Airport premises together with all structures or improvements and all aircraft, equipment, and all licenses and registrations.

3.8. Requirements for Aeronautical Agreements

3.8.1. Rates

3.8.1.1. Rates for aeronautical use of property and/or facilities must be fair, reasonable, and not unjustly discriminatory. Individual circumstances, as determined by the City, may still warrant differences in rental rates among aeronautical lessees, including without limitation when a substantial capital investment is made that will benefit the Airport and its traveling public. In any case, the City shall determine rates so as to meet its obligation to maintain rates and charges in a manner that makes the Airport self-sustaining as possible, given the Airport's particular circumstances, and subject to applicable law.

3.8.2. Commercial or Noncommercial Use

3.8.2.1. An Agreement entered into by a lessee for noncommercial use or lease of Airport property shall prohibit commercial activity on such property or otherwise pursuant to that Agreement. If a noncommercial lessee desires to conduct commercial activity on the leased premises, it must enter into an amendment or new agreement with the City consistent with the terms of this Policy and the Minimum Standards, as applicable, for such use.

3.8.3. Nonaeronautical Use Prohibited

3.8.3.1. Hangars may be used for nonaeronautical activities only to the extent permitted by the FAA's policy on the nonaeronautical use of airport hangars, as may be amended.

3.8.4. Hangar and Tie-Down Waiting List Policy

3.8.4.1. Due to high demand for hangar and tie-down leases, the City has established the wait list policy in Section 4 of this Policy. The City

reserves the right to utilize this wait list policy in order to facilitate the lease of other types of space at the Airport, including without limitation automobile parking, office space, or storage space.

3.8.5. Compliance with Minimum Standards

- 3.8.5.1. Agreements to perform Commercial Aeronautical Activities shall contain a provision requiring that Commercial Aeronautical Service Providers comply with the Minimum Standards as amended or updated by the City from time to time.

3.9. Requirements for Nonaeronautical Agreements

3.9.1. Fair Market Value

- 3.9.1.1. Nonaeronautical Agreements will only be considered by the City when there is no immediate aeronautical need for the proposed premises.
- 3.9.1.2. Nonaeronautical use must not interfere with the aeronautical use of the Airport and must not jeopardize future Airport development or create or contribute to a flight hazard.
- 3.9.1.3. Nonaeronautical Agreements must allow the City to terminate the Agreement and reclaim the Leased Premises in the event that aeronautical need for the property and/or facilities arises.
- 3.9.1.4. The City must receive at least fair market value (“FMV”) for providing Airport property and/or facilities for nonaeronautical use. FMV for nonaeronautical Agreements should be determined by an appraisal conducted within six (6) months of the execution of the Agreement by an independent and qualified real estate appraiser with experience appraising airport property.
- 3.9.1.5. At the City’s sole discretion, the leasing of Airport property and/or facilities for nonaeronautical activities will be subject to FAA review and/or approval.

3.9.2. Mixed Use

- 3.9.2.1. If a lessee proposes to conduct both nonaeronautical and Aeronautical Activity under the Agreement, and the nonaeronautical Activity is not solely incidental to the predominantly Aeronautical Activity, as determined by the City in its sole discretion, the lessee shall pay to the City the appropriate FMV rate for the nonaeronautical portion of its activity and/or premises.

4. HANGAR AND TIE-DOWN APPLICATION AND WAIT LIST POLICY

4.1. General

- 4.1.1. This Hangar Waiting List Policy (“Policy”) is designed to provide a process for aircraft owners to be placed, if needed, on a wait list for space in the T-hangar and exclusive use general aviation hangars (“Box Hangar”) as well as tie-down parking space at the Airport that is owned by the City and for the subsequent allocation of such space. The City owns, manages, and operates these hangars, and shall administer the hangar wait lists and this Policy. The Hangar Waiting List Policy does not apply to ground leases.
- 4.1.2. Because demand is often greater than availability, compliance by Airport users with this Policy is mandatory to receive a lease for T-hangar, tie-down parking, or exclusive use hangar space owned by the City at the Airport. City will keep separate a separate wait list for T-hangar, tie-down, and Box Hangars.
- 4.1.3. This Policy may be amended or replaced by the City at any time in its sole discretion, provided, however, that any applicant currently on a wait list at that time shall be provided notice of any such amendment.
- 4.1.4. The order of the applicants on any wait list in existence as of the effective date of this Policy shall not be modified by this Policy. All applicants who presently appear on the wait list shall maintain their positions and priority, and the application procedures set forth in this Policy shall govern only (a) new applicants, or (b) modifications to the Aircraft’s ownership, Aircraft model, or tail number of current applicants on the wait list. However, the offering of hangar and tie-down space to current applicants on the wait list will be governed by this Policy.

4.2. Application

- 4.2.1. Persons wishing to lease Box Hangar, T-hangar or tie-down space from the City shall provide a signed and dated application form to the City for the specific facility requested using the City-approved form for such purpose. Such form shall be made available on the Airport’s website or upon request. The application must include a nonrefundable application fee as set forth in the City’s fee resolution and the following information:
- 4.2.2. Proof of ownership, lease, and/or insurance information for the Aircraft must be provided with the application. Additionally, if applicant intends to apply to use the hangar space for Commercial Aeronautical Activity at the Airport, applicant must provide application information consistent with Section 3 of the Minimum Standards upon application to the hangar wait list(s) and the City may request additional information from such applicants, including to determine whether the applicant would be capable of meeting the Minimum Standards for such services. Commercial Aeronautical Activities are prohibited in City T- hangars.

- 4.2.3. Applicants must be the current owner or partial owner of an Aircraft and provide evidence of such ownership to the City to be placed on a hangar or tie-down space wait list.
- 4.2.4. If sufficient space is not available to be leased to the applicant, the City shall notify the applicant and place such applicant on a wait list. The City shall maintain separate wait lists for hangars and tie-down space. An applicant will be placed on the wait list as of the date a complete application and application fee was received by the City.
- 4.2.5. If applicants fail to keep their contact information current and the City is unable to contact them, their name will be removed from the wait list. It is the applicant's responsibility to inform the City of any changes to their contact information.

4.3. Wait List Procedures

- 4.3.1. When space becomes available or is known to become available in the next thirty (30) days, the City will notify the next applicant on the wait list whose aircraft is physically capable of occupying the available space. The determination of whether a particular aircraft can be physically accommodated in the hangar or tie-down space is in the City's reasonable discretion. Primary means of notification will be via e-mail and/or telephone. The City may also send a notification letter by U.S. Mail, but has the option of contacting the next applicant on the list via telephone/e-mail due to the added delay.
- 4.3.2. An applicant has two (2) business days from date of first notification to reply to the City. If the applicant fails to respond within these two (2) days, they will be removed from the wait list.
- 4.3.3. Applicants must be available and qualified (as specified below) to enter into a lease for the space upon notification of availability. If applicant is not prepared to enter into a lease or is otherwise unqualified, they will forfeit their opportunity to enter into the lease and will be moved to the bottom of the applicable waitlist.
- 4.3.4. If the applicant with first priority does not respond, is not qualified, or declines the available space, the City will contact the next applicant on the list whose aircraft can be physically accommodated in the available space. Additionally, if an applicant does not enter into a lease agreement with the City within ten (10) business days of the City's notification to the applicant of the hangar availability, the City may contact the next such applicant.
- 4.3.5. Applicants may change their contact information or aircraft model and/or tail number at any time without losing their position on the wait list. The

applicant should then notify the City that it should remove the prior Aircraft from the wait list.

- 4.3.6. Notwithstanding the order in which they were added to such wait list, applicants who intend to provide a Commercial Aeronautical Activity in their desired Box Hangar space may be given additional preference/priority on the exclusive use hangar wait list, in the City's reasonable discretion, including to reflect current need or demand for new or additional aeronautical services at the Airport. For example, an applicant that intends to provide a Commercial Aeronautical Activity at the Airport that no other Commercial Aeronautical Service Provider currently leasing space at the Airport has the requisite certificate, certified personnel, or access to equipment and parts to provide the product or perform such service may be given priority over other applicants on the exclusive use hangar wait list. This policy reflects the City's intent to use available hangars to house business type-aircraft and/or services that bring more revenue and business to the Airport and community.

4.4. Removal from Waiting List

- 4.4.1. Applicants that no longer wish to remain on the wait list are requested to contact the City to remove themselves.
- 4.4.2. In their reasonable discretion, the City may remove an applicant from the wait list if the applicant fails to comply with this Policy, the terms and conditions of any written agreement between the applicant and the City, any Airport rules, regulations, or standards, or is otherwise unqualified for a lease agreement.

5. DEVELOPMENT STANDARDS

5.1. Purpose

- 5.1.1. As part of its Airport Leasing and Development Policy, the City has developed these Development Standards in order to effectuate the following goals of the City: to promote consistent architectural design, site planning and visual appearance of hangars and other improvements constructed at the Airport; to ensure new hangar and other Airport development will be constructed in accordance with FAA regulations and Advisory Circulars along with local regulations relating to public health, safety and welfare; and to ensure that Airport development will be designed and constructed in a manner that will enhance both existing and future development. Consideration of low water/power usage is an inherent part of these standards. All development must avoid creating wildlife attractants.
- 5.1.2. Absent advance written approval by the City, these Development Standards must be followed in the design of hangars and other structures built at the Airport. They do not replace local building and fire codes that are implemented by local county, state, and federal entities.
- 5.1.3. All City engineering standards for utilities will be strictly enforced on any Airport development. Water/Sewer utilities are provided by the City and subject to City standards for the installation and maintenance of the utilities. It is the responsibility of the tenant to meet all applicable utility codes and standards.
- 5.1.4. To the extent there is a conflict between these Development Standards and applicable state, County or City building, fire or other development code or requirement, the more stringent requirement shall apply.
- 5.1.5. These Development Standards apply to both proposed hangar development and existing hangar modifications.
- 5.1.6. Tenant is responsible for compliance with applicable County code, this document, or any other code applicable to the development of hangars or other structures at the Airport.

5.2. Site Plan Review / Permits

- 5.2.1. Pre-Design for New Construction: Prior to the hangar site planning and design, the tenant or the designated representative will meet with the City to discuss the following pre-design requirements:
 - 5.2.1.1. Lease agreement terms and conditions
 - 5.2.1.2. Lot location for the proposed hangar

- 5.2.1.3. Development standards
- 5.2.1.4. Construction document requirements and timeline
- 5.2.1.5. Building Plans
- 5.2.1.6. Construction logistics and safety
- 5.2.2. The tenant or designated representative shall prepare and submit an “Application for Land Lease” to the City within the timeline agreed to at the pre-design meeting, but in no event less than least 90 days prior to when Tenant desires to sign a ground lease with the City, unless otherwise set forth in an RFP or other public process for soliciting development proposals conducted by the City.
- 5.2.3. The FAA requires an environmental study and decision in many instances before any construction or approvals may take place. This process will vary in length and the City has no ability to inform the tenant of the outcome or time this process may take. If the findings do not support tenant’s proposed project the lease will be terminated, or, at tenant’s request tenant may submit alternatives to be considered by the FAA if feasible. If tenant’s planned uses cannot be allowed the lease will become null and void without compensation to either tenant or City.
- 5.2.4. The tenant is responsible for submitting a Notice of Proposed Construction form 7460-1 to the FAA for approval. The Airport Manager may assist with preparation, but the tenant will be responsible for providing all necessary information regarding tenant’s project and ensuring that all construction conforms to FAA requirements for development on the Airport. Form 7460-1 permits can take ninety (90) days or more to process and approve. An approved 7460-1 from FAA is required prior to the start of construction.
- 5.2.5. The tenant is responsible for obtaining all applicable building permits from the County. All permits shall be obtained before the start of construction. The Airport Manager must approve all construction plans prior to the application for any building permit. Lessee remains responsible to meet all code, permitting and FAA requirements regardless of Airport Manager’s approval.
- 5.2.6. Tenant will be responsible for obtaining a legal description of the ground leased area at its sole cost and expense.
- 5.3. Setbacks
 - 5.3.1. Setbacks from object free areas and property lines are required to enhance the safety of aircraft operations on taxiways and taxilanes and to allow access for emergency vehicles. All setbacks shall conform to FAA Specifications,

as may be amended. The site plan shall show the location and dimension of all object free areas on impacted taxiways or taxi-lanes. The following hangar development setbacks apply:

- 5.3.2. Hangars, and appurtenant utilities, structures, and development modifications will be located outside the established taxiway/taxilane object free area.
- 5.3.3. Hangars facing access to a taxilane shall have an FAA approved setback based on the wingspan of the largest aircraft that can be stored in any hangar accessible by that taxilane.
 - 5.3.3.1. Setbacks for properties abutting County lands must meet County setback requirements for airport properties.

5.4. Height Restrictions

- 5.4.1. Under no circumstances will any structure be permitted to exceed a height as determined by Deschutes County Code or a height that would make it an obstruction under Federal Aviation Regulation (FAR) Part 77, as depicted on the FAA-approved Airport Layout Plan Drawing, whichever is more restrictive. If the construction will exceed the County limit of 35' but will not be an obstruction under FAR Part 77 a variance from the Deschutes County Code can be applied for from the County at the tenant's expense.

5.5. Hangar Size

- 5.5.1. All square footage must be utilized for aircraft storage. Tenant-constructed hangars must be sized sufficiently to accommodate authorized aircraft but no larger without prior City approval. Efforts to oversize hangar without permission will result in denial of application. These requirements shall not apply to Commercial Aeronautical Service Providers who demonstrate a commercial aeronautical need for multiple aircraft and whose operations require other building space (e.g., a flight school classroom). In such cases, the City and the Commercial Aeronautical Service Provider shall agree in the applicable lease agreement as to the size of tenant improvements in compliance with the Minimum Standards and appropriate under the circumstances. The proposed hangar size, shape, and use must be consistent with the Airport Master Plan and Airport Layout Plan for the proposed location.
- 5.5.2. Hangars are to be designed primarily to store Aircraft and house aviation-related businesses that need to have access to the runway and taxiways.
- 5.5.3. Designs showing living quarters, storage for vehicles other than aircraft or designs obviously showing accommodation for non-aviation uses will be denied.

5.6. Architecture

5.6.1. Hangars erected at the Airport shall meet all applicable federal, state, and local codes.

5.6.1.1. Pre-fabricated, pre-engineered or erected hangars shall have a façade of masonry, concrete, powder coated metal or a combination of these materials. Other materials may be used if approved by the Airport Manager, the Fire Marshal, and the Building Inspector.

5.6.1.2. All hangars shall be engineered to meet Deschutes County building standards for hangars.

5.6.1.3. All exterior surface colors shall be compatible with that of the surrounding area and adjacent hangars and shall be non-reflective in nature. Compatible is not intended to require the use of identical colors, designs or construction techniques.

5.6.1.4. All hangar structures shall be totally enclosed. No open sided structures shall be permitted with the exception of shade covers. Metal shade covers may only be built in designated areas with the approval of the Airport Manager and as permitted by Deschutes County code processes if applicable.

5.6.1.5. All exterior surfaces shall be of new material, pre-finished aluminum, steel, or decorative masonry. No painted wood or unfinished materials will be permitted. No use of damaged/salvaged materials will be allowed.

5.6.1.6. Building glazing shall not cause glare or reflections that will interfere with airport operations or ground circulation. Windows or large areas of glass shall be oriented and/or treated to avoid reflections which could distract pilots and crewmembers ability to safely perform their duties.

5.6.1.7. All new construction shall be of high quality and utilize materials and finishes, which will maintain their appearance with low maintenance.

5.7. Paved Access

5.7.1. The tenant shall provide paved access from the aircraft door of the hangar to the existing apron, edge of taxilane or taxiway edge. The tenant is not required to pave the entire length of hangar door between the taxiway or taxilanes to the hangar. They may pave just the center width required to accommodate the aircraft landing gear. The taxiway/taxilane generally range from 25' to 35' in width. The pavement strength and materials shall be designed to FAA standards. The first five feet in front of the hangar door shall be concrete for the entire front of the building.

5.8. Storm Water Systems

5.8.1. Storm water systems shall be designed to current City engineering standards and is subject to approval by the City’s stormwater utility. No storm drainage system will be allowed under buildings. All roof drains shall be connected to a storm drainage system. All storm drains shall meet City standards for storm water.

5.9. Signs

5.9.1. Signs are permitted in accordance with County signage standards on the street facing sides. All street facing signs must be approved by the County. No lighted signs are permitted airside on the Airport.

5.10. Lighting

5.10.1. Within the landside-property boundaries, lighting may be used to illuminate buildings, landscaping, signs and parking provided the lighting is adequately shielded from public streets and the airfield as required by Deschutes County Code. If hangar apron lighting is necessary, lighting fixtures must be attached to the façade of the hangar and adequately shielded from the airfield. Lights shall only be operated when necessary for safety or obstruction marking.

5.11. Landscape

5.11.1. Plant materials, other than limited lawns, that attract birds and other wildlife are not permitted. Decorative Trees are not permitted. Existing trees will be allowed to remain unless the tree becomes a wildlife attractant, shows signs of disease or creates any type of aviation hazard at which time the tree will be removed. Xeriscape is highly recommended. The hangar landscape design shall be submitted to and reviewed for compliance with FAA Advisory Circular (AC) 150/5200-33 “Hazardous Wildlife Attractants on or near Airports”, as may be amended, by the Airport Manager

5.12. Sidewalks

5.12.1. If the proposed hangar borders landside Airport property, or a public street, where County standards require a sidewalk, the tenant is responsible for the construction of the sidewalk and curb/gutter along the property line bordering the landside property or the public street unless a sidewalk is already existing.

5.13. Parking

5.13.1. Parking shall be designed in accordance with County parking ordinances and, where required, ADA standards. Pavement, curb and gutter shall be designed to meet current County standards and codes and shall in no way

interfere with or be part of the taxiway/taxiway/runway system. Pavement, curb and gutter shall not be required on lots that are completely within the Airport property boundaries. Owners and visitors of/to the hangar lots that are completely within Airport property boundaries will park their vehicles within their lot and/or hangar at all times. Parking on hangar lots may not interfere with the passage of aircraft, pedestrians, maintenance or snow removal equipment or other vehicles passing the area on common areas.

5.14. Outdoor Storage

5.14.1. Outdoor storage areas, dumpsters, loading/unloading areas, roof equipment will be screened with the same architectural style as the hangar. Dumpsters will not be over filled and lids will be shut at all times to prevent the attraction of birds and other wildlife.

5.15. Utilities

5.15.1. The tenant shall negotiate for utility service with each individual utility as applicable.

5.16. Temporary Buildings

5.16.1. Temporary construction site buildings such as trailers are subject to approval by the County building inspector. Temporary buildings cannot remain onsite for durations exceeding 12 months or the time needed to accomplish construction of the primary building or structure, whichever is less.

5.17. Refuse

5.17.1. No storage of any kind including but not limited to waste, refuse material, aircraft parts, vehicles or equipment shall be permitted outside the hangar.

5.18. Fire

5.18.1. The following shall apply, except where either insurance requirements or applicable codes differ, in which case the latter shall prevail. Fire Codes will be enforced by the Fire Marshal or County Code enforcement officers. Citations shall be issued directly to the individual or business in violation. In addition all such citations will be considered a default in the lease agreements subject to cure as per the agreements. Failure to cure the default will result in cancellation of the agreement and eviction from the premises.

5.19. Fencing

5.19.1. Fence construction shall meet FAA and County specifications. Properties that are totally within the Airport boundary will not be fenced unless approved by the Airport Manager or required by the FAA.

5.20. Office, kitchen and restrooms in Hangars

5.20.1. Hangar owners are allowed, in accordance with County zoning and permitting requirements, to install offices, kitchens and restrooms in their hangar, which may be used only in conjunction with aviation purposes. Sleeping quarters are not allowed. The hangar may not be used for overnight stays or for any residential or non-aviation related activity. Living or residing in hangars is specifically prohibited. Crew quarters are allowed for facilities used for emergency life and health services such as Air Ambulance or Fire Stations that require 24-hour availability of crews.

5.21. Construction Standard

5.21.1. Construction, including tenant improvements that require Airport Manager approval under an applicable lease, may not be commenced without the prior written approval of the Airport Manager. Once approved, all construction must be accomplished in a timely manner. The City reserves the right to inspect and reject any phase of the construction. Detailed plans and drawings of the proposed hangar or development must be submitted to the City for approval before building permits or land use requests are applied for. Approved permits or land use decisions issued by the County must be presented to the Airport Manager and acknowledged in writing before construction can begin. The Airport Manager may withdraw permission to build if the County approved documents do not reflect the drawings and plans submitted to the Airport Manager prior to tenant's application to County. All construction materials must be secured and prevented from leaving the construction site due to wind or vehicle traffic and be consistent with the Construction Safety Phasing Plan as approved by the Airport Manager.

5.22. Clean up and Reclamation

5.22.1. The tenant shall haul all excess gravel and topsoil material from the site to an alternative location off airport.

**PART V
DEFINITIONS**

1. Definitions

Terms not defined herein shall have the definition as used in the City Code or in the relevant FAA Advisory Circulars and in the event of conflict, the more restrictive definition shall apply.

- 1.1. **Aeronautical Activity** means an activity that involves, makes possible, or is required for the operation of Aircraft or that contributes to or is required for the safety of such operations.
- 1.2. **Agreement** means any written agreement between the City and a Person for the use or lease of Airport property and/or facilities, whether aeronautical or nonaeronautical.
- 1.3. **Aircraft** means any machine or contrivance now known or hereafter designated, invented, or used for navigation or flight in the air including, but not limited to, an airplane, sailplane, glider, helicopter, eVTOL, gyrocopter, ultra-light, balloon, or blimp.
- 1.4. **Air Taxi Services** means the Commercial Aeronautical Activity involves the common carriage by Aircraft of persons or property as a for hire, either on a charter basis, or as an air taxi/air ambulance operator, and operating under 14 C.F.R. Part 135 and not including 14 C.F.R. Part 121 air carriers.
- 1.5. **Aircraft Engine, Propellor, and Accessory Maintenance** means the Commercial Aeronautical Activity that involves the provision of one or more FAA-approved airframe, engine, and accessories overhaul and repair services on Aircraft.
- 1.6. **Aircraft Painting** means the Commercial Aeronautical Activity that involves the painting of aircraft pursuant to FAA regulations and in accordance with all applicable manufacturer’s standards.
- 1.7. **Aircraft Parts and Accessories Sales** means the Commercial Aeronautical Activity that involves the sale of used and/or new Aircraft parts and accessories.
- 1.8. **Aircraft Sales** means the Commercial Aeronautical Activity that involves the sale of used and/or new Aircraft (either on a retail or wholesale basis) and including providing Aircraft repair services and parts as necessary to meet any guarantee or warranty on the Aircraft sold.
- 1.9. **Aircraft Storage** means the Commercial Aeronautical Activity that involves the renting of conventional hangar, shade hangar, or fully enclosed “T” hangar Aircraft storage space, for the purpose of renting Aircraft storage space to aeronautical users at the Airport.

- 1.10. **Airport Manager** means the Airport Manager of the Bend Municipal Airport or their authorized designee as the case may be.
- 1.11. **Airport** means the Bend Municipal Airport.
- 1.12. **Airside** means that portion of the airport where aircraft movements take place; and areas that directly service the aircraft (taxiway, runway, maintenance facilities and fueling areas
- 1.13. **ATCT** means the Air Traffic Control Tower, if any, located at the Airport. As of the Effective Date, the Airport does not have an ATCT. If at any time the Airport does have an ATCT, every Person accessing the Airport shall comply with the directives, orders, and instructions of the ATCT. Appropriate Letters of Agreement may be required.
- 1.14. **City** means the City of Bend, Oregon.
- 1.15. **Commercial Aeronautical Activity** means any Aeronautical Activity where the purpose or effect of such activity is to secure income, earnings, compensation or profit, whether or not such objective(s) is accomplished.
- 1.16. **Commercial Aeronautical Service Provider** means a Person engaging in Commercial Aeronautical Activity at the Airport.
- 1.17. **Commercial Fueling Services** means the Commercial Aeronautical Activity of conducting aircraft fueling operations for commercial purposes at or on the Airport, including without limitation commercial self-service fueling, retail fuel sales, into-plane fueling, and the handling and storage of fuel. For the sake of clarity, self-service fueling in compliance with the Airport Rules and Regulations and FAA requirements shall not be considered Commercial Fueling.
- 1.18. **Effective Date** means the date these Rules and Regulations, Minimum Standards, and Leasing and Development Policy were last updated or promulgated by the City, as stated in PART I.
- 1.19. **FAA** means the Federal Aviation Administration or any successor agency thereto.
- 1.20. **Fixed Base Operator** or **FBO** means a Commercial Aeronautical Operator that has a lease agreement with the City and provides, at minimum, the following Commercial Aeronautical Activities at the Airport: (1) Commercial Fueling Services; (2) Aircraft Taxi/Rental Services; (3) Flight Instruction; (4) Aircraft Engine, Propellor, and Accessory Maintenance; (5) Radio and Instrument Maintenance, Repair and Installation; and (6) Aircraft Parts and Accessories Sales. FBOs shall also provide the Ancillary FBO Services described in Section 5.2 of the Minimum Standards.

- 1.21. **Flight Instruction** means the Commercial Aeronautical Activity of providing flight instruction to student pilots at the Airport, including: (1) Full-Time Ground Schools; and (2) Independent Flight Instructors.
- 1.22. **HOA Lease and Management Agreement** means the lease agreement by which an entity is responsible for managing the Helicopter Operations Area. There shall be only one HOA Lease and Management Agreement in effect at any time.
- 1.23. **Landside** means that portion of the airport utilized for all activities except aircraft movements. The landside generally excludes the following elements: vehicular access roads and parking, aircraft hangars, FBOs, maintenance facilities, and fuel storage areas.
- 1.24. **Movement Area** means the runways, taxiways, and other areas of the airport that are used for taxiing, hover taxiing, air taxiing, and takeoff and landing of aircraft, exclusive of loading ramps and aircraft parking areas.
- 1.25. **Radio and Instrument Maintenance, Repair and Installation** means the Commercial Aeronautical Activity that involves the repair of Aircraft radios, instruments, and accessories.
- 1.26. **Person** means an individual, corporation, partnership, or other legal entity, but does not include the City.

EXHIBIT A

Type of Insurance	Endorsements / Comments	Fixed Base Operator	Aircraft Maintenance Operator	Avionics of Instrument Maintenance Operator	Aircraft Charter or Aircraft Management Operator	Aircraft Sales Operator	Aircraft Storage Operator	Other Commercial Aeronautical Activities	Non-Commercial Hangar Entity	Non-Commercial Private Flying Club	Non-Commercial Self-Fueler
General Liability - Coverage for damages due to bodily injury, property damage, contractual liability, products and completed operations and if applicable, use of unlicensed vehicles that in any way arise from the use of the Leased Premises and operations or activities of the entity. Non-licensed vehicles operated on the in the movement area will require coverage in the amount not less than \$2 million combined single limit per occurrence for bodily injury, personal injury and property damage	Airport/Premises liability, contractual liability and independent contractors liability	\$5 million	\$2 million	\$2 million	\$2 million	\$2 million	\$2 million	\$2 million	\$1 million	\$2 million	\$2 million
Hangarkeepers Liability - Coverage to include property damage for all non-owned aircraft under the care, custody and control of Operator	Completed Operations	Required	Required	Required	Required	N/A	Required	As Applicable	N/A	Required	Required
	Mobile Equipment	Required	Required	Required	Required	Required	Required	As Applicable	Required	N/A	N/A
Aircraft and Passenger Liability - Coverage to include bodily injury, property damage, and passenger injury for all owned, leased and operated aircraft	Fire Legal Liability	Required	Required	Required	Required	Required	Required	Required	Required	Required	Required
		Applies when non-owned aircraft is in your care, custody, and control	\$2 million for each aircraft / \$3 million per occurrence	N/A	N/A	N/A	N/A	As applicable	N/A	N/A	N/A
Environmental Liability - Gradual, sudden and accidental discharge or spill of pollutants including first party clean up and remediation of the premises; wrongful delivery or misdelivery of fuel; loading and unloading of fuel to and from AST or MST	Applies if you have an AST or MST	\$5 million	N/A	N/A	N/A	N/A	N/A	As applicable	N/A	N/A	As applicable
Automobile Liability - Covers the liability resulting from bodily injury or property damage suffered by a third party arising out of the ownership or use of the insured's owned, non-owned, leased or rented automobile		\$2 million	\$2 million	\$2 million	\$2 million	\$2 million	\$2 million	\$2 million	\$1 million	\$2 million	\$2 million
Workers Compensation	For subject workers	\$2 million	\$2 million	\$2 million	\$2 million	\$2 million	\$2 million	\$2 million	N/A	\$2 million	\$2 million
Employers Liability		Limits Based Upon Statutory Requirements									