

AMENDED MINIMUM STANDARDS FOR THE CONDUCT OF COMMERCIAL AERONAUTICAL SERVICES AND ACTIVITIES AT THE FRIEDMAN MEMORIAL AIRPORT HAILEY, IDAHO

The following minimum standards and requirements for commercial aeronautical services and activities have been established by the Friedman Memorial Airport Authority ("Authority") in the public interest for the safe and efficient operation of the Friedman Memorial Airport ("Airport"); to enhance its orderly growth in compliance with the Airport Master Plan; to preclude the granting of an exclusive right to conduct an aeronautical activity in violation of Section 308(a) of the Federal Aviation Act of 1958; to conform to Title VI of the Civil Rights Act of 1964 and Part 21 of the Department of Transportation Regulations; and to assure to all commercial aeronautical service providers the availability of Airport property on fair and reasonable terms and without unjust discrimination.

I. **DEFINITIONS**

"Aeronautical Activity" means any activity conducted at Airports which involves, makes possible or is required for the operation of aircraft, or which contributes to or is required for the safety of such operations. These activities include, but are not limited to, air taxi and charter operations, pilot training, aircraft renting, sightseeing, glider towing and rentals, aerial photography, crop dusting, aerial advertising, aerial surveying, air carrier operations, skydiving, ultralight operations, aircraft sales and services, sale of aviation petroleum products, repair and maintenance of aircraft, or sale of aircraft parts and aircraft storage.

"Aeronautical Service" means any service which involves, makes possible or is required for the operation of aircraft, or which contributes to or is required for the safety of aircraft operations commonly conducted on the Airport by a person who has a lease from the Airport owner to provide such service.

"Aeronautical Service Provider" means any aviation business authorized by written agreement with the Airport owner to provide services regarding aeronautical activities at the Airport under strict compliance with such agreement and pursuant to these requirements and minimum standards.

"Airport" means the Friedman Memorial Airport, and all of the property, buildings, facilities and improvements within the exterior boundaries of such Airport as it now exists on the Airport Layout Plan or Exhibit A or as it may hereinafter be extended, enlarged or modified.

"Airport Owner" means the Friedman Memorial Airport Authority and its predecessors and successors in interest.

"FAA" means the Federal Aviation Administration.

"FAR" means Federal Aviation Regulation.

"Flying Club" means a noncommercial organization established to promote flying, develop skills in aeronautics, including pilotage, navigation, and awareness and appreciation of aviation requirements and techniques.

"Fueling Operations" means the dispensing of aviation fuel into aircraft.

"Fueling Operations Permit" means a permit issued by the Airport manager to a person or entity who dispenses aviation fuel at Friedman Memorial Airport (see Friedman Memorial Airport Regulation No. 90-2 for requirements and procedure).

"Fuel Vendor" means an entity engaged in selling or dispensing aviation fuel to aircraft other than that owned or leased by the entity.

"Joint Powers Agreement" means that agreement entered into by the City of Hailey and by Blaine County, dated May 16, 1994, and any amendments thereto.

"Landside" means all buildings and surfaces on the Airport used by surface vehicular and pedestrian traffic.

"Large Aircraft" is an aircraft of more than 12,500 pounds maximum certified takeoff weight or turboprop and turbojet aircraft.

"Manager" means the Airport Manager or his/her designee.

"Minimum Standards" means the standards which are established by the Airport owner as the minimum requirements to be met as a condition for the right to conduct an aeronautical activity on the Airport.

"Person" means an individual, corporation, government or governmental subdivision, partnership, association, or any other legal entity.

"Self-fueling Operator" means a person who dispenses aviation fuel to aircraft owned by such person, or leased from others and operated by such person. See Friedman Memorial Airport Regulation 90-2 for requirements and procedure.

"Small Aircraft" is an aircraft of 12,500 pounds or less maximum certified takeoff weight.

II. GENERAL PROVISIONS

- 1. No person, firm, or corporation shall engage in any commercial aeronautical activity or provide any commercial aeronautical service as herein defined unless said activity or service is performed or furnished in full compliance with the minimum standards and requirements as herein set forth.
- 2. Service Providers shall protect and hold harmless the public generally, the customers or clients of such Service Providers, Blaine County, the City of Hailey, the Authority and the Airport from any and all lawful damages including costs of defense not limited to attorney's fees, claims, or liability that result directly or indirectly from any acts or omissions of Service Providers, their agents, officers, representatives, employees, servants, guests or visitors. Service Providers shall carry comprehensive general liability insurance in a company authorized to do business in the State of Idaho and which company is assigned a rating of "A+" by the A.M. Best Company. The insurance shall cover personal injury and property damage with the Authority, the City of Hailey and Blaine County named as additional insureds. The limits of liability shall be at least the following amounts:
 - **a.** \$1,000,000.00 for each authorized category of commercial aeronautical service up to and including two categories; and
 - **b.** \$10,000,000.00 for more than two authorized categories.

The policies must be approved by the Airport Manager and a certificate of insurance thereof furnished to the Authority. It is further understood that as circumstances in the future dictate, the Authority may require an increase in comprehensive general liability insurance amounts.

- 3. A Service Provider shall satisfy the Authority that it is technically and financially able to perform the aeronautical services for which approval is sought. This demonstration shall include the responsibility to submit an annual balance sheet, credit references and any other proof that the Authority may require. In its sole reasonable discretion, the Authority may conduct a private or public hearing to determine what additional showing of qualification must be made. In each instance, the Authority shall be the final judge as to the qualifications and financial ability of the Service Provider.
- 4. Any person, firm or corporation capable of meeting the minimum standards set forth herein for any of the stated service categories is eligible to become a provider of such aeronautical services at the Airport, subject to the execution of a written lease containing such

terms and conditions as may be determined by the Authority. A Service Provider shall not engage in any business or activity on the Airport other than that authorized under its particular category or categories. Any Service Provider desiring to extend its operation into more than one category or to discontinue operations in a category, shall first apply in writing to the Authority for permission to do so, setting forth in detail the reasons and conditions for the request. The Authority shall then grant or deny the request on such terms and conditions as the Authority deems to be prudent and proper under the circumstances. Each Service Provider shall provide its own facilities, personnel and equipment, and other requirements as herein stated upon land leased from the Authority.

- **5.** All Service Providers at the Airport shall provide lounges and restrooms, if determined to be necessary by the Authority, for their customers and shall make telephone service conveniently and readily available.
- 6. All construction required of said Service Providers shall be in accordance with design and construction standards required or established by the Authority and the City of Hailey for the facility or activity involved. All Service Providers may be required to furnish the Authority payment and performance bonds commensurate with any construction required under the standards herein fixed or under any contract or lease by and between such Service Provider and the Authority.
- 7. The rates or charges for any and all activities and services of the Service Providers shall be determined by the Service Providers, subject to the requirement that all such rates or charges shall be reasonable and be equally and fairly applied to all users of the services. The language of this paragraph shall not be construed to prevent a Service Provider from offering volume discounts or other commercially reasonable sales' incentives.
- **8.** All Service Providers at the Airport shall have adequately manned and equipped facilities and/or equipment to observe normal or required business hours.
- 9. All Service Providers shall, at their own expense, pay all taxes and assessments against any buildings or other structures placed on the premises by them, as well as all taxes and assessments against the personal property used by them in their operations.
- 10. All Service Providers shall abide by and comply with all federal, state, county and city laws and ordinances, the rules and regulations of the Authority, and the rules and regulations of the State and Federal Aviation Administration.
- 11. All Service Providers shall provide and pay for all utility charges including, but not limited to, lights, gas, electrical current, snow removal, water, sewer charges and garbage collection charges used or incurred anywhere in or about their leased premises, and shall pay the charges made therefor by the suppliers thereof promptly when due.

- 12. All contracts and leases between the Service Providers and the Authority shall be subordinate to the provisions of the Joint Powers Agreement and the provisions of any existing or future agreement between the Authority and the United States, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport properties.
- 13. No Service Providers shall sublease or sublet any premises leased by such Service Provider from the Authority, or assign any such lease, without the prior written approval of the Authority, and any such subletting or assignment shall be subject to all of the minimum standards herein set forth. Such approval shall not be unreasonably withheld.
- 14. In the event that any Service Provider sublets any portion of its leased premises, the sublessee must agree to assume the full obligations of the lease as set out therein and must agree to fully cooperate with the Authority in seeing that these standards are complied with. The sublessee shall immediately comply with any reasonable written request or direction of the Authority as it relates to the enforcement of these standards.
- 15. In the event that any Service Provider or sublessee of a Service Provider fails to comply fully with these standards or fails to comply with the reasonable written request or direction of the Authority as it relates to these standards, said Service Provider or sublessee of the Service Provider shall be in default of its lease. If said default continues for more than fifteen (15) days after notice of said default and after opportunity for a hearing before the Authority in which the Service Provider shall be entitled to present evidence, the Authority may terminate the lease, unless the default endangers the public in which case there shall be no notice and hearing and lease suspension shall be immediate. Said Service Provider shall be responsible for the performance of its sublessee or sublessees.
- 16. Service Providers shall have the right in common with others authorized by the Authority to do so, to use common areas of the Airport, including runways, taxiways, aprons, roadways, floodlights, landing lights, signals and other conveniences for the takeoff, flying and landing of aircraft of the Service Provider in compliance with applicable rules and regulations.
- 17. A Service Provider shall at all times during their lease term use their best efforts to promote their business.
- 18. The Authority reserves the right to take any actions it considers necessary to protect the aerial approaches to the Airport against obstructions, together with the right to prevent any Service Provider from erecting, or permitting to be erected, any building, sign, or other structure on the Airport which, in the opinion of the Authority, would limit the usefulness of the Airport or constitute a hazard to aircraft.
- 19. All contracts and leases between Service Providers and the Authority shall be subordinate to the right of the Authority during a time of war, national emergency or other

declared emergency to lease the landing area or any part thereof to the United States Government for military or naval use, and, if any such lease is so made, the provisions of any contracts or leases between the Authority and a Service Provider shall be suspended.

- 20. The provisions of these standards shall in no way negate or cause to be null or void existing leases with Service Providers at the Friedman Memorial Airport. No new leases will be executed with Service Providers presently located at the Friedman Memorial Airport on the effective date of these Amended Minimum Standards, nor will amendments to existing leases be executed unless said leases are made subject to the provisions of these standards.
- 21. The Authority reserves the right to further develop or improve all areas of the Airport in compliance with the Airport Master Plan as it sees fit, regardless of the desires or views of any Service Providers, and without interference or hindrance from any such Service Providers.
- 22. The Authority reserves the right to enter upon any premises leased to Service Providers at reasonable times for the purpose of making such inspections as it may deem expedient, for the proper enforcement of these Minimum Standards and for the proper enforcement of any covenant or condition of any Service Provider's contract or lease agreement.

III. CATEGORIES OF COMMERCIAL AERONAUTICAL SERVICES AND ACTIVITIES

CATEGORY A. FLIGHT INSTRUCTION AND AIRCRAFT RENTAL:

- 1. Provide a minimum of one instructor pilot with appropriate and current Federal Aviation Administration pilot and medical certificates.
- 2. Provide and at all times maintain a minimum of one airworthy aircraft owned or leased by and under the exclusive control of this Service Provider which is properly equipped and Federal Aviation Administration certificated for flight instruction and rental, unless the student owns the aircraft.
 - 3. Lease from the Authority the amount of land necessary to carry out its operation.
- **4.** Demonstrate the continuing ability to meet requirements for certification of flight instructor personnel and aircraft by the Federal Aviation Administration.

5. Assure that personnel operating rental equipment obtained from the subject Service Provider are currently certificated by the FAA with ratings appropriate to the work being performed.

CATEGORY B. AIRCRAFT CHARTER AND AIR TAXI:

A Service Provider in this category shall:

- 1. Have at least one person who is an FAA certified commercial pilot and is otherwise appropriately rated.
 - 2. Lease from the Authority the amount of space required to carry out its operation.
- **3.** Provide satisfactory arrangements for the checking in of its passengers, handling of luggage, ticketing, and ground transportation unless otherwise provided.
- **4.** Provide and at all times maintain a minimum of one currently certified and continuously airworthy aircraft owned or leased by and under the exclusive control of the Service Provider, properly certificated for air charter or air taxi service in conformity with CFR 14 Part 135 of the Federal Aviation Regulations.

CATEGORY C. CROP DUSTING AND SPRAYING:

- 1. Furnish suitable arrangements for the safe loading, unloading, storage and containment of noxious chemical materials.
- 2. Furnish a minimum of one (1) aircraft with pilot. The aircraft shall be suitably equipped for agricultural operations with adequate safeguard against spillage of chemical spray mixtures or materials on runways and taxiways or dispersal by wind force to other operational areas of the Airport. The pilot shall have appropriate and current Federal Aviation Administration pilot and approved medical certificates.
 - 3. Lease from the Authority the amount of land required to carry out its operation.

CATEGORY D. AIRCRAFT SALES:

A Service Provider in this category shall:

- 1. Have all required City, State and FAA certifications or licenses and provide, or arrange for, such repair, services and parts as necessary to meet any guarantee or warranty on aircraft which it sells.
- **2.** Employ a minimum of one (1) fully qualified demonstrator pilot with current and appropriate FAA pilot and approved medical certificates.
 - 3. Lease from the Authority the amount of land required to carry out its operation.

<u>CATEGORY E. AIRCRAFT, ENGINE, PROPELLER, AND ACCESSORY MAINTENANCE</u>:

- 1. Lease from the Authority or provide under terms agreeable to the Authority for its exclusive use adequate hangar, shop, and storage space.
- 2. Furnish facilities and equipment for airframe and power plant repairs with at least one duly certified FAA Mechanic and such other personnel as may be necessary. Such airframe and power plant repair shall include facilities for repair of aircraft and engines used in private aviation in this area.
- 3. Demonstrate the ability and willingness to assist, if qualified, in promptly removing from the public landing area any disabled aircraft as soon as permitted by cognizant Federal Aviation Administration and Civil Aeronautics Board authorities
 - 4. Lease from the Authority the amount of land necessary for its operation.

CATEGORY F. RADIO AND INSTRUMENT SALES AND REPAIRS:

A Service Provider in this category shall:

- 1. Lease from the Authority the amount of land required to carry out its operation.
- 2. Hold the appropriate repair station certificates issued by FAA for the types of equipment it plans to service and/or install.
 - 3. Have available on a full time basis an FAA rated radio or instrument repairman.
- **4.** Provide satisfactory arrangements for access to and storage of aircraft being worked on.

CATEGORY G. SALE OF AVIATION PETROLEUM PRODUCTS AND RAMP SERVICE:

- 1. Provide and maintain a minimum of 10,000 gallons of tank storage capacity in approved fuel storage tanks located at a designated fuel storage facility as determined by the Friedman Memorial Airport Management for each grade of aviation fuel usually required for aircraft using the Airport.
- 2. Maintain separate pumping equipment for each grade of fuel meeting all applicable safety requirements with reliable metering devices subject to independent inspection and with a pumping efficiency capable of servicing all aircraft normally using the Airport.
- 3. Provide and maintain metered filter-equipped dispensers fixed or mobile for dispensing each grade of aviation fuel usually required. Mobile dispensing truck(s) shall have a total of 300 gallons of capacity for each grade of fuel.
- **4.** Avoid any fueling direct from a common carrier transport truck except into storage tanks.
 - 5. Have personnel on full-time duty during normal business hours seven days a week.
 - 6. Lease from the Authority the amount of land necessary to carry out its operation.

- 7. Demonstrate capability to efficiently and safely conduct or move aircraft and park them in compliance with all local regulations.
- **8.** Be required to maintain bonding from fuel trucks to aircraft to reduce the hazards of static electricity, and maintain adequate fire extinguishers.
- 9. Construct or have available a building with a minimum of 800 square feet which is conveniently located and comfortably heated with waiting room for passengers and crew of itinerant aircraft while they are being fueled, including sanitary restrooms and public telephone.

CATEGORY H. GLIDER AND SIGHTSEEING FLYING SERVICES

A Service Provider in this category shall:

- 1. Have at least one person who is an FAA certified commercial pilot and is otherwise appropriately rated.
 - 2. Lease from the Authority the amount of space required to carry out its operation.
 - 3. Provide satisfactory lounge, bathroom and parking facilities for its passengers.
- **4.** Provide and at all times maintain a minimum of one currently certified and continuously airworthy aircraft owned or leased by and under the exclusive control of the Service Provider.

IV. EXEMPTIONS FROM THE MINIMUM STANDARDS

The Authority recognizes the rights of any person, firm or corporation operating aircraft on the Airport to perform services on its own aircraft with its own employees (including, but not limited to, maintenance and repair) that it may choose to perform. However, said persons, firms or corporations may not hire any off-Airport commercial aeronautical service providers to perform services on the Airport, except for emergency service. Aircraft fueling accomplished under this provision shall be in strict accordance with the laws of the City of Hailey, Blaine County, the State of Idaho and the rules and regulations of the Friedman Memorial Airport, the Friedman Memorial Airport Authority and the Federal Aviation Administration.

1. <u>FLYING CLUBS</u>. In order to be exempt from these Minimum Standards, all flying clubs desiring to base their aircraft on the Airport must meet the following requirements:

AMENDED MINIMUM STANDARDS/10

- a. Each club must be a nonprofit corporation, nonprofit limited liability company or nonprofit association. Each member must be a bonafide owner of the aircraft, stockholder in the corporation or member of the L.L.C. or association. The club may not derive greater revenues from the use of its aircraft than the amount necessary for the actual use of operation, maintenance and replacement of its aircraft. The club shall file and keep current with the Friedman Memorial Standards Airport management a complete list of the club membership and the interest held by each member.
- **b.** The club's aircraft shall not be used by other than bonafide members for rental and by no one for commercial aeronautical services and activities as herein defined. Student instruction can be given in club aircraft to club members provided such instruction is given by a lessee based on the Airport who provides flight training or by an instructor who shall not receive renumeration in any manner for such service.
- c. The club shall hold harmless and shall protect the public generally, its members and the Airport from any and all lawful damages, claims, costs of defense, including attorney's fees or liability arising, directly or indirectly, from any acts or omissions of the flying club, its agents, officers, representatives, employees, servants, guests or visitors. Each aircraft owned by the club shall have comprehensive general and aircraft liability insurance in a company authorized to do business in the State of Idaho and which company has assigned a rating of "A+" by the AM Best Company. The insurance shall cover personal injury and property damage with the Authority, the City of Hailey and Blaine County named as additional insureds. The limit of liability of such comprehensive general liability insurance shall be the sum of \$1,000,000.00.
- **d.** In the event that the club fails to comply with these conditions, the Authority will notify the club in writing of such violation. If the club fails to correct the violations within fifteen (15) days from such notice, the Authority may take any action deemed advisable including, but not limited to, revocation of the club's right to use the facilities of the Airport and/or its exemption from these Minimum Standards.
- 2. <u>AIR CARRIER</u>. Air carriers operating under an FAR Part 121 Air Carrier Certificate are exempt from these Minimum Standards.

V. <u>VIOLATIONS</u>

Any violation of these Amended Minimum Standards may result in the loss of the right to operate at the Airport and/or the termination of the violator's Airport Lease. In addition, any violation of these Amended Minimum Standards may result in the imposition of criminal penalties pursuant to Ordinance No. 534 of the City of Hailey, Idaho. These Amended Minimum Standards shall be in full force and effect from and after their passage and adoption.

PASSED AND ADOPTED BY THE FRIEDMAN MEMORIAL AIRPORT AUTHORITY this <u>9th</u> day of <u>December</u>, 1997.

FRIEDMAN MEMORIAL AIRPORT AUTHORITY

By _ Tom Blanchard

Chairman