



MONTEREY
REGIONAL AIRPORT

MONTEREY REGIONAL AIRPORT
MINIMUM STANDARDS
2020

Monterey Peninsula Airport District Minimum Standards

The Monterey Peninsula Airport District (MPAD), owner and operator, of the Monterey Regional Airport (MRY), have established these Minimum Standards (“Minimum Standards”), adopted by the Board of Directors, to govern the use and operation of all Airport facilities managed and operated by the Executive Director, and are intended to ensure the safe and efficient operations of Monterey Regional Airport.

The Minimum Standards was initiated to provide the threshold entry requirements (qualifications, levels of service, facilities, insurance) for those wishing to provide aeronautical services to the public and to ensure that those who have undertaken to provide commodities and services as approved are not exposed to unfair or irresponsible competition. Minimum Standards have been in place at many airports nationwide and, generally, their use and implementation are highly recommended by the FAA and both of the national airport management associations (AAAE and ACI).

The Minimum Standards were developed taking into consideration the aviation role of the Monterey Regional Airport facilities that currently exist at the airport, services presently being offered at the Airport, and the future development of aviation services planned.

These Minimum Standards contain the minimum levels of service, facilities, staffing, insurance, and environmental compliance that must be met by the prospective service provider. The uniform application of these standards relates primarily to the public interest by discouraging substandard entrepreneurs and mandating insurance coverage levels, thereby protecting the Monterey Regional Airport, airport patrons and established aeronautical activities.

In the event that any provision of these Minimum Standards shall for any reason be determined to be invalid, illegal or unenforceable in any respect, the other provisions of these Minimum Standards shall remain in full force and effect.

These Minimum Standards shall be reviewed from time to time by the Monterey Peninsula Airport District and revised as conditions warrant. The revised Minimum Standards shall be binding on any current or prospective providers of aeronautical activities or services from the date the new standards are adopted. Aeronautical activity or service providers that commence operations prior to the effective date of revised standards may continue to operate under the preexisting standards if, in the reasonable opinion of the Executive Director, existing contractual or legal obligations make it infeasible to modify the operations to meet current standards.

FAA Position on Minimum Standards

Although minimum standards are optional, the FAA highly recommends their use and implementation as a means to minimize the potential for violations of Federal obligations at federally encumbered airports, such as the Monterey Regional Airport. The following FAA directives and industry publications deal with the intertwined issues of minimum standards, exclusive rights at airports and airport compliance. Copies of these documents are available at the Airport Office.

FAA & AAAE Directives on Minimum Standards

USDOT FAA ADVISOR CIRCULAR 150/5190-7 (August 28, 2006)
MINIMUM STANDARDS FOR COMMERCIAL AERONAUTICAL ACTIVITIES

FAA PREPARATION GUIDE FOR MINIMUM REQUIREMENTS FOR AIRPORT
AERONAUTICAL SERVICES.

USDOT FAA ORDER 5190.6B
AIRPORTS COMPLIANCE HANDBOOK.

AAAE AIRPORT SPONSORS GUIDE TO PREPARING MINIMUM STANDARDS FOR
AIRPORT AERONAUTICAL (AAAE and NATA, May 2002)

Other Documentation used for Reference in these Airport Minimum Standards

MONTEREY PENINSULA AIRPORT DISTRICT PROPERTY MANAGEMENT POLICIES

MONTEREY PENINSULA AIRPORT DISTRICT ORDINANCES

MONTEREY PENINSULA AIRPORT DISTRICT LEASES

MONTEREY PENINSULA AIRPORT DISTRICT STORM WATER POLLUTION
PREVENTION PLAN

MONTEREY PENINSULA AIRPORT DISTRICT CONSTRUCTION SAFETY MANUAL

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DEFINITIONS

All definitions contained in the Monterey Regional Airport (“Airport”) Minimum Standards are incorporated by reference into these Minimum Standards. For the purposes of these Minimum Standards, all references to the “Minimum Standards” are to the Monterey Regional Airport Minimum Standards.

Aeronautical Activity - any activity or service conducted at the Airport that involves, makes possible, or is required for the operation of aircraft, or which contributes to or is required for the safety of such operations.

Agreement - the written agreement between the Airport and an Operator specifying the terms and conditions under which the Operator may conduct commercial aviation activities.

Aircraft - any device used or designed for navigation or flight in the air including, but not limited to, an airplane, sailplane, glider, helicopter, gyrocopter, ultra-light, balloon, or blimp.

Air Charter or Taxi - the commercial operation of providing air transportation of person(s) or property for hire by either on a charter basis or as an air taxi operator.

Aircraft Fuel - all flammable liquids composed of a mixture of selected hydrocarbons expressly manufactured and blended for the purpose of effectively and efficiently operating an internal combustion, jet, or turbine engine.

Aircraft Operation - an aircraft arrival or departure from the airport.

Aircraft Owner - a person or entity holding legal title to an aircraft, or any person having exclusive possession of an aircraft.

Aircraft Parking and Storage Areas - those hangar and apron locations of the Airport designated by the Executive Director for the parking and storage of aircraft.

Airframe and Power Plant Maintenance - the commercial operation of providing airframe and powerplant services, which includes the repair, maintenance, inspection, constructing, and making of modifications and alterations to aircraft, aircraft engines, propellers and appliances including the removal of engines for major overhaul as defined in 14 CFR Part 43.

Airport - all of the sponsored-owned or leased real or personal property, buildings, facilities and improvements within the boundaries of said Monterey Peninsula Airport District, as it presently exists.

Airport Executive Director – The designated individual or duly authorized individual appointed by the Monterey Peninsula Airport Board to administer and manage all operations of the Monterey Regional Airport and Airport facilities, and to supervise all Airport projects.

Air Operations Area or AOA - the area of the Airport used for aircraft landing, takeoff, or surface maneuvering including the areas around hangars, navigation equipment, and communication facilities.

ALP - the currently approved Airport Layout Plan depicting the physical layout of the airport and identifying the location and configuration of current runways, taxiways, buildings, roadways, utilities, nav aids, etc.

Based Aircraft - an aircraft which the owner physically locates at the airport for an undetermined period, and whenever absent from the Airport, its owner intends to return the aircraft to the airport for long-term storage.

Board of Directors - the duly elected member or members or the of the Monterey Peninsula Airport District Board.

Commercial Aeronautical Activity - the conduct of any aspect of a business, concession, operation, or agency providing goods or services to any person for compensation or hire, including exchange of services, whether or not such objectives are accomplished. An activity is considered a commercial activity regardless of whether the business is nonprofit, charitable, or tax-exempt. A commercial business activity that involves, makes possible or is required for the operation of aircraft, or which contributes to or is required for the safety of aeronautical operations.

Commercial Operator (Operator) - a person, firm, corporation, or other entity, which makes possible, or is required for the operation of aircraft, or which contributes to, or is required for the safe conduct and utility of aircraft operations.

District – the Monterey Peninsula Airport District.

Exclusive Right - a power, privilege, or other right excluding or debarring another from enjoying or exercising a like power, privilege, or right. An exclusive right can be conferred either by express agreement, contract, license, lease, and permit or by the imposition of unreasonable standards or requirements, or by any other means.

FAA - the Federal Aviation Administration and has the responsibility of promoting safety in the air, by both regulation and education.

FAR - the Federal Aviation Regulations in Title 14 of the Code of Federal Regulations.

Fixed Base Operator (FBO) - a full service commercial operator who is authorized to engage in the primary activity of aircraft servicing

Flight Training - the commercial operation of instructing pilots in dual and solo flight, infixed or rotary wing aircraft, and related ground school instruction as necessary to complete a FAA written pilot's examination and flight check ride for various categories of pilot's licenses and ratings.

Flying Club – a non-commercial and nonprofit entity organized for the purpose of providing its members with any number of aircraft for their personal use and enjoyment.

Fueling or Fuel Handling - the transportation, sale, delivery, dispensing, storage, or draining of fuel or fuel waste products to or from aircraft, vehicles, or equipment.

Fuel Storage Area - any portion of the Airport designated temporarily or permanently by the sponsor as an area in which aviation or motor vehicle gasoline or any other type of fuel or fuel additive may be stored or loaded.

General Aviation - all phases of aviation other than aircraft manufacturing, military aviation, and scheduled or non-scheduled commercial air carrier operations.

Hazardous Material - any substance, waste, or material which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous, and is or becomes regulated as a hazardous material by any governmental authority, agency, department, commission, board, or agency.

Lease - the written contract between the Airport and an Operator (Lessee) specifying the terms and conditions under which an Operator may occupy and operate from certain Airport facilities and/or property.

Licensed Operator (LO) - is an aeronautical business that offers single or limited service. An LO may also be referred to as a Specialized Aviation Service Operation (SASO) in these minimum standards.

Minimum Standards - the qualifications or criteria, which may be established by the Airport owner as the minimum requirements that shall be met by businesses engaged in commercial aeronautical activities.

Permit - administrative approval issued by the Airport, to a person or company to conduct a commercial aeronautical activity as authorized.

Person - an individual, corporation, firm, partnership, association, organization, and any other group acting as an entity.

Roadway - any street or road whether improved or unimproved, within the boundaries of the Airport and designated for use by ground vehicles.

Self-Fueling – aircraft refueling, repair, preventive maintenance, towing, adjustment, cleaning, and general services performed by an aircraft owner or his/her employees on his/her aircraft with resources supplied by the aircraft owner.

Sublease - A written agreement, approved by the Sponsor, stating the terms and conditions under which a third-party Operator leases space from a Lessee for the purpose of providing aeronautical services at the Airport.

Self-Service – the commercial operation of an unmanned stationary fuel tank and dispensing equipment for general use via a card reader. This includes the operations of anyone utilizing this type of equipment to provide fuel for sale or reuse.

Specialized Aviation Service Operation (SASO) - a commercial aeronautical business that is authorized to offer a single or limited service according to established Minimum Standards. - is an aeronautical business that offers single or limited service. A SASO may also be referred to as a Licensed Operator (LO) in these minimum standards.

Taxi Lane - the portion of the Airport apron area, or any other area, used for access between taxiways and aircraft parking or storage area.

Taxiway - a defined path established for the taxiing of aircraft from one part of the Airport to another.

Through-The-Fence–Operator A commercial activity that is directly related to the use of the airport but is developed or located off airport property beyond Airport control. It also includes services performed on the airport by individuals or companies, which may or may not have a lease or permit from the Airport to perform such services.

Vehicle Parking Area - any portion of the Airport designated and made available temporarily or permanently for the parking of vehicles.

ARTICLE 1: PURPOSE; APPLICATION; WAIVER

Section 1.1 Purpose.

The following Minimum Standards and requirements for commercial aeronautical activities are established in the public interest for the safe and efficient operation of the Airport; to enhance its orderly growth; 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 Lessees the availability of Airport property on fair and reasonable terms and without unjust discrimination.

Airports developed with public funds are obligated to make all airport facilities and services available on fair and reasonable terms without unjust discrimination. This covenant prohibits the Airport from granting any special privilege or monopoly in the use of public-use facilities. So, the grant of an exclusive right to provide aeronautical services at any federally funded airport is specifically forbidden. This is established to prohibit the existence of exclusive rights to conduct an aeronautical activity at an airport and deprive the benefits of a competitive enterprise. Exclusive right prohibitions are applicable for as long as the airport is operated as an airport.

The Federal Communications Commission (FCC) will not license more than one ground station license at the same airport. However, FCC Regulations require the UNICOM operator to announce all services available on its airport. This situation may give the appearance of an exclusive right, but since it is not within the airport owner's control, it does not constitute an exclusive right.

Section 1.2 Application of Minimum Standards

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

Section 1.3 Multiple Activities by One Commercial Operator

Whenever a Commercial Operator conducts multiple activities pursuant to one lease, license, permit or agreement with the Airport, the Commercial Operator must comply with the Minimum Standards set forth in each separate activity being conducted.

Section 1.4 Activities not covered by Minimum Standards.

Any activities for which there are no specific minimum standards set forth herein shall be subject to such standards and provisions as are developed by the Executive Director on a case-by-case basis and set forth in such Commercial Operator's written lease, license, permit or agreement with or from the Airport and shall pay either i) a fixed amount per month, or ii) a monthly aeronautical business permit fee determined by the percent of gross monthly income from the operator's sales of all services as determined in the lease, license, permit or agreement.

Section 1.5. Waiver or Modifications of Standards.

The Executive Director may waive or modify any portion of these Minimum Standards for the benefit of any governmental agency performing non-profit public services, fire protection/operations or when it is determined that such waiver or modification is in the best interest of the Airport and will not result in unjust discrimination among Commercial Operators at the Airport.

ARTICLE 2: PERMIT APPLICATION PROCESS

Section 2.1 Applications

Any person who desires to conduct any commercial aeronautical activities at the airport covered by these Minimum Standards shall, prior to conducting such activities, submit an aeronautical business plan in writing to, and receive approval thereof from, the Executive Director. In addition to the following requirements, the Executive Director may require the applicant to provide additional information which is necessary to ensure compliance with the Monterey Peninsula Airport District Ordinances, and/or these Minimum Standards. The applicant shall, at minimum, submit the following documentation with the above-referenced application:

- (a) A detailed description of the scope of the intended operation, including all services to be offered;
- (b) The amount of land, office space, and/or aircraft storage areas required for the operation;
- (c) A detailed description of any improvements or modifications to be constructed or made to airport property, including cost estimates and a construction timetable;
- (d) The proposed hours of operation;
- (e) Documentation of the applicant's financial capabilities to construct any improvements and to conduct any proposed activities;
- (f) A detailed description and/or evidence of the applicant's technical abilities and experience in conducting the proposed activities, including personal references;
- (g) The proposed commencement date for the applicant's activities and the term of the lease, license, permit or agreement sought, including all option periods;
- (h) One of the following:

- (i) If the applicant is a corporation, a certified copy of the articles of incorporation as filed with the California Secretary of State;
 - (ii) If the applicant is a limited liability company, a certified copy of the articles of organization filed with the California Secretary of State;
 - (iii) If the applicant is a limited partnership, a certified copy of the certificate of limited partnership filed with the California Secretary of State; or
 - (iv) If the applicant is a general partnership, an executed copy of the written partnership agreement, and any amendments thereto; and
- (i) An original copy of a certificate of insurance, in the amounts outlined hereunder, naming the Airport and the District as an additional insured;
 - (j) A copy of a lease/sublease or other agreement with the Airport or a bona fide airport tenant;
 - (k) A rates and charges schedule of all services to be conducted at The Monterey Regional Airport; and
 - (l) Copies of applicable Federal Aviation Administration (FAA) certificates.

Section 2.2 Processing; Denial

The Executive Director or his designee shall be responsible for processing the application for a lease, license, permit or agreement to conduct activities at the Airport. Any lease, license, permit or agreement not meeting the criteria outlined is subject to the approval of the Executive Director and the Monterey Peninsula Airport District Board of Directors. The Executive Director may deny any application if it is determined that:

- (a) The applicant does not meet the qualifications and standards set forth in the Monterey Peninsula Airport District Ordinances or these Minimum Standards;
- (b) The proposed activities are likely to create a safety hazard at the Airport;
- (c) The activities will require the Airport to expend funds, or to supply labor or materials as a result of the applicant's activities, or will result in a financial loss to the Airport;
- (d) No appropriate space or land is available to accommodate the proposed activities;
- (e) The proposed activities are not consistent with the Airport's Master Plan and/or Airport Layout Plan;
- (f) The proposed activities are likely to result in a congestion of aircraft or buildings, a reduction in airport capacity, or an undue interference with airport operations or the operations of any existing airport users at the Airport;
- (g) The applicant or any of its principals has knowingly made any false or misleading statements in the course of applying for a lease, license, permit or agreement;
- (h) The applicant or any of its principals has a record of violating any of the Monterey Peninsula Airport District Ordinances, the Minimum Standards, Federal Aviation Regulations or any other applicable laws, ordinances, rules or regulations;
- (i) The applicant does not have the technical capabilities, experience or financial resources to properly conduct the proposed activities;

- (j) The applicant has not submitted appropriate documentation supporting the proposed activity as outlined in Section 2.1.

Section 2.3 Appeal Process

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

- (a) Provide written notice of appeal to the Executive Director within ten (10) calendar days of denial.
- (b) The notice of appeal will be forwarded to the Monterey Peninsula Airport District Board for review.
- (c) Applicant shall be notified in writing of the date of the scheduled appeal review.
- (d) Applicant shall be present at the appeal review to justify the applicant's application. If applicant is not present, the Executive Director's denial shall remain unchanged.
- (e) The Monterey Peninsula Airport District Board shall take comments from the applicant and the Executive Director.
- (f) The Monterey Peninsula Airport District Board shall render a decision in writing within ten (10) calendar days of the conclusion of the hearing and the decision shall be final as to the denial or approval of the application.

Section 2.4 Temporary Aeronautical Services Permit

Any Commercial Operator not holding an aeronautical business permit and wishing to perform commercial service on a temporary basis is required to obtain a Temporary Aeronautical Services Permit.

- (a) An applicant for a Temporary Aeronautical Services Permit must comply with the following requirements:
 - (1) Provide copies of applicable Federal Aviation Administration licenses, and/or ratings to the Executive Director.
 - (2) Provide an original copy of all applicable certificates of insurance for the aeronautical business specified in Section 7 naming the Airport and District as additional insureds.
 - (3) Provide a business plan to the Airport.
 - (4) Comply with all applicable provisions of the Monterey Peninsula Airport District Ordinances; Airport Minimum Standards, Federal, State, and local laws and ordinances.
 - (5) Pay all applicable fees set for the Temporary Aeronautical Services Permit listed on the airport Rates and Fees Schedule as established by Monterey Peninsula Airport District Resolution.
- (b) Terms and conditions:

- (1) Each permit is valid for a time period of from one to thirty-one (1-31) days. An applicant may receive a maximum of twelve (12) permits per calendar year.
- (2) A Temporary Services Permit is not assignable or transferable. Authorized permits are valid only for the days specified on an approved application. Unused time is non-transferable.
- (3) Violations of the terms of this permit will result in the applicant being denied future Temporary Aeronautical Services Permit privileges and access to the airside areas of the Airport.
- (4) The Executive Director may deny any request for a Temporary Aeronautical Services Permit in accordance with Section 2.1, and any appeals may be filed as outlined in Section 2.2 of the Minimum Standards.

ARTICLE 3: GENERAL PERMIT MATTERS

Section 3.1 General Provisions.

Except as otherwise provided in the Monterey Peninsula Airport District Ordinances, all leases, licenses, permits or agreements with the Airport are subject to the following provisions:

- (a) Rights to engage in specific activities at the Airport are non-exclusive.
- (b) Defense and indemnification of the Airport, District, and its elected or appointed officials, officers, representatives, directors, commissioners, agents or employees from and against all damages, claims, suits, actions, losses and expenses (including court costs and reasonable attorney fees) for personal injury or death or for property damage or loss arising out of use of the Airport;
- (c) A termination clause allowing the Airport to terminate the Commercial Operator's lease, license, permit or agreement no later than thirty (30) calendar days after notice of default is given to the Commercial Operator if the Commercial Operator fails to cure its default within the thirty (30) day period, and allowing the Airport to terminate the lease, license, permit or agreement immediately if the Commercial Operator fails to maintain the required insurance;
- (d) No improvements or modifications to Airport property without the prior written consent of the Airport and without posting appropriate payment and performance bonds. Before commencing any improvements or modifications, the Commercial Operator shall submit detailed construction plans and specifications to the Airport. Upon completion of the construction, the Commercial Operator shall provide the Airport with two (2) complete sets of detailed plans and specifications of the work as completed. All improvements or modifications made to airport property shall become the property of the Airport, at no cost to the Airport, upon termination of the Commercial Operator's lease, license, permit or agreement;
- (e) No lease, license, permit, agreement, or any rights there under, shall be assigned without the prior written consent of the Airport. The Executive Director may require any potential assignee to submit biographical and financial information at least thirty (30) days prior to a proposed assignment;

- (f) Comply with all Federal, State, and Local required provisions; and
- (g) Each lease, license, permit, or agreement shall contain provisions regarding subordination, emergency leasing to the United States Government, non-discrimination, and such other provisions as may be required by the FAA pursuant to law or contract. Licenses, leases, permits and agreements may be amended from time to time by the District to reflect FAA requirements. Each agreement shall be subject to the FAA required provisions effective as of the date the license, lease, permit or agreement is executed.

ARTICLE 4. INSURANCE

Section 4.1 General Insurance Requirements

- (a) Except as otherwise provided in Articles 6 or 7, each Commercial Operator shall at all times maintain in effect the following types and minimum amounts of insurance as applicable to the business to be conducted:
 - (1) Comprehensive airport liability insurance with a minimum of not less than \$1,000,000 combined single limit annual aggregate. Such insurance shall contain contractual liability insurance covering applicable leases, licenses, permits, or agreements.
 - (2) Commercial/business automobile liability insurance for all owned, operated, and hired vehicles assigned to or used in performance of commercial activities in the amount of a least \$500,000 or the minimum amount required by the District.
 - (3) Special Causes of Loss Property Form covering all improvements and fixtures on the Commercial Operator's premises in an amount not less than the full replacement cost, to the extent of the Commercial Operator's insurance interest in the premises.
 - (4) Worker's compensation insurance as required by law and satisfactory to the District.
 - (5) Aircraft liability insurance in the amount of at least \$1,000,000 for single engine piston or turboprop fixed wing aircraft, \$3,000,000 for multi-engine piston fixed wing aircraft \$5,000,000 for multi-engine turboprop fixed wing aircraft, \$10,000,000 for all gas turbine fixed wing aircraft, \$3,000,000 for all single engine rotorcraft, \$5,000,000 for all multi-engine rotorcraft, per occurrence single limit bodily injury and property damage liability including passengers.
 - (6) Hangar keeper's liability insurance in an amount to fully cover the replacement cost of the most expensive aircraft located within any single hangar utilized for the storage of aircraft.
 - (7) If applicable, Lessee shall maintain Environmental Impairment Liability coverage for any fuel storage facility, tank, piping, ancillary equipment, containment system or structure used, controlled, constructed or maintained by Lessee in the amount of \$1,000,000 per occurrence, \$10,000,000 Aggregate.

This policy shall cover on-site and off-site third-party bodily injury and property damage including expenses for defense, corrective action for storage tank releases and tank clean-up for storage tank releases.

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

Section 4.2 Additional insurance required by Airport's Executive Director.

Such other insurance as the Airport's Executive Director may reasonably determine to be necessary for such Commercial Operator's activities.

Section 4.3. Form acceptance by Airport.

All insurance shall be in a form and from an insurance company acceptable to the Executive Director. All policies, except worker's compensation policy, shall name the Airport, the District, and its elected officials, officers, representatives, directors, agents and employees as "Additional Insured," and the Commercial Operator shall furnish certificates of insurance evidencing the required coverage cited herein prior to engaging in any commercial aeronautical activities. Insurance policies shall not be subject to cancellation or change except after notice to the airport by registered mail at least thirty (30) days prior to such cancellation or material change of any policy limits or conditions.

ARTICLE 5. GENERAL OPERATIONAL REQUIREMENTS

Section 5.1 Taxiway Access

If not already provided, a Commercial Operator shall provide paved access from the operator's leased premises to the Airport's taxiway/taxi lane/apron system. Such access shall meet all applicable FAA standards for the largest aircraft type anticipated to use the leased premises.

Section 5.2 Rates and Charges

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

Section 5.3 Personnel, Subtenants and Invitees; Control and Demeanor

A Commercial Operator shall employ a sufficient number of trained, on-duty personnel to provide for the efficient, safe, orderly and proper compliance with its obligations under its lease. Each Commercial Operator shall conduct its operations in a safe, orderly, efficient and proper manner so as not to unreasonably disturb, endanger or be offensive to others.

Section 5.4 Vehicle Identification

Any commercial aviation use vehicle used in the airside Airport area must show identification designating the Commercial Operator to whom the vehicle is assigned. Letters shall be a minimum of three (3) inches in height on a contrasting background and displayed in a manner that is acceptable to the Executive Director.

Section 5.5 Regulation Compliance

All Commercial Operators shall, at their sole cost and expense, at all times comply with and observe all rules, regulations, ordinances and laws which have been or may be promulgated by the Airport relating to the premises and use of the facilities.

Section 5.6 Non-Discrimination

Premises are to be operated for the use and benefit of the public. Non-discrimination means:

1. To furnish good, prompt and efficient services adequate to meet the demands for its service at the Airport;
2. To furnish said service on an equal and non-discriminatory basis to all users thereof;
3. To charge reasonable and non-discriminatory prices for each unit of sale or service, provided that the Operator shall be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions for legitimate business purposes;
4. The Commercial Operator, his agents and employees will not discriminate against any person or class of persons by reason of race, color, creed or national origin in providing any services of in the use of any of its facilities provided for the public in any manner. The Operator further agrees to comply with enforcement procedures as the United States might demand that the Board take in order to comply with the Airport's FAA sponsor's assurances.

ARTICLE 6. FIXED BASE OPERATOR (FBO)

An FBO is an entity, which maintains facilities at the Airport for the purpose of providing a minimum of non-exclusive services to the general public. As stated in the Monterey Peninsula Airport District Property Management Policies and Procedures, Fixed Base Operators that provide services are divided into three categories:

1. **Full Service Fixed Based Operators (FBO)** are duly licensed and authorized by lease or written agreement with the District to provide aeronautical services at the Airport under compliance with such agreement and pursuant to these regulations and standards. By definition an FBO has a "fixed base" of operations, i.e. an office, hangar or shop on the Airport, approved for commercial operations and complies with the requirements set forth in Article 6. No person, firm or corporation shall engage in any commercial activity as an FBO, as herein defined, unless the same is done in full compliance with the standards set forth herein.
2. **Limited Service FBOs** or Special Operators. When a Commercial Operator conducts multiple, but not all, activities of an FBO or Licensed Operator pursuant to one lease, license, agreement or permit with the District, the Commercial Operator shall comply with the minimum standards established for each separate activity. If the minimum standards for one activity are inconsistent with the minimum standards for another activity, then the minimum standard that is stricter or imposes a higher standard shall apply.
3. **Licensed Operators (LO)** are aeronautical businesses that offers single or limited service. The specific services described in this section are not meant to be an exclusive

list of LO services, but rather to clearly indicate the minimum standards that those particular services must meet to qualify for a Licensed Operator Permit at the Airport.

Section 6.1 Requirements for the FBO

The FBO shall engage in a wider range of non-exclusive commercial aeronautical activities than a LO, which shall include all of the following:

- (a) Each of the following basic FBO services: aircraft fueling; aircraft line services; aircraft storage; and customary services to general aviation users, such as public restrooms, waiting lounges, conference rooms, crew lounges and flight planning services; and
- (b) At least three (3) of those commercial aeronautical activities described in Article 7 of the Minimum Standards.

Section 6.2 Subcontracting Restrictions

- (a) The FBO may not subcontract any of the basic services described in subsection 6-1(a) above. The FBO may subcontract any of the activities described in subsection 6.1(b), provided that the subcontractor meets the requirements of Article 7 of the Minimum Standards and operates from the FBO's leased premises and in such other areas as may be approved by the Executive Director.
- (b) The FBO shall not sublease, permit or allow any other person to operate as a specialized aviation service operation or a fixed base operator within the leased or permitted area, or conduct any business venture which directly or indirectly relates to aeronautics or flight, without prior written permission from the Executive Director.

Section 6.3 Land Leased for Aircraft Operating Area

- (a) The FBO shall lease and maintain at least enough contiguous land for its aircraft operational area (including building area, automobile parking area, and fuel storage area) from the Airport. This area shall accommodate the following:
 - (1) Transient parking for at least the anticipated size, type, and number of aircraft;
 - (2) Circulation taxiplanes around aircraft operating areas; and
 - (3) Adequate area to simultaneously accommodate transient activities while emptying aircraft from storage hangars.

Section 6.4 Personnel Qualification Requirements

The FBO shall have on-staff a manager with a minimum of five (5) years recent experience managing a similar facility at an airport of similar size and activity.

Section 6.5 Hours of Operation

Unless otherwise agreed to in writing by the Executive Director, the FBO shall provide aircraft fueling and line services seven (7) days-per-week from 6:00 a.m. to 10:00 p.m. and shall also be on-call on a twenty-four (24) hour basis.

Section 6.6 Aircraft Service Equipment

The FBO shall maintain aircraft servicing equipment including, but not limited to: tools, jacks, tugs, towing equipment, tire repair equipment, ground power units, emergency starting equipment, portable compressed air tanks, oxygen cart and supplies, fire extinguishers, chocks, ropes and tiedown supplies as are necessary for aircraft types expected to use their facilities on the Airport.

Section 6.7 Aviation Fueling Requirements

- (a) In the handling, dispensing and storage of aircraft fuel, the FBO shall comply with the fuel safety provisions of the most recent editions of the National Fire Protection Association's NFPA 407: Standard for Aircraft Fuel Servicing as well as Airlines For America's Spec ATA 103: Standard for Jet Fuel Quality Control at Airports. Should a newer standard be subsequently released under a different title that replaces either of the previously mentioned standards, the newer, renamed standard shall apply.
- (b) The FBO shall maintain tank farm storage facilities for aviation fuels in minimum capacities of at least 10,000 gallons of aviation gasoline and 20,000 gallons of turbine fuel, in an area to be designated by the Airport Manager. The FBO shall not construct or modify any fuel storage or distribution facilities without the written consent of the District and without complying with all Airport safety standards. The Airport may inspect such facilities periodically to assure compliance with all standards.
- (c) The FBO shall provide mobile dispensing equipment and trucks sufficient to serve the needs of the Airport. At a minimum, a FBO shall have at least one mobile dispensing truck capable of storing 1,000 gallons of 100LL or other FAA approved reciprocating aviation motor fuel; and one mobile dispensing truck capable of storing 3,000 gallons of JetA or other FAA approved turbine aviation engine fuel. All equipment must be approved by the Airport Manager and shall meet all Airport safety standards as well as all applicable local, state and federal laws. The metering devices shall be annually inspected, checked and certified by appropriate state and local agencies as required by law. The Airport may inspect such equipment periodically to ensure compliance with all standards.
- (d) The FBO shall require all of its fuel-handling personnel to attend training courses and receive periodic refresher training as required by the Airport Manager and Airport fire department. The FBO shall develop a standard operating procedure for aviation fueling activities and provide a current copy of the same to the Airport Manager. The Airport and FAA may periodically conduct inspections of the FBO's activities and personnel to ensure adherence to safe practices.
- (e) The FBO shall, at all times, have in place an approved Spill Prevention, Control and Countermeasures Plan and provide necessary equipment and training on an initial and ongoing basis to assure proper response in case of any fuel spills and to prevent spills from occurring. The FBO shall, at all times, comply with the Airport's Stormwater Pollution Prevention Plan and provide all necessary training and equipment to maintain compliance.

Section 6.8 Insurance

The FBO shall maintain the applicable types and amounts of insurance required by Article 4, except that the operator shall at all times maintain, as a minimum amount, commercial general

liability insurance in the amount not less than not less than \$10,000,000 combined single limit, \$20,000,000 annual aggregate, including not less than \$50,000,000 products liability coverage, and hangar keepers coverage in an amount equal to the greater of: i) the value of the most expensive aircraft anticipated to utilize the FBO ramp; or ii) \$20,000,000.

ARTICLE 7. SPECIALIZED AVIATION SERVICES - LICENSED OPERATORS (LO)

Section 7.1 LO Activities

The LO shall engage in one or more of those commercial aviation activities described in this Article or as stated in the LO's aeronautical business permit. The LO's permitted activities shall not be subcontracted.

Section 7.2 General Requirements

In addition to any other requirements of these Minimum Standards, the LO must comply with the special requirements related to the specific activities described in this Article and with the general requirements set forth below:

- (a) The LO shall have on-staff a manager with a minimum of two (2) years recent experience managing a similar facility at an airport of similar size and activity;
- (b) The LO shall lease from the Airport or airport tenant and maintain office space sufficient for business, except those activities that do not normally require business office space. These activities may require lease of sufficient land to accommodate the proposed operations; and
- (c) The LO shall at all times maintain the types and amounts of insurance required by Article 4 for all of its activities which may be covered by such insurance.

Section 7.3 Hangar Leasing Services

A Hangar Leasing Services Operator means a person engaged in the business of leasing hangars to aircraft owners or operators solely for aircraft storage purposes. A Hangar Leasing Services Operator may engage in the business of constructing and operating hangars to be leased. A Hangar Leasing Services Operator shall comply with the following special requirements:

- (a) A Hangar Leasing Services Operator shall lease sufficient land to accommodate the proposed number of hangars based on the following:
 - (1) The minimum standards for hangars limited to aircraft storage are: 2,500 square feet for jet aircraft, 2,000 square feet for twin-engine turboprop aircraft, 1,250 square feet for single engine turboprop and piston twin-engine aircraft, and 1,000 square feet for single engine aircraft and helicopters.
 - (2) Each Hangar Leasing Services Operator shall register with the Executive Director only as many aircraft to be based at the Airport as can be stored within the operator's Hangar. Transient aircraft storage is prohibited.
- (b) The construction plans and specifications for any hangars to be constructed, including minimum hangar sizes and architectural design plans, are subject to the written approval of the Airport.

- (c) Provide adequate indoor restroom facilities for the use by operator's lessees, and appropriate office and lounge areas for the operator's employees when applicable.

Section 7.4 Aircraft Sales Services

An Aircraft Sales Services Operator means a person engaged in the sale of new and/or used aircraft and shall:

- (a) Maintain current airworthiness records for their aircraft based at the Airport.
- (b) Maintain all other certifications and licenses as may be required by local, state and federal law.

Section 7.5 Aircraft Maintenance and Repair Services

An Aircraft Maintenance and Repair Services operator means a person providing one or more of the following services: airframe; engine or accessory overhaul; repair services on aircraft, including jet, turboprop, and piston aircraft and helicopters; and sales of aircraft parts and accessories.

An Aircraft Maintenance and Repair Services operator shall:

- (a) Provide office space, hangar facilities, a paved aircraft parking apron, an adequate number of paved automobile parking spaces for its customers, a public lounge and waiting room and public restrooms on its premises.
- (b) Provide sufficient shop space, equipment, supplies and availability of parts equivalent to that required for certification by the FAA as an approved repair station.
- (c) Either: (1) employ and have on-duty during normal business hours at least one person who is currently certified by the FAA with ratings appropriate to the work being performed and who holds an aircraft inspector rating; or (2) maintains a current Federal Aviation Regulations Part 145 Repair Station Certificate.
- (d) Not conduct major maintenance, repair operations, or business activities at any time inside hangars or other structures not designed for such function. Specific lease agreement and/or Airport fire codes shall determine what hangars or other structures shall be approved for major maintenance activities.

Section 7.6 Aircraft Leasing or Rental Services

An Aircraft Leasing or Rental Services operator means a person engaged in the leasing or rental of aircraft to the public. An Aircraft Leasing or Rental Services Operator shall:

- (a) Employ and have on-duty during normal business hours at least one person holding a current FAA commercial pilot's certificate with appropriate ratings to operate equipment and conduct business;
- (b) Only lease or rent aircraft that are in an airworthy condition and which otherwise meet any and all requirements of the Federal Aviation Regulations part under which the aircraft will be operated.

Section 7.7 Flight Training Services

A Flight Training Services Operator means a person engaged in instructing pilots in dual and solo flight training, in fixed-wing and/or rotary-wing aircraft and providing such related ground

school instruction as is necessary to take a written examination and flight check ride for the categories of pilot's licenses and ratings involved.

A Flight Training Services Operator shall:

- (a) Provide adequate classroom facilities for the amount and type of training involved.
- (b) Employ and have on-duty during normal business hours at least one instructor who is currently certified by the FAA to provide the type of training offered.
- (c) Comply with all local operating restrictions, whether voluntary (such as noise mitigation measures) or mandatory (such as TFR, NOTAM, etc.) that may be in effect at the time any flight is conducted from the Monterey Regional Airport.

Section 7.8 Specialized Aircraft Repair Services and Sales

A Specialized Aircraft Repair Services Operator means a person engaged in the business of repairing aircraft radios, avionics, instruments, propellers, accessories, upholstery, painting and/or similar aircraft components. A Specialized Aircraft Repair Services Operator sells new or used parts and components necessary for such repairs.

A Specialized Aircraft Repair Services Operator shall:

- (a) Provide hangar facilities, a paved aircraft parking apron, an adequate number of paved automobile parking spaces for its customers, a public lounge and waiting room, and public restrooms on its premises.
- (b) Employ and have on-duty during normal business at least one person who is currently certified by the FAA with ratings appropriate to the services offered.
- (c) Not conduct maintenance or repair operations or business activities at any time inside hangars or other structures not designed for such functions. Specific lease agreement and/or Airport fire codes shall determine what hangars or other structures shall be approved for specialized aircraft repair services and sales activities.

Section 7.9 Aircraft Charter Services

An Aircraft Charter Services Operator means a person engaged in the business of providing air transportation of persons or property to the public for hire, either on a charter basis or as defined by the FAA under Part 135. Aircraft charter services may include the performance of aircraft management services as defined in these Minimum Standards, as long as all requirements of such services are met.

An Aircraft Charter Services Operator shall:

- (a) Employ and have on-duty during normal business hours at least one person who holds current FAA commercial pilot and medical certificates and ratings appropriate for the operator's flight activities. All flight crews shall be properly rated for the aircraft operated, and the operator shall provide reasonable assurance of the continued availability of qualified operating crews after a reasonable notice period.
- (b) Exclusively own or lease, by written agreement, at least one aircraft currently certified and continuously airworthy. All aircraft shall meet the requirements of the FAA certificate held by the Aircraft Charter Service Operator.

- (c) Have and provide the Airport with, a current FAR Part 135 Certificate or provisional FAR Part 135 Certificate, as well as the aircraft identification page from the operating specifications listing all aircraft on the certificate.

Section 7.10 Specialized Commercial Flying Services

A Specialized Commercial Flying Services Operator means a person engaged in air transportation for hire for any of the following purposes: nonstop sightseeing flights that begin and end at the airport, aerial photography or survey, powerline or pipeline patrol, fire-fighting or fire patrol, air ambulance service, airborne mineral exploration, or any other operations specifically excluded from FAR Part 135.

A Specialized Commercial Flying Services Operator shall:

- (a) Employ and have on-duty during normal business hours at least one person who holds a current commercial pilot certificate with appropriate ratings for the aircraft to be flown.

Section 7.11. Aircraft Management Services

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

Section 7.12. Mobile Aircraft Washing Services

Mobile Aircraft Washing Services Operators engage in the cleaning, detailing, or washing of aircraft either for the general public or for the individual businesses. Aircraft washing is restricted to designated wash racks and shall be performed in accordance with the Monterey Peninsula Airport District's Storm Water Pollution Prevention Plan and current Federal, State, and local environmental regulations. Mobile Aircraft Washing Services Operators must also provide the following:

- (a) Authorization for aircraft washing in an area other than a designated wash area may be obtained by submitting and receiving approval of an aircraft washing plan that contains the following information:
 1. Name of individual, contact name and phone number.
 2. FAA registration numbers, makes, and models of aircraft to be washed.
 3. A site map of the area in which washing will occur. The site map must contain the following:
 - a) An outline of the washing location to include location of control structures.
 - b) Distance (in feet) from washing area to nearest drain(s).
 - c) Reference to buildings, terminal, roads, etc.

- d) North arrow.
- (b) Detailed description of washing method/operation, including the following details:
 - 1. Wash water containment method(s), (ramp scrubber, containment boom, etc.)
 - 2. Amount of water used per wash and frequency of operation.
 - 3. Name and amount of chemical(s) used per wash.
 - 4. If “dry” washing or waxing/coating operations are to be conducted provide affirmation that tarps will be used to collect residual material for its proper disposal and protect the ramp.
 - 5. Provide material safety data sheets (MSDS) for all chemicals to be used.
 - 6. Method of disposal of retrieved wash/waste. If water is to be disposed of on Airport property the following steps must be taken:
 - a. Disposal of wash/waste water must be done through an oil/water interceptor into the sanitary sewer system.
 - b. Approval for the discharge of wash/waste water on Airport property must be obtained from the Executive Director. The approval letter must be included in the final washing plan and the activity must be included in the Monterey Peninsula Airport District’s Storm Water Pollution Prevention Plan.
- (c) A mobile aircraft washing services operator shall at all times maintain in effect the types and minimum amounts of insurance, and contain provisions sited herein for any of its activities at the airport that may be covered by specific insurance specified in section 4.
- (d) The operator shall pay fees as prescribed by lease, license, permit or agreement.

Section 7.13. Mobile Aircraft Maintenance and Repair Services.

A Mobile Aircraft Maintenance and Repair Services Operator means a person providing one or more of the following services at an aircraft based location or within a designated aircraft maintenance area on the airport: airframe, engine or accessory overhaul; repair services on aircraft; and sales of aircraft parts and accessories.

A Mobile Aircraft Maintenance and Repair Services Operator shall:

- (a) Either: (1) employ at least one person who is currently certified by the FAA with ratings appropriate to the work being performed and who holds an aircraft inspector rating; or (2) maintain a current FAR Part 145 Certificate.
- (b) Not conduct major aircraft alterations or repairs or business activities at any time inside hangars or other structures not designed for such function. Specific lease agreement and/or Airport fire codes shall determine what hangars or other structures shall be approved for major aircraft alterations or repairs.
- (c) Pay fees as prescribed by lease, license, permit or agreement.

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

Section 7.14. On-Airport Rental Car Concession Services.

An On-Airport Rental Car Concession Services Operator means a person providing rental car services at the Airport.

An On-Airport Rental Car Concession Services Operator shall:

- (a) Lease from the Airport a minimum amount of office space as appropriate to conduct business in a safe and efficient manner at the Airport.
- (b) Employ and have on duty at the Airport at least one person during normal business hours.
- (c) Pay fees as prescribed by lease, license, permit, or agreement. At a minimum, an operator located on-airport shall pay the greater of the minimum amount stated on the lease, license, permit or agreement per month or a fee of ten (10) percent of the monthly gross income from the operator's sales of services. Automobiles are considered rented at the Airport (and, therefore included in gross income) if:
 - 1. The automobile is delivered to the customer at the airport; or
 - 2. The rental agreement is entered into at the Airport even though the automobile is delivered elsewhere; or
 - 3. The automobile was reserved at the Airport through an airline or travel agent.

Section 7.15. Off-Airport Rental Car Concession Services.

An Off-Airport Rental Car Concession Services Operator means a person providing rental car services at the airport, and whose primary offices are located off-airport.

An Off-Airport Rental Car Concession Services Operator shall:

- (a) Pay fees as prescribed by lease, license, permit, or agreement. At a minimum, an operator located off-airport shall a monthly aeronautical business permit fee of eight (8) percent of gross income from the operator's sales of all services at the Airport. Automobiles are considered rented at the Airport (and, therefore included in gross income) if:
 - 1. The automobile is delivered to the customer at the Airport; or
 - 2. The customer is picked up at the Airport and transported to the operator's off-airport location for the purpose of renting an automobile; or
 - 3. The automobile was reserved in advance at the Airport through an airline or travel agent; or
 - 4. A vehicle rented at the Airport is exchanged for another vehicle at any location within twenty-five (25) miles of the Airport for a time-period running consecutively with the original rental agreement.

Section 7.16 Through-The-Fence Operations:

As a general principle, the Airport will only enter into an agreement, which grants access to the public landing area by aircraft stored and/or serviced on adjacent property on a case-by-case basis, and only when lease terms and operating restrictions can ensure security, safety, equitable compensation to the airport, and a fair competitive environment for other comparable airport tenants.

Section 7.17 Flying Clubs

A Flying Club is a non-profit entity or organization organized solely for the purpose of providing its members with one or more aircraft for their personal use and enjoyment.

A Flying Club shall meet the following standards and shall comply with these Minimum Standards:

At the time of applying for a lease, license, permit or agreement with or from the Airport to operate a Flying Club at the Airport, the club shall furnish the Executive Director with a copy of its articles of incorporation, if the club is a corporation; a copy of its articles of organization, if the club is a limited liability company; a copy of its certificate of limited partnership, if the club is a limited partnership; a copy of its partnership agreement, if the club is a general partnership; the club's roster or list of members, including names of officers and directors; evidence of required insurance; a description of all aircraft used; evidence that all aircraft are properly certificated; evidence of ownership of such aircraft; and any operating rules of the club.

The club's books and records shall be made available for inspection and copying by the Executive Director at any reasonable time. The club shall update its roster or list of members twice annually and provide the Executive Director with such updated roster or list no later than June 30 and December 31 of each year.

All aircraft used by the club shall be owned by the club or leased exclusively by written agreement to the club, and all ownership or lease rights to such aircraft must be vested on a pro-rata basis in all of the club's members. The property rights of the club members shall be equal, and no part of any revenues received by the club shall inure to the direct benefit of any member (e.g. by salary or bonus). The club shall not derive greater revenue from the use of its aircraft than the amount necessary for the operation, maintenance and replacements of its aircraft and facilities.

The club's aircraft shall not be used by anyone other than the club's members and shall not be used by anyone for hire, charter, or air taxi. Flight instruction may be given in club aircraft, but only by one club member to another member. The member providing the flight instruction may be compensated by credit against payment of club dues or flight time.

The club and its members are prohibited from leasing, selling, trading or bartering any good or service to or with any non-members of the club, except that a club may sell or exchange its aircraft and equipment for replacement or liquidation purposes.

The flying club shall pay fees as prescribed by lease, license, permit or agreement, and any applicable fees identified on the airport rates and fees schedule.