



Minimum Standards and Requirements for Commercial Aeronautical Service Providers

Adopted March 1, 2004

Addison Airport Minimum Standards

Table of Contents

I. Applicability	4
II. Statement of Policy	5
III. Application Requirements	7
IV. Requirements Applicable to all Operators	8
V. Requirements Applicable to Fixed Base Operators.....	16
VI. Requirements Applicable to Non-Public Aircraft Fuels.....	18
VII. Requirements Applicable to Specialized Aeronautical Service Operators	20

**ADDISON AIRPORT
MINIMUM STANDARDS AND REQUIREMENTS
FOR COMMERCIAL AERONAUTICAL SERVICE PROVIDERS**

I. APPLICABILITY

Purpose: These regulations prescribe minimum standards for the conduct of commercial aeronautical activities at Addison Airport and specify certain clauses which will be acquired and maintained in the operation of all lease agreements permitting the conduct of such activities.

The Town of Addison (hereinafter referred to as “the Town”) owns Addison Airport and contracts with a private management firm for the operation of the Airport. To encourage growth and development of the Airport and to facilitate the development of adequate aeronautical services and facilities for Airport users, the Town has established these standards and requirements (the "Minimum Standards") for provision of certain commercial aeronautical services at the Airport. These Minimum Standards may be amended as conditions require, or for additional aeronautical services, in accordance with Town of Addison Code of Ordinances Chapter 14. No person may conduct or operate a business at the Airport except as authorized by the Airport Director. These Minimum Standards establish the criteria by which the Airport Director shall consider requests from prospective commercial aeronautical service providers to do business at the Airport. These Minimum Standards shall apply to all Fixed Base Operators Lease Agreements, Ground and Jet Hangar Lease Agreements, T-Hangar, Patio Hangar, and Tie-Down agreements granted or renewed after the effective date of these rules. The provisions of any new Lease will be compatible with the Minimum Standards herein contained and will not change or modify the Minimum Standards themselves.

These Minimum Standards shall apply to all new agreements and any extension of the term of existing agreements. The implementation of these Minimum Standards is not intended to cause any existing Service Provider to retrofit its facilities in order to comply. To the extent, however, that compliance can be obtained without undue hardship such is required. Additionally, if an Airport Service Provider desires to modify the terms of services within an existing agreement, the Town shall as a condition of its approval, require compliance with these Minimum Standards. These Minimum Standards shall not modify an existing agreement, which is required to exceed these Minimum Standards, nor shall they prohibit the Town from entering into an agreement that requires an entity to exceed these Minimum Standards.

These Minimum Standards are not intended to be all-inclusive. The Service Provider will be subject additionally to applicable federal, state and local laws, codes, ordinances, and other similar laws or regulations including Airport Rules and Regulations pertaining to all such services. It is the responsibility of the Service Provider to be familiar with all federal, state, and local laws, regulations, codes, or rules that may pertain to the service that is being provided. It is not an affirmative defense against non-compliance that the Airport did not supply the Service Provider with or notify the Service Provider of a pertinent law, regulation, code, or rule.

By publication and adoption of these Standards, all persons shall be deemed to have knowledge of its contents. Copies of these Minimum Standards will be available at all times in the Airport Director’s office, and copies shall be furnished to all Service Providers at the Airport. If and where there are conflicts in the Minimum Standards prescribed herein and the FAA’s Federal Aviation Regulations (FAR), the FARs shall prevail. If and where there exists a conflict between any of the Minimum Standards prescribed herein and any Airport Rule or Regulation applicable to the same area, the more stringent limitation or requirement shall govern and prevail.

II. STATEMENT OF POLICY

In establishing these Minimum Standards, the Town's goal is to assure an adequate minimum level of quality of service to General Aviation users, to foster competition at the Airport, and to avoid unfair or prohibited discrimination among similar Commercial Aeronautical Service providers. The Minimum Standards shall be applied objectively and uniformly. The standards and requirements in this policy are minimums; all Service Providers are encouraged to exceed the minimum.

Contingent upon its qualifications, its meeting the Minimum Standards, the approval of the prospective Service Provider's application by the Airport Director, the execution of a Lease, and the payment of the applicable rentals, fees, and charges, the Service Provider shall have the right and privilege of providing the Commercial Aeronautical Service(s) for which it made application on the Airport, as specified in its Lease. The Service Provider may not provide any Commercial Aeronautical Service other than that authorized in its Lease.

The Airport is prohibited from granting an exclusive right to a single Service Provider with a few exceptions. The FAA acknowledges several business situations and circumstances that meet the definition of an exclusive rights violation but are necessary to support the operation and public use function of the Airport. These exceptions are:

Restrictions Based on Safety: The Airport may restrict or deny a commercial Service Provider from conducting any type of aeronautical activity on the airport that threatens the safety of the public, tenants, users, or Service Provider conducting such activity.

Restrictions on Self-Service: Aircraft owners may refuel, maintain, repair, store, secure, clean, and service their own aircraft provided that the owner or their employees perform the service and provide the resources. All self-service activities must comply with local, State, and Federal regulations, especially environmental and fire safety laws.

The Airport is not obligated to lease facilities to aircraft owners in order to conduct self-service activities; however, the Airport may designate specific locations for fueling, maintenance, washing, and storing of aircraft to promote the safe and efficient operation of the Airport. The granting of such right and privilege, however, shall not be construed in any manner as affording the Service Provider any exclusive right of use of the premises and facilities and the Airport, other than those premises which may be leased exclusively to it, and then only to the extent provided in a written agreement. The Airport reserves and retains the right for use of the Airport by others who may desire to use the same, pursuant to applicable federal, state and local laws, ordinances, codes, minimum standards and other regulatory measures pertaining to such use. The Airport further reserves the right to designate the specific Airport areas in which the specific aeronautical services may be conducted. Such designation shall give consideration to the nature and extent of the operation and the land and improvements available for such purpose, consistent with the orderly and safe operation of the Airport.

If at any time, there are more applicants to provide a particular Commercial Aeronautical Service than there is space or demand at the Airport for such service, the Town may select the Commercial Aeronautical Service provider through a competitive solicitation or request for proposals. This provision applies only in the case of new applicants and will not effect current service providers on the Airport.

These Minimum Standards are subordinate and subject to the provisions of any agreement between the Town and the United States Government relative to the operation or maintenance of the Airport, the execution of which has been, or may in the future be, required as a condition precedent to the expenditure of federal funds for the development of the Airport, including the

expenditure of federal funds for the development of the Airport in accordance with the provisions of the Federal Aviation Act of 1958, as amended. The issuance of a Final Agency Order finding a provision of these Minimum Standards inconsistent with such agreement shall operate to invalidate such provision. The invalidity or unenforceability of any provision of these Minimum Standards shall not affect validity or enforceability of any other provision of these Minimum Standards, and the remainder shall be construed and enforced as if the invalid or unenforceable provision were never included in the Minimum Standards. By publication and adoption of these Standards, all persons shall be deemed to have knowledge of its contents. Copies of these Minimum Standards will be available at all times in the Director's office, and copies shall be furnished to all Service Providers at the Airport.

III. APPLICATION REQUIREMENTS

In order to lease property from the Airport to operate a Commercial Aeronautical Service, a Person shall submit a written application to the Airport Director, which shall include the following information and, thereafter, shall provide such additional information as may be requested by the Airport Director. This application process does not apply to businesses that sublease property from the Airport's lessees. In those cases, the Lessee will be held responsible for ensuring that their lease agreements comply with all applicable standards, rules, and regulations. The following information is required:

1. Intended Scope of Services

The prospective Service Provider must submit a detailed description of the scope of the proposed operation and the means and methods to be employed to accomplish the contemplated operation, including, at a minimum, the following:

- a) The name, address, and telephone number of the applicant. If the applicant is a corporation, the name, address, and telephone number of the corporation's officers must be included. If the applicant is a partnership, the name, address, and telephone number of all general partners must be provided. Also the name, address, and telephone number of any person that holds a controlling interest, directly or indirectly, in the applicant must be included. The applicant must disclose if any officer, director, partner, or person having a controlling interest in applicant is also an officer, director, partner, or a person holding a controlling interest in another commercial aeronautical service provider at the Airport.
- b) The requested or proposed date for commencement of the service.
- c) The services to be offered.
- d) The amount, size, and location of land required.
- e) The size, type, and location of the building(s) to be constructed or leased.
- f) The number and type of aircraft to be parked, serviced, or provided (as applicable).
- g) The number of persons to be employed (including the names, titles and qualifications of key employees).
- h) The hours of proposed operation.
- i) A list of material assets, goods and equipment necessary or required to perform the proposed services that owned, leased, or are under purchase contract by the applicant. Copies of such leases and contracts shall be provided to the Airport Director if requested.
- j) Such other or additional information as may be required under the Fixed Base Operator and Specialized Aeronautical Service Provider sections of these Minimum Standards, or that the Airport Director may reasonably require to evaluate the application.
- k) Evidence of its financial responsibility from a recognized financial institution or from such other source that may be acceptable to the Town and readily verified through normal banking channels. The prospective Service Provider must also demonstrate financial capability to initiate operations, to construct proposed improvements, and to provide working capital to carry on the contemplated operations. The demonstration of financial and managerial capability shall include a cash flow and a profit and loss projection for the first five years of the proposed operation. This is not required in the annual reporting for existing Service Providers as outlined in Section 2 below. To the extent allowed by law, this information will be considered to be confidential and will not be released to other parties without the permission of the Service Provider.
- l) The prospective Service Provider shall furnish to the Town a statement of its qualifications and past experience in providing the proposed aviation services, together with a statement that it or its principals have the managerial ability to perform the

selected services. If the proposed business is new, the pertinent experience of the key employees must be provided in the résumés of its key employees engaged in the management and operation of the proposed aeronautical services at the Airport.

2. Annual Reporting Requirement and Notification of Changes

Service Providers shall report annually, by the anniversary date of the Effective Date of their Lease, the name, address, and telephone number of the Service Provider, services that are offered, hours of operation, and shall provide the Airport Director with three weeks advance notice of its intention to start up or discontinue an authorized commercial aeronautical service.

3. Grounds for Denial of an Application

The Airport Director shall consider the application once the prospective Service Provider has submitted a complete application. The Airport Director shall not unreasonably deny or delay consideration of an application. A delay to implement a competitive process to select an Service Provider is not unreasonable. Grounds for denial of an application include the following:

- a) The applicant does not, for any reason, fully meet the qualifications, standards, and requirements established in these Minimum Standards.
- b) The applicant's proposed operation or construction would create a safety hazard on the Airport.
- c) The granting of the application will require the Airport to expend funds, or supply labor or materials, in connection with the proposed activity or operation that the Airport is unwilling to spend or supply, or the proposed activity or operation will result in a financial loss to the Airport.
- d) No appropriate, adequate, or available land, space, or building exists at the Airport to accommodate the entire operation of the applicant at the time of application, and none is contemplated to be available within a reasonable time thereafter.
- e) The proposed operation, development, or construction does not comply with the FAA approved Airport Master Plan or Airport Layout Plan.
- f) The proposed operation, development, or construction will result in congestion of aircraft or buildings, or will result in undue interference with the operations of any present Service Provider at the Airport, or with adequate access to a present Service Provider's leased premises.
- g) The applicant has intentionally or unintentionally misrepresented or omitted any material fact in the application or supporting documents, or has failed to make full disclosure in the application or supporting documents.
- h) The applicant, or any officer, director, key employee, or person having a controlling interest in the applicant, has a record of (a) violating the laws, rules and regulations applicable to the Airport or any other Airport, including but not limited, to civil air regulations and FAA regulations, (b) having defaulted in the performance of a lease, license, permit, or similar agreement at the Airport or any other Airport, or (c) having been convicted of any felony or misdemeanor involving moral turpitude.
- i) The applicant, in the opinion of the Airport Director, has not provided verified evidence of adequate financial responsibility or does not exhibit the experience to undertake the proposed operation or activity based on the information provided with the application.
- j) The applicant cannot provide the required performance and other bonds, security deposits, or other acceptable surety in the amount required by the Airport for the proposed operation, activity or construction.
- k) The applicant is unwilling or unable to provide the required insurance coverages.

IV. REQUIREMENTS APPLICABLE TO ALL SERVICE PROVIDERS

The following standards apply to all Fixed Base Operators (FBO) and Specialized Aeronautical Service Providers (SASP), unless otherwise explicitly provided. Additional standards specific to each type of operation can be found in Sections V and VII of these Minimum Standards.

1. Requirement of a Written Agreement

- a) Before beginning operations, the prospective Service Provider must enter into a written Lease with the Town reciting the terms and conditions under which it will do business on the Airport, including but not limited to, the term of agreement, the rentals, fees, and charges, the rights, privileges and obligations of the respective parties, and other relevant provisions. Such agreement shall be consistent with these Minimum Standards.
- b) Such Lease shall contain, or adopt by reference, all provisions required by the applicable law, including, without limitation, regulations promulgated by the FAA, and assurances or agreements entered into by the Town as a condition of any federal grant to the Town for the Airport. The Lease shall be subordinate to any existing or future Federal grant assurances.
- c) The Lease shall provide that, at or before execution, the Service Provider shall deliver to the Airport Director a security deposit in an amount not less than one month's fees and charges owed to the Town under such agreement. The security deposit shall not be considered an advance payment of such fees and charges, or a measure of damages in the event of default by the Service Provider. If the Town uses the security deposit, in whole or in part, the Service Provider shall promptly restore the security deposit to its original amount upon request of Town. Provided that the Service Provider is not in default, the security deposit, or any unused balance thereof, shall be returned to Service Provider within thirty (30) days following termination of the Lease without interest.

2. Site Development Standards

- a) Location. FBOs and SASPs may be situated only in those areas of the Airport specified for such use in the Airport Layout Plan (ALP) and the Airport Master Plan.
- b) Space Requirements. The minimum space requirements as provided in Sections V and VII of these Minimum Standards shall be satisfied. The Town will consider reduction in minimum space requirements for combined operations in a common location (e.g., an SASP that wishes to operate a flight training school and aircraft rental facility need have only one office, one set of restrooms, one customer lounge, etc.). An applicant who proposes combined operations in a common location shall provide a building layout or similar plan that demonstrates functional compliance with the applicable Minimum Standards.
- c) Airport Design Criteria. All construction of Improvements and infrastructure must conform to the applicable statutes, ordinances, building codes, rules and regulations of Town and the FAA, and such other authorities as may have jurisdiction over the Airport, the Premises or Service Provider's operations herein. The height of any structure on the Premises must be within the limits of the FAA regulations governing objects affecting airspace, as set forth in 14 C.F.R., Part 77 and the Town's Chapter 14, Article IV Airport Zoning Ordinance. The Airport Director will have the right to review all plans and specifications for any Improvements to be constructed on the Premises to determine compliance with such regulations. The approval by the Airport Director shall not constitute a representation or warranty as to such conformity or compliance, but responsibility therefore shall at all times remain with the Service Provider.
- d) Design/Construction Review. Service Provider shall not construct, install, remove, or modify any Improvements on the Premises without the prior written approval of the Airport Director, or designated representative, of Service Provider's plans and specifications for the proposed project. All plans shall be complete and submitted in

accordance with the Town of Addison Code of Ordinances, and the applicable provisions of the Lease or Permit. This does not apply to cosmetic changes that do not require a building permit.

e) Bonds and Insurance. Service Provider shall provide, or cause to be provided, to the Town prior to the commencement of any construction of any Improvements, a valid performance bond and payment bond, each in the amount of the maximum estimated hard construction costs, for the successful construction of its Improvements. Said bonds shall be maintained and kept in full force and effect until work items called for in the Service Provider's agreement with the Town are complete. The bonds shall be conditioned to ensure performance and payment by the Service Provider and its construction contractor of all Improvements required and proposed by the Service Provider, and to stand as security for the successful completion of the built Improvements on the Premises and for payment of any valid claim by the Town against the Service Provider or its Contractor associated with the construction of the improvements. The bonds shall be in a form acceptable to the Town and shall be issued by a surety that complies with the requirements of the Texas Insurance Code, as amended. If Service Provider engages any contractors and/or subcontractors to construct Improvements on the Premises, the contractors and subcontractors must carry appropriate builders risk and commercial general liability policies as is required at that time by the Town Risk Manager for construction projects on Town property.

f) Other Facilities. The Service Provider shall provide a paved walkway within the leased area to accommodate pedestrian access to the Service Provider's office; a paved aircraft apron with tie-down facilities within the leased area sufficient to accommodate its services and operations, and telephone facilities.

g) Landscaping. Landscaping of facilities that are visible along any off-Airport public street or roadway is required. Each FBO or SASP will be required to provide a plan for landscaping its area to be approved by the Town and maintained by the FBO or SASP in a neat, clean and aesthetically pleasing manner, all in accordance with the Addison Landscaping Ordinance.

h) Ownership of Improvements. All right, title, and interest in any Improvements constructed by or for an Service Provider on the Airport shall fully vest in the Town upon the end of the term of the Service Provider's Lease. The Service Provider shall execute and deliver to the Town such documents as may be required to evidence the Town's ownership of such Improvements.

3. Maintenance Responsibilities.

Unless otherwise provided for in the Lease Agreement, Service Provider shall, at its sole cost and expense, maintain, repair, and keep in good condition all of its Improvements on the Premises, as hereinafter described:

a) Service Provider shall maintain pavement, landscaping, greenbelts, lighting and all equipment on the Premises.

b) Service Provider shall maintain the interior and exterior of all Improvements, to include electrical, mechanical, plumbing, fire protection system(s), roof, floors, load-bearing and exterior walls, utilities, and HVAC system(s).

c) Service Provider shall clean debris and trash from driveway, taxiways, aprons, greenbelts, and sidewalks to maintain safe, clear, unobstructed access to the Improvements at all times for authorized users and emergency vehicles.

d) Service Provider shall maintain all hangar and overhead doors and door operating systems, including weather stripping and glass replacement.

e) Service Provider shall maintain electric loads within the designed capacity of the system. Any change to such designed capacity will require the prior written consent of the Airport Director.

- f) Service Provider shall install and maintain hand-held fire extinguishers in the interior of all buildings, aircraft shops, aircraft parking and tie-down areas, and fuel storage areas, pursuant to fire and safety codes.
- g) Service Provider shall have the necessary utility meters installed, as required by the utility company(s), at Service Provider's expense. Service Provider shall pay all utility charges, including, but not limited to, electricity, water, wastewater, natural gas, and telephone. Service Provider shall maintain and repair all utility service lines and fixtures, including lighting fixtures, within the Premises to the extent the utility company providing such utility service does not perform such maintenance or repair.
- h) Service Provider shall provide, at its sole cost and expense, necessary arrangements for adequate sanitation, handling and disposal from the Airport of all trash, garbage and other refuse which results from Service Provider's business operations, including receptacles for the deposit of such trash, garbage, and other refuse. All such receptacles shall be placed on the leasehold so as not to be seen from an off-Airport public street or roadway.
- i) Service Provider will not permit any action on the Premises that has an adverse effect, or interferes with the proper function of any drainage system, sanitary sewer system, or any facility provided for the operation or protection of the Airport.
- j) The Service Provider shall install fire alarm devices within the Premises and such devices shall be audible to all persons in the facility.

4. Personnel.

The Service Provider shall employ a fully qualified, competent, experienced full-time on-site manager who shall supervise and direct the performance of all Commercial Aeronautical Services provided by the Service Provider, and one or more qualified assistant managers to act for the manager in his or her absence. During all operating hours, the Service Provider shall employ and have on duty trained personnel in such numbers and with such certificates and ratings as are required to meet the Minimum Standards, in an efficient manner, for all Commercial Aeronautical Services being provided by the Service Provider. Service Provider's employees shall, at all times, be neat and courteous, and shall wear an identification badge that displays the employee's name and the name of the Service Provider. Service Provider's employees may not use or possess alcohol, illegal drugs, controlled substances, or firearms at the Airport. Service Provider shall closely monitor its employees to insure consistent, high quality service. If permitted by law, the Airport Director may direct Service Provider to remove from employment at the Airport any employee who violates Airport rules and regulations, or the terms of Service Provider's Lease.

5. Security.

Service Provider shall control the Premises so as to prevent unauthorized access to the airside. The Town reserves the right to install security devices in or on the Premises as it deems necessary at Town's cost. Any devices installed by the Town will in no way deny access to the employees of that facility without the concurrence of the Service Provider. Likewise, the Service Provider will in no way deny access to the Airport staff in order for the devices to be installed. Such installation will be scheduled in advance with the Service Provider at a time that is convenient to the Service Provider to as reasonable an extent as possible.

6. Indemnification.

Service Provider shall defend (with counsel acceptable to the Town of Addison), indemnify and hold harmless the Town of Addison, Texas and its officials, officers, employees, agents, representatives, successors and assigns (collectively, the "Indemnified Parties"), from and against all costs, expenses (including, without limitation, reasonable attorneys' fees, expenses of investigation and litigation, all court or arbitration or other dispute resolution costs, and court costs), liabilities, damages, claims, suits, judgments, harm, penalties, fines, actions, and causes

of actions whatsoever (collectively, "Claims") for personal injury (including, without limitation, sickness, emotional and psychological injury, disease, or death), property damage or destruction (including, without limitation, loss of use of property not otherwise physically injured), breach of contract, breach of any insurance requirements contained within these Minimum Standards, or any other harm for which recovery of damages or any other type of recovery or relief (whether at law, in equity, or otherwise) is sought, by any person, entity, or organization of any kind whatsoever, resulting from, arising out of, concerning, or in connection with, directly or indirectly, in whole or in part, (a) any failure of the Service Provider or of any Service Provider Parties to comply with these Minimum Standards, (b) any breach of the lease by Service Provider or by any Service Provider Parties, (c) any false representation or warranty made by Service Provider or any Service Provider Parties in making application to conduct business or to perform any activity on the airport or in the Lease, (d) any act or omission of Service Provider or of any Service Provider Parties, and (e) the negligent acts and omissions of the Indemnified Parties. Service Provider shall assume on behalf of the Indemnified Parties and conduct with due diligence and in good faith the defense of all claims against any of the Indemnified Parties. Service Provider may contest the validity of any Claims, in the name of Service Provider or the Indemnified Parties, as Service Provider may in good faith deem appropriate, provided that the expenses thereof shall be paid by Service Provider. For purposes hereof, "Service Provider Parties" means Service Provider, its directors, officers, employees, agents, representatives, successors, assigns, contractors, subcontractors, concessionaires, guests, invitees, or anyone directly or indirectly employed by any of them or any person or entity for whose acts or omissions any of them is or may be liable.

7. Insurance.

The following requirements pertain to all Service Providers. See Sections V, VI, or VII for specific insurance requirements applicable to the specific FBOs and SASPs on the Airport.

a) General Requirements. Service Provider shall not commence operations or construction until Service Provider has obtained the types and amounts of required insurance indicated below and until such insurance has been reviewed by the Town or a Certificate of Insurance is received indicating required coverage. If the coverage period ends during the Term of Service Provider's Lease, Service Provider must, prior to the end of the coverage period, forward a new Certificate of Insurance to Town as verification of continuing coverage for the duration of the Term of the Lease. Service Provider must submit certificates of insurance for all subcontractors to the Town prior to their commencing work on the project.

1) Approval of insurance by the Town and the required minimums shall not relieve or decrease the liability or responsibility of the Service Provider hereunder and shall not be construed to be a limitation of liability on the part of the Service Provider.

2) Service Provider's and all subcontractors' insurance coverage shall be written by companies licensed to do business in the State of Texas at the time the policy is issued and shall be written by companies with an A.M. Best rating of B+VII or better. Hazardous materials insurance, if required, shall be written by companies with A.M. Best ratings of B+VII or better.

3) All endorsements naming the Town and its managers as additional insureds, waivers of subrogation, and notices of cancellation endorsements as well as Certificates of Insurance shall include the Town of Addison and its Manager.

4) The "other" insurance clause shall not apply to the Town or the manager where the Town of Addison and the manager are additional insureds shown on any policy. It is intended that policies required in this Agreement covering the Town and the Service Provider, shall be considered primary coverage as applicable.

- 5) The Town shall be entitled, upon request and without expense, to receive certified copies of policies and endorsements thereto and may make any reasonable requests for deletion or revision or modification of particular policy terms, conditions, limitations, or exclusions except where policy provisions are established by law or regulations binding upon either of the parties hereto or the underwriter on any such policies.
- 6) The Town reserves the right to review insurance requirements set forth during the term of the agreement and to make reasonable adjustments to insurance coverage, limits, and exclusions when deemed necessary and prudent by the Town based upon changes in statutory law, court decisions, the claims history of the industry or financial condition of the insurance company as well as the Service Provider. The Service Provider shall comply with any changes to insurance requirements.
- 7) The Service Provider shall not cause any insurance to be canceled nor permit any insurance to lapse during the Term of this Agreement or as required in the Agreement.
- 8) Service Provider shall provide all deductibles and self-insured retentions, if any, stated in policies. All deductibles or self-insured retentions shall be disclosed on the Certificates of Insurance.
- 9) Insurance provided by an Service Provider pursuant to this Minimum Standards shall cover and protect the Town and its manager, as their interests may appear.

b) Specific Insurance Requirements. The Service Provider shall obtain, and maintain throughout the term of its Lease, the following insurance coverages, and furnish certificates of insurance and policy endorsements as evidence thereof:

1) Workers' Compensation and Employers Liability coverage with limits consistent with statutory benefits outlined in the Texas Workers' Compensation Act. The following endorsements shall be added to the policy:

- a) A Waiver of Subrogation in favor of the Town of Addison
- b) A thirty (30) day Notice of Cancellation/Material Change in favor of the Town;

2) Property insurance coverage on an "All Risk of Physical Loss" form for 100% of the replacement value of all improvements leased from the Town, or constructed by or for Service Provider on the Airport. Coverage shall include, but not be limited to, fire, wind, hail, theft, vandalism, and malicious mischief. The coverage shall be written on a replacement cost basis. The proceeds from such insurance shall be used to restore the improvements to their original condition in the event of a covered loss.

3) Liability insurance in the specific types and amounts specified in Sections V (FBO) or VII (SASP), as applicable for the proposed Commercial Aeronautical Service. Where more than one Commercial Aeronautical Service is proposed, the minimum limits will vary (depending 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 insurance coverage on combinations of services will be finalized with the prospective Service Provider at the time of its application or otherwise during lease negotiations.

8. Environmental Compliance.

a) Compliance. In its operations at the Airport, Service Provider shall strictly comply with all applicable environmental laws, the airport environmental polices and procedures (including without limitation, the Storm Water Pollution Prevention Plan ("SWPPP") and Spill Response Plan), and generally accepted industry environmental best management

practices and standards. Without limiting the generality of the foregoing provision, Service Provider shall not use or store Hazardous Materials on or at the Airport except as reasonably necessary in the ordinary course of Service Provider's permitted activities at the Airport, and then only if such Hazardous Materials are properly labeled and contained. Service Provider shall not discharge, release, or dispose of any Hazardous Materials on the Airport or surrounding air, land, or water. Service Provider shall promptly notify the Town of any Hazardous Material spills, releases, or other discharges by Service Provider at the Airport and promptly abate, remediate, and remove same. Service Provider shall provide the Town with copies of all reports, complaints, claims, citations, demands, inquiries, or notices relating to the environmental condition of the Airport, or any alleged material noncompliance with Environmental laws by Service Provider at the Airport within ten (10) days after such documents are generated by or received by Service Provider. If Service Provider uses, handles, treats or stores Hazardous Materials at the Airport, Service Provider shall have a contract in place with an Environmental Protection Agency or Texas Commission for Environmental Quality approved waste transport or disposal company, and shall identify and retain spill response contractors to assist with spill response and facilitate waste characterization, transport and disposal. Complete records of all disposal manifests, receipts and other documentation shall be retained by the Service Provider and made available to Town for review upon request. Landlord shall have the right at any time to enter the Premises to inspect, take samples for testing, and otherwise investigate the Premises for the presence of Hazardous Materials. Such inspections shall be scheduled during regular business hours if possible. Such schedules will be coordinated with the Service Provider.

b) Responsibility. Service Provider's Hazardous Materials shall be the responsibility of Service Provider. Service Provider shall be liable for and responsible to pay all Environmental Claims that arise out of, or are caused in whole or in part, from Service Provider's use, handling, treatment, storage, disposal, discharge, or transportation of Hazardous Materials on or at the Airport, the violation of any Environmental Law by Service Provider, or the failure of Service Provider to comply with the terms, conditions and covenants of this article. If the Town incurs any costs or expenses (including attorney, consultant and expert witness fees) arising from Service Provider's use, handling, treatment, storage, discharge, disposal, or transportation of Hazardous Materials on the Airport, Service Provider shall promptly reimburse the Town for such costs upon demand. All reporting requirements under environmental laws with respect to spills, releases, or discharges of Hazardous Materials by Service Provider at the Airport under any law are the responsibility of Service Provider.

9. Certifications.

The Service Provider shall obtain and maintain in full force and effect all FAA and other certificates and licenses necessary for the work being performed at the Airport, and shall provide a copy of such certificates to the Airport Director upon request.

10. Motor Vehicles on Airport.

The Service Provider shall control the on-Airport transportation of pilots and passengers of transient general aviation aircraft using the Service Provider's facilities and services. Customer motor vehicles are not permitted on the airside except on the ramp area, under the supervision of the Service Provider. The Service Provider-owned or operated motor vehicles driven on the airside shall do so only in strict accordance with Airport Rules and Regulations, applicable federal, state and municipal laws, ordinances, codes or other similar regulatory measures now in existence or as may be hereafter modified or amended. The vehicles will not be allowed any point west of the Vehicle Access Road and at no time will be allowed onto Taxiways Alpha and Bravo, the runway, or on the Vehicle Access Road south of Taxiway Papa without tower

permission. The Service Provider shall be required to equip each of these motor vehicles with a functioning aeronautical utility mobile station two-way radio and with an operating rotating beacon, or such other equipment as FAA or the Town shall require. The Airport may impose training and licensing requirements and charge a fee for airside driving privileges.

11. Waiver.

The Airport Director may (but in no event shall be obligated to) waive one or more of the Minimum Standards applicable to an Service Provider for good cause shown upon written request of the Service Provider, provided that such waiver would not adversely affect public health or safety, the quality of service provided by the Service Provider to the public, or Airport finances or operations, or would violate any Federal, State, Town or other law, statute, ordinance, rule, regulation, or Airport grant assurance.

V. REQUIREMENTS APPLICABLE TO FIXED BASE OPERATORS

The following standards apply to Fixed Base Operators:

1. Minimum Services.

Aircraft Fueling Services. Each FBO shall provide into-aircraft retail delivery of a recognized brand of aviation fuel (including, but not limited to, AV gas and jet fuel), motor oil, and lubricants as required by the types of aircraft normally utilizing the Airport. The FBO shall provide proper fuel dispensing equipment to service aircraft, including mobile fuel dispensing trucks to service commercial passenger and cargo aircraft operating at the Airport. Separate dispensing pumps for each grade of fuel are required. All fuel handling and storage facilities, equipment and procedures shall strictly comply with all applicable federal, state, and local laws, rules and regulations, including without limitation, the most current rules and regulations promulgated by the US Department of Transportation and the FAA. Fueling personnel shall be properly trained and qualified to perform their assigned duties. The FBO shall ensure that only clean fuel, free of water or other contaminants, is delivered into the aircraft serviced. The FBO shall maintain current fuel reports on file and available for review at anytime by the Airport Director. Fueling service by the FBO shall be in full compliance with all applicable federal, state, and local safety laws and regulations, including proper fire protection and electrical grounding of aircraft during fueling operations. All FBO fueling services and systems shall be subject to inspection for fire and other hazards by the Airport Director or other Airport representative and by the appropriate State and Town fire officials. The FBO shall maintain a spill prevention and control plan in accordance with applicable federal, state, and local laws, rules and regulations.

2. Aircraft Line Services.

- a) Suitable hard surface aircraft parking, tie-down, and hangar storage facilities; adequate tie-down facilities and equipment, including ropes, chains, and other types of restraining devices, and wheel chocks for the typical number and type of aircraft simultaneously using the FBO during a peak period; and adequate loading, unloading, and towing equipment to safely and efficiently move aircraft and store them in times of all reasonably expected weather conditions.
- b) Adequate ground equipment, including but not limited to, ground power and starting equipment, fire extinguishers, oxygen carts, portable compressed air, towing equipment, disabled recovery equipment, washing and cleaning facilities, and such other equipment, supplies and spare parts as may be reasonably required to service all general aviation aircraft at the Airport in accordance with manufacturers recommendations, including such services as repairing and inflating aircraft tires, servicing struts, changing engine oil, servicing oxygen systems, washing and cleaning of the interior and exterior of aircraft and aircraft windows, and recharging or energizing discharged aircraft batteries and starter.
- c) Adequate waiting lounge(s), briefing room(s), restrooms, telephone facilities, etc.

3. Minimum Staffing.

During all operating hours, the FBO shall employ and have on duty trained personnel in such numbers and with such certificates and ratings as are required to meet the Minimum Standards, in an efficient manner, for all Minimum and Optional Services being provided by the FBO, including appropriate supervisory and managerial personnel.

4. Minimum Space Requirements:

- a) Leased Premises. The minimum amount of land to be leased for a Fixed Base Land Operation shall be four contiguous acres.
- b) Aircraft Parking. The FBO must provide a minimum of 60,000 square feet of paved apron parking for aircraft parking and tie-downs with taxi-out capability, including sufficient taxi clearance, in accordance with applicable FAA regulations.
- c) Hangars. The FBO shall provide a minimum of 25,000 square feet of hangar space. Excluding T-Hangars, FBO hangars must be not less than 8000 square feet in area, and able to accommodate, at a minimum, FAA Airport Design Group I Aircraft.
- d) Automobile Parking. The FBO must provide sufficient paved and striped parking to accommodate FBO, and FBO subtenant customers, passengers, and employees on a daily basis, in accordance with applicable Town requirements and the Town of Addison Code of Ordinances.
- e) Terminal/Office Space. The FBO shall have a permanent terminal and office space designed and constructed in accordance with the Town of Addison Code of Ordinances consisting of at least 2,000 square feet of air conditioned space for crew and passenger lounge facilities, public restrooms, training, flight planning, and office space. Restrooms shall be conveniently located, free of charge, accessible to passengers and crews, and maintained in a clean and sanitary manner. At least one working telephone shall be provided for public use.

5. Term.

The term of a Lease with an FBO shall be as agreed between the Town and the FBO up to a maximum of forty years

6. Liability Insurance.

FBOs shall carry and maintain throughout the term of their Lease the following coverages:

- a) Commercial General Liability Insurance with a minimum bodily injury and property damage per occurrence limit of \$10,000,000 for Coverage A (Bodily Injury and Property Damage), and Coverage B (Personal and Advertising Injury); and \$10,000,000 product/completed operations limit of liability.

The policy shall contain:

- 1) Independent Contractors coverage
- 2) Ground Hangarkeepers Liability with a limit of \$2,000,000
- 3) Town of Addison and manager listed as additional insured
- 4) Thirty (30) day Notice of Cancellation in favor of the Town of Addison

- b) If the FBO operates any motor vehicle on the airside of the Airport, Business Automobile Liability Insurance for all owned, non-owned and a minimum combined single limit of \$5,000,000 for bodily injury and property damage.

The policy shall contain:

- 1) Town of Addison and its manager named as additional insured
- 2) Thirty (30) day Notice of Cancellation in favor of the Town of Addison

- c) Aircraft Liability Insurance for all FBO owned or operated aircraft with a minimum bodily injury and property damage per occurrence limit of \$1,000,000 for coverage Bodily Injury and Property Damage, and \$1,000,000 for Personal and Advertising Injury.

The policy shall contain:

- 1) Non-Owned Aircraft Liability with a minimum limit of \$1,000,000
- 2) Medical expense coverage with a limit of \$5,000 any one person
- 3) Town of Addison and the manager as additional insured
- 4) Thirty (30) day Notice of Cancellation in favor of the Town

VI. REQUIRMENTS APPLICABLE TO NON-PUBLIC AIRCRAFT FUEL SERVICE PROVIDERS

Lessee holding non-public aircraft fuels dispensing permits shall not sell or deliver aircraft fuels to anyone other than Lessee. Fueling of any aircraft not owned or leased by Lessee shall result in immediate revocation of the right to bring fuel upon, or store fuel on, Airport property. Upon request by the Director, Lessee shall provide evidence of ownership or Lease of any aircraft being fueled. A corporation may not be formed for the expressed purpose of providing fuel services under this standard. Personnel engaged in dispensing aircraft fuels shall be properly trained and qualified with regard to safety procedures. Lessee shall provide only the type or grade of fuel required to service Lessee's aircraft.

1. Minimum Equipment Required:

One metered and filter equipped dispenser for dispensing each separate type of fuel used. Fuel storage tanks must be located in the Airport's fuel farm area and must be above-ground. All installations shall comply with applicable Town of Addison Code of Ordinances and the National Fire Protection Association and the International Fire Code requirements. All maintenance, repair and upkeep shall be the sole responsibility of the Lessee.

2. Minimum Safety Equipment Required:

a) Fire extinguishers will be readily available during all refueling or defueling. Personnel will be trained in the use of such equipment.

b) Static discharging ground wires will be attached to the aircraft, the fuel tank or refueling vehicle, and to zero potential ground before and throughout any fueling operation. Adequate fuel filters and water taps will be installed on all fuel handling equipment, and a suitable program for periodically conducting water contamination checks will be established and followed.

c) The standards for "Aircraft Fuel Servicing" published by the National Fire Protection Association, and as amended from time to time, are hereby incorporated herein as mandatory standards as though set forth verbatim.

3. Minimum Insurance Requirements:

Non- Public Fuelers must provide the following minimum insurance coverages:

a) Commercial General Liability Insurance with a minimum bodily injury and property damage per occurrence limit of \$1,000,000 for Coverage A (Bodily Injury and Property Damage), and Coverage B (Personal and Advertising Injury); and \$1,000,000 product/completed operations limit of liability.

The policy shall contain:

- 1) Independent Contractors coverage
- 2) Ground Hangarkeepers Liability with a limit of \$1 million if third party aircraft are stored in the hangar
- 3) Town of Addison and manager listed as additional insured
- 4) Thirty (30) day Notice of Cancellation in favor of the Town of Addison
- 5) Medical expense coverage with a limit of \$5,000 any one person
- 6) Town of Addison and its manager listed as additional insured
- 7) Thirty (30) day Notice of Cancellation in favor of the Town of Addison
- 8) Waiver of Transfer of Right of Recovery Against Others in favor of the Town of Addison

b) If the Non-Public Fueler operates any motor vehicle in the Aircraft Movement, Business Automobile Liability Insurance for all owned, non-owned and hired vehicles with a minimum combined single limit of \$1,000,000 for bodily injury and property damage is required.

The policy shall contain:

- 1) Town of Addison and its manager named as additional insured
- 2) Thirty (30) day Notice of Cancellation in favor of the Town of Addison

c) Aircraft Liability Insurance for all Service Provider owned or operated aircraft with a minimum bodily injury and property damage per occurrence limit of \$1,000,000 for coverage Bodily Injury and Property Damage and \$1,000,000 for Personal and Advertising Injury.

The policy shall contain:

- 1) Contractual liability coverage for liability assumed under the Lease or Permit
- 2) Town of Addison and its manager as additional insured
- 3) Thirty (30) day Notice of Cancellation in favor of the Town
- 4) Non-owned aircraft liability with a minimum limit of \$1,000,000.

VII. REQUIREMENTS APPLICABLE TO SPECIALIZED AERONAUTICAL SERVICE PROVIDERS

The following standards apply to Specialized Aviation Service Providers (SASP). SASPs provide one or more of the following services and shall comply with the Minimum Standards described in this section. A SASP is defined as a person or business engaged in any aeronautical activity except public fueling. This shall include, but not be limited to, aircraft repair, avionics, airframe, and powerplant services. The term of a lease with an SASP shall be as agreed between the Town and the Service Provider up to a maximum of forty years.

1. Aviation Shop Repair Services, Aircraft Airframe and Powerplant Repair and Maintenance. An Aviation Shop Repair Services Provider is one that is engaged in the operation of a shop, or a combination of FAA certified shops for the repair of aircraft radios, propellers, instruments, and accessories for general aviation aircraft.

An Aircraft Airframe and Powerplant Repair and Maintenance business is one that is engaged in the business of providing aircraft airframe and powerplant repair and maintenance services, including the non-exclusive right to sell aircraft parts and accessories.

These Service Providers may furnish one, or if desired, any combination of these services. This category includes sale of new and/or used aircraft radios, propellers, instruments and accessories.

Minimum Space Requirements.

- a) hangar or shop space for aircraft maintenance and repair and parts and equipment storage,
- b) air conditioned space for office, restrooms,
- c) paved aircraft apron space to accommodate the maximum number and type of aircraft that Service Provider can service at any one time, and
- d) paved motor vehicle parking facilities to accommodate Service Provider's customers and employees on a daily basis.
- e) If painting operations are contemplated, the Service Provider shall provide a separate paint shop that meets all applicable safety and air quality and other environmental requirements.

Liability Insurance Requirements.

- a) Commercial General Liability Insurance with a minimum bodily injury and property damage per occurrence limit of \$1,000,000 for coverage A (Bodily Injury and Property Damage) and coverage B (Personal and Advertising Injury); and \$1,000,000.

The policy shall contain:

- 1) Independent Contractors Coverage
- 2) Blanket contractual liability coverage for liability assumed under the Lease
- 3) Medical expense coverage with a limit of \$5,000 any one person
- 4) Ground Hangarkeepers Liability with a limit of \$1,000,000
- 5) Town of Addison and its manager listed as additional insured
- 6) Thirty (30) day Notice of Cancellation in favor of the Town of Addison
- 7) Waiver of Transfer of Right of Recovery Against Others in favor of the Town of Addison

b) If Service Provider operates any motor vehicle on the airside of the airport, Business Automobile Liability Insurance for all owned, non-owned and hired vehicles with a minimum combined single limit of \$1,000,000 for bodily injury and property damage.

The policy shall contain:

- 1) Town of Addison and Airport Management named as additional insured
- 2) Thirty (30) day Notice of Cancellation in favor of the Town of Addison

c) Aircraft Liability Insurance for all Service Provider owned or operated aircraft with a minimum bodily injury and property damage per occurrence limit of \$1,000,000 for coverage Bodily Injury and Property Damage and \$1,000,000 for Personal and Advertising Injury.

The policy shall contain:

- 1) Contractual liability coverage for liability assumed under the Lease
- 2) Medical Expense coverage with a limit of \$5,000 any one person
- 3) Town of Addison and its manager as additional insured
- 4) Thirty (30) day Notice of Cancellation in favor of the Town
- 5) Waiver of Transfer of Rights of Recovery Against Others in favor of the Town of Addison
- 6) Non-owned aircraft liability with a minimum limit of \$1,000,000 manufacturer's recommendations and applicable FAA regulations.

2. Flight Training and Ground School. A flight training and ground school Service Provider is one that is engaged in the business of instructing pilots in solo and dual flight operations, in fixed and/or rotary wing aircraft, and such related ground school instruction as is necessary to prepare persons for taking a written examination and flight check for the category or categories of pilots' licenses and rating involved.

Minimum Standards.

The Service Provider shall obtain and maintain an FAA certificate as applicable to its operation. The Service Provider shall own or lease and have available for use in flight training at least one properly certified aircraft appropriate to the type of flight instruction offered. The Service Provider shall have appropriate training equipment and instructional materials to provide proper and effective flight training, including adequate mock-ups, pictures, slides, films or other visual aids. All equipment and materials must comply with applicable FAA requirements for the training offered.

Minimum Space Requirements.

The Service Provider shall lease or sublease (a) a sufficient amount of hangar or tie-down space for all aircraft used for flight instruction at the Airport, (b) air conditioned space for classroom, office, briefing room, restrooms, and telephone facilities for customer use.

Minimum Liability Insurance Requirements.

a) Commercial General Liability Insurance with a minimum bodily Injury and property damage per occurrence limit of \$1,000,000 for coverage A (Bodily Injury and Property Damage) and coverage B (Personal and Advertising Injury); and \$1,000,000 product/completed operations limit of liability.

The policy shall contain:

- 1) Independent Contractors Coverage
- 2) Blanket contractual liability coverage for liability assumed under the Lease
- 3) Medical expense coverage with a limit of \$5,000 any one person
- 4) Ground Hangarkeepers Liability with a limit of \$1,000,000
- 5) Town of Addison and its manager listed as additional insured

- 6) Thirty (30) day Notice of Cancellation in favor of the Town of Addison
- 7) Waiver of Transfer of Right of Recovery Against Others in favor of the Town of Addison

b) If Service Provider operates any motor vehicle on the airside of the Airport, Business Automobile Liability Insurance for all owned, non-owned and hired vehicles with a minimum combined single limit of \$1,000,000 for bodily injury and property damage.

The policy shall contain:

- 1) Town of Addison and its manager named as additional insured
- 2) Thirty (30) day Notice of Cancellation in favor of the Town of Addison

c) Aircraft Liability Insurance for all Service Provider owned or operated aircraft with a minimum bodily injury and property damage per occurrence limit of \$1,000,000 for coverage Bodily Injury and Property Damage, and \$1,000,000 for Personal and Advertising Injury.

The policy shall contain:

- 1) Contractual liability coverage for liability assumed under the Lease
- 2) Town of Addison and its manager as additional insured
- 3) Thirty (30) day Notice of Cancellation in favor of the Town
- 4) Non-owned aircraft liability with a minimum limit of \$1,000,000