



Phoenix-Mesa Gateway Airport Authority
Mesa, Arizona

Airport Minimum Standards



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CHAPTER I INTRODUCTION

1.1 Policy.

1.1.1 The Phoenix-Mesa Gateway Airport Authority (PMGAA), a joint powers airport authority authorized by the Arizona Revised Statutes, being the owner, operator and sponsor of the Phoenix-Mesa Gateway Airport (“Airport”), an FAA-designated commercial service airport generally located at the intersection of Ray Road and Sossaman Road, City of Mesa, Maricopa County, Arizona, does hereby establish these AIRPORT MINIMUM STANDARDS (“STANDARDS”) to encourage, promote, and ensure:

- ➔ The delivery of high-quality products and services to Airport users;
- ➔ The design, development, and operation of quality improvements and facilities at the Airport;
- ➔ Safety and security for Airport tenants, users, and the general public;
- ➔ The economic health of Airport businesses; and
- ➔ The orderly, long-term development of Airport property.

1.1.2 These STANDARDS supersede and replace the Phoenix-Mesa Gateway Airport Minimum Standards dated April 19, 2016.

1.2 Applicability.

1.2.1 These STANDARDS define the threshold entry requirements for any and all persons and business entities desiring to provide commercial aeronautical services to the public and/or participate in commercial aeronautical activities at and on the Airport. Their uniform application relates primarily to the public interest, discouraging substandard entrepreneurs, protecting established aeronautical activity at the Airport and safeguarding the interests of Airport users and patrons.

1.2.2 Except as otherwise provided herein, all commercial aeronautical services permitted by and conducted in accordance with these STANDARDS shall not convey an exclusive right to any operator to provide such service(s).

1.2.3 These STANDARDS do not apply to PMGAA or certified air carriers operating from the Airport in accordance with 14 CFR Part 121, or foreign air carriers under 14 CFR Part 129. In addition, these STANDARDS do not apply to: (i) operators acting only as off-Airport suppliers of wholesale goods to Airport-based operators or tenants; (ii) persons or other entities providing individual initial and/or recurrent flight training to aircraft owners using said owner’s own aircraft; or (iii) operators providing commodities and services within the Airport commercial passenger terminal area under written agreement (“Agreement”) with PMGAA. However, all such suppliers and flight training operators are subject to the *Airport Rules and Regulations* at all times while on Airport property, and flight training operators shall, in addition, comply fully with the applicable provisions of 14 CFR Part 61, 141 and/or 142, and all other applicable laws and regulations.

1.2.4 Any activities for which there are no specific minimum standards set forth herein shall be subject to such standards, requirements, and provisions as are developed and/or negotiated by PMGAA on a case-by-case basis, and are set forth in such operator’s written Agreement with PMGAA or other applicable policies adopted by PMGAA.

1.2.5 In the event of conflict between these STANDARDS and the *Airport Rules and Regulations*, the applicable provisions of the *Airport Rules and Regulations* shall apply.

1.3 Grounds for Denial.

Any application for an Agreement with PMGAA to engage in commercial aeronautical activity at the Airport that does not meet the intent of all qualifications, standards and requirements established by PMGAA in these STANDARDS is subject to denial, as provided herein.

1.4 Waiver of Standards.

The PMGAA Executive Director may, at his or her sole and absolute discretion, waive any or all provisions of these STANDARDS for the benefit of any government or governmental agency performing non-profit public services to the aviation industry, or performing fire prevention, firefighting or rescue operations. The Executive Director may further temporarily waive any of these STANDARDS for other applicants when such waiver is deemed to be in the best interests of safety and security of Airport operations, offer significant community benefit, promote the economic viability of the Airport and not be in violation of any Federal, state or other law, statute, ordinance, rule, regulation or PMGAA grant assurance to the FAA.

1.5 Prohibited Activities.

In the interest of aviation safety relating to dissimilar (in size, speed and capability) aircraft traffic operations at the Airport, individuals or businesses operating ultra-light aircraft, hot air balloons, or unmanned aircraft (UAS)/drones shall not be permitted to use the Airport as a base of operations without prior written approval from Executive Director or his/her designee. Further, and to avoid potential encumbrances upon Airport property and limitations on its ability to satisfy its Federal obligations, PMGAA prohibits through-the-fence operations from adjacent Airport property.

1.6 Amendments.

Amendments to these STANDARDS shall be proposed by the Executive Director for consideration by the PMGAA Board of Directors for adoption. Such amendments shall become effective upon Board approval or as indicated in the resolution or motion of approval.

1.7 STANDARDS Review and Update Policy.

These STANDARDS may be reviewed by the Executive Director periodically and updated or amended (the latter as provided in SECTION 1.6 herein), as necessary, to ensure the original objectives upon which the STANDARDS are based remain consistent with Airport practices. Further, such reviews and any resulting updates or amendments shall ensure these STANDARDS promote equal opportunity and fair competition at the Airport.

1.8 Existing Operators.

Operators existing and providing services at or on the Airport as of the date of these STANDARDS who do not meet all standards and requirements specified herein shall be considered non-conforming. All such non-conforming operators shall correct any and all deficiencies and return to conformance upon the occurrence of any of the following: (i) a change to an existing Agreement, including amendment, assignment, renewal or expiration; or (ii) a change in majority ownership (51 percent or more) of the operator's business.

CHAPTER II DEFINITIONS

The terms used herein, whether or not capitalized, shall be given the meaning specified below and are considered supplemental to other definitions and terms contained in the *Airport Rules and Regulations*.

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

Agreement – a written contract, lease, permit, license, or other similar document executed by and between PMGAA and an operator specifying the terms and conditions under which the operator may conduct business activities at the Airport, and which recites or specifies the terms and conditions under which such activities may be conducted, including but not limited to, the agreement term, rents, fees, and other charges to be paid, and the rights and obligations of the respective parties.

Aircraft Charter or Air Taxi – the commercial air transport of persons or property under the provisions of 14 CFR Parts 91 or 135, either on an exclusive contract basis or as a non-exclusive air taxi operator.

Aircraft Owner – a person or other such entity holding legal title to an aircraft, or having rights to exclusive possession of an aircraft via lease or other instrument.

Aircraft Painting and Interior Refurbishment – all commercial activities required for and related to the painting of aircraft exteriors, and to the functional and/or cosmetic replacement or reconditioning of aircraft cabin interiors, fixtures, etc. Such activities do not include those other activities more commonly associated with airframe and power plant maintenance, as defined in 14 CFR Part 43 and elsewhere in these STANDARDS.

Aircraft Rental – the commercial rental or lease of aircraft (fixed and rotary wing) to the public for compensation, for a defined period of time.

Aircraft Sales – the commercial sale of new or used fixed and/or rotary wing aircraft through brokerage, ownership, franchise, distributorship or licensed dealership.

Aircraft Storage – refers to the commercial rental or lease of aircraft storage facilities within an operator's owned or leased hangars, or at outdoor tie-down locations within the operator's leasehold area. Such services are provided per written agreement between the operator and aircraft owner.

Airframe and Power Plant Maintenance – the provision of major aircraft maintenance services for fixed and/or rotary wing aircraft, including those services involving the repair, maintenance, inspection, construction, and modification and/or alteration of/to aircraft, aircraft engines, propellers, and accessories, and the removal of engines for major overhaul as defined in 14 CFR Part 43. This service category also includes the sale of aircraft parts and accessories. It pertains only to the provision of such services for aircraft not owned, leased or operated by, or under the full and exclusive control of, the operator. This term is applicable to organizations commonly referred to as “maintenance, repair and overhaul” (MRO) operators or organizations and aircraft manufacturer service centers.

Airframe and Power Plant (A&P) Mechanic – a person holding an aircraft mechanic certificate with both airframe and power plant ratings, as authorized and described in 14 CFR Part 65.

Airport – Phoenix-Mesa Gateway Airport, including all PMGAA-owned or leased real or personal property, buildings, facilities and improvements within the boundaries thereof, as it presently exists or as it may exist when it is hereafter modified, expanded or developed, and including all facilities depicted on the most current *Airport Layout Plan*.

Airport Layout Plan (ALP) – the current, FAA-approved depiction of the physical layout of the Airport, including the location and configuration of runways, taxiways, buildings, roadways, utilities, navigational aids, etc.

Aviation Shop Repair Service – the fee-for-service operation of a single or combined FAA-certified shop or shops for the repair, service, replacement, or refurbishment of aircraft radios, propellers, instruments, and accessories for general aviation aircraft, including those items described in 14 CFR Part 43, Appendix A (e.g., aircraft radios, electrical systems, or instruments). Also includes the sale of new and/or used aircraft radios, propellers, instruments, and accessories.

Based Aircraft – an aircraft which the owner or lessee physically locates at the Airport for an undetermined period and, whenever absent from the Airport, its owner or lessee intends to return the aircraft to the Airport for long-term storage on a permanent or semi-permanent basis.

Commercial Aeronautical Activity – the conduct of any aspect of an aeronautical activity business, concession, operation, or agency providing goods and services to any person for compensation or hire, including an exchange of services, whether or not such objectives are accomplished. An activity is considered commercial regardless of whether it is performed for-profit or as non-profit, charitable, or tax exempt.

Commercial Operator – a person, firm, corporation, or other entity (“operator”) 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, the purpose of such activity being to generate and/or secure earnings, income, compensation, and/or profit, whether or not such objectives are accomplished.

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, and permit, or by the imposition of unreasonable standards or requirements, or by any other means.

Fixed Base Operator (FBO) – a full-service Commercial Operator authorized and engaging in activities such as aircraft fueling, aircraft maintenance, and other aircraft-related services.

Flying Club – a non-commercial and non-profit entity organized for the purpose of providing its members with any number of aircraft for their personal use and enjoyment. Aircraft must be vested in the name of the flying club owners on a pro-rata share basis and the club may not derive greater revenue from the use of the aircraft than the cost to operate, maintain, and replace such aircraft.

Fuel Handling or Fueling – 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 and/or authorized temporarily or permanently by the PMGAA Executive Director as an area in which aviation fuel, 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.

Limited and Miscellaneous Aircraft Service and Support – a Commercial Operator authorized to offer and/or perform one or more of the following limited or miscellaneous activities at or on the Airport: (i) limited aircraft, engine or accessory maintenance, cleaning (including appearance services) or component repair; (ii) aviation ground school instruction and flight simulator training; (iii) charter flight coordination; (iv) aircraft and/or aircrew management; (v) aircraft ground handling (above-and/or below-wing); and (vi) other miscellaneous activities directly related to aircraft service and support not specified elsewhere in these STANDARDS. The term “limited” refers only to aircraft, engine and accessory maintenance activities that may be permitted only in the absence of an appropriate Airframe and Power Plant Maintenance and/or Aviation Shop Repair Service presence on the Airport that is in full compliance with these STANDARDS.

Pilot Flight Training – the provision of personal instruction of prospective and active pilots in dual and solo flight, in fixed or rotary wing aircraft, including related ground school instruction, as necessary to complete an FAA-written pilot’s examination and flight check ride for various categories of pilots’

licenses and ratings. Said activities are performed in accordance with 14 CFR Part 61, 14 CFR Part 141 and/or 14 CFR Part 142.

Preventive Aircraft Maintenance – maintenance that is not considered a major aircraft alteration or repair and does not involve complex assembly operations, as listed in 14 CFR Part 43, except for Item 22. Item 22 involves the replacement of prefabricated fuel lines and shall, for purposes of these STANDARDS, be considered a “major” aircraft repair.

Self-Fueling – the dispensing of aviation fuels into fuel tanks of aircraft that are owned or operated by an authorized Airport tenant or based aircraft owner, using the tenant’s/owner’s equipment and employees.

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

Self-Service Fueling – the dispensing of aviation fuel into fuel tanks of aircraft by the operator of that aircraft using dispensing equipment contained in fixed cabinets that are owned and made available by an authorized Airport tenant within their leasehold area; also, 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 using this type of equipment to provide fuel for sale or reuse.

Specialized Aviation Service Operator (SASO) – a Commercial Operator maintaining facilities or a physical presence on the Airport for the purpose of providing one or more of the following: (i) aircraft charter or air taxi, including air ambulance and aeromedical evacuation services; (ii) aircraft painting and refurbishment; (iii) aircraft rental; (iv) aircraft sales; (v) aircraft storage; (vi) airframe and power plant maintenance; (vii) aviation shop repair services; and (viii) pilot flight training.

Specialized Commercial Flying Service – a Commercial Operator authorized to engage in air transportation for hire for the purpose of providing the use of aircraft for one or more specialized activities, including but not limited to (i) non-stop sightseeing flights that begin and end at the same airport; (ii) crop dusting, seeding, spraying and bird chasing; (iii) banner towing and aerial advertising; (iv) aerial photography or survey; (v) power line, cable or pipeline patrol; (vi) firefighting; (vii) aerial dispersal of chemicals, dispersants, retardants, etc.; (viii) helicopter operations in support of construction or repair work; and (ix) any other activities directly related to air transportation services for hire that not specified elsewhere in these STANDARDS.

Sublease – a written agreement, approved by PMGAA, stating the terms and conditions upon which a third-party operator leases space from an Airport leaseholder.

UAV/UAS/Drone – an unmanned aerial vehicle (UAV), commonly known as a drone, or an unmanned aircraft system (UAS), and also referred by several other names, is an aircraft without a human pilot aboard.

CHAPTER III APPLICATION PROCEDURES**3.1 Application Preparation and Submission.**

3.1.1 All prospective operators desiring to conduct or participate in Commercial Aeronautical Activity at or on the Airport shall complete a PMGAA Agreement Application (or adhere to all Request for Proposal (RFP) instructions, if an opportunity is being competitively bid) and enter into an appropriate Agreement with PMGAA prior to advertising or conducting any such activities at or on the Airport. An application may be downloaded and completed via the Airport website, www.gatewayairport.com, or obtained at the Airport Administrative Offices, 5835 S. Sossaman Road, Mesa, Arizona 85212. Information contained in and submitted with this application must include:

- a. Name(s) and contact information (e.g., mailing addresses, telephone numbers, email addresses) for all parties whose names may appear on agreements or other documents as being a partner, director or corporate officer.
- b. The proposed nature and scope of the applicant's business.
- c. Current financial information.
 - (1) *For existing companies:* Current audited financial statements. If such statements are over six months old, the operator shall provide those audited statements and include a certified statement from a corporate officer that there have been no material changes in the business' reporting, operations, debt, and that there are no undisclosed legal matters. If the prospective operator has no audited statements (for whatever reason), the operator shall then provide three years of unaudited financial statements sufficient to demonstrate a financial capability commensurate to the activity or activities contemplated.
 - (2) *For new companies with an established parent:* An appropriate financial guarantee (with supporting financial statements) from the parent company.
 - (3) *For other new companies:* Sufficient financial information to demonstrate, as determined solely by PMGAA, the applicant's ability to sustain its proposed business activities for the first twelve months of operation at the Airport.
- d. Listing of assets owned, being purchased or leased that will be used on the Airport.
- e. For all limited liability and sole proprietorship business applicants, a listing of all business owners and written authorization to allow PMGAA and its Executive Director to obtain credit reports for each, if determined necessary by PMGAA.
- f. Proposed Airport location(s) of the business, including plans for any required or planned improvements.
- g. Names and qualifications of individuals who will manage the business.
- h. The number of persons to be employed at the beginning and through the proposed term of the operator's prospective agreement.
- i. The proposed hours of operation.
- j. Copies of FAA and other licenses and/or permits pertinent to the proposed business operation(s), including proof the applicant is authorized to conduct its proposed business activities within the State of Arizona.
- k. Business and banking references.
- l. Certification that the applicant is in good standing with the FAA, PMGAA and all other pertinent regulatory agencies, meaning it has not had any authorizations, licenses

or permits revoked or suspended, or defaulted on any prior or present agreement with PMGAA or any other airport operator, within the previous five years.

- m. A listing of all other business locations operated by the applicant during the previous five years, including addresses and dates.

3.1.2 All applications are to be submitted, with the currently applicable processing fee and all information specified in the application and SECTION 3.1.1 above, to PMGAA at the following address:

**Phoenix-Mesa Gateway Airport Authority
Attn.: Business Development – Application Processing
5835 S. Sossaman Road
Mesa, Arizona 85212-0614**

Alternatively, if application is being made via an RFP submittal, applicants should submit completed responsive proposals to the address required by the RFP.

3.2 Application Review and Processing.

3.2.1 All submitted Agreement applications will be reviewed for completeness and compliance with these STANDARDS and Airport leasing policy by PMGAA staff, and a due diligence evaluation of the applicant's qualifications, experience, and capabilities performed. Normally, this process will take approximately 30 days.

3.2.2 Applications receiving a favorable PMGAA staff review will be followed by preparation of an Agreement Terms Summary that serves as the basis for negotiations between the parties regarding an Agreement that will enable the applicant to operate at and on the Airport. Mutual agreement of the terms and conditions of the Agreement Terms Summary will then lead to preparation of an initial draft of the appropriate Agreement. Once agreed by the parties, the final draft of the document will be forwarded to the PMGAA Executive Director for his/her approval and, if appropriate, subsequent submission to the PMGAA Board of Directors for their formal consideration.

3.2.3 Normal processing time from application receipt until consideration by PMGAA will be approximately two (2) to six (6) months, depending upon the complexity of the activities involved and the extent of negotiations leading to finalization of the Agreement.

3.3 Grounds for Denial of an Application.

Agreement Applications may be denied for any of the following reasons:

3.3.1 The applicant does not, for any reason, fully meet the qualifications, standards, and/or requirements established in these STANDARDS.

3.3.2 The applicant's proposed operation or construction would create, in the sole and absolute determination of PMGAA, a safety hazard on the Airport.

3.3.3 Approval of the application will require PMGAA to expend funds or supply labor or materials in connection with the proposed activity or operation that PMGAA is unable or unwilling to expend or supply, or the proposed activity or operation will result in a financial loss to PMGAA.

3.3.4 No appropriate, adequate, or available land, space, or building(s) exist at the Airport to accommodate the applicant's entire operation at the time of the application, and none is contemplated to be available within a reasonable period of time thereafter.

3.3.5 The proposed operation, development, or construction does not comply with PMGAA's FAA-approved *Airport Master Plan* or *Airport Layout Plan*.

3.3.6 A proposed operation, development, or construction will result in an undue concentration of aircraft or buildings in one or more contiguous location(s), or will result in undue interference with the operations of any present operator at the Airport, or limit access to a present operator's leased premises.

3.3.7 The applicant has intentionally or unintentionally misrepresented or omitted a material fact in the application or supporting documents, or has failed to make full disclosure therein.

3.3.8 The applicant, or any officer, director, key employee, or person having a controlling interest in the applicant, has a record of: (i) 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; (ii) defaulting in the performance of a lease, license, permit or similar agreement at the Airport, or at any airport; and (iii) having been convicted of any felony or misdemeanor involving moral turpitude.

3.3.9 The applicant, in the opinion of the Executive Director, has not provided verifiable evidence of adequate financial responsibility or does not exhibit the experience necessary to undertake the proposed operation or activity based on information provided with the application.

3.3.10 The applicant cannot provide the required performance and other bonds, security deposits, or other acceptable surety in the amount(s) required by PMGAA for the proposed operation, development, or construction.

3.4 Application Appeal Process.

Applicants shall be afforded an opportunity to appeal a denial of their application to PMGAA's Executive Director or Board of Directors (if appropriate), subject to the following stipulations:

3.4.1 Written notice of the appeal must be received by the Executive Director within ten business days of the date of receipt of formal notice of application denial. Such appeal notice shall include a detailed, factual basis for the appeal, the specific remedy sought or proposed, and an explanation concerning how approval of the applicant's appeal is in the best interests of PMGAA and the Airport.

3.4.2 The Executive Director shall render his/her decision in writing within 30 calendar days of the applicant's written notice.

3.4.3 The Executive Director may determine that the applicant's appeal should be heard and considered by the PMGAA Board of Directors. If so determined, the Executive Director will place the matter on the agenda of a Board meeting within 60 calendar days of the Executive Director's receipt of the appeal.

3.4.4 The decision of the Executive Director (or Board of Directors, as applicable) regarding any applicant appeal shall be considered final.

CHAPTER IV MINIMUM STANDARDS**4.1 Basic Requirements for All Operators.**

All operators engaging in commercial Aeronautical Activities at the Airport shall meet or exceed the requirements of this SECTION, the *Airport Rules and Regulations*, and any other minimum standards applicable to the operator's activities, as set forth in these STANDARDS.

4.1.1 Written Agreement.

- a. Before beginning or advertising operations at or on the Airport, prospective operators must enter into an appropriate written Agreement with PMGAA (or one pre-approved by PMGAA if subleasing space from another Airport tenant) that specifies the terms and conditions under which the operator will be permitted to do business, including but not limited to: (i) the agreement term; (ii) permitted uses (iii) the rentals, fees and charges to be paid; (iv) the rights, privileges and obligations of the respective parties; and (v) other relevant provisions. Such Agreement (or approved sublease) shall be consistent with these STANDARDS.
- b. Agreements shall not be considered executed and or in force until approved by the Board of Directors when required, and signed by the Executive Director.
- c. The term of an Agreement shall be mutually agreed upon by PMGAA and the operator, with due consideration given to the operator's financial investment and need to amortize leasehold improvements. Aeronautical land leases are limited to the minimum number of years necessary for the operator's investment amortization and receipt of a reasonable investment return, typically no more than 50 years. Land lease duration determinations will be guided by an operator's financial investment per acre, as well as Federal Aviation Administration (FAA) guidelines.
- d. If an operator desires to sublease space to another operator, or subcontract a function required by these STANDARDS, the operator must obtain advance written approval of the Executive Director to do so, and may, depending upon the activities conducted or service(s) provided, require such sub lessee or subcontractor to enter into a separate Agreement with PMGAA. In addition, the form and substance of all subleases also shall require advance written approval of the Executive Director prior to execution, and no sublease may deviate from the permitted use(s) authorized in the operator's original agreement with PMGAA.

4.1.2 Site/Premises Development Standards.

- a. *Location.* Operators shall be permitted to conduct commercial Aeronautical Activities only in areas of the Airport specified for such use in the *Airport Master Plan* and *Airport Layout Plan*, and as defined within the operator's Agreement.
- b. *Space Requirements.* The minimum space requirements specified for each activity elsewhere in this CHAPTER IV shall be satisfied. PMGAA will consider these requirements fulfilled in the case of duplications only for combined operations in a common location (e.g., a Pilot Flight Training Operator wishing to also provide Aircraft Rental services need only have one office, one set of restrooms, one customer lounge). 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 STANDARDS herein.
- c. *Airport Design Guidelines.* The construction of improvements and infrastructure on the Airport must be performed in accordance with PMGAA's *Design Guidelines* and plans approved by the City of Mesa ("City"), including all related and applicable statutes,

ordinances, building codes, rules and regulations of PMGAA, the City, the FAA, and other authorities having jurisdiction over the Airport, the premises, or the operator's activities. Operators are prohibited from constructing, installing, removing, or modifying any improvements on their premises without advance written approval of PMGAA's Executive Director and, if appropriate, PMGAA's Design Review Committee.

- d. *Bonds and Insurance.* Operators constructing improvements on leasehold premises valued at more than \$100,000 shall provide PMGAA, prior to commencement of construction of such improvements, a valid performance bond and/or payment bond, in an amount equal to the hard construction costs plus ten percent (10%), to guarantee successful completion of those improvements. Said bonds shall be maintained and kept in full force and effect until all work items previously approved by PMGAA are complete. In addition, operators shall carry appropriate commercial general liability and builder's risk insurance policies with levels of coverage as specified by the Executive Director throughout the improvement construction period.

4.1.3 Premises Maintenance Responsibility Standards.

Operators shall, at their sole cost and expense, maintain, repair, and keep in good condition all buildings, improvements, pavements, landscaping, lighting, and equipment on their premises, as specified by their Agreement.

4.1.4 Personnel Standards.

- a. Operators shall employ a qualified, competent, experienced, full-time on-site manager to supervise and direct the performance of the operator's activities at the Airport, and one or more qualified assistant managers to act for the manager in his or her absence. Operators also shall employ and have on-duty trained personnel in such numbers and with such certificates and ratings as are required to comply with all STANDARDS pertinent to the commercial Aeronautical Activities the operator has been authorized to perform, and satisfy all reasonable service requirements of Airport users and the public in an efficient, courteous, and high-quality manner.
- b. All operator personnel, while on duty at the Airport, shall be clean, neat in appearance, courteous, and properly uniformed and/or attired at all times. Uniforms shall be required for personnel other than management and administrative staff, and shall, at a minimum, identify the name of the operator and the employee, and such uniforms shall be clean, neat, professional in appearance, and properly maintained.

4.1.5 Security Standards.

- a. Operators shall designate responsible primary and secondary persons to serve as contact officials for the coordination of all security procedures and communications with PMGAA. Operators also shall specify and provide 24-hour telephone numbers for each contact person to the Executive Director, and keep any listing of such persons' names and other information current (with designated PMGAA officials) at all times.
- b. Operators shall adhere to PMGAA's *Airport Security Plan* pursuant to Transportation Security Administration ("TSA") requirements and 49 CFR Parts 1520, 1540 and 1542. Operators shall at all times comply with all *Airport Security Plan* provisions specified in their Agreement, and in applicable PMGAA security credentialing forms.

4.1.6 Insurance Standards.

- a. Operators shall satisfy all insurance requirements established by PMGAA, as specified herein and/or in each operator's Agreement throughout the term thereof. These requirements may vary among different types of operators, and may be periodically adjusted to ensure the interests of PMGAA and other Airport users and operators are adequately protected.
- b. Operators shall provide continuous proof of proper insurance meeting their Agreement requirements as a condition of operating at the Airport. All policies, except those for *Workers' Compensation* and *Employer's Liability* shall: (i) name PMGAA as a certificate holder or additional named insured; (ii) contain a provision that written notice of cancellation or modification thereof shall be given to PMGAA not less than 30 calendar days before such cancellation or modification takes effect (10 calendar days in case of nonpayment of premium); and (iii) contain a waiver of subrogation in favor of PMGAA. Operators shall not permit any insurance policy to be canceled or modified without the Executive Director's written consent unless equivalent replacement policies are issued with no lapse in coverage. All policies shall be obtained from insurance companies licensed to do business in the State of Arizona and possessing a rating of at least A – VII or higher from the A.M. Best Company, or an equivalent rating approved by PMGAA.

4.1.7 Indemnification Standards.

Operators shall, in all agreements, defend, indemnify and hold harmless PMGAA, including its member governments, elected or appointed officials, agents, contractors, subcontractors, boards, commissions, and employees for, from, and against any and all claims, causes of action, liability, suits, litigation (including reasonable attorney's fees and other costs of investigation and litigation), actions, losses, damages, or claims of any nature whatsoever which arise out of the operator's use of and activities at the Airport, to the maximum extent permitted by law. This indemnification shall exclude responsibility for any consequential damages and/or claims arising by reason of the negligent or wrongful act of PMGAA or its employees, contractors, or agents.

4.1.8 Nondiscrimination Standards.

Operators shall maintain and operate their facilities and services in compliance with all requirements imposed pursuant to 49 CFR Part 21, *Nondiscrimination in Federally Assisted Programs of the Department of Transportation*, as it may be amended. In addition, operators shall:

- a. Ensure that: (i) no person is excluded from participation, denied benefits, or otherwise subjected to discrimination on the grounds of race, color, creed, disability, age, sex, or national origin; (ii) in the construction of any improvements on, over, or under the operator's premises and the furnishing of services thereon, no person shall be excluded from participation, denied benefits, or otherwise subjected to discrimination on the grounds of race, color, or national origin; and (iii) all commercial aeronautical business activities are conducted in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, as it may be amended.
- b. Comply with pertinent statutes, Executive Orders, and rules promulgated to assure that no person shall on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in the operator's business.
- c. In furnishing services to the public, not discriminate against any person or class of persons by reason of race, color, creed, or national origin, and shall otherwise provide such services on a fair, equal, and not unjustly discriminatory basis to all users thereof.

- d. Charge fair, reasonable, and not unjustly discriminatory prices for each unit of service, notwithstanding the operator's right to offer reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to returning, frequent, or volume customers.

4.1.9 Environmental Compliance Standards.

Operators shall, at each operator's own expense, comply with all present and hereinafter enacted environmental laws, rules and regulations, and any amendments thereto, affecting or applying to the operator's activities at or on the Airport.

4.1.10 Professional Certification Standards.

Operators shall obtain and maintain in full force and affect throughout their Agreement term all FAA and other certificates and licenses necessary for the work being performed at the Airport, and provide copies of such certificates and licenses to the Executive Director upon request.

4.1.11 AOA Motor Vehicle Operation Standards.

Operators shall control the on-Airport transportation of pilots and passengers of transient general aviation aircraft using the operator's facilities and services. Customer motor vehicles are not generally permitted within the Airport Air Operations Area (AOA) unless under escort by an appropriately trained and credentialed operator employee in an appropriately marked vehicle. All such operations shall, however, be governed by the *Airport Rules and Regulations* and *Airport Security Plan*.

4.2 **Additional Requirements for Fixed Base Operators (FBO).**

At present, PMGAA has elected to exercise its exclusive and proprietary right, pursuant to FAA Advisory Circular 150 5190-6, *Exclusive Rights at Federally Obligated Airports*, to serve as the sole FBO at the Airport, including serving as the Airport's sole commercial aircraft fuel service provider. As a result, no other FBO operators are permitted to operate at or on the Airport at this time. However, should this policy change, Operators seeking to provide FBO services at the Airport shall, in addition to the Basic Requirements for All Operators specified in CHAPTER IV, Section 4.1, satisfy the additional requirements and standards specified herein.

4.2.1 Services and Equipment Standards.

Operators shall provide the following minimum services and related equipment:

a. *Aircraft Fuel Servicing.*

- (1) Operators shall provide into-plane retail delivery of a recognized brand of aviation fuel, including Jet-A turbine fuel and aviation gasoline (AvGas 100LL - or such other fuel that may be developed for the operation of piston engine aircraft), and provide motor oils and lubricants appropriate to general aviation aircraft normally operating to and from the Airport.
- (2) Minimum FBO fueling equipment shall include not less than two (2) Jet-A refueling vehicle/trucks, each with a capacity of not less than 3,000 gallons, and two (2) AvGas 100LL refueling vehicles/trucks, each with a capacity of not less than 750 gallons. Operators shall be permitted to have only one (1) operable vehicle of each type if they have a written agreement with another FBO operator at the Airport to support Jet-A turbine fuel and AvGas 100LL fueling requirements at times when an operator's fuel service vehicle/truck is unavailable or unable to satisfy customer requirements in a timely manner. All refueling vehicles shall be equipped with calibrated and operable metering devices, bottom-loaded and fully compliant with National Fire Protection Association (NFPA), PMGAA and other pertinent regulatory directives.

- (3) Aircraft defueling and re-servicing equipment for both Jet-A and AvGas 100LL. Operators may incorporate this capability into its refueling vehicles/trucks, or provide for this service via separate defueling and re-servicing carts/equipment.
 - (4) The maximum allowable Operator response time to a customer aircraft fuel servicing request shall be fifteen (15) minutes.
- b. *Aircraft Line Services.* Operators shall provide:
- (1) Suitable hard surface aircraft parking, tie-down and hangar storage space, including appropriate restraining devices and wheel chocks, for the typical number and type of aircraft simultaneously using the FBO during peak periods, and adequate loading, unloading and towing equipment to safely and efficiently move aircraft and otherwise relocate aircraft should operational necessity and/or circumstances require.
 - (2) Passenger, flight crew and aircraft ground handling service amenities and support, including: (i) aircraft marshaling, towing and removal; (ii) baggage handling; and (iii) lavatory service.
 - (3) Other line services, including:
 - A. Aircraft battery charging.
 - B. Aircraft ground power capability (28-volt DC and 400-Hz AC), including at least one item of equipment capable of satisfying each requirement.
 - C. Courtesy transportation service (via not less than one motor vehicle capable of accommodating seven passengers plus baggage) for passengers and flight crews to and from destinations on the Airport and local area hotels and restaurants, and courtesy crew car service (via not less than one full-size car) for transient aircraft crewmember use when such crewmembers are not remaining overnight at the Airport.
 - D. Arranging passenger and flight crew ground transportation (limousine, taxi, shuttle, rental car, etc.).
 - E. Placing and delivering (to the aircraft, as required) aircraft catering orders.
 - F. Providing for fuel spill response, including having spill containment and clean-up supplies and equipment readily available for use.
 - G. Nitrogen and oxygen service.
- c. *Airframe and Power Plant Maintenance (SASO).* In providing this required service, an FBO shall comply with the applicable requirements specified in CHAPTERS 4.3.1 and 4.3.7 herein.
- d. *Additional Services.* Operators shall, in addition to the required services specified in a., b., and c. above, provide not less than two (2) of the following secondary or SASO activities, and satisfy the applicable minimum requirements specified elsewhere in this CHAPTER:
- A. Aircraft charter or air taxi;
 - B. Aircraft rental;
 - C. Aviation shop repair services; and/or
 - D. Aircraft storage.

- e. *Subcontracting.* Operators may provide any required SASO service using its own resources and personnel, or with the prior written consent of the Executive Director, it may provide such service through a subcontractor leasing space from the FBO in accordance with these STANDARDS and the terms and conditions of the FBO's Agreement applicable to subleasing. Operators shall remain primarily responsible for any service performed by a subcontractor, as well as the subcontractor's compliance with these STANDARDS.
- f. *Hours of Operation.*
 - (1) Operators shall offer its aircraft fuel servicing and lines services a minimum of sixteen (16) hours daily, seven (7) days per week, including holidays. The Executive Director may require the Operator to provide service on a twenty-four (24) hour basis, should aircraft traffic at the Airport require such. Operators shall have personnel available on an on-call basis at all times outside the Operator's regularly scheduled business hours for emergency services.
 - (2) Operators shall offer its SASO services a minimum of eight (8) hours daily, five (5) days per week, excluding holidays, and at other times when required by customer requirements and operational circumstances.

4.2.2 Premises and Facilities Standards.

- a. *Leased Premises.* The minimum amount of contiguous land to be leased by an Operator for FBO operations shall be five (5) acres.
- b. *Aircraft Parking.* Operators shall provide a minimum of 30,000 square feet of paved apron for aircraft parking and tie-down, and circulating taxi lanes around aircraft operating areas.
- c. *Aircraft Hangar(s).* Operators shall provide a minimum of 20,000 square feet of hangar space, including not less than 12,000 square feet dedicated to the storage of tenant and transient aircraft, and not less than 8,000 square feet dedicated to the provision of aircraft airframe and power plant maintenance services and spare parts storage. Excluding T-hangars, no individual Operator hangar shall be smaller in size than 10,000 square feet and must be capable of accommodating, at a minimum, FAA Airport Design Group II Aircraft.
- d. *Automobile Parking.* Operators shall provide sufficient paved and striped parking area within its leasehold premises to accommodate Operator and subtenant customers, passengers and employees on a daily basis. The minimum required number of marked automobile parking spaces provided shall be in accordance with City code.
- e. *Terminal, Office and Administrative Space.* Operators shall provide climate-controlled facilities within their leasehold premises that include not less than 5,000 square feet of floor space for operator offices, a flight planning area with access to current weather information and FAA flight plan filing services, a customer lounge and public waiting area, public restrooms and telephones, and an employee break room, restrooms and service response staging area(s). In addition, not less than 1,000 square feet of office and shop space shall be provided for aircraft airframe and power plant maintenance services, in either the Operator's terminal/main building or the hangar in which such services are provided.
- f. *Aviation Fuel Storage Facilities.*
 - (1) Operators shall construct, install and maintain an above-ground aviation fuel tank storage facility within the operator's leasehold area sufficient for the storage of not less than 25,000 gallons of Jet-A turbine fuel and 12,000 gallons

of aviation gasoline (AvGas 100LL). The use of fueling trucks or other vehicles for such storage shall not be permitted. Such construction, installation and maintenance may not be permitted by PMGAA unless the Operator's leasehold area can accommodate such without presenting a potential hazard to Airport users and other Operators, and such siting is consistent with the *Airport Layout Plan*. Facilities must be permitted in accordance with PMGAA Rules and Regulations.

- (2) In lieu of constructing, installing and maintaining the fuel storage facility specified in (1) above, Operators may make arrangements with other authorized FBO Operators on the Airport, or with PMGAA, for the storage and/or purchase of fuel, provided the minimum requirements set forth herein are satisfied.
- (3) Operators shall demonstrate that satisfactory arrangements have been made with a reputable aviation petroleum/fuel supplier/distributor for the delivery of aviation fuels in quantities necessary to satisfy customer demand and the requirements herein.

- g. *Other Service Facilities.* Depending upon which additional SASO activities the FBO operator chooses to undertake, said operator shall comply with the applicable additional requirements specified in this CHAPTER for such activities.

4.2.3 Agreement Term Standards.

The term of an Operator's Agreement shall be not less than five (5) years and no longer than twenty-five (25) years, unless the Operator can demonstrate to the Executive Director that a longer term is necessary to finance and construct improvements on the premises that would be necessary to enable the business to operate in compliance with these STANDARDS. In no event, however, shall the term of any FBO Operator lease exceed forty (40) years.

4.2.4 Prior Experience Standards.

Operators shall possess and demonstrate a minimum of five (5) years' experience in operating a full-service FBO facility at another airport similar in levels and type of service proposed at the Airport, and similar to the types and quantity of air traffic occurring at said airport.

4.2.5 Insurance Standards.

In addition to satisfying the provisions of CHAPTER 4.1.6 hereinabove, Operators shall purchase and maintain, at the Operator's own expense, the types and amounts of insurance coverage specified below and sustain such throughout the term of their agreement. Should coverage requirements be less than those specified for SASO or other services performed by the Operator, the higher coverage requirement shall always apply.

- a. If operating aircraft, *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).
- b. *Airport Premises Liability* insurance in the amount of \$10,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor" and "blanket contractual liabilities."
- c. *Business Interruption* insurance in an amount equal to 12 months' loss of Operator income for operations/activities occurring on or at the Airport due to fire or other catastrophe; optional *Extra Expense* coverage also is recommended (but not required)

to facilitate covering expenses beyond normal operating expenses that might otherwise preclude the business from shutting down during post-disaster restoration.

- d. *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence, covering all owned, non-owned and hire vehicles operated on the Airport that are assigned to or used in the performance of “commercial” activities, or are operated within the AOA; an *MSC 90 Endorsement* also is required due to the operator’s aircraft fuel service activities.
- e. *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$2,000,000 per occurrence, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed or maintained on the Airport, and including expenses for defense, release mitigation and off- and on-site remediation.
- f. *Hangarkeeper’s Liability* insurance in the amount of \$5,000,000 (or the value of the largest aircraft that may be in the custody and/or control of the Operator, if greater) per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise in the care, custody or exclusive control of the Operator on the Airport; coverage may be “ground” (if no test flying or other related airborne/aircraft-powered operations (e.g., ferrying, ground taxiing) are conducted) or “air,” and is required anytime aircraft are “moved” by the insured, irrespective of whether or not a physical hangar facility is involved.
- g. *Property* insurance in an amount equal to the full insurable value of the Operator’s essential personal property and all improvements made to buildings or facilities on the Operator’s premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- h. *Workers’ Compensation* and *Employer’s Liability* insurance, the former in amounts specified by-law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the Operator’s employees and others permitted to conduct commercial aeronautical activities on the Operator’s premises.

4.3 Additional Requirements for Specialized Aviation Service Operators (SASO).

4.3.1 General.

- a. SASOs providing one or more of the services specified in this SECTION 4.3 shall, in addition to the Basic Standards included in this CHAPTER IV, satisfy the minimum additional requirements and standards pertinent to those services as defined herein.
- b. The term of a SASO agreement with PMGAA shall be not less than two years and no longer than ten (10) years, unless the operator can demonstrate to PMGAA that a longer term is necessary to finance and construct improvements on the premises that would be necessary to enable the business to operate in compliance with these STANDARDS. In no event, however, shall the term of any SASO agreement exceed 40 years.
- c. If a SASO is not leasing facilities or land from PMGAA:
 - (1) And the SASO desires to sublease facilities and/or land from another Airport tenant, such operator may only do so if that tenant’s Agreement with PMGAA will permit the conduct of the specific SASO operation(s) on the tenant’s

leasehold premises, and the tenant has received advance written approval from the Executive Director therefor.

- (2) And the SASO does not lease facilities and/or land at the Airport, such operator may be required to obtain a permit or conclude such other Agreement with PMGAA that mandates operator compliance with the *Airport Rules and Regulations* and these STANDARDS. Such Agreement may require the payment of fees to PMGAA as a prior condition of granting authorization for the privilege of operating at or on the Airport.

4.3.2 Aircraft Charter or Air Taxi Operator.

a. *Operating Standards.*

- (1) Operators shall hold a current operating certificate as may be required and issued by the FAA under the provisions of 14 CFR Parts 91, 125 or 135, as well as all appropriate pilot ratings and licenses for the services to be provided at the Airport.
- (2) Operators shall own, lease, or have available under their exclusive control not less than one (1) airworthy, US-registered, civil aircraft that meets all requirements authorized in the certificate holder's operations specifications pertinent to the activities to be conducted at and on the Airport, and is capable of flight in instrument meteorological conditions.
- (3) Operators shall have available and on-duty sufficient trained personnel for checking in and ticketing passengers, handling luggage, providing service quotes, and customer services to customers, and scheduling and dispatching aircraft and aircrews to satisfy customer requirements.
- (4) Operators shall operate a minimum of eight (8) hours per day, five (5) days per week, and at other times sufficient to satisfy public demand for its services. During other periods, operators shall provide customers a means for after-hours contact and be capable of responding to a customer air transport request within four (4) hours.

b. *Premises and Facilities Standards.* Operators shall lease from PMGAA (or otherwise make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct its business activities and satisfy the requirements specified below.

- (1) Not less than 400 square feet of properly lighted, heated, and cooled business office space and a customer lounge/waiting area that affords direct access to individual sanitary restrooms for customers and employees, and provides other suitable employee/customer amenities.
- (2) Paved aircraft apron or hangar space sufficient to park and maneuver the operator's aircraft.
- (3) A sufficient number of motor vehicle parking spaces to accommodate daily customer and employee parking requirements, and satisfy applicable City code specifications.

c. *Prior Experience Standards.* Operators shall possess and demonstrate experience providing the services specified in this CHAPTER 4.3.2.

d. *Insurance Standards.*

- (1) *Aircraft Liability* insurance in the amount of \$25,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).
- (2) *Airport Premises Liability* insurance in the amount of \$25,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for “premises/operations,” “products and completed operations,” “professional,” “host liquor,” and “blanket contractual liabilities.”
- (3) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of “commercial” activities, or are operated within the AOA. An *MSC 90 Endorsement* is required if the operator is self-fueling.
- (4) If self-maintaining and/or self-fueling aircraft, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$2,000,000 per occurrence, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment, and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation and off- and on-site remediation.
- (5) *Property* insurance in an amount equal to the full insurable value of the operator’s essential personal property and all improvements made to buildings or facilities within the operator’s premises, if any, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- (6) *Workers’ Compensation* and *Employer’s Liability* insurance, the former in amounts specified by law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the operator’s employees and others permitted to conduct business activities on the operator’s premises.

4.3.3 Aircraft Painting and Refurbishment Operator.a. *Operating Standards.*

- (1) Operators shall obtain and maintain an Air Quality Permit from the Maricopa County Air Quality Department and shall acquire and maintain any applicable certifications and ratings specified by pertinent Federal, state, or local laws, ordinances, and rules and regulations.
- (2) Operators shall possess and maintain all equipment and supplies necessary to operate its business at the Airport.
- (3) Operators shall operate a minimum of eight (8) hours per day, five (5) days per week, and at other times sufficient to satisfy public demand for its services.

- b. *Premises and Facilities Standards.* Operators shall lease from PMGAA (or otherwise make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct business activities and satisfy the requirements specified below.

- (1) Not less than 2,000 square feet of properly lighted, heated, and cooled shop, storage, and office space, including a customer waiting or lounge area with access to sanitary customer restrooms, employee restrooms, and other required amenities.
 - (2) A separate aircraft and component painting shop sized to accommodate the largest aircraft for which the operator plans to provide painting services, and compliant with all applicable safety, air quality, and environmental requirements.
 - (3) If refurbishing aircraft interiors, an aircraft hangar sized to accommodate the largest customer aircraft the operator plans to service.
 - (4) Sufficient paved aircraft parking apron to accommodate all customer aircraft the operator is capable of servicing at one time, including aircraft circulation space, but not less than the square footage equal to 150 percent of the total paint shop and refurbishment hangar floor area.
 - (5) A sufficient number of motor vehicle parking spaces to accommodate daily customer and employee parking requirements, and satisfy applicable City code specifications.
- c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of three (3) years of experience providing the services specified in this CHAPTER 4.3.3.
- d. *Insurance Standards.*
- (1) *Airport Premises Liability* insurance in the amount of \$3,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for “premises/operations,” “products and completed operations,” “professional,” “host liquor,” and “blanket contractual liabilities.”
 - (2) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$1,000,000 per occurrence, covering all owned, non-owned, and hire vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
 - (3) *Environmental Impairment Liability (or Pollution Legal Liability)* insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed or maintained on the Airport, and including expenses for defense, release mitigation and off- and on-site remediation.
 - (4) *Hangarkeeper’s Liability* insurance in the amount of \$3,000,000 (or the value of the largest aircraft that may be in the operator’s custody and/or control, whichever is greater) per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise in the care, custody or exclusive control of the insured on the Airport. “Ground” coverage is required.
 - (5) *Property* insurance in an amount equal to the full insurable value of the operator’s essential personal property and all improvements made to buildings or facilities within the operator’s premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
 - (6) *Workers’ Compensation and Employer’s Liability* insurance, the former in amounts specified by law and the latter in the amount of \$500,000 per occurrence,

covering work-related injuries to the operator's employees and others permitted to conduct business activities on the operator's premises.

4.3.4 Aircraft Rental Operator.

- a. *Operating Standards.*
 - (1) Operators shall own, or possess under written lease to the operator, and have available for rental a sufficient number of airworthy aircraft, but not less than two fixed and/or rotary wing aircraft, that are properly certificated to handle the proposed scope of the operator's activities on the Airport.
 - (2) Operators shall employ and have on-duty during normal business hours at least one (1) person having a current FAA pilot's license appropriate for each aircraft model offered for rent, and who is capable of performing a customer aircraft proficiency flight check when required.
 - (3) Operators shall develop and implement written policies to ensure that only properly qualified and licensed persons are permitted to rent aircraft, and shall make such policies available to the Executive Director and/or his designated representative for inspection upon request.
 - (4) Operators shall operate their business during hours sufficient to satisfy public demand for services, but not less than eight (8) hours daily, six (6) days per week, excluding holidays.
- b. *Premises and Facilities Standards.* Operators shall lease from PMGAA (or otherwise make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct its business activities and satisfy the requirements specified below.
 - (1) If constructing facilities on the Airport, not less than one-half acre of contiguous land sufficient to accommodate the operator's business activities thereon, including the facilities specified below.
 - (2) Not less than 250 square feet of properly lighted, heated and cooled office and administrative space with access to a customer lounge/waiting area, and sanitary restrooms.
 - (3) A customer lounge/waiting area of not less than 200 square feet, with direct access to sanitary restrooms and other pertinent amenities.
 - (4) Paved aircraft apron and/or hangar space sufficient to park, tie-down and maneuver a minimum of two small aircraft, but not less than 5,000 square feet.
 - (5) Sufficient motor vehicle parking area to accommodate operator's daily customer and employee requirements, and satisfy applicable City of Mesa code specifications.
- c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of two (2) years of experience providing the services specified in this CHAPTER 4.3.4.
- d. *Insurance Standards.*
 - (1) *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).

- (2) *Airport Premises Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for “premises/operations,” “products and completed operations,” “professional,” “host liquor” and “blanket contractual liabilities.”
- (3) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
- (4) If maintaining or self-fueling its own rental aircraft, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence, covering third-party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
- (5) *Property* insurance in an amount equal to the full insurable value of the operator’s essential personal property and all improvements made to buildings or facilities within the operator’s premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- (6) *Workers’ Compensation* and *Employer Liability* insurance, the former in amounts specified by-law and the latter in the amount of \$500,000 per occurrence, covering work-related injuries to the operator’s employees and others permitted to conduct business activities on the operator’s premises.

4.3.5 Aircraft Sales Operator.

a. *Operating Standards.*

- (1) Operators shall be properly bonded and licensed in accordance with applicable Federal, state and local laws, ordinances, and rules and regulations.
- (2) Operators offering new aircraft sales shall have available or on-call at least one (1) current model of an aircraft made by the manufacturer the operator represents, and provide for demonstrations of additional models of such manufacturer upon reasonable customer request. Operators offering used aircraft for sale shall retain all such aircraft in (at least) an on-call status, such that they may be made available to a customer within a reasonable period of time after a customer inquiry is made.
- (3) Operators shall have at least one (1) full-time, authorized agent available to customers during normal business hours, and at least one (1) certificated and duly licensed pilot with ratings appropriate for the type(s) of aircraft offered for sale in order to provide an appropriate demonstration of such aircraft.
- (4) Operators shall provide all parts, equipment and services required to repair and service aircraft sold by the operator during applicable warranty periods. Warranty services may be provided through written agreement with an Airframe and Power Plant Maintenance operator on the Airport.
- (5) Operators shall operate their business during hours sufficient to satisfy public demand for such services, but not less than four (4) hours per day, three (3) days per week.

- b. *Premises and Facilities Standards.* Operators shall lease from PMGAA (or otherwise make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct its business activities and satisfy the requirements specified below.
- (1) If constructing facilities on the Airport, not less than one-half acre of contiguous land sufficient to accommodate the operator's business activities thereon, including the facilities specified below.
 - (2) Not less than 200 square feet of properly lighted, heated, and cooled sales office and administrative space, including a customer waiting area with access to sanitary restrooms and other pertinent amenities.
 - (3) Paved aircraft apron and/or hangar space sufficient to accommodate a minimum of two (2) of the aircraft offered for sale.
 - (4) Sufficient motor vehicle parking area to accommodate operator's daily customer and employee parking requirements, and satisfy applicable City code specifications.
- c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of two (2) years of experience providing the services specified in this CHAPTER 4.3.5.
- d. *Insurance Standards.*
- (1) *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).
 - (2) *Airport Premises Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities."
 - (3) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
 - (4) If maintaining aircraft available for sale, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence, covering third-party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
 - (5) *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
 - (6) *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$500,000 per occurrence,

covering work-related injuries to the operator's employees and others permitted to conduct business operations on the operator's premises.

4.3.6 Aircraft Storage Operator.

a. *Operating Standards.*

- (1) Operators shall have at least one (1) full-time, authorized agent available to customers during normal business hours, either via telephone or at the operator's business office.
- (2) Operators shall develop a standardized rental or leasing format which shall be pre-approved in writing by the Executive Director prior to its use. Operators shall use this approved format for each aircraft storage rental, and provide copies of completed agreements to the Executive Director within 15 calendar days of execution.
- (3) Operators shall remain responsible for the conduct of all aircraft storage customers, and for such customers' strict compliance with the *Airport Rules and Regulations*.

b. *Premises and Facilities Standards.* Operators shall lease from PMGAA (or otherwise make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct business activities and satisfy the requirements specified below.

- (1) A business office, including restroom facilities, of such size and location as to enable customers to acquire information about aircraft storage availability, pricing and related information, and complete storage transactions. This business office need not be located at the Airport. However, providing such contiguous with or in close proximity to the operator's aircraft storage facilities is highly encouraged.
- (2) When offering facilities capable of storing FAA Category Group I aircraft, not less than one (1) or more hangars sized at a minimum of 1,500 square feet each and not less than a total of 2,250 square feet of paved apron for aircraft tie-down and/or circulation. Hangars shall possess a minimum depth of 40 feet. Hangars shall not be used for other than aircraft (and related equipment, supplies, etc.); except, however, that an aircraft owner may be permitted to park his or her motor vehicle therein when that owner's aircraft is on a flight away from the Airport.
- (3) When offering facilities capable of storing FAA Category Group II and larger aircraft, not less than one (1) or more hangars shall be sized at a minimum of 4,800 square feet each (or sized appropriate to the aircraft being stored), and not less than a total of 7,200 square feet of paved apron for aircraft tie-down and/or circulation. Hangars shall possess a minimum depth of 60 feet and allow for a minimum aircraft tail height of 17 feet. Hangars shall not be used for other than aircraft (and related equipment, supplies, etc.); except, however, that an aircraft owner may be permitted to park his or her motor vehicle therein when that owner's aircraft is on a flight away from the Airport.
- (4) For each hangar (or row of connected hangars), not less than one (1) common, unisex, handicap-accessible restroom.
- (5) Sufficient motor vehicle parking area to accommodate operator's daily customer and employee parking requirements that exceed those permissible under sections (2) and (3) above.

- c. *Prior Experience Standards.* Operators need not have direct experience operating an aircraft storage business. However, such operators shall possess and demonstrate a minimum of two (2) years of experience operating a successful small business enterprise within the past five (5) years.
- d. *Insurance Standards.*
 - (1) *Airport Premises Liability* insurance in the amount of \$3,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for “premises/operations,” “products and completed operations,” “professional,” “host liquor,” and “blanket contractual liabilities.”
 - (2) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$1,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
 - (3) *Hangarkeeper’s Liability* insurance in the amount of \$3,000,000 (or the value of the largest aircraft that may be in the operator’s custody and/or control, whichever is greater) per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise in the care, custody or exclusive control of the insured on the Airport. “Air” coverage is required.
 - (4) *Property* insurance in an amount equal to the full insurable value of the operator’s essential personal property and all improvements made to buildings or facilities within the operator’s premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
 - (5) *Workers’ Compensation* and *Employer’s Liability* insurance, the former in amounts specified by law and the latter in the amount of \$500,000 per occurrence, covering work-related injuries to the operator’s employees and others permitted to conduct business operations on the operator’s premises.

4.3.7 Airframe and Power Plant Maintenance Operator.

- a. *Operating Standards.*
 - (1) Operators shall hold or apply for repair station certification from the FAA under 14 CFR Part 145, and provide a true copy of such to the Executive Director when granted. Failure to obtain said certification within six months of application shall be considered a violation of these STANDARDS unless the operator can demonstrate such failure is attributable to FAA delays and not the operator. Once obtained, operators shall maintain such certification current at all times while operating at and on the Airport.
 - (2) Operators shall employ a sufficient number of FAA-certified personnel with airframe, power plant and/or inspector ratings to properly and safely perform all authorized activities, including at least one FAA-certified A&P Mechanic (or inspector) properly trained and qualified to perform aircraft maintenance on aircraft normally frequenting its business who shall be available and on-duty during normal business hours.
 - (3) Operators shall have all necessary tools, equipment, supplies, and parts necessary to perform and provide repair and maintenance services in accordance with manufacturer specifications and applicable FAA directives.

- (4) Operators shall operate a minimum of eight (8) hours per day, five (5) days per week, and at other times sufficient to satisfy reasonable public demand for services. During other periods, operators are encouraged (but not required) to provide their customers with on-call, 24-hour service to accommodate emergencies.
- b. *Premises and Facilities Standards.* Operators shall lease from PMGAA (or otherwise make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct its business activities as required by 14 CFR Part 145, 49 CFR 1554, and satisfy the requirements specified below.
- (1) If constructing facilities on the Airport, not less than one (1) acre of contiguous land sufficient to accommodate the operator's business activities thereon and including the facilities specified below.
 - (2) At least one aircraft hangar sized not less than 10,000 square feet and adequate for aircraft maintenance and repair, and parts and equipment storage.
 - (3) Not less than 300 square feet of office and administrative space, and 1,000 square feet of maintenance shop and personnel space, all properly lighted, heated and cooled, with access to a customer lounge and having independent customer and employee restrooms. The customer lounge/waiting area shall comprise not less than 200 square feet.
 - (4) Not less than 15,000 square feet of paved aircraft apron sufficient to accommodate parking and maneuvering of at least three FAA Category Group II aircraft (or 150% of actual hangar floor space, if greater). Also, a sufficient number of paved motor vehicle parking spaces to accommodate daily customer and employee parking requirements, and satisfy applicable City code specifications.
- c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of three (3) years of experience providing the services specified in this CHAPTER 4.3.7.
- d. *Insurance Standards.*
- (1) If test flying aircraft, *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third party liabilities arising from War Risk perils (e.g., acts of terrorism).
 - (2) *Airport Premises Liability* insurance in the amount of \$10,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities."
 - (3) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 combined single limit, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
 - (4) *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed, or maintained on the Airport,

and including expenses for defense, release mitigation, and off- and on-site remediation.

- (5) *Hangarkeeper's Liability* insurance in the amount of \$10,000,000 per occurrence (or the value of the largest aircraft operator can accommodate, whichever is greater), covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise in the operator's care, custody or exclusive control. Coverage may be "ground" (if no test flying or other related airborne/aircraft-powered operations (e.g., ferrying, ground taxiing) are conducted) or "air," and is required anytime aircraft are "moved" by the operator, irrespective of whether or not a physical hangar facility is involved.
- (6) *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, if any, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- (7) *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business activities on the operator's premises.

4.3.8 Aviation Shop Repair Services Operator.

a. *Operating Standards.*

- (1) Operators shall acquire and maintain, as necessary, FAA repair station certificates applicable to the activity or activities contemplated. Operators conducting avionics-related activities shall maintain current the qualifications of the applicable Class I and/or Class II FAA repair station.
- (2) Operators shall have in their employ and on-duty during required operating hours, sufficient trained personnel currently certificated by the FAA as radio, instrument or propeller repairmen, as appropriate, in such numbers as are required to satisfy all requirements of these STANDARDS.
- (3) Operators shall operate a minimum of eight (8) hours per day, five (5) days per week, and at other times sufficient to satisfy reasonable public demand for its services. During other periods, operators are encouraged (but not required) to provide their customers with on-call, 24-hour service to accommodate emergencies.

b. *Premises and Facilities Standards.* Operators shall lease from PMGAA (or otherwise make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct business activities and satisfy the requirements specified below.

- (1) Not less than 2,000 square feet of properly lighted, heated, and cooled space for workshops, parts and equipment storage, administration and customer waiting area, including separate, sanitary restrooms for customers and employees.
- (2) Paved aircraft apron space sufficient to accommodate the maximum number and type of aircraft the operator can service at any one time, but not less than 6,500 square feet.

- (3) Sufficient motor vehicle parking area to accommodate operator's daily customer and employee parking requirements, and satisfy applicable City code specifications.
- c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of two (2) years of experience providing the services specified in this CHAPTER 4.3.8.
- d. *Insurance Standards.*
- (1) *Airport Premises Liability* insurance in the amount of \$3,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities."
 - (2) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$1,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
 - (3) *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
 - (4) *Hangarkeeper's Liability* insurance in the amount of \$2,000,000 (or the value of the largest aircraft that may be in the operator's custody and/or control, whichever is greater) per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise in the care, custody or exclusive control of the insured on the Airport. "Air" coverage is required.
 - (5) *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
 - (6) *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$500,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business activities on the operator's premises.

4.3.9 Pilot Flight Training Operator.

- a. *Operating Standards.*
- (1) Operators shall obtain and maintain an FAA certificate in accordance with 14 CFR Parts 61, 141 or 142, as appropriate to its activities on the Airport.
 - (2) Operators shall employ a sufficient number of instructors to provide the type of flight and ground school training offered. All instructors shall be fully trained and properly certificated by the FAA, and flight instructors shall possess a current pilot's license and, to the extent required by applicable regulations, a current medical certificate.
 - (3) Operators shall own or have under written lease at least one (1) properly certified and equipped aircraft appropriate for the type of flight instruction offered. Operators also shall have appropriate training equipment and

- instructional materials/aids to provide proper and effective flight training, including adequate mock-ups, pictures, slides, films or other visual aids. All equipment and materials shall comply fully with applicable FAA requirements.
- (4) Operators shall have on-duty at their place of business during normal business hours, and at other times when required, not less than one current, FAA-certificated pilot with the appropriate instructor rating and current medical certificate.
 - (5) Operators shall conduct business not less than eight (8) hours per day, five (5) days per week, and at other times to satisfy the reasonable demands of its customers and the public.
- b. *Premises and Facilities Standards.* Operators shall lease from PMGAA (or otherwise make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct business activities under the applicable provisions of 14 CFR Parts 61, 141 and/or 142, and satisfy the requirements specified below.
- (1) Not less than 600 square feet of properly lighted, heated, and cooled classroom, office and storage space with adjacent access to a customer lounge or waiting area and sanitary restrooms. Separate flight planning and briefing/de-briefing areas are also highly encouraged, although not mandatory. Ground school instruction shall not be permitted in public areas of the Airport, other than normal pre- and post-flight briefings.
 - (2) Paved aircraft apron or hangar space sufficient to tie-down, park and maneuver a minimum of two of the largest FAA Category Group aircraft in which training is routinely performed at the Airport, but not less than 5,000 square feet.
 - (3) If self-maintaining operator fleet aircraft, not less than 500 square feet of adequate and dedicated space for employee work areas, shop areas, and storage of aircraft parts and equipment.
 - (4) Sufficient motor vehicle parking area to accommodate operator's daily customer and employee parking requirements, and satisfy applicable City code specifications.
- c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of two (2) years of experience providing the services specified in this CHAPTER 4.3.9.
- d. *Insurance Standards.*
- (1) *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).
 - (2) *Airport Premises Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities."
 - (3) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.

- (4) If self-maintaining and/or self-fueling aircraft, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third-party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment, and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
- (5) *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- (6) *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business activities on the operator's premises.

4.4 Additional Requirements for Specialized Commercial Flying Service Operators.

4.4.1 Operating Standards.

- a. Operators shall obtain and maintain all licenses, aircraft type certifications and other qualifications and regulatory compliance documents required to permit the lawful conduct of its authorized business activities at and on the Airport. Copies of such documents shall be provided to the Executive Director upon written request.
- b. For operators performing crop dusting or aerial applications, suitable arrangements shall be made for or sufficient space available within the operator's leasehold area to permit the safe loading, unloading, storage, and containment of chemical materials. Operators shall conduct these activities under a written emergency plan for the handling of hazardous materials and provide a copy of such plan to the Executive Director prior to commencing operations at or on the Airport. In addition, operators shall have in their employ and on-duty sufficient trained and experienced personnel to facilitate compliance with their emergency plan, and ensure safety remains a paramount consideration to all operations and activities at the Airport.
- c. Operators shall demonstrate the availability of aircraft suitably equipped and certified for the particular type of operation(s) intended at the Airport.
- d. Operators shall be open for business and make their services available to customers and prospective customers during periods appropriate to the activities proposed, or as normally maintained by entities operating competitive businesses at the Airport.

4.4.2 Premises and Facilities Standards.

- a. If developing and constructing new facilities on the Airport, operators shall lease or sublease a minimum of one-half acre of contiguous land for the construction thereof.
- b. Operators shall lease or sublease sufficient office, equipment and materials storage, and aircraft parking space to accommodate all activities and operations proposed, including integral or close proximity access to sanitary restroom(s). The sufficiency of the minimum or operating areas proposed by an operator shall be subject to review and advance written approval by the Executive Director on a case-by-case basis.

- c. Operators shall provide for sufficient motor vehicle parking within their premises to accommodate daily customer and employee parking requirements, and satisfy applicable City code specifications.

4.4.3 Prior Experience Standards.

Operators shall possess and demonstrate a minimum of two (2) years of experience providing the services proposed under this CHAPTER 4.4.

4.4.4 Insurance Standards.

- a. *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).
- b. *Airport Premises Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for “premises/operations,” “products and completed operations,” “professional,” “host liquor,” and “blanket contractual liabilities.”
- c. *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$2,000,000 per occurrence or combined single limit, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
- d. If self-maintaining aircraft or conducting crop dusting or aerial chemical application, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third-party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
- e. *Property* insurance in an amount equal to the full insurable value of the operator’s essential personal property and all improvements made to buildings or facilities on the Airport, if any, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- f. *Workers’ Compensation* and *Employer Liability* insurance, the former in amounts specified by law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the operator’s employees and others permitted to conduct business activities on the operator’s leasehold premises.

4.5 **Additional Requirements for Limited and Miscellaneous Aircraft Service & Support Operators.**

Operators in this category shall, in addition to the Basic Standards specified in SECTION 4.1 herein, satisfy the additional requirements and standards specified herein.

4.5.1 Operating Standards.

- a. Operators shall obtain all licenses and other certifications required of their business and employees to allow the lawful conduct of its proposed business activities at and on the Airport. For operators performing aircraft/flight support ground services (above- and below-wing), certification in accordance with contracted air carrier, aircraft charter or air taxi operator’s FAA operating certificate(s) shall be required

before commencing such services at the Airport. Operators performing limited aircraft, engine or accessory maintenance (which shall be permitted only in the absence of an Airframe and Power Plant Maintenance operator or Aviation Shop Repair Service operator providing the same or similar services from leased or subleased premises on the Airport) shall acquire and maintain all appropriate FAA certifications and ratings under 14 CFR Part 65, and shall be limited to the conduct of preventive maintenance activities, as defined in 14 CFR Part 43 (not including Item 22).

- b. Operators shall make their services available to customers and the public not less than eight (8) hours per day, five (5) days per week, excluding holidays, and during such other times as may be necessary to satisfy reasonable customer demands and/or contractual requirements.

4.5.2 Premises and Facilities Standards.

Operators shall lease or sublease sufficient land and/or facilities as may be necessary to accommodate their proposed operations. Depending upon the activity or activities involved, this may include apron and aircraft tie-down areas; aircraft maintenance areas, including employee work areas, shop areas, and parts and equipment storage areas; customer areas, including adequate space for a customer lounge or waiting area, telephone access, restrooms, and administrative areas; office space, including flight crew offices, lounges, flight planning areas, and restrooms; classroom and simulator areas (if appropriate); and sufficient motor vehicle parking area for customers and employees consistent with City code requirements. Appropriate minimum standards shall be developed by PMGAA in coordination with the operator and incorporated into the operator's Agreement. The conduct of like-business activities at the Airport (meaning those similar in function and scope) under significantly divergent or different minimum standards shall be prohibited.

4.5.3 Prior Experience Standards.

Prior operator experience of at least two (2) years providing the service(s) proposed is encouraged, but not mandatory.

4.5.4 Insurance Standards.

- a. If operating within the AOA, *Airport Premises Liability* insurance in the amount of \$10,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities." If not operating within the AOA, *Comprehensive General Liability* insurance in the amount of \$5,000,000 per occurrence, covering the same risks above.
- b. *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence or combined single limit, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
- c. If permitted activities involve hazardous materials, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment, and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
- d. If moving aircraft within the AOA, *Hangarkeeper's Liability* insurance in the amount of \$10,000,000 (or the value of the largest aircraft that may be in the operator's custody and/or control) per occurrence, covering aircraft and related damage to owned and

non-owned aircraft stored by or otherwise are in the care, custody or exclusive control of the insured on the Airport. "Ground" coverage is required.

- e. *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, if any, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- f. *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business activities on the operator's premises.

4.6 Additional Requirements for Flying Clubs.

Flying clubs shall, in addition to the applicable Basic Standards specified in this CHAPTER IV, satisfy the additional requirements and standards specified herein.

4.6.1 General.

- a. As non-commercial, non-profit entities, private flying clubs operating at the Airport shall not be required to meet or satisfy the standards and requirements stipulated for aircraft rental or pilot flight training operators, so long as the flying club's membership is not available on-call to the general public.
- b. Clubs shall provide the Executive Director a complete membership list, complete with an itemization of the investment ownership share held by each member on that list, and including a record of all members (past and present) with full names, mailing addresses, and date each membership affiliation began (and ended, if applicable). Such lists also shall include the names, home and business addresses, and telephone numbers for all club officers and directors, and be submitted to the Executive Director not less than at recurring six (6) month intervals after the effective date of the club's Agreement throughout its term.
- c. Clubs also shall provide the Executive Director copies of by-laws, articles of organization, operating rules, and membership agreements, including all updates and/or revisions thereto, and the location/address of the club's registered office.

4.6.2 Operating Standards.

- a. The ownership of all club aircraft shall be vested in the name of the flying club, or owned proportionately by all its members. The property rights of all club members shall be equal, and no part of the net earnings may inure to the benefit thereto, including salaries, bonuses, etc.
- b. Clubs shall not derive greater revenue from the use of club aircraft than the amount for the operation, maintenance and replacement of said aircraft. In no event shall any club aircraft be used or employed in the conduct of a commercial Aeronautical Activity.
- c. No club member or owner shall receive compensation for services provided to the club or on the club's behalf unless such member or owner is authorized to conduct related commercial Aeronautical Activities at the Airport.
- d. Club aircraft shall not be used or operated by other than club members or owners, and no member or owner shall use any club aircraft in exchange for compensation;

except, however, that the sharing of flight expenses is permitted, subject to the restrictions of this CHAPTER 4.6.2.

4.6.3 Premises and Facilities Standards.

- a. Clubs shall lease or sublease sufficient contiguous aircraft apron and/or hangar space to permit aircraft parking, tie-down, and/or storage at the Airport, including maneuvering space for aircraft circulation and access to/from taxiways and runways as necessary to accommodate all club aircraft based at and operating from the Airport.
- b. If required, clubs shall lease or sublease sufficient space to accommodate the storage of club equipment and supplies, if any.
- c. Clubs shall provide for sufficient motor vehicle parking within their premises to accommodate daily member parking requirements, and satisfy applicable City code specifications.

4.6.4 Insurance Standards.

- a. *Aircraft Liability* insurance in the amount of \$1,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).
- b. *Airport Premises Liability* insurance in the amount of \$1,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for “premises/operations,” “products and completed operations,” “professional,” “host liquor,” and “blanket contractual liabilities.”
- c. *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$1,000,000 per occurrence or combined single limit, covering all owned, non-owned, and hired vehicles operated on the Airport that are operated within the AOA.
- d. If self-maintaining and/or self-fueling aircraft, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence, covering third-party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment, and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
- e. *Property* insurance in an amount equal to the full insurable value of the club’s essential personal property and all improvements made to buildings or facilities within the club’s premises, if any, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.

CHAPTER V ENFORCEMENT**5.1 General.**

Enforcement of these STANDARDS shall commence when an operator is granted authorization by PMGAA to conduct commercial Aeronautical Activities at or on the Airport and serve as condition of Agreement award. Thereafter, enforcement shall continue during the operator's Agreement term via periodic Agreement compliance reviews, including monitored compliance with the *Airport Rules and Regulations*.

5.2 Non-Compliance.

Failure to comply with these STANDARDS shall subject an operator's Agreement and privilege to operate at the Airport to suspension or termination, as provided therein. Generally, upon written notice from the Executive Director or his/her designee that an operator is violating or has violated a provision of these STANDARDS, operators are afforded a specified period of time to remedy such violation or: (i) become subject to other default provisions of their agreement, including possible termination thereof; or (ii) show cause as why additional time should be granted by the Executive Director or his/her designee to enable the operator to complete a cure. Such appeals must be pursued in accordance with provisions specified in the operator's agreement.

CHAPTER VI REFERENCES

Aircraft Owners and Pilots Association publication, *Minimum Standards for Commercial Aeronautical Activities*

FAA Advisory Circular AC 150/5160-6, *Exclusive Rights at Federally Obligated Airports*

FAA Advisory Circular AC 150/5190-7, *Minimum Standards for Commercial Aeronautical Activities*

National Air Transportation Association, *Airport Sponsors Guide to Minimum Standards & Airport Rules and Regulations*, 2009

Phoenix-Mesa Gateway Airport *Rules and Regulations*

Phoenix-Mesa Gateway Airport *Design Guidelines*