LEXINGTON-FAYETTE URBAN COUNTY AIRPORT BOARD

MINIMUM STANDARDS

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SECTION ONE – PREAMBLE & POLICY

GENERAL
The Lexington-Fayette Urban County Airport Board (Board) does hereby establish the following Minimum Standards for Blue Grass Airport (Airport):

- These Minimum Standards: (1) establish the threshold entry requirements for those entities wishing to engage in Commercial Aeronautical Activities at the Airport including, but not limited to, the provision of aeronautical products, services, and/or facilities to the public, (2) protect the investment of entities engaging in Commercial Aeronautical Activities at the Airport from competition not making a similar investment, and (3) protect the public from unsafe or inadequate or substandard aeronautical products, services, and facilities.

- These Minimum Standards have also been established to comply with applicable provisions of FAA Order 5190.6C, Airport Compliance Manual, FAA Grant Assurance 22 *Economic Nondiscrimination* Sections (h) and (i) (see 49 U.S.C. § 47107) and Advisory Circular 150/5190-8, or most current edition, which provides that the Airport may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the Airport as may be necessary for the safe and efficient operation of the Airport. The Airport may prohibit or limit any given type, kind or class of aeronautical use of the Airport if such action is necessary for the safe operation of the Airport or necessary to serve the civil aviation needs of the public.

- These Minimum Standards were developed taking into consideration: (1) the role of the Airport, (2) the range, level, and quality of aeronautical products, services, and facilities currently being provided at the Airport, (3) the future needs for and the anticipated development of the Airport and the community, and (4) the promotion of fair competition at the Airport.

- These Minimum Standards are essential to protect public interest, discourage substandard Operators, and protect Airport customers.

The purpose of these Minimum Standards is to encourage, promote, and ensure:

- The delivery of high-quality aeronautical products, services, and facilities to Airport customers;
- The design and development of quality aeronautical facilities and improvements at the Airport;
- Safety and security;
- The economic health of the Airport and aeronautical businesses;
- The orderly development of Airport property;
- The establishment of a consistent policy to ensure similar treatment of similarly situated entities.

ADMINISTRATION AND POLICY OVERSIGHT
The Airport's President & CEO shall interpret, apply and enforce these Minimum Standards on behalf of the Board.

EFFECTIVE DATE
These Minimum Standards shall be effective on **June 24, 2026,** and shall remain in effect until such time that these Minimum Standards are either repealed or superseded.

AMENDMENT OF STANDARDS
These Minimum Standards may be amended or modified, in whole or in part, from time to time, by this or any future Board, and no rights shall accrue to any Operator or third party by virtue of these Standards.

OWNER'S RIGHTS
The establishment of these Minimum Standards does not alter the Board's right to develop the Airport property as it deems prudent, and to designate the locations in which entities may engage in Commercial Aeronautical Activities.

By Resolution dated November 15, 2023, the Board directed staff to plan to engage in the following Commercial Aeronautical Activities on an exclusive basis, beginning no later than July 1, 2029: into-plane sale and/or delivery of aviation fuel, aviation ramp services, aircraft hangaring services, and aviation fuel storage. The Minimum Standards recognize the right of current Operators to continue to engage in these Commercial Aeronautical Activities until July 1, 2029, but the Board will not approve any new Operators requesting to engage in these Commercial Aeronautical Activities after adoption hereof and further reserves the proprietary exclusive right to engage in these Commercial Aeronautical Activities on and after July 1, 2029.

SEVERABILITY
In the event any covenant, condition or provision herein contained is held to be invalid by any court of competent jurisdiction, such invalidity shall in no way affect any other covenant, condition or provision herein contained.

NOTICES, REQUESTS FOR APPROVAL, APPLICATIONS, AND OTHER FILINGS
Any notice, demand, request, consent, or approval that an entity may, or is required to, give to the Board, shall be in writing, and shall be either personally delivered or sent by first class mail, postage prepaid, addressed as follows:

ATTN: President & CEO
Lexington-Fayette Urban County Airport Board
Blue Grass Airport
4000 Terminal Drive, Suite 206
Lexington, KY 40510

VARIANCES AND DEVIATIONS
The Board reserves the right to authorize variances or deviations from these Minimum Standards at its reasonable discretion. Such variances or deviations may include waiving or modifying certain criteria or requiring Operators to meet additional criteria. All requests for variances or deviations shall be presented to the Board in writing in a form prescribed by the Board.

ENFORCEMENT
Any Operator that desires to provide any Commercial Aeronautical Activities at the Airport must have an Agreement with the Board and comply with these Minimum Standards. The President & CEO or designee shall enforce the provisions of these Minimum Standards and may call upon appropriate law enforcement officials for such assistance as the President & CEO may, from time to time, require.

Permits: Failure to comply with the applicable standards set forth herein may result in the temporary suspension, or permanent revocation, of the applicable activity permit issued to Operator. Subsequent violations may result in permanent revocation of the permit. Operator may also be subject to further penalty and/or enforcement in accordance with the Airport Rules and Regulations and/or Airport Leasing Policy.

Furthermore, failure to comply may also result in the termination of other Agreements between the Operator and the Board.

SECTION TWO – DEFINITIONS AND ACRONYMS

ADVISORY CIRCULAR (AC) – documents published by the FAA that contain information about standards, practices, and procedures that the FAA has found to be acceptable for compliance with associated rules, laws, or regulations.

AGREEMENT – a written contract, executed by both parties, and enforceable by law between the Board and an entity including, but not limited to, granting a concession, transferring rights or interest in land and/or improvements, and/or otherwise authorizing and/or prohibiting the conduct of certain activities. Such Agreements generally will recite the terms and conditions under which the activity will be conducted at the Airport including, but not limited to, term of the Agreement; rents, fees, and charges to be paid by the entity; and the rights and obligations of the respective parties. For purposes of clarification, the term Agreement, includes, without limitation, the following terms– Commercial Aeronautical Activity Permit, Payment Agreement, Lease, or Concession.

AIRCRAFT – any contrivance now known or hereafter invented which is used or designed for navigation of, or flight in, air except a parachute or other contrivance designed for such navigation but used primarily as safety equipment. This includes, but is not limited to, airplanes, unmanned aerial systems, airships, balloons, dirigibles, rockets, helicopters, gliders, gyrocopters, ground-effect machines, sailplanes, amphibians, and seaplanes.

AIRCRAFT OPERATOR – a Person who uses, causes to be used, or authorizes to be used, an Aircraft, with or without the right of legal control (as owner, lessee, or otherwise), for the purpose of air navigation including the piloting of Aircraft, or on any part of the surface of the Airport.

AIRFRAME AND POWERPLANT MECHANIC – a Person, certificated by the FAA, who performs and/or supervises the maintenance, preventive maintenance, or alteration of an Aircraft or appliance, or a part thereof, for which he/she is rated, and may perform additional duties in accordance with certain Legal Requirements.

AIRPORT – means the Blue Grass Airport and all land, improvements, and appurtenances within the legal boundaries of the Airport as it now exists on the Airport Layout Plan and as it may hereinafter be extended, enlarged, or modified.

AIRPORT CERTIFICATION MANUAL (ACM) – the manual of operating procedures and lines of responsibility for the operation of the Airport, as required in 14 CFR Part 139.

AIRPORT LAYOUT PLAN (ALP) – the drawing (currently approved by the FAA) depicting the physical layout of the Airport and identifying the location and configuration of current and proposed runways, taxiways, buildings, roadways, utilities, navigational aids, etc.

AIRPORT OPERATIONS AREA (AOA) – a restricted area of the Airport, either fenced or posted, where Aircraft are parked or operated, or operations not open to the public are conducted. Areas include, but are not limited to, the Aircraft Aprons, taxiways, runways, unimproved land attributed to the taxiways and runways, safety areas, areas beneath the Terminal Building, areas beneath the concourses, and contiguous areas delineated for the protection and security of Aeronautical Activities

AIRPORT SECURITY PROGRAM (ASP) – a document required by the Transportation Security Administration detailing the Airport's requirements as contained in the applicable security regulations.

AIRPORT'S PRESIDENT & CEO (PRESIDENT & CEO) – the individual designated by the Board as the President & CEO.

APRON – an area of the Airport within the AOA designated for the loading, unloading, servicing, or parking of Aircraft.

APRON PRIVILEGE – the right to operate a vehicle upon an Aircraft-parking Apron on the AOA of the Airport to deliver persons, cargo or equipment to an Aircraft or as a matter of necessity.

BOARD – the Lexington-Fayette Urban County Airport Board, a Kentucky Airport Board.

CODE OF FEDERAL REGULATION (CFR) - The Code of Federal Regulations is the codification of the general and permanent rules and regulations published in the Federal Register by the executive departments and agencies of the federal government of the United States.

COMMERCIAL – for the purpose of generating revenue, earnings, income, compensation (including exchange for service), and/or profit, whether or not such objectives are accomplished.

COMMERCIAL AERONAUTICAL ACTIVITY – any activity that involves, makes possible, or is required for the operation of Aircraft or that contributes to or is required for the safety of such operations. Activities within this definition, commonly conducted on Airports, include, but are not limited to, the following: general and corporate aviation, air taxi and charter operations, scheduled and nonscheduled air carrier operations, pilot training, Aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, Aircraft sales and services, Aircraft storage, sale of aviation petroleum products, repair and maintenance of Aircraft, sale of Aircraft parts, parachute or ultralight activities, and any other activities that, because of their direct relationship to the operation of Aircraft, can appropriately be regarded as Aeronautical Activities. Activities such as model Aircraft and model rocket operations are not Aeronautical Activities.

CO-OPERATIVE (CO-OP) FUELING – an organization formed by Aircraft Owners, air carriers or flight departments for Self-Fueling purposes. **This type of fueling is prohibited at the Airport.**

EMPLOYEE(S) – any individual employed by an entity whereby said entity collects and pays all associated taxes on behalf of Employee (i.e., income, social security and Medicare). The determination of status between "Employee" and "contractor" shall be made according to the current Internal Revenue Service standards.

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 (i.e. lease Agreement), by the imposition of unreasonable standards or requirements, or by any other means. Such a right conferred on one or more parties but excluding others from enjoying or exercising a similar right or rights, would be an Exclusive Right. An Exclusive Right to conduct a Commercial Aeronautical Activity, which is forbidden by federal regulation, is distinguished from an Exclusive Right to occupy real estate, which is permitted by federal regulation under certain conditions.

FEDERAL AVIATION ADMINISTRATION (FAA) – the United States Department of Transportation's Federal Aviation Administration.

FEDERAL AVIATION REGULATION (FAR) - rules prescribed by the FAA governing all aviation activities in the United States.

FIXED BASE OPERATOR (FBO) – a Commercial business providing Aeronautical Services such as fueling, hangaring, tie-down and parking, Aircraft rental, Aircraft maintenance, flight instruction, etc. Only authorized FBOs or the Board in the exercise of proprietary exclusive rights are permitted to provide fueling and other FBO services on the Airport.

INDEPENDENT OPERATOR – An entity conducting Commercial Aeronautical Activities but without an

Agreement with, and an established place of business on, the Airport or who otherwise does not meet the requirements of a Temporary SASO. **This type of Operator is not authorized to provide services at the Airport.**

KENTUCKY REVISED STATUTES (KRS) – the body of laws which govern the Commonwealth of Kentucky, United States.

LEGAL REQUIREMENTS – federal, state, county, local, and Airport laws, codes, ordinances, policies, rules, and regulations, including, without limitation, those of the United States Department of Transportation, the United States Department of Homeland Security, TSA, FAA, Environmental Protection Agency (EPA), OSHA, Aircraft Rescue Fire Fighting (ARFF) Standard Operating Guidelines, and the Airport Certification Manual, the Airport's primary guiding documents; all as may be in existence, hereafter enacted, and amended from time to time.

MINIMUM STANDARDS – these qualifications, standards, and criteria set forth by an Airport Operator which must be met as a condition for the right to engage in Commercial Aeronautical Activities at the Airport.

NATIONAL FIRE PROTECTION AGENCY (NFPA) – a United States trade association that creates and maintains standards and codes for usage and adoption by local governments.

NON-COMMERCIAL – not for the purpose of securing earnings, income, compensation (including exchange of service) and/or profit.

OPERATOR – any FBO, SASO, and/or any entity subject to the standards set forth herein. The Board is not an Operator, even when engaging in Commercial Aeronautical Activities.

PERSON – means an individual, entity, firm, association, partnership, corporation, society or other organization.

PRIVATE FLYING CLUB – A nonprofit or not-for-profit entity (e.g., corporate, association, or partnership) organized for the express purpose of providing its members with aircraft for their personal use and enjoyment only. The ownership of the club Aircraft must be vested in the name of the Flying Club or owned by all its members, the property rights of the members of the club shall be equal and no part of the net earnings of the club will inure to the benefit of any individual in any form, including salaries, bonuses, etc. The Flying Club may not derive greater revenue from the use of its Aircraft than the amount needed for the operation, maintenance, and replacement of its Aircraft.

SPECIALIZED AERONAUTICAL SERVICE OPERATOR (SASO) – SASOs are sometimes known as service providers or special FBOs performing less than full services. These types of companies differ from a full service FBO in that they typically offer only specialized Commercial Aeronautical Activities such as Aircraft sales, flight training, Aircraft maintenance, or avionics services for example. SASOs do not have the right to provide fueling services at the Airport.

SELF-FUELING AND SELF-SERVICE – Self-Fueling means the fueling or servicing of an Aircraft (i.e. changing the oil, washing) by a person or entity that owns, leases or has direct operational control of an Aircraft with his or her own Employees and using his or her own equipment. Self-Fueling and other Self-Services cannot be contracted to another party. Self-Fueling implies using fuel obtained by the Aircraft owner/operator from the source of his/her preference which must be stored and dispensed in a manner and location designated by the Board. As one of many Self-Service activities that can be conducted by the Aircraft owner/operator by his or her own Employees using his or her own equipment, Self-Fueling differs from using a commercial self-service fueling pump made available by the Board or an FBO. The use of a commercial self-service fueling pump is a Commercial activity and is not considered Self-Fueling. In addition to Self-Fueling, other Self-Service activities that can be performed by the Aircraft owner/operator

with his or her own Employees includes activities such as maintaining, repairing, cleaning, and otherwise providing service to an Aircraft, provided the service is performed by the Aircraft owner/operator or his/her Employees with resources supplied by the Aircraft owner/operator. Any provision of these Minimum Standards to the contrary notwithstanding, any holder of a pilot certificate may perform the preventive maintenance functions on Aircraft owned or operated by the pilot as specifically permitted under 14 CFR Part 43.

SUBLEASE – an Agreement entered into by an entity with an Operator that transfers rights or interests in Operator's Premises. Subleases are prohibited, without the Board's prior written consent.

SUBLICENSE – a license granting rights to a person or company that is not the primary holder of such rights. Sublicenses are prohibited without, the Board's prior written consent.

THROUGH-THE-FENCE OPERATION – when an airport sponsor grants an entity ground access by an Aircraft across the airport's property boundary to the airport's airside infrastructure (commonly through-the-fence) and permission to engage in associated Aeronautical Activities from property adjacent to the airport. **The obligation to make an airport available for the use and benefit of the public does not impose any requirement for the airport sponsor to permit ground access by Aircraft from adjacent property, and the Board has not consented, and does not plan to consent to any Through-the-Fence Operators at the Airport.**

TRANSPORTATION SECURITY ADMINISTRATION (TSA) – the United States Department of Homeland Security's Transportation Security Administration.

UNMANNED AERIAL SYSTEM (UAS) – an aircraft operated without a pilot onboard, together with the equipment and personnel required to control it.

SECTION THREE – GENERAL REQUIREMENTS

All Operators engaging in Commercial Aeronautical Activities at the Airport shall meet or exceed the requirements of this Section as well as the Minimum Standards applicable to the Operators' Activities, as set forth in subsequent sections.

1. EXPERIENCE/CAPABILITY

Operator shall have such business background and shall demonstrate its business capability and financial capacity to the satisfaction of, and in such manner as to meet with the approval of, the President & CEO and the Board.

Any prospective Operator seeking to conduct a Commercial Aeronautical Activity at the Airport shall demonstrate that it has the resources necessary to realize the business objectives established by the Operator and the personnel, experience, equipment, and licenses necessary to operate in a safe and appropriate manner. Appendix One – Proposal Requirements should be used as a guide to assist prospective Operator in demonstrating resources and capabilities.

2. AGREEMENT REQUIRED

No entity shall be permitted to use any land or improvements, conduct any Commercial Aeronautical Activity or solicit business in connection therewith unless; a) such activity is conducted in accordance with these Minimum Standards, as amended from time to time by the Board; b) unless the entity has a valid Agreement with the Board allowing the conduct of such specifically authorized Activities on the Airport; c) pays all applicable fees and charges established by the Board for granting such rights and privileges; d) and, has obtained all required FAA certifications and/or licenses to perform the Commercial Aeronautical Activity. In the event of a conflict between an Agreement and the Minimum Standards, the Agreement shall govern.

The Board may elect to define the terms and conditions by which an Operator may conduct Commercial Aeronautical Activities within a lease or by separate permit. A Temporary SASO or other Operator not based at the Airport must seek and obtain a permit from the Board prior to engaging in Commercial Aeronautical Activities at the Airport.

An Operator shall not engage in any Commercial Aeronautical Activity not specifically authorized by Agreement.

Operators are responsible for the full cost of compliance with the Minimum Standards (for construction, personnel, licensing, etc.) and the Board is not responsible for contributing to development and other costs.

3. PAYMENTS OF RENTS, FEES, AND CHARGES

Operator shall pay the rents, fees, or other charges on time, as specified by the Board for engaging in all Commercial Aeronautical Activities. Fees or other charges may include but are not necessarily limited to fees for security access media, aircraft recovery, rent for additional or temporary use of space, fines or penalties, and vehicle parking. The Board also reserves the right to charge a percentage of gross revenue for the privilege of engaging in Commercial Aeronautical Activity. The Board may, at its option, enforce the payment of any rent, fee, or other charge due and owing to the Board by any legal means available to the Board under any Agreement and as provided by Legal Requirements. Operators shall comply with the policies and/or resolutions adopted by the Board and within the terms of other written Agreements with the Board.

4. PREMISES

Operators shall, at a minimum, lease the land and/or improvements stipulated for the activity in these Minimum Standards. All Aeronautical Activities must be conducted on the Airport, and Through-the-Fence Operations are not permitted.

Premises used for Commercial purposes that require public access shall have direct landside access.

Apron/Paved Tie-Downs – Aprons/paved tie-downs (if required) must be adequately sized having a weight bearing capacity to accommodate the movement, staging, and parking of Operator's, (Operator's) approved Sub-lessee's or (Operator's) Sub-licensee's, and Customer's Aircraft (if applicable) without interfering with the movement of Aircraft in and out of other facilities and Aircraft operating in taxilanes or taxiways.

Aprons – Aprons associated with hangars shall be sufficient in size and strength to accommodate the movement of Aircraft into and out of the hangar, staging, and parking of customer and/or Operator Aircraft without interfering with the movement of Aircraft moving in and out of other facilities or Aircraft operating in taxilanes or taxiways.

Paved Automobile Parking – Paved automobile parking shall meet all federal, state, and local requirements and be sufficient to accommodate all of the Operator's and Operator's approved Sub-lessee's or Sub-licensee's (if applicable) customers, Employees, visitors, vendors, and suppliers on a daily basis. Paved automobile parking shall be on Operator's premises and located in close proximity to the Operator's main facility. On-street automobile parking is not allowed.

5. FACILITY MAINTENANCE

Unless and except to the extent otherwise agreed to in writing, Operator shall, at its own expense, keep and maintain the premises leased/assigned for its own use and all such improvements and facilities and additions thereto, constructed or installed by it or by the Board, in good repair and in clean, neat, orderly, and fully functional condition, reasonable wear and tear excepted, during the term of any Agreement, including all structural, interior, and exterior maintenance of all facilities,

all landscaping, all utilities, all lighting, and all paved areas. Operator will also provide all necessary cleaning services and replace any property that has been damaged by Operator's activities in a timely manner or as designated by the President & CEO.

6. PRODUCTS, SERVICES, AND FACILITIES

Operators shall (1) provide products, services, and facilities on a reasonable and not unjustly discriminatory basis to all consumers, (2) charge reasonable and not unjustly discriminatory prices for each unit or service, provided that the Operator may make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume purchasers, and (3) conduct activities in a safe, efficient, and first-class professional manner.

7. EXCLUSIVE RIGHTS

In accordance with the Airport Sponsor Assurances (Assurances) given to the federal and/or state government by the Board as a condition to receiving federal and/or state funds, the granting of rights or privileges to engage in Commercial Aeronautical Activities shall not be construed in any manner as affording any entity an Exclusive Right, other than the exclusive use of the land and/or improvements that may be leased to an entity and then only to the extent provided in an Agreement.

However, an airport sponsor may elect to provide certain Commercial Aeronautical Activities directly (i.e., products, services, and facilities can be provided by the sponsor's Employees using the sponsor's vehicles, equipment, and resources) in which case, the airport sponsor can exercise its proprietary Exclusive Right – as allowed in the Assurances.

The presence of only one Operator engaged in a particular Commercial Aeronautical Activity does not, in and of itself, indicate that an Exclusive Right has been granted. It is the policy of the Board not to enter into or promote an understanding, commitment, or express Agreement to exclude other reasonably qualified and experienced entities. Accordingly, those entities who desire to enter into an Agreement with the Board should neither expect nor request that other entities who also desire to engage in the same or similar Commercial Aeronautical Activities be excluded.

The opportunity to engage in Commercial Aeronautical Activities shall be made available to those entities complying with the standards and requirements set forth in these Minimum Standards and as land and improvements may be available at the Airport to support such Commercial Aeronautical Activities provided such use is consistent with the current and planned uses of land and Improvements at the Airport and does not infringe upon the Board's exercise of a proprietary Exclusive Right and is in the best interests of the Board, the Airport and the public, as determined by the Board at its sole discretion.

8. NON-DISCRIMINATION

Operator agrees to abide by those certain covenants and assurances required or recommended by the FAA, TSA, Kentucky Transportation Cabinet (KTC), United States Department of Transportation (USDOT) or by federal or Kentucky statute. In the event of breach of any such covenant, the Board shall have the right to terminate any Agreement and to reenter and repossess any land and/or facilities thereon and hold the same as if said Agreement had never been made or issued. The Board shall have the further right to take such action as the federal government may lawfully direct to enforce this obligation. In the event future covenants and/or assurances are required of the Board by the USDOT, KTC, FAA or TSA, which are applicable to an Agreement, Operator agrees that it will conform with the provisions thereof so long as the Agreement is in effect.

Operator shall not discriminate against any person or class of persons by reason of race, creed, color, national origin, sex, age, or disability in providing any products or services or in the use of any of its facilities provided for the public, or in any manner prohibited by applicable Legal Requirements including without limitation Part 21 of the Rules and Regulations of the Office of

the Secretary of Transportation (49 C.F.R. Part 21) effectuating Title VI of the Civil Rights Act of 1964, as amended or reenacted.

All Operators shall comply with the Americans with Disabilities Act of 1990 (ADA), as amended, (42 U.S.C. §§ 12101 et seq.), and all applicable federal, state, and local accessibility requirements. Operators are responsible for ensuring that their facilities, services, programs, and activities provided on Airport property are accessible to and usable by individuals with disabilities.

9. LICENSES, PERMITS, CERTIFICATIONS, AND RATINGS

Operator shall meet and maintain all applicable licenses, permits, and certification and or ratings requirements for the services offered and shall also be registered with the Kentucky Secretary of State as a bona fide business entity in Fayette County. Operator shall provide copies to the Board upon request.

10. PERSONNEL

Operator shall have courteous, properly trained, fully qualified and certified (if applicable) Employees on duty and on premises, or readily available, during hours of activity. Operator shall have sufficient Personnel as required to meet these Minimum Standards and to meet the reasonable demands of the aviation public for each activity being conducted in a safe, efficient, courteous, and prompt manner. Specific hours of operation are detailed under each Commercial Aeronautical Activity and must be adhered to unless otherwise approved by the President & CEO. Operator shall also maintain, during all business hours, a responsible person in charge to supervise the operations on the Premises with the authorization to represent and act for and on behalf of Operator.

Employee Appearance and Conduct – Operator shall be responsible for the conduct, demeanor, and appearance of its officers, agents, Employees and representatives. Employees on duty shall dress professionally applicable to the operation and shall be easily identifiable to the public by display of Operator name and/or logo on outer dress garments. Operator shall closely supervise service personnel to assure a high standard of service. At all times, all Employees are required to have, on their person, an Airport-issued Airport security identification badge. No offensive or profane language or symbols will be worn or displayed by any Employee. Each Employee will conduct himself or herself in a professional manner at all times.

Upon receipt of a written objection from the President & CEO concerning the inappropriate conduct or demeanor of any of Operator's Employees, Operator shall promptly eliminate the basis for the objection and shall take any action reasonably necessary to prevent a recurrence of the same or similar conduct or demeanor. Employees not adhering to the above requirements may be asked to immediately comply or leave the Airport until such time as they are in full compliance.

Operator shall be responsible for the prompt return to the Board of any Airport-issued Airport security access media upon separation or termination of each Operator Employee.

11. AIRCRAFT, VEHICLES, AND EQUIPMENT

All required Aircraft, vehicles, and equipment must be fully operational, functional, and available at all times and capable of providing all required products and services. All equipment must have markings to identify ownership via the Operator name and/or logo and require licensing under KRS if operated on public roadways.

12. HOURS OF ACTIVITY

Hours of activity shall be clearly posted in public view using appropriate (and professional) signage approved in advance, and in writing, by the President & CEO.

Operators are encouraged to be and remain open seven (7) days per week, each day throughout the year, during normal business hours, except as otherwise provided herein.

13. SAFETY AND SECURITY

The Board has the overall responsibility for Safety and Security at the Airport as described in 14 CFR Part 139 and 49 CFR Part 1542 and KRS Chapter 183. Standards and procedures for meeting these requirements are defined in the Airport Certification Manual, the Airport Rules and Regulations, the Airport Security Program, and future development and administration of Safety Management Systems.

Operators are required to be informed and follow all rules and regulations promulgated from time to time by the U.S. Department of Transportation, U.S. Department of Homeland Security, the FAA, the TSA, the Commonwealth of Kentucky, the Kentucky Transportation Cabinet, and the Board governing the conduct and operation of the Airport and its facilities. In the event the Board is assessed and pays a fine because of an act or omission of Operator, its Employees, agents, or invitees, Operator shall reimburse the Board for such payment within thirty (30) days of the Board providing such notice of payment.

Operator shall permit, and direct its Employees to permit and cooperate with, any FAA or TSA inspector, Fire Marshal, or member of law enforcement to enter upon Operator's premises for the purpose of ensuring compliance with Legal Requirements and/or responding to emergencies.

14. ENVIRONMENTAL

Operator shall comply with all applicable local, state, and federal environmental laws and regulations, including those governing hazardous substances, and including applicable terms, conditions, and plans associated with any permits issued to the Airport under local, state, and federal environmental laws, and shall be solely responsible for any environmental conditions, releases, liabilities, reporting obligations, and indemnification obligations arising from its use or occupancy of Airport premises, which obligations shall survive termination of any permit or agreement.

Operator shall promptly provide the Board with copies of all communications from any individual or entity relating to allegations of violation of any environmental law.

If a Permit is approved for a Commercial Aeronautical Activity, Operators will agree to specific environmental protection language included in leases or other Agreements as appropriate.

15. INDEMNIFICATION AND INSURANCE

Operator shall, at its sole cost, maintain insurance coverage in forms and amounts acceptable to the Board, comply with all workers' compensation requirements, assume all risk of loss to its property and operations, and defend, indemnify, and hold harmless the Board and its representatives from any claims, losses, or liabilities arising from Operator's use or occupancy of Airport premises, all as further required by permit, lease, or agreement.

If a Permit is approved for a Commercial Aeronautical Activity, Operators will agree to specific indemnification and insurance language included in leases or other Agreements as appropriate.

16. TAXES AND ASSESSMENTS

Operator shall, at its sole cost and expense, pay all taxes, fees, and other charges that may be levied, assessed, or charged by any duly authorized entity associated with Operator's Premises (land and/or improvements), Operator's improvements on Premises, and/or Operator's Activities.

17. MULTIPLE ACTIVITIES

When more than one activity is proposed, the activities will be reviewed by the Board and, if deemed appropriate, the minimum requirements shall vary depending upon the nature of each activity or combination of activities. While the requirements may not necessarily be cumulative,

the Operator will be required to at least meet the highest minimum standard among the multiple activities.

18. NEW ACTIVITIES

Commercial Aeronautical Activities may be proposed that do not fall within the categories designated herein. In any such cases, appropriate Minimum Standards shall be developed at such time on a case-by-case basis for such Activities and/or incorporated into the Operator's Agreement.

19. PIONEERING PERIOD

When specific Commercial Aeronautical Activities (e.g., product, service, or facility) are not currently being provided at the Airport, the Board may enter into an Agreement under terms and conditions that may be less than those outlined in the Minimum Standards for a limited period of time not to exceed six months (known as the pioneering period).

20. EXISTING AGREEMENTS

It is understood that the establishment of these Minimum Standards will not alter certain provisions or requirements of existing Agreements or Permits between the Board and existing tenants as of the adoption hereof, unless the Agreement or Permit explicitly requires compliance with updates and amendments to the Minimum Standards or the Board or President & CEO deems the non-compliance to result in an unsafe or unsecure operating environment.

Existing tenants are encouraged to comply with these Minimum Standards, as set forth herein, even if not contractually obligated to do so.

21. CONSTRUCTION/ALTERATIONS

All alterations and improvements, including, but not limited to, offices, hangars, access roads, access taxiways, taxilanes, vehicle parking areas, and Aircraft parking areas, shall be in accordance with design and construction standards established by the Board and in accordance with applicable federal, state, and local codes, ordinances, laws, rules, and regulations. Operator shall not proceed with any construction or remodeling on the Premises leased/assigned without first obtaining advance written approval of plans and specifications for such work from applicable agencies, including the President & CEO.

22. SUBLICENSE/SUBLEASE ACTIVITY

All Sublicense/Sublease Agreements require the prior written approval of the President & CEO, which consent shall be in the sole discretion of the President & CEO. The following guidelines shall inform the President and CEO's consideration of requests to sublease Aircraft hangars at the Airport:

- As indicated in Section 4 hereof, the Board has reserved for itself the proprietary exclusive right to engage in aircraft hangaring services. After adoption hereof, no entity or individual shall be newly approved to own or otherwise hold itself out to the general public as providing interior Aircraft storage.
- Tenants of certain box and corporate hangars may be allowed to sublease portions of the hangar that are excess to the tenant's reasonable need for its authorized Aircraft storage.
- T- and certain box hangars are intended for storage of a single Aircraft and shall not be considered appropriate for subleasing. A tenant without an Aircraft to be stored in T- and certain box hangars shall be required to return these hangars to the Board.

23. COMPLIANCE WITH LEGAL REQUIREMENTS

Operator shall observe and obey all reasonable Legal Requirements promulgated from time to time by the Department of Transportation (USDOT), the FAA, the Department of Homeland Security

(DHS), the TSA, the Occupational Safety and Health Administration (OSHA) the Commonwealth of Kentucky, and the Board, governing the conduct and operation of the Airport and its facilities.

24. NON-INTERFERENCE

Operator shall keep the sound level of its operations as reasonably low as possible and shall not produce any electrical, electronic, electromagnetic or other disturbance that interferes with the operation of the Board, the FAA, scheduled airlines or navigation, communication or flight equipment on the Airport, or on Aircraft using the Airport.

25. FLAMMABLES

Operator shall not keep or store flammable liquids except in accordance with the recommendation of the manufacturer of the product or in safety containers of a type approved by the Underwriters Laboratories (UL), the U.S. Government, the International Air Transport Association (IATA), or the NFPA.

SECTION FOUR – FBO AND SASO

1. DEFINITION

A Fixed Base Operator (FBO) is a Commercial Operator engaged in the sale of products, services, and facilities to include, at a minimum, the following Commercial Aeronautical Activities at the Airport: Fueling (Jet fuel and AvGas); Line (Ground) services and support (hangar, tie-down, parking, and Aircraft de-icing, etc.); Aircraft maintenance meeting the same standards as required under this Section Four. Only an approved FBO may provide fueling services.

2. PROPRIETARY EXCLUSIVE RIGHTS

Beginning June 24, 2026, the Board will not accept any application or request from any entity to initiate FBO services at the Airport.

Beginning July 1, 2029, the Board will prohibit any entity from engaging in FBO services at the Airport.

Between June 24, 2026, and June 30, 2029, any Operator with an Agreement to engage in FBO services at the Airport shall do so in accordance with the terms and conditions of the Agreement and, as applicable, the version of the Minimum Standards existing on July 24, 2019.

For clarity, entities may continue to engage in Self-Servicing and Self-Fueling in accordance with the terms and conditions of the Minimum Standards (see Definitions), the Airport Rules and Regulations, and an Agreement.

AIRCRAFT CHARTER AND MANAGEMENT OPERATOR (SASO)

1. DEFINITION

An Aircraft Charter Operator is a Commercial Operator engaged in on-demand common carriage for persons or property (as defined in 14 CFR Part 135) or operates in private carriage under 14 CFR Part 125. An Aircraft Management Operator is a Commercial Operator providing services (for Aircraft not owned by the Operator) including, but not limited to, flight scheduling and dispatching and flight crew (pilot) services to the public (and/or coordinating Aircraft fueling through an Airport FBO, line services, ground handling, maintenance, and storage for or on behalf of the public). In addition to the General Requirements set forth in Section Three, each Aircraft Charter Operator at the Airport shall comply with the following Minimum Standards set forth in this Section Four.

In accordance with FAA policy, set forth in AC 150/5190-8, or most current edition, the Board will not permit "illegal air charters", defined by FAA as an air charter that is not authorized to operate under the applicable Federal Aviation Regulations, to serve as an Aircraft Charter Operator at the Airport.

2. PREMISES

Building/Facility shall include a customer area having adequate space for, or immediate access to, customer lounge, restrooms, and an administrative area having adequate and dedicated space for Employee offices, work areas and storage. The minimum building space required is 1,000 square feet. Each Aircraft Charter Operator required to maintain a business office at the Airport. For Aircraft Management Operators, the premises requirements may be met through the Operator's customer(s) (Aircraft Owner) who have based Aircraft at the Airport as long as the Aircraft Owner meets applicable equivalent standards, as appropriate, and, as specified in this Section for the storage of their own Aircraft.

3. LICENSES AND CERTIFICATION

Operator shall maintain appropriate FAA certification and approvals required to meet the standards set forth in this category including for Operator itself and any Aircraft or other equipment and copies of such certification and approvals shall be provided to the Board. Personnel shall be properly certified by the FAA, current, and hold the appropriate ratings and medical certification in the Aircraft being flown.

4. PERSONNEL

Operator shall have courteous, properly trained, fully qualified and certified (with licenses and/or ratings appropriate for the services being provided) employees on duty and on premises, or readily available, during hours of activity. Operator should have sufficient Personnel as required to meet these Minimum Standards and to meet the reasonable demands of the aviation public for each activity being conducted in a safe, efficient, courteous, and prompt manner but never less than one (1) person or the minimum numbers of persons required to operate the Aircraft being flown, whichever is greater.

5. EQUIPMENT

Operator shall provide, either owned or under written lease, and under the full and exclusive control of Operator, the type, class, size and number of Aircraft intended to be used by Operator, to meet the requirements of the FAA certificate held by Operator.

6. HOURS OF ACTIVITY

Operator shall be open, and services shall be available to meet the reasonable demands of the public for this activity during normal business hours (8:00 a.m. – 5:00 p.m.) five (5) days a week.

7. INSURANCE

Operator shall procure and maintain insurance in accordance with the insurance guidelines established by the Board in consultation with its risk management agent(s). Such insurance requirements may be modified from time to time based on prudent risk management.

AIRCRAFT STORAGE OPERATOR (SASO)

1. DEFINITION

An Aircraft Storage Operator is a Commercial Operator that develops, owns, and/or leases facilities for the purpose of subleasing (to the public) T-hangar Aircraft storage facilities, box, or community-style hangars.

2. PROPRIETARY EXCLUSIVE RIGHTS

Beginning June 24, 2026, the Board will not accept any application or request to initiate aircraft storage services at the Airport.

Beginning June 24, 2026, the Board will prohibit any entity from engaging in aircraft storage services at the Airport.

Between June 24, 2026, and June 30, 2029, any Operator with an Agreement to engage in aircraft storage services at the Airport shall do so in accordance with the terms and conditions of the Agreement and, as applicable, the version of the Minimum Standards existing on July 24, 2019.

For clarity, a hangar tenant at the Airport may continue to sublicense/sublease portions of the hangar excess to the tenant's needs for its approved aircraft storage, provided (1) the tenant obtained the Board's prior approval of the sublease prior to June 24, 2026, (2) the tenant does not sublease the entire hangar, and (3) the tenant does not hold itself out as an aircraft storage provider to the general public.

AIRCRAFT MAINTENANCE OPERATOR (SASO)

1. DEFINITION

An Aircraft Maintenance Operator is a Commercial Operator engaged in providing Aircraft maintenance, repairs, and/or modifications for Aircraft other than those owned, leased, and/or operated by (and under the full and exclusive control of) Operator, including the sale of Aircraft parts and accessories. In addition to the General Requirements set forth in Section Three, each Aircraft Maintenance Operator at the Airport shall comply with the following Minimum Standards set forth in this Section Four. All maintenance operations must comply with 14 CFR Part 43 and Operators shall maintain FAA license under 14 C.F.R. Part 65 or Part 145.

2. PREMISES

Building/Facility shall have a parking lot with direct access to the facility by customers and include a customer area having adequate space for, or immediate access to, customer lounge, restrooms, an administrative area having adequate and dedicated space for Employee offices, work areas and storage, and a maintenance area having adequate and dedicated space for Employee work areas, shop areas, and storage for parts and equipment. Non-airworthy items or Aircraft undergoing maintenance procedures may not be stored outside of hangar.

Hangar area shall be at least equal to the square footage required for the type of Aircraft maintenance being provided (as identified) with a minimum of 15,000 square feet or large enough to accommodate the largest Aircraft undergoing Aircraft maintenance (other than preventative Aircraft maintenance), whichever is greater.

Aircraft Maintenance Operator will not be authorized to perform maintenance in an individual unit of a multi-tenant facility such as a T-hangar or condo type facility.

Under certain Agreements, Aircraft Maintenance Operator must offer to provide maintenance to passenger airlines that serve Blue Grass Airport on a 24/7 basis, at reasonably competitive rates that airlines might find at similar airports.

Apron shall include paved parking for Aircraft not in service and/or waiting for service.

3. AIRCRAFT PAINTING

For paint, varnish or lacquer spraying operations, the arrangement, construction, ventilation, and protection of spraying booths and storing of materials shall be in accordance with federal, state, and locally recognized fire prevention and environmental standards.

4. AIRCRAFT RECOVERY/REMOVAL

In order to maintain the operational readiness of the Airport, within thirty (30) minutes upon request, the Aircraft Maintenance Operator shall begin the steps necessary to assist and/or remove disabled Aircraft from the airfield during the hours identified under item 7, Hours of Activity, of this Section Four. Aircraft Maintenance Operator shall develop and maintain a procedure resource list and contact names to assist with the removal of disabled Aircraft.

5. DEFUELING

Operator may only defuel Aircraft being serviced by Operator, if necessary, for Aircraft Maintenance purposes.

Operator may refuel the defueled Aircraft following provision of required Aircraft Maintenance. Employees engaged in refueling shall be trained in an FAA approved fire safety program per 14 CFR Part 139.321.

Defueling and refueling shall not be construed to permit Operator to engage in the sale of Fuels. Operator conducting defueling and refueling of Aircraft shall have adequate and proper Fuel storage, provide the Board with a SPCC Plan for defueling, refueling, and fuel storage.

6. PERSONNEL

Operator shall have courteous, properly trained, fully qualified and certificated (with licenses and/or ratings appropriate for the services being provided) Airframe and Powerplant Mechanics on duty and on premises, or readily available, during hours of activity. Operator should have sufficient Personnel as required to meet these Minimum Standards and to meet the reasonable demands of the aviation public for each activity being conducted in a safe, efficient, courteous, and prompt manner but never less than two (2) persons. At least one person must have and maintain an Inspection Authorization (IA) certification.

7. EQUIPMENT

Operator shall provide sufficient tools, equipment, supplies and access to (availability of) parts necessary to provide full-service Aircraft maintenance to both Commercial and general aviation Aircraft that regularly use the Airport.

8. HOURS OF ACTIVITY

Operator shall be open, and services shall be available to meet the reasonable demands of the public for this activity during normal business hours (8:00 a.m. – 5:00 p.m.) five (5) days a week and available after hours, on-call, with a response time not to exceed thirty (30) minutes.

9. INSURANCE

Operator shall procure and maintain insurance in accordance with the insurance guidelines established by the Board in consultation with its risk management agent(s). Such insurance requirements may be modified from time to time based on prudent risk management.

AVIONICS OR INSTRUMENT MAINTENANCE OPERATOR (SASO)

1. DEFINITION

An Avionics or Instrument Maintenance Operator is a Commercial Operator engaged in the business of maintenance, alteration, or sale of one or more of the items described in 14 CFR Part 43, Appendix A (e.g., Aircraft radios, electrical systems, or instruments). In addition to the General Requirements set forth in Section Three, each Avionics or Instrument Maintenance Operator at the Airport shall comply with the following Minimum Standards set forth in this Section Four.

2. PREMISES

Building/Facility shall include a customer area having adequate space for, or immediate access to, customer lounge, public use restrooms, an administrative area having adequate and dedicated space for Employee offices, work areas and storage, and a maintenance area having adequate and dedicated space for Employee work areas, shop areas, and storage for parts and equipment.

Hangar area shall be at least equal to the square footage required for the type of Aircraft maintenance being provided (as identified) with a minimum of 5,000 square feet or large enough to accommodate the largest Aircraft undergoing Aircraft maintenance (other than preventative Aircraft maintenance), whichever is greater.

3. PERSONNEL

Operator shall have courteous, properly trained, fully qualified and certified (with licenses and/or ratings appropriate for the services being provided) Employees on duty and on premises, or readily available, during hours of activity. Operator should have sufficient Personnel as required to meet these Minimum Standards and to meet the reasonable demands of the aviation public for each activity being conducted in a safe, efficient, courteous, and prompt manner but never less than one (1) person.

4. EQUIPMENT

Operator shall provide sufficient tools, equipment, supplies, and access to (availability of) parts to equivalent to that required for certification by FAA as an approved repair station.

5. HOURS OF ACTIVITY

Operator shall be open, and services shall be available to meet the reasonable demands of the public for this activity during normal business hours (8:00 a.m. – 5:00 p.m.) five (5) days a week and available after hours, on call, with a response time not to exceed sixty (60) minutes.

6. INSURANCE

Operator shall procure and maintain insurance in accordance with the insurance guidelines established by the Board in consultation with its risk management agent(s). Such insurance requirements may be modified from time to time based on prudent risk management.

AIRCRAFT RENTAL AND/OR FLIGHT TRAINING OPERATOR (SASO)

1. DEFINITION

An Aircraft Rental Operator is a Commercial Operator engaged in the rental of Aircraft to the public to include any necessary competency checks, check rides and/or transition training associated with Aircraft Rental Activities. In addition to the General Requirements set forth in Section Three, each Aircraft Rental Operator at the Airport shall comply with the following Minimum Standards set forth in this Section Four.

A Flight Training Operator is a Commercial Operator engaged in providing flight instruction to the public, including all categories of Aircraft and flight training devices and providing such related ground school instruction as is necessary preparatory to taking a knowledge exam and practical exam for the category or categories of pilot certificate(s) and rating(s) involved. In addition to that training for the issuance of a FAA certificate and/or rating, Operator provides recurrent training (e.g. flight review, instrument proficiency check, etc.). A person holding a valid FAA Flight Instructor Certificate, who gives flight instruction to an owner of an Aircraft in the owner's Aircraft (and does not provide or make flight instruction available to the public or another Aircraft owner on the Airport), shall not be deemed a Commercial activity, however, they must provide insurance as identified and defined by the Board. In addition to the General Requirements set forth in Section Three, each Flight Training Operator at the Airport shall comply with the following Minimum Standards set forth in this Section Five.

2. PREMISES

Operators shall maintain a principal business office with a mailing address on the Airport premises. The facilities and equipment must provide adequate shelter for students/renters waiting to engage in their flights; and be arranged and equipped for the conduct of pilot briefings. Each room, training booth, or other space used for instructional purposes must be heated, lighted, and ventilated to conform to local building, sanitation, and health codes; and the training premises must be so located that the students in that facility are not distracted by the training conducted in other rooms, or by flight and maintenance operations on the Airport. Each Aircraft Rental Operator or Flight Training Operator required to maintain a business office at the Airport. For clarity, no Aircraft Rental Operator or Flight Training Operator shall be authorized to operate from a traditional T-Hangar or box hangar that has not been purpose-built or expanded with the facilities and equipment identified herein.

3. PERSONNEL

Operator shall have adequate personnel, including at least one FAA Part 61 and/or Part 141 certificated flight instructor who is qualified and competent to perform the duties to which that instructor is assigned. If the Operator utilizes more than one instructor, then a chief instructor must be appointed to be responsible for directing the supervision of all training activities, quality standards, and customer service concerns. Each instructor to be used for ground, flight or training in a training device must be certificated, as appropriate, with ratings for the training and Aircraft, if appropriate, to be used.

Each Operator providing Flight Instruction to the public for a fee must be licensed by the Kentucky Commission for Proprietary Education.

Operator shall comply with the TSA Flight Training Security Program and will comply with security vetting of students as required by Legal Requirements, including without limitation 49 C.F.R. Part 1552.

4. EQUIPMENT

Operator shall have available either owned or leased and under the full and exclusive control of Operator at least one Aircraft that: is a civil Aircraft of the United States; is maintained and inspected in accordance with the requirements for Aircraft operated for hire under CFR Part 91; has two pilot stations with engine-power controls that can be easily reached and operated in a normal manner from both pilot stations (for flight training); and is equipped and maintained for IFR operations, if used in a training involving IFR en route operations and/or instrument approaches.

Each training aid must be accurate and appropriate to the training for which it is used.

5. HOURS OF ACTIVITY

Operator will publicly post normal hours of operation which may be revised seasonally or as required during periods of adverse flying weather. Minimum operating hours must be no less than forty (40) hours per week unless otherwise approved by the President & CEO.

6. INSURANCE

Operator shall procure and maintain insurance and/or hold harmless Agreements in accordance with the insurance guidelines established by the Board in consultation with its attorney or risk management agent(s). Such insurance requirements may be modified from time to time based on prudent risk management.

AIRCRAFT SALES OPERATOR (SASO)

1. DEFINITION

An Aircraft Sales Operator is a Commercial Operator engaged in the sale of two or more new and/or used Aircraft during a 12-month period. In addition to the General Requirements set forth in Section Three, each Aircraft Sales Operator at the Airport shall comply with the following Minimum Standards set forth in this Section Four.

New Aircraft Sales: Operator shall engage in the sale of new Aircraft through licensed brokers and other appropriately certified aircraft sales representatives (if required by local, county or state authority) or distributorship (either on a retail or wholesale basis) of an Aircraft manufacturer; and provide such repair, services, and parts as necessary to meet any guarantee or warranty of Aircraft sold.

Used Aircraft Sales: Operator shall engage in the purchase and/or sale of used Aircraft accomplished through various methods including Aircraft brokering, assisting a customer in the purchase or sale of an Aircraft, or purchasing used Aircraft and marketing them to potential purchasers.

General: Operator shall provide necessary and satisfactory arrangements for repair and servicing of Aircraft, for the duration of any sales guarantee or warranty period. Operator shall have a representative example of the product available for demonstration.

2. PREMISES

Building/Facility shall include a customer area having adequate space for, or immediate access to, customer lounge, public use restrooms and an administrative area having adequate and dedicated space for Employee offices, work areas and storage.

3. PERSONNEL

Operator shall have courteous, properly trained, fully qualified and certified (with licenses and/or ratings appropriate for the services being provided) Employees on duty and on premises, or readily available, during hours of activity. Operator should have sufficient Personnel as required to meet these Minimum Standards and to meet the reasonable demands of the aviation public for each activity being conducted in a safe, efficient, courteous, and prompt manner but never less than one (1) Commercial pilot.

4. EQUIPMENT

Operator shall have access to an inventory of spare parts for the type of new Aircraft for which sales privileges are granted.

5. HOURS OF ACTIVITY

Operator shall be available to meet the reasonable demands of the public for this activity during normal business hours (8:00 a.m. – 5:00 p.m.) five (5) days a week.

6. INSURANCE

Operator shall procure and maintain insurance in accordance with the insurance guidelines established by the Board in consultation with its risk management agent(s). Such insurance requirements may be modified from time to time based on prudent risk management.

OTHER COMMERCIAL AERONAUTICAL ACTIVITIES

1. DEFINITION

This Section pertains to SASOs engaging in the activities listed herein. In addition to the General Requirements set forth in Section Three, Commercial Aeronautical Activities at the Airport shall comply with the following Minimum Standards set forth in this Section Four.

2. SCOPE OF ACTIVITIES

Limited Aircraft Services and Support – are defined as limited Aircraft, engine, or accessory services and support (e.g., cleaning, washing, waxing, painting, upholstery, propeller repair, etc.).

Experimental Aircraft Services and Support – are defined as construction assistance to owners of experimental and/or amateur-built Aircraft (as defined in 14 CFR Section 21.191).

Miscellaneous Commercial Services and Support – are defined as ground instruction, simulator training, scheduling and dispatching, or any other related Commercial services and support Activities.

Other Air Transportation Services for Hire – are defined as non-stop sightseeing flights (flights which begin and end at the Airport and are conducted within a 25-statute mile radius of the Airport); flights for aerial photography or survey, firefighting, and power line, underground cable, or pipe line patrol; helicopter operations relating to construction or repair work; or, other related air transportation services for hire.

No entity shall be authorized to engage in Commercial Aeronautical Activities in support of any Aeronautical Activity that has been prohibited by the Board or FAA, including, for example and without limitation, on-Airport skydiving, banner towing, and ballooning.

3. PREMISES

Building/Facility shall include a customer area having adequate space for, or immediate access to customer lounge, public use restrooms and an administrative area having adequate and dedicated space for Employee offices, work areas and storage.

4. PERSONNEL

Operator shall have courteous, properly trained, fully qualified and certified (with licenses and/or ratings appropriate for the services being provided) Employees on duty and on premises, or readily available, during hours of activity. Operator should have sufficient Personnel as required to meet these Minimum Standards and to meet the reasonable demands of the aviation public for each activity being conducted in a safe, efficient, courteous, and prompt manner; but never less than one (1) person or the minimum number of persons required to provide such services and/or conduct such activity.

5. EQUIPMENT

Operator shall have (based at the Airport), either owned or under written lease to (and under the full and exclusive control of) Operator, sufficient Vehicles, Equipment, and, if appropriate, one continuously airworthy Aircraft. Operator shall have sufficient supplies and parts available to support the activity.

6. HOURS OF ACTIVITY

Operator shall be open, and services shall be available during hours normally maintained by entities operating competitive businesses at the Airport.

7. INSURANCE

Operator shall procure and maintain insurance in accordance with the insurance guidelines established by the Board in consultation with its risk management agent(s). Such insurance requirements may be modified from time to time based on prudent risk management.

TEMPORARY SPECIALIZED AVIATION SERVICE OPERATOR (SASO)

1. INTRODUCTION

The Board recognizes that Aircraft Owners or Aircraft Operators may, from time to time, have specialized aviation service requirements (i.e., Aircraft Maintenance, Flight Training, etc.). When specialized aviation service is required but is not available at the Airport through existing Operators due to the specialized nature of the aviation service requirements and/or existing Operators are unable to provide the services required within a reasonable timeframe, the Board may allow an Aircraft Owner or Aircraft Operator to solicit and utilize the services of a qualified and experienced entity to provide said services.

- Aircraft Owner or Aircraft Operator shall initialize the process by informing the Board about the specialized aviation service requirement, the timeframe for the provision of services, and the Temporary Specialized Aviation Service Operator to provide such services.

- Aircraft Owner or Aircraft Operator shall be responsible for assuring the Temporary Specialized Aviation Service Operator complies with all Legal Requirements while on the Airport.

2. SCOPE OF ACTIVITY

Operator shall conduct Commercial Aeronautical Activities on the Leased Premises of the Aircraft Owner or Aircraft Operator or in a location approved by the Board in a safe, secure, efficient, prompt, courteous, and professional manner consistent with the degree of care and skill exercised by qualified and experienced operators providing similar services at comparable airports.

3. COMMERCIAL AERONAUTICAL ACTIVITY PERMIT

Prior to engaging in Commercial Aeronautical Activities at the Airport, Operator must obtain a Commercial Aeronautical Activity Permit from the Board for a specific period of time (typically no more than 30 calendar days). Renewal shall be subject to the Operator's compliance with all terms and conditions of the approved Commercial Aeronautical Activity Permit.

Operator shall comply with all requirements for the permitted Commercial Aeronautical Activities and limit the service provided to the entity, area, and time period identified in the approved Commercial Aeronautical Activity Permit.

Aircraft Operators requiring after-hours or weekend service by a Temporary Specialized Aviation Service Operator must notify the President & CEO prior to Operator engaging in Activities on the Airport.

PRIVATE FLYING CLUBS

A Private Flying Club is an entity that is legally formed as a non-profit entity, operates on a non-profit basis (so as not to receive revenues greater than the costs to operate, maintain, acquire and/or replace club Aircraft), and restricts participation to members.

A Private Flying Club desiring to base Aircraft and operate at the Airport must comply with the applicable provisions of this section of the Minimum Standards and all other applicable Legal Requirements including FAA Order 5190.6C. The Private Flying Club's aircraft must be vested in the name of the Private Flying Club or owned by all of its members. Each of the property rights of the members of the Private Flying Club must be equal. A Private Flying Club shall not be required to meet the Minimum Standards for Aircraft Rental or Flight Training Operators so long as the Private Flying Club restricts participation to members as stated in this section.

Private Flying Clubs may not offer or conduct charter, air taxi or Aircraft rental operations. They may not participate in Co-operative Fueling. They may not conduct Aircraft flight instruction except for members, and only members of the Private Flying Club may operate the Aircraft (including flight instructors). An exception will be made for ferrying operations or maintenance flight checks and if a non-member flight instructor is required to sign-off on experimental or specialty-type Aircraft before club members can be insured.

A Private Flying Club may permit its aircraft to be used for flight instruction (1) in a club-owned aircraft as long as both the instructor providing instruction and person receiving instruction are members of the club owning the aircraft, and (2) when the instruction is given by a lessee based on the Airport who provides flight training and the person receiving the training is a member of the Private Flying Club. In either circumstance, a flight instructor may receive monetary compensation for instruction or may be compensated by credit against payment of dues or flight time; however that individual may not receive both compensation and waived or discounted dues or flight time concurrently.

Any qualified mechanic who is a registered member and part Owner of the Aircraft owned and operated by a Private Flying Club shall not be restricted from doing maintenance work on Aircraft owned by the Private Flying Club in an approved location designated by the President & CEO. The mechanic may receive monetary compensation for such maintenance work or may be compensated by credit against payment of dues or flight time; however that individual may not receive both compensation and waived or discounted dues or flight time concurrently.

The Private Flying Club shall register with the President & CEO and upon request, furnish the President & CEO with a copy of its Articles of Incorporation and bylaws, articles of organization, partnership or membership Agreement(s), and/or other documentation supporting its existence; a roster, or a list of officers and directors (to be revised on an annual basis); number and type of Aircraft; evidence that ownership is vested in the Private Flying Club; and the operating rules of the Private Flying Club. The books and other records of the Private Flying Club shall be available for review at any reasonable time by the President & CEO or an authorized agent.

Private Flying Clubs and their members are prohibited from leasing or selling any goods or services whatsoever to any person or firm other than a member of such club at the Airport, except that said Private Flying Clubs may sell or exchange its capital equipment.

A Private Flying Club at the Airport shall comply with all federal, state, and local laws, ordinances, regulations and the rules and regulations of the Airport. A Private Flying Club may not hold itself out to the public as an FBO, a SASO, a maintenance facility or a flight school and is prohibited from advertisements as such or be required to comply with the appropriate airport minimum standards.

Private Flying Clubs may not indicate in any form of marketing and/or communications that they are a flight school, and Private Flying Clubs may not indicate in any form of marketing and/or communications that they are a business where people can learn to fly.

SECTION FIVE – APPLICATION/PERMIT

COMMERCIAL AERONAUTICAL ACTIVITY APPLICATION

Any entity desiring to engage in a Commercial Aeronautical Activity at the Airport shall submit a written application to the President & CEO for a Permit and Lease Agreement and/or Permit. The Board is exempt from compliance with this Section when engaging in Commercial Aeronautical Activities.

1. APPLICATION

The prospective Operator shall submit all of the information requested on the Application/Proposal Requirements checklist (included below) and thereafter shall submit any additional information that may be required or requested by the President & CEO to properly evaluate the application and facilitate an analysis of the prospective operation including, but not limited to, verifiable history of experience, financial statements, reference etc.

No application will be deemed complete that does not provide the President & CEO and the Board with the information necessary to allow them to make a meaningful assessment of Applicant's prospective operation and determine whether or not the prospective operation will comply with all applicable Legal Requirements and be compatible with the Airport's Master Plan, Airport Layout Plan, or Land Use Plan.

2. APPROVAL PROCESS

All applications will be reviewed and acted upon by the Board within ninety (90) days from the receipt of the completed application and all other materials requested by the President & CEO.

Applications may be denied for one or more of the following reasons:

- The applicant does not meet qualifications, standards and/or requirements established by these Minimum Standards including all insurance requirements.
- The applicant's proposed operations or construction will create a safety hazard on the Airport.
- The granting of the application will require the expenditure of unbudgeted and unplanned local funds, labor or materials on the facilities described in or related to the application, or the operation will result in a financial loss to Board.
- There is no appropriate or adequate available space on the Airport to accommodate the entire activity of the applicant.
- The proposed operation, development and/or construction does not comply with the approved ALP.
- The development or use of the area requested will result in a congestion of Aircraft or buildings or will result in unduly interfering with the operations of any present Operator on the Airport, such as problems in connection with Aircraft traffic or service, or preventing free access and egress to the existing Operator areas, or will result in depriving, without the proper economic study, an existing Operators of portions of its leased area in which it is operating.
- Any entity applying or having an interest in the business, has supplied false information, or has misrepresented any material fact in the application or in supporting documents, or has failed to make full disclosure on the application.

- Any entity applying, or having an interest in the business, has a record of violating any Airport Rules, or the Rules and Regulations of any other airport, any aviation related federal entity rules and regulations, or any other rule, regulation, law or ordinance applicable to this or any other airport.

- Any entity applying, or having an interest in the business, has defaulted in the performance of any Agreement with the Board or any Agreement at any other airport.

- Any entity applying or having an interest in the business is not sufficiently credit worthy and responsible, in the sole judgment of the Board, to provide and maintain the business for which the application relates to promptly pay amounts due under an Agreement.

- The applicant does not have the finances necessary to conduct the proposed operation for at least one year.

- The Board reserves at all times the right to approve or disapprove the application of any proposed Commercial Aeronautical Activity. Such approval shall take into account the aforementioned standards along with an analysis of the business background, financing and proposed plans for the development of a Commercial Aeronautical Activity. Final approval by the Board shall thus be based on an evaluation of the application and its impact upon the advancement of the Board's purposes.

3. VALIDITY

Permits shall be valid for a period of no more than one (1) year and are subject to all terms and conditions specified therein and/or incorporated by reference. Permits that are tied to a lease/operating Agreement may assume the term of the Agreement and may exceed the one (1) year limitation described above. Permits shall not be assigned or transferred.

4. PERMIT FEES

All Operators shall pay fees as specified by the Board.

5. CHANGE OF CONDITION

Any changes in the condition of an approved Permit shall be reported to the Board in writing within thirty (30) days prior to the anticipated effective date of such change. Operator shall clearly describe the proposed changes to the approved Permit including any impacts and/or material changes. Permit shall be subject to further modification, revocation, denial by the Board at its sole discretion should such change of condition(s) be determined to be unacceptable by the Board at any time.

APPLICATION/PROPOSAL REQUIREMENTS

Section I – General Information

1. Applicant's Information

A. Applicant's legal name: _____
Indicate Applicant's legal name exactly as it would appear in any legally binding document.

B. Business or trade name: _____
If different from Applicant's legal name.

C. Primary office (and contact information):

Name: _____

Title: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: (____) ____ – _____ Facsimile: (____) ____ – _____

Email Address: _____

D. Applicant's authorized representative (if different from primary)
Identify Applicant's authorized representative (for notices and communications).

Name: _____

Title: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: (____) ____ – _____ Facsimile: (____) ____ – _____

Email Address: _____

H. Type of request (check one):

☐ New Application ☐ Assignment ☐ Change in Majority Ownership

I. Type of activities to be conducted (check all that apply):

☐ Aircraft Rental
☐ Aircraft Maintenance and Repair
☐ Flight Training
☐ Avionics/Instruments Maintenance and Repair
☐ Aircraft Sales
☐ Aircraft Management
☐ Aircraft Charter
☐ New/Other Commercial Aeronautical Activity: _____

Section II – Business Plan Executive Summary

Applicants must address each element completely and accurately and furnish any required information, data, and/or documentation. The Executive Summary shall be typewritten and if bound, it shall be bound on the long side of the paper.

1. Executive Summary

The Executive Summary shall, at a minimum, outline the following elements of the business plan:

A. Name of the Applicant.

B. A summary of the range, level, and quality of products, services, and facilities proposed to be provided by the Applicant.

C. The qualifications, experience, capabilities, and competencies of the Applicant as it relates specifically to the proposed activities.
   1. A summary of the products, services, and facilities currently being provided by Applicant.
   2. A summary of principals, financial backers, and business manager, including manager's experience and background in managing business as similar in nature.

D. A summary of the compensation (rents, fees, and other charges) proposed to be paid to the Board.

E. A summary of the capital investment in aircraft, vehicles, and equipment proposed to be made (and why needed).

F. For Applicant's desiring to lease and/or developing Airport land, must provide a summary of:
   1. The land and Improvements proposed to be leased from the Board.
   2. The lease term (proposed commencement date, base term, and renewal options).
   3. The capital investment proposed to be made in leasehold and/or Airport Improvements (and why needed), the cost of the proposed Improvements, the amortization period for the proposed Improvements, the source of funding for the proposed Improvements, and the schedule for the development and completion of the proposed Improvements.

G. A statement explaining why the Board should allow the Applicant to conduct the activity at the Airport.

H. Signature by a representative authorized to make commitments and/or enter into agreements on behalf of the Applicant.

2. Additional Information

The Applicant may include any supplemental information, data, and/or documentation which may be useful in helping the Board evaluate the qualifications and experience of the Applicant.

3. Supplemental Information

For full application consideration, the Board may also require completion of Supplemental Information Request form, which includes a more detailed description of proposed activities. Request form shall be provided when required.