

Chapter 250: Commercial Aeronautical Services and Activities

Section 250.010 DEFINITIONS

AERONAUTICAL ACTIVITY

Any activity conducted on airport property that makes the operation of an aircraft possible or that contributes to or is required for the safe operation of aircraft. The following are considered aeronautical activities within this definition: aerial surveying, air carrier operations (includes cargo), aircraft rental, aircraft sales and service, aviation fuel and oil sales, banner towing, charter operations, scenic flights, crop dusting (aerial application), pilot training, repair and maintenance of aircraft, sale of aircraft parts. (Any other activities that because of their direct relationship to the operation of aircraft can appropriately be regarded as an aeronautical activity.)

AGREEMENT OR LEASE

A contract executed between the airport and an entity, granting a concession that transfers rights or interest in property or authorizes the conduct of certain activities. The agreement or lease must be in writing executed by both parties and enforceable by law.

AIR CHARTER

An entity that provides on demand non-scheduled passenger air service in aircraft having less than thirty (30) passenger seats.

AIRCRAFT MAINTENANCE

The repair, maintenance, adjustment or inspection of aircraft. Major repairs include major alterations to the airframe, power plant and propeller as defined in Part 43 of the FARs. Minor repairs include normal, routine annual inspections with attendant maintenance, repair, calibration, adjustment or repair of aircraft and their accessories.

AIRPORT MANAGER

Designated representative of the City of Warsaw to administer the functions and directives of the City of Warsaw concerning the airport.

AIRPORT

The geographical area under the care, custody and control of the City of Warsaw known as the Warsaw Municipal Airport.

APRON

A paved area suitable for aircraft staffing and parking.

ASSURANCE

A provision contained in a Federal grant agreement to which the recipient of Federal airport development assistance has voluntarily agreed in consideration for the assistance provided.

AVIATION-RELATED ACTIVITIES

Any activity conducted on airport property that provides service or support to aircraft passengers or air cargo. The following are examples of aviation-related activities: auto parking lots, concessions, ground transportation, restaurants and any other service or support activities that can appropriately be called aviation related.

COMMERCIAL AERONAUTICAL ACTIVITY

Any aeronautical activity intended to secure earnings, income, compensation, profit, whether or not such objectives are accomplished.

COMMERCIAL AVIATION OPERATOR

A commercial aviation operator may be classified as either a fixed base operator (FBO) or a specialized service operator (SASO).

ENTITY

A person, persons, firm, partnership, limited liability, company, corporation, unincorporated proprietorship, association or group.

EXCLUSIVE RIGHT

A power, privilege or right that excludes another from enjoying or exercising a like power, privilege or right. An exclusive right can be conferred by express agreement, by the imposition of unreasonable standards or requirements or by any other means.

FAA

Federal Aviation Administration.

FAR

Federal Aviation Regulation.

FIXED BASE OPERATOR

An entity that is authorized and required by agreement with the airport to provide the sale of aviation fuel and oil along with at least one (1) of the following: aircraft maintenance, flight instruction, flight rental, aircraft charter.

GRANT AGREEMENT

Any agreement made between an airport sponsor and the FAA for the grant of Federal funding or a conveyance of land used for airport purposes.

IMPROVEMENTS

All buildings, structures and facilities. Improvements may include pavement, fencing, signs and landscaping that is constructed, installed or placed on or above any leased area.

LEASE

A written contract between the airport owner/operator and an entity granting a concession that transfers rights or interests in property or authorizes the conduct of certain activities.

MINIMUM STANDARDS

The criteria established by an airport owner as the minimum requirements that must be met by commercial aeronautical business or activities.

MULTIPLE T-HANGAR

A building composed of partitioned or nested units designed to house no more than one (1) aircraft in each unit and having single door openings for each unit.

OPERATOR

Person or entity who has entered into a lease or has a permit to operate a certain activity on the airport. As used in these minimum standards, the term operator refers to both commercial and non-commercial operators.

OWNED AIRCRAFT

Aircraft that is registered, insured and operated by owner or designated pilot (i.e., sales tax has been paid for specific aircraft).

REGULAR EMPLOYEE

Employee who works directly for employer (i.e., employer deducts taxes from employee's pay).

SPECIALIZED AVIATION SERVICE OPERATION

An aeronautical business that offers a single or limited service.

SPONSOR

A local municipal or State government body or private entity obligated to the Federal Government to comply with the assurances contained in grant agreements or property conveyance. A sponsor may be an entity that exists only to operate the airport. For the purposes of this document, the term airport sponsor and airport owner are synonymous.

SUBLEASE

A written lease agreement entered into by a lessee with another entity that transfers rights or interests in property or facilities.

THROUGH THE FENCE OPERATION

A person or entity not based or under lease at Warsaw Municipal Airport that conducts an aeronautical activity, utilizes the airport facility or that has rights to direct access to the airport from private property contiguous to the airport.

Section 250.020 AIRPORT MINIMUM STANDARDS

A. The following shall be the minimum standards for all airport operations at the Warsaw Municipal Airport.

1. *General statement of standards.*

- a. The City of Warsaw as owner/operator of the Warsaw Municipal Airport offers without discrimination a fair and reasonable opportunity to all operators to qualify or compete for available airport facilities and the furnishing of select aeronautical services subject, however, to the minimum standards and requirements as established by the City of Warsaw.
- b. The City has received and in the future expects to apply for Federal grants and aid to operate its airport. Under Grant Assurance 22h of these Federal grants: Imposes the obligation on the airport sponsor to establish and enforce fair, equal and not unjustly discriminatory airport rules and regulations for the safe and efficient operation of the airport.
- c. Sponsor reserves the right to modify these standards at its own discretion, however, the modifications will not impact current leases or contracts until their renewal date.
- d. In all cases where the words "standards" or "requirements" appear in this document, it should be understood that they are modified by the word "minimum". All operators will be encouraged to exceed the "minimums".
- e. Contingent upon operator's qualifications and operator meeting the minimum standards, the execution of a written agreement with the City of Warsaw and the payment of prescribed rentals, fees, charges or permits, the operator shall have the right and privilege of engaging in and conducting the activity or activities selected as specified in the written contract. The granting of such right or privilege, however, shall not be construed in any way as affording the operator any exclusive right of use of the premises and facilities of the airport, other than those premises which may be leased exclusively to operator and then only to the extent provided in the written agreement. The City of Warsaw reserves and retains the right for the use of the airport by others who may desire to use the same, pursuant to applicable Federal, State and local laws, Warsaw further reserves the right to designate specific airport areas in which the individual or combination of aeronautical activities may be conducted. Such designation shall give consideration to the nature and extent of the operation and lands available for such purpose, consistent with the safe and orderly operation of the airport.
- f. Any lease longer than a three (3) year term will have an inflation clause or renegotiation of terms. No right or privilege granted herein shall operate to prevent any person or persons, firm or corporation operating aircraft on the airport from performing any services on its own aircraft with its own regular employees (included, but not limited to, maintenance and repair) that it may choose to perform.

2. *Commercial aeronautical activities.* The purpose of these standards is to regulate commercial aviation operations on said airport. A "commercial operation" is defined as a person, persons, firm or corporation engaging in an activity which involves, makes possible or is required for the operation of aircraft or which contributes to or is required for the safety of such aircraft operations. The purpose of such activity being to secure earnings, income, compensation or profit whether or not such objective or objectives are accomplished. Authorized activities shall be limited to any one (1) or a combination of aeronautical activities defined or not specifically defined within this Chapter.

- a. Commercial aviation operators subleasing from other commercial service operators must meet the same requirements as if they were under agreement to the City.
- b. City reserves the right to implement "percentage of gross" commission on sales.
- c. Any commercial operator may offer, in a non-discriminatory nature, volume discounts to customers.

3. *Insurance.* The operator shall procure, maintain and pay premiums, during the term of the agreement, for insurance of the types and in the minimum limits set forth in the respective categories of aeronautical services. The insurance company or companies writing the required policy or policies shall be licensed to do business in the State of Missouri.

- a. All insurance for which the operator is required by the City to carry and keep in force shall include the City of Warsaw and all officers, agents and employees as additional-named insured. The operator shall furnish evidence of his/her compliance with this requirement to the City Administrator or designated representative with proper certification that such insurance is in force and will furnish additional certification as evidence of changes in insurance not less than ten (10) days prior to any such change, if the change results in a reduction, increase or cancellation. In the event of cancellation of coverages, thirty (30) days' prior notice of cancellation shall be conveyed to the City by the underwriter. Current proof of insurance shall be continually provided to the City throughout the lease term.
- b. The applicable insurance coverages shall be in force during the period of any construction of the operator's facilities and/or prior to entry upon the airport for the conducting of business.
- c. Any operator, who by nature of its size has become self-insured, shall furnish evidence of such self-insurance and shall hold the City of Warsaw and all City personnel and the offers and agents and assigns harmless in the event of any claims or litigation arising out of its operation at the airport.

- d. The City may vary insurance requirements upon a positive recommendation by City staff along with a determination that a particular aeronautical activity because of its nature and inability to obtain the required insurance level will not in any way increase the City's liability. This variance would not affect current leases or contracts until their renewal date.
4. *Non-exclusive rights.* Nothing herein contained shall be construed to grant or otherwise the granting of exclusive right, except as to the leased premises to be occupied by the operator, which areas shall be for the operator's exclusive use.
5. *Airport development.* The City reserves the right to further develop or improve the landing area of the airport as it sees fit and without unreasonable interference or hindrance.
6. *Compliance with laws.* The operator shall at all times comply with these minimum standards; airport rules and regulations, conditions and restrictions; OSHA occupational safety and EPA environmental compliance regulations; Federal, State and municipal laws; along with ordinances, codes and other regulatory measures now in existence or as may hereafter adopted, modified or amended applicable to the specific type of operation contemplated. The operator shall procure and maintain during the term of the agreement all licenses, permits and other similar authorizations required for the conduct of business operations.
7. *Indemnity.* The operator shall hold the City of Warsaw and the officers, agents and employees of the City harmless from and against all suits, claims, demands, actions and/or causes of action of any kind or nature in any way arising out of or resulting from this tenancy and activities and shall pay all expenses in defending any claims against the City by reason of this tenancy and activities.
8. *Right of entry.* The City or its agents and employees may enter upon the premises leased to the operator at any reasonable time and for any purpose necessary, incidental to or connected with the performance of the operator's obligations under the agreement or in the exercise of their duly authorized functions.
9. *Termination.* Upon the expiration or other termination of any agreement, the operator's rights to the premises, facilities, other rights, licenses, services and privileges granted in the agreement shall cease and the operator shall, upon such expiration or termination, immediately and peacefully surrender such.
 - a. In the event the lessee becomes insolvent or the subject of any kind or chapter of bankruptcy proceeding or if a receiver, assignee or other liquidating officer is appointed for the business of lessee, then the lessor may cancel this lease at the lessor's option upon giving written notice to the lessee.

Section 250.030 AERONAUTICAL SERVICES

- A. FBOs (Fixed Base Operator), which shall mean a person or entity engaging in fuel sales and offering at least one (1) aeronautical service. City reserves the right to require specific aeronautical services be offered. The FBO shall define its normal business hours which shall not be less than seven (7) days per week, eight (8) hours per day. An employee must be on duty at all times FBO is open to provide services. After hours call out must be provided when closed for regular business. FBO must provide at least one million dollars (\$1,000,000.00) aggregate in liability insurance coverage. Additionally, operator must provide adequate insurance coverage for any additional operations it performs.
- B. Specialized Aviation Service Operation (SASO), which shall mean an aeronautical business that offers a single or limited service. The (SASO) is subject to the minimum standards in accordance with the commercial aeronautical business they wish to conduct.
- C. *Fuel Sales.* City reserves the right to be the only provider of fuel sales on the airport. If City allows private concerns to provide fuel sales to the public, it will only allow an FBO to provide such services. Minimum storage of fuel will be established. FBO will be responsible for those facilities, training of employees and the transferring of fuel to aircraft. A fuel flowage fee between City and FBO will be negotiated. FBO is required to meet all fire requirements for fueling operations.
- D. *Flight Instruction.* There should be one (1) airworthy aircraft owned or under lease suitable for primary flight instruction plus a qualified flight instructor available for students. Eighty (80) square feet heated and air conditioned classroom adjacent to parking and ground school training material must be provided. Operator must have available a rest room located under same roof as classroom. Operator must provide at least five hundred thousand dollars (\$500,000.00) in aggregate liability insurance coverage.
- E. *Persons Offering Services.* Persons or entities offering services such as flight instruction, aircraft rental or charter, aircraft sales, aircraft maintenance or sales shall be required to obtain permission from the City to provide such services. Such persons or entities shall provide the City with their qualifications to provide such services and their plan to provide such (hours, employees, etc.). The City reserves the right to allow or not allow such persons or entities to provide such services. Such persons or entities shall provide the City with proof of no less than one million dollars (\$1,000,000.00) in liability insurance coverage.
- F. *Flying Clubs.* Club must be non-profit. All members must be equal partners. No commercial operations allowed for aircraft use. Only members may pilot aircraft. Club to provide City with current list of members, officers and members' phone numbers. Club to provide airport with current copy of liability insurance coverage not less than three hundred thousand dollars (\$300,000.00).
- G. *Other Aviation-Related Business Not Elsewhere Classified.* Any business either directly or not directly aviation related will secure a lease with the City. City reserves the right to determine facility usage, facility requirements, charges for facility use and availability of qualified personnel and amount of insurance.
- H. *Non-Aviation Business.* Whereas the airport is designed for aviation use, a non-aviation use may be permitted in a location designated by the City. Tenant will be responsible for any and all improvements necessary, pre-approved by the City. Tenant shall provide adequate insurance and submit the current policy to the City. City reserves the right to implement restrictions with use and charge a yearly fee to access facilities.
- I. *Through The Fence Operations.* Any private aircraft owner may apply to the City for a through the fence operation. Approval is contingent upon review of all plans and specifications and the effect operations will have on the airport. City reserves the right to charge a yearly fee to access aviation facilities. Copies of commercial operator's current insurance policy must be provided to the City. No commercial operations are allowed without proof of insurance and an operating permit.
- J. *Amendment.* City reserves the right to change or amend the minimum standards as needed. Any tenant wishing to change current facilities must request a current copy of the minimum standards and comply with such changes as amended. The amendments would not affect current leases or contracts until their renewal date.