

Section 1. Purpose, Intent and Requirements

1.1 The Town of Sanford, otherwise known as the Owner, established these *Minimum Standards and Procedures* to govern how commercial (revenue producing) and non-commercial aeronautical and aviation related activities at the Sanford Regional Airport conduct their respective operations. Specifically, this document:

1) Establishes threshold entry requirements for those wishing to provide aeronautical services to the public (Operators) at or from the Airport, and other Applicants;

2) Ensures the public receives reliable, safe, and non-discriminatory service from Operators;

3) Protects Operators against unfair or irresponsible competition within the Airport; and

4) Determines building and land maintenance, repair and upkeep standards for all Tenants (including Operators).

1.2 Scheduled Airlines: Any provision contained in these *Minimum Standards and Procedures* is not applicable to scheduled certificated or scheduled commuter airline operating under 14 CFR Part 121 or 135 and such are specifically exempted from these *Minimum Standards and Procedures*.

1.3 Current Tenants: All present Tenants conducting operations on the Airport, prior to the effective date of these standards and procedures, may be allowed to continue operations without fully complying with the portions of these standards and procedures relating to the number of categories and to the physical requirements of land and

buildings, so long as the Owner determines that the continuation of such an operation is in the public interest and does not conflict with any FAA requirement, or if the Owner determines that it would be an extreme hardship, financial or otherwise, for such an Operator to fully comply with said portions of these standards and procedures. When an existing lease for any present Tenant (who in accordance with this subsection is not made to fully comply with these standards and procedures) expires, such Tenant shall at the time of expiration of such existing lease be required to comply as nearly as possible with all the provisions of these *Minimum Standards and Procedures*.

1.4 These standards and procedures shall be published and appended to all current lease/operating agreements and shall be considered a part of all Airport lease/operating agreements that the Owner may enter into.

1.5 Amendments: The Owner may review the *Minimum Standards and Procedures* from time to time and may make such revisions or amendments as shall be deemed necessary under the use circumstances surrounding the Airport to properly protect the health, safety and interest of the public. Upon enactment of any such amendments, all Tenants shall be required to conform to such amended standards. If any Tenant believes that such amendment to the *Minimum Standards and Procedures* imposes an undue or unreasonable financial hardship on their operation, such amendment shall be subject to arbitration as provided for in *Section 19 - Arbitration*, of these standards and procedures.

Section 2. Application and Qualifications

2.1 Applicants shall be allowed to act as Operators/Tenants or conduct commercial activities on the Airport, only after the Applicant has: (1) applied for and received permission to so act, and (2) entered into and executed a lease/operating agreement with the Owner. Each successful Applicant shall, within thirty (30) business days after having received written approval of his/her application be ready, willing and able to enter into a written lease/operating agreement with the Owner, in a form and manner prescribed by the Owner. In the case of an air charter operation which is not based at the airport but which operates to and from the airport, the payment of all applicable landing, parking or other levied fees by the non-based air charter operation shall be deemed sufficient to meet the requirements of this paragraph.

2.2 To assist the Applicant in the application process, the Owner will make available a copy of the Ultimate Airport Layout Plan (ALP). This plan provides the existing and ultimate development of the Airport.

2.3 Transferability: No applications approved, or lease and/or operating agreement executed under these standards and procedures shall be transferable without first obtaining the prior written consent of the Owner. Sale of a majority of the voting stock of a corporation shall be deemed to be a transfer, which consent cannot be unreasonably withheld.

2.1.3 Lease Agreements: All lease/ operating agreements shall contain the following four major revenue components, as applicable to the FBO Operator category:

1) Land Rent: Developed and undeveloped land (excludes facilities owned by the Town).

2) Facility Rent: Fee per square foot to rent facilities owned by the Town.

3) Gross Receipts Fee (GRF): Compensation for the expense of maintaining the

airport and creating an aviation-related market opportunity.

4) Additional Fees: Charges to direct Airport users, such as a fuel flowage fee—a predetermined charge owed to the Owner for each gallon of fuel purchased by the Operator. See Section 18 for more information.

2.4 Sub-leases: Any sub-lease approved by the Owner between Lessee Operator and a sub-lessee shall provide that the entire recognized gross revenue (RGR) (except for exclusions similar to those of the Lessee), of the sub-lessee shall be included in the RGR of the Lessee for the purpose of computing the percentage fee for the Owner.

2.5 Length of Lease: The Owner will restrict the amount of land leased to any Tenant to the minimum area reasonably required for the specific aviation purposes that the Tenant agrees to conduct on the leased premises within five (5) years of the effective date of the lease. The Owner will include a provision in each lease providing for the termination of the Tenant's rights on the leased premises, or any portion thereof, on which the Tenant has not made improvements or otherwise utilized for an approved aviation purpose within two (2) years.

2.6 Minimum Documentation: The Applicant shall submit the following minimum documentation for consideration of the Owner:

1) Application form (Appendix II)

2) The signatures of all parties whose names are being submitted as owning an interest in the business or will appear on leases or other documents as being a partner, director or corporate officer and those who will be managing the business.

3) A current financial statement prepared or certified by a Certified Public Accountant.

4) A listing of assets owned, or being purchased, or leased which will be used in the business on the Airport.

5) A current credit report for each party owning or having a financial interest in the business and a credit report on the business itself covering all geographical areas in which it has done business in the ten-year period immediately prior to such application.

6) An agreement to provide a bond or suitable guarantee of adequate funds to the Owner to be used to defray any expenses and fees normally paid by the Lessee between the estimated time the Lessee may default and a new lease is executed and another Lessee takes over.

7) A written authorization for the FAA, any aviation or aeronautics commissions, administrators, and departments of all states in which the Applicant has engaged in aviation business to release information in their files to the Owner relating to the Applicant or its operation. The Applicant will execute such forms, releases, or discharges as may be required by those agencies.

8) Preliminary plans, specifications and dates for any improvements which the Applicant intends to make on the Airport as part of the activity for which approval is sought. The Applicant must comply with all Federal, State of Maine, and Town environmental, safety, construction and zoning ordinances, regulations and laws.

9) Proof (or copy of insurance company letter of intent) of liability coverage for the business operation, flight operations, itinerant aircraft, and Operators and premises insurance.

10) Such other information as the Owner may require.

2.7 Owner Review of Application: The Owner will review and act on all applications within 90 days from the receipt. Applications may be denied for one or more of the following reasons:

1) The Applicant does not meet the qualifications, standards and requirements

established by these *Minimum Standards and Procedures*.

2) The Applicant's proposed operations or construction cannot be incorporated into the Ultimate Airport Layout Plan and approved by FAA, the MDOT and the Owner because:

a. It is a potential safety hazard to the Airport, or

b. There is insufficient land or building space available, or

c. It will result in a congestion of aircraft or buildings, or will unduly interfere with the operation of any present FBO on the Airport, such as problems in connection with aircraft traffic or service, or preventing free access and egress to the existing FBO, or will result in depriving, without the proper economic study, an existing FBO of portions of its leased area in which it is operating.

3) The granting of the application will require the expenditure of Owner funds, labor or materials on the facilities described in or related to the application, or the operation will result in a financial loss to the Owner.

4) Any party applying, or interested 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.

5) Any party applying, or having an interest in the business, has a record of violating the rules, or the rules and regulations of any other airport, civil air regulations, FAR, or any other rules and regulations applicable to this or any other airport.

6) Any party applying, or having an interest in the business, has defaulted in the performance of any lease or other agreement with the Owner or any lease or other agreement at any other airport.

7) Any party applying, or having an interest in the business, is not sufficiently credit worthy and responsible in the judgment of the

Owner to provide and maintain the business to which the application relates and to promptly pay amounts due under the FBO lease.

8) The Applicant does not have the finances necessary to conduct the proposed operation for a minimum period of six months.

9) The Applicant has committed any crime, or violated any Town ordinance rule or regulation, which adversely reflects on its ability to conduct the FBO operation applied for.

Section 3. FBO Category I – Fuel & Oil Service

Statement of Concept

3.1 An aircraft fuel and oil service FBO provides aviation fuels, lubricants and other services supporting itinerant aircraft operations and operations of aircraft based on the airport.

Minimum Standards

3.2 Except as otherwise provided in any agreement between the Operator and the Owner, an Operator conducting aviation fuel and oil service to the public on the Airport shall provide the following services and equipment:

3.2.1 Aircraft Fuel and Oil Dispensing Operations:

1) Furnish and maintain an adequate supply of recognized AVGAS, Jet-A fuel, oils and lubricants to meet public demands. Specific grades and quantities shall be negotiated as part of the lease agreement.

2) Be open during daylight hours, seven (7) days a week for aircraft fuel and oil dispensing. During hours of darkness, the Operator shall provide an “on-call” service and respond within two (2) hours of the request.

3) The Operator shall employ and train sufficient employees to meet the standards and procedures set forth in this category. Operate fuel tanks and piping systems in accordance with manufacturer recommendations and the latest edition of NFPA 30, *Flammable and Combustible Liquids Code*. And NFPA 407.

4) All dispensers must be inspected at least annually by a person qualified by NFPA standards to conduct and record said inspections.

Separate dispensing pumps and meters are required for each grade of fuel.

5) In conducting refueling operations, every Operator shall install and use adequate grounding and/or bonding facilities at fueling locations IAW current NFPA standards to eliminate the hazards of static electricity and shall provide fire extinguishers or other equipment, approved by the National Fire Protection Association, of such types and in such numbers are commensurate with the hazards involved in refueling and servicing aircraft.

6) Maintain and be trained to use fire extinguishers and spill response equipment, such as absorbents, brooms, and containment devices, established in the Airport’s Storm Water Pollution Prevention Plan (SWPPP).

7) Handle and dispose of, away from the Airport, all used or unused oil, solvents, and other hazardous/non-hazardous materials and waste in accordance with Federal, State of Maine and Town requirements.

3.2.2 Aircraft Fueling Systems: The Operator shall provide metered, filter-equipped dispensers, fixed or mobile, for dispensing required grades of fuel. Separate dispensing pumps and meters are required for each grade of fuel. (such facilities to be in accordance with NFPA Standards)

3.2.3 Aircraft General Services: The Operator shall provide such minor repair service that does not require a certificated mechanical rating, and cabin services, to general aviation aircraft as can be performed efficiently on the ramp or apron parking area, but only within the premises leased to the Operator. The Operator shall procure and maintain tools, jacks, and such equipment as

necessary to provide for aircraft towing, repairing and inflating aircraft tires, changing engine oil, washing aircraft and aircraft windows and windshields, and for recharging and energizing aircraft batteries and starters. All equipment shall be maintained and operated in

accordance with Federal, State of Maine, and Town industrial codes.

Section 4. FBO Category II – Flight Training

Statement of Concept

4.1 A flight training FBO engages in instructing pilots in dual and solo flight training, in fixed and/or rotary wing aircraft, and provides such related ground school instruction as is necessary preparatory to taking a written examination and flight check ride for the category or categories of pilots' licenses and ratings involved.

Minimum Standards

4.2 The Operator shall lease from the Owner an area of not less than 12, 000 square feet of ground space and on which shall be erected a building to provide at least 2,750 square feet of floor space for aircraft storage and at least an additional 750 square feet of floor space for office, classroom, briefing room, with telephone facilities for customer use, pilot lounge and rest room. The Operator shall have available for in-flight training use, either owned or under written lease to Operator, not less than one (1) properly certificated aircraft, at least one (1) of which must be equipped for and capable for use in instrument flight instruction. The aircraft shall be equipped consistent with the types of flight instruction offered.

4.3 The Operator shall provide adequate mock-ups, pictures, slides, film strips or other visual aids necessary to provide proper ground school instruction.

4.4 The Operator shall have the premises open and services available as determined in the lease agreement.

4.5 The Operator shall have on a full-time basis at least one (1) flight instructor who is properly and currently certificated by the FAA to provide the types of training offered.

4.6 The Operator shall make provision for an employee to be in attendance in the office at all times during the required operating hours.

Section 5. FBO Category III – Aircraft Charter and Air Taxi

Statement of Concept

5.1 An unscheduled, or scheduled air charter or air taxi FBO engages in the business of providing air transportation (persons or property) to the general public for hire, on an unscheduled or scheduled basis under 14 CFR Part 135, *Operating Requirements: Commuter and On Demand Operations and Rules Governing Persons on Board Such Aircraft*.

Minimum Standards

5.2 The Operator shall lease from the Owner an area not less than 12,000 square feet of ground space on which shall be erected a building to provide at least 3,000 square feet of floor space for aircraft storage and at least an additional 500 square feet of floor space for office, customer lounge and rest rooms, which shall be properly heated and lighted; and shall provide telephone facilities for customer use. The Operator shall provide, either owned or under written lease to Operator, not less than one (1)

aircraft which must meet the requirements of the air taxi commercial Operator certificate held by the Operator, including instrument operations.

5.3 The Operator shall have the premises open and services available as determined by the lease agreement. The Operator shall provide on-call service during hours other than the aforementioned.

5.4 The Operator shall have in his/her employ and on duty during the appropriate business hours, trained personnel in such numbers as are required to meet the minimum standards set

forth in this category in an efficient manner but never less than at least one (1) pilot appropriately rated by FAA to permit the flight activity offered by the Operator.

5.5 The Operator shall make provision for an employee to be in attendance in the office at all times during the required operating hours.

Section 6. FBO Category IV – Aircraft Sales

Statement of Concept

6.1 An aircraft sales FBO engages in the sale of new or used aircraft through franchises, licensed dealerships or distributorships (either on a retail or wholesale basis) or otherwise, and provide such repairs, services, and parts as necessary to meet any guarantee or warranty on new or used aircraft sold by the FBO.

Minimum Standards

6.2 The Operator shall provide necessary and satisfactory arrangements for repair and servicing of aircraft, but only for the duration of any sales guarantee or warranty period. Servicing facilities may be provided through written agreement with a repair shop Operator at the Airport. The Operator shall provide an

adequate inventory of spare parts for the type of aircraft for which sales privileges are granted.

6.3 The Operator shall provide current, up-to-date specifications and price lists for types and models of aircraft sold.

6.4 The Operator shall have the premises open and services available as determined by the lease agreement. The Operator shall have in his/her employ, and on duty during the appropriate business hours, trained personnel in such numbers as are required to meet the minimum standards set forth in an efficient manner, but never less than one (1) person having a current, private pilot certificate and minimum hour requirement as specified by FAA for type and category of aircraft to be demonstrated for sale.

Section 7. FBO Category V – Aircraft Rentals

Statement of Concept

7.1 An aircraft rental FBO engages in the rental of aircraft (fixed or rotary wing) for operation by student pilots or other pilots not employed by the Operator.

Minimum Standards

The Operator shall lease from Owner an area of not less than 12,000 square feet of ground space to provide for outside display and storage of aircraft and on which shall be erected a building to provide at least 3,000 square feet of floor space for aircraft storage, and at least an additional 500 square feet of floor space for office, customer lounge, and rest rooms, which shall be properly heated and lighted: and shall provide telephone facilities for customer use.

The Operator shall have available for rental, either owned or under written lease to Operator, not less than one (1) properly certificated and currently airworthy aircraft, at least one of which must be equipped for and capable of use in instrument flight conditions, and at least one of which has no less than seating capacity for four.

7.3 The Operator shall have on hand, at all times, proper checklists and operating manuals for each and every aircraft available for rental.

7.4 The Operator shall have the premises open and services available as determined by the lease agreement. The Operator shall have in his/her employ, and on duty during the appropriate business hours, trained personnel in such numbers as are required to meet the minimum standards set forth in an efficient manner, but never less than one (1) person having a current, effective FAA commercial pilot certificate with single-engine rating and instructor rating. .

Section 8. FBO Category VI – Aircraft Airframe and Power Plant Repair and Maintenance

Statement of Concept

8.1 An aircraft airframe and power plant repair and maintenance FBO engages in the maintenance and repair of airplanes, powerplants, propellers and accessories, and sale of aircraft parts and accessories, but such is not an exclusive right.

to perform annual inspections as required for FAA certification on all single engine and light multi-engine, land general aviation aircraft.

8.3 The Operator shall have the premises open and services available as determined by the lease agreement.

Minimum Standards

8.2 The Operator shall lease from the Owner an area of not less than 20,000 square feet of ground space on which shall be erected a building to provide at least 6,500 square feet of floor space for airframe and power plant repair service, including sufficient hangar space to provide housing for any aircraft being serviced, all meeting with federal, local, and state industrial code requirements and at least an additional 500 square feet of floor space for office, customer lounge and rest rooms, which shall be properly heated and lighted; and shall provide telephone facilities for customer use.

8.4 The Operator shall have in his/her employ, and on duty during the appropriate business hours, trained personnel in such numbers as are required to meet the minimum standards set forth in this category of services in an efficient manner, but never less than one (1) person currently certificated by the FAA with ratings appropriate to the work being performed and who holds an airframe, power plane or an aircraft inspector rating, and one (1) other person not necessarily rated.

8.3 The Operator shall provide adequate shop space to house all equipment, and shall keep on hand at all times adequate equipment and machine tools, jacks, lifts and testing equipment

Section 9. FBO Category VII – Aircraft Painting and/or Repair or Initial Outfitting of Interiors

Statement of Concept

9.1 An aircraft painting and/or repair or initial outfitting of interiors FBO engages in the business of providing a shop for the painting of aircraft and or repair, rehabilitation, renovation of aircraft interiors.

Minimum Standards

9.2 The Operator shall lease from the Owner an area of not less than 12,000 square feet of ground space on which shall be erected a building to provide at least 3,500 square feet of floor space to hangar aircraft; to house all

equipment, supplies and materials; and to provide an office, customer lounge and rest rooms, all properly heated and lighted; and shall provide telephone facilities for customers use, if applicable, a segregated painting area meeting all Federal, State and Local code requirements shall be provided within said building. The Operator shall have the premises open and services available as determined by the lease agreement.

9.3 The Operator shall have in his/her employ, and on duty during the specified business hours, appropriate trained personnel in such numbers as are required to meet the minimum standards set forth for this category in an efficient manner.

Section 10. FBO Category VIII – FAA Authorized Repair Station For Avionic Sales And Service

Statement of Concept

10.1 An FAA authorized repair station for avionic sales and service FBO engages in the business of providing a shop for the repair of aircraft radios, instruments, and accessories for general aviation aircraft. This category shall include the sale of new or used aircraft radios, instruments, and accessories, but such is not an exclusive right.

Minimum Standards

10.2 The Operator shall have the premises open and services available as determined by the lease agreement.

10.3 The Operator shall have in his/her employ and on duty during the appropriate business hours trained personnel in such numbers as are required to meet the minimum standards set forth in this category in an efficient manner but never less than one (1) person who is a FAA rated repair technician.

Section 11. FBO Category IX – Aircraft Parking and Storage

Statement of Concept

11.1 An aircraft parking and storage FBO engages in the temporary and/or permanent parking or storage of aircraft at the Airport.

Minimum Standards

11.2 The Operator shall lease from the Owner an area of not less than 20,000 square feet of ground space for aircraft tie-downs and storage, parking and other uses in accordance with the services to be offered, and on which shall be erected a minimum of five (5) nested “T” hangars, or a single, large storage hangar with not less than 6,500 square feet of floor space or it’s

equivalent. The operator shall provide a paved taxiway to accommodate aircraft movement from the Operator's facilities to the existing Airport taxiway system. The Operator shall maintain hangars and tie-down spots available for the Tenant's aircraft storage and removal seven (7) days a week, twenty-four (24) hours per day.

11.3 Ramp space not specifically leased to the Operator is for use by the general public only. The Operator shall not be permitted to use any portion of public ramp space for his/her business.

Section 12. FBO Category X – Multiple Services

Statement of Concept

12.1 A multiple services FBO is engaged in any two (2) or more of the FBO categories defined in these standards and procedures.

Minimum Standards

12.2 The Operator shall lease, from the Owner, ground space at least equal in area to the highest of the minimum square footage requirements set forth for the several services to be provided. A building shall be erected on the leased area, and such building shall at least meet the largest of the minimum floor area requirements for the several services to be provided. The Owner reserves the right to require the leased area and/or building floor space to be greater than the aforementioned minimums if, in the Owner's opinion, such increased requirements are necessary or desirable to properly accommodate the multiple services to be provided. In no case will the Owner require the leased area and/or the building floor space area to be greater than the sum of the requirements for same as specified for the several services to be provided. The building shall include all of the functions required or appropriate for the several services to be

provided, including offices, a customer lounge and rest rooms, which shall be properly heated and lighted; and shall provide telephone facilities for customer use

The Operator shall comply with the aircraft requirements including the requirements thereon, for each aeronautical service to be provided.

12.3 Multiple uses may be made of all aircraft, except aircraft used for crop dusting, aerial application, or other commercial use of chemicals.

12.4 The Operator shall provide the equipment and services required to meet the minimum standards as hereinbefore provided for each aeronautical service the Operator is performing.

12.5 The Operator shall adhere to the hours of operation required for each aeronautical service being performed.

12.6 The Operator shall obtain, as minimum, that insurance coverage which is equal to the highest individual insurance requirements of all aeronautical services being performed by the Operator.

Section 13. Specialized Commercial Flying Service

Statement of Concept

13.1 A specialized commercial services FBO engages in air transportation for hire that provides the following aircraft activities:

- 1) Non-stop sightseeing flights that begin and end at the Airport.
- 2) Crop-dusting, seeding, spraying, and bird chasing.

- 3) Banner towing and aerial advertising.
- 4) Aerial photography or survey.
- 5) Power line or pipeline patrol.
- 6) Firefighting
- 7) Any other operations specifically excluded from 14 CFR Part 135, *Operating Requirements: Commuter and On Demand Operations and Rules Governing Persons on Board Such Aircraft.*

Minimum Standards

13.2 In the case of crop-dusting, aerial application, or other commercial use of chemicals, Operator shall provide a centrally drained, paved area for aircraft loading, washing and servicing. Said area and methods of operation shall meet the most stringent of the Town, State, and Federal environmental and safety requirements. Operator shall also provide for the safe storage and containment of noxious chemical materials. Such facilities will be in a location on the Airport that will provide the greatest safeguard to the public.

13.3 The Operator shall provide and have based on his/her leasehold, either owned or under written lease to Operator, not less than one (1) aircraft which will be airworthy, meeting all the requirements of the FAA (including but not limited to 14 CFR Part 135) and applicable

regulations of the Owner with respect to the type of operations to be performed.

13.4 In the case of crop-dusting or aerial application, Operator shall provide tank trucks for handling of liquid spray and mixing liquids. Operator shall also provide adequate ground support equipment for the safe handling and safe loading of dusting materials.

13.6 The Operator shall have in his/her employ, and on duty during appropriate business hours, trained personnel in such numbers as may be required to meet minimum standards herein set forth in an efficient manner, but never less than one (1) person holding a current FAA commercial pilot-certificate, properly rated for the aircraft to be use and the type of operation to be performed and one (1) other person to assist in the loading and servicing of aircraft.

Section 14. Flying Clubs

Statement of Concept

14.1 A flying club is an organization of three or more individuals who join together to obtain the benefits of flying, whether their flight aims be for business, pleasure, or for educational purposes.

Minimum Standards

14.2 Each club shall be a non-profit Maine corporation or partnership or demonstrably affiliated with same. Each member shall be a bona fide aircraft owner or a stockholder in the corporation or, in the case of a parent corporation or institution, each member must be currently employed by or enrolled in same.

14.3 The club's aircraft will not be used by other than bona fide members for rental; and will be used by no one for hire, charter, or air taxi. Student instruction may be given in club aircraft provided such instruction is given by another club member with proper instructor certificates or by an approved Category II FBO instructor based on the Airport.

14.4 In the event that the club fails to comply with these conditions, the Owner will notify the club in writing of such violations. If the club fails to correct the violation within thirty (30) days, the Owner may take any action deemed advisable.

Section 15. Automobile Rental Operators

15.1 Any person wishing to become an automobile rental services Operator at the Airport shall make application to the Owner in the manner hereinbefore prescribed. No automobile rental business shall be conducted on the Airport except by an authorized automobile rental Operator.

15.2 The Operator shall have available, either at the Airport or at a reasonably proximate off-Airport location, a reasonable number of passenger vehicles for rental. Said vehicles shall not be used as taxicabs, nor shall they be used as chauffeur-operated vehicles from the Airport to points within area. The Operator shall provide prompt, convenient transportation for all of Operator's automobile rental customers to

convey said customers to/from the location where Operator's rental vehicles are stored, unless the vehicle is being picked-up or dropped-off by the customer at a parking space adjacent to the Operator's authorized area.

15.3 The Operator shall maintain a minimum of one (1) ready car space in the vehicle parking lot. Said ready car spaces shall be for the sole use of the Operator for the return of rental cars by customers. The Operator shall not store rental vehicles in the Owner's parking lots or elsewhere on the Owner's property except in the ready car spaces or in other areas specifically authorized by the Owner.

15.4 The Operator shall obtain, and maintain at all times, insurance policies of the types and in the amounts required by the Owner.

15.5 The Operator shall furnish, install and maintain small signs, acceptable to the Owner, at the ready car spaces for the purpose of restricting the use of such spaces to the Operator.

15.6 The Operator shall keep his automobile rental business open for such periods each day and on such days of each week throughout the year, as may be required by Owner to meet reasonable demands for the services provided by Operator. Operator's business shall be considered as open when there is an employee of Operator available at Operator's counter in the Building to serve customers

Section 16. All Tenants

General

16.1 Any lease/operating rights Agreement shall be subordinate to the provisions of any existing or future agreement between Owner and the United States, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the Airport.

16.2 The Owner reserves the right, but shall not be obligated to the Tenant to maintain and keep in repair the landing area of the Airport, and all publicly owned facilities on the Airport, together with the right to direct and control all activities of the Owner in this regard. In addition to the requirements of the FAA and the Maine DOT, the owner may establish and implement such rules and regulations as may be required for the (a) safe and orderly operation of the Airport, (b) the safe and orderly operation of aircraft in the Airport traffic area and airspace surrounding the Airport, and (c) the safe and orderly operation of aircraft and vehicles on the ground.

16.3 The Operator, his/her agents and employees will not discriminate against any person or class of persons by reason of race, color, creed or national origin in providing any services or in the use of any of its facilities

provided for the public, in any manner prohibited by Appendix D to 14 CFR Part 152 - *Assurances*. The Operator further agrees to comply with such enforcement procedures as the United States might demand that the Owner take in order to comply with these Assurances.

16.4 AC 150/5190-5 - *Exclusive Rights and Minimum Standards for Commercial Aeronautical Activities*, states "an aircraft owner, who is entitled to use the landing area of an airport, may tie down, adjust, repair, refuel, clean, and otherwise service his/her own aircraft, provided the service is performed by the aircraft owner or his/her employees with resources supplied by the aircraft owner." Level of maintenance and repairs performed shall comply with 14 CFR Part 43 - *Maintenance, Preventive Maintenance, Rebuilding, and Alteration*.

16.5 Nothing in these *Minimum Standards and Procedures* shall be construed as the conferring of a positive privilege and/or exclusive rights to do business on the Airport irrespective of any existing agreement between the Owner and a Tenant. Any subsequent grant of Federal funds, administered by the FAA, requires the Owner to agree not to permit the establishment of an exclusive right to engage in any aeronautical activities in the future and to terminate any

existing agreement which permits such an exclusive right as soon as possible.

16.6 All Tenants shall conform with and abide by all rules and regulations of the FAA, MDOT and the Owner. In this regard, Tenants shall ensure aircraft owned, operated, or made available for hire, be operated by personnel who hold appropriate and current FAA Pilot and Medical certificates.

16.7 All non-airworthy aircraft not in an enclosed structure shall be removed from the Airport on thirty (30) days written notice from the Owner to the Tenant at the Tenant's expense unless a waiver is requested and granted for insurance purposes.

16.8 In the event of any conflict between the terms of these *Minimum Standards and Procedures*, and the provisions of any lease of a portion of the Airport property, the most stringent requirement in either document shall be controlling.

16.9 Each agreement between an Operator and Owner shall contain a clause requiring that any other aeronautical operation conducted by the said Operator within twenty-five (25) miles of the Airport, if the Operator is a corporation, by the principals in that corporation, or its successors or assigns, shall include the gross income from such off-premises operation in his/her/its report to the Owner of his/her/its recognized gross revenue for the purpose of determining the amount(s) due the Owner under that agreement.

Facilities

16.10 Unless otherwise leased by the Owner, all Tenants shall provide the following facilities, as applicable. Design plans and specifications are subject to review by the Owner for compliance with Federal, State of Maine, and Town standards, ordinances, regulations and laws. No construction of any kind shall be done at the Airport without the prior written approval of the FAA and the Owner, and no such approval shall be granted unless such construction and design is consistent with the latest approved ALP for the development at the Airport. Construction shall

be completed within one year of the date of such written approval.

1) Aircraft hangars, office space, storage facilities, restrooms, customer lounge, and other facilities.

2) Adequate auto parking space within the lease area to accommodate all of Operator's employees and customers.

3) A paved walkway within the leased area to accommodate pedestrian access to the Operator's office.

4) A paved aircraft apron with fuel resistant seal-coating within the leased area; and a paved taxiway within and without the leased area to accommodate aircraft movement from the Tenant's facilities to the existing Airport taxiway system.

16.11 Tenant shall maintain all buildings and land on Airport property to the following standards, or as directed by the Airport Manager:

1) Exterior buildings, signs and other structures shall be painted in accordance with Airport standards and be in good condition. Prior to the construction or display of any exterior signing, written approval must be obtained from the Owner. All signs shall comply with the sign code.

2) Open storage areas shall be screened from public view.

3) Non-paved areas shall be landscaped with lawns, mulch, shrubs, etc., as approved by the Airport Manager.

4) Lawns shall be cut to present a neat appearance.

5) Trash is not allowed on Airport property. Place trash and cigarette cans where needed.

6) Pavements shall be joint-sealed and painted in accordance with FAA and MDOT standards.

7) The Tenant is responsible for snow and ice control on leased property. Only snow and ice control equipment and trained operators, as approved by the Airport Manager, are allowed on Airport property.

8) All used or unused oil, solvents, and other hazardous/non-hazardous materials and waste shall be handled and disposed of, away from the Airport, in accordance with Federal, State of Maine and Town requirements. The piling or other inappropriate storage of crates, boxes, barrels, and containers will not be permitted within leased premises.

16.12 Tenant shall comply with the Airport's Storm Water Pollution Prevention Plan (SWPPP).

16.13 The Owner reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or view of the Tenant, and without interference or hindrance.

16.14 The Owner reserves the right to take any action it considers necessary to protect the 14 CFR Part 77 – *Objects Affecting Navigable Airspace*, and FAA Order 8260.3B – *United States Standard for Terminal Instrument Procedures* imaginary surfaces against obstructions, together with the right to prevent Tenant from erecting, or permitting to be erected, any building or other structure on the Airport which, in the opinion of the Owner, would limit the usefulness of the Airport or constitute a hazard to aircraft.

16.15 Ramp space other than ramp space specifically leased to or defined under a management agreement with the Tenant shall be for use by the general public only. No Tenant shall be permitted to use any portion of public ramp space for his/her use exclusively or to use any of such ramp space as parking or tie-down area.

Operator Services

16.16 Operator shall furnish services on a fair, equal, and non-discriminatory basis to all users.

16.17 Operator shall charge fair, reasonable, and non-discriminatory prices for each unit of sale or service, provided that the Owner may be allowed to make reasonable and non-discriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

16.18 The Operator shall provide, by means of an office or a telephone, a point of contact for the public desiring to utilize Operator's services.

Insurance

16.19 Each Tenant shall protect the general public, the customers or clients and the Owner from any and all lawful damages, claims, or liability, and they shall provide the types of insurance required in the applicable category(s) and written in such amounts designated on the schedule in Appendix III titled "Minimum Insurance Requirements" as amended from time to time but in no event less than the amounts required by the MDOT and the Owner in the tenant's negotiated lease agreement. The Owner shall be an additional named insured in any such policy, and a certificate of insurance evidencing the same and the required coverage shall be delivered to the Owner prior to or at the time of any lease of Airport property. The certificate of insurance shall also provide that the insurance company, in writing, will notify the Owner thirty (30) days in advance of any cancellation of such insurance. Such insurance policies shall remain in full force and effect during the term of the lease/contract between the Tenant and the Owner, and any renewal policies shall be filed with the Owner not less than thirty (30) days before the expiration date of such policies.

Payments

16.20 Lease rates to be paid by any Tenant to the Owner for the lease of land, building space and/or other improvements owned by Owner, under a duly executed agreement between the Tenant and the Owner, shall be increased on the fifth anniversary of the agreement and on each subsequent five-year anniversary, in accordance with the cumulative fluctuations of the U. S.

Department of Commerce, "Consumer Price Index". The annual rental shall be adjusted, upward only if to be changed at all, based on the rental charge then in effect and the cumulative change in the Consumer Price Index – All Urban Consumers, Not Seasonally Adjusted, Boston-Brockton-Nashua, MA-NH-ME-CT, 1982-84=100 published by the U.S. Department of Labor, Bureau of Labor Statistics, or the successor index published by the BLS in the event this index is modified or replaced for the previous five year period as of the end of the immediately preceding November 30th during said five year period so that the actual rental figure, as adjusted, will be known for the new rental period beginning January 1. The rental increase provided for hereunder shall be computed by the Owner and notice given to the Tenant and shall be final and binding on the

Tenant absent fraud. A CPI cap will not be acceptable for FBO or other commercial (revenue producing) operators.

The annual rental for the land shall be paid in advance upon receipt of January billings; provided, if the rental payments are not made within 30 calendar days of their due dates, interest shall be charged thereon at the same rate as the Owner that year is charging for delinquent property taxes. The addition of interest charges shall not affect any other right of the Owner hereunder, including without limitation the right to declare a default based on nonpayment of rent.

Section 17. Fees

17.1 Fuel Flowage Fee. Operators dispensing aviation fuel to all parties at the Airport shall collect a fuel flowage fee. The fee is seven cents (\$0.07) for every gallon of fuel received. The Owner has the right to adjust the fee from time to time. Copies of the Fuel distributor's fuel delivery slips or Bill of Lading will be provided to the Airport Manager. Fees shall be delivered to the Owner in accordance with the Operator's operating rights agreement.

Persons, firms or other legal entities wishing to fuel their privately owned aircraft shall be required to obtain an oil company contract to make bulk purchases of aviation fuel and oil, a copy of which must be provided to and approved by the Owner. Such contract shall provide for direct payment of fuel flowage fees to the Owner by the oil company upon bulk deliveries to the facilities at the Airport.

Section 18. Arbitration

18.1 Binding arbitration may be jointly used by the Owner and a Tenant as a means of dispute resolution in the following limited instances:

Arbitration may be used where there is disagreement over the application or interpretation of any specific provision of a lease/operating rights agreement when such specific provision clearly provides for arbitration within the provision.

Arbitration may be used when a Tenant disagrees with a proposed ordinance amendment to these *Minimum Standards and Procedures* at the Airport on the grounds that such proposed amendment would, if adopted, impose an unreasonable or undue financial hardship on his/her airport operation.

18.2 Except as specifically authorized above, the Arbitrators shall be without power to make decisions limiting or interfering with the powers,

duties and responsibilities of the Town of Sanford or the State of Maine under its charter, applicable law and rules and regulations having the force and effect of law. Excluded from arbitration are all matters not specifically provided for above as well as any proposed ordinance amendments having to do with general fees imposed upon airport users which are not provided for in any lease/operating rights agreements such as fuel flowage fees, and parking and landing fees. In the event that more than one Airport Operator/Tenant wish to submit the same or similar eligible issues to Arbitration as provided above, the Owner may require at its option that these same or similar eligible issues be combined as one joint arbitration submission by all the interested Operator/Tenants before one arbitrator or arbitration panel, in which case all the interested Operator/Tenants will act as a voice of one in the choosing of any Arbitrator or arbitration panel.

Appendix I. Glossary of Terms

AC: FAA Advisory Circular

Aeronautical Activities: Any 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 operations. "Commercial" aeronautical activities shall mean any activity by any person intended to result in a monetary gain; "non-commercial" aeronautical activities shall mean any activity by any person that is intended for his/her own benefit without intent of monetary gain.

Aircraft: Any and all contrivances now or hereafter used for the navigation of, or flight in air or space, including but not necessarily limited to airplanes, airships, balloons, dirigibles, helicopters, gliders, amphibians and sea planes.

Airport: The land, and developments thereon, either held in fee simple or as leasehold, either occupied by Tenants or fee holders, which are controlled, operated and maintained by either the owner, its Tenants and/or those to whom title in fee has been legally transferred. The Airport shall also include, but not necessarily be limited to all runways, taxiways, rights of way, control tower(s), ramps, aprons, aircraft and vehicle parking areas, storage areas of all kinds and descriptions, improvements, utilities, facilities or other real property, necessary or convenient, or desirable, for the landing, takeoff, accommodation and servicing of aircraft of all types.

Aviation Related Activities: Shall mean any activity conducted on airport property or on private property in the Airport Development Zone that provides service or support to aircraft passengers or air cargo. The following are examples of aviation related activities as opposed to aeronautical activities: ground transportation, restaurants, auto parking lots, concessions, or any other service or support activities that can appropriately be called aviation related.

Applicant: Person desiring to acquire use of a portion of the Airport, or establish or use any

facility on the Airport, for an aeronautical activity or other purpose; and, who shall apply in writing and in the manner and form prescribed, for permission to establish such operations on the Airport.

AVGAS: Aviation gasoline for piston and turboprop aircraft.

CFR: Code of Federal Regulations

Commercial Activity: Any on-going activity conducted at, on, or from the Airport by any person intended to result in monetary gain to the party conducting such activity.

EPA: Environmental Protection Agency.

FAA: Federal Aviation Administration.

FAR: Federal Aviation Regulation.

FBO: Fixed Base Operator—any Operator located on the Airport and performing any one or more of the FBO categories and functions detailed in Sections 3 through 12 of this document.

Independent Operator: Any person engaged in aeronautical activities from land adjacent to, but not a part of, the airport property.

Jet A/JP4/JP5: Jet engine fuel.

Landside: All buildings and surfaces on the airport used by surface vehicular and pedestrian traffic.

Leasehold Improvements: Includes, but not necessarily limited to any modification, alterations or repairs, either of a structural or architectural nature, performed by the Tenant at his sole cost and expense. Any such improvements shall be accomplished only after the Owner has approved the Tenant's written application requesting it. In all instances, unless provided otherwise in the lease/operating agreement, upon the termination or natural

expiration of a lease/operating agreement, title to such improvements shall revert to and vest with the Owner, at the option of the Owner.

Manager: Airport Manager or his/her designee.

MDOT: Maine Department of Transportation

Minimum Standards and Procedures: Standards and procedures that are established by the Owner as the minimum requirements to be met as a condition for the right to conduct an aeronautical activity.

NFPA: National Fire Protection Association

Operator: Any person who has applied for and received written permission to engage in a commercial activity, on or from the Airport; and, has entered into and executed the required lease/operating agreement. An Operator shall in all cases be a Tenant.

Owner: The Town of Sanford and its inhabitants, acting through its duly appointed or elected officials. Owner, Town of Sanford, Town, and the appropriate title of appointed or elected officials shall synonymous in these *Minimum Standards and Procedures*.

Person: An individual, corporation, government or governmental subdivision, partnership, association, or any other legal entity.

RGR: Recognized gross revenue—revenue that is “counted” in calculating a percentage of gross fee.

Specialized Commercial Flying Services: Any Operator who engages in air transportation for

sightseeing, crop dusting, banner towing and aerial photograph, and other functions detailed in Section 16 of this document that is specifically excluded from Part 135 of the FAR.

Standard Construction Specifications:

Includes, but not necessarily be limited to:

a. FAA Advisory Circular 150/5370-10A, *Standards for Specifying Construction of Airports*.

b. All other applicable Federal, State of Maine, and Town building codes or other rules and/or regulations controlling construction on public airports.

SWPPP: Storm Water Pollution Prevention Plan—identifies and implements schedules of activities, prohibitions of practices, maintenance procedures, and other management practices to eliminate, prevent, or reduce pollutants in storm water.

Tenant: Any person who has applied for and received written permission to establish a leasehold or other right at the Airport whether for commercial activity or not.

TERPS: *US Standards for Terminal Instrument Procedures*.

Ultimate Airport Layout Plan (ALP): A scaled, dimensional layout of the entire Airport property, indicating in general current and proposed usage for each identifiable segment.

Appendix II. Application Form

The person(s), firm or legal entity listed below, requests permission to establish a leasehold or other right at Sanford Regional Airport, ME, to engage in the following commercial (revenue producing), non-commercial aeronautical or non-aeronautical activities:

- a. Name(s) of Applicant(s): _____
- b. Applicant’s Permanent Main Office Address: _____

- c. Applicant's Primary Business: _____
- d. Purpose of Lease: _____

- e. Estimated Cost of Proposed Development/Improvements: _____

Mandatory Documents for all Tenants

- Schedule for commencement of lease term, operation and leasehold improvements.
- Preliminary plans, specifications for any improvements which the Applicant intends to make.
- Proof (or copy of insurance company letter of intent) of liability coverage for the business operation, flight operations, itinerant aircraft, and Operators and premises insurance.

Mandatory Documents for all Commercial Operators

- Current financial statement prepared or certified by a Certified Public Accountant.
- Listing of assets owned, or being purchased, or leased which will be used in the business on the Airport
- Current credit report for each party owning or having a financial interest in the business and a credit report on the business itself covering all geographical areas in which it has done business in the ten (10) year period immediately prior to such application.
- Agreement to provide a bond or a suitable guarantee of adequate funds to the Town of Sanford to be used to defray expenses and fees normally paid by the Lessee between the estimated time the Lessee may default and a new lease is executed and another Lessee takes over.
- Written authorization for the FAA, any aviation or aeronautics commissions, administrators, and departments of all states in which the Applicant has engaged in aviation business to release information in their files to the Town of Sanford relating to the Applicant or its operation.

We the undersigned, certify that we are all the parties whose names are being submitted as owning an interest in the business or will appear on leases or other documents, as being a partner, director or corporate officer, and those who will be managing the business:

Signature

Typed/Printed Name

Signature

Typed/Printed Name

Signature

Typed/Printed Name

Signature

Typed/Printed Name

Appendix III. Minimum Insurance Requirement

Prior to using the airport property the operator will provide the airport with a certificate(s) of insurance identifying the policies described below. **Minimum** insurance requirement limits are shown in parenthesis and will be further defined in the lease and/or operating rights agreement. The Town of Sanford reserves the right to modify the insurance requirements from time to time. The following insurance requirements apply to those operators who provide an aeronautical service on airport property:

Comprehensive general public liability insurance (bodily injury/property damage, \$1,000,000 each occurrence/ \$2,000,000 aggregate) and including if applicable, products liability (\$1,000,000), and hangar keepers liability (\$400,000).

Aircraft liability insurance, (bodily injury/property damage, \$1,000,000 each occurrence/ \$2,000,000 aggregate) if applicable.

For flight training and rental activities, the Operator is be required to notify the customer as to whether or not any of the operator’s insurance coverage applies to or protects the customer while using the operator’s aircraft.

Workers compensation insurance, if applicable.

Motor vehicle liability insurance, (bodily injury/property damage, \$500,000 each occurrence/ \$1,000,000 aggregate) if applicable.

Each policy of insurance maintained by the operator under this section shall provide that the Town of Sanford be named as an additional insured, and shall provide that the policy is non cancelable as to the Town of Sanford without thirty (30) days prior notice in writing to the Town. Each policy of insurance maintained by the operator shall provide for waiver of subrogation as to claims against the Town.

Sanford Regional Airport
Minimum Standards and Procedures