

Draft/Subject to Revision

**MINIMUM STANDARDS FOR COMMERCIAL AERONAUTICAL SERVICES
AT THE ROCHESTER INTERNATIONAL AIRPORT**

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Effective Date: _____

TABLE OF CONTENTS

SECTION 1 – INTRODUCTION.....1

 A. Purpose and Policy.....1

 B. Effectiveness and Amendments2

 C. Prohibited Activities4

SECTION 2 – DEFINITIONS5

SECTION 3 – APPLICATION PROCEDURE AND QUALIFICATIONS10

 A. Application Procedure10

 B. City Review; Agreement.....12

 C. Waiver and Variance.....12

SECTION 4 – MINIMUM STANDARDS APPLICABLE TO ALL COMMERCIAL OPERATORS.....15

 A. Minimum Standards for All Commercial Operators15

 B. Compliance with All Laws15

 C. Required Minimum Insurance Coverage for All Commercial Operators.....15

 D. Mandatory Provisions in Agreements.....15

 E. Facilities, Maintenance, and Equipment.....16

 F. Qualifications, Licensing, and Personnel.....18

 G. Notice and Reporting19

 H. Subcontracting and Subleasing19

SECTION 5 –MINIMUM STANDARDS APPLICABLE TO SASOS.....21

 A. Minimum Standards Applicable to SASOs21

 B. SASOs Performing More Than One Service21

 C. Aircraft Sales21

 D. Aircraft Airframe, Engine, and Accessories Maintenance and Repair Services22

E. Aircraft Lease and Rental Services.....	23
F. Flight Training	23
G. Avionics, Instrument, or Propeller Repair Station Services	24
H. Aircraft Charter, Air Taxi, and Air Ambulance Services	25
I. Aircraft Storage.....	25
J. Air Cargo Services.....	26
K. Temporary Specialized Aviation Service Operators.....	27
SECTION 6 – MINIMUM STANDARDS APPLICABLE TO FBOs.....	29
A. Commercial Aeronautical Services Provided by FBOs.....	29
B. Insurance Requirements for FBOs.....	30
C. Minimum Standards Specific to FBOs	30
D. Aircraft Fuel and Oil Handling Services	30
E. Aircraft Fuel Storage Services	31

SECTION 1 – INTRODUCTION

A. Purpose and Policy

1. These Minimum Standards are drafted in accordance with Federal Aviation Administration (“FAA”) Advisory Circular No. 150/5190-7 (and as amended) and other applicable FAA orders, policies, and guidance documents.
2. These Minimum Standards establish the minimum qualifications that all Commercial Operators must meet in order to conduct Commercial Aeronautical Services at the Rochester International Airport (the “Airport”). Federal obligations mandate that the City of Rochester, Minnesota (the “City”) make the Airport available for public use on fair and reasonable terms and without unjust discrimination to all types, kinds, and classes of aeronautical use. These Minimum Standards must be objectively and uniformly applied to all Airport tenants and customers. The Minimum Standards are also intended to prevent any Commercial Operator from being granted an Exclusive Right to provide Commercial Aeronautical Services to the public.
3. These Minimum Standards are intended to safeguard the public interest and safety; promote a broad range of services of the highest quality; provide maximum and efficient utilization of facilities; ensure future development of the Airport consistent with the Airport Master Plan; provide reliable and reasonable services; assure sound financial responsibility for existing or potential businesses; and discourage unqualified Commercial Operators.
4. Unless specifically prescribed herein or pursuant to an Agreement with the City, the standards and requirements specified in these Minimum Standards are minimums and may be exceeded. All Persons are encouraged to exceed the applicable Minimum Standards, and in some cases may find it necessary to do so, in order to provide the highest quality services possible to the public and the Airport and to maintain safe and secure operations at the Airport.
5. The City reserves its proprietary right to be the exclusive provider of any or all of the Commercial Aeronautical Services needed or desired by the public at the Airport. These services include the Commercial Aeronautical Services defined below as well as any other Commercial Aeronautical Service that the City determines appropriate to serve the public at the Airport, now or in the future. As of the Effective Date, the City’s present intention is to exercise its proprietary exclusive right to be the sole provider of Commercial Aeronautical Services as an FBO (defined below) upon the expiration of the current FBO Agreement in _____. Therefore, any prospective Commercial Operator seeking to initiate new services that may only be provided by an FBO should not expect to be offered an Agreement that extends beyond that date.
6. The qualifications to operate a Flying Club that does not perform any of the Commercial Aeronautical Services defined in these Minimum Standards are not

addressed in these Minimum Standards but are instead detailed in the Airport Rules and Regulations.

7. These Minimum Standards apply to any Person that provides, or proposes to provide, one or more Commercial Aeronautical Services at the Airport, except that no provision of these Minimum Standards shall be deemed to prohibit Self Service.
8. Commercial Aeronautical Activities are too varied to reasonably permit the establishment of specific minimum standards for every Commercial Aeronautical Service that could be offered or proposed to be offered at the Airport. If Commercial Aeronautical Services are proposed which do not fall within the categories in these Minimum Standards, the City reserves the right to develop appropriate minimum standards, taking into consideration the needs of the operator, the existing land-use plans and operational plans of the Airport, safety, security, and the public interest in, or demand for, such activities. At the City's discretion, these Minimum Standards may be amended to incorporate such additional minimum standards upon the proposal of a new Commercial Aeronautical Service and/or incorporated into any Agreement relating to the occupancy or use of the Airport.
9. The City reserves the right, at any time, including upon the submission of a Statement of Interest or an application to perform a Commercial Aeronautical Service by a Person, or on its own initiative, to issue a request for qualifications or proposals or otherwise select a Commercial Operator or Commercial Operator(s) through a competitive solicitation in accordance with applicable law and Airport policies.
10. The City appoints the Rochester Airport Company to be its manager and operator of the Airport and also its agent for the purposes of interpreting and enforcing these Minimum Standards, except where explicitly provided otherwise. In these Minimum Standards, wherever reference is made to the City, the Rochester Airport Company shall act as the City's agent unless otherwise stated.

B. Effectiveness and Amendments

1. All Commercial Operators operating at the Airport as of the Effective Date shall have twenty-four (24) months from the Effective Date to meet the requirements that apply to its Commercial Aeronautical Service, except to the extent such requirements conflict with the Commercial Operator's Agreement with the City.
2. These Minimum Standards are promulgated by the City, on the recommendation of the Rochester Airport Commission (the "Commission") and shall be implemented and enforced by the City as well as by the Rochester Airport Company (the "Company").
3. The City reserves the right to amend these Minimum Standards as it determines necessary or desirable, including, without limitation, to reflect current trends of Airport utilization and activities and the availability of Airport property for lease,

for the benefit of the general public or the operation of the Airport, or to ensure safe and efficient Commercial Aeronautical Services at the Airport.

4. In all cases where the words “standards” or “requirements” or the like appear in this document, it shall be understood that they are modified by the word “minimum,” except where a “maximum” is clearly identified. Determinations of compliance with these Minimum Standards shall be made only by the City (and not the Company) in its sole discretion. The City may, in its discretion, consult the FAA prior to any decision or determination by the City to ensure compliance with the Airport’s federal obligations and the FAA policy. No Person will be permitted to occupy Airport land and/or improvements or engage in Commercial Aeronautical Services at the Airport without satisfying these Minimum Standards unless granted a Waiver or Variance by the City as defined below.
5. If one or more clauses, sections, or provisions of the Minimum Standards shall be held to be unlawful, invalid, or unenforceable by final judgment of any court of competent jurisdiction, the invalidity of such clauses, sections, or provisions shall not in any way affect the other clauses, sections, or provisions of these Minimum Standards.
6. These Minimum Standards shall neither be deemed to modify any existing Agreements between the City and operators, who under such Agreements are required to exceed these Minimum Standards, nor prohibit the City from entering into and enforcing Agreements which require operators to exceed these Minimum Standards.
7. These Minimum Standards shall be incorporated into each Agreement to the maximum extent permitted thereby. Violation of these Minimum Standards and the failure to cure such violation within the period-of-time provided by the Agreement, after notice, to the extent that required notice and an opportunity to cure is provided by the Agreement, shall be considered an event of default thereunder. The City reserves the right to take all appropriate action to enforce these Minimum Standards, including without limitation those remedies provided for in the Agreement and any other remedy that may be available in equity or in law.
8. The operation of the Airport is subject to the various requirements imposed by the Title 49 of the United States Code, regulations imposed by the FAA and other federal agencies, and the terms of those grant agreements between the City and the FAA relative to the operation and maintenance of the Airport. The foregoing requirements and regulations shall take precedence and supersede these Minimum Standards should they contradict or conflict with these Minimum Standards, solely to the extent that they contradict or conflict.
9. Upon approval by the City of these Minimum Standards, any reference in any Agreement to prior standards shall be deemed to be a reference to these Minimum Standards, unless expressly provided otherwise by such Agreements.

C. Prohibited Activities

1. Through-the-Fence Activities.

These Minimum Standards expressly forbid all “through-the-fence” agreements and operations. The FAA defines through-the-fence agreements as agreements that allow Aircraft or maintenance access to airport property through land adjacent to, but not part, of airport property. The City’s obligation to make the Airport available for the use and benefit of the public does not extend to providing access from adjacent property. Through-the-fence operations can adversely affect the ability of the Airport to sustain itself financially, resulting in unfair competitive situations, and contribute to loss of control with respect to Airport access. At no time shall any Person, commercial enterprise, or activity be allowed to access the Airport for purposes of conducting a Commercial Aeronautical Service unless such Person or entity is a Commercial Operator as defined herein.

2. Fuel Cooperative Organizations (CO-OPs).

Aircraft Fuel and Oil Handling Services at the Airport may be provided only by FBOs that meet the standards set forth in these Minimum Standards. Accordingly, the City will not permit a Fuel Cooperative Organization to operate on the Airport.

3. Self-fueling by Parties Other than Aircraft Owner.

Self-service cannot be contracted to or performed by any party other than the Aircraft owner or lessee. All Self-service activities must comply with the Airport Rules and Regulations. Self-service is not a Commercial Aeronautical Service.

A Commercial Operator’s construction and operation of a Self-service fueling pump, to the extent permitted by Agreement, is considered part of Aircraft Fuel and Oil Handling Services, and is not Self -service, as defined above.

SECTION 2 – DEFINITIONS

“Agreement” is a written agreement between the City and a Person concerning access to and use of the Airport and/or the lease of Airport property, including a lease, license, contract, permit, or operating agreement. The Rochester Airport Company may also be a party to an Agreement in its capacity as operator of the Airport and as the City’s agent.

“Air Cargo Services” is the Commercial Aeronautical Service involving the provision of one or both of the following services:

“Air Cargo Handling” which is the loading or unloading of air cargo (excluding passenger baggage and excluding over-the-counter items weighing less than 150 pounds and handled through the passenger terminal) on or off an Aircraft, provided that an Aircraft owner or operator that uses its own employees to load or unload air cargo shall not be considered an Air Cargo Services Operator as defined herein; or

“Air Cargo Processing” which is the processing of air cargo through a warehouse, maintaining administrative control of the air cargo functions, and performing the physical handling and control of such air cargo on behalf of an agent, customs house broker, consolidator, break bulk agent, handling agent, shipper on consignee, or other party, and which may also include providing or arranging for the surface transportation of air cargo to and from an Aircraft for a customer.

“Air Cargo Services Operator” is a Commercial Operator that provides Air Cargo Services at the Airport.

“Aircraft” is any device used or designed for navigation or flight in the air and requiring an FAA operator certificate but not including unmanned aerial vehicles (“UAVs”).

“Aircraft Airframe, Engine and Accessories Maintenance and Repair Services” is the Commercial Aeronautical Service involving the provision of one or more FAA-approved airframe, engine, and accessories overhaul and repair services on Aircraft up to and including, within the scope of their certificate, executive-type Aircraft and helicopters. This may include the sale of Aircraft parts and accessories.

“Aircraft Airframe, Engine and Accessories Maintenance and Repair Operator” is a Commercial Operator that provides Aircraft Airframe, Engine and Accessories Maintenance and Repair Services at the Airport.

“Aircraft Charter, Air Taxi and Air Ambulance Services” is the Commercial Aeronautical Service involving the provision of air transportation (persons or property) to the general public for hire, either on a charter basis, or as an air taxi/air ambulance operator, and operating under 14 C.F.R. Part 135 regulations and not including 14 C.F.R. Part 121 air carriers.

“Aircraft Charter, Air Taxi and Air Ambulance Operator” is a Commercial Operator that provides Aircraft Charter, Air Taxi and Air Ambulance Services at the Airport.

“Aircraft Lease and Rental Services” is the Commercial Aeronautical Service involving the lease or rental of Aircraft to the public on a monthly or hourly basis for compensation.

“Aircraft Lease and Rental Services Operator” is a Commercial Operator that performs Aircraft Lease and Rental Services at the Airport.

“Aircraft Fuel and Oil Handling Services” is the Commercial Aeronautical Service involving the transportation, sale, delivery, dispensing, or draining of fuel or fuel waste products to or from Aircraft, vehicles, or equipment, but not including Aircraft Fuel Storage Services or Self-Fueling.

“Aircraft Fuel and Oil Handling Operator” is a Commercial Operator that provides Aircraft Fuel and Oil Handling Services at the Airport. Only an FBO may provide Aircraft Fuel and Oil Handling Services at the Airport.

“Aircraft Fuel Storage Services” is the Commercial Aeronautical Service involving the purchase and storage of fuel or fuel waste products for Aircraft, including the operation and maintenance of a fuel storage facility on the Airport.

“Aircraft Fuel Storage Operator” is a Commercial Operator that provides Aircraft Fuel Storage Services at the Airport. Only an FBO (or the City, to the extent it exercises its proprietary exclusive right) may provide Aircraft Fuel Storage Services at the Airport.

“Aircraft Sales” is the Commercial Aeronautical Service involving the sale of used Aircraft, and/or new Aircraft through franchise, ownership, brokeship, licensed dealership, subleadership, or distributorship (either on a retail or wholesale basis) and including providing Aircraft repair services and parts as necessary to meet any guarantee or warranty on the Aircraft sold.

“Aircraft Sales Operator” is a Commercial Operator that performs Aircraft Sales at the Airport.

“Aircraft Storage” is the Commercial Aeronautical Service involving the renting of conventional hangar, shade hangar, or fully enclosed “T” hangar Aircraft storage space, for the purpose of renting Aircraft storage space to aeronautical users at the Airport.

“Aircraft Storage Operator” is a Commercial Operator that performs Aircraft Storage at the Airport.

“Airport” is the Rochester International Airport.

“Airport Director” is the Executive Director of Rochester International Airport.

“Airport Rules and Regulations” is the body of rules, regulations, orders, and directives promulgated by the City, and enforced by the City and/or the Company, that govern the use of and activities on the Airport and that apply to all users of, and Persons on, any portion of the Airport.

“Avionics, Instrument, or Propeller Repair Station Services” is the Commercial Aeronautical Service involving the repair of Aircraft radios, propellers, instruments, and accessories for

Aircraft. This Commercial Aeronautical Service may include the sale of new or used Aircraft radios and avionics devices, propellers, instruments, and accessories.

“Avionics, Instrument, or Propeller Repair Station Operator” is a Commercial Operator that performs Avionics, Instrument, or Propeller Repair Station Services at the Airport.

“City” is the City of Rochester, Minnesota.

“Commercial Aeronautical Service” is an aeronautical service, including the sale of any aeronautical product to the public, for which a fee is charged, or compensation is received. At the Airport, the categories of Commercial Aeronautical Services are (1) Aircraft Sales; (2) Aircraft Airframe, Engine and Accessories Maintenance and Repair Services; (3) Aircraft Lease and Rental Services; (4) Flight Training; (5) Avionics, Instrument, or Propeller Repair Station Services; (6) Aircraft Charter, Air Taxi and Air Ambulance Services; (7) Aircraft Storage; (8) Air Cargo Services; (9) Aircraft Fuel and Oil Handling Services; and (10) Aircraft Fuel Storage Services.

“Commercial Operations License” is that business license required pursuant to Minnesota Rules, part 8800.3200, for entities desiring to advertise, represent, or hold themselves out as giving or offering to provide aeronautical services for compensation or for hire at the Airport, including those covered by these Minimum Standards.

“Commercial Operator” is a Person who engages in one or more Commercial Aeronautical Service(s) at the Airport pursuant to an Agreement with the City. A Commercial Operator may be classified as either a Fixed Base Operator (“FBO”) or a Specialized Aviation Service Operator (“SASO”). The City shall be considered a Commercial Operator only to the extent it provides Commercial Aeronautical Service(s) at the Airport.

“Effective Date” is _____, the date that these Minimum Standards were duly adopted by the City.

“Environmental Protection Agency” or **“EPA”** is the independent executive agency of the United States federal government tasked with environmental protection matters.

“Exclusive Right” is a power, privilege, or other right excluding or debarring another from enjoying or exercising a like power, privilege, or right. An Exclusive Right may be conferred either by express agreement, by the imposition of unreasonable standards or requirements, or by other means. The granting of an Exclusive Right to conduct an aeronautical activity at the Airport is expressly forbidden by law.

“Federal Aviation Administration” or **“FAA”** is the federal governmental agency established by the Federal Aviation Act of 1958, as amended, and re-established in 1967 under the Department of Transportation, with powers to regulate all aspects of civil aviation in the United States as well as its surrounding international waters.

“Fixed-Base Operator” or **“FBO”** is a Commercial Operator maintaining facilities at the Airport for the purpose of providing multiple Commercial Aeronautical Services (including Aircraft Fuel

and Oil Handling Services). The FBO must provide, at minimum, the following Commercial Aeronautical Services, pursuant to an Agreement with the City and as further described in Section 6 herein: (1) Aircraft Fuel and Oil Handling Services; (2) Aircraft Airframe, Engine and Accessories Maintenance and Repair Services; (3) Avionics, Instrument, or Propeller Repair Station Services; and (4) Aircraft Storage. Unless and until the City exercises its proprietary right to be the exclusive provider of Aircraft Fuel Storage Services, an FBO must also provide Aircraft Fuel Storage Services. An FBO must also comply with the additional requirements contained within Section 6 herein.

“Flight Training” is the Commercial Aeronautical Service involving the instruction of pilots in dual and solo flight training, in fixed and/or rotary wing Aircraft, and providing such related ground school instructions as is necessary to provide for the taking of a written examination and flight check ride for the categories of pilot’s license and ratings involved.

“Flight Training Operator” is a Commercial Operator that performs Flight Training at the Airport.

“Flying Club” is a nonprofit or not-for-profit entity (e.g., corporation, association, or partnership) organized for the express purpose of providing its members with Aircraft for their personal use and enjoyment only. Flying Clubs must comply with all applicable Rules and Regulations, and FAA Order 5190.6B, as amended by the FAA Policy Concerning Flying Club Operations at Federally Obligated Airports, 81 Fed. Reg. 13,719 (Mar. 15, 2016).

“Minnesota Pollution and Control Agency” or **“MPCA”** is the Minnesota State agency that monitors environmental quality, offers technical and financial assistance, and enforces environmental regulations for the State of Minnesota.

“Person” is an individual, corporation, partnership, or other legal entity, but does not include the City.

“Personnel” is all individuals who are engaged in the performance of a Commercial Aeronautical Service at the Airport on behalf of a Commercial Operator, whether such individuals are employees, contractors, volunteers, or other agents of the Commercial Operator.

“Rochester Airport Commission” or **“Commission”** is the commission established by Section 2-5-1 of the Rochester City Code and that reviews and makes recommendations on all matters and issues involving the Airport.

“Rochester Airport Company” or **“Company”** is the wholly owned subsidiary of the Mayo Clinic that acts as the operator of the Airport, or any successor entity thereto.

“Self-service” is the act of providing maintenance, fueling or service of any Aircraft by a Person who owns, or leases and has exclusive control over, such Aircraft. The right to Self-service is recognized by FAA regulations and policies. Self-service may be provided only by such Person or its employees, and may not be conducted by independent contractors or third parties, provided

that such Self-service complies with all applicable restrictions to safeguard Airport safety and security, including those in the Airport Rules and Regulations regarding Self-service.

“Specialized Aviation Service Operator” or **“SASO”** is a Commercial Operator, other than an FBO, maintaining facilities at the Airport for the purpose of providing one or more Commercial Aeronautical Service, except that an SASO may not perform Aircraft Fuel and Oil Handling Services or Aircraft Fuel Storage Services.

“Statement of Interest” is the written statement described in Section 3 of this Agreement notifying the City of a Person’s desire to provide Commercial Aeronautical Service(s) at the Airport.

“Temporary Specialized Aviation Service Operator” or **“Temporary SASO”** is a Person that has been authorized by the City to provide certain specialized aeronautical services for compensation or hire at the Airport on a temporary basis pursuant to these Minimum Standards at the solicitation or request of an Airport user.

“Variance” is a grant of a modification to these Minimum Standards, often for only a temporary period to address unique facts or hardship.

“Waiver” is a grant of a permanent or temporary exemption from a requirement of these Minimum Standards.

SECTION 3 – APPLICATION PROCEDURE AND QUALIFICATIONS

A. Application Procedure

To apply to operate a Commercial Aeronautical Service at the Airport, a Person must complete the following steps, and thereafter, must provide such additional information as may be requested by the Airport Director.

1. Statement of Interest. An applicant must first submit a written Statement of Interest to the Airport Director. There is no required form for a Statement of Interest; however, it must at a minimum:
 - i. Provide a general overview and scope of the proposed Commercial Aeronautical Service(s), including the general area in which the proposed Commercial Aeronautical Service(s) will occur and how the applicant intends to receive access to this area (*i.e.*, through a lease with the City or a sublease with another Airport user); and
 - ii. Provide contact information, including the name, mailing address, email address, and telephone number of the applicant or applicant's designated employee.
2. Competitive Process. Upon receipt of a Statement of Interest, or at any other time, if the City has reason to believe that more than one Person may be interested in providing similar Commercial Aeronautical Services or may be interested in operating at the same or similar location, the City may issue a request for qualifications or proposals or otherwise select a Commercial Operator or Commercial Operator(s) through a competitive solicitation in accordance with applicable law and Airport policies. The competitive procurement process will supersede this application process.
3. Formal Application. If the City does not conduct a competitive procurement process, it will request a written application from the Person that submitted the Statement of Interest. The written application, which shall be submitted to the Airport Director, shall be in the form prescribed by the Airport Director or, in the absence of a form, shall include at least the following information and documents and any such additional information as may be requested by the Airport Director:
 - i. Name, mailing and business address(es), email address, and telephone number of the applicant, including contact information for applicant's employee(s) designated to manage the applicant's operations at the Airport;
 - ii. Comprehensive listing of the scope of the proposed Commercial Aeronautical Service(s) that the applicant will offer;
 - iii. Requested or proposed date of commencement of the Commercial Aeronautical Service(s) and the term of conducting the same;

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- iv. Statement of qualification indicating the Commercial Operator’s minimum of three (3) years of experience in operating the Commercial Aeronautical Service(s) to be conducted at the Airport;
 - v. Comprehensive business plan, including, at minimum: the location and amount of land to be leased (or subleased), the building/facilities space to be constructed or leased (or subleased), the number of Aircraft (if applicable), the number and job descriptions (including applicable certifications and ratings) of Personnel, the hours of proposed operation, (if applicable) the number and types of equipment that will be used by the applicant to perform the Commercial Aeronautical Service(s), and income and revenue projections for at least the first five years of the proposed operation;
 - vi. Certified copy of the Commercial Operator’s Commercial Operations License, as required by Minnesota Rules, part 8800.3200;
 - vii. Proposal and appropriate construction drawings/hangar space requirements;
 - viii. Letter setting forth the Commercial Operator’s financial integrity, in sufficient detail, to the City’s satisfaction, from a bank or trust company doing business in the Rochester area, or such other source that may be readily verified through normal banking channels. The Commercial Operator must also demonstrate sufficient financial ability or backing, when applicable, for the construction of facilities that may be required for the proposed operation. In addition, the financial institution letter should include a current financial net worth showing that the applicant holds unencumbered current assets in a total amount at least equaling three (3) months’ estimated operating and maintenance expenses;
 - ix. Evidence of sufficient insurance coverage or ability to acquire sufficient insurance coverage as stipulated herein for each particular type of Commercial Aeronautical Service;
 - x. Disclosure of any and all documented violations by the applicant and/or the applicant’s principals of FAA regulations; and
 - xi. Disclosure of any entity holding or controlling, directly or indirectly, any ownership, voting, management, or debt interest in both the applicant and any other Commercial Operator (“cross-ownership”) and the nature of such cross-ownership.
4. The City may obtain a credit report on the applicant and/or its principals.
5. Applicants must provide the Airport Director with any information reflecting a material change in the information submitted with an application during its pendency. Such information includes, without limitation, a change in the ownership of the entity seeking to conduct Commercial Aeronautical Service(s) at

the Airport, the filing of a bankruptcy petition, the addition or subtraction of principals, a felony or misdemeanor conviction that would result in the loss of Airport identification media pursuant to Airport Rules and Regulations, or any federal fines and/or violations imposed on the applicant or its principals.

6. The application requirements in this Section shall not apply to the City if it elects to provide one or more Commercial Aeronautical Services itself.

B. City Review; Agreement

1. The City will review the application and issue a written approval or denial decision within ninety (90) days, or, if the City determines it needs more information and/or time to make a determination as to the application, will advise the applicant of such need in writing within this initial 90-day period. Failure to provide additional information requested by the City pursuant to any such notice may result in a denial of the application.
2. If the application is approved, the applicant must sign and enter into an Agreement with the City, subject to the Airport Rules and Regulations and these Minimum Standards.
 - i. The Agreement will recite the terms for Airport ground and building space, and conditions under which the Commercial Operator will operate its business on the Airport, including, but not limited to, the term of the Agreement; the rentals, fees, and/or charges, including any revenue share; the rights, privileges and obligations of the respective parties; and other relevant covenants.
 - ii. The Agreement shall indicate a mutually agreed upon term of year(s) between the City and the Commercial Operator and commensurate with the Commercial Operator's financial investment in their facilities.
3. The City reserves the right to deny all applications that do not meet these application steps, qualifications, and requirements to operate a Commercial Aeronautical Service at the Airport, as described in these Minimum Standards.

C. Waiver and Variance

1. Permanent Waivers. The City may issue a permanent Waiver for all or any portion of the Minimum Standards for the benefit of any government or government agency providing public or emergency services, including, for example and without limitation, law enforcement, disaster relief, search and rescue, fire prevention, and firefighting.
2. Temporary Waivers.

- i. Upon an application to perform a Commercial Aeronautical Service, the City may approve a temporary Waiver for the Minimum Standards upon a finding that:
 - (a) The Commercial Aeronautical Operator seeking the Waiver will be the only Commercial Aeronautical Operator providing a specific product, service, or facility at the Airport as of the effective date of its Agreement;
 - (b) The Commercial Aeronautical Operator has agreed to fully comply with the Minimum Standards within a prescribed schedule not to exceed six (6) months;
 - (c) The City may enforce the Commercial Aeronautical Operator's compliance with the schedule through its Agreement;
 - (d) the temporary Waiver is reasonably necessary to alleviate the financial burden of initiating a new Commercial Aeronautical Activity at the Airport; and
 - (e) The Commercial Aeronautical Operator will provide high quality products, services, and facilities to Airport users notwithstanding the temporary Waiver.
- ii. Any such temporary Waiver will describe in writing which of these Minimum Standards the Commercial Operator has been granted a temporary waiver from and which Minimum Standards the Commercial Operator must comply with immediately.

3. Variances.

- i. The City may approve a temporary Variance of the Minimum Standards upon a finding that:
 - (a) A special condition or unique circumstance makes the application of the Minimum Standards unduly burdensome;
 - (b) The temporary Variance is narrowly tailored to mitigate the special condition or unique circumstance;
 - (c) The Commercial Operator has agreed to fully comply with the Minimum Standards within a prescribed schedule not to exceed six (6) months;
 - (d) The City may enforce the Commercial Operator's compliance with the schedule through its Agreement;

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- (e) The temporary Variance will not create an unfair competitive relationship among Commercial Operators at the Airport; and
 - (f) The Commercial Aeronautical Operator will provide high quality products, services, and facilities to Airport users notwithstanding the temporary Variance.
- 4. Notice to Other Commercial Operators. Prior to issuing a temporary Waiver or Variance, the City shall provide written notice to all other Commercial Operators at the Airport and request comment on the request and its potential impact.
- 5. No Grant of Waiver or Variance to the City. The City shall not grant a Waiver or Variance from the applicable requirements of the Minimum Standards to the City in the event the City conducts a Commercial Aeronautical Service at the Airport.

SECTION 4 – MINIMUM STANDARDS APPLICABLE TO ALL COMMERCIAL OPERATORS

A. Minimum Standards for All Commercial Operators

The following Minimum Standards apply to the operations and activities of all Commercial Operators, regardless of which Commercial Aeronautical Service(s) they conduct or propose to conduct at the Airport. Where a particular Commercial Aeronautical Service requires specialized or additional standards, those requirements will be noted in the subsequent sections herein.

B. Compliance with All Laws

Commercial Operators must comply, and cause their employees, agents, invitees, customers, sublessees, contractors, and subcontractors to comply, with all applicable federal, state, and local laws, orders, rules, regulations, directives, and policies, including without limitation, Airport Rules and Regulations, any other Airport rule, regulation, order, or directive, whether issued by the City or the Company. Compliance is the responsibility of each Commercial Operator, and omission in these Minimum Standards of explicit reference to a particular law, order, rule, regulation, directive, or policy does not excuse the Commercial Operator of its obligation to comply with same.

C. Required Minimum Insurance Coverage for All Commercial Operators

1. Insurance requirements and minimum insurance coverage amounts are described in **Exhibit A** to these Minimum Standards and incorporated herein by reference. All Commercial Operators must meet these insurance requirements as well as any insurance requirements specific to the Commercial Aeronautical Service categories applicable to their activities.
2. All Commercial Operators must demonstrate, to the City's satisfaction, evidence of insurance coverage prior to the commencement of the Commercial Operator's provision of services (or any construction of facilities or development of land related thereto) at the Airport.
3. All insurance policies required by these Minimum Standards must be maintained in full force and effect during the terms of all Agreements and for as long as the Commercial Operator continues to operate at the Airport.
4. The City requires that all Commercial Operators include the City and the Company as additional insured parties to its insurance policy(ies). The Commercial Operator's insurance policy(ies) must include a "hold harmless" clause which provides that the Commercial Operator will hold the City and the Company harmless in all claims, litigation, and/or action(s) against it.

D. Mandatory Provisions in Agreements

1. Federal regulations mandate the inclusion of certain provisions into agreements to lease or otherwise perform services in connection with federally funded or federally obligated property at the Airport. Each Commercial Operator must comply with

these provisions and agree to their inclusion in any Agreement. These include without limitation all contract clauses required by the FAA pursuant to *Required Contract Provisions for Airport Improvement Program and Obligated Sponsors* (last updated May 2023), https://www.faa.gov/airports/aip/procurement/federal_contract_provisions/may2023, as amended, which include, without limitation, provisions relating to Civil Rights and Title VI of the Civil Rights Act of 1964, the Federal Fair Labor Standards Act, and the Occupational Safety and Health Act. State law may mandate the inclusion of other governmental required provisions. The most current amendment or form of such mandatory provisions shall be obtained from the State or federal government and shall be included in each Agreement at the time of execution.

2. Each Agreement with the City shall also contain a provision stating that such Agreement is subordinate to the provisions of any existing or future agreements between City and the United States of America, relative to the operation and maintenance of the Airport, the terms and execution of which have been or may be required as a condition precedent to the expenditure or reimbursement to City of federal funds for the development of the Airport (“Grant Assurances”) and providing further that in the event that such Agreement, either on its own terms or by any other reason, conflicts with or violates any such Grant Assurances, the City has the right to amend, alter or otherwise modify the terms of the Agreement in order to resolve such conflict or violation.
3. Each Agreement with the City shall also require that a Commercial Operator furnish the Commercial Aeronautical Service(s) on a reasonable, and not unjustly discriminatory, basis to all users thereof, and that it charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the Commercial Operator may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
4. Each Agreement with the City shall also require that a Commercial Operator indemnify the City, the Commission, and the Company and its representatives, officers, employees, officials, agents, and volunteers from any and all claims, demands, damages, fines, obligations, suits, judgments, penalties, causes of action, losses, liabilities, administrative proceedings, arbitration, or costs at any time received, incurred, or accrued by the City, the Commission, and Company, individually or collectively, and their representatives, officers, employees, officials, agents, and volunteers, as a result of or arising out of the Commercial Operator’s action or inaction to the fullest extent of the law.

E. Facilities, Maintenance, and Equipment

1. Commercial Operators must lease an area of Airport land that is of adequate space and appropriate size, shape, and location to provide for its specific Commercial Aeronautical Service. All required improvements and facilities must be located on the Commercial Operator’s leased (or subleased) property, which shall be

contiguous unless the City determines that sufficient contiguous space is unavailable and that the proposed use by the Commercial Operator of noncontiguous space shall not cause operational issues for the City, the Commercial Operator, or other Airport users.

2. All improvements, facilities and structures within a Commercial Operator's leased or subleased premises must meet the appropriate building and fire codes and comply with all applicable requirements contained therein, including without limitation the City's Fire Code, Section 8-2-1 of the Rochester City Code.
3. Commercial Operators must receive written approval from the City prior to commencing any construction and/or paving land within its leased or subleased premises and must comply with any terms and conditions in their Agreement with the City that covers such activities.
4. All paving and other construction on a Commercial Operator's leased or subleased premises shall be permanent and fire resistant and must be compatible with the design, material, landscaping, and Airport Layout Plan ("ALP") of the Airport as well as all applicable FAA Advisory Circulars.
5. All buildings on a Commercial Operator's leased premises with indoor access for customers must be properly lighted, heated, and air-conditioned to accommodate customers in the applicable climate/weather conditions; contain restrooms; and, except for Aircraft Storage Operators, lobby/waiting space for customer use.
6. A Commercial Operator's leased premises must have adequate automobile parking for its personnel and customers.
7. Unless otherwise specified in an Agreement, Commercial Operators are responsible for trash removal, sewage, grass mowing, landscape maintenance (including weed removal) utility line maintenance, and pavement maintenance within its leased or subleased premises, including the areas around structures and buildings. The City prohibits the piling and storage of crates, boxes, containers, refuse, and surplus property.
8. Unless otherwise specified in an Agreement, Commercial Operators are responsible for removing snow and ice within their leased or subleased premises. All snow removal activities shall be conducted in adherence with the Airport's approved Snow and Ice Control Plan ("SICP").
9. All Commercial Operators must own, lease, or otherwise possess the necessary equipment to provide the applicable Commercial Aeronautical Service. Commercial Operators must maintain equipment in a safe and operable condition.
10. All Commercial Operators who use hangars shall use such hangars only for the conducting of the Commercial Aeronautical Service and ancillary aeronautical functions. At no time may a hangar be used for non-aeronautical purposes except as expressly provided in these Minimum Standards. By way of example, unless

otherwise provided in an Agreement, hangars shall not be used for offices, lounges, road vehicle storage, housing, or storage of non-aeronautical materials or equipment.

F. Qualifications, Licensing, and Personnel

1. All Commercial Operators must have a minimum of three (3) years of experience in operating the Commercial Aeronautical Service to be conducted at the Airport. If a Commercial Operator is applying for multiple Commercial Aeronautical Services, this requirement applies separately for each Commercial Aeronautical Service.
2. All Commercial Operators must demonstrate that they have adequate financial viability to meet the Minimum Standards for their planned activities at the Airport, as further described in Section 3 herein.
3. All Commercial Operators must have a Commercial Operations License prior to commencing the provision of Commercial Aeronautical Services at the Airport, as required by Minnesota Rules, part 8800.3200.
4. All Commercial Operators must have sufficient Personnel to deliver its Commercial Aeronautical Service(s) during its business hours. Commercial Operators must train all Personnel and ensure that all Personnel hold any and all required permits, licenses, certifications, or other approvals required to perform their job duties.
5. All Commercial Operators must ensure that adequate Personnel are available during their normal business hours, which shall be determined by the type of Commercial Aeronautical Service(s) provided and by the Commercial Operator's business and customer needs and which are detailed further in Section 5 below. Unless provided elsewhere in these Minimum Standards, all Commercial Operators must ensure that their premises are open, at minimum, for at least eight (8) hours a day, five (5) days a week. Some Commercial Operators may require extended and/or on-call business hours depending on the type of Commercial Aeronautical Service offered, as detailed further in Section 5 below.
6. All Commercial Operators must ensure that all of its Personnel are thoroughly trained and qualified to perform the tasks to which they are assigned. A Commercial Operator's training program shall contain detailed instruction in proper operating procedures for each job classification and, if required by the City, instruction on Airport policies, including for safety and security.
7. All Commercial Operators must control the conduct and demeanor of all their Personnel, agents, invitees, and subcontractors as well as conduct their business operations in a safe, orderly, efficient, and proper manner so as to not unreasonably disturb or endanger any Airport customers, tenants, or other Commercial Operators.

8. All Commercial Operators must provide to the City a list of the Commercial Operator's Personnel who have management authority in connection with the Operator's Agreement(s) and 24-hour contact information for each. This list shall include, at minimum, a) a corporate representative with administrative, operational, and fiscal authority; b) a local representative with operational authority; and c) the Commercial Operator's point of contact for emergency/security incidents.

G. Notice and Reporting

1. All Commercial Operators must submit copies of all FAA certificates for itself and its Personnel that are applicable to its Commercial Aeronautical Service to the Airport Director prior to the commencement of the provision of Commercial Aeronautical Service(s) at the Airport as well as on an annual basis and when any such FAA certificates are added, updated, or amended.
2. Commercial Operators must provide written notice to the Airport Director within seven (7) days of any revocation of or change to any FAA certificate (whether its own or one of its Personnel) or any other penalties by the FAA against the certificate holder.

H. Subcontracting and Subleasing

1. Subleasing of Space.
 - i. Unless otherwise provided by the Agreement, Commercial Operators may sublease space, including to another Person in order for such Person to perform a Commercial Aeronautical Service at the Airport. Except where permitted by Agreement, any sublease is subject to prior City written consent to a Commercial Operator's sublease, and, in the case of a sublease to another Person proposing to offer Commercial Aeronautical Services, the City will require the sublessee to apply for and agree to an operating agreement in accordance with Section 3 above, prior to providing such consent.
 - ii. A sublessee Commercial Operator must independently meet all of these Minimum Standards and comply with all of the specific requirements applicable to its Commercial Aeronautical Service.
2. Subcontracting of Services.
 - i. An FBO may subcontract to another Commercial Operator for the performance of a Commercial Aeronautical Service (other than Aircraft Fuel and Oil Handling Services or Aircraft Fuel Storage Services) with the City's prior written consent. An FBO may not subcontract to another Commercial Operator to perform Aircraft Fuel and Oil Handling Services or Aircraft Fuel Storage Services.

- ii. An SASO may not subcontract the performance of any Commercial Aeronautical Service(s) for which it has been authorized to another Person, including to an FBO or any other SASO.
3. Fees. In addition to any rental fees for space and/or services paid to the lessee operator, the sublessee or subcontractor must pay fees to the City, as may be established by the City for the Commercial Aeronautical Service conducted. Such fees are to be paid directly to the Company. If the fee is based on a percentage of the gross business on the Airport, then the fee payments shall be supported by an affidavit of gross receipts.

SECTION 5 – MINIMUM STANDARDS APPLICABLE TO SASOS

A. Minimum Standards Applicable to SASOs

In addition to the Minimum Standards above which apply to all Commercial Operators, the following Minimum Standards apply to the operations and activities of Commercial Operators engaged in a particular Commercial Aeronautical Service(s) at the Airport. The Minimum Standards in this Section apply whether the Commercial Operator is an SASO or an FBO performing that Commercial Aeronautical Service.

B. SASOs Performing More Than One Service

Any Commercial Operator who wishes to perform more than one Commercial Aeronautical Service but who will not meet the definition of an FBO shall be classified as an SASO and must meet the Minimum Standards for each Commercial Aeronautical Service that will be provided. However, the SASO may request, in writing, to utilize the same space, facilities, and/or Personnel to meet the standards for more than one Commercial Aeronautical Service by demonstrating, to the Airport Director's satisfaction, that the space, facilities, and/or Personnel can adequately meet the needs of all activities and will not affect the SASO's ability to provide high-quality products, services, and facilities to Airport users in accordance with the objectives of these Minimum Standards. Approval will be at the sole discretion of the Airport Director but shall not be unreasonably withheld, provided, however, that the Airport Director may deny approval if he or she determines that such approval would create an unfair competitive relationship among Commercial Operators at the Airport.

C. Aircraft Sales

1. Methods of Sales. Aircraft Sales can be accomplished through various methods, including matching potential purchasers with an Aircraft (brokering), assisting a customer in the purchase or sale of an Aircraft, or purchasing used Aircraft and marketing Aircraft to potential purchasers.
2. Inventory and Repairs. An Aircraft Sales Operator must provide an adequate inventory of spare parts for the type(s) of Aircraft that it intends to sell. An Aircraft Sales Operator may repair and service Aircraft, as an incidental service, but only for the duration of any applicable warranty period.
3. Premises.
 - i. An Aircraft Sales Operator must lease an area not less than 20,000 square feet of ground space, which must include a hangar of at least 6,400 square feet of floor space, and adequate apron/paved tiedown and vehicle parking to accommodate the activities of the Aircraft Sales Operator.
 - ii. The hangar (if one is constructed or leased) shall be used exclusively for aeronautical purposes and no items shall be stored in any hangar other than those necessary to conduct Aircraft Sales.

4. Hours of Operation. The Operator shall be open and services shall be available to meet the reasonable demands of the public for this activity, which may require operating during weekend or evening hours in addition to normal business hours five (5) days per week, eight (8) hours per day.
5. Personnel. An Aircraft Sales Operator must maintain, during all of its business hours, at least one (1) responsible staff person to supervise Aircraft Sales Services. The Aircraft Sales Operator must grant this staff person the authority to represent and act on behalf of the Aircraft Sales Operator. The Aircraft Sales Operator must also maintain an appropriately rated pilot on call to conduct scheduled flight demonstrations in the event that a customer requests a flight demonstration.
6. Insurance. See **Exhibit A**.

D. Aircraft Airframe, Engine, and Accessories Maintenance and Repair Services

1. FAA Certification. The Aircraft Airframe, Engine, and Accessories Maintenance and Repair Operator must present evidence to the Airport Director of its applicable Repair Station certification under 14 C.F.R. Part 145, if applicable, and/or certification under 14 C.F.R. Part 65.
2. Aircraft Inspector. The Aircraft Airframe, Engine, and Accessories Maintenance and Repair Operator must have an FAA-certificated airframe and powerplant mechanic with inspection authorization on duty at all times, with the appropriate ratings for Aircraft Airframe, Engine, and Accessories Maintenance Repair Services.
3. Inventory. The Aircraft Airframe, Engine and Accessories Maintenance and Repair Operator must maintain an inventory of sufficient equipment, supplies, manuals, and Aircraft parts to maintain the Aircraft that frequent the Airport and/or the type of Aircraft that the Operator regularly serves.
4. Premises. The Aircraft Airframe, Engine and Accessories Maintenance and Repair Operator must lease an area not less than 20,000 square feet of ground space, which must include a hangar with at least 6,400 square feet of floor space, and adequate apron/paved tiedown and vehicle parking to accommodate the activities of the Aircraft Airframe, Engine and Accessories Maintenance and Repair Operator and any approved sublessee(s).
5. Hours of Operation. The Aircraft Airframe, Engine, and Accessories Maintenance and Repair Operator shall be open and services shall be available to meet the reasonable demands of the public for this activity, which includes hours of operation at least five (5) days per week, eight (8) hours per day, and must also be available after these hours, on call, with a response time not to exceed one hour.
6. Personnel. The Aircraft Airframe, Engine and Accessories Maintenance and Repair Operator must employ and train Personnel for the repair and maintenance of

Aircraft airframes, engines and accessories who are properly certified by the FAA and hold the appropriate ratings for the work being performed.

7. Insurance. See **Exhibit A**.

E. Aircraft Lease and Rental Services

1. Aircraft. An Aircraft Lease and Rental Operator must own or exclusively lease:
 - i. No less than two (2) certificated Aircraft; and
 - ii. At least one (1) of the Aircraft must be a four-place Aircraft and equipped for and capable of flight under instrument conditions.
2. Premises. An Aircraft Lease and Rental Operator must lease an area of at least 20,000 square feet of ground space, which must include at least 6,400 square feet of building space, and adequate land, apron/paved tie-down, hangar (if required), facilities, and vehicle parking to accommodate all activities of the Aircraft Lease and Rental Operator and any approved sublessee(s).
3. Hours of Operation. An Aircraft Lease and Rental Operator shall be open and services shall be available to meet the reasonable demands of the public for this activity which means at minimum five (5) days per week, eight (8) hours per day.
4. Personnel. An Aircraft Lease and Rental Operator must employ and maintain on duty, during the appropriate business hours, a minimum of one (1) staff person who holds an instrument rating for check rides in one or more of the Aircraft Lease and Rental Operator's owned or leased Aircraft. An Aircraft Lease and Rental Operator must authorize a supervisory staff person to be available at all times, during its business hours. This supervisory staff person may be the same individual who holds an instrument rating for check rides as described in this subsection or may be an additional member of the Aircraft Lease and Rental Operator's Personnel.
5. Insurance. See **Exhibit A**.

F. Flight Training

1. License. In addition to obtaining a Commercial Operations License, a Flight Training Operator must comply with all applicable requirements contained in Minnesota Rules, part 8800.3300, pertaining to flight schools, including but not limited to the requirement of a performance bond contained in subpart 8 thereof.
2. Premises. A Flight Training Operator must an area of at least 20,000 square feet of ground space, which must include at least 6,400 square feet of building space, and adequate land, apron/paved tie-down, hangar (if required), facilities (including instructional offices/rooms), and vehicle parking to accommodate all activities of the Flight Training Operator and any approved sublessee(s).

3. Hours of Operation. A Flight Training Operator shall be open and services shall be available to meet the reasonable demands of the public for this activity, which means at minimum five (5) days per week, eight (8) hours per day, provided, however, that these hours may be adjusted to reflect seasonal operations with the prior written approval of the City.
4. Personnel. A Flight Training Operator must employ at least one (1) flight instructor on a full-time basis who is certified by the FAA pursuant to 14 C.F.R. Part 61 to provide the type of flight training offered by the Flight Training Operator. A Flight Training Operator must ensure that at least one (1) flight instructor is always available during its business hours.
5. Instruction Requirements. Flight Training Operators shall include, at a minimum, adequate training aids necessary to provide proper and effective ground school instruction. All materials, supplies, and training methods must meet FAA requirements for the training offered. As stated in Minnesota Rules, part 8800.3300, subpart 5, all course outlines must include a review of Minnesota Statutes and Rules relating to aeronautics that are pertinent to that course. In the case of an FAA-approved school, the FAA-approved course outline is acceptable if the review of Minnesota Statutes and Rules is included.
6. Recordkeeping. Pursuant to Minnesota Rules, part 8800.300, subpart 4, Flight Training Operators shall keep and maintain complete and adequate records of the flight instruction given to all enrolled students, showing the date, the amount of dual or solo instruction, the maneuvers given, the Aircraft used, and the name of the instructor of each dual flight. These records shall be available for inspection at the flight school office and shall be retained for at least one (1) year from the date of the last entry.
7. Insurance. See **Exhibit A**.

G. Avionics, Instrument, or Propeller Repair Station Services

1. FAA Certification. An Avionics, Instrument, or Propeller Repair Station Operator must present evidence to the Airport Director of applicable Aircraft repair station certifications for Commercial Aeronautical Services under 14 C.F.R. Part 145, and the rules and eligibility requirements to conduct Aircraft repair services under 14 C.F.R. Part 65 and/or 14 C.F.R. Part 43.
2. Premises. An Avionics, Instrument, or Propeller Repair Station Operator must lease an area of not less than 10,000 square feet of ground space, which must include at least 4,000 square feet of floor space, and adequate land, apron/paved tie-down, hangar (if required), facilities, and vehicle parking to accommodate all activities of the Flight Training Operator and any approved sublessee(s).
3. Hours of Operation. An Avionics, Instrument, or Propeller Repair Station Operator shall be open and services shall be available to meet the reasonable demands of the public for this activity which means at minimum five (5) days per week, eight (8)

hours per day, and must be available after hours, on call, with a response time not to exceed one hour.

4. Personnel. An Avionics, Instrument, or Propeller Repair Station Operator must keep at least one (1) trained staff person on duty during its business hours. Such individual must conduct FAA-rated radio, instrument, or propeller repairs within the applicable FAA repair station.
5. Insurance. See **Exhibit A**.

H. Aircraft Charter, Air Taxi, and Air Ambulance Services

1. Services. An Aircraft Charter, Air Taxi, and Air Ambulance Operator must provide, with its owned or leased Aircraft, at least one of the following Commercial Aeronautical Services: 1) Aircraft charter, 2) air taxi, or 3) air ambulance.
2. Aircraft. An Aircraft Charter, Air Taxi, and Air Ambulance Operator's Aircraft must contain not less than one (1) single-engine Aircraft, one (1) multi-engine Aircraft, which may include a helicopter. Each Aircraft must meet certifications for instrument operations under 14 C.F.R. Part 135.
3. Premises. An Aircraft Charter, Air Taxi, and Air Ambulance Operator must lease an area of no less than 15,000 square feet of ground space, which must include 4,000 square feet of floor space, and adequate land, apron/paved tiedown, hangar (if required), facilities, and vehicle parking to accommodate all activities of the Aircraft Charter, Air Taxi, and Air Ambulance Operator and any approved sublessee(s).
4. Hours of Operation and Personnel. An Aircraft Charter, Air Taxi, and Air Ambulance Operator must employ and keep trained Personnel on duty, during its business hours, at least one (1) commercial pilot who is certificated to conduct Aircraft Charter, Air Taxi and Air Ambulance flight service. An Aircraft Charter, Air Taxi, and Air Ambulance Operator must also staff sufficient Personnel who must be available for on-call services during non-business hours.
5. Insurance. See **Exhibit A**.

I. Aircraft Storage

1. Premises. An Aircraft Storage Operator must lease an area of no less than 10,000 square feet of ground space, which must include at least 3,500 square feet of hangar space, and adequate land, apron/paved tiedown, hangar, facilities, and vehicle parking to accommodate all activities of the Aircraft Storage Operator and any approved sublessee(s).
 - i. The City may require additional hangar space be leased or constructed depending on the type and/or number of Aircraft to be stored by the Commercial Operator. Hangar space requirements may differ depending on

type of Aircraft. Each hangar or subdivision thereof must be combined with sufficient apron to accommodate the movement of Aircraft into and out of the hangar.

2. Facilities. An Aircraft Storage Operator must provide facilities that meet the following requirements:
 - i. Construction with individual partitions that are sufficient size to store single-engine Aircraft and/or twin-engine Aircraft;
 - ii. Compliance with all applicable building and fire codes;
 - iii. Electrically operated bi-fold doors with individual electric service; and
 - iv. Paved flooring in hangar space.
3. Hours of Operation. The Operator shall be open and services shall be available to meet the reasonable demands of the public for this activity, which means at minimum five (5) days per week, eight (8) hours per day.
4. Equipment and Personnel. An Aircraft Storage Operator must provide the appropriate equipment for Aircraft Storage and sufficient Personnel who are trained to meet all requirements for Aircraft Storage.
5. Insurance. See **Exhibit A**.

J. Air Cargo Services

1. Equipment. An Air Cargo Services Operator must have adequate and appropriate equipment to serve aeronautical customers' needs. Minimum equipment includes: baggage tug and tow bars, pallet loaders, dollies, belt loaders, freight carts and Aircraft tow bars, floor scale, and forklift. The number of pieces of each type of equipment that the Air Cargo Services Operator is allowed to bring onto the Airport is subject to the approval of the Airport Director and may depend on the number of customers that the Air Cargo Services Operator is servicing. Disabled ground services equipment must be removed from the Airport or, if intended to be repaired and returned to service within thirty (30) days, stored in a safe manner out of sight within the Air Cargo Services Operator's premises in an enclosed space.
 - i. For Air Cargo Handling, the following minimum equipment list shall serve as a guideline:
 - One baggage tug and tow bar for baggage equipment and freight carts
 - Two container/pallet loaders
 - 28-pallet dollies and 16 container dollies or an equal amount of equivalent equipment

- One belt loader
 - Non-motorized equipment including, but not limited to, freight carts and Aircraft tow bars.
- ii. For Air Cargo Processing, an Air Cargo Services Operator must have use of the following minimum equipment:
- One floor scale certified by the State of Minnesota in accordance with applicable legal requirements
 - One forklift, having a minimum 4,000 lb. rating, LP gas or electric with pneumatic tires or equivalent
 - If surface transportation of cargo is provided, one tug, having a minimum 5,000 lb. draw bar pull or equivalent.
2. Premises – Air Cargo Processing. An Air Cargo Services Operator, if performing Air Cargo Processing, must lease an area of 20,000 square feet of ground space and a building space of 8,000 square feet to accommodate a warehouse building.
3. Premises – Air Cargo Handling. An Air Cargo Services Operator, if only performing Air Cargo Handling, must lease an area of 10,000 square feet of ground space and a building space of 4,000 square feet for staging operations.
4. Hours of Operation. In addition to normal business hours, an Air Cargo Services Operator shall have services available during weekend, evening, or overnight hours as required by its customers.
5. Customer Information. Each Air Cargo Services Operator under this category (and any FBO providing this service) shall also provide the City with a signed copy of all agreements or contracts with customer(s) and/or FBO(s) currently serving the Airport. Each Air Cargo Services Operator under this category must advise the City within five (5) working days of any changes in their agreement(s) or contract(s) with any customer and/or FBO(s).
6. Personnel. An Air Cargo Services Operator must have sufficient trained Personnel to perform one or both of the services conducted by the Air Cargo Services Operator (Air Cargo Handling and/or Air Cargo Processing). Such Personnel must include, at all hours of operation, at least one (1) supervisory staff person.
7. Insurance. See **Exhibit A.**

K. Temporary Specialized Aviation Service Operators

1. Introduction. The City recognizes that Airport users may periodically require specialized assistance with the maintenance of their Aircraft and/or flight training. When such assistance is not available on the Airport through an existing

Commercial Operator due to either the specialized nature of the maintenance and/or the flight training requirements, the City may allow an Airport user to solicit and utilize the services of a qualified Person not presently based at the Airport to provide said services provided that they comply with these Minimum Standards for Temporary SASOs.

2. Minimum Standards Applicable to Temporary SASOs. In addition to complying with the general Minimum Standards set forth in Section 4 (unless an exception is otherwise noted in this subsection), each Temporary SASO at the Airport shall comply with the following Minimum Standards set forth in this subsection.
3. Scope of Activity. A Temporary SASO shall conduct its activities on and from the leased premises of the Airport user which has solicited its services in a manner consistent with the degree of care and skill exercised by experienced Persons providing comparable products and services and engaging in similar activities.
4. Temporary Agreement. The Airport user requiring the services of a Temporary SASO must submit a request to the Airport Director on behalf of the potential Temporary SASO in the form and manner prescribed by the Airport Director. If the Airport Director determines that the requested services are not available at the Airport through an existing Commercial Operator, and that the potential Temporary SASO is qualified, the Airport Director will issue a thirty- (30) day temporary Agreement to the Temporary SASO, authorizing the requested activity on such terms and conditions as the Airport Director may require.
5. Hours of Operation. The hours of operation of a Temporary SASO are to be during normal business hours only, unless the Airport user requiring after-hours or weekend service by a Temporary SASO gives written notice to and receives written permission from the Airport Director prior to the Temporary SASO providing services at non-business hours.
6. Fees. Temporary SASOs shall be required to pay a fee commensurate with their use of the Airport.
7. Rules and Regulations. Temporary SASOs must comply with all Airport Rules and Regulations. Airport users utilizing Temporary SASOs are also responsible for assuring compliance by Temporary SASOs with all Airport Rules and Regulations.
8. Licenses and Certifications. Temporary SASOs shall have and provide to the Airport Director evidence of all federal, state, and local licenses and certificates that are required in order to lawfully conduct the services it provides at the Airport.
9. Insurance. See **Exhibit A**.

SECTION 6 – MINIMUM STANDARDS APPLICABLE TO FBOs

A. Commercial Aeronautical Services Provided by FBOs

An FBO must provide, at minimum, the following Commercial Aeronautical Services, including all of the subcategories of services within those classifications:

1. Aircraft Fuel and Oil Handling Services;
2. Aircraft Airframe, Engine and Accessories Maintenance and Repair Services;
3. Avionics, Instrument, or Propeller Repair Station Services; and
4. Aircraft Storage.

In addition, an FBO must be able to provide the following services in connection with its operations:

1. Aircraft de-icing and washing of Aircraft at locations designated from the Airport from time-to-time;
2. Aircraft tie-down service;
3. Marshaling and parking of Aircraft;
4. Aircraft recovery and towing service for disabled Aircraft less than 75,000 lbs MTOW, within one (1) hour of receiving a call for service;
5. Crew escorting in secured and restricted areas;
6. Oxygen, nitrogen, and compressed air services;
7. Aircraft engine pre-heat service;
8. Pilot weather and flight planning services;
9. Aircraft ground power service;
10. Catering service for corporate and other general aviation Aircraft;
11. Aircraft lavatory service; and
12. Apron servicing of, and assistance to, Aircraft, including transient parking, storage and tie-down service, for both based and transient Aircraft upon or within facilities leased to a Commercial Operator or Aircraft parking areas designated by a Commercial Operator.

An FBO may provide other specialized aeronautical services on its leasehold subject to the approval of the Airport Director, including the sale of new or used Aircraft, the sale or rental of all

types of consumer products normally related to the ownership or operation of Aircraft, and any other services normally performed by similar FBOs at other airports in the United States. These requests will be reviewed and approved on a case-by-case basis.

B. Insurance Requirements for FBOs.

See **Exhibit A**.

C. Minimum Standards Specific to FBOs

In addition to the requirements for all Commercial Operators listed in Section 4, FBOs must comply with the following requirements in this Section 6, as applicable only to FBOs:

1. Premises. An FBO must lease from the City (directly, and not through a sublease) an area of not less than 80,000 square feet of ground space and 20,000 square feet of floor space, which must include adequate land, apron, hangar(s), facilities (terminal, office, and shop) and vehicle parking to accommodate all activities of the FBO and any approved sublessee(s). An FBO's plan for its premises is subject to review and approval by the City.
2. Hours of Operation. An FBO must keep their premises open with service available on 365 days a year, for at least sixteen (16) hours per day, and with on-call service provided during the remaining eight (8) hours of each day, with response time for on-call Aircraft maintenance and fueling service not to exceed one hour.
3. Personnel. An FBO must employ Personnel who are trained to provide each Commercial Aeronautical Service conducted, which may, with the approval of the City, include multiple roles for one staff person, in order to meet the Personnel requirements for each Commercial Aeronautical Service. Such Personnel must be present on site, during the FBO's business hours, to ensure that the FBO has adequate Personnel coverage for each Commercial Aeronautical Service. Categories of Personnel shall include without limitation:
 - i. Full-Time Manager
 - ii. Line Service Technician
 - iii. Fueling Supervisor
 - iv. Aircraft Mechanic
 - v. Customer Service Representative

D. Aircraft Fuel and Oil Handling Services

The following requirements apply to FBOs as the only Commercial Operators permitted (and required) to provide Aircraft Fuel and Oil Handling Services (other than the City, to the extent it has elected to exercise its proprietary exclusive right):

1. FAA Guidance. All Aircraft Fuel and Oil Handling Services will be conducted in accordance with the specifications and guidance contained in applicable FAA Advisory Circulars, including but not limited to FAA Advisory Circular 00-34A, *Aircraft Ground Handling and Servicing*, as it may be amended and revised by the FAA from time to time, as well as the requirements contained in all applicable federal law and regulations, including but not limited to 14 C.F.R. § 139.321.
2. Waste. An Aircraft Fuel and Oil Handling Operator must ensure the lawful and sanitary handling and timely disposal of all solid waste, regulated waste, and other materials including, but not limited to, used oil, solvents, and other regulated waste.
3. Equipment. An Aircraft Fuel and Oil Handling Operator must provide the required pumping equipment, both mobile and fixed, to meet all applicable requirements relative to fuel and oil dispensing as required by federal, state, and City regulations. An Aircraft Fuel Storage Operator must provide reliable metering devices which conform to federal, state, and City regulations.
4. Recordkeeping. An Aircraft Fuel and Oil Handling Operator must maintain an accurate record of all into-plane deliveries of aviation fuels and oils and such records shall be subject to examination and audit at the request of the City or its representatives.

E. Aircraft Fuel Storage Services

The following requirements apply to FBOs as the only Commercial Operators permitted (and required) to provide Aircraft Fuel Storage Services: An FBO must maintain fuel storage facilities in order to perform Aircraft Fuel Storage Services. When Aircraft Fuel Storage Services are provided by an FBO (or the City, to the extent the City has *not* exercised its proprietary exclusive right) provides, the following Minimum Standards shall apply:

1. Fuel Storage Facility.
 - i. An Aircraft Fuel Storage Operator shall construct or install and maintain an on-Airport above-ground fuel storage facility, unless otherwise authorized or required, in a location consistent with the Airport layout plan. If an FBO, the City must approve an FBO's fuel storage facility. All bulk fuel storage facilities must be located in one or more designated fuel storage facilities on the Airport, as identified by the City.
 - ii. The fuel storage facility must be capable of maintaining a minimum of 80,000 gallons of Jet-A-Fuel, 12,000 gallons of Aircraft deicing fluid and storage for a minimum of three (3) re-fueling trucks with at least 10,000 gallons of total capacity of each grade of fuel that an Aircraft Fuel Storage Operator offers for purchase. The fuel tank construction or installation must meet all applicable safety fixtures and filtration systems required by the EPA and the MPCA.

2. Inventory. An Aircraft Fuel Storage Operator must provide an adequate inventory of the industry accepted grades of aviation engine fuel and oil.
3. Spill Prevention and Response. The fuel storage system must include adequate fuel spill prevention features and containment capabilities, together with an approved fuel Spill Prevention Countermeasures and Control Plan (“SPCC”), as required by the EPA. Further requirements for the SPCC and rules governing fuel spills are contained in the Airport Rules and Regulations.
4. Waste. An Aircraft Fuel Storage Operator must ensure the lawful and sanitary handling and timely disposal of all solid waste, regulated waste, and other materials including, but not limited to, used oil, solvents, and other regulated waste.
5. Self-service. Commercial Self-service fueling is an optional service for Aircraft Fuel Storage Operators and is not mandatory. If an Aircraft Fuel Storage Operator decides to provide such a facility, it must comply with all Airport Rules and Regulations regarding such operations.

Exhibit A

Insurance Requirements

I. Minimum Standards for Insurance for All Commercial Operators

- a. In addition to the insurance requirements contained herein, Commercial Operators shall procure and maintain, during the term of any Agreement, any other insurance policies required by law.
- b. Commercial Operators shall procure and maintain, during the term of an Agreement with the City to conduct Commercial Aeronautical Services at the Airport, at their own cost, insurance policies and coverage limits that are relevant and appropriate to the activities conducted at the Airport, and not less than the minimum limits set forth herein for each authorized activity. The insurance company or companies underwriting the required policies shall be licensed or authorized to write such insurance in the State of Minnesota and shall have an “AM BEST” rating of A-(minus) and Financial Size Category (FSC) VII or better.
- c. Certificates of Insurance for the insurance required by law and set forth by these Minimum Standards shall be delivered to the Airport Director upon execution of an Agreement authorizing the provision of Commercial Aeronautical Services. Insurance must be in force during the period of any construction of the Commercial Operator’s facilities and prior to its entry upon the Airport to conduct Commercial Aeronautical Services. A Commercial Operator shall furnish additional Certificates of Insurance thirty (30) days prior to the effective date of any reduction or material change in coverage. All policies and Certificates of Insurance shall include a provision that coverage afforded under such policies shall not be cancelled without at least thirty (30) days’ advance written notice to the City, or, for non-payment of premium, ten (10) days’ advance written notice. Current proof of insurance shall be provided to the Airport Director throughout the term of an Agreement to conduct Commercial Aeronautical Services on or before February 1st of each calendar year.
- d. Insurance policies required hereunder shall be primary to any other valid and collectible insurance available to the City with respect to any claim arising out of the Commercial Operator’s performance under their Agreement.
- e. The Commercial Operator’s insurance policies shall include legal defense fees in addition to its liability policy limits.
- f. The limits stipulated herein represent the minimum coverage and policy limits that shall be maintained by Commercial Operators to engage in Commercial Aeronautical Services at the Airport. Commercial Operators are encouraged to secure higher policy limits. In requiring Commercial Operators to maintain insurance hereunder, the City in no way represents or guarantees that the types and limits are adequate to protect the Commercial Operator’s interests and liabilities.

- g. Any self-insured Commercial Operator shall furnish evidence of such self-insurance and shall hold the City and the Company harmless in the event of any claims, actions, and/or litigation arising out of its activities at the Airport. Such evidence must be reviewed and approved in writing by the Airport Director prior to the commencement of any Commercial Aeronautical Service at the Airport.
- h. An umbrella or excess liability insurance policy may be used to supplement the Commercial Operator's policy limits on a follow-form basis to satisfy the full policy limits required hereunder.
- i. Commercial Operators shall, at their sole expense, cause all facilities and improvements on their leased premises to be kept insured to the full insurable value (current replacement cost with no depreciation) thereof against the perils of fire, lightning, wind, hail, earthquake, extended coverage, and/or vandalism. The proceeds of any such insurance paid on account for any of the aforementioned perils, shall be used to defray the cost of repairing, restoring, or reconstructing said facilities or improvements to the condition and location existing prior to the casualty causing the damage or destruction, unless a change in design or location is approved in writing by the Airport Director.
- j. The required insurance to be carried is not limited by any limitations expressed in the indemnification language in these Minimum Standards and/or in any Agreement between the City and a Commercial Operator or any limitation placed on the indemnity in same given as a matter of law.
- k. If a Commercial Operator maintains higher limits and/or broader coverage than the minimums shown herein, the City requires and must be entitled to the higher limits and/or broader coverage maintained by the Commercial Operator.
- l. The Commercial Operator's Agreement shall provide that failure to obtain or maintain required insurance shall be grounds for immediate termination of the Agreement.
- m. The City maintains the right, based on commercially reasonable standards, to modify, delete, alter, or change these requirements with thirty (30) days' prior written notice to all Commercial Operators.

II. Applicable Insurance Coverage Limits

- a. The minimum insurance requirements in this Section II apply to all Commercial Operators unless specifically noted otherwise below. Additional types of insurance coverage may be required for any Commercial Operator, based upon the nature of the service(s) to be provided by the Commercial Operator and the space and facilities to be leased and/or used by the Commercial Operator and which shall be determined by the City on a case-by-case basis.

- b. Each Commercial Operator shall purchase or otherwise acquire the following basic insurance policies at the stated minimums:
- i. Comprehensive commercial general and aircraft liability insurance in the minimum amount of \$5,000,000 (for FBOs) or \$2,000,000 (for all SASOs) combined single limit for each occurrence for all personal and bodily injury (including passengers), death and/or property damage.
 - ii. Hangarkeeper's liability insurance in the minimum amount of \$2,500,000 for any one aircraft and in the amount of \$5,000,000 for any one occurrence, subject to deductible of not more than \$25,000 for any one occurrence. For an FBO, such coverage shall be extended to cover the FBO's operation of any and all hangars, in addition to the FBO's premises. If an FBO accommodates turbine powered aircraft with a wingspan greater than 49 feet, higher minimums will apply (up to \$10,000,000) based on the actual aircraft values as determined by the Airport. Lower limits for SASOs may be allowable for piston engine aircraft and single engine turbine aircraft, which limits will be determined on a case-by-case basis by the Airport. This requirement does not apply to Commercial Operators that do not lease, sublease, or provide hangar space as part of their activities.
 - iii. Automobile comprehensive liability insurance at a combined single limit coverage of not less than \$1,000,000 (bodily injury and property damage) per occurrence. Coverage shall be extended to include any vehicles used by the Commercial Operator in the provision of its Commercial Aeronautical Service(s), whether or not owned by the Commercial Operator. This requirement is waived if the Commercial Operator does not operate any vehicles in the course of its provision of Commercial Aeronautical Service(s).
 - iv. Product liability insurance at a \$1,000,000 combined single limit for the following Commercial Operators: (1) Aircraft Airframe, Engine and Accessories Maintenance and Repair Operators; (2) Avionics, Instrument, or Propeller Repair Station Operators; and (3) FBOs.
 - v. Environmental liability insurance at a \$2,000,000 combined single limit for each accident/occurrence. This minimum may be raised for Commercial Operators deemed to have higher risk operations by the City on a case-by-case basis.
 - vi. Workers' compensation insurance in Minnesota statutory limits.
 - vii. Such additional coverage or other insurance in amounts as the City deems advisable for protection against claims, liabilities and losses arising out of or connected with the operation of the Commercial Operator's premises.

- viii. Commercial Operators providing Aircraft Lease and Rental Services, Flight Training, Aircraft Charter, Aircraft Sales, and some other SASOs shall be required to acquire aircraft and passenger liability insurance of \$1,000,000 (combined single limit – each occurrence) for piston powered aircraft, \$5,000,000 (combined single limit – each occurrence) for turbine powered aircraft, and \$10,000,000 (combined single limit – each occurrence) for turbine powered aircraft with a wingspan 79 feet or greater. This insurance shall include bodily injury, personal injury, and property damage (excluding aircraft hull) for students and renters of aircraft.

- ix. Student and renter liability insurance for Commercial Operators providing Aircraft Lease and Rental Services and/or Flight Training in the amount of \$100,000 (combined single limit – each occurrence) and CFI Professional Liability insurance (for Operators that employ flight instructors) in the amount of \$100,000 (combined single limit – each occurrence). This insurance shall include bodily injury and property damage not only during flight instruction, but also after instruction has been given.