

KERRVILLE – KERR COUNTY JOINT AIRPORT BOARD

KERRVILLE – KERR COUNTY AIRPORT LOUIS SCHREINER FIELD



RULES AND STANDARDS FOR GENERAL AVIATION AND AERONAUTICAL OPERATIONS

Adopted November 19th, 2025

Kerrville – Kerrville County Joint Airport Board
Kerrville – Kerr County Airport (ERV)
Louis Schreiner Field
Rules and Standards

Preface

The Kerrville – Kerr County Joint Airport Board, in adopting these Rules and Standards for General Aviation and Aeronautic Operations (“Minimum Standards”) at the Kerr County – Kerrville Airport (“Airport”) as the official policy of the Joint Airport Board, desires to serve the public aviation interests, convenience, and necessity; to promote the efficient, safe and economic handling of air commerce; and to develop the full potential of the Airport.

The Mission of the Airport is to provide aviation facilities and services for the Kerrville-Hill Country area by managing airport infrastructure for a safe, efficient, and convenient aviation gateway. The Joint Airport Board desires further to ensure adequate availability, quality and levels of service and facilities to meet the demands and expectations of Airport users; to protect the investment of Airport Operators from unreasonable competition; to protect Airport users from unlicensed and unauthorized products and services; to promote the orderly development of Airport land; and to provide opportunity for new Commercial Operators who meet the Minimum Standard requirements to engage in a Commercial Aeronautical Operation.

Consistent with Federal law and policy, the Joint Airport Board intends to operate the Airport for the use and benefit of the public and to make the Airport available for public use on reasonable terms and conditions and without unjust economic discrimination.

These Rules and Standards will replace all previous versions of Minimum Standards and Rules and Regulations in their entirety and will define the operating parameters for all stakeholders and users of the Airport to identify what requirements must be offered in order to qualify to conduct Commercial and Non-Commercial Aeronautical Activities at the Airport.

These Rules and Standards shall apply to all new Agreements and any extension of term for expiring existing Agreements. The implementation of these Rules and Standards is not intended to cause any existing Entity to retrofit its facilities to comply nor to alter terms and conditions contained in unexpired Agreements. If an Entity requests to modify the terms of services within an existing Agreement, the Airport shall, as a condition of its approval, require compliance with these Rules and Standards. These Rules and Standards shall not modify an existing agreement, nor shall they prohibit the Airport from entering into an agreement that requires an entity to exceed these Rules and Standards.

These Rules and Standards are not intended to be all-inclusive. An Entity will be subject additionally to applicable federal, state, and local laws, statutes, codes, ordinances, and regulations pertaining to all such services. It is the responsibility of the Entity to be familiar with all federal, state, and local rules that may pertain to the service that the Entity is providing. It is not an affirmative defense against non-compliance that the Airport did not supply the Entity with or notify the Service Provider of a pertinent rule.

In establishing these Rules and Standards, the Airport's goal is to assure an adequate minimum level of quality of service to Airport users; to foster competition at the Airport; and to avoid unfair or prohibited unjust economic discrimination among similar Commercial Aeronautical Service providers. The Rules and Standards shall be applied objectively and uniformly. The standards and requirements in this policy are minimums; all Entities are encouraged to exceed the minimum.

The conditions under which the Airport or any of its facilities may be used shall be as established pursuant to these Rules and Standards or otherwise by the Airport Board, and/or the City Council and the County Commissioners' Court, acting jointly.

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SUBDIVISION 1 - POLICIES AND GUIDELINES

IMPACTED PARTIES: ALL TENANTS AND USERS

SECTION A. -- DEFINITIONS

The following words and terms shall have meanings as indicated below, unless the context clearly requires otherwise:

- a. **Abandoned Aircraft and Abandoned Vehicle** is any aircraft or vehicle left unattended and stationary on the Airport property in an inoperable condition and/or without a current license and/or insurance or under such circumstances that evidence an intention by the owner or operator to voluntarily surrender, relinquish or disclaim the aircraft or vehicle. An aircraft or vehicle can be considered abandoned if the Airport makes a reasonable attempt to contact the owner at its last known address via registered or certified mail and a response is not received or if contact is made, the owner does not remove the aircraft or vehicle in an expeditious manner as determined at the sole discretion of the Airport Director. No liability shall accrue to the Airport, its officers, agents or employees for towing, removal, impoundment, storage or disposition of aircraft or vehicles or their contents under this article. The return of an impounded aircraft or vehicle may be conditioned on the owner or operator thereof paying all fees accrued against such aircraft to include towing and storage fees incident to impoundment. The Airport shall have a lien on aircraft or vehicles impounded for the storage and care thereof. Notification to the owner of impounded aircraft or vehicles shall be conclusively presumed given if, after accrual of sixty (60) calendar days of unpaid storage charges or fees, the registered owner of such aircraft or vehicle is advised by registered or certified letter, return receipt requested, of the fact of impoundment, delinquency in payment of the charges, the Airport's lien for the payment of such charges, and the contemplated public sale of such aircraft or vehicle following the expiration of thirty (30) calendar days after mailing of such notice, unless payment or suitable arrangements for payments have been made.
- b. **Aeronautical Activity** is 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.
- c. **Agreement** means a written, legally enforceable contract between the Airport and any party concerning access to and use of the Kerrville – Kerr County Airport.
- d. **Air Charter and Air Taxi** means the Commercial Aeronautical Activity of providing air transportation of persons or property for hire on a charter basis or as an air taxi operator as defined and regulated by the Federal Aviation Administration.
- e. **Aircraft Management** means the Commercial Aeronautical Activity of providing aircraft flight dispatch, flight crews, or aircraft maintenance coordination on behalf of an aircraft owner for an aircraft under the care, custody, or control of the owner.
- f. **Aircraft Rental** means the Commercial Aeronautical Activity of renting or leasing aircraft to third parties for compensation.

- g. **Aircraft Restoration and Refurbishing** means the Commercial Aeronautical Activity of restoring, refurbishing, or repainting aircraft airframes, propellers, accessories, interiors, exteriors and components for compensation, after which the aircraft will continue to operate. This category of activity excludes the demolition or salvage of aircraft, after which aircraft will not continue to operate.
- h. **Aircraft Sales** means the Commercial Aeronautical Activity of the sale of new or used aircraft through brokerage, ownership, franchise, distributorship, or licensed dealership.
- i. **Airframe and Power Plant Maintenance** means the Commercial Aeronautical Activity of providing airframe and power plant services, which includes the repair, maintenance, inspection, constructing, and making of modifications and alterations to aircraft, aircraft engines, propellers and appliances including the removal of engines for major overhaul as defined in 14 CFR Part 43, as currently in effect or as it may hereafter be amended.
- j. **Airport** means the Kerrville – Kerr County Airport and all the area, buildings, facilities, and improvements within the interior boundaries of such Airport as it now exists or as it may hereafter be extended or enlarged and as depicted on a current Airport Layout Plan approved by the Federal Aviation Administration, as may be amended from time to time.
- k. **Airport Director or Director** is the individual employed by the Joint Airport Board to manage the activities and provide continuity for long range planning and development of the Airport
- l. **Airport Badge** means the badge issued by the Airport for the privilege of accessing the airfield.
- m. **Airport Layout Plan or “ALP”** means a plan showing the existing and proposed Airport improvements and boundaries in a form prescribed by the Airport Director.
- n. **Airport Operations Area or “AOA”** means the area of the Airport identified in the Airport Security Program that includes the aircraft movement areas, aircraft parking areas, loading ramps, safety areas, and any adjacent areas that are not separated by adequate security systems, measures, or procedures. Generally, the AOA is that portion of the Airport which lies inside the airport perimeter security fence giving direct access to any aircraft and its movement area.
- o. **Airports or Airport Law Enforcement** means Persons identified by the Airport Director to provide security and/or law enforcement functions at the Airport.
- p. **AVGAS** means aviation gasoline, 100LL or equivalent, intended for use in piston aircraft.
- q. **AVGAS Fueling** means the fueling of piston aircraft with fuel purchased at the owner's discretion. No permits are required for AVGAS Fueling unless the fueling meets the standard required to obtain a Self-Fueling Permit.
- r. **Avionics Sales and Maintenance** means the Commercial Aeronautical Activity of providing for the repair and service, or installation of aircraft radios, instruments,

and accessories for compensation. Such operation may include the sale of new or used aircraft radios, instruments, and accessories.

- s. **Airport** means the Airport located in Kerrville – Kerr County Texas. Where approval, enforcement, or another act on the part of the Airport is referred to herein, the Airport shall act by and through the Airport and County ordinances unless otherwise specifically indicated.
- t. **Airport Board** means the appointed officials who serve on the Kerrville – Kerr County Joint Airport Board having jurisdiction over the Airport.
- u. **Commercial Aeronautical Activity** means the sale, exchange, trading, buying, merchandising, hiring, marketing, promotion, or selling of commodities, goods, services, or property, or any revenue-producing activity made available to the public in connection with Aeronautical Activities.
- v. **Commercial Aeronautical Operator** means an Entity or Person conducting a Commercial Aeronautical Activity at the Airport pursuant to a Lease, Permit, or other Agreement.
- w. **Commercial Fueling** means the fueling of aircraft by the qualified Fixed Base Operator for compensation. Compensation may be earned for the aircraft fuel, for the fuel dispensing service, for the storage of the fuel, and/or all of the above.
- x. **Commercial Self-Service Fueling** means the fueling of an aircraft under the care, custody, or control of an Entity meeting the qualifications described herein at an authorized fuel storage and dispensing facility that includes proper containment that meets all applicable environmental regulations.
- y. **Common Use Areas** means that portion of the airport, which is now or hereafter considered by the FAA, TxDOT, the Airport, or any other regulatory agency with oversight of the Airport to be the obligation and responsibility of the Airport to operate and maintain for the common use and benefit of the general aviation public. The common area includes, without limitation, any air navigation facility or structure designed and intended to serve the general public not specifically subject to a lease agreement; all runways, taxiways and other common-use paved, graveled or turfed areas and their respective protection zones, safety areas and/or object-free areas; any other facility or facilities at the airport that are eligible for Federal or State grants or subsidies awarded on the basis of their serving the benefit of the public (including runways, taxiways, vehicle streets and alleys, public aircraft aprons/tarmac, vehicle parking areas, and drainage structures); field lighting and associated beacon and lighted wind and landing direction indicators; security, fire, and emergency medical protection; protection of aerial approaches to the airport; directional signs; and perimeter or restricted-access fences. The common area is under the control and management of the Airport and may be redeveloped, modified, changed or terminated at the Airport's discretion.
- z. **Consent or Approval of the Airport Director**. Where this Agreement calls for the consent or approval of the Airport, the same shall be in the form of a resolution approved by the Airport as provided by law.
- aa. **Department of Transportation** means the United States Department of Transportation.

- bb. **Entity** means each Person, partnership, organization, or business that has a legal Agreement with the Airport.
- cc. **FAA** means the Federal Aviation Administration.
- dd. **Fixed Base Operator or FBO** means any qualified Entity meeting the requirements identified herein that provides aviation services to the public for compensation.
- ee. **Flight Training** means the Commercial Aeronautical Activity of instructing pilots in dual and solo flight; in fixed wing or rotary aircraft; and related ground school instruction as necessary to complete an FAA written pilot's examination and flight check ride for various categories of pilot's licenses and ratings. Flight training includes any portion of a flight where the primary purpose is to increase or maintain pilot or crew member proficiency. Flight training also includes simulator training for pilot or crew proficiency.
- ff. **Flying Club** means a non-profit or not-for-profit Entity organized for the express purpose of providing its members with aircraft for member use only.
- gg. **Fueler** means any qualified Fixed Base Operator that offers Commercial Fueling services to include receiving, storing, handling, and dispensing of fuel, whether for sale to the public or for purpose of self-fueling. Fuelers are also authorized to remove fuel from aircraft into authorized storage devices meeting the qualifications contained herein.
- hh. **Ground Support Equipment Maintenance** means the Commercial Aeronautical Activity of fueling, maintaining, servicing, and repairing service and maintenance equipment used at the Airport to support Aeronautical Activities.
- ii. **Ground Vehicle** is a non-aircraft self-propelled vehicle including, but not limited to, automobiles, trucks, vans, mobile fueling vehicles, aircraft tugs, and "Follow Me" golf carts.
- jj. **Ground Vehicle Training Program** means a training class or course offered by the Airport to provide awareness and instruction on the requirements and procedures for gaining access to the airport operations area of the airport safely and correctly.
- kk. **Jet Fuel** means aviation fuel intended for use in turbine aircraft.
- ll. **Lease** means a written contractual agreement by and between the Airport and an Entity granting the Entity the exclusive right to use and occupy certain airport land in consideration of the payment of rent and other terms and conditions. In addition, a Lease also may also include a sublease agreement for facilities developed by the Tenant that has an executed land Lease with the Airport and an Entity in which the Tenant grants to the subtenant a right to use and occupy all or a portion of the Airport land and/or Tenant developed facilities, but only if the sublease is properly contracted, executed and agreed to according to the base Lease and is in compliance with these Rules and Standards and is consented to in writing by the Airport. A Lease is a written document that is executed and enforceable by law.

- mm. **Leased Premises or Premises** means any land and/or improvement on the Airport that is under a Lease, Permit, or other Agreement between the Airport and an Entity.
- nn. **Minimum Standards** means the qualifications set forth in Subdivision III hereof, which set forth the minimum requirements to be met as a condition for the right to conduct a Commercial Aeronautical Activity at the Airport.
- oo. **Movement Area** means the runways, taxiways, and other areas of the Airport which are used for taxiing, air taxiing, takeoff, and landing of aircraft, exclusive of loading ramps and aircraft parking areas.
- pp. **Non-Aeronautical Activity** means any activity that does not involve, make possible, or is required for the operation of aircraft or that contributes to or is required for the safety of such operations.
- qq. **Non-Movement** area means that portion of the common area which is used to provide a path for taxiing and maneuvering of aircraft to a taxiway (such as aprons, taxi lanes, and all other areas within the paved portions of the common area).
- rr. **Ordinance** shall mean any a piece of legislation enacted by the Airport of Kerrville or Kerr County.
- ss. **Permit** means a written document that may be issued by the Airport for the conduct of Aeronautical Activities and Non-Aeronautical Activities at the Airport and may be terminated by the Airport as provided for in the document.
- tt. **Person** means any natural person.
- uu. **Premises** means the description of the land and/or asset that is the subject of a Lease Agreement or Permit between the Airport and a Tenant. The Premises will be described in each Agreement or Permit, and the definition will apply to any extensions or amendments to the Agreement or Permit.
- vv. **Rules and Standards** means the qualifications, standards, requirements, and enforcement criteria established by the Airport as the minimum requirements to be met and adhered to as a condition for the right to conduct a Commercial and Non-Commercial Aeronautical Activity at the Airport. These Rules and Standards are a combination of Minimum Standards and Rules and Regulations.
- ww. **Safety Areas** means the runways and taxiways and surrounding runway safety areas and taxiway safety areas at the Airport.
- xx. **Self-Fueling Permit** means a permit issued by the Airport that authorizes the storage and dispensing of fuel from a fixed storage tank on Leased Premises to aircraft owned, operated, or under the direct care, custody, and control of the Tenant.
- yy. **Self-Service** means the act of tying-down, fueling, adjusting, repairing, cleaning, and otherwise servicing an aircraft by a Person or Entity that owns or has the care, custody, or control of the aircraft or by a Person or Entity that has exclusive use and/or operational care, custody, or control of the aircraft pursuant to an Agreement.

- zz. **SPCC Plan** is a Spill Prevention, Control, and Countermeasure Plan as adopted by the Airport.
- aaa. **Special Aeronautical Event** means air shows, air races, fly-ins, or other similar aeronautical events requiring the general use of the Airport for other than routine Airport operations.
- bbb. **Specialized Aeronautical Service Operator or “SASO”** means an Entity that is authorized by having an executed Lease or Permit to provide one or a combination of Commercial Aeronautical Activities that does not include Commercial Fueling that meets the requirements contained in Subdivision III (Minimum Standards).
- ccc. **Specialized Flying Services** means providing specialized commercial flying services including but not limited to, nonstop sightseeing tours, aerial photography or surveying, powerline or pipeline patrol, firefighting or fire patrol, air ambulance, airborne mineral exploration, or other air transportation operations specifically excluded from 14 C.F.R. Part 135.
- ddd. **Tenant** is any Entity or Person that has an executed Lease or Permit with the Airport to occupy space at the Airport.
- eee. **Terminal** is any general aviation arrivals/departures terminal located at the Airport.
- fff. **Through-the-Fence Operations** means the movement of aircraft between the Airport and land adjacent to, but not part of, the Airport property as defined in the Airport Layout Plan.
- ggg. **Tie-down** means the area, paved, suitable for parking of aircraft, and/or wherein suitable tie-down points have been located.

SECTION B. -- LEGAL AUTHORITY, EFFECTIVENESS AND RESERVATION OF RIGHTS

I. Legal Authority and Purposes

- a. The Kerrville – Kerr County Airport Board adopts these Rules and Standards pursuant to the Board’s authority to adopt and amend minimum standards and rules and regulations for the use and operation of the Airport. The Rules and Standards also are adopted pursuant to the Airport’s legal power as the operator of the Airport on behalf of the City of Kerrville and Kerr County. The Rules and Standards may be amended by the Airport from time to time.
- b. The Rules and Standards are adopted and approved by the Kerrville – Kerr County Airport Board through the adoption of an Ordinance to promote the safe, secure, and orderly use of the Airport and to provide a competitive operating environment for the airport Tenants and users.
- c. Subdivision III (Minimum Standards) specifically is adopted to provide a common platform to provide Commercial Aeronautical Activities, subject to amendment from time to time, for the following purposes: to maintain a quality of baseline service for Airport users; ensure that services being provided at the Airport are being provided by trained personnel; protect Airport users from unlicensed and unauthorized products and services through the establishment of a Permit or Agreement between the Airport and the Entity to provide services to Airport

Tenants; enhance the availability of adequate services for all Airport users; promote the orderly use and development of Airport land for Aeronautical and Non-Aeronautical Activities; provide a clear and objective distinction between service providers that will provide a satisfactory level of service and those that will not; and prevent disputes between aeronautical service providers. Through-The-Fence Operations, other than mechanics that have executed Permits to provide service at the Airport, are not authorized at the Airport. Fuel brought on to the Airport by Entities authorized to provide Commercial Self-Service Fueling must be stored in authorized containers that meet the storage and containment requirements and must be dispensed in compliance with the Rules and Standards, as may be amended from time to time. For AVGAS Fueling, fuel may be brought onto the Airport in proper containers and dispensed into a Person's own aircraft.

- d. All Leases, Subleases, Permits, and other Agreements authorizing the use of Airport property and facilities shall require compliance with the Rules and Standards, as may be amended from time to time. Any existing Agreements that are not in compliance will be allowed to remain non-compliant until such time as the Agreement is extended or modified, at which time the Agreement must be brought into compliance.
- e. The Airport recognizes the jurisdiction of the federal government, delegated to the Federal Aviation Administration, concerning the certification and regulation of pilots, air carriers and aircraft; and concerning the navigable airspace. Nothing herein is intended to assert jurisdiction by the Airport over matters under the exclusive jurisdiction of the Federal government, and the provisions hereof shall be interpreted consistent with this purpose. In the event that there is a conflict between the Rules and Standards and provisions issued by the Federal government, the provisions of the Federal government will prevail.
- f. The invalidation of any specific provision shall not affect the validity of the remainder of the Rules and Standards.
- g. References and citations in the Rules and Standards to ordinances, laws, rules, regulations, codes, policies, standards, and guidelines promulgated by the Kerrville – Kerr County Airport Board, State of Texas, the United States, and public and private bodies include any amendments as may be adopted thereto after the Airport's adoption of the Rules and Standards.

II. Effectiveness and Amendment

- a. The Rules and Standards shall be effective upon adoption by the Airport Board.
- b. The Rules and Standards apply to all Leases, Permits, Tenants, Entities, and Persons and any unauthorized Aeronautical and Non-Aeronautical Activities on any part of the Airport. The Airport Director shall have the authority to enforce the Rules and Standards, as may be amended from time to time.
- c. The provisions of Subdivision II (Rules and Regulations) shall apply to the greatest extent permissible under any Agreement or Permit for use of the Airport, and all Agreements executed after the adoption of the Rules and Standards shall be made subject to all such Rules and Standards, as may be amended from time to time.

- d. The provisions of Subdivision III (Minimum Standards) shall apply to any existing and new Agreement authorizing a Commercial Aeronautical Activity at the Airport. If there is a conflict between an existing Agreement and the Rules and Standards, the terms and conditions of the existing Agreement shall prevail through the Term of the Agreement. The waiver of the current Minimum Standards requirements will not apply to any new Agreement that may be entered into with the Airport.
- e. The Airport may, at its sole discretion, waive all or any provision of these Rules and Standards for the benefit of government or governmental agencies conducting Aeronautical Activities at the Airport, but only upon determining that any such waiver will not materially impact safety. The Airport may waive all or any provision of these Rules and Standards in the event of a bona fide emergency, as determined at the sole discretion of the Airport Board.
- f. The Rules and Standards, as adopted and amended from time to time, by the Airport Board, cancel and supersede all previous Rules and Regulations and/or Minimum Standards governing use of the Airport.
- g. The Airport Board may amend the Rules and Standards to further promote and advance the purposes and policies set forth herein and to promote the safe use and growth of the Airport.

III. Reservation of Rights

- a. The Airport Board reserves the right to permit use of the Airport for the conduct of Aeronautical Activities and Non-Aeronautical Activities, pursuant to the Rules and Standards and applicable federal, state and local laws, statutes, ordinances, regulations, codes, and other requirements pertaining to such Aeronautical Activities and Non-Aeronautical Activities.
- b. The grant of a privilege to conduct Aeronautical Activities at the Airport by a Lease, Sublease, Permit, or Agreement shall not be considered in any manner as affording the Aeronautical operator an exclusive right to conduct an Aeronautical Activity at the Airport, other than the use of Leased Premises which may be leased exclusively to the Entity, and then only to the extent provided in a Lease, Sublease, Permit, or other Agreement.
- c. The Airport Board reserves the right to decline to execute a Lease, Sublease, Permit, or other Agreement with any Entity wishing to conduct an Aeronautical Activity or Non-Aeronautical Activity at the Airport if the Airport Board, at its sole discretion, determines upon examination that the Entity refuses or will be unable to comply with the Rules and Standards or comply with the Lease, Sublease, Permit, or other Agreement throughout the term of the Lease, Permit, or Agreement.
- d. The Airport Board reserves the right to plan and develop the Airport in the best interests of the Airport, Tenants, and Airport users. Relocation of existing Tenants will be subject to and conducted in the manner provided in a Lease, Permit, or other Agreement, by mutual agreement, or by exercise of eminent domain by the Airport Board.
- e. The Airport Director reserves the right to inspect facilities used for Aeronautical Activities and Non-Aeronautical Activities with or without notice for the limited

purpose of ensuring compliance with the Rules and Standards, Agreement compliance, fire/life/safety, and FAA requirements. The Airport Board further reserves the right to audit records of Entities with a Lease, Sublease, Permit, or other Agreement to conduct Aeronautical and Non-Aeronautical Activities at the Airport for the limited purpose of ensuring proper payment of rates, fees, and charges as may be imposed by the Airport hereunder and/or in a Lease, Sublease, Permit, or other Agreement.

- f. The Airport Board reserves the right to install security devices on the Airport as may be deemed necessary by the Airport Director in furtherance of the Airport Security Program. Airport installed security devices installed within a Tenant's Leased Premises shall be located only along the Leased Premises perimeter or in public use areas.

SECTION C. -- ADMINISTRATION, ENFORCEMENT, PENALTIES AND APPEALS

I. Administration

- a. The Airport Director has primary responsibility for the interpretation and application of the Rules and Standards and is authorized to issue directives and interpretive guidance in conformity with the Rules and Standards. The decisions of the Airport Director hereunder are subject to appeal, as provided in Subsection II (Administrative Appeal).
- b. At the direction of the Director, Airport employees, agents, contractors, and consultants are authorized to assist in the application and implementation of the Rules and Standards, principally through communications with Tenants and Airport users on the content and proper interpretation of the Rules and Standards.
- c. The most current version of the Rules and Standards shall be posted on the Airport's Airport website and a hard copy will be available in the Airport Director's office upon request. Tenants, subtenants, and users shall have the sole responsibility to ensure compliance with the most currently adopted version of the Rules and Standards.
- d. Airport employees have the right to enter and inspect any and all facilities and structures at the Airport, with or without advance notice for the limited purposes of ensuring compliance with the Rules and Standards, Agreement compliance, and fire/life/safety requirements. All other inspections shall be made with prior notice.
- e. The Airport Director or law enforcement officers of the City or County, through the adoption of an Ordinance authorizing such actions and in conjunction with the Airport Board, and State law enforcement agencies with jurisdiction over the Airport are authorized to issue citations, summonses, or notices to appear for violations of the Rules and Standards.
- f. Airport Law Enforcement officers of the City and County through the adoption of an Ordinance authorizing such actions and in conjunction with the Airport Board are authorized to detain and remove individuals for violation of the Rules and Standards, Airport Code, the City of Kerrville, Kerr County, or the laws of the State of Texas.

II. Administrative Appeal

- a. A Person directly and substantially affected by an action or decision of the Airport Director, or designee, in interpreting and applying the Rules and Standards may appeal the action or decision as provided in this subsection. This right of administrative appeal shall not apply to the imposition of penalties hereunder, which may be appealed only as provided in Subsection III (Penalties).
- b. A Person may request reconsideration by the Airport Board of an action or decision hereunder. A request for reconsideration must be set forth in writing, containing a complete description of the reasons why reconsideration is proper, along with any relevant documentary evidence. The Airport Board shall provide a written response within thirty (30) calendar days of receipt of a complete request for reconsideration.
- c. The decision of the Airport Board shall be final.

III. Penalties

- a. The Airport Director shall enforce the Rules and Standards through graduated penalties, to include one or more of the following, separately or in combination: verbal and written warnings; written notices of violation; administrative and/or civil penalties; revocation of Permits issued by the Airport; termination of Leases and eviction; referral to the Airport Attorney's Office for criminal prosecution; and removal from the Airport by Airport Law Enforcement.
- b. The principal means of enforcing the provisions of Subdivision III (Minimum Standards) will be through a Lease, Permit, or other Agreement authorizing an Entity to conduct a Commercial Aeronautical Activity on the Airport.
- c. The Airport intends and prefers to promote voluntary compliance with the Rules and Standards without resorting to administrative fines and penalties, whenever possible. When a violation of the Rules and Standards is brought to the attention of the Airport Board, the Airport Director, or designee, will notify the offender in writing and advise the offender to cease the violation and/or take corrective action within a defined cure period. The Airport Director reserves the right to waive the imposition of any penalties prescribed herein upon the successful completion of corrective action within the defined cure period or the initiation of such corrective action in a reasonable timeframe as determined by the Airport Director.
- d. The Airport Board will establish a schedule of administrative fines and penalties as identified in Appendix 2 for violations of the Rules and Standards and reserves the right to amend the schedule and substitute the amended schedule from time to time without need to fully amend the Rules and Standards. The then current schedule of fines and penalties shall remain on file in the office of the Airport Director. The Airport reserves the right to accelerate penalties or the response timeframe depending on the severity of the violation. This provision shall be at the sole discretion of the Airport Director.
- e. These enforcement procedures are in addition to any remedies or penalties authorized by a Lease, Permit, or other Agreement, or pursuant to law or regulation and in compliance with all applicable Ordinances.

- f. Violation of the Rules and Standards may constitute default under a Lease, Permit, or other Agreement. Following written notice and a reasonable cure period, the Airport may pursue termination and eviction in such event in accordance with the terms of the Lease, Permit, or other Agreement and all applicable Ordinances. In the event of such termination, the Tenant or Entity shall peaceably vacate the Airport and surrender possession of the Premises contained under the Lease, Permit, or other Agreement to the Airport and cease all operations at the Airport. Termination will be pursued only after all rights of appeal, if submitted, are pursued. Should the Tenant or Entity fail to make such surrender under the terms of the Lease, Permit, or other Agreement, the Director shall have the right, at once and without further notice to the Tenant or Entity, to enter and take full possession of the space occupied by the Tenant at the Airport by force or otherwise, and remove any and all of the Entity's personal property and equipment not belonging to the Airport found within or upon the Premises at the expense of the Tenant.
- g. The Airport Board may decline to enter into a Lease, Permit, or other Agreement with a Person or Entity found to have violated the Rules and Standards, any applicable Ordinance, or has been determined to be in default on a previous Agreement with the Airport Board within the previous five (5) years.
- h. In addition to all other rights and remedies provided in these Rules and Standards, the Airport shall have any and all rights and remedies at law or in equity, including the equitable remedy of injunction, to enforce the Rules and Standards, to obtain compliance herewith, and to impose administrative fines and penalties.

SECTION D. -- RENTAL RATES, FEES, AND CHARGES

I. General

- a. The Airport Board reserves the right to impose fair market rental rates, fees, and charges for the commercial and non-commercial use of all Airport Premises and improvements in compliance with FAA grant assurance requirements for the following purposes: 1) to compensate the Airport for its costs to operate, maintain, and develop the Airport; 2) to make the Airport as financially self-sustaining as possible; 3) to provide local funding for non-grant funded capital improvement projects; 4) to compensate the Airport for the privilege of conducting Commercial Aeronautical Activities and Non-Aeronautical Activities on and generating revenue from the Airport; and 5) to derive a reasonable rate of return from the use of Airport facilities.
- b. The Airport may impose rental rates, fees, and charges, including, but not limited to: landing fees; fuel flowage fees; land rental rates for Airport owned and managed land; land and facility rental rates for facilities owned by the Airport; aircraft parking fees for Airport owned aircraft parking apron areas; rental rates for use of Airport owned hangars and related improvements; access fees; concession fees; fines; and permit, application, and administrative fees. Following the adoption of these rules and Standards, the Airport Board will impose similar rental rates, fees, and charges for similarly situated Entities conducting Commercial Aeronautical Activities and Non-Aeronautical Activities at the Airport. For any existing Agreements, where rental rates, fees, and charges are contained in the Agreement, the rental rates, fees, and charges will be honored and adjusted to the

then current rental rates, fees, and charges upon negotiation of new Agreements or modification to existing Agreements.

- c. The Airport's imposition of any and all such rental rates, fees, and charges shall not affect an Entity's obligation to pay any taxes or assessments as may be assessed by an authorized taxing jurisdiction, including without limitation possessory interest, sales, and fuel taxes.
- d. Rental rates, fees, and charges will be established for land and improvements based on the respective value of each that reflect current fair market values as determined by the Airport Board. Land rental rates will be established for the total land parcel premises leased by the Entity or Person. For Airport owned buildings, rental rates will be established for the total square footage of leased premises and will be charged in addition to the land rental rates.

II. Adoption and Administration

- a. The Airport Board will adopt and implement a schedule of rental rates, fees, and charges annually. The rental rates, fees, and charges may be adjusted from time to time by the adoption following notice and publication of a new schedule. The adoption or adjustment of the schedule of rental rates, fees, and charges shall not require an amendment to the Rules and Standards, Agreements, Leases, or Permits.
- b. Rental rates, fees, and charges may be established based on a combination of any or all of the following criteria, at the sole discretion of the Airport Board: 1) an airport appraisal based on a portfolio of airport properties and improvements comparable to what is in place at ERV; 2) the cost of the improvements and repairs associated with the facility; 3) the required revenue from the land and improvements required in order to maintain a fee and rental structure that makes the Airport as self-sustaining as possible pursuant to FAA Grant Assurance 24; and 4) whether the land or improvement is being used for an Aeronautical Activity or Non-Aeronautical Activity.
- c. All Entities on the Airport shall be liable to pay the then-current rental rates, fees, and charges applicable to their use of, and activities on the Airport, effective as of the date of adoption, except in the event that a rate or charge is established by an Agreement and such Agreement does not permit or provide for adjustment of the rental rates, fees, and charges by the means provided herein. In such cases, the then-current schedule will be applied at the termination of the Agreement or Permit or if there is a request for modification to the Agreement or Permit.
- d. Non-payment of rental rates, fees, and charges in accordance with the published schedule(s) of rental rates, fees, and charges or an Agreement defined rental rates, fees, or charges following written notice and a reasonable cure period may result in termination of the Agreement as called for therein; eviction from any Leased Premises; the suspension or revocation of the right or privilege to conduct a Commercial Aeronautical Activity or Non-Aeronautical Activity at the Airport; and/or the impoundment or lien on aircraft and property, as may be authorized pursuant to federal and Texas law.

SECTION E. -- LEASING POLICY

1. General

The Airport Board has a variety of land parcels and/or facilities that are owned or controlled by the Airport and available for rental to third parties. This policy is intended to provide a consistent approach that will be used by the Airport to offer rental rates, fees, and charges as well as terms that are economically non-discriminatory associated with the future leasing of Airport owned/controlled land parcels and facilities. This approach is intended to create a fair business environment to promote development and leasing at the Airport that follows industry best practices.

- a. The Airport will lease land and improvements for uses consistent with the then-current Airport Layout Plan and approved Airport Master Plan. If a proposed use requires an amendment to the Airport Layout Plan, the Airport Layout Plan amendment must be submitted to the FAA for review and the Airport must receive written approval prior to the execution of any Agreement.
- b. The Airport will lease Premises on a first-come-first-served basis or may initiate a procurement action, at its sole discretion, to determine whether any other Entity is interested in leasing the same Premises.
- c. The Airport will lease only as much land as is necessary to enable an Entity to accommodate demonstrated and reasonable future needs, in addition to any other contiguous Airport land that would be rendered commercially unmarketable by virtue of its size, access, configuration, utility capacity, or other conditions.
- d. Any Entity wishing to lease property at the Airport must demonstrate sufficient financial resources to make any required capital investment and any continuing investment and to pay rent and other rental rates, fees, and charges throughout the term of the Lease on a timely basis. Information to be provided includes, but is not limited to: a) name of Entity and identification of owners; b) a letter from the financial institution confirming that the Entity meets the lending institution's requirements to enter into the Agreement and meet the financial obligations associated with the Agreement; c) references, as determined by the Airport Director; and d) the nature of the use of the Leased Premises.
- e. The Airport may lease any Airport owned and controlled hangar or facility to Entities that best meet the requirements of the Airport for the use to store and maintain air worthy aircraft under their care, custody, or control. Entities are strictly prohibited from subleasing any such facilities to other subtenants to store or maintain aircraft not under the care, custody, or control of Entity unless approved in advance in writing by the Airport Director. Any such sublease Agreements shall be considered null and void and the Entity is subject to default as called for in its Agreement for entering into any such Agreement without the prior written consent of the Airport Director.
- f. The Airport reserves the right to establish a waiting list for hangar facilities owned and operated by the Airport. Upon the vacancy of any such Airport owned and operated facilities, the Airport shall extend the opportunity to the first Entity listed on the waiting list and the Entity will have thirty (30) calendar days to enter into an Agreement with the Airport. If the Entity does not execute an Agreement in the

thirty (30) calendar day timeframe, the Entity will lose its rights and the next Entity on the waiting list will be solicited. No Entity may sublease a hangar owned and operated by the Airport without the Airport's prior written approval. Tenants are specifically prohibited from transferring or assigning Agreements without the prior written approval of the Airport which Airport may withhold at its sole discretion..

- g. Upon the sale to another party of improvements constructed, the Airport Board, at its sole discretion, may approve an assignment of the Premises including the release for the Lessee of any further obligations under the terms of the Agreement if sufficient information is provided as part of the buyer's request that satisfies the Airport that the buyer has sufficient resources to fulfill the obligations of the remainder of the Agreement. Such assignment shall be subject to the assignee showing proof that it can satisfy all the terms and conditions of the Agreement as contained therein.

II. Lease Terms

- a. The Airport will utilize standard form Leases, Permits, or other Agreements for different categories of users with different Lease terms depending on the level of investment that will be used for all transactions. The Airport reserves the right to adjust or revise its standard form Lease(s), Permits, or Agreement(s) at any time, at its sole discretion, to meet the conditions of individual transactions acceptable to the Airport to the extent any such adjustment or revision does not create a violation of FAA Airport Grant Assurances or violate any adopted Ordinances.
- b. For executed Leases, Permits, or other Agreements in effect at the time of the adoption of these Rules and Standards, all terms and conditions contained in the existing Lease, Permit, or other Agreement shall prevail through the Term of any such Agreement. Following expiration or upon renewal, the then current standard form Agreements and rental rate, fees, and charges schedule would be applied to any future negotiations for the Lease, Permit, or other Agreement.

2. Background

Pursuant to FAA Grant Assurance 24, the Airport must maintain a rental rates, fees, and charges schedule that makes the airport as self-sustaining as possible under the circumstances existing at the particular airport, considering such factors as the volume of traffic and economy of collection.

The Airport is expected to create a business environment where there is not unjust economic discrimination among similarly situated users. The Airport Board will establish requirements to make the Airport available under reasonable and not unjustly discriminatory conditions to be met by all users of the Airport, as may be necessary, for the safe and efficient operation of the Airport.

3. Key Terms and Conditions

A. *Lease Terms*

For all Leases at the Airport following adoption of these Rules and Standards, the applicable standard lease form terms and conditions shall be used as the baseline for all development and ground leases and for all aeronautical airport owned/controlled

facilities. These forms and the associated terms and conditions will be reviewed by the Airport Board at its discretion and may be amended from time to time. The Airport Board reserves the right to consider an adjustment to the standard terms and conditions outlined based on specific unique conditions presented by a requestor that would, at the sole discretion of the Airport Board, support consideration of alternative terms. Any such adjustments will be based on the merits of a specific request and shall not be considered precedent setting.

1. Lease Terms for Development and Ground Leases – Third-Party Development of (Aeronautical) (Commercial or Non-Commercial)

For all land Leases associated with development of new aeronautical facilities funded solely by the Tenant, the following lease terms shall apply:

- i. Base Term: Twenty (20) years.
- ii. Option Term: Up to an additional twenty (20) years with the option term exercisable at the discretion of the Tenant, if in compliance with the Lease. Such Options may be exercisable in five (5) year increments.
- iii. Improvements revert to the Airport at the end of the Lease in accordance with the provisions of the Leasing Policy.
- iv. Land Rent is calculated based on the full square footage of the Leased Premises, not the square footage of the improvements to the land.
- v. Land Rental Rates will be established according to the adopted schedules during the Term of the Agreement.
- vi. Land Rent for the year is due and payable in advance annually.
- vii. Land rental rates will be adjusted every five years upon a subsequent appraisal or by CPI-U if an appraisal has not been conducted.
- viii. If commercial, then concession fees as agreed to by the parties will be payable monthly based on gross receipts for the commercial operations generated from the leased Premises.

2. Lease Terms for Airport Owned/Controlled Facilities (Aeronautical) (Commercial or Non-commercial)

For all Airport owned and/or controlled hangars and facilities leased for aeronautical purposes, the following Lease terms shall apply:

- i. The Airport Board retains ownership of the facility through the Term of the Agreement.
- ii. Base Term: up to ten (10) years based on the intended use and/or additional Tenant investment.
- iii. Option Term: An additional option term of up to five (5) years upon mutual consent of the parties if Tenant is in compliance with the terms and conditions of the base term of the Lease.
- iv. A Land Rental rate will be applied to the full square footage of the Leased Premises.
- v. A facility Rental Rate will be applied to the full square footage occupied in the improvement.

- vi. Land Rental Rates will be established based on the rental rates, fees, and charges schedule adopted by the Airport Board.
- vii. Land rent and facility rent will be calculated on an annual basis and one twelfth (1/12th) is due and payable in advance on a monthly basis.
- ix. Utility usage fees will be charged to the Tenant.
- x. Land rental rates and facility rental rates will be adjusted upon the adoption of rental rates, fees, and charges schedules by the Airport Board.
- xi. Concession fees, as agreed to by the parties, will be payable monthly based on gross receipts for the commercial operations generated from the leased Premises.

B. Option Terms

In order to request the exercise of the Option Term included in any standard Lease form for an Airport owned facility or for land Leased from the Airport, Tenants must be in compliance with the terms of the existing Lease and must notify the Airport in writing of its desire to exercise the Option Term a minimum of six (6) months prior to the end of the Base Term or a prior executed Option Term, if applicable. The Airport Board will provide its approval or disapproval in writing within thirty (30) calendar days following receipt. The Airport Board will review the following factors when determining whether to approve the Option Term request:

- a. Compliance with the terms and conditions of the Lease.
- b. The level of maintenance that the Tenant has exercised during the Lease Term and the overall condition of the facility.
- c. Any investments that the Tenant has made to the facility at the Tenant's expense that extends the useful life of the facility or provides enhanced value to the improvement.
- d. Whether the facility is being used for its "highest and best use" or another alternative is available that more closely matches the goals and objectives of the Airport.
- e. Other conditions that may exist.

C. Subleasing and Assignment

a. Airport Owned Facilities – For all leased Premises owned or controlled by the Airport, subleasing of the leased Premises will be limited to the rate the Lessee is being charged by the Airport, with a maximum of a fifteen (15%) administrative fee added. All subleases must have prior written approval of the Airport. Leases may be assigned by Lessee upon prior written approval of the Airport. All subleases must include a copy of the Base Lease as an exhibit to the sublease and a representation that the sublessee will abide by the terms of the Lease. Ultimately, the Lessee will be fully responsible for satisfying the terms of the Lease unless there is a written agreement of release otherwise.

b. Third Party Developed Facilities – For all development and ground Leases constructed and funded by third-parties on Airport land, subleasing and assignment is allowed under the terms and conditions contained in the Lease;

however, the sublease and/or assignment shall be for the remaining Term of the Agreement only. A copy of the Base Lease must be included as an exhibit to any sublease or assignment agreement.

D. Reversion

Improvements under a development and ground Lease, will revert to the Airport Board free and clear at the expiration of the term. However, the Airport reserves the right to require Tenant to remove the improvement at the Tenant's sole expense if the Airport, at its sole discretion, determines that the improvement has reached the end of its useful economic life and would require investment to get back to a functional condition or if the improvement needs to be removed to allow for Airport development in conformance with the approved Airport ALP.

E. Rates and Charges

For all land and existing facilities leased from the Airport Board, a standard fair market lease rate for both the land parcel and the facility, as determined by the Airport Board, shall apply based on the characteristics of the land and/or improvements. These rates and charges will be reviewed annually, and an assessment made by the Airport Board as to how the rate compares to a fair market rate. Following this review, the Airport Board will adopt the resulting rates, fees, and charges schedule.

After adoption of these Rules and Standards and immediately prior to each fiscal year, the rental rates, fees, and charges schedule will be subject to adjustment by the Airport Board. The Airport Board reserves the right to adjust the rental rates, fees, and charges schedule based upon unique conditions that may be presented for leasing opportunities. Any such request shall be provided by the requestor in writing and will be considered by the Airport Board on the merits of the request. Any such consideration shall be at the sole discretion of the Airport Board and any such adjustments will be for the unique conditions presented and will not be considered precedent setting.

SECTION F. -- DEVELOPMENT STANDARDS

The Airport Director will review each development request prior to the Airport Board entering into a Lease, Permit, or other Agreement for Airport property. The Airport Director will make recommendations to the Airport Board for each Lease, Permit, or Agreement to ensure compatibility with the structural designs of other buildings and other structures at the Airport.

I. Construction

- a. Buildings, structures, pavements, or any other improvements or additions requiring a building, grading, or similar permit from a local, state, or federal government agency shall not be placed, constructed, altered, or removed without the prior written approval of the Airport Director and the appropriate FAA approvals.
- b. All development must follow all applicable Ordinances and the Uniform Building Code related to development.

- c. The Airport may require a performance bond to guarantee the completion of the construction or renovation consistent with the conditions and schedule included in a Lease, Permit, or other Agreement. Entities performing construction shall prevent and/or eliminate any liens filed within forty-eight (48) hours of written notice received by the Airport.
- d. Plans and construction must comply with applicable FAA design standards, the Texas State Fire Code, and the City Building Code, and any other applicable requirements from entities with jurisdiction over the Airport, as each may be amended from time to time.
- e. Plans and construction must be consistent with the then-current and/or approved versions of the Airport Master Plan, Airport Layout Plan, Airport Certification Manual, Airport Security Program, and the Rules and Standards. These documents shall be available from the office of the Airport Director, with the exception of the Airport Security Program, which is sensitive security information and not available for public review, which review will be performed by the Airport Director. It is the responsibility of the Entity to ensure compliance with the most current version of all referenced documents.
- f. Required notices submitted pursuant to 14 C.F.R. Part 77, Objects Affecting Navigable Airspace, must be submitted through the Airport Director and approved in writing prior to the commencement of construction. The cost of development of the submission and obtaining written approval shall be at the sole cost of the Entity proposing such construction. No construction may commence until written approval has been received by the Airport Director.
- g. No facility or structure may be constructed or placed on the Airport that has been determined by the FAA to constitute an obstruction or hazard to air navigation.
- h. Windows and large areas of glass shall be oriented to avoid glint and glare which could distract pilots landing at, taking off from, or taxiing on the Airport.
- i. Detailed plans and specifications must be submitted in writing, reviewed, and approved in writing by the Airport Director before construction may commence. The Entity takes full responsibility for obtaining all required permits, executing contracts for any and all requested construction, and obtaining occupancy approval from all required agencies prior to occupancy.
- j. All signs shall be installed in accordance with Federal Aviation Administration regulations and the requirements as determined by the Airport Director.
- k. Construction shall be in conformance with the approved plans and specifications and must be inspected by the appropriate jurisdictional agency.
- l. Contractors must maintain insurance coverage as determined by the Airport. The Airport must be named as an additional insured on all policies. Policies may not be cancelled without thirty (30) calendar day prior written notice to the Airport.
- m. The Entity will hold the Airport, its contractors, agents, and employees harmless for all claims as a result of any project.

- n. Tenants shall deliver to the Airport Director one complete paper copy and one electronic copy on CADD "as built" plans within thirty (30) calendar days after the completion of construction and the issuance of a certificate of occupancy.
- o. The Airport is not responsible for any fees and other costs for any permits, inspections, or other required approvals.

II. Signage

- a. Signage requests shall be submitted to the Airport Director and any such request must receive written approval from the Airport Director prior to installation. The Airport Director reserves the right to require an Entity to remove any unapproved signage upon written notice at the sole expense of the Entity.

III. Utilities, Landscaping and Design

- a. All facilities requiring sanitary and/or water service shall connect to the public water and sewer systems. All connection fees from the leased Premises to the main utility line shall be at the sole expense of the Entity. All use fees shall be billed directly to the Entity and paid directly by the Entity unless agreed to by the Airport.
- b. All electrical, internet, and telephone service shall be underground, and the connection and user charges shall be the sole responsibility of the Entity.
- c. All landscaping plans must be in conformance with Airport requirements and must be approved by the Airport Director in writing prior to installation.
- d. Landscaping plans shall be included in the submission package and shall not include items where growth of natural objects would constitute an obstruction or hazard to air navigation, interfere with aircraft and Airport operations, or attract potentially hazardous wildlife.
- e. Building specifications shall be approved in advance in writing by the Airport Director prior to submission for permitting.
- f. All public access and customer facilities and accommodations for passengers and crews of transient aircraft must include an accessible ramp or other access in compliance with the Americans with Disabilities Act (42 U.S.C. § 12101 et seq.) for the disabled and sanitary restrooms must be available for use by the disabled.
- g. Automobile parking in locations which do not interfere with aircraft operations shall be provided near aircraft storage hangars. All aircraft storage hangars shall provide a personnel entrance door.
- h. The Tenant shall provide and maintain a paved aircraft apron within the Leased Premises from the hangar door to the connection with the taxilane, or taxiway to accommodate all Tenant-related aircraft movement from the Tenant's building to the public ramps, taxiways, and runways.
- i. All construction or alteration on the Airport shall be designed so as to conform to the Americans with Disabilities Act (42 U.S.C. § 12101 et seq.) and implementing regulations and guidelines, as determined by the Airport.

SECTION G. -- FLYING CLUBS

I. General

According to the FAA Airport Compliance Manual, Order 5190.6B, "the FAA defines a flying club as 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." Essentially, it's an aviation co-op group of people coming together to share the cost of ownership to make flying more affordable.

- a. Each member of a Flying Club must be a bona fide owner of an equal share of the club's aircraft or an equal stockholder in the Flying Club.
- b. Each Flying Club must be registered as a non-profit corporation or partnership.
- c. Each Flying Club shall maintain all information and documents required to be submitted to be compliant with Texas law, which will be made available to the Airport Director within a reasonable timeframe upon written request.
- d. Each Flying Club shall make available, upon request by the Airport Director, a current complete list of members and investment shares held by each member.
- e. Flying Club aircraft shall not be operated by other than members and shall not be used by anyone for commercial operations, including flight instruction, for compensation.
- f. A Flying Club operating at the Airport shall have the right to provide Self Service fueling to Flying Club aircraft in accordance with Subdivision II (Rules and Regulations).
- g. A Flying Club operating at the Airport shall have the right to provide Self-Service maintenance by its members for authorized Flying Club aircraft. Any qualified mechanic who is a registered member and part owner of aircraft owned and operated by a Flying Club may perform maintenance work on aircraft owned by the Flying Club. The Flying Club may not become obligated to pay for such maintenance work except that such mechanics may be compensated by credit against payment of dues or flight time. No concession fee shall be due the Airport for such services rendered.
- h. A Flying Club operating at the Airport shall not be required to meet the requirements of Subdivision III (Minimum Standards) hereof, provided each of the following conditions is met:
 - 1) The Flying Club does not lease or sell any goods or services whatsoever to any Person or Entity other than a member of such club at the Airport, except that the Flying Club may sell or exchange its capital equipment.
 - 2) The Flying Club specifically does not offer or conduct retail fuel sales, charter, air taxi, or aircraft rental services for non-members.
 - 3) The Flying Club does not permit its aircraft to be used for flight instruction for any Person, including members of the club, if such Person pays or becomes obligated to pay for such instruction. Flight instructors who are

also club members may not receive payment for instruction except that they may be compensated by credit against payment of dues or flight time.

- i. Insurance shall be provided and paid for by the Flying Club as provided in Appendix 1.

II. Violations

- a. If a Flying Club is determined to be in violation of the Rules and Standards, the Airport Director will notify the Flying Club in writing of such violations. If the club fails to correct these violations within fifteen (15) calendar days following the notice date, the Airport Director is authorized to penalize noncompliance in the following manner, depending on the nature and severity of the violation:
 - 1) Terminate a Self-Fueling Permit or Agreement and prohibit self-servicing of Flying Club aircraft.
 - 2) Require Flying Club or club members to apply for the right to conduct a Commercial Aeronautical Activity in accordance with Subdivision III (Minimum Standards) hereof.
 - 3) Require a Flying Club to cease all operations at the Airport following written notice.
 - 4) Impose such other penalties as are authorized in Section C hereof.

SECTION H. -- OTHER POLICIES

I. Special Aeronautical Events

Any Special Aeronautical Event held on the Airport by any Tenant or other Airport user, organization, civic, or government entity must be conducted in accordance with an Agreement or Permit executed by the Airport Board and approved in writing in advance by the Airport Director and executed by both parties prior to the commencement. A Permit will be required and shall specify the dates and times of the Special Aeronautical Event; areas of the Airport authorized for use as agreed to by the Airport Director during the Special Aeronautical Event; insurance and indemnification for the Airport to be provided by the Special Aeronautical Event sponsor; a plan to ensure safety and security during the Special Aeronautical Event; special arrangements for ground vehicle and aircraft parking; arrangements for crowd control and pedestrian access to the AOA; a clean-up plan following the event by the sponsor; compensation to the Airport for expenses incurred; the provisioning of concessions; and such other terms and conditions as the Airport Director may require. The sponsor is explicitly prohibited from offering any service not approved in the Agreement. Failure to comply shall be grounds for immediate revocation of the Agreement without recourse for the Entity.

II. Through-the-Fence Operations

The Airport has determined that Through-the-Fence Operations by aircraft and aeronautical and non-aeronautical service providers, excluding certified A&P mechanics who have obtained Permits from the Airport to operate on the Airport, have the potential to compromise safety and the efficient use and operation of the Airport and its Tenants, and therefore, the Airport will not authorize an Entity to conduct an Aeronautical Activity

or Non-Aeronautical Activity requiring through-the-fence access. The Airport reserves the right to restrict access to the Airport to violators. A&P mechanics must be certified and must have obtained a permit from the Airport Director prior to providing services and must remain in good standing when conducting any activities on the Airport.

III. Advertising Policy

- a. The Airport and its facilities shall be used for authorized aeronautical and non-aeronautical purposes, as authorized by the Airport and as authorized in leases, permits, and other agreements between Tenants and the Airport.
- b. The Airport, at its sole discretion, may permit use of portions of the facilities and the Airport for various forms of advertising. The Airport's primary purpose in permitting advertising is to generate revenue and promote use of the Airport. The Airport may permit commercial and promotional advertising that promotes the sale, rental, or availability of goods, products, and services from Airport Entities; the promotion of special events at the Airport; the availability of leasable land and premises; governmental advertising to advance specific governmental purposes; and public service announcements. All advertising requires prior written approval by the Airport Director.
- c. The decision to permit or deny any particular advertising shall be made by the Airport Director and subject to appeal as provided in Section C (II) (Administrative Appeal).

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SUBDIVISION II - RULES AND REGULATIONS

IMPACTED PARTIES: ALL TENANTS AND USERS

SECTION I. -- PERSONAL CONDUCT

I. General

- a. No Person shall obstruct, impair, or interfere with the safe, orderly, and efficient use of the Airport by any other Person, vehicle, or aircraft.
- b. No Person shall commit any disorderly, obscene, or indecent acts on the Airport.
- c. No Person shall engage in, conduct, aid in, or abet any form of gambling on the Airport on or in Airport owned and operated Premises, except as may be approved in advance in writing by the Airport Director in conformance with Texas law and all applicable Ordinances.
- d. No Person may consume alcoholic beverages or illegal controlled substances on the Airport in Airport owned Premises.
- e. No Person shall abandon, park, or store personal property in public view, including, but not limited to, motor vehicles (excluding vehicles that are parking temporarily in the hangar during periods when the aircraft is being used), recreational vehicles, trailers, boats, pontoons, personal watercraft, inoperative ground support equipment, aircraft parts, or inoperative aircraft that are not in the active mode of being restored on the Premises that are Leased, under Permit, or other form of Agreements. All short-term parking of vehicles on the Premises shall have current license plates and tabs.

II. Refuse Disposal and Management

- a. No Person shall dispose of or deposit any non-environmental waste, refuse, or garbage on the Airport except in designated receptacles as defined by the Airport Director. All waste, refuse, or garbage shall be placed and kept in proper containers until disposed of in the designated containers in an appropriate and timely manner. No environmental waste of any kind may be deposited in any Airport controlled receptacles and must be deposited in certified hazardous waste containers meeting all applicable environmental regulations at the Tenant's sole expense.
- b. Tenants are required to keep their leased Premises clean and clear of all rubbish, junk, and debris. If, after written notice by the Airport Director, or designee, the area is not cleaned, the Airport Director may have the Leased Premises cleaned and the cost of such plus a twenty-five percent (25%) administrative fee paid for by the Tenant at the Tenant's sole expense. Payment is due and payable upon demand.
- c. No Person shall knowingly, recklessly, or negligently cause debris to be left within the AOA in such manner as may pose a risk to the operation of aircraft. All Persons with access to the AOA shall keep the same clear of Foreign Object Debris ("FOD")

by collecting and disposing of debris in covered containers to prevent potential engine intake or damage to aircraft.

III. Animals

- a. No Person shall enter the AOA with an animal unless the animal is restrained by a leash, harness, or container at all times, except that supervised animals used in law enforcement, search and rescue, and wildlife management by persons authorized by the Airport may be permitted in the AOA without actual physical control.
- b. No Person shall feed or encourage the congregation of birds, deer, or other animals on the Airport.

IV. Firearms and Explosive Devices

- a. No Person other than a duly authorized federal, state, or local law enforcement officer shall fire or discharge any firearm of any description on the Airport or onto the Airport. The foregoing restrictions on discharging firearms do not apply to individuals engaged in wildlife management in accordance with an approved wildlife hazard management plan or as authorized by the Airport Director. This provision does not prohibit carrying of authorized firearms under the State approved conceal and carry program.
- b. No Person shall possess on the Airport any explosive device or any hoax device. The foregoing restriction on explosives does not apply to individuals engaged in wildlife management in accordance with an approved wildlife hazard management plan or as authorized by the Airport Director. The foregoing restriction also does not apply to the possession and use of explosive devices in connection with the design, manufacture, repair, refurbishment, or operation of aircraft. For purposes of these Rules and Regulations, a hoax device shall include any object that would cause a Person to reasonably believe that the object is or contains a destructive, incendiary, or explosive device.

V. Hunting

No Person shall hunt, pursue, trip, catch, injure, or kill any wildlife on the Airport. The foregoing prohibition does not apply to individuals engaged in wildlife management in accordance with an approved wildlife hazard management plan or as authorized by the Airport Director or pest control programs initiated by Tenants.

VI. Smoking

- a. Smoking is prohibited in all indoor areas of Airport owned facilities.
- b. Smoking is prohibited in exterior areas of Airport owned facilities, including (i) within ten (10) feet of any door to a Airport owned building on the Airport, (ii) within two hundred (200) feet of any fuel storage facility or fuel dispensing facility or vehicles on the Airport or equipment, and (iii) within fifty (50) feet of any facility owned by the Airport.
- c. The Airport reserves the right to designate specific exterior areas of the Airport owned and operated facilities at the Airport in which smoking is permitted.

VII. Vandalism and Damage to Airport Property

No Person shall willfully destroy, injure, damage, or deface in any way public property of any nature located on the Airport. Any Person causing or responsible for damage of any nature shall report such damage to the Airport Director and, upon demand by such office, shall reimburse the Airport for the full amount of the damage. The cost of repairing any such vandalism or damage shall be paid for by the offending party plus a twenty-five percent (25%) administrative fee and shall be due and payable upon demand.

VIII. Residential Use

- a. No building or facility at the Airport shall be used for residential use as defined at the sole discretion of the Airport Director. The foregoing prohibition shall not apply to pilot resting facilities and similar facilities designed and used for temporary occupancy. Hangar use must adhere to all Airport codes and other applicable occupancy related requirements.
- b. No Person shall engage in Through-the-Fence Operations by taxiing an aircraft between any location on the Airport and any off-Airport property used for residential purposes.

IX. Non-Aeronautical Use of Airport Facilities

No hangar, T-hangar, or similar aeronautical structure on the Airport designated for use for aeronautical purposes, shall be used for non-aeronautical purposes in accordance with 14 CFR Chapter I effective July 1, 2017, as may be amended from time to time, without the prior written permission of the Airport Director. There shall be no use of Airport owned hangars and improvements for non-aeronautical purposes as long as there is an aeronautical user that is willing to execute a Lease, Permit, or other Agreement with the Airport. Short term usage of aeronautical facilities may be used for non-aeronautical purposes at the sole discretion of the Airport Director and in accordance with applicable FAA guidelines.

Provided the hangar is used primarily for aeronautical purposes, the Airport may permit non-aeronautical items to be temporarily stored in hangars provided the items do not interfere with the aeronautical use of the hangar. The Airport will generally not consider items to interfere with the aeronautical use of the hangar unless the items:

1. Impede the movement of the aircraft in and out of the hangar or impede access to aircraft or other aeronautical contents of the hangar.
2. Displace the aeronautical contents of the hangar. A vehicle parked at/in the hangar while the vehicle owner is using the aircraft will not be considered to displace the aircraft.
3. Impede access to aircraft or other aeronautical contents of the hangar.
4. Are used for the conduct of a non-aeronautical business.
5. Are stored in violation of airport Rules and Standards, Lease provisions, building codes, or Ordinances.

Any prohibited item shall be removed by the Entity upon written notice by the Airport Director and a reasonable cure period and, if not removed as outlined in the written notice, shall be subject to removal by the at the sole expense of the Entity plus a twenty-five percent (25%) administrative fee. Reimbursement for such an action shall be due and payable upon demand.

Hangars located on airport property must be used for an aeronautical purpose, or be available for use for an aeronautical purpose, unless otherwise approved in advance by the FAA Office of Airports as described in Section III. b. Aeronautical uses for hangars include:

1. Storage of active and licensed aircraft.
2. Final assembly of aircraft under construction.
3. Non-commercial construction of amateur-built or kit-built aircraft.
4. Maintenance, repair, or refurbishment of aircraft, but not the indefinite storage of nonoperational aircraft. If under repair, there must be tangible evidence that the repair is proceeding on a normal course.
5. Storage of aircraft handling equipment, e.g., towbars, tugs, glider tow equipment, workbenches, and tools and materials used in the servicing, maintenance, repair or outfitting of aircraft.

X. Solicitation and Picketing

a. **Solicitation**

- 1) No Entity shall distribute any literature, circulars, pictures, sketches, drawings, or other forms of printed or written material or engage in any form of solicitation on the Airport without the prior written permission of the Airport Director.

b. **Picketing, Marching, and Demonstrations**

- 1) Each Entity wishing to engage in picketing, marching, or demonstrations at the Airport shall, prior to such event, obtain a written Permit from the Airport Director. Each Permit shall specify the area of the Airport on which picketing, marching, or demonstrating shall be permitted, the date and time such activity shall be permitted, and any other reasonable conditions that the Airport Director may deem necessary for the safety of persons and property or for the efficient operation and security of the Airport. All such activities must be in compliance with these Rules and Standards and any applicable Airport requirements.

- 2) All authorized picketing, marching, and demonstrations conducted on Airport owned premises shall be (i) in a peaceful and orderly manner; (ii) without physical harm, molestation, threat, or harassment of any person; (iii) without obscenities, violence, breach of the peace, or other unlawful conduct; (iv) without obstructing the use of the Airport by others; (v) without hindrance to or interference with the proper, safe, orderly, and efficient access to/from, and operation of, the Airport and activities conducted

thereon; and (vi) in strict conformance with any operating procedures governing such activities on the Airport and the direction and conditions prescribed in writing by the Airport Director. The Airport reserves the right to revoke any such approval immediately and to require that activities cease and desist immediately in the event of a violation of these requirements.

SECTION J. -- AIRCRAFT OPERATIONS

I. General Responsibilities

- a. The operation of aircraft on the Airport shall be conducted in conformity with Airport requirements; FAA regulations; Texas law; directives and orders of the FAA; Department of Homeland Security regulations, to the degree applicable; and with these Rules and Standards. Persons operating aircraft are responsible for the safe operation of their aircraft and the safety of others exposed to such operation.
- b. All aircraft operating at the Airport shall display on board the aircraft a valid airworthiness certificate to the extent required and issued by the FAA or appropriate foreign government and further shall display on the exterior of the aircraft a valid registration number as may be issued by the FAA or appropriate foreign government.
- c. No Person may operate aircraft at the Airport in a reckless or negligent manner; in disregard of the rights and safety of others; without due caution and circumspection; or at a speed or in a manner which endangers, or is likely to endanger persons or property. No Person shall operate aircraft constructed, equipped, or loaded in such a manner as to endanger, or to be likely to endanger persons or property.
- d. All persons, upon entering or exiting through an airport access gate or a gate that permits ingress and egress to the Airport Operations Area, shall ensure that the gate closes completely behind their vehicle or person prior to leaving the gate to ensure that no unauthorized vehicles or persons gain access thereto.
- e. In addition to any other penalties prescribed by these Rules and Standards or that may be imposed by FAA for the same conduct, the Airport Director is authorized to restrict access to the Airport by (i) any Person who has been found by the FAA or the Department of Homeland Security to have violated applicable regulations or requirements concerning the operation of aircraft, where such violation would, at the sole discretion of the Airport Director, present a real and present danger to the safety of persons or property on the Airport; or (ii) who has been found by the Airport to have violated the preceding provision of the Rules and Standards concerning the safe operation of aircraft on the Airport.
- f. As provided in FAA regulations and Texas law, no Person shall operate or have actual physical control of any aircraft while under the influence of alcohol, drugs, or other controlled substances. This provision is intended to provide an additional mechanism to ensure safe aircraft operations by requiring compliance with FAA regulations, currently found at 14 C.F.R. § 91.17. This provision is not intended to create new or different standards than provided in FAA regulations or Texas law.

- g. No Person shall land, take off, or taxi on the movement areas of the Airport in an aircraft that is not equipped with a functioning radio transmitter and receiver. In the event of inadvertent radio failure, or if the aircraft is not equipped with functional a radio, standard light signals shall be used. All aircraft (whether being operated by a pilot or a mechanic), vehicle, or pedestrian operating within the movement area of the airport shall utilize the common traffic advisory frequency (CTAF), 122.8 MHz, and be required to broadcast intentions as advised in the Aeronautical Information Manual (AIM).
- h. Any aircraft owner or operator causing damage to Airport property shall be fully liable to the Airport for repair of any such damage, in addition to any other penalties prescribed herein.

II. Parking, Ground Movement, and Engine Run-Up

- a. No aircraft shall be parked or stored at the Airport except in areas designated by the Airport for such purposes. Aircraft operators are solely responsible for properly securing the aircraft while parked or stored to avoid damage to the aircraft, other aircraft, or buildings/improvements and for maintaining the aircraft in a safe and mobile condition.
- b. No aircraft shall be left unattended at the Airport unless it is in a hangar or adequately secured.
- c. All Airport users shall have the right in common with others, so authorized, to use Common Use Areas of the Airport. Common Use Areas shall be kept clear and available for aircraft traffic. No one shall use any Common Use Area for parking or storing aircraft or vehicles. Common use designations may be changed from time to time by the Airport following written notice.
- d. Aircraft shall not be parked so as to block movement on taxiways, public ramps, or in Common Use Areas. At the direction of the Airport Director, or designee, the operator, owner, or pilot of any illegally parked aircraft at the Airport shall move the aircraft upon demand to a legally designated parking area at the Airport. If the operator refuses to comply with such direction, the Airport may tow said aircraft to such designated area at the owner's operator's sole expense plus a twenty-five percent (25%) administrative fee due and payable upon demand. The Airport will be held harmless for any such action and will not be liable for any damage to the aircraft resulting from such actions.
- e. Tenants shall park and store all aircraft and equipment used for their operations within their leased Premises.
- f. Abandoned Aircraft are prohibited at the Airport. The Airport Director may cause Abandoned Aircraft to be removed at the sole risk and expense of the aircraft owner or operator plus a twenty-five percent (25%) administrative fee due and payable upon demand. Aircraft in any active stage of manufacture, repair, or refurbishment will not be considered abandoned provided that the aircraft is under the care, custody, and control of an Entity and the Entity has the present intention of completing or restoring the aircraft to an airworthy condition in an expedient manner. The Airport Director may request evidence to demonstrate the Entity's intention to complete or restore an aircraft to an airworthy condition.

- g. Non-airworthy aircraft shall not be permitted within the common use tie-down, or ramp areas. Aircraft in any active stage of manufacture, repair, or refurbishment may be parked within the Entity's controlled tie-down or ramp areas provided that the aircraft is under the care, custody, and control of the Entity and the Entity has the intention of completing or restoring the aircraft to an airworthy condition.
- h. Aircraft operators shall obey all pavement markings, signage, and lighted signals.
- i. No vehicle shall be used to tow or move an aircraft unless the vehicle is designed for such use, except in the case of an emergency requiring timely removal of the aircraft.
- j. No Person shall taxi an aircraft until the Person has ascertained by visual inspection of the area that there will be no danger of collision with any Person or object in the immediate area.
- k. No person may offer to provide or may use any tie-down space unless the tie-down space has at least three-point tie-downs, which can accommodate ropes or chains adequate to hold aircraft immobile in whole gale-force winds (55 to 63 mph).
- l. Fixed wing aircraft taking off or landing at the Airport shall do so only from designated runways and in full compliance with FAA regulations.
- m. For purposes hereof, an "engine run-up" is the operation of an engine at any power setting in excess of normal ground idle. All aircraft maintenance engine run-ups are only permitted between the hours of 8:00 a.m. and 10:00 p.m. local time at the run-up areas as designated by the Airport Director unless the "engine run-up" is necessary during preflight checks.
- n. No Person owning, controlling, or operating any aircraft shall start, operate, or allow the aircraft's engine to run, or allow the same to be started, operated, or run unless an experienced operator is in the aircraft attending the aircraft's controls. A portion of aircraft run-up for testing, maintenance, and pre-flight checks may be conducted without an operator at the controls so long as the run-up occurs in a designated area, all safety precautions prescribed by FAA regulations and best industry practices are employed, and the aircraft is incapable of moving during the period an operator is not at the controls.
- o. Aircraft shall not be started within any structures at the Airport, provided that aircraft and aircraft engines may be started in structures at the Airport during research and development, manufacture, and repair.
- p. No Person shall start the engine of any aircraft unless the wheels of said aircraft are then blocked or unless adequate brakes thereon have been actuated.
- q. Positioning, starting, or taxiing of aircraft shall be done in such a manner so as not to cause jet blast or prop wash that may result in injury to Persons or damage to property.
- r. No helicopter shall be operated within fifty (50) feet of any building and shall operate only from areas designated by the Airport Director. A variance, as called for herein, may be granted where there is documented history of safe operations by the Tenant or where the variance is granted as part of an executed Agreement.

Once a variance is issued, it shall remain in effect with the Lessee for the Term of the Agreement provided the Lessee remains in compliance with the terms and conditions of the variance and the Lease.

- s. No Person shall operate an aircraft on pavement designed solely for ground vehicle or pedestrian traffic.

III. Aircraft Accidents

- a. The pilot of an aircraft involved in an accident at the Airport shall report the accident to the Airport Director immediately, in addition to any and all other notifications and reports required to be made to other federal, state, and local authorities. In the event said pilot is not able to make such a report to the Airport Director on a timely basis, the owner of the aircraft or owner's agent shall make such report.
- b. In the event of an accident on the Airport, the Airport, through the Airport Director may, upon receipt of removal authority from the FAA Regional Operations Center or National Transportation Safety Board, direct the owner, pilot or authorized insurance company to make arrangements to have the aircraft moved and, if not completed within a reasonable period of time, move damaged aircraft from the landing areas, ramps, aprons, or other areas at the expense of the owner and without liability to the Airport for damage resulting from such moving.
- c. Airport property damaged or destroyed by accident or otherwise shall be repaired or replaced immediately at the sole expense of the responsible parties.
- d. The pilot or owner of any aircraft that sustains material damage affecting the airworthiness of the aircraft while conducting operations at the Airport shall immediately notify the Airport Director.

IV. Airport Closure

- a. The Airport Director, or designee, has the right at any time to close the Airport, or any portion thereof, to air traffic; to delay or restrict any flight, or other aircraft operation; and to deny the use of the Airport or any portion thereof when necessary, in the interest of safety and security, including without limitation in the event of aircraft incidents and accidents and certain airfield surface conditions. Upon approval by the FAA, the Airport Director shall have the right to temporarily close the Airport for Special Aeronautical Events. In the event the Airport Director, or designee, believes the condition of the Airport to be unsafe for landings or take offs, the Airport Director will mark any temporary hazardous conditions physically to warn users adequately through the use of NOTAMs, or issue a Notice to Airmen (NOTAM) temporarily closing the Airport or any portion thereof.

V. Self-Service

- a. An Entity has the right to Self Service an aircraft that the Entity owns; aircraft that the Entity has under the exclusive operational control pursuant to a long-term lease or other similar agreement; or aircraft that are under the care, custody, and control of the Entity. The right to Self-Service includes the right to tie down, adjust, repair, fuel, defuel, clean, and otherwise service an aircraft. Licensed pilots are permitted to perform, or have performed by qualified providers, preventive maintenance in accordance with 14 C.F.R. Part 43.

- b. Each Entity authorized to engage in Self-Service Fueling or defueling shall have the requisite training and/or certification and equipment as may be required by the Rules and Standards and FAA regulations.
- c. Each Entity that is authorized to engage in Self Service Fueling and defueling shall be solely responsible for all liability for any fuel spill or any contamination resulting from Self Service Fueling to include the payment of any fines, the cost of Airport fire department services provided resulting from the spill, and the full cost of any clean-up and/or remediation plus a twenty-five percent (25%) administrative fee due and payable upon demand..
- d. The Airport does not recognize aircraft managers, co-ops, or hangar associations to be the owner or lessee of an aircraft, and each such Entity is not permitted to Self-Service. Flying Clubs and fractional aircraft owners pursuant to 14 CFR Part 91 are permitted to Self-Service aircraft based at the Airport. Aircraft manufacturers are permitted to Self-Service aircraft under their care, custody, and control prior to delivery to customers and during warranty work. Self-Service may be conducted only by the aircraft owner or operator, including an employee or contractor of an Entity.
- e. The Airport reserves the right to designate areas at the Airport where aircraft owners and operators may engage in Self-Service and where Self-Fueling storage facilities may be located.

VI. Cleaning, Painting, and Maintenance of Aircraft

- a. Aircraft maintenance may be performed within hangars or on other leased Premises, provided such activity does not pose a fire, environmental, or safety hazard.
- b. Aircraft painting shall be performed in compliance with all Environmental Protection Agency ("EPA") guidelines and all applicable Airport requirements. This will include the requirement that all painting and finishing be performed within a certified facility.
- c. Aircraft cleaning shall be performed only in the areas and in the manner prescribed by the Airport and in compliance with the Airport Storm Water Management Plan. Any cleaning that poses a potential threat of discharging hazardous substances must be performed in areas that have containment infrastructure provided.
- d. Aircraft washing may only take place inside hangar areas with floor drains discharging to the treated sewage system, on designated paved non-movement areas within the Air Operations Area, or on a specially designated aircraft washing area ("aircraft wash rack"). Aircraft washing conducted on paved non-movement areas must be accomplished without the use of soaps, detergents, solvents, or degreasers and must be conducted using a low-pressure, non-surfactant wash. Prior to washing an aircraft on a paved Non-Movement Area, the area must be inspected for signs of pollutants (e.g., stained pavement or dead vegetation). If signs of pollution are discovered, the area must be properly cleaned before aircraft washing may commence. Aircraft washing may be performed by the aircraft owner or the owner's employee under the provisions of this section. No person may wash,

detail, or clean an aircraft who is not the owner or employee of the owner of the aircraft unless that person is in compliance with these Rules and Standards.

VII. Limits on Aeronautical Activities

- a. The following types of aircraft and other aerial devices may not be operated on the Airport without the prior written authorization from the Airport Director:
 - 1) Unmanned aerial vehicles.
 - 2) Kites, model airplanes, tethered or non-tethered balloons, rockets, and similar aerial devices.
 - 3) The Airport Director may seek review by the FAA upon receipt of a written application to conduct Ultralight aircraft operations use at the Airport.
- b. Use of any portion of the Airport as a designated drop zone for parachute jumping or skydiving shall be specifically prohibited unless authorized by an approved Permit.
- c. The Airport Director may seek review by the FAA upon receipt of a written application to conduct one of the foregoing Aeronautical Activities or another Aeronautical Activity not then occurring at the Airport. In the event that the Airport Director grants approval to conduct an Aeronautical Activity, the Director's approval shall be in the form of a directive authorizing the submitting party, and other similarly situated Entities, the right to conduct the Aeronautical Activity and prescribing specific conditions for use of the Airport for the Aeronautical Activity which shall be at the sole discretion of the Airport Director. The authorized Aeronautical Activity shall be conducted in conformance with such directive, all applicable requirements contained in FAA regulations, and any other conditions as may be imposed by the Airport Traffic Control Tower. Failure to comply may result in the immediate revocation of the Entity's right to conduct such activity, which shall be determined at the sole discretion of the Airport Director.

SECTION K. -- FUELING AND ENVIRONMENTAL PROTECTION

I. General

- a. All aviation fuels and oil-based products for use or sale on Airport property shall be dispensed only by Entities qualifying as an authorized fueling provider and so authorized in a Lease, Permit, or other Agreement. No other Entities shall sell, transport, store, dispense, or otherwise introduce fuels and oils for sale onto Airport property. All stored Commercial Fueling and Commercial Self Service Fueling fuel must be stored in areas that provide for secondary containment sufficient to prevent the discharge of fuel onto the property in the event of a spill and/or leak. The requirement for secondary containment shall also apply to any areas where fueling vehicles containing stored fuel are located. The quantity of the secondary containment must be approved in writing by the Airport Director prior to the construction or placement of any fuel storage facility or fuel dispensing equipment parking area.
- b. For purposes of this section, "Permittee" shall refer to the owner or exclusive operator of an aircraft authorized to self-fuel pursuant to a Self-Fueling Permit.

Permittees under a fuel dispensing permit shall comply with every term and condition of the permit.

- c. No person may receive, store, or dispense fuel of any kind whatsoever at the fuel farm or any other portion of the airport without a Permit issued by the Airport. The form of Permit may be adjusted from time to time by the Airport, at its sole discretion. The Airport Board shall establish the rental rates, fees, and charges which are subject to change following written notice. A Permit shall be issued in accordance with the Rules and Standards adopted, as may be amended from time to time. Any Entity who holds and complies with a Permit issued by the Airport shall be deemed to be in compliance with the Ordinances relating to a fuel dispensing permit, provided, however, that the requirement for the payment of a fuel flowage fee shall continue in full force and effect.
- d. The Fire Marshal shall conduct all required inspections prior to issuance of the permit. The Fire Marshal shall issue the permit and shall have overall responsibility of administration, enforcement, and implementation and for coordination of all departments of the Airport involved in the application of the permit.
- e. The Airport reserves the right to charge a fee for the issuance of the Permit. The permittee shall not be entitled to a refund of a Permit fee when a Permit is suspended or revoked.
- f. Permits are nontransferable without the prior written consent of the Airport. No Permittee holding a Permit shall be permitted to assign any right or privilege granted by such Permit without the prior written consent of the Airport.
- g. For serious or uncorrected violations of any of the requirements of a permit, or there are three (3) or more violations of the terms of the permit or requirements of this division within any rolling 18-month period, or for interference with the Fire Marshal in the performance of duties, and upon a determination that Permittee is in default of the terms of the Permit, the Permit may be permanently revoked. Prior to such action, the Airport shall notify the Permittee in writing, stating the reasons for which the Permit shall be permanently revoked at the end of ten (10) calendar days following service of such notice, unless a request for an appeal is filed with the Airport as called for in the Rules and Standards by the Permittee within such ten-day period. If no request for an appeal is filed within the ten-day period, the revocation of the Permit becomes final. Permittee shall be allowed to operate under such Permit during such ten-day period or during the pendency of an appeal.
- h. Whenever the Fire Marshal finds conditions on the premises affected by the permit which, in his judgment, constitute substantial hazard to the life, limb, property, health or welfare of the public, he or she may without warning, notice or hearing issue a written notice to the Permittee citing such conditions and corrective action to be taken, and if deemed necessary, such order shall state that the Permit is immediately terminated. Any person to whom such order is issued shall comply immediately therewith, but upon written petition to the Fire Marshal, shall be afforded a hearing as soon as possible.
- i. Each Entity that performs fueling activities at the Airport will be required to indemnify Airport for any fueling or environmental related legal actions or fines, by

any governmental entity or third party, due to Entity's or SASO's activities at the Airport.

II. Aircraft Fueling Operations

- a. All fuel handling and dispensing on the Airport shall be done in compliance with the following:
 - 1) FAA Advisory Circular 150/5230-4B (Aircraft Fuel Storage, Handling and Dispensing on Airports)
 - 2) FAA Advisory Circular 00-34A (Aircraft Ground Handling and Servicing)
 - 3) National Fire Prevention Association (NFPA)'s Code No. 407 (Standard for Aircraft Fuel Servicing); and Code No. 30 (Flammable and Combustible Liquids Code)
 - 4) Air Transport Association Specification 103 (Standards for Jet Fuel Quality)
 - 5) Underwriters Laboratories 2085 (Protected Aboveground Tanks for Flammable and Combustible Liquids)
- b. Each FBO and authorized Self Fueler shall provide the Airport with a comprehensive quality control and management plan identifying quality control procedures and qualification of personnel to be used in the aircraft fueling operations.
- c. Each FBO and authorized Fueler will provide all applicable insurance required by the Airport and shall indemnify and hold harmless the Airport and its employees, contractors, agents, and representatives from occurrences resulting in environmental contamination, injury to Persons, or damage to property.
- d. In order to engage in self-fueling, the Commercial Aeronautical Operator must seek and obtain a Self-Fueling Permit or other Agreement from the Airport. Self-fueling, excluding AVGAS Fueling, shall be subject to the Self-Fueling Permit or Agreement and the Rules and Standards. No Person shall be required to self-fuel; the purchase of fuel from an Airport's FBO shall remain an available option. AVGAS fueling shall, however, be required to comply with items f through l below.
- e. The transportation of fuel onto the Airport, via truck or otherwise, for the purpose of selling fuel other than by the Airport's FBO(s) or Entities authorized to sell fuel is prohibited. No truck-to-truck (fuel transport truck to aircraft refuel service truck) operations may be conducted unless prior written approval has been granted by the Airport Director.
- f. No Through the Fence Operator will be allowed to store, sell, transport, or dispense fuel on the Airport.
- g. No aircraft shall be fueled while one or more of its engines are running, except under procedures approved by the FAA and consistent with proper safety procedures.
- h. No aircraft shall be fueled or de-fueled while passengers are on board the aircraft unless a properly trained operator is conducting the activity.

- i. All fueling operations shall be conducted in accordance with NFPA 407 and fueling trucks must be pointed away from fueled aircraft and have a clear route of egress in case of emergency.
- j. Smoking or lighting of an open flame shall be prohibited within two hundred (200) feet of any fueling operation or fueling vehicle. No Person shall use any material during fueling or de-fueling of aircraft which is likely to cause a spark or be a source of ignition.
- k. No Person shall operate any radio transmitter or receiver or switch electrical components on or off in an aircraft during fueling or de-fueling except those systems that may need to be operated by a trained operator during fueling operations.
- l. During fueling operations of any kind, dispensing equipment and receiving equipment such as fuel trucks, fuel farms, and aircraft shall be grounded at all times to neutralize electrical discharge potential.
- m. Fueling and defueling operations shall be conducted with adequate fire extinguishers immediately available. All extinguishers shall be inspected and certified, as required by law, and all Fuelers shall be properly trained on the use of fire extinguishers.
- n. All fuel dispensing equipment, hoses, funnels, or apparatus used in fueling or defueling shall be maintained in good condition and be properly grounded in accordance with FAA and NFPA guidelines, and in compliance with the Federal Water Pollution Control Act.
- o. Fuel hoses and equipment shall be maintained in a safe, sound, and non-leaking condition.
- p. Trained personnel shall be present during the entire fueling operation.

AVGAS dispensed into aircraft on the Airport shall only be into aircraft certified for its use and further shall be in accordance with all applicable FAA and industry guidelines as well as federal, state, and local laws and regulations relating to fuel handling and storage.

III. Training

- a. Employees of all FBOs and Self Fuelers and agents handling aviation fuels at the Airport must be properly trained as required by 14 C.F.R. § 139.321. Separate fuel safety training programs are required for supervisors and line service personnel.
- b. At least one supervisor with each fueling agent must have completed an FAA authorized aviation fuel training course in fire safety. The individual must be trained prior to initial performance of duties, or enrolled in an authorized aviation fuel training course that will be completed within ninety (90) calendar days of initiating duties and receive recurrent instruction at least every twenty-four (24) consecutive calendar months.
- c. All other employees who fuel aircraft, accept fuel shipments, or otherwise handle fuel must receive at least initial on-the-job training and recurrent instruction every

twenty-four (24) consecutive calendar months in fire safety from a trained supervisor.

- d. Line service fuel safety training may be provided by a supervisor who has completed an FAA-authorized supervisory fuel safety training course or an authorized fuel safety training program. Training for employees may also be completed through the use of an approved line service fuel safety course. Written records documenting the training must be retained and made available to the Airport upon demand. Records must be retained throughout the Term of any Lease or Agreement and must be retained for a minimum of seven (7) years following termination of the Lease or Agreement.
- e. Fuelers must maintain a copy of the certificate of completion for any supervisors or employees completing the required fuel safety training for twelve (12) consecutive calendar months. Certificates shall comply with the requirements of FAA Advisory Circular 150/5230-4B at Chapter 4, Section 3.
- f. Fuelers must provide the Airport with written confirmation once every twelve (12) consecutive calendar months that the training required by 14 C.F.R. § 139.321(e) has been completed.

IV. Fuel Storage

- a. No fuel storage or dispensing equipment shall be installed or used at the Airport without the prior written approval of the Airport Director. Only Entities having fuel storage rights specified in their Lease or other Agreement shall be considered eligible for fuel storage.
- b. All fuel storage or dispensing equipment shall be in compliance with FAA and NFPA requirements, shall be maintained in a safe and non-leaking condition, and shall be installed and maintained at the sole expense of the Fueler.
- c. Unless otherwise approved by the Airport Director, all storage tanks shall be located above ground and comply with current requirements, and must be adapted to meet future requirements of federal, state, and local laws and regulations relating to fuel storage, following written notice of non-compliance and a reasonable cure period. All storage tanks shall be operated in accordance with FAA Advisory Circular 150/5230-4B, NFPA 407, and the National Air Transportation Association's Refueling and Quality Control Procedures for Airport Service and Support Operations, as each may be amended or superseded.
- d. Existing non-compliant private storage and distribution systems in place as of the date of adoption of these Rules and Standards shall be permitted to remain until a retrofit plan and timeline is agreed to by the Airport and the Entity. Under no circumstances shall the non-compliant storage tanks be in place following the adoption of these Rules and Standards beyond any existing Agreement term. In the event of a sale, expansion, authorized transfer, or major maintenance of a storage and/or distribution system, the storage and distribution systems must be abandoned, remediated if required, and replaced with a fully compliant storage and distribution system. The Entity shall not expand the product capacity or number of storage tanks in existing facilities without prior written approval of the Airport Director. The Airport must provide prior written approval of the location, design,

and construction of any new fuel storage or fuel dispensing facility prior to the issuance to proceed. Establishment of any new fuel storage facilities at the Airport must be in accordance with the then current federal, State, and local environmental and safety regulations and policy and the then current ALP.

- e. All fuel shall be stored in and dispensed from facilities located in areas designated by the Airport Director leased to the Entity.
- f. New fuel storage facilities shall comply with the requirements for secondary containment as prescribed in any federal, State, and local laws and ordinances.
- g. Commercial fuel storage equipment shall be provided with automatic metering, recording, and ticket printing devices or an electronic conveyance system that maintains and produces accurate receipts of fuel dispensed from the facility and that are properly calibrated. Specifications for metering equipment shall be submitted to the Airport Director for review and approval. All approved systems will provide an accurate and reliable audit trail for administrative requirements and leak detection purposes.
- h. Distribution of fuel into aircraft shall be via mobile or stationary pumping equipment. Over the road tankers are prohibited on the AOA unless properly escorted. Storage sites shall provide adequate access and circulation pavements to accommodate both the fuel delivery tanker and the aircraft refueling vehicles. All pavements subject to heavy tanker delivery truck traffic and fuel spill potential must be appropriately designed and constructed by the Fueler.
- i. Security for each fuel storage facility shall be provided by a minimum of an eight-foot chain link fence around the perimeter and adequate lighting as prescribed in the Airport Security Program or as required by the Airport Director.
- j. Fuel storage for fuel transported on to the Airport-by-Airport Entities for self-fueling as authorized in the Rules and Standards must be stored in bondable fuel storage containers if stored in aircraft storage or maintenance hangars.

V. Fuel Spills

- a. Fuelers shall prepare, maintain, and implement an SPCC Plan, except to the extent the Fueler's fueling operations are covered by the Airport SPCC Plan.
- b. Cleanup methods shall be consistent with the applicable SPCC Plan and must be approved by the Airport Director.
- c. Fuelers shall provide adequate procedures to prevent and limit fuel spills and shall develop fuel spill contingency plans including notification and clean-up procedures.
- d. Fuelers shall maintain an adequate supply of fuel absorbent materials readily available to respond in the event of a fuel spill. Fuelers shall have at a minimum, enough fuel absorbent materials to respond to a fuel spill of up to ten (10) gallons.
- e. In the event of a fuel spill of five (5) gallons or more, the following safety procedures shall be followed:
 - 1) Fueler shall immediately notify the Airport Director.

- 2) Fueler shall take immediate action to begin containment and clean-up operations, which shall include the prevention of fuel from entering any storm or silt trench drain.
- 3) Fuel delivery devices and other vehicles shall not be moved or operated in the vicinity of the spill until the spillage is removed. A fireguard shall be promptly posted at any such spillage site and shall remain until authorized to be relieved by the Airport Director.
- 4) All contaminated absorbent material shall be placed in DOT approved metal containers and disposed of by the Fueler at its sole cost, in compliance with all applicable federal, State, and local laws.
- 5) Where spills occur that are larger than Fueler can adequately handle, Fueler must immediately obtain the clean-up services of an approved hazardous material contractor. Fueler must provide a written cleanup plan to the Airport Director and obtain written approval prior to the commencement of work.
- 6) Fueler shall be liable for all costs associated with the control, containment, clean-up, remediation, disposal, any Airport fire department cost for services rendered plus a twenty-five percent (25%) administrative fee, and any damages or fines that result from the spill or clean-up operations. If Fueler fails to promptly undertake remediation activities in response to a spill or discharge, the Airport may at its sole discretion, but is not obligated to, perform such remediation following written notice. Any costs incurred by the Airport associated with assessment, remediation, and cleanup of the spill plus a twenty-five percent (25%) administrative fee shall be paid upon demand by Fueler. The Airport shall be held harmless with any activities associated with the cleanup and/or remediation activities or any actions undertaken because of the spill.
- 7) Copies of all reports and written communications submitted to any federal, State, or local agency relating to such spill shall be provided to the Airport Director at the time submitted to such agency. The Airport Director will be provided copies immediately of all correspondence between the Entity and the governing agency.

VI. Fuel Servicing Vehicles

- a. Mobile fueling vehicles and their systems shall be maintained and operated in accordance with EPA, federal, state, and local regulations, codes, and ordinances covering fuel dispensing on airports; FAA Advisory Circular 150/5230-4B; and NFPA 407.
- b. Each fueling vehicle shall be conspicuously marked, per NFPA 407, in letters of contrasting color, with the word "flammable" on both sides and rear of the cargo tank in letters of at least six (6) inches high, and with the wording "emergency shut off" and other appropriate operating instructions required at the emergency operating devices in letters at least two (2) inches high. Each fueling vehicle will also be conspicuously marked on both sides and rear with the type and grade of fuel it contains in appropriate color schemes.

- c. Fueling vehicles shall use only the entrance, exit, and route designated by the Airport Director, or designee, during the transportation and delivery of fuel to, from, and on the Airport.
- d. Trained fueling personnel on duty shall be of sufficient number to safely operate the fuel storage and dispensing systems and perform periodic checks and inspections essential to their proper functioning. All fueling facilities and fueling vehicles may be inspected annually by the Airport. Fuelers shall address any and all deficiencies reported from the inspection within thirty (30) calendar days of receipt of written notice.

VII. Self-Fueling

- a. No Entity shall engage in self-fueling unless the right is included in its Agreement or until a signed Self-Fueling Permit authorizing such activity has been obtained from the Airport. The requirement to seek and obtain a Self-Fueling Permit shall not apply in the event that self-fueling operations are authorized and addressed fully in a Lease or other Agreement. AVGAS Fueling is exempted from the Permitting requirement in Section II K above subsections f through i above.
- b. To obtain a Self-Fueling Permit, an applicant must provide evidence of ownership or lease which transfers care, custody, or control for every aircraft for which self-fueling privileges are requested.
- c. Applicants for a Self-Fueling Permit shall pay a Permit fee as may be required by the Airport.
- d. Permittees engaged in self-fueling shall provide the Airport Director with a current list of owned or leased aircraft verifying sole ownership or care, custody, or control by the owner, or that the Entity is the sole lessee of said aircraft.
- e. Permittees may not sell or otherwise transfer fuel, oil, or other petroleum products to any other aeronautical user at the Airport.
- f. An Applicant shall procure and deliver to the Airport Director, with the application for a Self-Fueling Permit, a current, original Certificate of Insurance acceptable to the Airport Director showing insurance coverage for the duration of the permit for at least the amounts specified in Appendix 1.
- g. The term of a Self-Fueling Permit shall be no longer than the term of Permittee's lease or sublease at the Airport.
- h. Permittees may only fuel aircraft identified on the Self-Fueling Permit. No other aircraft may be fueled by Permittee. Violations may result in the revocation of the Permit which shall be at the sole discretion of the Airport Director.
- i. Permittee shall ensure that only Persons employed by or under contract to Permittee are involved in self-fueling and that all employees handling fuel are trained in accordance with Subsection III above prior to the commencement of the self-fueling. Permittee may be required to show proof that the Person(s) fueling an aircraft are employees of Permittee. Permittee shall submit to the Airport Director evidence of training in safety procedures received by each Person who will conduct aviation self-fueling operations and shall provide documentation

verifying all required certifications and required recurrent training before self-fueling activities may take place.

- j. Permittee shall dispense aviation fuel only on Permittee's leasehold.
- k. Permittee may terminate the Self-Fueling Permit upon written notice to the Airport Director.
- l. The Airport may revoke the Self-Fueling Permit upon ten (10) calendar days' written notice to the Permittee. The Airport Director may revoke the Self-Fueling Permit immediately in the event of an emergency, for any of the following reasons:
 - 1) Non-compliance with the Rules and Standards following a written notice and reasonable cure period, at the sole discretion of the Airport Director.
 - 2) Failure to maintain the required insurance.
 - 3) Failure to pay any part of the fuel flowage fees due after such payments become due and payable to the Airport.
 - 4) Failure to repair any damage to the fuel storage facility within the time specified by the Airport Director.
 - 5) Failure to retrofit fuel storage facility to meet compliance standards outlined in these Rules and Regulations.
 - 6) Fueling an aircraft that is not listed on the Self-Fueling Permit.
 - 7) Aircraft fueling by individuals who are not employees of Permittee.
 - 8) Discontinuation of fueling operations by Permittee for a period of one hundred eighty (180) consecutive days.
 - 9) Failing to report a fuel spill as required and, in the manner, required in these Rules and Regulations.
 - 10) Any violation of federal and/or State environmental law or regulation concerning fuel storage and dispensing.
 - 11) For non-compliance with the secondary containment requirement as called for in the Agreement or Permit between the Airport and the Entity.
- m. Permittee shall have the opportunity to appeal the revocation of a Self-Fueling Permit in accordance with Subdivision I, Section C (II) hereof. Upon revocation, Permittee may not reapply for a Self-Fueling Permit for a minimum of one (1) year from the date of revocation or appeal decision, if the appeal process is exercised.
- n. Permittee shall agree to assume liability in connection with fuel storage, handling, and dispensing, and to indemnify, hold harmless and defend the Airport, on terms prescribed by the Self-Fueling Permit.
- o. A Self-Fueling Permit is not assignable or transferable.

VIII. Commercial Self-Service Fueling Facilities

- a. Entities may be permitted to install and maintain a fuel storage and dispensing facility for Commercial Self-Service Fueling provided the Entity is in compliance with the Rules and Standards.
- b. The facility shall be constructed on concrete rigid pavement and include above ground double wall tank(s), secondary containment of an adequate size as approved in writing by the Airport Director, fueling terminal, metering system, credit card charging system, emergency shut-off, lighting and protective enclosures, using pipe bollards or other suitable protection.
- c. The facility shall include a control device that prevents unauthorized fuel dispensing.
- d. The responsible Entity shall provide a properly serviced fire extinguisher, meeting NFPA 407 standards; easily recognizable markings to indicate the type of fuel; and placard instructions on the use of the facility, emergency telephone numbers and emergency procedures.

IX. Fuel Flowage Fee

- a. A fuel flowage fee at the rates established by the Airport Board, subject to change by the Airport from time to time, shall be assessed on all fueling operations at the Airport from which revenue is derived. Entities authorized to conduct Self-Service Fueling facilities shall be required to pay the then-current fuel flowage fee, as established by the Airport Board, for each gallon of aviation fuel delivered to the Entity, except in the event that the amount and payment terms for the fuel flowage fee shall be designated in a Lease, Self-Fueling Permit, or other Agreement.
- b. The Airport shall have the right to adjust the fuel flowage fee rate from time to time. The Airport shall notify each Fueler in writing of the Airport's intent to adjust the then prevailing fuel flowage fee rate, indicating the new rate proposed and the date such rate is scheduled to go into effect, a minimum of thirty (30) days prior to the proposed effective date.
- c. The obligation to pay a fuel flowage fee may be in addition to any other rental rates, fees, and charges established by the Airport or any fuel tax imposed by any authorized taxing authority.

X. Flammable and Volatile Liquids

- a. Persons who intend to use flammable or volatile liquids on the Airport and/or fuel aircraft shall comply with the standards and requirements of the National Fire Protection Association (NFPA) 407 (Standard for Aircraft Fuel Servicing) and FAA Advisory Circular 150/5230-4B (Aircraft Fuel Storage, Handling, Training and Dispensing on Airports), as each may be amended or superseded.
- b. The procedures and precautions outlined in this subsection shall be adhered to in all cleaning, painting, and refurbishing operations using flammable and volatile fluids, including the storage of such fluids.

- c. Entities conducting aircraft fuel system maintenance shall comply with the standards and requirements of NFPA 410 (Standard on Aircraft Maintenance), as the same may be amended or superseded.
- d. No Entity shall use flammable or volatile liquids having a flash point of less than 100 degrees Fahrenheit for any purpose other than fueling.

XI. Toxic Substance Disposal

- a. Fuels, oils, dopes, paints, solvents, acids, and other hazardous materials shall not be disposed of or dumped into any stormwater drains, on the paved surfaces, catch basins, ditches (on or adjacent to the Airport), or elsewhere on the Airport. Used engine oil shall be disposed of in authorized containers at the sole expense of the Entity.
- b. Floors, walkways, and paved surface areas in buildings shall be kept free of oil solvents or other fluids that may cause injury. The use of volatile, flammable solvents for cleaning floors is prohibited. Drip pans and other appropriate fluid catchment/holding devices or utensils shall be used when necessary.
- c. Cylinders or flasks of compressed flammable gases shall be stored external to occupied buildings and hangars in facilities approved in advance in writing by the Airport Director. Cylinders and flasks may be stored inside hangars or occupied buildings only if they are secured in a designated area. Aircraft oxygen bottles and FAA approved aircraft heaters are exempt.

XII. Sanitation and Hazardous Waste Management

- a. No Entity shall use, handle, treat, store, or transport hazardous materials on or at the Airport except as reasonably necessary in the ordinary course of the Entity's authorized activities on the Airport and only if such hazardous materials are properly labeled and contained, and notice of and a copy of the Material Safety Data Sheet is provided to the Airport Director for each such hazardous material.
- b. No Person shall use, handle, treat, store, or transport hazardous materials at, in or on the Airport at such time or place or in such manner or condition as to create an unreasonable risk of harm to persons, property, or the environment.
- c. All personnel whose duties and responsibilities involve the handling and storing of hazardous substances and materials must have received proper training, in accordance with Occupational Health and Safety Administration regulations.
- d. No Entity shall discharge, dispose, or release any hazardous materials, wastes, or substances on the Airport or surrounding air, lands, or waters. In the event of a release, the responsible party promptly shall notify the Airport Director and any federal or state agency, as applicable.
- e. All Persons shall comply fully with the Airport Storm Water Management Plan (SWMP) and any applicable National Pollutant Discharge Elimination System (NPDES) permit.

- f. The storage of waste materials and trash at the Airport is prohibited unless placed in receptacles provided by the Airport. A fee may be assessed by the Airport for the use of such Airport provided receptacles.
- g. All outdoor trash or garbage containers shall be covered. Such containers shall be located only in those areas approved for such use by the Airport Director.
- h. No Person may burn refuse at the Airport, except as may be authorized in advance in writing by the Airport Director.
- i. All vehicles used for hauling trash, dirt, or other refuse materials at the Airport shall be constructed so as to prevent their contents from dropping, shifting, leaking, or escaping.
- j. No Entity shall dispose of any fill or building materials or any other discarded or waste materials at the Airport or in Airport provided receptacles.
- k. Lubricating oils and hazardous liquids shall be disposed of in compliance with the Airport SWMP, and federal, State, and local law.
- l. Responsible Entities shall be liable for all costs to remediate the release of any hazardous substances at the Airport. If the responsible Entity fails to promptly undertake remediation activities in response to the release of any hazardous substance, the Airport may, but is not obligated to, perform such remediation. Any costs incurred by the Airport associated with assessment and cleanup of the release plus a twenty-five percent (25%) administrative fee shall be paid upon demand by the responsible Entity.
- m. The Airport shall have the right at any time to access any portion of the Airport for the purpose of conducting inspections, sampling, and other testing to determine the nature and extent of contamination on or under the property.

SECTION L. -- GROUND VEHICLES, PEDESTRIANS AND PARKING

I. Pedestrian Access

- a. No Person may walk on areas of the Airport other than on roads, sidewalks, or other marked rights-of-way provided for such purpose.
- b. No Person shall prevent or restrict any other Person's passage to, from and within the Airport, except for authorized conduct of federal, State, and local law enforcement officers, and Airport employees.
- c. No Person shall interfere with safe operation of an aircraft landing, taking off from, or operating on the Airport.
- d. No Person shall loiter in any land or buildings owned by the Airport for a period of time longer than reasonably necessary to transact such business as such Person may have at the Airport.

II. Ground Vehicle Operations Generally

- a. Traffic laws of the State, the Airport, and the City of Kerrville shall apply to the streets, roads, and vehicular parking areas at the Airport. All traffic, informational, and warning signs shall be obeyed.
- b. No Person shall access, whether by vehicle, on foot, or otherwise, any portion of the common area unless the Person has attended and completed the Ground Vehicle Training Program provided by the airport or is being escorted by a person that has successfully completed the Ground Vehicle Training Program. A person who has successfully completed the Ground Vehicle Training Program will be issued a permit that authorizes the person to access the common area, subject to this division. All permits shall have an expiration date to signify when access privileges will be terminated.
- c. No Person shall operate any motor vehicle on the Airport in a manner that would endanger any Person or property.
- d. No Person shall operate a motor vehicle on the Airport while under the influence of an intoxicant or controlled substance in accordance with State laws.
- e. Abandoned Vehicles are prohibited at the Airport and must be removed immediately upon the written request of the Airport at the sole risk and expense of the vehicle owner.
- f. The Airport may cause vehicles in violation of the Rules and Standards to be ticketed or towed. In addition, the Airport may deny access to any ground vehicle if the owner or operator of the vehicle operates the vehicle in a reckless or negligent manner.
- g. All vehicles operated on runways, taxiways, and taxi lanes must display an approved active flashing yellow beacon on the top of the vehicle while operating in the designated areas.
- h. No person shall access the Airport through any gate by tailgating.
- i. No authorized person may give unescorted access to the airport to any unauthorized person.
- j. No person shall enter the movement area unless the person possesses an access permit, and hangtag when applicable, specifically for use in the movement area. A movement area access permit shall be valid and adequate for access to the movement and non-movement areas. A non-movement area access permit shall only be valid for use in the non-movement area.
- k. No person in possession of a valid access permit or hangtag shall loan or give it to any other person. Duplication or counterfeiting of permits or hangtags is prohibited.
- l. The permit and hangtag issued by the Airport shall be the sole property of the Airport and shall be returned to the Airport upon the expiration or termination of the permit and/or hangtag. The privilege to possess an access permit and/or hangtag can be terminated or revoked at any time by the Airport Director, including, without

limitation, for any of the following reasons: Termination of Lease, Permit, or other form of Agreement, and/or termination of employment from an Entity located on the Airport. If an access permit or hangtag is terminated or revoked by the Airport Director, then the person who formerly possessed the access permit or hangtag has the right to appeal the Airport Director's decision by filing a written appeal as outlined in these Rules and Standards.

- m. A person operating a vehicle within or otherwise accessing (in any manner whatsoever, including on foot) the common area shall have, and no person shall access the common area unless accompanied by a person who has, attended and successfully completed a Ground Vehicle Training Program provided by the Airport and who holds a current permit, including any special permit, such as a temporary permit or a contractor permit, reflecting such attendance and successful completion of the Ground Vehicle Training Program. While accessing the common area, a person who has attended and successfully completed a Ground Vehicle Training Program shall at all times carry the said permit and, if also operating a vehicle within the common area, display a hangtag issued by the Airport upon the person's successful completion of the Ground Vehicle Training Program. Special use vehicles, such as fuel trucks, tugs, golf carts, airport management vehicles, emergency vehicles (e.g., police, fire), and Airport vehicles and other vehicles authorized by the Airport Director to be on the Airport but not normally able to display the hangtag as approved by the Airport Director shall be exempt from the requirement of displaying a hangtag, but those vehicles shall always be operated by someone who has successfully completed the required Ground Vehicle Training Program and possesses a valid permit.

III. Ground Vehicle Parking

- a. No parking areas shall be designated in areas on and along drives and roadways or in such other areas on Airport property as deemed necessary by the Airport for the safe, efficient, and convenient operation of the Airport. All Airport Tenant employees, customers, or guests must park in their assigned areas.
- b. The Airport may remove or cause to be removed any vehicle that is illegally parked, disabled, or abandoned; that impedes Airport operations or the orderly flow of traffic; or that creates a potential security threat.
- c. The owner or operator of any such vehicle removed under this section shall be liable for payment of towing and storage and other applicable charges and any such vehicle shall be released to the owner or operator thereof only upon proper identification of the person making claim and payment of towing and storage and other applicable charges. Neither the Airport nor any of its agents shall be liable for damage to any vehicle resulting from the act of removal.

IV. Ground Vehicles in the AOA, Movement Area, and Safety Areas

- a. Ground vehicles are permitted in the Movement Area and Safety Areas only if necessary for Airport operations and only if authorized.
- b. No vehicle shall operate in close proximity to an aircraft so as to create a hazard or interfere with the safe operation of the aircraft.
- c. Ground vehicles shall always yield the right-of-way to aircraft.

- d. When approaching taxiing aircraft, ground vehicles shall maintain a distance of at least one hundred (100) feet from the aircraft and shall stay to the rear of the aircraft.
- e. No Person may operate a vehicle while on the AOA without a valid driver's license.
- f. Except for authorized emergency vehicles, the maximum allowable speed on the AOA is fifteen (15) miles per hour.
- g. Ground vehicles traveling to or from aircraft storage hangars shall minimize crossing of the AOA.

SECTION M. -- SECURITY

I. General

- a. All Persons on the Airport shall follow security-related federal laws and regulations as may be applicable to their activities on, and use of, the Airport.
- b. All Persons at the Airport shall follow the direction of on-duty federal, state and local law enforcement officers servicing the Airport and must comply with the adopted Airport Security Program.
- c. The Airport Director may issue directives and orders to implement the Airport Security Program. The Airport Security Program is considered sensitive security information in accordance with federal law and regulation, and no Person is entitled to demand or obtain a copy from the Airport.

II. Airport Driving Badges

- a. All Persons who are authorized to operate vehicles on the airfield areas must obtain an Airport Driving Badge from the Airport Director's office prior to operating vehicles on the airfield.
- b. Applicants for a new Airport Identification Badge or the reissuance of an Airport Identification Badge shall pay the badging fee, and any reissuance fee, as may be adopted by the Airport.
- c. Any Person authorized to operate a vehicle on the airfield area must prominently display their Airport Identification Badge at all times while on the airfield.
- d. It shall be unlawful and grounds for immediate confiscation, suspension, and possible permanent revocation of an Airport Identification Badge for any Person to:
 - 1) Be operating a vehicle on the premises of the airfield area without an Airport Identification Badge or Escort.
 - 2) Permit any other person to use their Airport Identification Badge.
 - 3) Wear another Person's Airport Identification Badge to operate a vehicle on the airfield area.
 - 4) Alter the Airport Identification Badge.

- e. If an Airport Identification Badge is lost or misplaced, the badge holder must notify the Airport Director immediately and follow all administrative procedures for reissuance of the Airport Identification Badge, including a reissuance fee.
- f. Persons who operate vehicles on the airfield area shall ensure that access doors or gates that are required to be closed have completely secured or locked behind them before leaving the immediate vicinity of the door or gate, to ensure that no Person gains unauthorized access through such door or gate.

III. **Tampering**

- a. No Person shall willfully tamper, alter, move, or otherwise affect any security device, sign, closed-circuit camera, personal identification pad, electromagnetic locking device or other such implement, or perimeter fence gate or gate tracking device.
- b. No Person may place any object within ten (10) feet of the Airport perimeter fence or at any location that would aid in climbing or obscuring visibility of the fence line.
- c. No Person shall willfully activate any security device or security alarm, when no threat to security or emergency condition exists.
- d. No Person shall block or damage doors, gates or card readers or leave doors or gates open that could permit access to a restricted area by unauthorized persons.

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SUBDIVISION III - MINIMUM STANDARDS
IMPACTED PARTIES: COMMERCIAL OPERATORS

SECTION A. GENERAL REQUIREMENTS

IV. Introduction to Minimum Standards

- a. The Minimum Standards set forth the conditions that must be satisfied in exchange for the privilege of conducting Aeronautical Activities, e.g., Commercial Aeronautical Activities and Non-Commercial Aeronautical Activities, at the Airport.
- b. No Person shall be permitted to engage in Aeronautical Activities at the Airport without (i) an Agreement with the Airport Board establishing terms for conducting either Commercial Aeronautical Activity or Non-Commercial Aeronautical Activity, (ii) demonstrating the ability and intention to satisfy the Rules and Standards throughout the term of the Agreement, and (iii) demonstrating that it has the financial resources to fulfill the obligations of the Agreement.
- c. Except as prescribed herein or pursuant to an Agreement, the standards and requirements of the Minimum Standards are minimums and may be exceeded.
- d. The Minimum Standards are in addition to Texas law concerning commercial operations at airports.

V. Persons Subject to the Minimum Standards

- a. The Minimum Standards apply to any Person proposing to conduct Aeronautical Activity for which Minimum Standards are prescribed. Commercial Aeronautical Operators subject to the Minimum Standards include Specialized Aviation Service Operators.
- b. The Minimum Standards, except Section B (Application Requirements), apply to the Airport Board, without waiver or variance, in any instance in which the Airport Board is conducting a Commercial Aeronautical Activity or Non-Commercial Aeronautical Activity at the Airport.
- c. The Minimum Standards do not apply to: (i) an Air Charter or Air Taxi operator accessing the Airport for the limited purpose of picking up or dropping off passengers in an aircraft that is not based at the Airport, (ii) a flight instructor accessing the Airport for the limited purpose of picking up or dropping off a student pilot or conducting Flight Training in an Aircraft that is not based at the Airport, (iii) an Aircraft manufacturer providing parts and services at the specific request of an Aircraft owner or operator pursuant to a "rapid response", warranty work, or similar program, and (iv) a Flying Club conforming to the requirements of Subdivision I, Section G hereof. Performing one of the foregoing activities is not a Commercial Aeronautical Operator for purposes of the Minimum Standards.
- d. The Minimum Standards do not apply to Non-Commercial Aeronautical Activities, including, for example, and without limitation private hangar storage. Non-Commercial Aeronautical Activities are subject to Subdivision I (Policies and Guidelines) and Subdivision II (Rules and Regulations) and the terms of an Agreement.

- e. The Minimum Standards do not apply to Self-Service and self-fueling by a Entity, provided that the Aircraft being Self-Serviced or self-fueled is owned by the Entity or under the Tenant's exclusive care, custody, and operational control of the Entity. Self-Servicing and self-fueling are subject to Subdivision II (Rules and Regulations) hereof and the terms of an Agreement.
- f. No Person may conduct a Commercial Aeronautical Activity or Non-Commercial Aeronautical Activity at the Airport that is not expressly addressed in the Minimum Standards Subdivision without the Airport Board's prior written approval. In reviewing a request, the Airport Board will consider the nature of the Commercial Aeronautical Activity and Non-Commercial Aeronautical Activity, the proposed business terms, and the compatibility of the Aeronautical Activity with then-existing Airport operations and activities. The Airport Board may request additional review by the FAA to consider, for example, and without limitation, whether the Aeronautical Activity may be conducted safely at the Airport. The Airport Board may decide, at its sole discretion, to amend the Minimum Standards Subsection prior to executing an Agreement authorizing the new Commercial Aeronautical Activity or Non-Commercial Aeronautical Activity to, for example and without limitation, create a new category of Commercial Aeronautical Operator with attendant requirements and standards. The Airport Board shall consider the following criteria in determining if a Person shall for authorized for Commercial Aeronautical Activity or Non-Commercial Aeronautical Activity at the Airport:
 - 1) The terms and conditions of any pre-existing commercial operators at the Airport providing comparable services;
 - 2) The impact of the proposed Commercial Aeronautical Activity or Non-Commercial Aeronautical Activity on public safety and convenience;
 - 3) The amount of available space at the Airport;
 - 4) The customary uses of the Airport;
 - 5) Compatibility of the proposed new Commercial Aeronautical Activity or Non-Commercial Aeronautical Activity with present and planned development at the Airport;
 - 6) Compliance of the proposed Commercial Aeronautical Activity or Non-Commercial Aeronautical Activity with all federal, State, and local laws;
 - 7) Equitable treatment of Commercial Aeronautical Activity and Non-Commercial Aeronautical Activity providers on the Airport.
- g. If a Commercial Aeronautical Operator conducts multiple Aeronautical Activities under a single Agreement, that Commercial Aeronautical Operator must comply with the Minimum Standards Subsection established for each separate activity. If the Minimum Standards for one Commercial Aeronautical Activity are inconsistent with the Minimum Standards for another, then the stricter or higher Minimum Standards apply to all Commercial Aeronautical Activities of that Commercial Aeronautical Operator.

- h. No Person may conduct a Commercial Aeronautical Activity or Non-Commercial Aeronautical Activity at the Airport in support of an Aeronautical Activity that is prohibited by the FAA the State.
- i. Persons conducting Non-Commercial Aeronautical Activities shall be subject to these Minimum Standards. The Airport Board may establish a Non-Commercial Aeronautical Activity rates, fees and charges schedule that may vary from the Commercial Aeronautical Activities rates, fees, and charges schedule.

VI. Waivers and Variances

- a. The Airport Director may waive all or any portion of the Minimum Standards for the benefit of any government or government agency performing public or emergency services, including, for example, and without limitation: law enforcement, disaster relief, search and rescue, fire prevention, firefighting, and military training.
- b. The Airport Director may approve a temporary waiver of the Minimum Standards upon finding that each of the following conditions is satisfied: (i) the Commercial Aeronautical Operator seeking the waiver will be the only operator on the Airport to provide a specific product, service, or facility as of the effective date of the Agreement; (ii) the operator has agreed to come into full compliance with the Minimum Standards within a prescribed schedule; (iii) the schedule is enforceable by the Airport Board; (iv) the temporary waiver is needed to alleviate the financial burden of initiating a new Commercial Aeronautical Activity at the Airport; and (v) the Airport Director finds that the temporary waiver will not materially interfere with the Commercial Aeronautical Operator's ability to provide high quality products, services, and facilities to Airport users.
- c. The Airport Director may approve a temporary variance of the Minimum Standards upon finding that each of the following conditions is satisfied: (i) a special condition or unique circumstance exists that makes the application of the Minimum Standards unduly burdensome; (ii) the temporary variance is narrowly tailored to address the special condition or unique circumstance; (iii) the operator has agreed to come into full compliance with the Minimum Standards within a prescribed schedule; (iv) the schedule is enforceable by the Airport Board; (v) the temporary variance will not create an unfair competitive relationship among Commercial Aeronautical Operators at the Airport, and (vi) the Airport Director finds that the temporary variance will not materially interfere with the Commercial Aeronautical Operator's ability to provide high quality products, services, and facilities to Airport users.
- d. Any temporary waiver or temporary variance approved by the Airport Director hereunder shall apply only to the specific Commercial Aeronautical Operator and the specific circumstance and shall not serve to amend, modify, or alter the Minimum Standards nor shall it serve as a precedent for future actions.

VII. Additive Standards and Conflicts

- a. The Minimum Standards are intended to be additive, except where otherwise provided for herein. A SASO may be required to satisfy multiple requirements hereunder to perform multiple Commercial Aeronautical Activities.

- b. In the event of conflicting Minimum Standards related to a Commercial Aeronautical Activity, the Commercial Aeronautical Operator will be required to satisfy the higher or more demanding standard.
- c. The Airport Director may permit a SASO conducting multiple Commercial Aeronautical Activities to satisfy a Minimum Standard that is less than the sum of the requirements for each Commercial Aeronautical Activity, if the Airport Director finds that each of the following conditions is satisfied: (i) the off-set will not affect the Commercial Aeronautical Operator's ability to provide high quality products, services, and facilities to Airport users in keeping with the policies hereof; and (ii) the off-set will not create an unfair competitive advantage among Commercial Aeronautical Operators at the Airport. An off-set granted pursuant to this provision shall not constitute a temporary waiver or temporary variance as provided in Section B(III).
- d. Aircraft manufacturing may involve multiple Commercial Aeronautical Activities. Each Aircraft manufacturer subject to this Subdivision III (Minimum Standards) must comply, at a minimum, with the requirements herein for Aircraft Sales. The conduct of ancillary services, such as warranty work on Aircraft sold by the manufacturer, shall not, standing alone, trigger the obligation to comply with the requirements for Airframe and Power Plant Maintenance or other categories of SASOs.

VIII. Non-Tenant Operators

- a. The Airport Board intends for all Commercial Aeronautical Operators to lease space at the Airport in the minimum area prescribed by the Minimum Standards Subsection or to have some equivalent financial commitment to the Airport Board in lieu of a Lease. The purpose of this policy is to ensure that Commercial Aeronautical Operators do not attempt to gain an unfair competitive advantage by operating without a similar level of financial investment in the Airport and in their business operation as their competitors. Nevertheless, the Airport Board recognizes that there may be limited instances in which a Commercial Aeronautical Activity may be performed by a Person that does not directly lease space at the Airport. Specifically, a Person may be permitted to provide products and services at the Airport upon demonstrating, to the satisfaction of the Airport Director, that no Commercial Aeronautical Operator leasing space at the Airport has the requisite certificate, certified personnel, or access to equipment and parts to provide the product or perform the service or that in lieu of leasing space and the Person has entered into a Permit and License with the Airport Board whereby the Person is paying a comparable pre-determined fee for the right to operate at the Airport. The Airport Director may approve a request from a Person meeting these conditions provided that (i) the Person enters into an Agreement with the Airport Board identifying the Commercial Aeronautical Activity that may be performed and the rates and charges assessed for the privilege of conducting the Commercial Aeronautical Activity, and (ii) the Person satisfies all other applicable Minimum Standards prescribed herein for the Commercial Aeronautical Activity. The Airport Director may allow for exceptions on a limited basis such as aircraft on the ground (AOG). In this event, the Person receiving the benefits of the service bears all liability for the non-tenant operator.

SECTION B. APPLICATION

IX. Application

- a. A Person seeking to conduct a Commercial Aeronautical Activity or Non-Commercial Aeronautical Activity at the Airport must submit a written application to the Airport Director in the form prescribed by the Airport Director, or, in the absence of a form, provide the following information and any such additional information as may be requested by the Airport Director:
 - 1) **Operations Plan.** A written proposal detailing the nature of the proposed Commercial Aeronautical Activity or Non-Commercial Aeronautical Activity to be conducted, space and facility requirements, and the proposed location on the Airport, the impact on the roadway, the amount of aircraft parking space required, and hours of operation. This shall include a projected volume by time of day and by day of the week.
 - 2) **Financial Responsibility.** Evidence of the applicant's financial responsibility and ability to meet its financial obligations for operating at the Airport, in such form as determined reasonably necessary by the Airport Director, including, for example and without limitation, a letter from a recognized financial institution, and/or copies of audited financial statements, and/or a current credit report, and/or SEC Form 10-K's, and/or annual reports for the previous three (3) fiscal years.
 - 3) **Personnel.** A listing, with resumes, of key personnel to be assigned to the Airport, along with a description of their duties and responsibilities and hours of operation. The information must also include instructions and a response timeframe for after-hours service access, if applicable.
 - 4) **Certifications.** Copies of all licenses, certifications, and permits possessed by the applicant and key personnel that are necessary or required to perform the proposed Commercial Aeronautical Activity or Non-Commercial Aeronautical Activity.
 - 5) **Insurance.** Evidence of insurance, or the specific intent to obtain insurance, consistent with the insurance requirements of the Minimum Standards.
 - 6) **Security Deposit.** The City reserves the right to request a security deposit with the submittal of the application to indicate the good faith intentions of the applicant and/or to off-set any costs incurred by the City in the consideration of the application. The amount will be determined by the Airport Director based on the nature of the application.
 - 7) **Petitions in Bankruptcy.** Identify all bankruptcies relating to the applicant and the applicant's principals for the previous five (5) calendar years from the date of the application.
 - 8) **Violations of FAA Regulations.** Disclose all documented violations by the applicant and/or the applicant's principals of FAA regulations for the previous five (5) years from the date of application.

- 9) **Notices of Default.** Disclose all default notices and corrective actions relating to the applicant or associated companies for the previous five (5) years from the date of the application.
 - b. Requirements to provide documentary evidence of financial responsibility, petitions in bankruptcy, information on violations of FAA regulations, and previous notices of default include the requirement to provide such materials and information pertaining to the Person, its principals, and any other Person of whom the principals of the Person are or were principals or managers.
 - c. If an Entity is formed for the sole purpose of conducting a Commercial Aeronautical Activity at the Airport, the Airport Director may request financial information or financial guarantees from the principals of the Entity.

X. Action on Application

- a. Upon receipt of an application, or a statement of interest, and the required security deposit, or on its own initiative, the Airport Board may issue a request for qualifications or proposals or otherwise select a Commercial Aeronautical Operator through a competitive solicitation in which case the applicant is qualified to respond with a proposal to the public solicitation.
- b. The Airport Director may deny an application upon finding any of the following:
 - 1) The Commercial Aeronautical Activity or Non-Commercial Aeronautical Activity proposed by the applicant would not meet the Minimum Standards prescribed herein.
 - 2) The Airport Director has determined, upon examination of the applicant's business plan, financial plan, and information submitted to establish financial responsibility, that the applicant is unlikely to be able to continue to meet the Minimum Standards prescribed herein throughout the term of an Agreement, including the payment of the required rates, fees, and charges.
 - 3) The applicant has supplied the Airport Board, or any other Person, with false or misleading information or has failed to make full disclosure in their application or supporting documents.
 - 4) The applicant has not provided the required security deposit as identified by the Airport Director.
 - 5) There is no suitable space on the Airport as identified in the airport layout plan to accommodate the proposed Commercial Aeronautical Activity or Non-Commercial Aeronautical Activity without requiring the reduction in space leased to another Person, or that the Airport Layout Plan must be amended prior to making a determination.
 - 6) The FAA has determined that any proposed development or the related activity would constitute an obstruction or hazard to air navigation.

- 7) The proposed Commercial Aeronautical Activity or Non-Commercial Aeronautical Activity would require the Airport Board to spend funds or to supply resources that the Airport Board is unwilling to spend or supply.
- 8) The applicant, an immediate family member of the applicant, a principal of the applicant, or an Entity of which a principal of the applicant was a principal, was party to an Agreement with the Airport, the City of Kerrville, or Kerr County that was terminated for cause and/or the applicant, an immediate family member of the applicant, a principal of the applicant, or an Entity of which a principal of the applicant was a principal, previously defaulted by the Airport, City of Kerrville, or Kerr County.
- 9) The applicant, an immediate family member of the applicant, a principal of the applicant, or an Entity, of which a principal of the applicant was previously a principal has been party to vexatious or frivolous litigation, including, without limitation, administrative litigation, against the Airport, the City of Kerrville, or Kerr County concerning Commercial Aeronautical Activities at the Airport.
- 10) The applicant, an immediate family member of the applicant, a principal of the applicant, or an Entity of which a principal of the applicant was a principal, has been debarred or evicted from another public-use airport at which the applicant conducted a Commercial Aeronautical Activity or Non-Commercial Aeronautical Activity; provided, however, that the Airport Board, nevertheless, may approve the application upon examination of the facts and circumstances surrounding the debarment or eviction.
- 11) The Airport Director's denial of an application hereunder may be appealed as provided in Subsection I, Section C(II) (Administrative Appeal).

XI. Notification of Changes

- a. Commercial Aeronautical Operators must provide the Airport Director with any information reflecting a material change in the information submitted in an application following the commencement of an Agreement. This information includes, for example, and without limitation: (i) a change in ownership of the Entity, (ii) the filing of a petition in bankruptcy, (iii) addition or subtraction of principals, (iv) any felony or misdemeanor convictions that would result in loss of Airport Issued identification media, and (v) any federal fines imposed on the operator.
- b. Commercial Aeronautical Operators must submit to the Airport Director new, updated or amended FAA certificates and ratings applicable to the operator, its employees or contractors, and any revocation of any certificate or ratings, or any other penalties by FAA against the certificate holder, promptly upon the operator's receipt of same.

SECTION C. PERFORMANCE STANDARDS

XII. Performance Standards

- a. Commercial Aeronautical Operators are to provide high quality customer service by meeting or exceeding Airport customer needs through consistent, responsive, reliable, and professional service at a competitive price.
- b. Commercial Aeronautical Operators are to employ the necessary number of trained staff, on-duty management, and supervisors to provide for the efficient, safe, timely, and orderly operation of its business.
- c. Commercial Aeronautical Operators are to control the conduct and demeanor of their personnel, agents, subcontractors, and subtenants, as well as conduct their business operations in a safe, orderly, efficient, and proper manner so as not to unreasonably disturb, endanger, or harass any Airport customers, Tenants, visitors, or other operators in accordance with the respectful workplace policy adopted by these Rules and Standards.
- d. All personnel employed by a Commercial Aeronautical Operator to perform duties on the Airport are required to be appropriately dressed and identifiable while on duty and to wear Airport issued identification media conspicuously visible between the waist and shoulders, as may be required by regulation or directive of the Airport. The business name shall be included in the means of identification for each person whose job responsibilities include regular interaction with Airport customers.
- e. Products, services, and facilities shall be provided on a reasonable, and not unjustly discriminatory, basis to all Airport users.
- f. Commercial Aeronautical Operators shall charge reasonable, and not unjustly discriminatory prices for each product, service, or facility.
- g. Commercial Aeronautical Operators may provide reasonable discounts, rebates, or other similar types of price reductions to volume purchasers.
- h. Commercial Aeronautical Operators must submit a schedule of pricing to the Airport Director as requested. In addition to identifying the pricing for the Commercial Aeronautical Operator's products, services, and facilities, the schedule shall identify any discounts, rebates, or other similar types of price reductions offered by Commercial Aeronautical Operator.
- i. A Commercial Aeronautical Operator must post its schedule of pricing for standard goods and services offered in a prominent place readily accessible and/or visible to the general public.

XIII. Compliance with Federal, State and Local Requirements

- a. Commercial Aeronautical Operators must comply with all federal, State, and local requirements applicable to their operations.
- b. Commercial Aeronautical Operators must conduct all activities so as to allow the Airport Board to remain in compliance with all federal, State, and local statutes,

ordinances, regulations, orders, policies, and Airport Grant Assurances applicable to the Airport in the operation, maintenance, and development of the Airport.

- c. Commercial Aeronautical Operators must comply with the rules imposed by the Airport Board, City of Kerrville, or Kerr County applicable to conduct on the Airport, including without limitation Subdivision I and Subdivision II of the Rules and Standards.
- d. Without limitation of the foregoing, Commercial Aeronautical Operators must comply with the following requirements:
 - 1) **Security.** Commercial Aeronautical Operators must comply with the laws, regulations, orders, and directives of the Department of Homeland Security, as each may be amended; instructions of law enforcement personnel; and the policies, orders, and directives of the Airport Director in furtherance of the Airport Security Program.

- 2) **Safety.** Commercial Aeronautical Operators must comply with federal, State, and local law applicable to workplace and aviation safety; and the orders and directives of the Airport Director in furtherance of a safety management system or similar or related program at the Airport designed and intended to enhance safety.
- 3) **Environmental.** Commercial Aeronautical Operators must comply with all applicable federal, State, and local environmental laws; orders and directives of a federal or state agency with requisite jurisdiction over environmental conditions at the Airport; State and local environmental policies and procedures, including, for example, and without limitation, the SPCC Plan, SWMP and spill response plan; and generally accepted industry environmental policies and standards.

XIV. Signage

- a. Each building, vehicle, and piece of mobile or vehicular equipment used on the Airport in conjunction with the Commercial Aeronautical Activity, shall bear the Commercial Aeronautical Operator's identification in the form of a company logo, sign, emblem, or other means to designate to whom the building, vehicle, or equipment belongs or is assigned. All signage is subject to the prior written approval of the Airport Director.
- b. Identification shall be legible on a contrasting background and shall be visibly displayed.
- c. All Commercial Aeronautical Operator identification shall be professionally designed and affixed to vehicles at all times while on the Airport.

XV. Vehicles and Equipment

- a. The specific equipment requirements contained in the Minimum Standards will be deemed satisfied if the Commercial Aeronautical Operator owns, leases, or otherwise has dependable and consistent access to the equipment to provide the applicable aeronautical services promptly on demand without causing any operational impacts on Aircraft at the Airport.

- b. Equipment must be maintained in safe operating condition and good appearance. All maintenance must be performed in areas that have the proper containment requirements depending on the nature of the maintenance. Open storage of broken equipment not in the process of actively being repaired is prohibited unless approved in writing in advance by the Airport Director.
- c. All vehicles operating at the Airport must comply with applicable Rules and Standards Subdivision II governing vehicles and traffic and have required authorization, including authorization to operate in the Movement Area and Safety Areas.

XVI. Subcontracting, Subleasing and Assignment

- a. An Agreement may allow a Commercial Aeronautical Operator to sublease or subcontract to another Person to conduct a Commercial Aeronautical Activity. In such event, the sublessee or subcontractor shall be responsible for complying with all applicable Minimum Standards and the Rules and Standards; provided, however, that the Commercial Aeronautical Operator remains liable for compliance with the Rules and Standards and the terms of any Agreement for all sublessees, subcontractors, sublicenses, and sub-permittees. All subleases or subcontractor agreements must include a provision that the agreement must comply with the applicable Rules and Standards, as may be amended from time to time.
- b. Each Agreement shall require the Airport Board's prior written approval for any assignment. Prior to granting approval, the Airport Director may require the prospective assignee to complete an application or submit the information prescribed in Section B(I) hereof. The Airport Board may reject the request to assign the Agreement based on the factors enumerated in Section B(II) hereof.
- c. No Person shall conduct a Commercial Aeronautical Activity as a lessee or sublessee on Airport property that is leased or designated for a non-commercial use, including, for example, and without limitation, a hangar leased for private non-commercial use.

SECTION D. FIXED BASE OPERATOR

XVII. General Requirements

- a. A Fixed Based Operator must engage in and furnish a full range of aeronautical products, services, and facilities to the public, which shall include, at minimum, the following: aircraft fueling, to include Jet Fuel, AVGAS, aircraft propellants, and aircraft lubricants; aircraft line services; customer services, aviation charts and pilot supplies; crew lounge, passenger lounge, concession area, and crew cars to be used by visiting customers and pilots; sanitary systems service; hangar storage, and A&P maintenance services and space.
- b. An FBO must have in effect an Agreement with the Airport Board at all times during which FBO services are conducted on the Airport, which Agreement shall provide for the lease of space in accordance with the Minimum Standards, prescribe the specific Commercial Aeronautical Activities that may be provided by the FBO, and contain other such terms as may be included in the Airport's standard form Agreement or an Agreement prepared for the specific FBO.

- c. Only Fuelers shall engage in Commercial Fueling.
- d. FBOs may subcontract, sublease, or use third-party contractors approved by the Airport Director to provide any of the required FBO services, or optional services, with the exception of aircraft fueling and aircraft line services, which services must be provided directly by the FBO and its personnel. Subcontractors, sublessees, and third-party operators must meet all Minimum Standards Subsection requirements applicable to any such services they provide. All subcontractors, sublessees, and third-party operators must be approved by the Airport Director prior to the FBO entering into any binding contracts with such subcontractors, sublessees, and third-party operators.

XVIII. Minimum Standards

- a. Aircraft Design Group Serviceability. Each FBO shall provide or have under an approved contract the personnel, equipment, and facilities required to service all types of aircraft normally operating at the Airport.
- b. Minimum Leased Space.
 - 1) FBO Apron- shall be based on FAA Design Standards (any deviations from design standards shall be reviewed and must be approved by the Airport Director) but shall not be less than thirty percent (30%) of leased area and shall be located immediately adjacent to the FBO's primary facility. The apron shall have a weight bearing capacity that can accommodate the largest Aircraft currently and/or anticipated to be handled or serviced by the FBO on the Leased Premises.
 - 2) FBO Terminal- The FBO shall lease or construct a customer area which includes adequate space for crew and passenger lounge(s), flight planning room, conference room, and restrooms. Administrative areas shall include adequate space for employee offices, work areas, and storage.
 - 3) FBO Vehicle Parking- The FBO shall provide adequate parking to meet the needs of customers and employees in accordance with Building Codes, but not less than ten (10) paved parking spaces on the property.
 - 4) FBO Aircraft Maintenance and Storage- The FBO provide on the FBO's Lease Premises, a maintenance shop and storage hangar adequate to support the size and quantity of Aircraft currently/or anticipated to be stored or serviced by the FBO.
 - 5) FBO shall own or lease an above ground Fuel storage facility at the Airport. Unless otherwise required or authorized by the Airport Director, the Fuel storage facility shall be located in a location consistent with the Airport Master Plan, Airport Layout Plan, and/or Land Use Plan and approved by the Airport Director. In no event shall the total storage capacity of the fuel storage facility be less than:
 - (i) 10,000 gallons for Jet Fuel storage
 - (ii) 10,000 gallons for AVGAS storage

- 6) Fuel delivered, stored, or dispensed by FBO shall fully comply with the quality specifications outlined in ASTM D 1655 (Jet A) and ASTM D 1910 (Avgas). Ensuring the quality of the fuel is the sole responsibility of the FBO. FBO shall have adequate storage for waste fuel or test samples or the capability to recycle same.
- 7) FBO shall also demonstrate capability of expanding its fuel storage facility and/or capacity within a reasonable period of time when demand dictates.
- 8) Hours of Operation. FBO operate in accordance with the hours agreed to in the Agreement between the Airport Board and the FBO. The FBO shall provide the Airport Director with a point-of-contact listing phone numbers for personnel authorized to make decisions during emergency conditions. The FBO must have qualified staff available during the hours the FBO is not staffed within sixty (60) minutes of a call.
- 9) Personnel Qualifications. All FBO aircraft fuel handling personnel shall be fully trained in the safe and proper handling dispensing, and storage of aircraft fuel. Acceptable training shall be NATA Safety 1st or an equivalent training program. The Airport shall conduct spill training in accordance with the applicable SPCC Plan. Records identifying completed training programs shall be kept on file and submitted to the Airport Director upon demand. All FBO personnel assigned to move aircraft must have training in the proper movement of aircraft types typically operated at the Airport. Aircraft mechanics must be trained and certified to service all aircraft that typically access the Airport.

c. Insurance Requirements. Each FBO shall maintain the types and amounts of insurance required. Upon any revision of such requirements by the Airport Board, the FBO must procure any insurance coverage necessary to meet the revised standards within ten (10) calendar days and provide evidence of such insurance coverage to the Airport Director within that timeframe.

d. Required FBO Services. Each FBO shall be required to provide, at a minimum, the following services at the Airport:

- 1) Fuel sales and line services.
 - (i) Properly trained line personnel available twenty-four (24) hours of every calendar day, seven (7) days a week.
 - (ii) Sale of aviation fuels, oils and lubricants customarily sold to all classes of aviation including into-plane fuel service for commercial size aircraft, by uniformed employees of the FBO whose duties will not prevent them from providing such sales and services on an immediate basis.
 - (iii) Marshalling aircraft on ground to and from aircraft parking on FBO's Lease Premises.
 - (iv) FBO shall have, at a minimum, two Jet Fuel Refueling Vehicles with one having a capacity of at least 7,000 gallons and the other having a capacity of at least 5,000 gallons.

- (v) FBO shall have two AVGAS Refueling Vehicles having a capacity of at least 1,000 gallons per vehicle. A fixed AVGAS Self-Service Fueling system can be substituted for one AVGAS refueling vehicle. If so, the system shall: (a) be constructed or installed in a location specified and approved by the Airport Director (b) include a minimum capacity of 2,000 gallons, (c) be available and maintained by FBO for public commercial use including meters and payment systems, (d) have adequate lighting, and (e) have detailed and readily accessible instructions for the proper and safe operation of the system and a fully operational and readily accessible telephone, emergency shut-off, properly rated fire extinguisher, and Fuel spill kit. FBO may have only one AVGAS refueling vehicle if FBO has a written agreement with a separate fuel provider at the Airport to provide AVGAS Fueling services at times when the FBO's refueling vehicle is unavailable or unable to meet the required response time. A copy of such Agreement must be provided to the Airport Director.
- (vi) Aircraft refueling vehicles shall be equipped with metering devices that meet all applicable regulatory measures. One refueling vehicle dispensing Jet Fuel shall have over-the-wing and single point Aircraft servicing capability. All refueling vehicles shall be bottom loaded.
- (vii) Each refueling vehicle and all fueling equipment shall be equipped and maintained to comply with all applicable regulatory measures including, without limitation, those prescribed by the State, the City of Kerrville, Kerr County, NFPA Codes, 14 CFR Part 139, Airport Certification, Section 139.321 "Handling/Storing of Hazardous Substances and Materials", and Applicable ACs (Advisory Circulars) including AC 00-34 "Aircraft Ground Handling and Servicing" and AC 150/5210-5 "Painting, Marking and Lighting of Vehicles Used on an Airport".
- (viii) Access with reasonable notice, to adequate towing equipment, tow bars, and other aircraft movement equipment to safely and efficiently move and/or store aircraft in an emergency or as may be required by the FAA.
- (ix) Adequate inventory of generally accepted grades of aviation engine oil and lubricants.
- (x) Proper equipment for repairing and inflating aircraft tires, servicing oleo struts, changing engine oil, oxygen and nitrogen service, ground power (GPU), washing aircraft and aircraft windows and windshields, and for recharging or energizing discharged aircraft batteries and starters.
- (xi) FBOs shall pay such charges or taxes as may be imposed by the State, City, County, and/or an authorized taxing authority on the gallons of all fuels delivered. Fuel delivery records shall be available for review by the Airport Director or its authorized agent.

- 2) Customer services, aviation charts, pilot supplies, etc. Customer services shall include catering arrangements, hotel reservations, arranging for ground transportation, and reasonable courtesy ground transportation.
- 3) Flight Service Station telephone and computerized weather service.
- 4) Crew lounge, passenger lounge, and concession area. Lounge or waiting rooms shall be heated and air conditioned with appropriate furnishings for passengers and airplane crews of itinerant aircraft, a "quiet" pilot rest area must be provided with a minimum of two reclining chairs, sanitary restrooms for men and women, a snack and non-alcoholic beverage service must be available to the public, and sufficient paved and striped vehicle parking positions adjacent to the arrivals/departures building in accordance with the lease must be available for employees and customers.
- 5) Sanitary systems service. Service shall include aircraft lavatory and potable water.
- 6) Hangar Storage/Maintenance Space. FBOs shall satisfy the minimum leased space requirements prescribed herein and, in addition to providing adequate space to support based Aircraft, shall maintain sufficient space to accommodate reasonable demand for transient aircraft storage.
- 7) Aircraft and Power Plant Mechanic Services (A&P). FBO must provide A&P mechanic services for all Aircraft normally serving the Airport during normal working hours within thirty (30) minutes of a request and within one (1) hour after hours. Services may be provided through employees of the FBO, subcontractors, or sublessees of the FBO. Provide Aircraft Maintenance (as defined in 14 CFR Part 43) for Group I and Group II Piston, Turboprop, and Turbojet, including Turbofan Aircraft as well as Group III Turbojet Aircraft.
- 9) Crew Cars. Provide crew cars and courtesy transportation for passengers, crew, and baggage, as necessary and appropriate.

e. Optional FBO Services.

- 1) Each FBO may conduct additional Commercial Aeronautical Activities at the Airport in addition to the required FBO services, with the prior written consent of the Airport Director.
- 2) Optional FBO services may include Commercial Self-Service Fueling and any of the Commercial Aeronautical Activities that may be conducted by Specialized Aeronautical Service Operators (SASOs) in Section E hereof.
- 3) An FBO providing optional FBO services through a sublessee or subcontractor shall submit to the Airport Director a copy of the executed sublease or subcontract, which must be approved in writing by the Airport Board and must comply with the standards set forth in this Subsection, in addition to all other applicable Rules and Standards.
- 4) FBOs must satisfy the Minimum Standards for each Commercial Aeronautical Activity, as provided in Section E hereof, and specifically must

demonstrate to the Airport Director's satisfaction that sufficient space is available within the FBO's leased Premises to provide high quality products and services to the FBO's customers.

- 5) Commercial Self-Service Fueling.
 - (i) Fuelers may provide Commercial Self-Service Fueling equipment in addition to the required aircraft fuel equipment, with the Approval of the Airport Director. Commercial Self-Service Fueling equipment will be located at the Airport's designated self-fuel area and must comply with all applicable federal, State, local laws, rules, ordinances, and regulations. Fuelers may provide retail Commercial Self-service Fueling at the Airport only if the Fuelers also provide attended fueling at the Airport.
 - (ii) Fuelers shall provide an AVGAS tank with a five hundred (500) gallon minimum capacity and associated pumps, metering equipment, credit card acceptance device and other equipment as may be necessary for this level of service. The tank shall be an above ground, fire rated, heavy duty industrial strength and concrete coated tank with pumping equipment which shall meet all local fire codes and the requirements and/or regulations of the State, Environmental Protection Agency, OSHA, NFPA and any other local, State, or national governmental agencies having jurisdiction.
 - (iii) The Commercial Self-Service Fueling facility shall be available for use twenty-four (24) hours a day, seven (7) days a week.
 - (iv) Authorized Fuelers shall have trained personnel inspect the fuel system equipment daily. Trained personnel shall be available during normal hours of operation to provide assistance as required. All repairs to the fuel system equipment shall be made on a timely basis so as to cause minimal disruption to customers.

SECTION E. MINIMUM STANDARDS FOR SPECIALIZED AERONAUTICAL SERVICE OPERATORS

XIX. General Requirements

- a. Compliance. SASOs must comply with the performance standards set forth in Section E and the applicable Minimum Standards as set forth in this section.
- b. Retail Fuel Sales Prohibited. SASOs are not permitted to engage in Commercial Fueling.
- c. Leased Space Requirements. SASOs shall lease or sublease adequate space for buildings and support facilities for all services provided; paved Ground Vehicle parking; paved Aircraft apron; paved pedestrian walkways; paved vehicle parking; and storage facilities. The facilities shall be sufficient to meet reasonably anticipated demand for products, services, and facilities associated with authorized Commercial Aeronautical Activities. The location, size and configuration of space to conduct Commercial Aeronautical Activities shall be

established in an Agreement and shall take into consideration the operations plan and other application information submitted in accordance with Section B(I) of this Subdivision III and the facilities lease or subleased to similarly-situated Commercial Aeronautical Operators at the Airport, if any. SASOs engaged in Airline Ground Handling shall secure access to the facilities identified in subsection XI of this Section E.

- d. Responsible Personnel. Each SASO shall provide the Airport Director with a point-of-contact including phone numbers and an e-mail address for personnel empowered to make decisions for normal and emergency situations.
- e. Insurance Requirements. Each SASO must maintain the types and amounts of insurance required by the City. Upon any change of such requirements by the City, the SASO shall procure any insurance coverage necessary to meet the revised standards within ten (10) calendar days, and shall provide evidence of such insurance coverage to the Airport Director within that timeframe.

XX. Flight Training

SASOs engaging in Flight Training must:

- a. Maintain such certifications as may be required by the FAA and/or the State, including without limitation certification as may be required under 14 C.F.R. Part 141. Upon request, provide evidence of FAA certificates and insurance as required under these Rules and Standards.
- b. Provide ground-based instruction on the Airport. Sufficient space must be provided on the Airport for classroom training.
- c. Not operate from a tie-down.
- d. Employ, subcontract, or sublease with and have on duty a minimum of one (1) individual that is an FAA-certified flight instructor.
- e. Own, subcontract for, or lease one or more dual-equipped, single-engine airworthy Aircraft. Aircraft may be fixed or rotary wing.
- f. Include adequate mock-ups, pictures, digital media, DVDs, movies, videotapes, or other training aides necessary to provide proper and effective ground school instruction. All materials shall meet FAA requirements for the Flight Training offered.
- g. Hours of operation shall reflect student needs and Aircraft availability. Premises may be closed during Flight Training if insufficient personnel are available during that time.
- h. Not be a Flying Club. Flying Clubs shall not be authorized to conduct Flight Training as a Commercial Aeronautical Activity. A SASO authorized to conduct Flight Training may train a member of a Flying Club for compensation.
- i. Satisfy all safety and security requirements imposed on flight schools by the FAA and/or TSA, including, and without limitation, the TSA Alien Flight Student Program or successor program developed in accordance with 49 U.S.C. Section 44939.

XXI. Airframe and Power Plant Maintenance

SASOs engaging in Aircraft Airframe and Power Plant Maintenance must:

- a. Employ, subcontract, or sublease with and have on-duty or on-call and available to provide service at the Airport within one (1) hour of being called, a minimum of one (1) certified mechanic trained on Aircraft that normally utilize the Airport. The mechanic on-duty must be FAA-certified technicians who possess airframe, power plant, or Aircraft inspector rating as required in 14 C.F.R. Part 65, or the maintenance facility must be certified under 14 C.F.R. Part 145.
- b. Ensure a mechanic is available on-call twenty-four (24) hours a day, seven (7) days each week for emergency purposes only. On call mechanics must be able to respond within sixty (60) minutes of a call. If more than one maintenance facility is located on the Airport, the on-call responsibility may be rotated on a mutually agreeable schedule; a written rotational on-call program is not effective until it has been approved in writing by the Airport Director.
- c. Provide equipment, supplies and parts required for routine Aircraft airframe, power plant, inspection, tire, battery, oxygen, and other routine Aircraft maintenance functions for the type of Aircraft that normally utilize the Airport.

XXII. Avionics or Instrument Maintenance Operator

An Avionics or Instrument Maintenance Operator must:

- a. Provide maintenance or alteration of one or more of the items described in 14 CFR Part 43, Appendix A (i.e., Aircraft radios, electrical systems, or instruments)
- b. Have adequate facilities to accommodate all Aeronautical Activities of operator and all approved Sublessees, but not less than the following:
 - 1) Facilities shall include customer/administrative, shop, and hangar areas.
 - 2) Customer/administrative area shall be a minimum of five hundred (500) square feet and shall include dedicated space for a public use telephone, restrooms, employee offices, work areas, and storage.
 - 3) Shop area shall include dedicated space for employee work areas and storage for Aircraft parts, accessories, related components, and equipment.
 - 4) If operator is performing services that require a hangar, facilities shall include hangar area and accommodate the largest aircraft being serviced.
- c. Have access to the vehicles, equipment, supplies and availability of parts required to meet all regulatory measures and properly service customer Aircraft.
- d. Be properly certified by the FAA as a Repair Station, as defined by 14 CFR Part 145.
- e. Ensure that personnel are properly certificated by the FAA and the Federal Communications Commission and hold the appropriate ratings for the work being performed.

- f. Provide a sufficient number of personnel including technicians and customer service representatives to carry out operator's Aeronautical Activity in a safe, secure, efficient, courteous, prompt, and workmanlike manner while also meeting the reasonable demands of customers.
- g. Employ or contract with one (1) technician and employ one (1) customer service representative who shall be available during required hours of activity.
- h. Make available to provide service at the Airport within one (1) hour of being called, at least one (1) trained and FAA certified airframe technician and one administrative or customer service personnel.
- i. Keep premises open and services available eight (8) hours per day, five days a week. The eight hours of operation shall be between 6:00 a.m. and 8:00 p.m. local time Monday through Friday.
- j. Hold the appropriate FAA repair station certificates for the types of equipment the SASO plans to service or install.

XXIII. Air Charter, Air Taxi or Aircraft Management Operations

SASOs engaging in Air Charter, Air Taxi or Aircraft Management operations must:

- a. If flight crew services are provided, employ or subcontract with and have on duty at least one (1) person who holds a current FAA commercial pilot certificates and current Class I or II medical certificate. In addition, all flight personnel shall be properly rated for the Aircraft operated. If flight dispatch services are provided, the SASO shall have dispatch capability within four (4) hours of a customer request and shall employ or subcontract with at least one (1) individual with experience and ability to provide charter quotes, schedule and dispatch support and customer service. A SASO may be required, in an Agreement, to provide additional personnel as necessary to meet reasonably anticipated customer demand.
- b. Own, subcontract, lease, or manage at least one certified and continuously airworthy instrument qualified Aircraft.
- c. If air charter and/or air taxi services are provided, have and display in public view, a current 14 C.F.R. Part 135 certificate or provisional 14 C.F.R. Part 135 certificate and the Aircraft identification page from the operating specifications manual of each Aircraft listed on the certificate.
- d. If rotorcraft operations are conducted, have and display in public view, if applicable, a current copy of 14 C.F.R. Part 133 for rotorcraft operations detailing the external-loading requirements.
- e. If Aircraft Management services are provided, conduct Aircraft Management activities in accordance with 14 C.F.R. Part 91.
- f. If air charter and/or air taxi services are provided, provide qualified operating crew and a satisfactory number of personnel for checking in passengers, handling luggage, ticketing, and obtaining ground transportation.

XXIV. Aircraft Rental

SASOs engaging in Aircraft Rental must:

- a. Employ or subcontract with and have on-duty or on-call and available to provide service at the Airport within one (1) hour of being called, at least two (2) personnel having a current commercial pilot certificate with appropriate ratings, including instructor rating, for the Aircraft utilized.
- b. Keep premises open and services available a minimum of eight (8) hours per day. The eight hours of operation shall be between 6:00 a.m. and 5:00 p.m. local time, Monday through Friday, or on an alternate schedule as agreed to in writing by the Airport Director.
- c. Have available for rental, a minimum of two (2) certified and airworthy Aircraft that are owned, subcontracted, or leased and under preferential control of the SASO.

XXV. Aircraft Storage Hangars

SASOs engaging in the business of renting and leasing hangar storage space to Aircraft owners or operators solely for aircraft storage purposes must:

- a. Require all tenants who lease space to subtenants to have an executed agreement with the SASO prior to occupancy, the form of which provides the required insurance, inspection rights, and indemnification protection as required for the SASO for the Airport. A copy of the standard sublease form must be Approved by the Airport Director prior to commencement of leasing activities. The SASO must provide a listing and copies of all executed leases or subleases for all aircraft stored within the SASOs hangar facilities to the Airport Director upon request. Pricing information may be redacted.
- b. Keep premises open and services available to meet the needs of the hangar tenants and subtenants.
- c. Ensure that hangar tenants and subtenants perform no maintenance within the hangar other than preventive maintenance on their own Aircraft, utilizing their own employees, to the extent permitted in 14 C.F.R. Part 43 or certified mechanics authorized to perform services at the Airport through an Agreement and in compliance with all environmental requirements. Mechanic services performed by Through-The-Fence Operators on the Airport are prohibited.
- d. Refrain from and require all tenants who lease space to refrain from the piling and storage of crates, boxes, barrels, containers, refuse, and surplus property other than the period required for immediate disposal.
- e. Provide a waste oil receptacle within the immediate vicinity of the hangar(s). This receptacle shall be capable of holding a minimum of fifty (50) gallons, have secondary containment protection, be emptied by a certified disposal company at regular intervals, and be in compliance with all regulatory requirements, as currently in effect or as they may hereafter be amended from time to time.
- f. Have sufficient trained personnel on duty at all times to safely meet customer needs.

XXVI. Aircraft Sales

SASOs engaging in Aircraft Sales must:

- a. Employ or subcontract with and have on-duty or on-call and available to provide service at the Airport within one (1) hour of being called, at least one (1) qualified aircraft salesperson and access to a demonstration pilot that has a current commercial pilot certificate with appropriate Aircraft type ratings.
- b. Keep premises open and services available to meet demand.
- c. Maintain current specifications, price lists, parts catalogs, and service manuals for the types and models of Aircraft sold.

XXVII. Aircraft Restoration and Refurbishing

SASOs engaging in Aircraft Restoration and Refurbishing must:

- a. Maintain facilities that comply with appropriate federal, state, and local regulatory measures regarding hazardous material handling and storage.
- b. Maintain all appropriate federal, state, and local operating permits, manuals, and plans required for work being performed.
- c. Employ, subcontract, or sublease with and have on-duty or on-call and available to provide service at the Airport within one (1) hour of being called, at least one (1) qualified personnel that have current required certificate, licenses, and ratings for the work being performed.
- d. Keep premises open and services available to meet demand.

XXVIII. Specialized Flying Services

SASOs engaging in Specialized Flying Services must:

- a. Employ or subcontract with and have on duty sufficient personnel who hold current FAA commercial pilot certificates and medical certificates with ratings appropriate for the SASO's Aircraft.
- b. Have services available within four (4) hours of request Monday through Friday and available weekends and holidays as required.
- c. Own, sublease, or lease at least one (1) airworthy Aircraft.

XXIX. Ground Support Equipment Maintenance

Persons engaged in Ground Support Equipment Maintenance must employ or subcontract with and have on-duty or on-call and available to provide service at the Airport within one (1) hour of being called, a minimum of one (1) mechanic. The personnel on duty must be adequately trained and experienced to provide these services. Premises must be kept open to meet demand and services to maintain Ground Support Equipment shall include, without limitation, providing equipment supplies, and parts required for routine vehicle and equipment maintenance functions including adequate facilities and equipment to safely remove and replace all of the fuel and other hazardous substances from the largest capacity vehicle or piece of equipment being serviced.

Ground support equipment includes vehicles which may or may not be authorized to operate on public highways in accordance with State law. Vehicles and equipment without such authorization shall remain on Airport property or shall be lawfully transported on public highways.

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APPENDIX 1 MINIMUM INSURANCE REQUIREMENTS

I. SECTION 1: General Requirements

- a. All Persons conducting Aeronautical Activities at the Airport pursuant to an Agreement must maintain insurance policies and coverage limits that are relevant and appropriate to the activities conducted at the Airport. Persons required to maintain insurance include, without limitation, Commercial Aeronautical Operators, including FBOs and SASOs; Flying Clubs; conducting self-fueling in accordance with an Agreement, and all subcontractors and subtenants.
- b. The Airport Director will establish minimum insurance types and coverage limits for certain Persons conducting Aeronautical Activities at the Airport, provided however that the precise insurance types and limits required by the Airport Board will be established in an Agreement and may differ from or exceed such minimum requirements based upon the circumstances and the risks presented by the proposed Aeronautical Activity.
- c. In establishing insurance coverage types and limits, the Airport Board is not representing or guaranteeing that the types and limits are adequate to protect any Person's interests and liabilities. It is understood that the specified amounts of insurance stated herein or in an Agreement shall in no way limit the liability of a Person.
- d. The Airport Board may review insurance requirements during the term of an Agreement and to make reasonable adjustments to required types of insurance coverage, limits and exclusions when deemed necessary and prudent by the Airport Director, e.g. based upon changes in statutory law, court decisions, the claims history of the industry or financial considerations of the insurance company and/or the Person.
- e. Each Person required to maintain insurance by operation of these Rules and Standards or an Agreement will provide a Certificate of Insurance listing the Airport Board, the City of Kerrville, and Kerr County as an additional insured. This obligation will not apply to any workers' compensation policy.
- f. Each Person must maintain the required insurance throughout the term of the Agreement.
- g. Each insurance policy, except workers' compensation, must cover both bodily injury and property damage.
- h. Each policy must be primary and non-contributory.
- i. Each policy, except a workers' compensation policy, must insure the defense and indemnity obligations assumed by the Person under the Agreement.
- j. It is the Person's responsibility to pay any retention or deductible for the coverages required herein and in an Agreement.
- k. Insurance must be secured by a company authorized to conduct business in the State.

- I. Insurance policies must include a requirement that a 30-calendar day notice of cancellation, material change or non-renewal will be sent to the Airport Director.
- m. In requiring Persons to maintain insurance hereunder, the Airport Board, the City of Kerrville, or Kerr County will not in any way assume liability for injury and damage occurring on or in connection with the Airport, and the Airport Board, City of Kerrville, and Kerr County may claim any defense or immunity available under law, including but not limited to the maximum monetary limits on liability established by Texas law.

II. SECTION 2, General Insurance Requirements by Operator

Each Commercial Operator shall at all times maintain in effect the following types and minimum amounts of insurance as applicable to the business to be conducted:

| | <i>Amount of Coverage (Combined Single Limit)</i> |
|---|---|
| (a) <u>FBO:</u> | |
| Commercial general aviation liability policy with coverages for premises, operations and product/liability..... | \$1,000,000.00 |
| Commercial General Liability..... | \$1,000,000.00 |
| Products Completed Operations..... | \$1,000,000.00 |
| Hangar keeper's liability..... | \$1,000,000.00 |
| Personal Injury(including death)..... | \$1,000,000.00 |
| (b) <u>Airframe and power plant repair; avionics, instrument or propeller repair:</u> | |
| Commercial general aviation liability policy with coverages for premises, operations and product/liability..... | \$1,000,000.00 |
| Hangar keeper's liability..... | \$1,000,000.00 |
| (c) <u>Air taxis and charter:</u> | |
| Commercial general aviation liability policy with coverages for premises and operations..... | \$1,000,000.00 |
| Aircraft liability with coverage for bodily injury and property damage, including passengers..... | \$1,000,000.00 |
| (d) <u>Aircraft rental; flight training; commercial Flying Club:</u> | |
| Commercial general aviation liability policy with coverages for premises and operations..... | \$1,000,000.00 |
| Aircraft liability with coverage for bodily injury and property damage, including | |

| | |
|-------------------------------------|----------------|
| passengers..... | \$1,000,000.00 |
| Student and renter's liability..... | \$1,000,000.00 |

*Amount of Coverage
(Combined Single Limit)*

(e) Specialized commercial aeronautical activities:

| | |
|--|----------------|
| Commercial general aviation liability policy with coverages for premises and operations..... | \$1,000,000.00 |
| Aircraft liability (if Aircraft used in operation)..... | \$1,000,000.00 |

(f) Clubs:

| | |
|--|----------------|
| Commercial general aviation liability policy with coverages for premises and operations..... | \$1,000,000.00 |
|--|----------------|

(g) Hangar operation:

| | |
|-------------------------------|----------------|
| General liability policy..... | \$1,000,000.00 |
|-------------------------------|----------------|

(h) Automobile Liability Coverage:

| | |
|--------------------------------|----------------|
| General liability policy..... | \$1,000,000.00 |
| Hangar keeper's liability..... | \$1,000,000.00 |

(i) Special instructions:

| | |
|---|----------------|
| Any Operator self-fueling shall have a minimum general liability policy | \$1,000,000.00 |
|---|----------------|

| | |
|--|----------------|
| Any Operator using service vehicles on Airport premises in support of its operations shall maintain the following additional coverage: Motor vehicle liability | \$1,000,000.00 |
|--|----------------|

(j) All insurance policies cited herein shall contain a waiver of subrogation rights endorsement with respect to the Airport Board, the City, and the County.