The City of Durant encourages participation from all its citizens. If participation at any public meeting is not possible due to a disability, notification to the City Clerk at least 48 hours prior to the scheduled meeting is encouraged in order to make the necessary accommodations. The City of Durant may waive the 48-hour rule if interpreters for the deaf (signing) or translation services for limited English proficient (LEP) individuals are not the necessary accommodation.

DURANT AIRPORT AUTHORITY/ DAA

6:00 PM **Roscoe J. Hatfield Council Chambers, 300 West Evergreen, Durant, Oklahoma** **May 8, 2018**

AGENDA

DURANT CITY HALL
300 W. EVERGREEN, DURANT, OK
ROSCOE J. HATFIELD COUNCIL CHAMBERS

CALL TO ORDER

ROLL CALL

ORDER OF BUSINESS

1. Consent Items

a. Consider Approval of Regular Meeting Minutes of April 10, 2018

2. Consider Items Removed from Consent

3. Citizen Comments on Non-Agenda Items

Citizens wishing to address the council regarding matters which are not listed on the agenda will be required to sign up no later than 5 minutes prior to the scheduled starting time of the meeting. The sign-in sheet will contain space for citizen's name, address, phone number, and topic to be discussed. In this way, city staff will be able to follow-up on any issues presented if necessary.

4. Administration

a. Consider Approval of Joint Resolution 2018-14 Authorizing the Acquisition of Real Property for the Purpose of Extending the Runway at Durant Regional Airport - Eaker Field and Declaring a Necessity

5. Information Items

a. Presentation of Airport Hangar Market Assessment Provided by KSA Engineering

b. Airport Manager's Monthly Report - April 2018

6. New Business

ADJOURNMENT

CERTIFICATE

This is to certify that in conformity with the Oklahoma Open Meeting Act, public notice of the date, time and place of this meeting was filed with the City Clerk of Durant on the 14th day of November, 2017 and that an agenda of said meeting was posted at the place of such meeting at 5:40 p.m. on the 4th day of May, 2018.

____

Cynthia J. Price, City of Durant

Agenda Item: 1.a.

DURANT
· OKLAHOMA ·

The City of Durant

Office of City Clerk

Memorandum

Date: 4/25/2018
To: Airport Authority
From: Cynthia J. Price, City Clerk
Re: Consider Approval of Regular Meeting Minutes of April 10, 2018

Council Information / Action Requested

Approval of Regular Meeting Minutes of April 10, 2018.

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:

Description	Type	Upload Date
Minutes 4.10.2018	Exhibit	4/25/2018

This is to certify that in conformity with the Oklahoma Open Meeting Act, public notice of the date, time and place of this meeting was filed with the City Clerk of Durant on the 14th day of November, 2017 and that an agenda of said meeting was posted at the place of such meeting at 5:17 p.m. on the 6th day of April, 2018.

MINUTES OF THE REGULAR SCHEDULED MEETING OF DURANT AIRPORT AUTHORITY OF April 10, 2018 AT 6:00 PM, Roscoe J. Hatfield Council Chambers, 300 West Evergreen, Durant, Oklahoma

CALL TO ORDER

Chairman Tomlinson called the meeting to order at 10:16 p.m.

ROLL CALL

Present: Trustee Oden Grube	City Attorney Tom Marcum
Trustee Mike Dills	City Manager Tim Rundel
Trustee Destry Hawthorne	City Clerk Cynthia J. Price
Vice Chairman Chad Hitchcock	
Chairman Jerry Tomlinson	
Absent: None	(*denotes partial attendance)

Chairman Tomlinson declared a quorum.

1. Consent Items

To help streamline meetings and allow the focus to be on other items requiring strategic thought, the "Consent Items" portion of the agenda groups the routine, procedural, and self-explanatory non-controversial items together. These items are voted on in a single motion (one vote). However, any Council member requesting further information on a specific item thus removes it from the "Consent Items" section for individual attention and separate vote.

a. Consider Approval of Regular Meeting Minutes of March 13, 2018

b. Consider Approval of Special Meeting Minutes of April 4, 2018

Approved

Motion was made by Destry Hawthorne and seconded by Chad Hitchcock to approve consent items as presented. Motion Passed with the following vote:

Ayes: Dills, Grube, Hawthorne, Hitchcock, Tomlinson

2. Consideration Items Removed from Consent

3. Citizen Comments on Non-Agenda Items

There were no citizen comments.

4. Information Items

a. Airport Manager's Monthly Report - March 2018

5. New Business

There was no new business.

Adjournment

Motion was made by Chad Hitchcock and seconded by Destry Hawthorne to adjourn meeting. Motion Passed with the following vote:

Ayes: Dills, Grube, Hawthorne, Hitchcock, Tomlinson

Agenda Item: 4.a.

DURANT
· OKLAHOMA ·

The City of Durant

Office of City Clerk

Memorandum

Date:	5/3/2018
To:	Airport Authority
From:	Thomas Marcum. City Attorney
Re:	Consider Approval of Joint Resolution 2018-14 Authorizing the Acquisition of Real Property for the Purpose of Extending the Runway at Durant Regional Airport - Eaker Field and Declaring a Necessity

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Council Information / Action Requested

Approval of Resolution 2018-14 Authorizing the Acquisition of Real Property for the Purpose of Extending the Runway at Durant Regional Airport - Eaker Field and Declaring a Necessity.

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:

Description	Type	Upload Date
Memo	Cover Memo	5/4/2018
Joint Resolution 2018-14	Exhibit	5/4/2018

THOMAS N. MARCUM
ATTORNEY AT LAW

MEMORANDUM

TO: Mayor and City Council, Chairman and Trustees

FROM: Thomas Marcum

DATE: May 4, 2018

RE: Joint Resolution Regarding Possible Condemnation of Real Property Near Durant Regional Airport

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Attached is a proposed joint resolution for consideration by the City Council and the Durant Airport Authority. In preparation for the extension of the runway at Durant Regional Airport, it is necessary to acquire several parcels of real property to comply with FAA requirements. While I am hopeful that the property owners and the Authority will be able to successfully negotiate the Authority's purchase of the properties, it is possible that the parcels will have to be obtained through the eminent domain (condemnation) process set forth by statute. The intent of the condemnation process is to ensure that the landowners receive a fair price for the properties and that the City does not overpay using taxpayer dollars.

Adoption of the resolution declaring a necessity is the initial requirement of the condemnation process. If the process continues beyond this stage I will be happy to explain the steps of the condemnation procedure in detail.

(580) 380-2848
tmarcum@durant.org

JOINT RESOLUTION NO. 2018-14

JOINT RESOLUTION OF THE CITY OF DURANT AND THE DURANT AIRPORT AUTHORITY DECLARING A NECESSITY FOR ACQUIRING CERTAIN REAL PROPERTY LOCATED IN SECTIONS 18 AND 19 OF TOWNSHIP 7 SOUTH, RANGE 9 EAST OF THE INDIAN MERIDIAN AND BASE LINE, BRYAN COUNTY, OKLAHOMA; AUTHORIZING, INSTRUCTING, AND DIRECTING THE CITY MANAGER AND AIRPORT MANAGER TO ACQUIRE SAID REAL PROPERTY FOR THE EXTENSION OF THE RUNWAY AT DURANT REGIONAL AIRPORT – EAKER FIELD AND USES INCIDENTAL THERETO AND AUTHORIZING THE AIRPORT MANAGER TO PURCHASE AND SETTLE DAMAGES WITH THE LANDOWNERS; AUTHORIZING, INSTRUCTING, AND DIRECTING THE CITY ATTORNEY TO CONDEMN SAID PROPERTIES FOR THE HEREIN STATED PURPOSES IF SAID PROPERTIES CAN NOT BE PURCHASED AND THE DAMAGES SETTLED BY AGREEMENT WITH THE LAND OWNERS.

WHEREAS, on this 8th day of May, 2018, it is deemed necessary and advisable by the City of Durant and the Durant Airport Authority to acquire certain real property located in Bryan County, Oklahoma, for the extension of the runway at Durant Regional Airport – Eaker Field for the use and benefit of the City of Durant; and,

WHEREAS, said real properties are described as set forth in Exhibit A attached hereto and made a part hereof; and,

WHEREAS, said properties are not owned by the City of Durant or the Durant Airport Authority and it is deemed necessary for the City of Durant and/or the Durant Airport Authority to acquire said properties for the extension of the runway and uses incidental thereto.

NOW THEREFORE BE IT RESOLVED by the Durant City Council and the Trustees of the Durant Airport Authority, pursuant to its power of eminent domain, take immediate steps to acquire the above-described real property for the extension of the runway at Durant Regional Airport and uses incidental thereto;

BE IT FURTHER RESOLVED that the City Manager and the Airport Manager are hereby instructed, authorized, and directed to immediately negotiate with the owners of the above-described real properties and purchase said properties for the purposes set forth herein and settle any damages sustained by the owners thereof by reason of the taking;

AND BE IT FURTHER RESOLVED in the event the City Manager and the Airport Manager are unable to secure the purchase of the property described herein or any part thereof, the City Attorney is hereby authorized, instructed, and directed to institute condemnation proceedings against the owners of said properties and condemn said properties under the power of eminent domain for the purposes set forth herein and to take such further legal steps or proceeding as may, in his judgment, appear to be proper to acquire said property and the immediate possession thereof.

AND BE IT FINALLY RESOLVED, as it being immediately necessary for the preservation of the peace, health, and safety of the City of Durant and the inhabitants thereof, by reason whereof this resolution shall take effect and be in force from and after its passage as provided by law.

PASSED AND APPROVED this 8th day of May, 2018, by the Durant City Council and Trustees of the Durant Airport Authority.

ATTEST:

______________________________	______________________________
Cynthia J. Price, City Clerk	Mayor

ATTEST:

______________________________	______________________________
Cynthia J. Price, Secretary Durant Airport Authority	Chairman, Durant Airport Authority

Reviewed for form and legality:

____

City Attorney

Agenda Item: 5.a.

The City of Durant

Public Works Director

Memorandum

Date:	4/24/2018
To:	Airport Authority
From:	Marty Cook - Public Works Director
Re:	Presentation of Airport Hangar Market Assessment Provided by KSA Engineering

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We requested that KSA Engineering perform a market assessment of our Airport with the current and potential future information that we have available.

Among other details within the report are new lease structure recommendations, market assessment recommendations, and general operating recommendations.

Michael Mitchell with KSA will be presenting the findings of the attached report.

Council Information / Action Requested

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:

Description	Type	Upload Date
Hangar Market Assessment	Cover Memo	4/24/2018

KSA

Durant Regional Airport

Market Assessment

April 2018

Table of Contents

Appendices

Tables

1. Financial Profile and Revenue Sources

The following section will discuss the overall financial profile and revenue sources for Durant Regional Airport. In addition, a full lease review has been conducted. These steps will help identify the key contributors to the overall financial goals of the Airport.

The Durant Regional Airport is owned and operated by the City of Durant and therefore falls under the overall financial umbrella of the city. As a publicly owned and public-use airport, the intent of the facility is to provide an essential transportation service to the National Airspace System (NAS). Being included in the National Plan of Integrated Airport Systems (NPIAS) entitles the Airport to certain Federal funding sources that are intended to provide grant support for capital improvements in the airport infrastructure. However, each airport also has a task in producing revenue to assist with operating costs and local grant matching requirements providing the ability to enhance services and maintain the airport. In order to meet this goal, general aviation airports produce revenue in a variety of ways primarily focusing on the following types of revenue streams:

- Fuel Sales or Fuel Flowage Fees
- Hangar Rental (Leases)
- Land Leases (aeronautical and non-aeronautical
- Landing and Transient Aircraft Fees

Depending on the airport's characteristics, one or all of these revenue sources may be contributors. Largely, fuel sales can be one of the most profitable areas of revenue if the airport owns and sells the fuel concessions at the airport. Currently, D/W Aviation holds the Management Contract for Durant Regional Airport. According to the contract dated January 26, 2017 (available in Appendix A), D/W Aviation is tasked with operating the airport, overseeing fuel sales, and facilitating hangar leases. The FBO currently provides these services Monday-Friday from 8:00 AM to 5:00 PM and Saturday-Sunday from 9:00 AM to 5:00 PM. The FBO operates in an "on-call" capacity on all holidays observed by the City of Durant. In exchange for the services provided by D/W Aviation, the City of Durant tenders the following payments:

- The City of Durant will make 12 equal monthly payments to the FBO for an annual sum of $120,000.00 with an option to renew for five additional lease terms from July 1, 2017 through June 30, 2022.
- A fuel flowage fee of 10% of net profits for all aviation fuel sold each calendar month less any dishonored payments. FBO will receive the same flowage fees generated by fuel sales from the self-serve card type pump.
- FBO shall establish a reasonable price for all fuels sold, which prices shall be competitive with prices charged by other airports in the vicinity for comparable products.
- FBO shall receive one-half (1/2) of the fees collected for ramp and large, orange hangar parking less and dishonored payments. FBO's share of fees for large orange hangar shall be discontinued when large orange hangar is secured.

- The FBO shall have full control and use of Terminal, building #8, Hangars #1 and 2 (Shop) to perform maintenance. The current value of these two hangars is $330/month each for a total value of $7,920.00.

For the purpose of this analysis, Fiscal Years 2015-2017 were analyzed to determine revenue generation by type. Total Gross revenue for the previous three Fiscal Years is provided in Table 2-1 below including the breakdown of fuel and hangar lease revenues which will be the primary focus of the following market assessment.

Table 2-1: Total Gross Airport Revenue (FY 15-17)

YEAR	TOTAL	JET-A	100LL	HANGAR LEASE
FY 2015	$276,364.58	$114,564.04	$42,805.54	$118,995.00
FY 2016	$315,669.87	$175,675.28	$19,535.56	$120,459.03
FY 2017	$327,749.54	$162,695.52	$25,703.02	$139,351.00

Gross revenues at the airport have increased slightly over the last three (3) fiscal years. Fuel sales, particularly 100LL, have fluctuated, hangar lease revenue has experienced steady growth during the same period.

1.1 Fuel Sales

The majority of revenue collected by the airport fund is from the sale of aviation low lead fuel (100LL) and jet fuel (Jet-A). In general, fuel sales are directly related to the activity level of operations at the airport. It is easy to assume that more operations at the airport, the more fuel will be purchased. However, some activity such as transient aircraft may elect not to purchase fuel if not needed, or can be purchased at their home airport for a more competitive price. Growing based aircraft numbers should also have a direct correlation to airport fuel sales. In March of 2018, the airport gained a large cabin based tenant operating a Gulfstream G-IV which should boost the sale of Jet-A in FY 2018. The current fuel markup is calculated to be $1.56 per gallon. The City of Durant retains a profit margin of approximately $1.39 per gallon.

100LL SALES

This fuel is sold largely to single-engine piston aircraft. Commonly referred to as Avgas, this fuel can only be used in piston aircraft which make up a large portion of the recreational general aviation fleet in the United States. However, many single-engine aircraft and larger twin-engine piston aircraft are flown for business purposes.

Aircraft using 100LL have comparatively shorter ranges and fuel capacity than larger jet powered aircraft. This means that less fuel is sold by the gallon for each fueling operation on average than Jet-A aircraft. However, very active piston aircraft fleets such as the Southeastern Oklahoma State University flight school may buy larger quantities of 100LL during peak periods.

JET-A SALES

This kerosene-based fuel is used in jet and turboprop aircraft. Predominately for larger corporate aircraft such as business jets, large amounts of fuel may be taken per aircraft given their increased fuel capacity and range. Many factors determine how much fuel each aircraft operator may take at the airport including runway length. The longer runway allows for additional fuel to be taken by aircraft wishing to depart with a heavier gross weight.

1.2 Hangar Lease Revenue

The airport currently has twenty (20) T-Hangars, twenty-four (24) Box Hangars, four (4) Corporate Hangars, and one (1) Community Hangar available for lease. Currently, all hangars are occupied and there is a waiting list. All hangars, with the exception of the community hangar, are in good condition. The airport has experienced a steady increase in hangar revenue over the preceding three fiscal years.

1.3 Other Revenue Sources (Not Currently Enacted)

The following revenue sources can add significant revenue benefits to the airport if enacted and are just an example of the additional rates and charges that can be accessed by the City in addition to fuel and hangar lease revenue.

- Aircraft Tie Down Fees
- Landing Fees
- Overnight Fees

.

2. Airport Lease Analysis and Policies

An important part of the financial fitness of the airport is the lease structure. For purposes of this market assessment, existing leases were reviewed and analyzed to help ensure best practices and market conditions favor the airport's sustainability. This process allows the airport to evaluate the longevity, cost structure, and legal strength of their leasing policies.

2.1 Existing Lease Review and Recommendations

A review of the lease document provided by the City indicated that the majority of the leases are standard improvement leases relating to typical on-airport properties such as T-Hangars and Corporate Hangars. The airport currently facilitates two (2) ground leases to non-aeronautical businesses. **Table 3-1** outlines the current hangar leases in place at the airport.

Table 3-1: Current Hangar Lease Overview

	Building Type	Building No.	Hangar No.	Current Billing	Square Feet	Cost per Sq. Ft.
1	Box Hangar	4	1	$270.00	2262	$0.12
2	Box Hangar	4	2	$270.00	2262	$0.12
3	Box Hangar	4	3	$215.00	1776	$0.12
4	Box Hangar	4	4	$215.00	1776	$0.12
5	Box Hangar	4	5	$215.00	1776	$0.12
6	Box Hangar	4	6	$215.00	1776	$0.12
7	Box Hangar	4	7	$215.00	1776	$0.12
8	Box Hangar	4	8	$215.00	1776	$0.12
9	Box Hangar	4	9	$215.00	1776	$0.12
10	Box Hangar	4	10	$215.00	1776	$0.12
11	Box Hangar	4	11	$215.00	1776	$0.12
12	Box Hangar	4	12	$215.00	1776	$0.12
13	Box Hangar	8	1	$0.00	2202	$0.00
14	Box Hangar	8	2	$0.00	2202	$0.00
15	Box Hangar	8	3	$330.00	2202	$0.15
16	Box Hangar	8	4	$330.00	2202	$0.15
17	Box Hangar	8	5	$265.00	1776	$0.15
18	Box Hangar	8	6	$265.00	1776	$0.15
19	Box Hangar	8	7	$265.00	1776	$0.15
20	Box Hangar	8	8	$132.50	1776	$0.08
21	Box Hangar	8	9	$265.00	1776	$0.15
22	Box Hangar	8	10	$265.00	1776	$0.15
23	Box Hangar	8	11	$265.00	1776	$0.15
24	Box Hangar	8	12	$265.00	1776	$0.15
25	T-Hangar	10	1	$160.00	1071	$0.15
26	T-Hangar	10	2	$160.00	1071	$0.15
27	T-Hangar	10	3	$160.00	1071	$0.15
28	T-Hangar	10	4	$160.00	1071	$0.15
29	T-Hangar	10	5	$160.00	1071	$0.15

30	T-Hangar	10	6	$160.00	1071	$0.15
31	T-Hangar	10	7	$160.00	1071	$0.15
32	T-Hangar	10	8	$160.00	1071	$0.15
33	T-Hangar	10	9	$160.00	1071	$0.15
34	T-Hangar	10	10	$160.00	1071	$0.15
35	T-Hangar	12	1	$180.00	1071	$0.17
36	T-Hangar	12	2	$180.00	1071	$0.17
37	T-Hangar	12	3	$180.00	1071	$0.17
38	T-Hangar	12	4	$180.00	1071	$0.17
39	T-Hangar	12	5	$180.00	1071	$0.17
40	T-Hangar	12	6	$180.00	1071	$0.17
41	T-Hangar	12	7	$180.00	1071	$0.17
42	T-Hangar	12	8	$180.00	1071	$0.17
43	T-Hangar	12	9	$180.00	1071	$0.17
44	T-Hangar	12	10	$220.00	1291	$0.17
45	Corporate Hangar	24	A	$550.00	3600	$0.15
46	Corporate Hangar	24	B	$550.00	3600	$0.15
47	Corporate Hangar	24	C	$550.00	3600	$0.15
48	Corporate Hangar	24	D	$550.00	3600	$0.15

Upon review of the existing lease structure, opportunities for improvement and standardization are apparent, specifically in the following areas;

- Updates are needed to provide clarity regarding active lease terms and agreements. This should include details regarding delinquent payments and late payment penalties.

- Provide further detail regarding rules and regulations for lessee operations and appropriate use of airport hangars including guidance on storage/disposal of chemicals, fuels, and oil.

- Provide restricted use guidance including the non-commercial use of airport hangars and detail procedure for obtaining city approval for commercial activities, including acceptable commercial operations (i.e. flight instruction, crop dusting, etc.)

- Outline minimum safety standards (i.e. no fueling activities inside hangars, appropriate modifications/upgrades to hangar interior, etc.)

- Detail sublease guidelines and city approval process.

Appendix C provides a model lease agreement published by the Texas Department of Transportation that can easily be modified for use at Durant Regional Airport. It is important to note that certain property types, such as T-Hangar units, do not require the same agreement that a parcel of land does. One recommendation regarding T-Hangars is to have relatively simple documents and issue them as a license. The rationale for this is twofold. Most T-Hangar leases are month-to-month at competitive airports. The license concept is useful if the landlord wishes to get rid of a problem tenant. By having a license instead of the lease, legal action may be avoided. It is recommended that the City development a document outlining the minimum standards/rules and regulations to be applied to operations at Durant Regional Airport. Provided in Appendix D is a Model Airport Rules and Regulations.

2.2 Fixed Base Operator (FBO) Service Recommendations

Airports can provide and manage services as a public entity or grant a commercial business(s), fixed-base operator (FBO), to operate and provide aeronautical services. FBO businesses are operated by a variety of private sector entities, including low liability corporations (LLCs), corporations, or a single individual. Public FBO ownership also exists when an airport sponsor sees revenue growth opportunities and is willing and able to provide the required aviation services as the airport's exclusive provider. Common types of public ownership entities include City, County, Airport Authority, or other form of airport ownership that provide the airport's main aviation services. FAA Order 5190-6B explicitly states that an airport sponsor may not grant exclusive rights to a private company providing aviation services; however, the airport sponsor itself has the right to exclusively provide or conduct any aeronautical activity so long as the sponsor used their own employees and resources.

Most sponsors recognize that common aeronautical services provided by FBO are best served when operated by private enterprise. The exception to this theory is when the airport sponsor elects to provide fuel and aircraft parking. These activities can generate significant revenue opportunities for the sponsor. If in fact, the sponsor elects to provide those services on an exclusive or non-exclusive basis, it may not refuse to permit an air carrier, air taxi, or flight school to fuel its own aircraft with its own personnel and equipment. Appendix E provides a model of Minimum Standards for FBO Operators.

Durant Regional Airport is situated in a unique market due to its proximity to the Choctaw Casino & Resort located less than 1 mile from the airport. This gives the airport extraordinary market opportunities to capture traffic traveling to the area for the purpose of visiting the casino. An FBO with the ability to offer extended hours and services could ensure the airport captures the highest percentage of this traffic possible. Common FBO aeronautical services include:

- Airframe or power plant repair, sufficient hangar space, FAA certified mechanic on duty, aircraft parking area and access to the airfield.
- Fueling: Avgas and jet fuel storage tanks, fuel delivery vehicles, qualified and trained fueling technician, spill prevention and cleanup plan.
- Line service: Personnel trained to operate ropes, chains, wheel chocks, and other restraining devices.
- Flight Instruction: Trained and certified instructor, aircraft, classroom, telephone and restrooms.
- Aircraft Storage: Sufficient hangar space, tie-down spaces.
- Other services as agreed upon by contract: Ground transportation or courtesy car, pilot and passenger lounge, retail, concessions, passenger parking areas, catering, etc.

FBO's provide service to a variety of clientele. These range from the recreational pilot flying into the airport in a Cessna 172 to the executives of a multi-billion-dollar corporation flying to the airport on a private jet. At smaller general aviation airports, generic services such as fuel and a building with a vending machine and telephone may be adequate. However, at airports with prime access to local infrastructure, businesses, and attractions, a host of luxury FBO amenities may be provided as shown in Table 3-2.

Table 3-2: Luxury FBO Services and Amenities

LUXURY AMENITIES	JET SERVICING & STORAGE
Separate crew and passenger lounge areas	Catering services
Crew rest area	Lavatory servicing
Full showers	Bottled oxygen
Coffee, snacks, and other refreshments	Heated aircraft hangars
Comfortable seating	Baggage handling
Televisions	
Rental Cars	
Flight planning room with weather and tracking equipment	
Wi-Fi and printing	
Exercise Equipment	
Game Room	
Conference Room	
Security System	

Source: AirNav, Form 5010

In order to accommodate these services, FBO's generally need to obtain equipment. The following are a list of suggested items needed to perform the above services:

- Tugs
- Fuel Truck, Ground Power Unit (GPU), Lavatory Service Unit
- Deicing Equipment, Cowl Plugs, Wheel Chocks

3. Hangar Market Assessment

The following market assessment was conducted to evaluate the current rates and charges at Durant Regional Airport as it applies to T-Hangar and Box Hangar leases. The following airports were used for comparison due to their size, operation types and count, and similar facilities. The T-Hangar structures located at the airport are modern structures in good condition. These hangars are fully occupied and there is currently a waiting list for customers who desire to lease hangar space at the airport. It is important for airport sponsors to understand that progressively raising hangar rates to keep pace with rising costs of construction is imperative to yield enough revenue to operate the airport. Table 4-1 offers a rental rate comparison for T-Hangars and Box Hangars located in the immediate market area. It should be noted that many airports in the market area do not offer box hangars for lease, but rather offer ground leases to private individuals wishing to construct a hangar facility. A comparison of ground lease rates is available in Table 4-2.

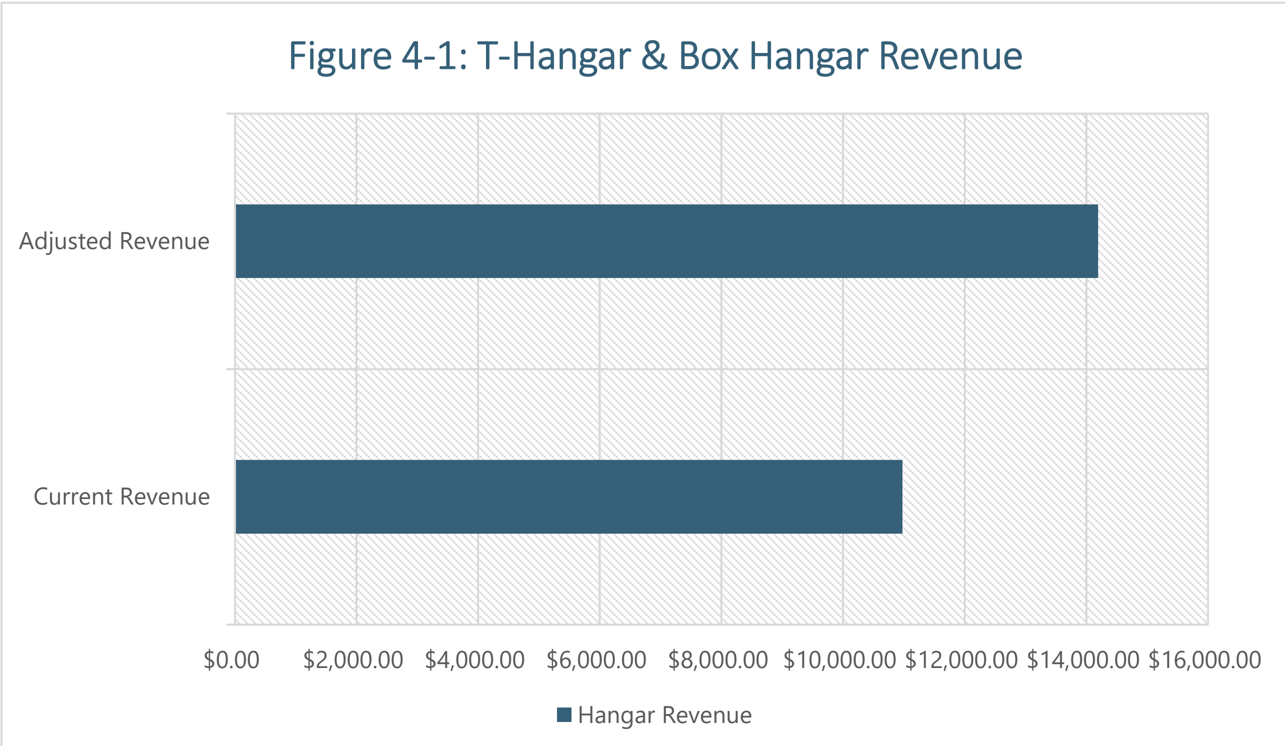
Table 4-1: Hangar Rental Rate Comparison

IDENTIFIER	AIRPORT NAME	T-HANGAR	BOX HANGAR
1F0	Ardmore Downtown Municipal Airport	None Available	Ground Lease Only
KADM	Ardmore Downtown Municipal Airport	None Available	Ground Lease Only
KADA	Ada Regional Airport	$160	$0.12
F00	Bonham Jones Field Airport	$144 - $220	None Available
KGYI	North Texas Regional Airport	$215 - $270	$0.23
KSWI	Sherman Municipal Airport	$205 - $235	None Available
KHHW	Hugo Stan Stamper Municipal Airport	None Available	$0.12
KMLC	McCalester Regional Airport	$250	None Available
KGLE	Gainesville Municipal Airport	$210 - $300	$0.25 - $0.27
KGVT	Greensville Municipal Airport	$260 - $310	$0.22 - $0.23
KDUA	Durant Regional Airport	$160 - $220	$0.08 - $0.15
NOTE: Box Hangar rates shown as price per square foot per month	Average:	$227.50	$0.20

Table 4-2: Ground Lease Rate Comparison

IDENTIFIER	AIRPORT NAME	RATE
1F0	Ardmore Downtown Municipal Airport	$0.08 - $0.12
KADM	Ardmore Downtown Municipal Airport	$0.08 - $0.12
KADA	Ada Regional Airport	$0.16
F00	Bonham Jones Field Airport	No rate currently set
KGYI	North Texas Regional Airport	$0.20 - $0.40
KSWI	Sherman Municipal Airport	Not Available
KMLC	McCalester Regional Airport	$0.08
KGLE	Gainesville Municipal Airport	$0.14 - $0.18
KGVT	Greensville Municipal Airport	$0.19 - $0.28
KDUA	Durant Regional Airport	No rate currently set
	Average:	$0.20

Figure 4-1 provides a graphic depiction of the current hangar revenue and the adjusted hangar revenue given the market area averages provided in Tables 4-1 & 4-2.



4. Grant Assurances

When airport owners, sponsors, planning agencies, or other organizations accept funds from FAA-administered airport financial assistance programs, they must agree to certain obligations (or assurances). These obligations require the recipients to maintain and operate their facilities safely and efficiently and in accordance with specified conditions.

One specific importance as it applies to airport revenues, the following assurances should be considered.

GRANT ASSURANCE 24 – FEE AND RENTAL STRUCTURE

It [airport sponsor] will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a grant is made under Title 49, United States Code, the Airport or Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

GRANT ASSURANCE 25 – AIRPORT REVENUES

All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned and operated by the owner or operator or the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport.

Airport revenue must be kept on airport and utilized to further airport growth and development. This should not be confused with the economic impact that the airport has on the community which is discussed in the following sections of this report.

5. Summary of Recommendations

The following is a summary of recommendations based on the previous lease review and market assessment.

5.1 Lease Structure Recommendations

Following the review of the current lease structure for Durant Regional Airport, the following recommendations have been made;

- Update lease terms and agreements to clarify and provide details regarding delinquent payments and late payment penalties.
- Provide further detail regarding rules and regulations for lessee operations and appropriate use of airport hangars including guidance on storage/disposal of chemicals, fuels, and oil.
- Provide restricted use guidance including the non-commercial use of airport hangars and detail procedure for obtaining city approval for commercial activities, including acceptable commercial operations (i.e. flight instruction, crop dusting, etc.)
- Outline minimum safety standards (i.e. no fueling activities inside hangars, appropriate modifications/upgrades to hangar interior, etc.)
- Detail sublease guidelines and city approval process.

5.2 Market Assessment Recommendations

- Current T-Hangar rates at Durant Regional Airport are slightly below average. Understandably, the older units are priced lower than the recently constructed units and it is important to determine the age of each hangar structure in regard to leases. The current average for the market area is $227.50 per month.
- Current Box Hangar rates at the Airport are also slightly below average. Most units at Durant Regional Airport lease for $0.12 - $0.15 per square foot per month which is below the market area average of $0.20 per square foot per month.

5.3 General Operating Recommendations

- Formulate and implement a Minimum Standards for FBO Operators which outlines the services and standards to be followed by any Fixed Base Operator at the Airport. Provided in Appendix E is a Model Minimum Standards for Fixed Base Operators (FBO).

- Develop and implement rules and regulations for operations at the Airport. This will allow the sponsor to retain a means of control over operations to protect both aeronautical activities and public safety. These regulations include reasonable restrictions to operations in order to maintain a level of safety required by local conditions.

- Publish an official Rates and Charges sheet to standardize the implementation of fees assessed to users of the Airport.

Appendix A:

Existing FBO Contract

MANAGEMENT CONTRACT FOR DURANT REGIONAL AIRPORT

AIRPORT MANAGEMENT CONTRACT

THIS AGREEMENT, made and executed this day of Jan 26, 2017, by the Durant Airport Authority, a public trust (the Authority), being the leasehold owner of the municipal airport (the Airport), with offices at 300 W. Evergreen, Durant, Oklahoma, 74701, Johnny Dewayne Williams d/b/a D/W Aviation, with its principal address being 10 Waldron Drive, Durant, Oklahoma, 74701, referred to hereinafter as the Fixed Base Operator (FBO),

WITNESSETH:

WHEREAS, "Owner" is public trust created by City of Durant, operating and controlling the Airport; and

WHEREAS, "FBO" is experienced in aeronautical matters and the administration of airports; and

WHEREAS, it is in the best interest of the Authority to have a qualified individual act as the FBO of Airport;

IT IS, THEREFORE, AGREED by and between the parties hereto as follows:

1. **APPOINTMENT, TERM AND SALARY OF FBO**
   a. That FBO is hereby appointed by the Authority as Airport Manager of Durant Regional Airport: within the Airport proper, in the City of Durant, Bryan County, Oklahoma, for an annual sum of $120,000.00, 12 equal monthly payments, from 1 February 2017 through June30, 2017 (prorated contract amount will be 5/12's for the first year), with an option to renew for five additional lease terms from July 1, 2017 through June 30, 2022, unless sooner terminated by action of the parties hereinafter provided. Base amount for phone line processing credit card payments AND the credit card processing fees are split equally between the parties.

2. **AUTHORITY TO FBO**
   a. That the FBO is hereby given full power and authority by the Authority to supervise and oversee any and all aeronautical activities at said Airport, including both flight and ground activities, for the purpose of enforcing the rules and regulations pertaining thereto now or hereafter adopted by the Authority, the State of Oklahoma, or the United States of America.

3. **PAYMENT**
   a. For and in consideration of its services as manager in the operation of the Airport, Authority agrees to pay the FBO as follows:

      i. A fuel flowage fee of 10% of net profits for all aviation fuel sold each calendar month less any dishonored payments. FBO will receive the same flowage fees generated by fuel sales from the self-serve card type pump. FBO understands and agrees that he shall purchase all fuels used or sold at the Airport exclusively through the Authority's Purchasing System, and Authority shall designate the FBO as its authorized representative for such purchases. Fuel inventory shall be recorded and reported to the City Manager's designee weekly for auditing purposes. Authority shall purchase and promptly pay for all fuels ordered by FBO for use or sale at the Airport.

ii. FBO shall establish a reasonable price for all fuels sold, which prices shall be competitive with prices charged by other airports in the vicinity for comparable products. Provided, however, the prices for products shall be subject to the final approval of the Authority, which shall not be unreasonably withheld. The price for all fuels sold will be included in the weekly reports.

iii. FBO shall receive one-half (1/2) of the fees collected for ramp and large, orange hangar parking less any dishonored payments. FBO's share of fees for large orange hangar shall be discontinued when large orange hanger is secured. The Authority shall agree by resolution the fees charged for any services. All service fees shall be charged to all customers uniformly. The FBO shall maintain a record of all fees collected. The fees and reports thereof shall be remitted to the City Manager's designee weekly. FBO shall not receive any of the rental fees for any hangars (except the large, orange hangar), and all proceeds from rental of said hangar shall inure to the benefit of the Authority.

iv. As further consideration of this Agreement, FBO shall have full control and use of Terminal, Building #8, Hangars #1 and #2 (Shop) to perform maintenance. The current value of these two hangars is $330/mo each for a total value of $7,920.00. FBO will provide and pay for all cost of utilities and telephone equipment and internet services used and placed in these two hangars.

v. FBO shall deposit on a regular basis, but not less often than one (1) time per calendar week, all revenues received from hangar rentals and/or the sale of fuel, into an account to be designated by the Authority.

vi. All claims shall be submitted by the 24th day of each month to be approved by the second Tuesday of the following month. Payment of the above stated management fee to the FBO shall be made no later than 30 days from submission of claim contingent upon the Airport Authority's approval. Authority shall provide an itemized statement showing all authorized deductions from FBO's submitted claims.

MANAGEMENT CONTRACT FOR DURANT REGIONAL AIRPORT

4. DUTIES OF FBO

a. FBO shall at all times during the continuance of the term of this agreement and any renewal of extension thereof, conduct, operate, and maintain for the benefit of the flying public an Airport Service Center (ASC), for the purpose of performing the functions and furnishing the services hereinafter set out. The following are the minimum standards for the operation of the ASC:

i. Make aircraft parts, lubricants, and services available to the flying public.

ii. Service all aircraft with the requested 100LL AVGAS, jet fuel or replacement specification fuel as stocked.

iii. Maintain orderly parking of aircraft in hangars and on the ramps.

iv. Monitor stock levels of AVGAS, jet fuel, lubricants and supplies used at the airport.

v. Timely furnish all reports relating to the services furnished as requested by the Authority. Report to the Authority all sales, purchases, and other items on forms provided by the Authority, at such times as are provided herein and at intervals which the owner may direct to accomplish the ultimate reason for the reporting.

vi. FBO manager will present an airport operational and status report to the Authority at their regularly scheduled meetings.

vii. All reporting documents (which shall be furnished by the Authority), as requested by the Authority, shall be submitted to Authority at minimum intervals of once weekly. Authority shall give direction of the week day on which reports are to be submitted.

viii. To collect and keep accurate accounting of all funds received from the sale of AVGAS, jet fuel, ramp and hangar parking fees, and other fees to which FBO shares with the Authority. All collected fees which the Authority is entitled to any portion must be deposited with Authority no less than once weekly or at other intervals as the Authority may direct.

ix. Monitor the Unicom system, oversee all facilities, grounds, buildings, water and contamination filters, roads, runways, taxiways, ramps, and all other areas of the general airport facility by periodic inspections as may be directed by Authority. FBO shall direct and advise the Authority of any necessary maintenance of the airport facility and shall report the periodic inspections at intervals directed by the Authority, which shall be made in writing. FBO shall perform minor maintenance or repairs on any of the facilities, or he shall direct all routine maintenance by authorized vendors. Any maintenance performed shall be reimbursed to FBO or furnished by the Authority when notified by FBO in its periodic reports to the Authority.

x. Coordinate the maintenance, dispatch, and control of a serviceable vehicle for the use of transporting airport visitors, patrons, and customers of the airport. Two (2) courtesy vans, and one (1) Ford Jet A Truck.

Dodge Grand Caravan 2005 Vin# 2D8GP44L15R223037 OK Tag# 3-64146.
Chevrolet Uplander Van 2005 Vin# 1GNDV33125D185105 OK Tag# 18727.
Ford F800 Jet A Fuel Truck Vin# 1FDXF82J1MVA36642 OK tag# 3-62781

xi. FBO to conduct limited mowing and weed control on the ramp, hangar areas, the Terminal front, sides, and Terminal rear area, around 100LL fuel pumps, and near rear entrance.

xii. Provide all services and perform all duties on a daily basis, maintaining business hours from 8:00 am to 5:00 pm Monday through Friday, 9:00 am to 5:00 pm Saturday and Sunday, excluding the holidays observed by the Authority, which holiday services will be "on call" as needed. Operating hours will be extended during daylight savings time to 7:00 pm until Terminal access doors are modified to allow patrons to access terminal "after hours". Exceptions of business hours include inclement weather or when other extenuating circumstances prohibit the operation of the airport. Terminal will be staffed during operating hours with the exceptions of lunch breaks and/or on/off-field duties/operations. FBO will be on call 24 hours a day with a response time of 30 minutes.

xiii. The FBO is required to make an inspection of the fueling facilities once every three years from the date of the last inspection in accordance with the Spill Prevention and Countermeasure Plan (SPCP) which shall be delivered to the Authority within ten (10) days thereafter. A copy of all inspection reports shall be filed with the City Clerk.

xiv. The FBO shall be responsible for a daily inspection of the fuel storage tanks, secondary containment areas and the area at the point of sale for AVGAS.

xv. FBO, acting at the direction of the airport authority, beginning February 1, 2017, will manage and collect all airport hangar rent. All payments will be directed to D/W Aviation, c/o City of Durant, 10 Waldron Drive, Durant, OK, 74701. All payments will be made payable to the City of Durant, 300 West Evergreen, Durant, OK, 74702.

xvi. The FBO shall conduct an inspection according to the SPCD inspection procedure every six (6) months. The written inspection report shall be kept as part of this plan for a period of three (3) years. A copy of all inspection reports shall be filed with the City Clerk.

xvii. The FBO shall be responsible for the appropriate training of all persons utilized in the operation of the fuel facility and refueling procedures at the airport. This training shall be done on an annual basis. A list of the attendees to the training session and a summary of the subject matter discussed shall be kept as a part of this plan for a period of three years. The FBO will receive annual instruction on the requirements for the SPCP. A record of the training received by the operator and the subject matter discussed shall be retained. A copy of all training and inspection reports shall be filed with the City Clerk.

xviii. The FBO shall provide a written report of all accidents occurring on the property owned by the Authority to the appropriate authority.

5. OBLIGATION OF THE AUTHORITY

a. The Authority shall, as a part of the consideration herein, provide, furnish, and obligate the following:

i. Furnish a terminal building, which complies with the Americans with Disabilities Act, all utilities excluding business telephone(s).

ii. All Airport mowing (excluding FBO maintained areas) will be done by the City.

iii. Authority will evaluate securing gray water handling equipment, FBO takeout meal service, an additional aircraft tug and appropriate tow bars to accommodate all aircraft.

iv. Furnish hangar spaces #1 and #2 in Building #8 totaling two thousand two hundred two square feet (2,202 sq. ft.), this space is also known as the aircraft maintenance shop.

v. Furnish a 12,000 gallon tank and related items for AVGAS, and a 12,000 gallon tank for jet fuel which meets the requirements of the Environmental Protection Agency (EPA), National Fire Protection Association (NFPA), Federal Aviation Administration (FAA), American

Petroleum Institute (API), uniform building code standards, and state and local fire codes and ordinances.

vi. Furnish all maintenance to the tanks, pump, meter, hoses, nozzles, etc. and all fire prevention items related to aircraft fueling safety and servicing.

vii. Furnish the real property, janitorial supplies for terminal building, and upkeep of the Airport (including sweeping of runways) and terminal building; maintain hangars, parking hangars, storage building, owner supplied equipment, and facilities not otherwise provided by the FBO.

viii. Provide zero-turn mower necessary for mowing and be responsible for major maintenance and repair of mower.

ix. Provide a waiting room and flight planning room together with the furniture, furnishings, and necessary equipment and maintain the same.

x. Provide fire prevention training in conjunction with the Durant Fire department. Training records shall be kept on file a minimum of three years.

xi. Keep on file current copies of the NFPA Manual 407 (Aircraft Fuel Servicing, together with API Quality Control Standards, as such documents may be amended. These standards set forth therein shall control all matters related to aircraft fueling safety and servicing.

xii. Provide a serviceable automobile for use as a courtesy vehicle for pilots and passengers utilizing the airport and to furnish all tags, license, insurance and registration. Authority will be responsible for routine maintenance supplies and for major maintenance and repair of same.

6. COOPERATION OF PARTIES AND ADDITIONAL IMPROVEMENTS TO PREMISES

a. The parties agree to cooperate and evaluate individual proposals for additions, renovations, alterations, and improvements to the airport buildings, facilities, and equipment to determine to what extent, if any, the Authority will participate. FBO, or a representative, shall attend and be included in the monthly Authority meetings for presentations or decision making activities related to the Airport.

b. All improvements which become appurtenances to the land, whether at the expense of the FBO or joint expense of the parties, shall remain the property of the Authority at the expiration of this Agreement, free and clear of any lien from the FBO or any third party provider, unless previously agreed.

MANAGEMENT CONTRACT FOR DURANT REGIONAL AIRPORT

7. PROTECTION OF PROPERTY AND COVENANTS WHICH RUN WITH THE LAND

a. FBO acknowledges that no right, grant or privilege has been given under the terms of this Agreement which would operate to violate the Authority's involvement in any project grant agreement, nor shall this Agreement affect any future grant agreements in which the Authority may undertake.

b. This Agreement is subject to the terms, covenants and restrictions contained in the granting deed(s) or other documents by which the Authority became vested with the leasehold title to the Airport and this Agreement is subordinate to the Authority's rights, obligations, covenants and restrictions contained in such documents. A copy or copies of such documents are available to FBO upon request and are made a part of this Agreement by reference.

8. TERMINATION AND ARBITRATION

a. The parties recognize and agree that the ability of the Authority to obtain tax-exempt financing for Airport improvements depends, in part, on compliance with applicable provisions of the Internal Revenue Service Code (IRS) and IRS rules and regulations, including, but not limited to, Revenue Procedure 97-13 relating to management contracts, and requirements as to termination at the option of the leasehold owner of the facilities. Accordingly, this Agreement may be terminated by the Authority, at its sole discretion, without penalty or cause. Provided, as a condition to any such termination, the Authority shall give written notice thereof to the FBO not less than sixty (60) days prior to the date of such termination.

b. Further, this Agreement may be terminated by either party for cause (breach of the terms of the Agreement) if the reason therefore is not corrected within the 30-day notice as hereinafter defined.

c. The party complaining shall give notice in writing of the complaint to the responsible party, and the responsible party shall have 30 days to correct or resolve the issue(s) contained in the complaint. The party receiving the complaint shall have 30 days to correct the alleged problem. If the complaining party continues to feel aggrieved, it may demand arbitration under the terms hereof. The decision of the arbitrators shall be binding upon the parties. The parties agree that arbitration is the sole and exclusive means of resolving differences arising under the terms of this Agreement with respect to termination for cause.

9. MODIFICATION OF AGREEMENT

a. Any modification of this Agreement or additional obligation assumed by either party in connection with this agreement shall be binding only if in writing signed by each party or an authorized representative of each party.

10. ENTIRE AGREEMENT

a. This Agreement constitutes the entire agreement between the parties, and any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding on either party except to the extent incorporated in this Agreement.

11. ATTORNEY FEES

a. In the event any legal action is filed in relation to this Agreement, the unsuccessful party in the action shall pay to the successful party, in addition to all the sums that either party may be called on to pay, a reasonable sum for the successful party's attorney fees and costs relating thereto.

12. ASSIGNMENT OF RIGHTS

a. The rights of each party under this Agreement are personal to that party and may not be assigned or transferred to any other person, firm, corporation, or other entity without the prior, express, and written consent of the other party. Provided, the parties understand and specifically agree that the right, title, and interest of the Authority in this Agreement and the revenues derived therefrom, may be assigned as security bonds, notes or other obligations the proceeds of which will be used to finance improvements to the Airport.

13. HAZARDOUS DISCHARGES OR ENVIRONMENTAL COMPLAINTS

a. If FBO receives any notice of the happening of any event involving an emission, spill, release or discharge into or upon (i) the air, (ii) soils or any improvements located thereon, (iii) surface water or groundwater, or (iv) the sewer, septic system or waste treatment storage or disposal system servicing the Airport or of any toxic or hazardous substances or wastes (intended hereby and hereafter to include any and all such material listed in any federal, state or local low, code or ordinance and all rules and regulations promulgated thereunder, as hazardous or potentially hazardous) (any of which is hereafter referred to as a Hazardous Discharge), or any complaint, order, directive, claim, citation or notice by any governmental authority or any other person or entity with respect to (v) air emissions, (vi) spills, releases or discharges to soils or any improvements located thereon, surface water, groundwater, or the sewer, septic system or waste treatment, storage, or disposal systems servicing the Airport, (vii) noise emissions, (viii) soils or liquid waste disposal, (ix) the use, generation, storage, transportation or disposal of toxic or hazardous substances or wastes or (x) other environmental, health or safety matters affecting FBO, the Airport, any improvements located thereon, or the business therein conducted (any of which is hereafter referred to as an Environmental Complaint), then FBO shall give immediate oral and written notice of same to the Authority, detailing all relevant facts and circumstances.

b. Without limitation on the foregoing, Authority shall have the option, but shall not be obligated, to exercise any of its rights as provided in Section Eight (8) of this Agreement and may enter onto the Airport to investigate or take any actions as it deems necessary or advisable to discover, clean up and remove, resolve or minimize the impact of, or otherwise deal with, any Hazardous Discharge or Environmental Complaint upon Authority's receipt of any notice from any person or entity asserting the happening of such. All costs and expenses incurred by Authority in the exercise of any such rights shall be the responsibility of the FBO if the FBO is found to be negligent. Assessment of any and all costs and expenses incurred by the Authority in the exercise of such rights shall be determined through utilization of the procedures as addressed in Section 8.

c. Authority hereby agrees to defend, indemnify and hold FBO harmless from and against any and all claims, lawsuits, liabilities, losses, damages, and expenses (including attorney fees (to the extent of the limited coverage authorized by law contained in 51 O.S. Section 154) arising by reason of any of the aforesaid or an action against the Authority under this indemnity) arising directly or indirectly from, out of or by reason of (i) any breach of this Section occurring during the term of this Agreement, (ii) any Hazardous Discharges at the Airport which occur before or during the term of this agreement other than those caused by the action or omission of FBO, or (iii) Authority's failure to provide all information, make all submissions, and take all actions required by any federal, state, or local environmental authority.

14. LUBRICANTS

a. There shall be no rebate to Authority on sales of lubricants, parts or other merchandise sold on the premises except as heretofore specifically stated.

15. INSURANCE AND INDEMNIFICATION

a. FBO shall hold the Authority harmless from any act of negligence or omission on the part of the FBO, and in the event of any claim or judgement, shall indemnify the Authority from ay loss, judgement or claim, including the expense of defense and attorney's fees. FBO shall obtain and keep in force liability coverage, naming Authority as an additional insured and furnishing Authority verification of such, prior to occupation of the premises and selling fuel. FBO shall maintain a liability insurance policy with coverage for bodily injury and property damage in an amount no less than ONE MILLION DOLLARS ($1,000,000) per occurrence and shall name the Authority as additional insured. A copy of liability verification shall be filed with the City Clerk annually.

MANAGEMENT CONTRACT FOR DURANT REGIONAL AIRPORT

16. RELATIONSHIP OF PARTIES

a. FBO enters into this Agreement as, and shall continue to be, an independent contractor. All services shall be performed only by FBO and FBO's employees. Under no circumstances shall FBO, or any of FBO's employees, be entitled to any of Authority's employee benefits, including without limitation worker's compensation, disability insurance, vacation or sick pay. FBO shall be responsible for providing, at his own expense, and in his name, unemployment, disability, workers compensation and other insurance.

IN WITNESS WHEREOF, each party to this Agreement has caused it to be executed at Durant, Bryan County, Oklahoma on the 26th day of January, 2017 .

ATTEST

Cynthia J. Price
Secretary

DURANT AIRPORT AUTHORITY

BY: ____________________
Chairman

CITY OF DURANT
OFFICIAL
SEAL
STATE OF OKLAHOMA

FIXED BASE OPERATOR

BY: ____________________
DeWayne Williams - dba D/W Aviation

Appendix B:

Existing Hangar Lease Agreement

Lease Agreement for All Hangars in Building 4
And Hangers 5-12 in Building 8

STATE OF OKLAHOMA)
) SS:
COUNTY OF BRYAN)

This Agreement, entered into this ____1ST__________ day of __April__2015, by and between the Durant Municipal Airport Trust Authority (hereinafter called "Lessor") and ______Johnson Heat & Air____________________ (hereinafter called "Lessee").

The Durant Municipal Airport Trust Authority, being the owner of certain hangars at Eaker Field Airport, hereby agrees to lease Hangar # 12_, Building # _8__, to Lessee on a month-to-month basis for the sum of $_265____per month, due and payable on the first of each month.

1. Lessee hereby agrees to make payment as above described during the term of the lease.

2. Lessee hereby agrees that the City of Durant, the Durant Municipal Airport Trust Authority, and Durant City Officials shall incur no liability for loss or damage to aircraft or other equipment housed in said hangar other than for gross negligence.

3. Lessee hereby agrees to ensure that all lights and utilities used in said hanger shall be turned off when not in use.

4. Lessee hereby agrees to keep the leased space in good state of cleanliness. Nothing shall be stored outside the hangar without written permission of Lessor.

5. Lessee hereby agrees to keep the hangar doors closed, both latched and pinned when not in use. Lessee agrees to accept responsibility for damage to doors not closed, latched and pinned.

6. Lessee hereby agrees to keep the area in front of hangar door free of vehicles.

7. Lessee hereby understands and agrees that said hangar shall not be used for crop dusting.

8. Lessee hereby agrees to quit and deliver up said premises in good condition, as they are now, ordinary wear and tear excepted.

9. Lessor reserves the right to increase the monthly lease rental amount upon giving a minimum thirty (30) days notice to Lessee.

10. No sub-leasing allowed. The City of Durant may cancel this lease agreement upon thirty (30) days written notice to Lessee.

11. Lessee may cancel lease upon thirty (30) days written notice to the city Clerk, City of Durant.

12. The aircraft hangars are to be used solely for the storage of aircraft. Any other use must be authorized in advance by the Durant Airport Trust Authority.

13. All interior improvements and/or additions of each of the hangars must comply with the City of Durant's Fire Codes, Building Codes, Electrical Codes and Plumbing Codes.

14. No activity will be permitted unless in compliance with the Durant City Codes and Federal Aviation Administration regulations.

15. The Durant Airport Trust Authority and the City of Durant will not be responsible for utility bills other than those approved and authorized by the City of Durant.

Dated this ____ day of ___________________, 2015.

Durant Municipal Airport Trust Authority

By: ____________________________

Chairman

ATTEST:

____

Secretary

________________________________ ________________________________

Lessee Lessee

Mail all payment to:

City of Durant
City Clerk's Office
PO Box 578
Durant OK 74702

Appendix C:

Model Lease Agreement

COMMERCIAL LEASE AGREEMENT

This Agreement of Lease made and entered into this ___day of ____________ by and between the City of   , Oklahoma, hereinafter referred to as "Lessor," and. ____, hereinafter referred to as "Lessee."

W I T N E S S E T H   T H A T:

WHEREAS, the City is the owner of the premises known as Airport (the "Airport"); and

WHEREAS, the City and Lessee are mutually desirous of entering into a Lease for the use and occupancy of certain areas at the Airport;

NOW, THEREFORE, in consideration of the premises and of the rents, covenants and conditions herein contained, the City does hereby grant to the Lessee the right to use and occupy the area of the Airport described in Article 2 hereof, during the term hereof, (hereinafter referred to as the "Leased Premises"), for the term and pursuant to the conditions hereinafter set forth.

ARTICLE 1 - TERM

1.1 The term of this lease shall be for a xxxxxxx (XX) year period commencing on _____________. Lease may be extended for 1 (one) successive period of 5 (five) years commencing upon the expiration of the original term hereof at the option of the Lessee. Lessee must notify Lessor within 90 (ninety) days of expiration of the original lease term of their intent to extend.

ARTICLE 2 - LEASE PREMISES

2.1 The Leased Premises shown on Exhibit A, attached hereto and made a part hereof consist of:

2.1.1 Improved/unimproved land area consisting of approximately ************ square feet.

2.1.2 Any real property improvement constructed or installed thereon during the term hereof.

ARTICLE 3 - USE OF LEASED PREMISES

3.1 The Lessee shall occupy and use the Leased Premises for the following purposes and for no other purpose whatsoever:

3.1.1 It is further agreed by and between the parties that Lessee shall not use or permit the premises or any part thereof to be used for any primary purpose or purposes other than aviation purposes and/or storage of an aircraft (said aircraft must be airworthy). In the event the hangar is empty, it may not be used for non-aviation purposes or storage without the written permission of the City. Should the City permit short-term non-aviation usage the rate shall be at a higher fair-market value rate and not the aviation value rate as agreed upon in this agreement. Upon signing the lease agreement, Lessee has a period of six months from date of signing to obtain an aircraft. Any extension must be pre-approved by the Lessor. Should a Lessee lack ownership of an aircraft, whether voluntary or involuntary, at any point during the lease the Lessee shall have a period of three months to obtain ownership of an aircraft for storage in the leased premises. The demised premises are hereby leased, and no use shall be made or permitted to be made to the demised premises, nor acts done which will cause a cancellation of any insurance policy covering the buildings located thereon or any part thereof, nor about the demised premises, nor articles which may be prohibited by standard form of fire insurance policies. Lessee shall, at their own expense, comply with all requirements pertaining to the demised premises of any insurance organization or company necessary for the maintenance of insurance that is herein provided covering any building or appurtenances at any time located on the demised premises. The hangar may not be used as a living quarters. Any violation of this agreement will be cause for termination of Site Lease.

3.1.2 It is further agreed and understood by the parties that the Lessee shall have a period not to exceed **twelve (12) months from the effective date of the lease to complete the construction of said building**. In the event said building is not completed within said twelve (12) month period, then, and in that event, Lessee agrees to pay the Authority a Fifty Dollar ($50.00) per day penalty until said building is completed. In this respect, Lessee may request a thirty (30) day extension to complete said construction and if granted in writing, said penalty is waived during said extension period.

ARTICLE 4 - RENTAL

4.1 Lessee agrees to pay to the City as rental for use of the premises and the privileges herein granted the sum of $x.xx per square foot for a total of $xxxx.xx_ per year (rate x square footage = total).

4.2 Lessee shall pay one-twelfth (1/12) of the annual rent in advance on or before the first day of each month during the term or any renewal of this lease. Provided, however, that if any monthly rental payment is not paid on or before the tenth day following the first day of each month, such payment shall bear interest at 10% per annum.

4.3 The monthly rent shall be payable at the office of the Airport Manager or such other locations as may from time to time be directed in writing by the City.

4.4 It is further understood and agreed that there shall be a mandatory site lease rate cost review every third year, for the duration of the lease, for possible rate adjustment, up or down, based on inflation and consumer price index factors and airport improvements.

ARTICLE 5 - ACCEPTANCE, CARE MAINTENANCE, IMPROVEMENTS AND REPAIR

5.1 Lessee warrants that it has inspected the Leased Premises and accepts possession of the Leased Premises and the improvements thereon "as is" in its present condition, and subject to all limitations imposed upon the use thereof by the rules and regulations of the State of Oklahoma, Oklahoma Aeronautics Commission, by ordinances of the City, and other minimum standards or regulations adopted for the airport and admits its suitableness and sufficiency for the uses permitted hereunder. Except as may otherwise be provided for herein, the City shall not be required to maintain nor to make any improvements, repairs or restorations upon or to the Leased Premises or to any of the improvements presently located thereon. City shall never have any obligation to repair, maintain or restore, during the term of this lease, any improvements placed upon the Leased Premises by Lessee, its successors and assigns.

5.2 Lessee shall throughout the term of this Agreement assume the entire responsibility, cost and expense, for all repair and maintenance whatsoever on the Leased Premises and all improvements thereon in a good workmanlike manner, whether such repair or maintenance be ordinary or extraordinary, structural or otherwise. The Lessor, may, at their discretion, require a structural or other engineering analysis to ensure the Lessee is adequately maintaining the improvements on said leased property. Additionally, Lessee, without limiting the generality hereof, shall:

5.2.1 Keep at all times, in a clean and orderly condition and appearance, the Leased Premises, all improvements thereon and all of the Lessee's fixtures, equipment and personal property which are located on any part of the Leased Premises.

5.2.2 Provide and maintain on the Leased Premises all obstruction lights and similar devices, and safety equipment required by law.

5.2.3 Repair any damage caused by Lessee to paving or other surface of the Leased Premises caused by any oil, gasoline, grease, lubricants or other flammable liquids and substances having a corrosive or detrimental effect thereon.

5.2.4 Take measures to prevent erosion, including but not limited to, the planting and replanting of grasses with respect to all portions of the Leased Premises not paved or built upon, and in particular shall plant, maintain and replant any landscaped areas.

5.2.5 Be responsible for the maintenance and repair of all utility service lines placed on the Leased Premises and used by Lessee exclusively, including, but not limited to, water lines, gas lines, electrical power and telephone conduits and lines, sanitary sewers and storm sewers.

5.3 In the event Lessee fails: (a) to commence to maintain, clean, repair, replace, rebuild or repaint within a period of thirty (30) days after written notice from the City to do any maintenance or repair work required to be done under the provisions of this Agreement, other than preventive maintenance, (b) or within a period of ninety (90) days if the said notice specifies that the work to be accomplished by the Lessee involves preventative maintenance only; (c) or to diligently continue to completion any repairs, replacement, rebuilding, painting or repainting as required under the Agreement; then, the City may, at its option, and in addition to any other remedies which may be available to it, enter the premises involved, without such entering causing or constituting a cancellation of this Agreement or any interference with the possession of the Leased Premises, and repair, replace, rebuild or paint all or any part of the Leased Premises or the improvements thereon, and do all things reasonably necessary to accomplish the work required, and the cost and expense thereof shall be payable to the City by Lessee on demand. Provided, however, if in the opinion of the City, the Lessee's failure to perform any such maintenance endangers the safety of the public, the employees or property of the City or other tenants at the Airport, and the City so states same in its notice to Lessee, the City may, at its sole option, in addition to all other remedies which may be available to it, elect to perform such maintenance at any time after the giving of such notice, and Lessee agrees to pay to the City the cost and expense of such performance on demand. Furthermore, should the City, its officers, employees or agents undertake any work hereunder, Lessee hereby waives any claim for damages, consequential or otherwise, as a result there from except for claims for damages arising from the City's sole negligence. The foregoing shall in no way affect or alter the primary obligations of the Lessee as set forth in this Agreement, and shall not impose or be construed to impose upon the City any obligations to maintain the Leased Premises, unless specifically stated otherwise herein.

5.4 Plans and specifications for all major repairs, constructions, alterations, modifications, additions or replacements (hereinafter referred to as "improvements"), including, without limitation the new facility to be constructed by the Lessee pursuant to Section 5.5 below, undertaken by the Lessee shall be submitted to and receive the written approval of the City, and no such work shall be commenced until such written approvals are obtained from the City, which approval shall not be unreasonably withheld or delayed. City shall advise Lessee within thirty (30) days after receipt of the written request, together with copies of the plans and specifications for the proposed improvements in sufficient detail to make a proper review thereof, or its approval or disapproval of the proposed work, and in the event it disapproves, stating its reasons therefore.

5.5 If Lessee makes any improvements without City approval, then, upon notice to do so, Lessee shall remove the same or at the option of City, cause the same to be changes to the satisfaction of City. If Lessee fails to comply with such notice within thirty (30) days or to commence to comply and pursue diligently to completion, City may effect the removal or change and Lessee shall pay the cost thereof to the City. Lessee expressly agrees in the making of all improvements that, except with the written consent of City, it will neither give nor grant, nor purport to give or grant any lien upon the Leased Premises or upon any improvements thereupon or which is in the process of construction or repair, nor allow any condition to exist or situation to develop whereby any party would be entitled, as a mater of law, to a lien against said Leased Premises and improvements thereon, and Lessee will discharge any such lien within thirty (30) days after notice of filing thereof. Notice is hereby given by City to all persons that no lien attaches to any such improvements.

5.6 Upon the completion of construction or installation, the complete and unencumbered title to all improvements located on the Leased Premises shall immediately vest in City free and clear of all claims on the part of the Lessee on account of any repair or improvement work done or to be done under the terms hereof by Lessee. This vesting of title in the City at the time specified is a part of the consideration for this lease. The City shall not be liable to Lessee or Lessee's contractors or sub lessees for the value of any improvements constructed or located on the Leased Premises.

ARTICLE 6 - ADDITIONAL OBLIGATIONS OF LESSEE

6.1 Lessee shall conduct its operations hereunder in an orderly and proper manner.

6.2 Further, Lessee shall take all reasonable measures:

6.2.1 Not to produce on the Airport any disturbance that interferes with the operation by the City, the Federal Aviation Administration, or the Oklahoma Aeronautics Commission of air navigational, communication or flight equipment on the Airport.

6.2.3 Lessee shall control the conduct and demeanor of its officers, agents, employees, invitees and, upon objection from City concerning the conduct, demeanor of any such person, Lessee shall immediately take all lawful steps necessary to remove the cause of the objection.

6.2.4 Lessee shall comply with all health and safety laws and requirements and any other federal, state or municipal laws, ordinances, rules, regulations and requirements, applicable to the Leased Premises and the improvements thereon and its operations at the Airport hereunder.

6.2.5 Lessee shall comply with all written instructions of the City in disposing of its trash and refuse at Lessee's expense, and shall use a system of refuse disposal approved by the City. The manner of handling and disposing of trash, garbage and other refuse and the frequency of removal thereof from the Airport premises shall at all times be subject to the rules, regulations and approval of City.

6.2.6 Lessee shall not commit, nor permit to be done, anything which may result in the commission of a nuisance, waste or injury on the Leased Premises.

6.2.7 Lessee shall not do, nor permit to be done, anything which may interfere with the effectiveness or accessibility of the drainage system, sewerage system, fire protection system, sprinkler system, alarm system and fire hydrants and hoses, if any, installed or located on the Leased Premises.

6.2.8 Lessee shall take measures to insure security in compliance with Federal Air Regulations and the Airport Security Plan.

6.2.9 Lessee shall not do, nor permit to be done, any act or thing upon the Leased Premises which may constitute a hazardous condition so as to increase the risks attendant upon the operations permitted by the Agreement.

6.2.10 Lessee shall use only a working supply of flammable liquids within any covered or enclosed portion of the Leased Premises. Any other supplies of such liquids shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories. The term "working supply" as used in this Section 6.10 shall mean the amount consumed by Lessee during any normal work day.

6.2.11 Except for services permitted under Article 3 hereof to be performed by Lessee or Lessee's subcontractors, Lessee shall provide prompt written notice to the City of any person, firm or corporation performing aircraft maintenance work, flight instruction of any sort, air taxi, aircraft charter or aircraft leasing of any sort on the Leased Premises for commercial purposes without a valid permit from the City.

ARTICLE 7 - INGRESS AND EGRESS

7.1 The Lessee shall have the right of ingress and egress to and from the Leased Premises by means of roadways, to be used in common with others having rights of passage thereon, except when the Airport is closed to the public.

7.2 The use of any such roadway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated. City may, at any time, temporarily or permanently, close or consent to or request the closing of, any such roadway and any other way at, in or near the Leased Premises presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided above remains available to the Lessee. The Lessee hereby releases and discharges the City, its officers, employees and agents; and all municipalities and other governmental authorities and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the Lessee may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, provided that a reasonable means of access to the Leased Premises remains available to the Lessee whether within the Leased Premises or outside the Leased Premises at the Airport unless otherwise mandated by safety considerations or lawful exercise of the police power. The Lessee shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Leased Premises or in any streets or roadways near the Leased Premises.

ARTICLE 8 - LIABILITIES AND INDEMNITIES

8.1 City shall not in any way be liable for any cost, liability, damage or injury, including cost of suit and reasonable expenses of legal services, claimed or recovered by any person whomsoever, or occurring on the Leased Premises, or the Airport, or as a result of any operations works, acts or omissions performed on the Leased Premises, or the Airport, by Lessee, its sub lessees or tenants, or their guest or invitees.

8.2 Lessee agrees to indemnify, save and hold harmless, the City, (its officers, agents, servants and employees) of and from any and all costs, liability, damage and expense (including costs of suit and reasonable expenses of legal services) claimed or recovered, justly or unjustly, false, fraudulent or frivolous, by any person, firm or corporation by reason of injury to, or death of, any person or persons, and damage to, destruction or loss of use of any and all property, including City personnel and City property, directly or indirectly arising from, or resulting from, any operations, works, acts or omissions of Lessee, its agents, servants, employees, contractors, sub lessees or tenants. Provided, however, that upon the filing with the City by anyone of a claim for damages arising out of incidents for which Lessee herein agrees to indemnify and hold the City harmless, the City shall notify Lessee of such claim and in the event that Lessee does not settle or compromise such claim, then Lessee shall undertake the legal defense of such claim both on behalf of Lessee and behalf of the City. It is specifically agreed, however, that the City at its own cost and expense, may participate in the legal defense of any such claim. Any final judgment rendered against the City for any cause for which Lessee is liable hereunder shall be conclusive against Lessee as to liability and amount upon the expiration of the time for appeal.

8.3 In addition to Lessee's undertaking, as stated in this Article, and as a means of further protecting the City, its officers, agents, servants and employees, Lessee shall at all times during the term of this Agreement obtain and maintain in effect Public Liability Insurance coverage as set forth in Schedule A attached hereto and made a part hereof. In this connection, Lessee agrees to require its contractors doing work on the Airport, and Lessee's tenants and sub lessees, to carry adequate insurance coverage, and if Lessee so desires, it may accomplish same by an endorsement to Lessee's policies to include such persons or parties as additional named insured.

8.3.1 The City reserves the right to increase the minimum liability insurance set forth in Schedule A when in the City's opinion the risks attendant to Lessee's operations hereunder have increased.

8.4 The Lessee represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under or in anywise connected with this Agreement. The Lessee agrees to save and hold the City, its officers, employees, agents and representatives free and harmless of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Lessee under or in anywise connected with this Agreement.

8.5 The Lessee represents and warrants that no broker has been concerned on its behalf in the negotiation of this Agreement and that there is no such broker who is or may be entitled to be paid a commission in connection therewith. The Lessee shall indemnify and save harmless the City of and from any claim for commission or brokerage made by any such broker when such claim is based in whole or in part upon any act or omission of the Lessee.

ARTICLE 9 - RULES AND REGULATIONS

9.1 From time to time City may adopt and enforce rules and regulations with respect to the occupancy and use of the Airport. Lessee agrees to observe and obey any and all rules and regulations, minimum standards, and all other Federal, State and municipal rules, regulations and laws and to require its officers, agents, employees, contractors, and suppliers, to observe and obey the same. City reserves the right to deny access to the Airport and its facilities to any person, firm or corporation that fails or refuses to obey and comply with such rules, regulations or laws. Lessee hereby acknowledges receipt of a current copy of such City rules and regulations.

ARTICLE 10 - SIGNS

10.1 Lessee shall have the right to install and maintain one or more signs on the Leased Premises identifying it and its operations, provided, however, the subject matter, type, design, number, location and elevation of such signs, and whether lighted or unlighted, shall be subject to and in accordance with the written approval of the City. No sign will be approved that may be confusing to aircraft pilots or automobile drivers or their traffic or which fails to conform to the architectural scheme of the Airport or meet the requirements of the City.

ARTICLE 11 - ASSIGNMENT AND SUBLEASE

11.1 Lessee covenants and agrees that it will not sell, convey, transfer, mortgage, pledge or assign this Agreement or any part thereof, or any rights created thereby, without the prior written consent of the City.

11.2 Any assignment or transfer of this Agreement, or any rights of Lessee hereunder, without the consent of the City, shall entitle the City at its option to forthwith cancel this Agreement.

11.3 Any assignment of this Agreement approved and ratified by the City shall be on the condition that the assignee accepts and agrees to all of the terms, conditions and provisions of this Agreement, and agrees to accept and discharge all of the covenants and obligations of Lessee hereunder, including but not limited to the payment of all sums due and to become due by Lessee under the terms hereof.

11.4 Subject to all of the terms and provisions hereof, Lessee may, with the prior written consent of the City, sublet a portion or portions of the Leased Premises to a person, partnership, firm or corporation engaged in a business that is in the opinion of the City compatible with Lessee's authorized Airport business, but in no event shall the Lessee sublet all or any portion of the Leased Premises to a fixed base operator.

11.5 No consent by the City to subleasing by Lessee of portions of the Leased Premises shall in any way relieve Lessee of any of its obligations to the City set forth or arising from this lease and a termination of Lessee's rights hereunder shall ipso facto terminate all subleases.

11.6 No consent to subleasing by the Lessee to a person, corporation or partnership conducting any business for profit derived from activities at the Airport shall be granted by the City without a duly executed permit agreement between the City and the sub lessee.

11.7 If the Lessee assigns, sells, conveys, transfers, mortgages, or pledges this agreement or sublets any portion of the Leased Premises in violation of the foregoing provisions of this Article, or if the Leased Premises are occupied by anyone other than the Lessee, City may collect from any assignee, sub lessee or anyone who claims a right to this Agreement or who occupies the Leased Premises any charges or fees payable by it and may apply the net amount collected to the rents herein reserved; and no such collection shall be deemed a waiver by City of the agreements contained in this Article nor of acceptance by City of any assignee, claimant or occupant, nor as a release of the Lessee by City from the further performance by the Lessee of the agreements contained herein.

ARTICLE 12 - NON-DISCRIMINATION

12.1 The Lessee, for it, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the Leased Premises for a purpose for which a United States Government program or activity is extended, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil rights Act of 1964, and as said Regulations may be amended.

12.2 The Lessee, for itself, its personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Leased Premises; (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Lessee shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

12.3 In this connection, the City reserves the right to take whatever action it might be entitled by law to take in order to enforce this provision. This provision is to be considered as a covenant on the part of the Lessee, a breach of which, continuing after notice by City to cease and desist, will constitute a material breach of this Agreement and will entitle the City, at its option, to exercise its right of termination as provided for herein, or take any action that it deems necessary to enforce compliance herewith.

12.4 The Lessee shall include the foregoing provisions in every agreement or concession pursuant to which any person or persons, other than the Lessee, operates any facility at the Leased Premises providing service to the public and shall include thereon a provision granting the City a right to take such action as the United States may direct to enforce such covenant.

12.5 The Lessee shall indemnify and hold harmless City from any claims and demands of third persons including the United States of America resulting from the Lessee's noncompliance with any of the provisions of this Section and the Lessee shall reimburse City for any loss or expense incurred by reason of such noncompliance.

ARTICLE 13 - GOVERNMENTAL REQUIREMENTS

13.1 The Lessee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Lessee's operations at the Leased Premises which may be necessary for the Lessee's operations thereat.

13.2 The Lessee shall pay all taxes, licenses, certification, permit and examination fees and excise taxes which may be assessed, levied, exacted or imposed on the Leased Premises or operation hereunder or on the gross receipts or income to Lessee there from, and shall make all applications, reports and returns required in connection therewith.

13.3 Lessee shall have the right, at its cost and expense, to undertake appropriate action to exempt all or any part of the Leased Premises from real estate taxes imposed upon the Leased Premises, or to secure a reduction in real estate taxes as assessed. Any such real estate taxes shall be apportioned as of the dates of commencement and termination of the lease. If any real estate taxes as may be assessed against the Leased Premises are reduced or eliminated, Lessee shall be entitled to full benefit thereof, including any refund payable to Lessee resulting there from.

ARTICLE 14 - RIGHTS OF ENTRY RESERVED

14.1 The City, by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times to enter upon the Leased Premises for any and all purposes, provided, such action by the City, its officers, employees, agents, representatives and contractors does not unreasonably interfere with the Lessee's use, occupancy, or security requirements of the Leased Premises.

14.2 Without limiting the generality of the foregoing, the City, by its officers, employees, agents, representatives, contractors and furnishers of utilities and other services, shall have the right, at its own cost and expense, whether for its own benefit, or for the benefit of others than the Lessee at the Airport, to maintain existing and future utility, mechanical, electrical and other systems and to enter upon the Leased Premises at all reasonable times to make such repairs, replacements or alterations thereto, as may, in the opinion of the City, be deemed necessary or advisable, and from time to time to construct or install over, in or under the Leased Premises such systems or parts thereof and in connection with such maintenance use the Leased Premises for access to other parts of the Airport otherwise not conveniently accessible, provided, however, that in the exercise of such right of access, repair alteration or new construction, the City, shall not unreasonably interfere with the actual use and occupancy of the Leased Premises by the Lessee. It is specifically understood and agreed that the reservation of the aforesaid right by the City shall not impose or be construed to impose upon the City any obligation to repair, replace or alter any utility service lines now or hereafter located on the Leased Premises for the purpose of providing utility services only to the

Leased Premises.

14.3 In the event that any personal property of Lessee shall obstruct the access of the City, its officers, employees, agents or contractors, or the utility company furnishing utility service to any of the existing utility, mechanical, electrical and other systems, and thus shall interfere with the inspection, maintenance or repair of any such system, Lessee shall move such property, as directed by the City or said utility company, in order that access may be had to the system or part thereof for inspection, maintenance or repair. If Lessee shall fail to so move such property after direction from City or said utility company to do so, the City or the utility company may move it, and the Lessee hereby agrees to pay the cost of such moving upon demand, and further Lessee hereby waives any claim for damages as a result there from, except for claims for damages arising from the City's sole negligence.

14.4 At any reasonable time, and from time to time during the ordinary business hours, the City, by its officers, agents and employees, whether or not accompanied by a prospective lessee, occupier or user of the Leased Premises, shall have the right to enter thereon for the purpose of exhibiting and viewing all parts of the same, subject to Lessee's reasonable security requirements.

14.5 Exercise of any or all of the foregoing rights, by the City, or others under right of the City, shall not be, nor be construed to be, an eviction of Lessee, nor be made the grounds for any abatement of rental nor any claim or demand for damages, consequential or otherwise.

ARTICLE 15 - ADDITIONAL RENTS AND CHARGES

15.1 Except as provided in Section 5.3 (b), in the event Lessee fails within thirty (30) days after receipt of written notice from City to perform or commence to perform any obligation required herein to be performed by Lessee, City may enter the Leased Premises (without such entering causing or constituting a cancellation of this Agreement or an interference with the possession of such Leased Premises by Lessee) and do all things reasonably necessary to perform such obligation, charging to Lessee the cost and expense thereof, and Lessee agrees to pay to the City upon demand such charge in addition to other amounts payable by Lessee hereunder. Provided, however, that if Lessee's failure to perform any such obligation endangers the safety of the public or employees or property of the City or other tenants of the Airport, and City so states in its notice to Lessee, the City may perform such obligation of Lessee at any time after the giving of such notice, and charge to the Lessee the reasonable cost and expense thereof which Lessee shall pay upon demand.

15.2 If the City elects to pay any sum or sums or incur any obligation or expense by reason of the failure, neglect or refusal of Lessee to perform or fulfill any one or more of the conditions, covenants or agreements contained in this Agreement, or as the result of any act or omission of Lessee contrary to said conditions, covenants or agreements, Lessee hereby agrees to pay the sum or sums so paid or expense so incurred by the City as a result of such failure neglect or refusal of Lessee, including interest, not to exceed ten percent (10%) per annum, together with all costs, damages and penalties. In such event, the total of such amounts may be added to any installment of rent thereafter due hereunder, and each and every part of the same shall be and become additional rent recoverable by the City in the same manner and with like remedies as if it were originally a part of the rent provided for in this Agreement.

ARTICLE 16 - DEFAULT

16.1 In the event Lessee breaches any term or provision of this Lease, including the obligation to pay rent as and when due, the City shall have the right to terminate this lease upon giving Lessee ten (10) days notice to cure such default (except as otherwise provided in Section 5.3 above). If Lessee shall not have cured its default within said ten (10) day period to the satisfaction of the City, then the City may declare this Lease and Lessee's right of occupancy to be terminated, and Lessee shall at once quit the Premises, taking only such personality or fixtures as the City may authorize to be removed. The foregoing rights and remedies given to City are and shall be deemed to be cumulative and shall be deemed to be given to City in addition to any other and further rights granted to City herein or by law. The failure by the City at any time to exercise any right or remedy hereby given to it shall not be deemed to operate as a waiver by it of its right to exercise such rights or remedies at any other or future time.

ARTICLE 17 - TERMINATION BY LESSEE

17.1 In addition to any other right of cancellation herein given to Lessee, or any other rights to which it may be entitled by law, equity or otherwise, as long as Lessee is not in default in payment to City of any amounts due City under this Agreement, Lessee may cancel this Agreement and thereby terminate all of its rights and unaccrued obligations hereunder, by giving City thirty (30) days' advance written notice upon or after the happening of the following events:

17.1.1 issuance by a court of competent jurisdiction of an injunction which in any way substantially prevents or restrains the use of the Leased Premises, or any part thereof necessary to Lessee's business operations on the Airport, and which injunction remains in force for a period of at least thirty (30) days after the party against whom the injunction has been issued has exhausted or abandoned all appeals or one hundred twenty (120) days whichever is shorter, if such injunction is not necessitated by or issued as a result of an act or omission of Lessee; or

17.1.2 The assumption by the United States Government, or any authorized agency thereof, of the operation, control or use of the Airport and its facilities, or any substantial part thereof, in such a manner as substantially to restrict Lessee from operating its authorized Airport business for a continuous period of at least ninety (90) days.

ARTICLE 18 - SURRENDER AND RIGHT OF RE-ENTRY

18.1 Upon the cancellation, termination, or expiration of this Agreement pursuant to any terms hereof, Lessee agrees peaceably to surrender up the Leased Premises to the City in the same condition as they are at the time of the commencement of the term hereof, and as they may hereafter be repaired and improved by Lessee; save and except, (a) such normal wear and tear thereof as could not have been prevented by ordinary and usual repairs and maintenance, (b) obsolescence in spite of repair, and (c) damage to or destruction of the leasehold improvements for which insurance proceeds are received by the City. Upon such cancellation, termination, or expiration the City will re-enter and repossess the Leased Premises together with all improvements and additions thereto, or pursue any remedy permitted by law for the enforcement of any of the provisions of this Agreement. Furthermore, upon such cancellation, termination, or expiration, and for a reasonable time thereafter (not exceeding thirty (30) days after such cancellation, termination, or expiration, and for which period Lessee will pay to the City current lease rentals), or during the term of this Agreement, if Lessee is not in default in rentals or any other charges or obligations due the City, Lessee shall have the right to remove its personal property, fixtures and trade equipment which it may have on the Leased Premises, provided the removal thereof does not impair, limit or destroy the utility of said Leased Premises or building for the purpose for which they were constructed or improved, and provided, further, that Lessee repairs all damages that might be occasioned by such removal, and restores the building and site to the condition above required. Upon the reversion of the Leased Premises to the City the Lessee shall have first right of refusal to enter into an agreement to rent the Premises from the City at an agreed upon rate. The rental rate shall be determined by similarly valued City owned facilities and not the ground lease rate.

ARTICLE 19 - SERVICES TO LESSEE

19.1 City covenants and agrees that during the term of this Agreement it will operate the Airport as such for the use and benefit of the public provided, however, that the City may prohibit or limit any given type, kind, or class of aeronautical use of the Airport if such action is necessary for the safe operation of the Airport or necessary to serve the civil aviation needs of the public. The City further agrees to use its best efforts to maintain the runways and taxiways in good repair. City agrees to keep in good repair hard-surfaced public roads for access to the Leased Premises. City also agrees to maintain its water and sanitary sewer facilities in areas designated for utilities or easements adjacent to the Leased Premises for access thereto by Lessee in accordance with City Ordinances governing same.

19.2 Lessee will contract with and obtain all required permits from the appropriate City Departments for any utility services provided by City, paying any required connection fees, including those to be paid by owners, and all such services will be provided at rates and on terms and conditions established by the City for similar users in the City.

19.3 Lessee will also contract with the furnishers of all other utilities for the furnishing of such services to the Leased Premises and shall pay for all water, gas, electricity, sanitary sewer service, telephone, and burglary and fire protection services furnished to the Leased Premises.

ARTICLE 20 - SURVIVAL OF THE OBLIGATIONS OF THE LESSEE

20.1 In the event that the Agreement shall have been terminated in accordance with a notice of termination as provided in Article 16 hereof, all the obligations of the Lessee under this Agreement shall survive such termination, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to City to the same extent, at the same time or times, and in the same manner as if no termination, re-entry, regaining or resumption of possession had taken place. City may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency less the proper discount, for the entire unexpired term of the Agreement.

20.2 The amount of damages for the period of time subsequent to termination (or re-entry, regaining or resumption of possession) on account of the Lessee's rental obligations shall be the sum of the following:

20.2.1 the amount of the total of all installments thereof payable prior to the effective date of termination except that the credit to be allowed for the installment payable on the first (1st) day of the month in which the termination is effective shall be prorated for the part of the month the Agreement remains in effect on the basis of the total days in the month;

20.2.2 An amount equal to all expenses incurred by City in connection with regaining possession, restoring the Leased Premises, acquiring a new lease for the Leased Premises, legal expenses (including but not limited to attorney's fees), putting the Leased Premises in order, maintenance and brokerage fees.

ARTICLE 21 - USE SUBSEQUENT TO CANCELLATION OR TERMINATION

21.1 The City, upon termination or cancellation pursuant to Article 16 hereof, may occupy the Leased Premises or may enter into an agreement with another lessee and shall have the right to permit any person, firm or corporation to enter upon the Leased Premises and use the same. Such use may be of part only of the Leased Premises or of the entire Leased Premises, together with other premises, and for a period of time the same as or different from the balance of the term hereunder remaining, and on terms and conditions the same as or different from those set forth in this Agreement.

21.2 City shall also, upon said termination or cancellation, or upon re-entry, regaining or resumption of possession, have the right to repair and to make structural or other changes in the Leased Premises, including changes which alter its character and the suitability thereof for the purposes of the Lessee under this Agreement, without affecting, altering or diminishing the obligations of the Lessee hereunder, provided, that any structural changes shall not be at Lessee's expense.

21.3 In the event either of use by others or of any actual use and occupancy by City, there shall be credited to the account of the Lessee against its survived obligations hereunder any net amount remaining after deducting from the amount actually received from any lessee, licensee, permittee or other occupier in connection with the use of the said Leased Premises or portion thereof during the balance of the term of use and occupancy as the same if originally stated in this Agreement, or from the market value of the occupancy of such portion of the Leased Premises as City may itself during such period actually use and occupy, all expenses, costs and disbursements incurred or paid by City in connection therewith. No such use and occupancy shall be or be construed to be an acceptance of a surrender of the Leased Premises, nor shall such use and occupancy constitute a waiver of any rights of City hereunder. City will use its best efforts to minimize damages to Lessee under this Article.

ARTICLE 22 - LIMITATION OF RIGHTS AND PRIVILEGES GRANTED

22.1 Except the exclusive right of Lessee to possession of the Leased Premises, no exclusive rights at the Airport are granted by this Agreement and no greater rights or privileges with respect to the use of the Leased Premises or any part thereof are granted or intended to be granted to the Lessee by this Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

ARTICLE 23 - NOTICES

23.1 All notices, consents and approvals required or desired to be given by the parties hereto shall be sent in writing, and shall be deemed sufficiently given when same is deposited in the United States Mail, sufficient postage prepaid, registered or certified mail, return receipt requested, addressed to the recipient at the address set forth below:

To City:	Airport Manager P.O. Box 1448 Xxxxxxxxxxxxx, Oklahoma 7XXXX

AND

To Lessee:	*************************** *************************** ***************************

23.2 Such addresses shall be subject to change from time to time to such other addresses as may have been specified in written notice given by the intended recipient to sender.

ARTICLE 24 - HOLDING OVER

24.1 No holding over by Lessee after the termination of this lease shall operate to extend or renew this lease for any further term whatsoever; but Lessee will by such holding over become the tenant at will of City and after written notice by City to vacate such premises, continued occupancy thereof by Lessee shall constitute Lessee a trespasser.

24.2 Any holding over by Lessee beyond the thirty (30) day period permitted for removal of fixtures without the written consent of the City shall make the Lessee liable to the City for damages equal to double the rentals provided for herein and which were in effect at the termination of the lease.

24.3 All insurance coverage that Lessee is required under the provisions hereof to maintain in effect shall continue in effect for so long as Lessee, or any of Lessee's sub lessees or tenants occupy the Leased Premises or any part thereof.

ARTICLE 25 - INVALID PROVISIONS

25.1 The invalidity of any provisions, articles, paragraphs, portions, or clauses of this Agreement shall have no effect upon the validity of any other part or portion hereof, so long as the remainder shall constitute an enforceable Agreement.

ARTICLE 26 - MISCELLANEOUS PROVISIONS

Remedies to be Nonexclusive.

26.1 All remedies provided in this Agreement shall be deemed cumulative and additional and not in lieu of, or exclusive of, each other, or of any other remedy available to the City, or Lessee, at law or in equity, and the exercise of any remedy, or the existence herein of other remedies or indemnities shall not prevent the exercise of any other remedy.

Non-Waiver of Rights.

26.2 The failure by either party to exercise any right, or rights accruing to it by virtue of the breach of any covenant, condition or agreement herein by the other party shall not operate as a waiver of the exercise of such right or rights in the event of any subsequent breach by such other party, nor shall other party be relieved thereby from its obligations under the terms hereof.

Force Majeure.

26.3 Neither party shall be deemed in violation of this Agreement if it is prevented from performing any of its obligations hereunder by reason of labor disputes, acts of God, acts of the public enemy, acts of superior governmental authority or other circumstances for which it is not responsible or which is not in its control provided, however, that this section shall not excuse Lessee from paying the rentals herein specified.

Non-Liability of Individuals.

26.4 No director, officer, agent or employee of either party hereto shall be charged personally or held contractually liable by or to the other party under any term or provision of this Agreement or of an supplement, modification or amendment to this Agreement because of any breach thereof, or because of his or their execution or attempted execution of the same.

Quiet Enjoyment.

26.5 The City covenants that as long as Lessee is not in default of any provision of this Agreement, Lessee shall and may peaceably and quietly have, hold and enjoy the Leased Premises exclusively to it during the term hereof unless sooner canceled as provided in this Agreement.

General Provisions.

26.6 Lessee shall not use, or permit the use of, the Leased Premises, or any part thereof, for any purpose or use other than those authorized by this Agreement.

26.7 This Agreement shall be performable and enforceable in Shawnee, Oklahoma and shall be construed in accordance with the laws of the State of Oklahoma.

26.8 This Agreement is made for the sole and exclusive benefit of the City and Lessee, their successors and assigns, and is not made for the benefit of any third party.

26.9 In the event of any ambiguity in any of the terms of this Agreement, it shall not be construed for or against any party hereto on the basis that such party did or did not author the same.

26.10 All covenants, stipulations and agreements in this Agreement shall extend to and bind each party hereto, its legal representatives, successors and assigns.

26.11 The titles of the several articles of this Agreement are inserted herein for convenience only, and are not intended and shall not be construed to affect in any manner the terms and provisions hereof, or the interpretation or construction thereof.

26.12 Nothing herein contained shall create or be construed to creating a co-partnership between the City and the Lessee or to constitute the Lessee an agent of the City. The City and the Lessee each expressly disclaim the existence of such a relationship between them.

ARTICLE 27 - SUBORDINATION CLAUSES

27.1 This Agreement is subject and subordinate to the following:

27.1.1 City reserves the right to develop and improve the Airport as it sees fit, regardless of the desires or view of Lessee, and without interference or hindrance by or on behalf of Lessee, provided, Lessee is not deprived of the use of or access to the Leased Premises.

27.1.2 City reserves the right to take any action it considers necessary to protect the aerial approaches to the Airport against obstruction, together with the right to prevent Lessee from erecting or permitting to be erected any building or other structure on the Airport which, in the opinion of the City, would limit the usefulness of the Airport or constitute a hazard to aircraft.

27.1.3 This Agreement is and shall be subordinate to the provisions of existing and future agreements between City and the United States or State of Oklahoma relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the obtaining or expenditure of Federal or State funds for the benefit of the Airport.

27.1.4 During the time of war or national emergency, City shall have the right to lease all or any part of the landing area or of the Airport to the United States for military or naval use, and if any such lease is executed, the provisions of this Agreement insofar as they may be inconsistent with the provisions of such lease to the Government, shall be suspended, but such suspension shall not extend the term of this Agreement. Abatement of rentals shall be determined by the City in proportion to the degree of interference with Lessee's use of the Leased Premises.

27.1.5 Except to the extent required for the performance of any obligations of Lessee hereunder, noting contained in this Agreement shall grant to the Lessee any rights whatsoever in the airspace above the Leased Premises other than those rights where subject to Federal Aviation Administration rules, regulations and orders currently or subsequently effective.

ARTICLE 28 - ENTIRE AGREEMENT

28.1 The Agreement consists of Articles 1 to 28, inclusive, and Schedule A.

28.2 It constitutes the entire Agreement of the parties hereto and may not be changed, modified, discharged or extended except by written instrument duly executed by the City and the Lessee. The parties agree that no representations or warranties shall be binding upon the City or the Lessee unless expressed in writing in this Agreement of Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written above.

LESSOR:
THE CITY OF XXXXXXXX
OKLAHOMA
A Municipal Corporation

By: ______________________________

XXXXXXXXXXXXX
CITY MANAGER
/ AIRPORT MANAGER

ATTEST:

____
XXXXXXXXXXX, CITY CLERK

LESSEE:
****
A Corporation

By:______________________________
****

ATTEST:

____

SCHEDULE "A"

INSURANCE COVERAGE

The Lessee, at Lessee's expense, shall obtain and maintain in continuous effect during the term of this Lease Agreement, insurance policies issued by an insurance carrier licensed to do business in the State of Oklahoma, providing for:

1. Comprehensive General Liability - having a minimum of $100,000.00 per person, 300,000.00 for any one accident, and $100,000.00 property damage with the following coverage:

A. broad form contractual liability

B. premises and operations

2. Fire coverage

The Lessee shall provide the City with a Certificate of Insurance indicating proof of the foregoing coverage. Such certificate shall provide that the carrier issuing the certificate shall notify the City within ten (10) days in advance of any cancellation or significant change in the terms or coverage of such insurance policies.

The failure of the Lessee to obtain and maintain such insurance coverage shall not relieve the Lessee from any liability arising from this Lease Agreement nor shall any such liability be limited to the liability insurance coverage provided for herein.

Appendix D:

Model Rules and Regulations

_____________ AIRPORT RULES AND REGULATIONS

Sec. 1. - Leasing of property.

a) *Hangars.* Airport hangars owned by the City may be rented to private individuals, companies or corporations on a monthly or yearly basis primarily for the storage of aircraft and ancillary aircraft equipment. Short term non-aeronautical use of a hangar may be permitted in accordance with the Federal Aviation Administration Policy on the Non-Aeronautical Use of Airport Hangars dated June 9, 2016. Rental rates shall be established and/or adjusted by the __________________.

b) *Airport property.* The City may lease property within the building area or other portions of the airport for the construction of hangars, buildings, aprons, taxiways and auto parking lots in accordance with the approved airport master plan/airport layout plan. Aviation-related activities shall have priority in all leasing projects. It shall be the responsibility of the lessee to construct and maintain any pavement improvements from the edge of their building or hangar to the public-use portion of the taxiway or taxilane.

c) *Commercial aviation-related rates. Value* for the commercial use of airport property shall be established by market survey to determine leasehold value of airport property on a square-foot-per-year basis. The rate shall be approved by the ________________. The annual lease rate will be calculated by multiplying the total square footage of the property by the recommended square foot rate. Once established, lease rates will be adjusted annually based on the inflation rate established by the consumer price index applicable to the City of _____________.

d) *Non-aviation related rates.* For the initial lease of airport property upon which to conduct a non-aviation activity, the City will charge the appraised fair market leasehold value of the property. The annual lease rate will be calculated by multiplying the total fair market leasehold value of the property by certain percentages as recommended by the appraiser. In addition, for short term non-aviation rental of City owned hangars the monthly rental rate will be at fair market value for comparable commercial storage or office space. All short-term, non-aviation rental agreements of City owned hangars must have a clause that requires the non-aviation entity to vacate the facility within 30 days should an aviation entity desire to rent the facility. Lease and rental rates will be then adjusted annually based on the inflation rate established by consumer price index applicable to the City of _____________.

e) *Building restrictions.* No structure may be erected beyond the building restriction line or in conflict with the approved airport layout plan. No structures that are built on property adjacent to airport property will be allowed to have access to the airport property or through the fence operation.

f) *Construction authorization.* All construction must be authorized by the ____________ and must be a compatible standard capable of withstanding winds of 85 miles per hour, with doors open or closed. Furthermore, all structures must comply with the City building codes and airport zoning and land use ordinances. All structures must comply with FAA airspace requirements and must receive FAR Part 77 approval prior to construction.

g) *Commercial operating fees.* Every person approved by the City Commission to conduct a commercial activity on the Airport shall pay a monthly/annual fee as established by the __________________. The fee for the previous month's/ year's activity shall be paid by the 20th day of the month/year. Prior to starting the commercial activity, a deposit, as established by the _____________________, shall be paid. This deposit will be held by the City and applied to overdue fees at the discretion of the City. If the commercial activity is terminated, the deposit shall be returned to the depositor upon payment in full of the account.

h) *Fuel flowage fees.* All fuel-dispensing activities, whether commercial or private, must be authorized by the _____________ and in compliance with the Airport Minimum Standards, as amended from time to time, and will be assessed a flowage fee using the established fuel flowage fee rate at that time, based on fuel delivered to the vendor.

i) *Lease Term.* Each lease term for a private hangar or building shall be determined by the hangar owner's initial investment and reasonable payback period. In any case, a lease for a privately owned T-hangar shall not exceed 25 years, a lease for a privately owned corporate/box hangar shall not exceed 35 years, and a lease for a commercial aeronautical facility or a non-aeronautical commercial facility shall not exceed 40 years.

j) *Reversion.* All leases for airport construction shall contain a reversion clause stating that any private construction of a facility on airport property shall revert ownership back to the airport upon the termination or conclusion of the lease. Upon reversion, the immediate previous lessee shall have first right of refusal to enter into a rental agreement with the airport for said facility. The rental rate shall be determined by similarly valued airport owned facilities and not the ground lease rate.

Sec. 2. – General Operating Rules.

The following rules are applicable to the airport operation, aircraft operation and conduct of persons at the regional airport:

a) *Operation by City.* ____________ Airport is operated by the City for the use and benefit of the public under the authority granted under state law and under the terms of the deed from the federal government and subsequent sponsors' assurance agreements with the federal government.

b) *Designated representative.* The Airport Manager shall be the designated City representative to enforce the regulations in this article and supervise the operation of the Airport.

c) *Safeguard of persons and property.* The Airport Manager shall at all times have authority to take necessary and legal actions to safeguard any person, aircraft, equipment or property at the Airport.

d) *Public use.* The Airport shall be open for public use subject to certain restrictions, which may be necessary due to inclement weather, the conditions of the landing area, the presentation of special events and like causes as may be determined by the City and subject to such fees and charges as may be established without discrimination for each class of user.

e) *Federal Aviation Administration regulations.* The published Federal Aviation Regulations (FAR) in effect are referred to, adopted and made a part of this article as fully in all respects as if particularly set forth in this article.

f) *Injury to persons.* Persons entering upon airport grounds do so at their own risk and with no liability incurring to the City, its officers or employees for any damage to persons or property. Further, any person desiring to use the Airport shall observe and obey all valid laws, resolutions, orders, rules and regulations promulgated and enforced by the City or by any other authority having jurisdiction over the conduct and operation of the airport, including the Federal Aviation Administration.

g) *Emergency procedure.* In case of accident, it shall be reported to the Fire Department and the Airport Manager by the nearest telephone (911). No unauthorized personnel shall go to the scene of an accident except to render aid in the absence of authorized personnel. The Airport Emergency Contingency Plan shall be adhered to under this subsection.

h) *Accidents.* All accidents, regardless of the extent or nature of damage, involving aircraft based on this field or accidents occurring on this field shall be reported immediately and within 24 hours in writing to the office of the Airport Manager and any other regulatory body requiring such notification.

i) *Damage to Airport.* Any person and the owner of any aircraft causing damage of any kind to the Airport, whether through violation of any of the rules in this article or through vandalism or any act of negligence, shall be liable therefor in and to the City.

j) *Damage to runway lights.* Any person damaging any field light or fixture by operation of an aircraft or otherwise shall immediately report such damage to the Airport Manager. A person causing damage to runway and taxiway lights, as a result of negligent operation of an aircraft or willful acts, will be liable for replacement cost of the lights and/or fixtures.

k) *Licensed pilots.* Only properly registered aircraft and persons holding current airman and medical certificates issued by the Federal Aviation Administration shall be authorized to operate aircraft upon the Airport except as may otherwise be provided in this article. This limitation shall not apply to students in training under licensed instructors or to public aircraft of the federal government or of a state, territory, or political subdivision thereof or to aircraft licensed by a foreign government with which the United States has a reciprocal agreement covering the operation of such licensed aircraft.

l) *Registration*. Every registered owner of an aircraft based at the Airport shall register at the office of the Airport Manager or designated representative, with name, aircraft number, address and telephone number.

m) *Air and ground traffic/vehicular traffic.* All vehicular traffic shall be confined to avenues of passage designated and provided for that purpose by the City and shall not be operated at a speed in excess of 25 miles per hour.

n) *Roads and walkways.* No person shall travel on the Airport other than on the roads, walks or places provided for the use of traffic. No person shall use the roads or walks in such manner as to hinder or obstruct their proper use by others.

o) *Acrobatic flying.* Acrobatic flying by any person flying over any portion of the City is prohibited without the express permission of the Airport Manager and FAA.

p) *Parachute jumping.* No person shall make a parachute jump within the City limits without the express permission of the Airport Manager, except in an actual emergency.

q) *Dropping of objects.* No person in any aircraft shall cause or permit to be thrown out, discharged, or dropped within the City any object or thing, except loose water or loose sand ballast when absolutely essential to the safety of the occupants of the aircraft and except as provided in subsection (r) of this section.

r) *Advertising from aircraft.* No person shall make an exhibition flight by carrying banners on, distributing circulars from, or advertising matter from, or operating loud-speaking devices from, any aircraft flying within the City limits without first obtaining a permit from the Airport Manager. Such permit will not be granted if, in the opinion of the City Commission, the proposed operation will endanger persons or property or cause discomfort of annoyance to the public or in any case unless the aircraft and the person operating it are properly licensed by the Federal Aviation Administration.

s) *Ultra-light aircraft.* Use of the Airport by ultra-light vehicles shall be subject to approval by the Airport Manager and shall be in accordance with Federal Aviation Regulations Part 103 and any other rules set by the City.

t) *Firearms.* No one except duly authorized persons, police officers, or federal employees authorized to carry firearms in the performance of their duties or members of the armed forces of the United States on official duty shall carry any firearm on the Airport, except that unloaded, cased sporting guns may be carried as baggage.

u) *Intoxicants and narcotics prohibited.* No person shall drink any alcoholic beverages upon any portion of the Airport open to the public, except in such restaurant or other place as shall be properly designated and licensed for dispensing of alcoholic beverages. No person under the influence of an intoxicant or narcotic shall operate or fly in any aircraft upon or over the Airport; provided, however, such prohibition shall not apply to a passenger when accompanied by a nurse or caretaker in an aircraft apart from the pilot.

v) *Permission to fuel.* No aviation fuels shall be brought on the Airport for use or for sale without the express permission of the City. This permission shall be granted in a written document providing for safety in storage and handling and the payment of a flowage fee as established in the "Minimum Standards and Requirements for Commercial Aeronautical Activities, _______________ Airport," as amended from time to time, or specific exemption therefrom. All aviation fuels used in aircraft shall be stored in compliance with Federal Aviation Administration guidelines and City Fire Department regulations.

w) *Photography.* No person except duly accredited representatives of the news media shall take still, motion, or sound pictures for commercial purposes on the Airport without permission from the Airport Manager.

x) *Model aircraft flying, etc.* Flying of model aircraft, kites, etc., within the Airport area is prohibited.

y) *Animals on airport.* No person shall enter the terminal building or landing area of the Airport with a dog or other animal, except that service animals may be permitted in the terminal building. This does not apply where dogs or other animals are carried aboard aircraft and are restrained by leash or properly contained.

z) *Abandoned property; lost articles.* No person shall abandon any property on the Airport. Any person finding lost articles in the public areas shall deposit or report them to the Airport attendant.

aa) *Foreign objects*. No foreign objects, including bottles, cans, scrap or any object that may cause damage to an aircraft, shall be left upon the floor of any building or upon any part of the surface area of the Airport.

bb) *Disposal of refuse.* No person shall place, dispose of or deposit in any manner trash, garbage, or refuse in or upon the Airport property except at such places and under such conditions as the Airport Manager may from time to time prescribe.

cc) *Unauthorized signs.* No signs or non-aeronautical equipment or portable buildings and house trailers may be erected, moved in or installed on the Airport property except as may be specifically authorized by the Airport Manager.

dd) *Lien for charges.* To enforce the payment of any charge made for repairs, improvements, storage or care of any personal property made or furnished by the City or its agents, in connection with the operation of the Airport, the City shall have a lien upon such personal property, which shall be enforceable as provided by law.

ee) *Lien possessory right.* To enforce the payment of any such charge made pursuant to subsection (ee) of this section, the Airport Manager may retain possession of such personal property until all reasonable, customary and usual compensation shall have been paid in full.

ff) *Surreptitious activities*. Any person observing suspicious, unauthorized or criminal activities should report such activities immediately to the Airport Manager, police or officers of the Department Of Public Safety or other peace officer.

Sec. 3. - Running aircraft engines.

a) On an aircraft not equipped with adequate brakes, the engine shall not be started until and unless the wheels have been set with blocks attached to ropes or other suitable means for removing them.

b) No airplane will be propped, started or left running without a licensed pilot or mechanic at the controls.

c) No engine shall be started or shall run inside any building.

d) No engine shall be started, run or warmed up until and unless the aircraft is in such position that the propeller stream or jet blast will clear all buildings and groups of people in the observation areas.

e) No aircraft shall be fueled or drained while its engine is running.

f) No person may start the engine of an aircraft if there is any gasoline or other volatile flammable liquid on the ground underneath it.

Sec. 4. - Aircraft taxiing.

a) No person shall taxi an aircraft at the airport until he has ascertained there will be no danger of collision with any person or object in the immediate area.

b) Aircraft will be taxied at a safe and prudent speed and in such manner as to be at all times under the control of the pilot.

c) Aircraft not equipped with adequate brakes will not be taxied near buildings or parked aircraft unless an attendant is at a wing of the aircraft to assist the pilot.

d) Aircraft shall not taxi onto the runway from the ramp and taxiway area if there is an aircraft approaching to land or on the ground in takeoff position.

e) There shall be no taxiing of aircraft by engine power into or out of hangars.

Sec. 5. - Aircraft parking.

a) Unoccupied aircraft shall not be parked or tied down on or within 120 feet of the centerline of a VFR basic utility runway at the Airport, within 250 feet of the centerline of a general utility non-precision runway or within 500 feet of the centerline of a precision runway, and all un-housed aircraft shall be parked in the areas designated by the Airport Manager for that purpose.

b) Aircraft will not be parked within 50 feet of an aircraft fuel pump.

c) Aircraft will not be parked in such a manner as to hinder the normal movement of other aircraft and traffic unless specifically authorized by the airport manager as an emergency measure.

d) It is the responsibility of the pilot when leaving a parked aircraft unattended to see that the brakes are set or that the plane is properly chocked and/or tied down.

e) All aircraft parked on the Airport, whether temporary or permanent, shall be parked only in assigned or designated parking areas. Aircraft not parked in the proper area will be moved to the proper area by the City or its authorized representative without liability for damages which may result in the course of such moving.

f) A schedule of fees has been established for the parking of aircraft in tie-down areas. These fees shall constitute a lien upon the aircraft, and the City or its authorized representative may hold such aircraft until the fees are paid or may dispose of the aircraft as provided by law if the fees are not paid.

g) The registered owner of any aircraft permanently based on the Airport and parked in the public parking area will register his full name and mailing address with the Airport Manager or representative.

h) The operator of each aircraft parked on the Airport will be responsible for properly securing the aircraft to protect it and other aircraft from wind damage.

i) Aircraft shall not be parked directly in front of gates to the terminal building, except for the purpose of loading or unloading passengers. No aircraft shall occupy terminal building gate positions more than 15 minutes except by permission of the Airport Manager.

j) Non-airworthy aircraft, wrecks, "junkers," or parts thereof shall not be parked on the Airport or in hangars unless awaiting scheduled repairs by a licensed airframe and powerplant mechanic, and may not be stored in hangars longer than one year or parked out of doors longer than thirty days.

Sec. 6. - Wrecked aircraft.

Every aircraft owner, his pilot, and agents shall be responsible for notifying the Federal Aviation Administration and for the prompt removal from the operational areas of the Airport, under the direction of the Airport Manager, of disabled or wrecked aircraft.

Sec. 7. - Repairs to aircraft.

a) No aircraft shall be repaired on any part of the landing or takeoff area, and all outside repairs shall be made at the places designated by the Airport Manager for such purpose.

b) Maintenance performed on aircraft, other than the maintenance normally performed by the pilot or owner, is considered a commercial activity, and anyone performing such activity must first meet the requirements for the activity as established in the "Minimum Standards for Commercial Aeronautical Activities, ______________ Airport" as amended from time to time.

Sec. 8. - Fueling of aircraft.

a) Aircraft shall not be fueled while the engine is running or while in a hangar or other enclosed place, except that an agricultural spray aircraft on a fast turnaround may be fueled and loaded with chemicals with the aircraft engine idling if the Airport governing authority has provided written authority to the agricultural operator and if the wheels are chocked and there are at least two 20B fire extinguishers within 50 feet and a qualified ground crew member is present during the fueling operation.

b) All aircraft will be positively grounded when being serviced with fuel. Aircraft being serviced by a fuel truck will be grounded to the fuel truck, and the fuel truck will be positively grounded.

c) All aircraft shall be fueled clear of all hangars and other buildings.

d) Aircraft fuel trucks will be equipped, operated and maintained in accordance with National Fire Protection Association, Incorporated, NFPA Manual 407 "Aircraft Fuel Servicing, 1990," published and available from the NFPA or a more recently adopted version of the previously mentioned manual.

e) Aviation or auto fuels will not be stored within a hangar.

f) The pilot and passengers will exit the aircraft, and the aircraft will be unoccupied during fueling operations.

g) Where aircraft fueling is performed by a fuel truck, an adequate number of suitable grounding connections shall be provided on the aircraft apron or servicing ramp.

h) Spillage or dripping of gasoline, oil, jet fuel, kerosene, grease or any other material which may be unsightly or detrimental to the pavement in any area at the airport shall be removed immediately. The responsibility for removal shall be assumed by the operator of the equipment causing the spillage or by the tenant or concessionaire responsible for the deposit thereof on the pavement.

i) No person shall park any vehicle designed for fueling within 50 feet of the terminal building.

j) No opened containers of oils and no containers of fuels or other volatile or flammable substances may be stored in the T-hangars.

k) Self-fueling privileges are not allowed on the Airport except through compliance with the "Self-Fueling Privileges" section of the "______________ Airport Minimum Standards and Requirements for Commercial Aeronautical Activities," and then only in the area designated by such minimum standards and requirements.

Sec. 9. - Use of T-hangars.

The following rules apply to T-hangar tenants at the Airport; infraction of these rules will result in the immediate cancellation of the hangar rental contract and/or a fine as established in this article:

a) No hoisting mechanism may be attached to the structure of the T- hangar without the written permission of the Airport Manager. This will include, but is not limited to, chain fall, block and tackle or any other hoisting device passed over struts or braces of the T-hangars.

b) No hangars or supports requiring the modification of the steel structures or metal wall surfaces will be installed.

c) Metal wall panels may not be removed, modified, bent, or cut without written permission of the Airport Manager.

d) Hangar doors, door guides, rollers, and door tracks may not be removed or otherwise modified.

e) Occupants of T-hangars may not use self-propelled equipment such as tractors, trucks, or automobiles to open or close hangar doors.

f) No containers of fuels or other volatile or flammable substances may be stored in the T-hangars and must be contained in federally approved storage containers for the type of substance being stored.

g) No oil soaked clothes, rags, or other combustible fabrics may be stored in T-hangars.

h) Refuse cans must be used for empty oil cans and other trash.

i) Only aircraft listed in the T-hangar tenant's rental contract and ancillary equipment shall be stored in the hangar space.

j) T-hangar occupants may not sublease the hangar space.

k) T-hangar occupants may perform maintenance on their own aircraft to the extent they meet the qualifications set forth by the FAA and any licenses required by the FAA are current.

l) A tenant shall reimburse the City for damages to hangars, such as broken windows, doors, hinges, or electrical fixtures, caused in any manner by the tenant's carelessness.

m) Cleaning interiors of T-hangars is the responsibility of the tenant. The Airport Manager may inspect to ensure good housekeeping practices.

n) All T-hangar tenants shall provide the Airport Manager with duplicate keys to be used in case of emergency.

o) T-hangars are for storage of aircraft and aircraft ancillary equipment only. T-hangars are not to be used for any commercial activity unless authorized in writing by the City.

Sec. 10. - Agricultural spraying operations.

a) Agricultural spraying operations will be conducted in accordance with all federal and state laws and regulations.

Sec. 11. – Parachute jumping operations.

a) All instructors and unsupervised jumpers will be required to hold a current membership with the United States Parachutist Association and must possess all required USPA licenses. Membership must be confirmed prior to jumper manifesting for a load.

b) Instructors will file NOTAM, check winds aloft and calculate exit spots.

c) Pilot will perform any routine safety inspections required or deemed necessary on jump aircraft.

d) All jumpers will receive a briefing on winds and landing direction prior to boarding the aircraft for each jump.

e) Instructors and licensed jumpers are responsible for doing a final gear check on all equipment and review jump procedures with student prior to exiting the aircraft.

f) During skydive, instructors will follow all guidelines and rules set forth by the United States Parachutist Association, FAA, and equipment manufacturers.

g) Landing patterns will be parallel to the runway at all times. No parachute traffic will cross the active runway under 1,000ft. A left hand pattern will be used when landing in the southeast portion of the airport.

h) The Assistant Airport Manager may designate the drop zone. All jumpers are obligated to land in the designated drop zone unless the Assistant Airport Manager designates an alternative drop zone for landing.

i) All pilots and jumpers are to have been briefed using Federal Aviation Regulations 105 thru 105.49 before conducting parachuting operations.

j) NOTAMs for parachuting operations are to be filed and active for the time frame of the planned jumps.

k) Pilot briefing is to be completed with the Flight Service Station prior to becoming airborne.

l) Pilot will monitor any activity on the Common Traffic Advisory Frequency/UNICOM during all operations. Two minutes prior to parachuting operations precautionary radio calls are made on ____/__________ center and ____/___________, OK/K____.

Sec. 12. - Vehicles.

a) Private vehicles shall only be driven onto the ramp or areas as necessary to go directly to and from specific aircraft for loading and unloading baggage or other special purposes.

b) A lessee may park a private vehicle inside the lessee's hangar while the aircraft is in use.

c) The Airport Manager shall designate specific vehicular parking areas.

d) Persons may park or locate motor vehicles on the Airport only in an area specifically designated for parking or standing. No person may park a motor vehicle in any area on the Airport for a period longer than is designated for that area. No person may park or locate a motor vehicle within ten feet of a fire hydrant on the Airport.

Sec. 13. - Special procedures.

The Airport Manager may, in the interest of safety, designate special traffic procedures for certain operations, such as air shows, agricultural operations, lighter than air operations, ultra-lights, etc.

Sec. 14. – Filing and Notice of Rules and Regulations.

These Rules and Regulations shall be available in the office of the City Clerk and the Airport, and shall be given to all persons who have operations or lease space at the Airport.

Sec. 15. – Penalty for Violation of Rules and Regulations.

Violation of the rules may result in the termination of leases, the prohibition from being upon the grounds of the Airport, the loss of the opportunity to conduct any operations at the Airport, or such other action as the City deems appropriate, in addition to any penalties imposed if such violations are also violations of law:

Adopted this _____ day of ________, 20__ .

____
NAME, TITLE

ATTEST:

(SEAL)

____
NAME, TITLE

Appendix E:

Model Minimum Standards for FBO Operators

MINIMUM STANDARDS AND REQUIREMENTS FOR COMMERCIAL AERONAUTICAL SERVICES AND ACTIVITIES

[Airport Name] AIRPORT

[City Name], OKLAHOMA

[Date]

TABLE OF CONTENTS

MINIMUM STANDARDS AND REQUIREMENTS FOR COMMERCIAL AERONAUTICAL SERVICES AND ACTIVITIES
__________________ AIRPORT
____________, OKLAHOMA

I INTRODUCTION

The City of [sponsor] , Oklahoma is responsible for the administration of the _______Airport, in order to foster, encourage and insure the economic growth and orderly development of general aviation and related aeronautical activities at the _________ Airport. The City of _________ has established certain standards and requirements for Commercial General Aviation Operators and Airport tenants at the airport; as herein provided:

The following sections set forth the Minimum Standards and Requirements for a person or persons, partnership, company, trust or corporation based upon and engaging in one of more commercial aeronautical services and activities operations at the airport The Minimum Standards and Requirements are not intended to be all-inclusive, as the commercial operator of a commercial venture or tenant based on the ___________ Airport will be subject additionally to the applicable federal, state and local laws, codes ordinances and other similar regulatory measures, including City Ordinance [if applicable] (Airport Rules and Regulations) pertaining to all such aviation-related activities.

A written agreement, properly executed by the City of __________ and the Commercial Operator of a commercial venture or tenant, is a prerequisite to tenancy on the Airport. Both the written agreement and tenancy on the _________ Airport are prerequisites to the commencement herein of any of the commercial aeronautical services and activities operations herein contained and specified. The contract provisions, however, will be compatible with the standards herein contained and will not change or modify the Minimum Standards and Requirements themselves .

These Minimum Standards and Requirements may be included as part of all leases between the City of _________ and any commercial operator of a commercial venture or tenant desiring to be based on the ___________ Airport and engage in any commercial aeronautical services or activities. These Minimum Standards and requirements may be revised, as conditions require. Verify with the City of _________ that you have a complete and current document.

The right shall be reserved by the City of _______ to modify or add to these Minimum Standards and Requirements so that any leases, contracts or agreements entered into with applicants shall be terminated or canceled in the event of failure to comply with any modification or amendments to these Minimum Standards and Requirements after notices thereof shall have been given.

II STATEMENT OF POLICY

A fair and reasonable opportunity, without discrimination, shall be afforded to all applicants to qualify, and compete for the right to provide selected aeronautical services and/or lease property, subject to the Minimum Standards and Requirements as established by the City of ________and set forth for Commercial Aeronautical Services and Activities at the airport

In all cases where the words "standards" or "requirements" appear, it shall be understood that they are modified by the word "minimum". All commercial operators or tenants based on the

_________ _____Airport will be encouraged to exceed the "minimum"; none will be allowed to operate under conditions below the "minimum".

Contingent upon its qualification, its meeting the established Minimum Standards and Requirements, the execution of a written agreement with the City of ___________, and payment of the prescribed rentals, fees and charges, the Commercial Operator of a venture or a Tenant shall have the right and privilege of engaging in and conducting the activity or activities selected by it on the

___________ Airport as specified by the agreement. The granting of such right and privilege, however, shall not be construed in any manner as affording the Commercial Operator or Tenant any exclusive right of use of the premises and facilities of the _________Airport, other than those premises which may be leased exclusively to it, and then only to the extent provided in a written agreement.

The City of ___________reserves and retains the right for the use of the Airport by others who may desire to use the same, pursuant to applicable federal, state and local laws, ordinances, codes, Minimum Standards and Requirements and other regulatory measure pertaining to such use. The City of _________further reserves the right to designate the specific Airport areas in which the individual, or a combination of, aeronautical services may be conducted. Such designation shall give consideration to the nature and extent of the operation and the lands and improvements available for such purposes, consistent with the orderly and safe operation of the _______ Airport.

III DEFINITIONS

Aeronautical Activity: Shall mean any activity which involves, makes possible or is required for the operations of aircraft whether or not conducted on or off Airport property which involves, makes possible or is required for the safety of such operations and shall include (but not by way of limitation) all activities commonly conducted on airports, such as charter operations, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, flying clubs, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other included activities, repair and maintenance of aircraft, sale of aircraft parts, sales and maintenance of aircraft accessories, radio communications and navigation equipment and any other activity which because of its direct relationship to the operation of the aircraft, can appropriately be regarded as an aeronautical activity.

Airport: Shall mean the _________________Airport, or future City-owned airports, located on city, county or state lands and operated by the City of ________.

Airport Advisory Board: Shall mean the official advisory board to the City of_________, Oklahoma on airport matters.

Airport Manager: Shall mean the manager of the airports of the City of________, Oklahoma. If no Airport Manager is appointed, the City Manager shall be the Airport Manager.

City: Shall mean the City of ___________, Oklahoma.

City Commission: Shall mean the duly elected City Commissioners of____________, Oklahoma

Person: Shall mean any person, persons, firm, general or limited partnership, corporation, trust or association making application for, leasing or using any land or facility at the airport

Master Airport Layout Plan: Means the currently approved scaled dimensional layout of the entire airport properties indicating current and proposed usage for each identifiable segment as approved by the City Commission and amended from time to time.

Minimum Standards and Requirements: The qualifications established herein, as amended from time to time by the City Commission upon the recommendation of the __(e.g. Airport Advisory Board)________, setting forth the minimum standards and requirements to be met as a condition for the right to conduct an aeronautical activity on the airport

Rules and Regulations: Rules and regulations as may be promulgated from time to time by the Airport Manager to protect the public health, safety, interest and welfare on City-owned airports, and to augment the City Ordinance ___[if applicable]____ of ________ pertaining to airports.

IV APPLICATIONS AND QUALIFICATIONS REQUIREMENTS

A. Any person wishing to acquire the use of land or establish or use any facility on the Airport for any aeronautical activity shall be furnished a copy of these Standards and Procedures, as amended from time to time, and shall thereupon make application in writing, filed with the ____(e.g. Airport Advisory Board)___ setting forth in detail the following:
   1. The name and address of the applicant
   2. The proposed land use, facility and/or activity sought
   3. The names and the qualifications of the personnel to be involved in conducting such activity.
   4. The financial responsibility and ability of the applicant and operator to carry out the activity sought.
   5. The tools, equipment, services and inventory, if any, proposed to be utilized in connection with such activity.
   6. The requested or proposed date for commencement of the activity and the term of conducting the same.
   7. The estimated cost of any structure or facility to be constructed, the proposed specifications for same, and the means or method of financing such construction or acquisition of facilities.
   8. The specific types and amounts of insurance proposed in accordance with minimum requirements for the activity.

B. The ____(e.g. Airport Advisory Board)___ will not accept an original request to lease land area unless the proposed Lessee puts forth in writing a proposal, which sets forth the scope of operation (s)he proposes, including the following:
   1. The services (s)he will offer.
   2. The amount of land (s)he desires to lease.
   3. The building space (s)he will construct or lease.
   4. The number of aircraft (s)he will provide.
   5. The number of persons (s)he will employ.
   6. The hours of proposed operation.
   7. The amount any types of insurance coverage (s)he will maintain.
   8. Evidence of her/his financial capability to perform and provide the above services and facilities.

V. NOTICE AND HEARING

Upon the filing of such an application with the ____(e.g. Airport Advisory Board)___ , it shall be considered at the next scheduled meeting of such ____(e.g. Board)___ ; and, if no meeting is scheduled within thirty (30) days from the filing of such application, a meeting shall be called for considering same and notice thereof given to the applicant

All other persons then conducting aeronautical activities on said Airport who in the opinion of the __(e.g. Airport Advisory Board)___ would be directly affected by the granting of the application in question, may also be notified of the filing of such application and the time and place of the _ (e.g. Airport Advisory Board)___ meeting to consider the same.

Upon the consideration of the application, the ____(e.g. Airport Advisory Board)___ shall determine whether or not the applicant meets the standards and qualifications as herein set out, and whether or not such application should be granted in whole or in part, and if so, upon what terms and conditions.

VI. ACTION ON LEASE OR CONTRACT BY CITY COMMISSION

Upon receipt of written recommendation of the ____(e.g. Airport Advisory Board)___ , the _ (e.g. City Commission)__ shall include said matter upon the agenda of the next regular meeting of the __(e.g. City Commission)__ and, at such meeting or at a subsequent meeting to which it may be passed, shall approve, modify or reject such lease or contract.

VII. LEASE OR CONTRACT

A. Upon the approval of any such application as submitted or modified, the City shall cause to be prepared a suitable lease or contract agreement, setting forth the terms and conditions of the land and/or facility use, which lease or contract shall in every instance be conditioned upon or contain language assuring:
   1. That the Minimum Standards and Requirements and Rules and Regulations (City Ordinance __[if applicable]__) be incorporated into said Lease or Contract by reference.
   2. That there be original and continued compliance with the Minimum Standards and Rules and Regulations (City Ordinance __[if applicable]__) required for each particular aeronautical activity approved.
   3. That any structure or facility to be constructed or placed upon said Airport shall be constructed in a manner to conform to all safety regulations of the State of Oklahoma and the City of ________, and shall be in compliance with the requirements of current building codes and fire regulations of the City of ______, and that any construction once commenced will be diligently prosecuted to completion.
   4. That the right shall be reserved in the City to modify or add to the Minimum Standards and Requirements for Commercial Aeronautical Services and Activities at the Airport, and the Rules and Regulations for Aviation (Ordinance (City Ordinance __[if applicable]__)) and that any lease, contract or agreement entered into with applicant shall be terminated or canceled in the event of failure to comply with any modification or amendments to the Minimum Standards and Requirements for Commercial Aeronautical Services and Activities at the

Airport, and the Rules and Regulations for Aviation (Ordinance_ [if applicable]) after notice thereof shall have been given.
5. The lease shall contain the appropriate permit and costs permitted by the City Ordinance.

B. No Airport Tenant shall engage in any business or activity on the Airport other than that authorized under her/his particular category or categories.
C. Any Airport Tenant desiring to extend her/his operation into more than one category or to discontinue operations in a category, shall first apply in writing to the __(e.g. Airport Advisory Board)__ for permission to do so, setting forth in detail the reasons and conditions for the request The __(e.g. Airport Advisory Board)__ shall then grant or deny the request on such terms and conditions as the __(e.g. Board)__ deems to be prudent and proper under the circumstances.
D. Each lease term for a private hangar shall be determined by the hangar owner's initial investment and reasonable payback period. In any case, a lease for a privately owned T-hangar shall not exceed 25 years, a lease for a privately owned corporate/box hangar shall not exceed 35 years, and a lease for commercial aeronautical facility or non-aeronautical commercial facility shall not exceed 40 years.
E. Lessees will, at all times during the continuance of the term of the lease and any renewal or extension thereof: conduct, operate and maintain for the benefit of the flying public, the services provided for and described therein, and provide all parts and services as defined and set forth, and will make all such services available to the public and that it will devote its best efforts for the accomplishment of such purposes and that it will at all time charge fair, reasonable and not unjustly discriminatory prices to patrons and customers for all merchandise or materials and services furnished or rendered. Notwithstanding anything contained in a lease that may be or appear to the contrary, it is expressly understood and agreed that the rights granted thereunder are nonexclusive and the Lessor reserves the right to grant similar privileges to another operator or operators upon formal application by that operator, and upon demonstration of compliance with paragraphs IV and VIII herein.
F. All leases for airport construction shall contain a reversion clause stating that any private construction of a facility on airport property shall revert ownership back to the airport upon the termination or conclusion of the lease. Upon reversion, the immediate previous lessee shall have first right of refusal to enter into a rental agreement with the airport for said facility.

VIII. STANDARD REQUIREMENTS FOR ALL AERONAUTICAL ACTIVITIES

Every applicant for permission to conduct aeronautical activities at the Airport shall satisfy the _ (e.g. Airport Advisory Board)__ , that he or she meets the following requirements:

A. That such applicant has a history of management and personnel ability in conducting the same or similar or comparable type of service or activity in good workman like manner.
B. That such applicant has the financial responsibility and ability to provide facilities and services proposed.
C. That the applicant has or can reasonably secure necessary certificates from the FAA or other authority where the same are required for the activity proposed.
D. That the applicant has or can furnish suitable indemnity insurance or bond to protect and hold the City harmless from any liability in connection with the conduct of the activity proposed in considering every application for establishing aeronautical activities, the

___(e.g. Airport Advisory Board)___ shall give due consideration to whether or not such proposed activity would be detrimental to the public interest.

E. All construction required of such operators should be in accordance with design and construction standards required or established by the City for the facility or activity involved. All hangars constructed must be in accordance with the General Specifications for Private Hangar Construction document. Title to any and all buildings and appurtenances, which may be built on Airport property, shall revert to the City, when and if the subject Lessee vacates the lease for any reason. All operators shall be required to furnish the City payment and performance bonds commensurate with any construction required under the standards herein fixed or under any contract or lease by and between such operator and the City.

F. The rates or charges for any and all activities and services of such operators shall be determined by the operators, subject to the requirement that all such rates or charges shall be reasonable and be equally and fairly applied to all users of the services.

G. All operators at the Airport shall be financially sound and progressive business enterprises, with adequately manned and equipped facilities, including ample office facilities, and who observe normal or specifically required business hours.

H. All operators shall, at their own expense, pay all taxes and assessments against any buildings or other structures placed on the premises by them, as well as all taxes and assessments against the personal property used by them in their operations.

I. All operators shall abide by and comply with all state, county and city laws and ordinances, the Rules and Regulations of the Airport (City Ordinance __[if applicable]__), and the rules and regulations of the State and the Federal Aviation Administration.

J. In the event the City constructs the physical plant facilities (hangars, etc.) for use by any operator under the provisions of any lease or other contract, such lease or contract with such operators shall be on such terms and conditions as to guarantee a full return of the investment within a set number of years to be determined by the Airport Authority.

K. All operators shall provide and pay for all lights, gas, electrical current, water, sewer charges and garbage collection charges used or incurred anywhere in or about the leased premises, and shall pay the charges made therefor by the suppliers thereof promptly when due.

IX. STANDARED REQUIREMENTS FOR ALL SPECIFIC ACTIVITES

In addition to meeting the requirements of Paragraph VIII, every person conducting the following specific activities shall meet the additional requirements as hereinafter set out:

A. PUBLIC FUEL, OIL, SALES, AND SERVICES
Persons conducting aviation fuel and oil sales or services to the public on the Airport shall be required to provide:

1. Hard surface ramp space accessible by taxiway with electric pump and approved tank storage having a capacity equal to the minimum tank truck load deliverable for appropriate aviation fuels, including a minimum of 100LL and Jet A;
2. Shall provide properly trained line personnel on duty at least eight (8) hour of every calendar day, seven (7) days a week, and on call by readily accessible telephone or pager at other hours during the day or night;
3. Proper equipment for repairing and inflating aircraft tires, servicing oleo struts, changing engine oil, washing aircraft and aircraft windows and windshields, for recharging or energizing discharged aircraft batteries and starters;

4. Conveniently located, heated and air conditioned lounge or waiting room for passengers and airplane crews of itinerant aircraft, together with sanitary restroom and public telephone;
5. Adequate towing equipment and parking and tie-down areas to safely and efficiently move aircraft and secure them in all reasonably expected weather conditions;
6. In conducting refueling operations, every operator shall provide approved types of fire extinguishers or other equipment commensurate with the hazard involved in refueling and servicing aircraft;
7. Appropriate fuel distributor license and shall provide an adequate security bond to assure that all state taxes are paid.

B. SELF FUELING PRIVILEGES

No aviation fuels shall be brought on the Airport for use or for sale without the expressed permission of the City of _______. This permission is to be granted in a written document providing for safety in storage and handling and the payment of a flowage fee. The City of _________, in its proprietary capacity, extracts a fuel flowage fee from General Aviation aircraft operators using the Airport in lieu of landing fees. Persons wishing to fuel their privately owned aircraft shall be required to obtain an oil company contract to make bulk purchases of aviation fuels and oil, a copy of which must be provided to and approved by the Airport Manager. Such contract shall provide for direct payment of fuel flowage fees to the City by the oil company upon bulk deliveries to the individual. Persons conducting fueling services on privately owned aircraft on the Airport shall be required to:

1. Provide suitable and adequate storage of fuel and oil which meets all applicable fire codes; federal, state and local laws, statutes, ordinances, rules and regulations pertaining to fire safety;
2. No refueling of privately owned aircraft will be permitted on any ramp including the ramps of Fixed Base Operators, in hangars or in T-hangars, whether or not the individual leases tie-down, hangar or T-hangar space from the Fixed Base Operator or on any tie-down area or hangar space. Fueling the aircraft shall be permitted only in an area designated by the (e.g. Airport Advisory Board) ;
3. The aircraft owners must provide their own mode of transporting fuel. This transporter equipment must meet State and Federal requirements and proof of such must be filed with the City;
4. Nothing herein shall be construed as waiving the fuel flowage fees to be paid to the City. The individual, through his supplier shall be responsible for a proper monthly accounting of fuel consumed, copies of which shall be submitted to the (e.g. Airport Advisory Board) ;
5. To provide public liability insurance of at least (e.g. $100,000 per person bodily injury, $1,000,000 per accident and $1,000,000 property damage) , which shall name the City of ______as additional party insured.

C. AIRCRAFT CHARTER AND TAXI SERVICE

Persons conducting an aircraft charter and/or air taxi service shall be required to provide:

1. Passenger lounge, restroom and telephone facilities as required of an operator for fuel and oil sales;
2. Adequate table, desk or counter for checking-in-passengers, handling ticketing or fare collection, and handling of luggage;
3. Suitable, properly certified aircraft with properly certificated and qualified operating crew, one of which shall be located at the airport and ready for

departure at least eight hours of daylight operation daily, and at other times stand-by units and crew available upon call within one hour's notice;

4. Shall provide passenger liability insurance of at least ___(e.g. $1,000,000 per passenger seat and property damage liability of at least $1,000,000)___;
5. Shall comply with all requirements of FAR, part 135 pertaining to air taxi and commercial operation of small aircraft;
6. Shall provide as a separate item, at their expense, liability insurance relative to their obligations with minimum liability to protect the operator and to protect and hold harmless the City of _______ and all liability in connection with their activities.

D. AIRCRAFT ENGINE, AIRFRAME, AND ACCESSORY SALES AND MAINTENANCE

All persons operating aircraft engine, airframe and accessory maintenance facilities to the public for hire shall provide:

1. In case of airframe or engine repairs, sufficient hangar space to house any aircraft upon which such service is being performed;
2. Suitable inside and outside storage space for aircraft awaiting repair or maintenance or delivery after repairs or alterations if less than seven days duration;
3. Adequate shop space to house the equipment and adequate equipment and machine tools, jacks, lifts and testing equipment (if applicable), to perform top overhauls as required for FAA certification and repair of parts not needing replacement on single engine land and light multi-engine land general aviation aircraft;
4. At least one FAA certified airframe and power plant mechanic available during eight hours of the day, five days per week;
5. Facilities for washing and cleaning aircraft if operator engages in said business.

E. AIRCRAFT RENTAL AND SALES

Persons conducting aircraft rental and sales activity shall provide:

1. Suitable office space for consummating sales and/or rentals, and the keeping of the proper records in connection therewith;
2. Hangar storage space for at least one aircraft to be used for sales or rentals;
3. For rental, airworthy aircraft suitably maintained and certified;
4. For sales activity of a new aircraft, a sales or distributorship franchise from a recognized aircraft manufacturer of new aircraft and at least one demonstrator model of such aircraft, or satisfactory arrangements with other operators licensed by the City on the Airport for such service and repair;
5. There shall be available, at least during eight hours of the working day, a properly certificated pilot capable of demonstrating new aircraft for sale or for checking out rental aircraft;
6. The minimum stock of readily expendable spare parts, or adequate arrangements for securing spare parts required for the type of aircraft and models sold;
7. Current up-to-date specifications and price lists for types of models of new aircraft sold;
8. Proper check lists and operating manuals of all aircraft rented and adequate parts catalog and service manual on new aircraft sold.

F. FLIGHT TRAINING

1. All certified schools conducting flight-training activities shall provide:

a. At least one properly certificated flight instructor for single-engine land airplanes;
b. At least one dual equipped single engine land aircraft, properly equipped and maintained for flight instruction, and such additional types of aircraft as may be required to give flight instruction of the kind advertised;
c. Adequate office and classroom space for at least ten students with proper restroom and seating facilities;
d. Adequate mock-ups, pictures, slides, filmstrips or other visual aids necessary to provide proper ground school instructions;
e. Properly certified ground school instructor, providing regularly scheduled ground school instructions sufficient to enable students to pass the FAA written examination for private pilot and commercial ratings;
f. Continuing ability to meet certification requirements for the FAA of the flight training proposed and shall comply with all requirements of approved pilot schools, and FAR Part 141;
g. Adequate public liability and property damage insurance sufficient to protect the operator and the City from legal liabilities involved;
h. Adequate facilities for storing, parking, servicing and repairing all its aircraft or satisfactory arrangements with other operators licensed or otherwise permitted by the City on the Airport for such services.

2. All individuals desiring to conduct flight training shall comply with either a or b below:
   a. Part-time instructors may work in conjunction with any of the full-time flight schools and be subjected to all of the standards pertaining to full-time flight schools, or;
   b. May work individually provided the following guidelines are followed:
      i. Must hold current FAA certified flight instructor certificate;
      ii. Must comply with FAR Part 61;
      iii. Instructor or designee must be present at the airport for all student flights;
      iv. Must obtain annual permit from the Airport Authority. Permit expires on June 30 of each year. Renewal applications must be submitted sixty (60) days prior to expiration and demonstrate continued FAA certification for flight instruction.

Both categories of flight training will ensure that all aircraft engaged in a flight training program will continue to meet all FAA maintenance requirements for commercial operations.

G. CROP DUSTING AND SPRAYING

Persons seeking to conduct crop dusting or spraying of agricultural chemicals shall be required to satisfy the ___(e.g. Airport Advisory Board)___ that:

1. Suitable arrangements have been provided for the safe storage and containment of noxious chemical materials; no poisonous or inflammable materials shall be kept or stored in close proximity to other facility installations at the Airport;
2. The operator shall have available properly certificated crew/aircrafts suitably equipped for the agricultural operation undertaken;
3. The operator shall make suitable arrangements for servicing, repairing, storing and parking its aircraft with adequate safeguards against spillage on runways and

taxiways or pollution or disbursal of chemicals by wind to other operational areas on the Airport;

4. Operator shall provide adequate public liability insurance to protect the operator and the City from liability in connection with such operations;

H. MINIMUM LAND AND IMPROVEMENT REQUIREMENTS FOR GENERAL FIXED BASE OPERATOR

The minimum ground leased for a general fixed base operation shall be as follows:

1. To be determined by __(e.g. Airport Advisory Board)__ at time of application.
2. The minimum facilities constructed should be as follows:
    a. Hangar: To be determined by __(e.g. Airport Advisory Board)__ at time of application.
    b. Paved Apron: To be determined __(e.g. Airport Advisory Board)__ at time of application.
    c. Auto Parking: To be determined by __(e.g. Airport Advisory Board)__ at time of application.
    d. Office Space (separate or lean-to.)
    e. Adequate space to house office, pilots' lounge, restroom facilities and appropriate shop areas.
3. Building improvements shall occupy at least 6% of the gross area leased, and building improvements and paved ramp together shall occupy at least 40% of the gross area leased.
4. All paving and other construction shall be permanent and fire resistant, and shall be kept compatible with the design, material and landscaping of the basic structures of the Airport as outlined.
5. The written approval of the __(e.g. Airport Advisory Board)__ may be obtained prior the initial planning AND implementation of any detailed plans or specifications for any construction, architectural design, and landscaping project.

I. BASIC TERMS AND CONDITIONS

It is the intention of the City to write a lease requiring the Fixed Base Operator to provide certain services. It is also the intention of the City that all leases be "net" leases. That is, that total costs for amortizing the investment and maintenance costs be borne by the operator. Operators may construct hangars provided they meet the minimum investment requirement, and title is to rest in the City upon completion, subject to rights of mortgagor.

J. CONSTRUCTION OF CORPORATE HANGARS BY OTHER THAN FIXED BASE OPERATORS

The __(e.g. Airport Advisory Board)__ recognizes the need for individual corporation hangars that would be constructed by persons other than Fixed Base Operators. Corporations will be encouraged to obtain facilities from the Fixed Base Operators. If unable, such buildings will be permitted in specific areas designated on the Airport Master Plan, provided no commercial activities are conducted on the premises and the following conditions are met:

1. Facilities may be constructed by the City or the proponent; but in either case, minimum cost of such structures (including taxiways and aprons) will be as follows, based on current construction costs:
    a. Corporate Hangar = __(e.g. $20,000.00)__
    b. No individual fuel facilities will be allowed;

c. Taxiway improvements to the site will be borne by the proponent unless the area under consideration is to be developed by the City.

K. PRIVATELY OWNED T-HANGARS

The City plans to provide an area at _______ Airport to accommodate privately owned T-hangars. They will consist of lots __(e.g. 50' X 70')__ which will be leased to an individual for a number of years upon which a privately owned T-hangar can be built. Persons wishing to lease private T-hangar lots must meet the following requirements:

1. Ground rental rates shall be at the established rate and terms, payable in advance.
2. No commercial activity or enterprise shall be conducted by the individual owner or her/his subleases from the T-hangar(s).
3. No fueling of any kind shall be permitted in or adjacent to the T-hangars. See Section IX, Paragraph B, "Self-Fueling Privileges".
4. The owner must provide adequate public liability and property damage insurance sufficient to protect the Owner and the City from any legal liabilities involved.
5. Hangar must be built to standards laid out in the General Specifications for Private Hangar Construction document.

L. SPECIALTY SHOPS AND OTHER AERONAUTICAL FUNCTIONS

Specialty shops such as engine overhaul, accessory overhaul, prop shops, instrument shops, etc., are encouraged to be tenants of existing operators. However, special requirements will be studied by the ___(e.g. Airport Advisory Board)___ on an individual basis.

M. AREAS AVAILABLE FOR LEASE

1. The Master Plan for ________ Airport shows the various areas available for lease and the types of uses permitted.
2. All plans and specifications for new construction or alteration shall be approved in writing prior to construction as to architectural conformity, location of building lines, proper hangar clearances, and other specifications that may apply to conform to Airport standards. Hangar must be built to standards laid out in the General Specifications for Private Hangar Construction document.
3. Improvements or alterations to the leased premises become the property of the City upon completion, but the lessee is responsible for all maintenance costs.
4. Improvements or alterations to the leased premises become the property of the City upon completion, but the lessee is responsible for all maintenance costs.
5. Within 30 days of completion of construction or alteration, the lessee will submit a complete set of "as-built" plans with a detailed cost breakdown.
6. All buildings and construction shall meet City building and fire codes, FAA, state and city specifications and any other specific requirements set by the ___(e.g. Airport Advisory Board).
7. All utilities including electrical, telephone, gas lines or regulators, will be underground. Plans and specifications for the construction of utilities shall require prior written approval by the ___(e.g. Airport Advisory Board)____ including those constructed by the utility companies.

N. COMBINATION ACTIVITIES

Any person conducting a combination of the specific activities listed hereunder shall not be required to duplicate the requirements of the individual activities, but where the requirement of one activity is sufficient to meet the requirement of a separate activity to be conducted, the one facility shall be sufficient to meet both requirements.

X. AMENDMENT OF STANDARDS

The ___(e.g. Airport Advisory Board)___ shall review the minimum standards and requirements for conducting aeronautical activities at least annually, and shall recommend such revisions or amendments as shall be deemed necessary under the use circumstances surrounding the Airport to properly protect the health, safety and interest of the City and the public. Upon approval of any such amendments, the operators of aeronautical activities secured hereunder shall be required to conform to such amended Standards.

XI. NOTICES

Notices of other applications for like or similar aeronautical activities or of intent to amend the Standards as established herein shall be sent, first class mail, postage prepaid, to all holders of a Fixed Base Operator's lease or permit for the conduct of an aeronautical activity on the Airport.

PASSED AND APPROVED THIS ___ DAY OF ________________, 20___:

____
NAME, TITLE

(SEAL)

ATTEST:

____
NAME, TITLE

Appendix F:

FAA Hangar Use Policy

in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the Manager, International Branch, ANM–116, Transport Airplane Directorate, FAA; or the European Aviation Safety Agency (EASA); or Saab AB, Saab Aeronautics' EASA Design Organization Approval (DOA). If approved by the DOA, the approval must include the DOA-authorized signature.

(m) Related Information

Refer to Mandatory Continuing Airworthiness Information (MCAI) European Aviation Safety Agency Airworthiness Directive 2014–0255, dated November 25, 2014, for related information. This MCAI may be found in the AD docket on the Internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2015–7524.

(n) Material Incorporated by Reference

(1) The Director of the Federal Register approved the incorporation by reference (IBR) of the service information listed in this paragraph under 5 U.S.C. 552(a) and 1 CFR part 51.

(2) You must use this service information as applicable to do the actions required by this AD, unless this AD specifies otherwise.

(3) The following service information was approved for IBR on July 20, 2016.

(i) Saab Service Bulletin 2000–38–011, dated October 22, 2014.

(ii) Reserved.

(4) The following service information was approved for IBR on September 9, 2014 (79 FR 45337, August 5, 2014).

(i) Saab Service Bulletin 2000–38–010, dated July 12, 2013.

(ii) Saab Service Newsletter SN 2000–1304, Revision 01, dated September 10, 2013, including Attachment 1 Engineering Statement to Operator 2000PBS034334, Issue A, dated September 9, 2013.

(5) For service information identified in this AD, contact Saab AB, Saab Aeronautics, SE–581 88, Linköping, Sweden; telephone +46 13 18 5591; fax +46 13 18 4874; email *saab340techsupport@saabgroup.com;* Internet *http://www.saabgroup.com.*

(6) You may view this service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

(7) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202–741–6030, or go to: *http://www.archives.gov/federal-register/cfr/ibr-locations.html.*

Issued in Renton, Washington, on May 31, 2016.

Michael Kaszycki,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2016–13740 Filed 6–14–16; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Chapter I

[Docket No. FAA 2014–0463]

Policy on the Non-Aeronautical Use of Airport Hangars

AGENCY: Federal Aviation Administration (FAA), Department of Transportation (DOT).

ACTION: Notice of final policy.

SUMMARY: This action clarifies the FAA's policy regarding storage of non-aeronautical items in airport facilities designated for aeronautical use. Under Federal law, airport operators that have accepted federal grants and/or those that have obligations contained in property deeds for property transferred under various Federal laws such as the Surplus Property Act generally may use airport property only for aviation-related purposes unless otherwise approved by the FAA. In some cases, airports have allowed non-aeronautical storage or uses in some hangars intended for aeronautical use, which the FAA has found to interfere with or entirely displace aeronautical use of the hangar. At the same time, the FAA recognizes that storage of some items in a hangar that is otherwise used for aircraft storage will have no effect on the aeronautical utility of the hangar. This action also amends the definition of aeronautical use to include construction of amateur-built aircraft and provides additional guidance on permissible non-aeronautical use of a hangar.''

DATES: The policy described herein is effective July 1, 2017.

FOR FURTHER INFORMATION CONTACT: Kevin C. Willis, Manager, Airport Compliance Division, ACO–100, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20591, telephone (202) 267–3085; facsimile: (202) 267–4629.

ADDRESSES: You can get an electronic copy of this Policy and all other documents in this docket using the Internet by:

(1) Searching the Federal eRulemaking portal (*http://www.faa.gov/regulations/search);*

(2) Visiting FAA's Regulations and Policies Web page at (*http://www.faa.gov/regulations_policies);* or

(3) Accessing the Government Printing Office's Web page at (*http://www.gpoaccess.gov/index.html).*

You can also get a copy by sending a request to the Federal Aviation Administration, Office of Airport Compliance and Management Analysis, 800 Independence Avenue SW., Washington, DC 20591, or by calling (202) 267–3085. Make sure to identify the docket number, notice number, or amendment number of this proceeding.

SUPPLEMENTARY INFORMATION:

Authority for the Policy: This document is published under the authority described in Title 49 of the United States Code, Subtitle VII, part B, chapter 471, section 47122(a).

Background

Airport Sponsor Obligations

In July 2014, the FAA issued a proposed statement of policy on use of airport hangars to clarify compliance requirements for airport sponsors, airport managers, airport tenants, state aviation officials, and FAA compliance staff. (79 **Federal Register** (FR) 42483, July 22, 2014).

Airport sponsors that have accepted grants under the Airport Improvement Program (AIP) have agreed to comply with certain Federal policies included in each AIP grant agreement as sponsor assurances. The Airport and Airway Improvement Act of 1982 (AAIA) (Pub. L. 97–248), as amended and recodified at 49 United States Codes (U.S.C.) 47107(a)(1), and the contractual sponsor assurances require that the airport sponsor make the airport available for aviation use. Grant Assurance 22, *Economic Nondiscrimination,* requires the sponsor to make the airport available on reasonable terms without unjust discrimination for aeronautical activities, including aviation services. Grant Assurance 19, *Operation and Maintenance,* prohibits an airport sponsor from causing or permitting any activity that would interfere with use of airport property for airport purposes. In some cases, sponsors who have received property transfers through surplus property and nonsurplus property agreements have similar federal obligations.

The sponsor may designate some areas of the airport for non-aviation use,[1] with FAA approval, but aeronautical facilities of the airport must be dedicated to use for aviation purposes. Limiting use of aeronautical facilities to aeronautical purposes ensures that airport facilities are available to meet aviation demand at the airport. Aviation tenants and aircraft owners should not be displaced by non-

[1] The terms ''non-aviation'' and ''non-aeronautical'' are used interchangeably in this Notice.

aviation commercial uses that could be conducted off airport property.

It is the longstanding policy of the FAA that airport property be available for aeronautical use and not be available for non-aeronautical purposes unless that non-aeronautical use is approved by the FAA. Use of a designated aeronautical facility for a non-aeronautical purpose, even on a temporary basis, requires FAA approval. *See* FAA Order 5190.6B, *Airport Compliance Manual,* paragraph 22.6, September 30, 2009. The identification of non-aeronautical use of aeronautical areas receives special attention in FAA airport land use compliance inspections. *See* Order 5190.6B, paragraphs 21.6(f)(5).

Areas of the airport designated for non-aeronautical use must be shown on an airport's Airport Layout Plan (ALP). The AAIA, at 49 U.S.C. 47107(a)(16), requires that AIP grant agreements include an assurance by the sponsor to maintain an ALP in a manner prescribed by the FAA. Sponsor assurance 29, *Airport Layout Plan,* implements § 47107(a)(16) and provides that an ALP must designate non-aviation areas of the airport. The sponsor may not allow an alteration of the airport in a manner inconsistent with the ALP unless approved by the FAA. See Order 5190.6B, paragraph 7.18, and Advisory Circular 150/5070–6B, *Airport Master Plans,* Chapter 10.

Clearly identifying non-aeronautical facilities not only keeps aeronautical facilities available for aviation use, but also assures that the airport sponsor receives at least Fair Market Value (FMV) revenue from non-aviation uses of the airport. The AAIA requires that airport revenues be used for airport purposes, and that the airport maintain a fee structure that makes the airport as self-sustaining as possible. 49 U.S.C. 47107(a)(13)(A) and (b)(1). The FAA and the Department of Transportation Office of the Inspector General have interpreted these statutory provisions to require that non-aviation activities on an airport be charged a fair market rate for use of airport facilities rather than the aeronautical rate. See *FAA Policies and Procedures Concerning the Use of Airport Revenue,* (64 FR 7696, 7721, February 16, 1999) (FAA Revenue Use Policy).

If an airport tenant pays an aeronautical rate for a hangar and then uses the hangar for a non-aeronautical purpose, the tenant may be paying a below-market rate in violation of the sponsor's obligation for a self-sustaining rate structure and FAA's Revenue Use Policy. Confining non-aeronautical activity to designated non-aviation areas of the airport helps to ensure that the non-aeronautical use of airport property is monitored and allows the airport sponsor to clearly identify non-aeronautical fair market value lease rates, in order to meet their federal obligations. Identifying non-aeronautical uses and charging appropriate rates for these uses prevents the sponsor from subsidizing non-aviation activities with aviation revenues.

FAA Oversight

A sponsor's Grant Assurance obligations require that its aeronautical facilities be used or be available for use for aeronautical activities. If the presence of non-aeronautical items in a hangar does not interfere with these obligations, then the FAA will generally not consider the presence of those items to constitute a violation of the sponsor's obligations. When an airport has unused hangars and low aviation demand, a sponsor can request the FAA approval for interim non-aeronautical use of a hangars, until demand exists for those hangars for an aeronautical purpose. Aeronautical use must take priority and be accommodated over non-aeronautical use, even if the rental rate would be higher for the non-aeronautical use. The sponsor is required to charge a fair market commercial rental rate for any hangar rental or use for non-aeronautical purposes. (64 FR 7721).

The FAA conducts land use inspections at 18 selected airports each year, at least two in each of the nine FAA regions. *See* Order 5190.6B, paragraph 21.1. The inspection includes consideration of whether the airport sponsor is using designated aeronautical areas of the airport exclusively for aeronautical purposes, unless otherwise approved by the FAA. *See* Order 5190.6B, paragraph 21.6.

The Notice of Proposed Policy

In July 2014, the FAA issued a notice of proposed policy on use of hangars and related facilities at federally obligated airports, to provide a clear and standardized guide for airport sponsors and FAA compliance staff. (79 FR 42483, July 22, 2014). The FAA received more than 2,400 comments on the proposed policy statement, the majority from persons who have built or are in the process of building an amateur-built aircraft. The FAA also received comments from aircraft owners, tenants and owners of hangars, and airport operators. The Aircraft Owners and Pilots Association (AOPA) and the Experimental Aircraft Association (EAA) also provided comments on behalf of their membership. Most of the comments objected to some aspect the proposed policy statement. Comments objecting to the proposal tended to fall into two general categories:

- The FAA should not regulate the use of hangars at all, especially if the hangar is privately owned.
- While the FAA should have a policy limiting use of hangars on federally obligated airports to aviation uses, the proposed policy is too restrictive in defining what activities should be allowed.

Discussion of Comments and Final Policy

The following summary of comments reflects the major issues raised and does not restate each comment received. The FAA considered all comments received even if not specifically identified and responded to in this notice. The FAA discusses revisions to the policy based on comments received. In addition, the FAA will post frequently asked Questions and Answers regarding the Hangar Use Policy on *www.faa.gov/airport compliance.* These Questions and Answers will be periodically updated until FAA Order 5190.6B is revised to reflect the changes in this notice.

1. *Comment: Commenters stated that the FAA should defer to local government and leave all regulation of hangar use to the airport operator.*

Response: The FAA has a contract with the sponsor of an obligated airport, either through AIP grant agreements or a surplus property deed, to limit the use of airport property to certain aviation purposes. Each sponsor of an obligated airport has agreed to these terms. The FAA relies on each airport sponsor to comply with its obligations under this contract. To maintain a standardized national airport system and standardized practices in each of the FAA's nine regional offices, the agency issues guidance on its interpretation of the requirements of the AIP and surplus property agreements. It falls to the local airport sponsor to implement these requirements. The FAA allows airport sponsors some flexibility to adapt compliance to local conditions at each airport.

However, some airport sponsors have adopted hangar use practices that led to airport users to complain to the FAA. Some airport users have complained that sponsors are too restrictive, and fail to allow reasonable aviation-related uses of airport hangars. More commonly, aircraft owners have complained that hangar facilities are not available for aircraft storage because airport sponsors have allowed the use of hangars for purposes that are unrelated to aviation, such as operating a non-aviation business or storing multiple vehicles. By issuing the July 2014 notice, the FAA intended to resolve both kinds of complaints by providing guidance on appropriate management of hangar use. The agency continues to believe that FAA policy guidance is appropriate and necessary to preserve reasonable access to aeronautical facilities on federally obligated airports. However, the final policy has been revised in response to comments received on the proposal.

2. *Comment: Commenters, including AOPA, stated that the FAA lacks the authority to regulate the use of privately owned hangars.*

Response: The FAA has a statutory obligation to assure that facilities on aeronautically designated land at federally obligated airports are reasonably available for aviation use. Designated aeronautical land on a federally obligated airport is a necessary part of a national system of aviation facilities. Land designated for aeronautical use offers access to the local airfield taxiway and runway system. Land designated for aeronautical use is also subject to certain conditions, including FAA policies concerning rates and charges (including rental rates) which were designed to preserve access for aeronautical users and to support aeronautical uses. A person who leases aeronautical land on the airport to build a hangar accepts conditions that come with that land in return for the special benefits of the location. The fact that the tenant pays the sponsor for use of the hangar or the land does not affect the agreement between the FAA and the sponsor that the land be used for aeronautical purposes. (In fact, most hangar owners do not have fee ownership of the property; typically airport structures revert to ownership of the airport sponsor upon expiration of the lease term). An airport sponsor may choose to apply different rules to hangars owned by the sponsor than it does to privately constructed hangars, but the obligations of the sponsor Grant Assurances and therefore the basic policies on aeronautical use stated in this notice, will apply to both.

3. *Comment: Commenters believe that a policy applying the same rules to all kinds of aeronautical structures, and to privately owned hangars as well as sponsor-owned hangars, is too general. The policy should acknowledge the differences between categories of airport facilities.*

Response: A number of commenters thought that rules for use of privately constructed and owned hangars should be less restrictive than rules for hangars leased from the airport sponsor. The Leesburg Airport Commission commented that there are different kinds of structures on the airport, with variations in rental and ownership interests, and that the FAA's policy should reflect those differences. The FAA acknowledges that ownership or lease rights and the uses made of various aeronautical facilities at airports will vary. The agency expects that airport sponsors' agreements with tenants would reflect those differences. The form of property interest, be it a leasehold or ownership of a hangar, does not affect the obligations of the airport sponsor under the Grant Assurances. All facilities on designated aeronautical land on an obligated airport are subject to the requirement that the facilities be available for aeronautical use.

4. *Comment: Commenters agree that hangars should be used to store aircraft and not for non-aviation uses, but, they argue the proposed policy is too restrictive on the storage of non-aviation related items in a hangar along with an aircraft. A hangar with an aircraft in it still has a large amount of room for storage and other incidental uses, and that space can be used with no adverse effect on the use and storage of the aircraft.*

Response: In response to the comments, the final policy deletes the criteria of ''incidental'' or ''de minimis'' use and simply requires that non-aviation storage in a hangar not interfere with movement of aircraft in or out of the hangar, or impede access to other aeronautical contents of the hangar. The policy lists specific conditions that would be considered to interfere with aeronautical use. Stored non-aeronautical items would be considered to interfere with aviation use if they:

○ Impede the movement of the aircraft in and out of the hangar;

○ Displace the aeronautical contents of the hangar. (A vehicle parked at the hangar while the vehicle owner is using the aircraft will not be considered to displace the aircraft);

○ Impede access to aircraft or other aeronautical contents of the hangar;

○ Are used for the conduct of a non-aeronautical business or municipal agency function from the hangar (including storage of inventory); or

○ Are stored in violation of airport rules and regulations, lease provisions, building codes or local ordinances.

Note: Storage of equipment associated with an aeronautical activity (*e.g.,* skydiving, ballooning, gliding) would be considered an aeronautical use of a hangar.

5. *Comment: Commenters stated the policy should apply different rules to situations where there is no aviation demand for hangars, especially when hangars are vacant and producing no income for the sponsor.*

Response: At some airports, at some times, there will be more hangar capacity than needed to meet aeronautical demand, and as a result there will be vacant hangars. The FAA agrees that in such cases it is preferable to make use of the hangars to generate revenue for the airport, as long as the hangar capacity can be recovered on relatively short notice for aeronautical use when needed. *See* Order 5190.6B, paragraph 22.6. The final policy adopts a provision modeled on a leasing policy of the Los Angeles County Airport Commission, which allows month-to-month leases of vacant hangars for any purpose until a request for aeronautical use is received. The final policy requires that a sponsor request FAA approval before implementing a similar leasing plan:

• The airport sponsor may request FAA approval of a leasing plan for the lease of vacant hangars for non-aeronautical use on a month-to-month basis.

• The plan may be implemented only when there is no current aviation demand for the vacant hangars.

• Leases must require the non-aeronautical tenant to vacate the hangar on 30 days' notice, to allow aeronautical use when a request is received.

• Once the plan is approved, the sponsor may lease vacant hangars on a 30 days' notice without further FAA approval.

The agency believes this will allow airports to obtain some financial benefit from vacant hangars no, while allowing the hangars to be quickly returned to aeronautical use when needed. FAA pre-approval of a month-to-month leasing plan will minimize the burden on airport sponsors and FAA staff since it is consistent with existing interim use guidance.

6. *Comment: Commenter indicates that the terms ''incidental use'' and ''insignificant amount of space'' are too vague and restrictive.*

Response: The FAA has not used these terms in the final policy. Instead, the policy lists specific prohibited conditions that would be considered to interfere with aeronautical use of a hangar.

7. *Comment: Commenter states Glider operations require storage of items at the airport other than aircraft, such as tow vehicles and towing equipment. This should be an approved use of hangars.*

Response: Tow bars and glider tow equipment have been added to the list of examples of aeronautical equipment. Whether a vehicle is dedicated to use for glider towing is a particular fact that can be determined by the airport sponsor in each case. Otherwise the general rules for parking a vehicle in a hangar would apply.

8. *Comment: Commenter states it should be clear that it is acceptable to park a vehicle in the hangar while the aircraft is out of the hangar being used.*

Response: The final policy states that a vehicle parked in the hangar, while the vehicle owner is using the aircraft will not be considered to displace the aircraft, and therefore is not prohibited.

9. *Comment: Commenters, including Experimental Aircraft Association (EAA), stated that aviation museums and non-profit organizations that promote aviation should not be excluded from hangars.*

Response: Aviation museums and other non-profit aviation-related organizations may have access to airport property at less than fair market rent, under section VII.E of the FAA Policy and Procedures Concerning the Use of Airport Revenue. (64 FR 7710, February 16, 1999). However, there is no special reason for such activities to displace aircraft owners seeking hangar space for storage of operating aircraft, unless the activity itself involves use and storage of aircraft. Accordingly, aviation museums and non-profit organizations will continue to have the same access to vacant hangar space as other activities that do not actually require a hangar for aviation use, that is, when there is no aviation demand (aircraft storage) for those hangars and subject to the discretion of the airport operator.

10. *Comment: Commenters suggest that the policy should allow a 'grace period' for maintaining possession of an empty hangar for a reasonable time from the sale of an aircraft to the purchase or lease of a new aircraft to be stored in the hangar.*

Response: The FAA assumes that airport lease terms would include reasonable accommodation for this purpose and other reasons a hangar might be empty for some period of time, including the aircraft being in use or at another location for maintenance. The reasons for temporary hangar vacancy and appropriate ''grace periods'' for various events depend on local needs and lease policies, and the FAA has not included any special provision for grace periods in the final policy.

11. *Comment: Commenters believe that the policy should allow some leisure spaces in a hangar, such as a lounge or seating area and kitchen, in recognition of the time many aircraft owners spend at the airport, and the benefits of an airport community.*

Response: The final policy does not include any special provision for lounge areas or kitchens, either specifically permitting or prohibiting these areas. The policy requires only that any non-aviation related items in a hangar not interfere in any way with the primary use of the hangar for aircraft storage and movement. The airport sponsor is expected to have lease provisions and regulations in place to assure that items located in hangars do not interfere with this primary purpose.

12. *Comment: Commenters, including EAA, stated that all construction of an aircraft should be considered aeronautical for the purpose of hangar use, because building an aircraft is an inherently aeronautical activity. The policy should at least allow for use of a hangar at a much earlier stage of construction than final assembly.*

Response: The FAA has consistently held that the need for an airport hangar in manufacturing or building aircraft arises at the time the components of the aircraft are assembled into a completed aircraft. Prior to that stage, components can be assembled off-airport in smaller spaces. This determination has been applied to both commercial aircraft manufacturing as well as homebuilding of experimental aircraft.

A large majority of the more than 2,400 public comments received on the notice argued that aircraft construction at any stage is an aeronautical activity. The FAA recognizes that the construction of amateur-built aircraft differs from large-scale, commercial aircraft manufacturing. It may be more difficult for those constructing amateur-built or kit-built aircraft to find alternative space for construction or a means to ultimately transport completed large aircraft components to the airport for final assembly, and ultimately for access to taxiways for operation.

Commenters stated that in many cases an airport hangar may be the only viable location for amateur-built or kit-built aircraft construction. Also, as noted in the July 2014 notice, many airports have vacant hangars where a lease for construction of an aircraft, even for several years, would not prevent owners of operating aircraft from having access to hangar storage.

Accordingly, the FAA will consider the construction of amateur-built or kit-built aircraft as an aeronautical activity. Airport sponsors must provide reasonable access to this class of users, subject to local ordinances and building codes. Reasonable access applies to currently available facilities; there is no requirement for sponsors to construct special facilities or to upgrade existing facilities for aircraft construction use.

Airport sponsors are urged to consider the appropriate safety measures to accommodate aircraft construction. Airport sponsors leasing a vacant hangar for aircraft construction also are urged to incorporate progress benchmarks in the lease to ensure the construction project proceeds to completion in a reasonable time. The FAA's policy with respect to commercial aircraft manufacturing remains unchanged.

13. *Comment: Commenter suggests that the time that an inoperable aircraft can be stored in a hangar should be clarified, because repairs can sometimes involve periods of inactivity.*

Response: The term ''operational aircraft'' in the final policy does not necessarily mean an aircraft fueled and ready to fly. All operating aircraft experience downtime for maintenance and repair, and for other routine and exceptional reasons. The final policy does not include an arbitrary time period beyond which an aircraft is no longer considered operational. An airport operator should be able to determine whether a particular aircraft is likely to become operational in a reasonable time or not, and incorporate provisions in the hangar lease to provide for either possibility.

14. *Comment: Commenter suggests that the FAA should limit use of hangars on an obligated airport as proposed in the July 2014 notice. Airport sponsors frequently allow non-aeronautical use of hangars now, denying the availability of hangar space to aircraft owners.*

Response: Some commenters supported the relatively strict policies in the July 2014 notice, citing their experience with being denied access to hangars that were being used for non-aviation purposes. The FAA believes that the final policy adopted will allow hangar tenants greater flexibility than the proposed policy in the use of their hangars, but only to the extent that there is no impact on the primary purpose of the hangar. The intent of the final policy is to minimize the regulatory burden on hangar tenants and to simplify enforcement responsibilities for airport sponsors and the FAA, but only as is consistent with the statutory requirements for use of federally obligated airport property.

Final Policy

In accordance with the above, the FAA is adopting the following policy statement on use of hangars at federally obligated airports:

Use of Aeronautical Land and Facilities

Applicability

This policy applies to all aircraft storage areas or facilities on a federally obligated airport unless designated for non-aeronautical use on an approved Airport Layout Plan or otherwise approved for non-aviation use by the FAA. This policy generally refers to the use of hangars since they are the type of aeronautical facility most often involved in issues of non-aviation use, but the policy also applies to other structures on areas of an airport designated for aeronautical use. This policy applies to all users of aircraft hangars, including airport sponsors, municipalities, and other public entities, regardless of whether a user is an owner or lessee of the hangar.

I. General

The intent of this policy is to ensure that the federal investment in federally obligated airports is protected by making aeronautical facilities available to aeronautical users, and by ensuring that airport sponsors receive fair market value for use of airport property for non-aeronautical purposes. The policy implements several Grant Assurances, including Grant Assurance 5, *Preserving Rights and Powers;* Grant Assurance 22, *Economic Nondiscrimination;* Grant Assurance 24, *Fee and Rental Structure;* and Grant Assurance 25, *Airport Revenues.*

II. Standards for Aeronautical Use of Hangars

a. Hangars located on airport property must be used for an aeronautical purpose, or be available for use for an aeronautical purpose, unless otherwise approved by the FAA Office of Airports as described in Section III.

b. Aeronautical uses for hangars include:

1. Storage of active 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.
5. Storage of aircraft handling equipment, *e.g.,* towbars, glider tow equipment, workbenches, and tools and materials used in the servicing, maintenance, repair or outfitting of aircraft.

c. Provided the hangar is used primarily for aeronautical purposes, an airport sponsor may permit non-aeronautical items to be stored in hangars provided the items do not interfere with the aeronautical use of the hangar.

d. While sponsors may adopt more restrictive rules for use of hangars, the FAA 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 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 or municipal agency function from the hangar (including storage of inventory).
5. Are stored in violation of airport rules and regulations, lease provisions, building codes or local ordinances.

e. Hangars may not be used as a residence, with a limited exception for sponsors providing an on-airport residence for a full-time airport manager, watchman, or airport operations staff for remotely located airports. The FAA differentiates between a typical pilot resting facility or aircrew quarters versus a hangar residence or hangar home. The former are designed to be used for overnight and/or resting periods for aircrew, and not as a permanent or even temporary residence. *See* FAA Order 5190.6B paragraph 20.5(b)

f. This policy applies regardless of whether the hangar occupant leases the hangar from the airport sponsor or developer, or the hangar occupant constructed the hangar at the occupant's own expense while holding a ground lease. When land designated for aeronautical use is made available for construction of hangars, the hangars built on the land are subject to the sponsor's obligations to use aeronautical facilities for aeronautical use.

III. Approval for Non-Aeronautical Use of Hangars

A sponsor will be considered to have FAA approval for non-aeronautical use of a hangar in each of the following cases:

a. FAA advance approval of an *interim use:* Where hangars are unoccupied and there is no current aviation demand for hangar space, the airport sponsor may request that FAA Office of Airports approve an interim use of a hangar for non-aeronautical purposes for a period of 3 to 5 years. The FAA will review the request in accordance with Order 5190.6B paragraph 22.6. Interim leases of unused hangars can generate revenue for the airport and prevent deterioration of facilities. Approved interim or concurrent revenue-production uses must not interfere with safe and efficient airport operations and sponsors should only agree to lease terms that allow the hangars to be recovered on a 30 days' notice for aeronautical purposes. In each of the above cases, the airport sponsor is required to charge non-aeronautical fair market rental fees for the non-aeronautical use of airport property, even on an interim basis. (64 FR 7721).

b. FAA approval of a *month-to-month leasing plan:* An airport sponsor may obtain advance written approval month-to-month leasing plan for non-aeronautical use of vacant facilities from the local FAA Office of Airports. When there is no current aviation demand for vacant hangars, the airport sponsor may request FAA approval of a leasing plan for the lease of vacant hangars for non-aeronautical use on a month-to-month basis. The plan must provide for leases that include an enforceable provision that the tenant will vacate the hangar on a 30-day notice. Once the plan is approved, the sponsor may lease vacant hangars on a 30-day notice basis without further FAA approval. If the airport sponsor receives a request for aeronautical use of the hangar and no other suitable hangar space is available, the sponsor will notify the month-to-month tenant that it must vacate.

A sponsor's request for approval of an interim use or a month-to-month leasing plan should include or provide for (1) an inventory of aeronautical and non-aeronautical land/uses, (2) information on vacancy rates; (3) the sponsor's procedures for accepting new requests for aeronautical use; and (4) assurance that facilities can be returned to aeronautical use when there is renewed aeronautical demand for hangar space. In each of the above cases, the airport sponsor is required to charge non-aeronautical fair market rental fees for the non-aeronautical use of airport property, even on an interim basis. (64 FR 7721).

c. *Other cases:* Advance written release by the FAA for all other non-aeronautical uses of designated aeronautical facilities. Any other non-aeronautical use of a designated aeronautical facility or parcel of airport land requires advance written approval from the FAA Office of Airports in accordance with Order 5190.6B chapter 22.

IV. Use of Hangars for Construction of an Aircraft

Non-commercial construction of amateur-built or kit-built aircraft is considered an aeronautical activity. As with any aeronautical activity, an airport sponsor may lease or approve the lease of hangar space for this activity without FAA approval. Airport sponsors are not required to construct special facilities or upgrade existing facilities for construction activities. Airport sponsors are urged to consider the appropriate safety measures to accommodate these users.

Airport sponsors also should consider incorporating construction progress targets in the lease to ensure that the hangar will be used for final assembly and storage of an operational aircraft within a reasonable term after project start.

V. No Right to Non-Aeronautical Use

In the context of enforcement of the Grant Assurances, this policy allows some incidental storage of non-aeronautical items in hangars that do not interfere with aeronautical use. However, the policy neither creates nor constitutes a right to store non-aeronautical items in hangars. Airport sponsors may restrict or prohibit storage of non-aeronautical items. Sponsors should consider factors such as emergency access, fire codes, security, insurance, and the impact of vehicular traffic on their surface areas when enacting rules regarding hangar storage. In some cases, permitting certain incidental non-aeronautical items in hangars could inhibit the sponsor's ability to meet obligations associated with Grant Assurance 19, *Operations and Maintenance.* To avoid claims of discrimination, sponsors should impose consistent rules for incidental storage in all similar facilities at the airport. Sponsors should ensure that taxiways and runways are not used for the vehicular transport of such items to or from the hangars.

VI. Sponsor Compliance Actions

a. It is expected that aeronautical facilities on an airport will be available and used for aeronautical purposes in the normal course of airport business, and that non-aeronautical uses will be the exception.

b. Sponsors should have a program to routinely monitor use of hangars and take measures to eliminate and prevent unapproved non-aeronautical use of hangars.

c. Sponsors should ensure that length of time on a waiting list of those in need of a hangar for aircraft storage is minimized.

d. Sponsors should also consider including a provision in airport leases, including aeronautical leases, to adjust rental rates to FMV for any non-incidental non-aeronautical use of the leased facilities. In other words, if a tenant uses a hangar for a non-aeronautical purpose in violation of this policy, the rental payments due to the sponsor would automatically increase to a FMV level.

e. FAA personnel conducting a land use or compliance inspection of an airport may request a copy of the sponsor's hangar use program and evidence that the sponsor has limited hangars to aeronautical use.

The FAA may disapprove an AIP grant for hangar construction if there are existing hangars at the airport being used for non-aeronautical purposes.

Issued in Washington, DC, on the 9th of June 2016.

Robin K. Hunt,

Acting Director, Office of Airport Compliance and Management Analysis.

[FR Doc. 2016–14133 Filed 6–14–16; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Parts 660, 801, and 809

[Docket No. FDA–2013–N–0125]

RIN 0910–AG74

Use of Symbols in Labeling

AGENCY: Food and Drug Administration, HHS.

ACTION: Final rule.

SUMMARY: The Food and Drug Administration (FDA or the Agency) is issuing this final rule revising its medical device and certain biological product labeling regulations to explicitly allow for the optional inclusion of graphical representations of information, or symbols, in labeling (including labels) without adjacent explanatory text (referred to in this document as ''stand-alone symbols'') if certain requirements are met. The final rule also specifies that the use of symbols, accompanied by adjacent explanatory text continues to be permitted. FDA is also revising its prescription device labeling regulations to allow the use of the symbol statement ''Rx only'' or ''℞ only'' in the labeling for prescription devices.

DATES: This rule is effective September 13, 2016.

FOR FURTHER INFORMATION CONTACT: *For information concerning the final rule as it relates to devices regulated by the Center for Devices and Radiological Health (CDRH):* Antoinette (Tosia) Hazlett, Center for Devices and Radiological Health, Food and Drug Administration, Bldg. 66, Rm. 5424, 10903 New Hampshire Ave., Silver Spring, MD 20993–0002, 301–796–6119, email: *Tosia.Hazlett@fda.hhs.gov.*

For information concerning the final rule as it relates to devices regulated by the Center for Biologics Evaluation and Research: Stephen Ripley, Center for Biologics Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 71, Rm. 7301, Silver Spring, MD 20993–0002, 240–402–7911.

SUPPLEMENTARY INFORMATION:

Executive Summary

Purpose of the Regulatory Action

The final rule explicitly permits the use of symbols in medical device labeling without adjacent explanatory text if certain requirements are met. The medical device industry has requested the ability to use stand-alone symbols on domestic device labeling, consistent with their current use on devices manufactured for European and other foreign markets. The final rule seeks to harmonize the U.S. device labeling requirements for symbols with international regulatory requirements, such as the Medical Device Directive 93/42/EEC of the European Union (EU) (the European Medical Device Directive) and global adoption of International Electrotechnical Commission (IEC) standard IEC 60417 and International Organization for Standardization (ISO) standard ISO 7000–DB that govern the use of device symbols in numerous foreign markets.

Summary of the Major Provisions of the Regulatory Action in Question

FDA has generally interpreted existing regulations not to allow the use of symbols in medical device labeling, except with adjacent English-language explanatory text and/or on in vitro diagnostic (IVD) devices intended for professional use. Under the final rule, symbols established in a standard developed by a standards development organization (SDO) may be used in medical device labeling without adjacent explanatory text as long as: (1) The standard is recognized by FDA under its authority under section 514(c) of the Federal Food, Drug, and Cosmetic Act (FD&C Act) (21 U.S.C. 360d(c)) and the symbol is used according to the specifications for use of the symbol set

Appendix G:

Grant Assurances

FAA
Airports

ASSURANCES

Airport Sponsors

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this grant agreement.

B. Duration and Applicability.

1. **Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.**

   The terms, conditions and assurances of this grant agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. **Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.**

   The preceding paragraph 1 also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. **Airport Planning Undertaken by a Sponsor.**

   Unless otherwise specified in this grant agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 25, 30, 32, 33, and 34 in Section C apply to planning projects. The terms, conditions, and assurances of this grant agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. **General Federal Requirements.**

   It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance and use of Federal funds for this project including but not limited to the following:

Federal Legislation

a. Title 49, U.S.C., subtitle VII, as amended.
b. Davis-Bacon Act - 40 U.S.C. 276(a), et seq.[1]
c. Federal Fair Labor Standards Act - 29 U.S.C. 201, et seq.
d. Hatch Act – 5 U.S.C. 1501, et seq.[2]
e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title 42 U.S.C. 4601, et seq.[1 2]
f. National Historic Preservation Act of 1966 - Section 106 - 16 U.S.C. 470(f).[1]
g. Archeological and Historic Preservation Act of 1974 - 16 U.S.C. 469 through 469c.[1]
h. Native Americans Grave Repatriation Act - 25 U.S.C. Section 3001, et seq.
i. Clean Air Act, P.L. 90-148, as amended.
j. Coastal Zone Management Act, P.L. 93-205, as amended.
k. Flood Disaster Protection Act of 1973 - Section 102(a) - 42 U.S.C. 4012a.[1]
l. Title 49, U.S.C., Section 303, (formerly known as Section 4(f))
m. Rehabilitation Act of 1973 - 29 U.S.C. 794.
n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.), prohibits discrimination on the basis of disability).
p. Age Discrimination Act of 1975 - 42 U.S.C. 6101, et seq.
q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
r. Architectural Barriers Act of 1968 -42 U.S.C. 4151, et seq.[1]
s. Power plant and Industrial Fuel Use Act of 1978 - Section 403- 2 U.S.C. 8373.[1]
t. Contract Work Hours and Safety Standards Act - 40 U.S.C. 327, et seq.[1]
u. Copeland Anti-kickback Act - 18 U.S.C. 874.1
v. National Environmental Policy Act of 1969 - 42 U.S.C. 4321, et seq.[1]
w. Wild and Scenic Rivers Act, P.L. 90-542, as amended.
x. Single Audit Act of 1984 - 31 U.S.C. 7501, et seq.[2]
y. Drug-Free Workplace Act of 1988 - 41 U.S.C. 702 through 706.

z. The Federal Funding Accountability and Transparency Act of 2006, as amended (Pub. L. 109-282, as amended by section 6202 of Pub. L. 110-252).

Executive Orders

a. Executive Order 11246 - Equal Employment Opportunity[1]
b. Executive Order 11990 - Protection of Wetlands
c. Executive Order 11998 – Flood Plain Management
d. Executive Order 12372 - Intergovernmental Review of Federal Programs
e. Executive Order 12699 - Seismic Safety of Federal and Federally Assisted New Building Construction[1]
f. Executive Order 12898 - Environmental Justice

Federal Regulations

a. 2 CFR Part 180 - OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).
b. 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [OMB Circular A-87 Cost Principles Applicable to Grants and Contracts with State and Local Governments, and OMB Circular A-133 - Audits of States, Local Governments, and Non-Profit Organizations].[4, 5, 6]
c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment
d. 14 CFR Part 13 - Investigative and Enforcement Procedures14 CFR Part 16 - Rules of Practice For Federally Assisted Airport Enforcement Proceedings.
e. 14 CFR Part 150 - Airport noise compatibility planning.
f. 28 CFR Part 35- Discrimination on the Basis of Disability in State and Local Government Services.
g. 28 CFR § 50.3 - U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964.
h. 29 CFR Part 1 - Procedures for predetermination of wage rates.[1]
i. 29 CFR Part 3 - Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States.[1]
j. 29 CFR Part 5 - Labor standards provisions applicable to contracts covering federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act).[1]
k. 41 CFR Part 60 - Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements).[1]
l. 49 CFR Part 18 - Uniform administrative requirements for grants and cooperative agreements to state and local governments.[3]
m. 49 CFR Part 20 - New restrictions on lobbying.
n. 49 CFR Part 21 – Nondiscrimination in federally-assisted programs of the Department of Transportation - effectuation of Title VI of the Civil Rights Act of 1964.
o. 49 CFR Part 23 - Participation by Disadvantage Business Enterprise in Airport Concessions.

p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs.[1 2]
q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Programs.
r. 49 CFR Part 27 – Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance.[1]
s. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities conducted by the Department of Transportation.
t. 49 CFR Part 30 - Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors.
u. 49 CFR Part 32 – Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)
v. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).
w. 49 CFR Part 41 - Seismic safety of Federal and federally assisted or regulated new building construction.

Specific Assurances

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this grant agreement.

Footnotes to Assurance C.1.

[1] These laws do not apply to airport planning sponsors.

[2] These laws do not apply to private sponsors.

[3] 49 CFR Part 18 and 2 CFR Part 200 contain requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation and circular shall also be applicable to private sponsors receiving Federal assistance under Title 49, United States Code.

[4] On December 26, 2013 at 78 FR 78590, the Office of Management and Budget (OMB) issued the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200. 2 CFR Part 200 replaces and combines the former Uniform Administrative Requirements for Grants (OMB Circular A-102 and Circular A-110 or 2 CFR Part 215 or Circular) as well as the Cost Principles (Circulars A-21 or 2 CFR part 220; Circular A-87 or 2 CFR part 225; and A-122, 2 CFR part 230). Additionally it replaces Circular A-133 guidance on the Single Annual Audit. In accordance with 2 CFR section 200.110, the standards set forth in Part 200 which affect administration of Federal awards issued by Federal agencies become effective once implemented by Federal agencies or when any future amendment to this Part becomes final. Federal agencies, including the Department of Transportation, must implement the policies and procedures applicable to Federal awards by promulgating a regulation to be effective by December 26, 2014 unless different provisions are required by statute or approved by OMB.

[5] Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.

[6] Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

2. **Responsibility and Authority of the Sponsor.**

   a. Public Agency Sponsor:

   It has legal authority to apply for this grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

   b. Private Sponsor:

   It has legal authority to apply for this grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this grant agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. **Sponsor Fund Availability.**

   It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this grant agreement which it will own or control.

4. **Good Title.**

   a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.

   b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. **Preserving Rights and Powers.**

   a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this grant agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.

b. It will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this grant agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this grant agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this grant agreement.

c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.

d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.

e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.

f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to insure that the airport will be operated and maintained in accordance Title 49, United States Code, the regulations and the terms, conditions and assurances in this grant agreement and shall insure that such arrangement also requires compliance therewith.

g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.

6. **Consistency with Local Plans.**

   The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. **Consideration of Local Interest.**

   It has given fair consideration to the interest of communities in or near where the project may be located.

8. **Consultation with Users.**

   In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. **Public Hearings.**

   In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. **Metropolitan Planning Organization.**

    In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. **Pavement Preventive Maintenance.**

    With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. **Terminal Development Prerequisites.**

    For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under section 44706 of Title 49, United States Code, and all the security equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. **Accounting System, Audit, and Record Keeping Requirements.**

    a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this grant, the total cost of the project in connection with which this grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.

    b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. **Minimum Wage Rates.**

    It shall include, in all contracts in excess of $2,000 for work on any projects funded under this grant agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. **Veteran's Preference.**

    It shall include in all contracts for work on any project funded under this grant agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in Section 47112 of Title 49, United States Code. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. **Conformity to Plans and Specifications.**

    It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this grant agreement, and, upon approval of the Secretary, shall be incorporated into this grant agreement. Any modification to the approved plans, specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this grant agreement.

17. **Construction Inspection and Approval.**

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. **Planning Projects.**

In carrying out planning projects:

a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.

b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.

c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.

d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.

e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.

f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.

g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.

h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. **Operation and Maintenance.**

a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for-

1) Operating the airport's aeronautical facilities whenever required;
2) Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
3) Promptly notifying airmen of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.

b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. **Hazard Removal and Mitigation.**

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. **Compatible Land Use.**

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. **Economic Nondiscrimination.**

a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.

b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to-

1) furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
2) charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.

d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.

e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.

f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees [including, but not limited to maintenance, repair, and fueling] that it may choose to perform.

g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.

h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.

i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. **Exclusive Rights.**

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and

b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. **Fee and Rental Structure.**

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. **Airport Revenues.**

a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:

1) If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or

operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.

2) If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.

3) Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at Section 47102 of title 49 United States Code), if the FAA determines the airport sponsor meets the requirements set forth in Sec. 813 of Public Law 112-95.

b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.

c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of Section 47107 of Title 49, United States Code.

26. **Reports and Inspections.**

It will:

a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;

b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;

c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this grant agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and

d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:

   1) all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and

   2) all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. **Use by Government Aircraft.**

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that –

a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or

b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. **Land for Federal Facilities.**

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein, or rights in buildings of the sponsor as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. **Airport Layout Plan.**

a. It will keep up to date at all times an airport layout plan of the airport showing

   1) boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;

   2) the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and

roads), including all proposed extensions and reductions of existing airport facilities;

3) the location of all existing and proposed nonaviation areas and of all existing improvements thereon; and

4) all proposed and existing access points used to taxi aircraft across the airport's property boundary. Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.

b. If a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary (1) eliminate such adverse effect in a manner approved by the Secretary; or (2) bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. **Civil Rights.**

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any activity conducted with, or benefiting from, funds received from this grant.

a. Using the definitions of activity, facility and program as found and defined in §§ 21.23 (b) and 21.23 (e) of 49 CFR § 21, the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by, or pursuant to these assurances.

b. Applicability

1) Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.

2) Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.

3) Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

c. Duration.

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

1) So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or

2) So long as the sponsor retains ownership or possession of the property.

d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this grant agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

"The **(Name of Sponsor)**, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises and airport concession disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award."

e. Required Contract Provisions.

1) It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the DOT, and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.

2) It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.

3) It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.

4) It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin, creed, sex, age, or handicap as a

covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:

a) For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and

b) For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.

f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.

g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. **Disposal of Land.**

a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order, (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund. If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.

b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, (1) upon application to the Secretary, be reinvested or transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order: (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund.

c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.

d. Disposition of such land under (a) (b) or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. **Engineering and Design Services.**

It will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services with respect to the project in the same manner as a contract for architectural and engineering services is negotiated under Title IX of the Federal Property and Administrative Services Act of 1949 or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. **Foreign Market Restrictions.**

It will not allow funds provided under this grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. **Policies, Standards, and Specifications.**

It will carry out the project in accordance with policies, standards, and specifications approved by the Secretary including but not limited to the advisory circulars listed in the Current FAA Advisory Circulars for AIP projects, dated _____________ (the latest approved version as of this grant offer) and included in this grant, and in accordance with applicable state policies, standards, and specifications approved by the Secretary.

35. **Relocation and Real Property Acquisition.**

   a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.
   b. It will provide a relocation assistance program offering the services described in Subpart C and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.
   c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. **Access By Intercity Buses.**

   The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. **Disadvantaged Business Enterprises.**

   The sponsor shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its DBE and ACDBE programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1936 (31 U.S.C. 3801).

38. **Hangar Construction.**

   If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. **Competitive Access.**

a. If the airport owner or operator of a medium or large hub airport (as defined in section 47102 of title 49, U.S.C.) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that-

   1) Describes the requests;

   2) Provides an explanation as to why the requests could not be accommodated; and

   3) Provides a time frame within which, if any, the airport will be able to accommodate the requests.

b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.

Appendix H:

Hangar Specifications

GENERAL SPECIFICATIONS
FOR
PRIVATE HANGAR CONSTRUCTION
__________________ AIRPORT
____________, OKLAHOMA

SPECIFICATIONS
FOR
PRE-ENGINEERED METAL BUILDING
PRIVATE HANGAR CONSTRUCTION

1. General

1.1 Scope

The building shall include all primary and secondary structural framing members, connection bolts, covering, skylights, doors, flashing fasteners, closures, sealer, insulation and other miscellaneous items as shown or called for in the drawings or specifications.

1.2 Description

a) Clear Span Building - the building shall be the single-gable rigid frame type. The primary transverse frames shall be clear span.

1.3 Building Nomenclature

a) The building "width" and “length” shall be measured from inside to inside face of the normal wall covering location.
b) The building "Eave Height" shall be measured from the bottom of the base plate of the rigid frame columns to the intersection of lines representing the inside of the wall covering and the inside of the roof covering,
c) The "Roof Slope' shall be: 1” of rise for each 12” of horizontal run.
d) The "Bay Spacing" between intermediate frame center lines shall be 20 ft., 25 ft., or 30 ft.

1.4 Drawing and certification

The building manufacturer shall furnish complete erection drawings showing anchor bolt settings, sidewall, endwall, and roof framing, transverse cross-sections, coverings and flashing details and accessory installation details to clearly indicate the proper assembly of all building parts. The manufacturer shall also furnish a certificate signed by a Registered Professional Engineer, that the building design meets the requirements of the specifications and is in accordance with accepted engineering practices.

1.5 Builders Responsibility

Builder shall point out in writing any changes or deviations from the general plans and specifications and any alternates other than the specified.

2. Design

2.1 General

a) All structural steel sections and welded plate members shall be designed in accordance with the latest edition of the AISC "Specification for the Design, Fabrication, and Erection of Structural Steel for Buildings."

b) All light gage cold-formed, structural members and exterior covering shall be designed in accordance with the latest edition of the AISC "Specification for the Design of Cold-Formed Steel Structural Members."

2.2 Design Loads

a) Roof live loads shall be applied to the horizontal roof projection and shall be 20 psf and certified for a UL Class 90 rating.

b) The design wind pressure shall be 25 psf applied to the primary framing and to the wall components, in accordance with the "Recommended Design Practices Manual of the Metal Building Manufacturer's Association (MBMA)" and shall not lessen the design integrity of the existing building.

2.3 Design Load Combinations

a) DL + LL, DL + WL, DL + 1/2LL + WL or DL + 1/2WL + LL (30 psf LL and over)
b) DL + LL and DL + WL (LL less than 30 psf)

3. Structural Framing

3.1 General

a) All framing members shall be shop fabricated for bolted field assembly. Field cutting or drilling, when required, shall be clearly noted on the drawings.

b) Primary structural framing shall include the transverse rigid frame, wing unit rafter beams and columns, canopy beams, intermediate columns, endbearing frames, endwall columns and wind bracing.

c) Secondary structural framing shall include the purlins, girts eave struts, flange bracing, sill support, clips and other miscellaneous structural parts.

d) All hot rolled steel sheet, plate, tubing pipe and strip used in the fabrication of welded assemblies shall conform to the requirements of ASTM Specification A-529, A-572 Grade 42, or A-570 Grade “E” as applicable. Yield strengths shall be adequate to achieve preplan design loads as specified by the professional engineer as required by paragraph 4.

e) Light gage cold-formed sections shall be manufactured by precision roll or brake forming. All dimensions shall be true and the formed members shall be free of fluting, buckling or waviness.

f) All flange to web welds shall be continuous gas metal or submerged arc partial penetration fillet welds on one side of the web. Other welds shall be by either the gas metal submerged or shielded arc process. Butt welds in flange plates shall be full penetration.

g) All field connections shall be bolted. Bolts shall be machine bolts conforming to ASTM Specification A-307 or ASTM Specification A-325 as shown on the drawings. A-325 bolts shall be tightened by the turn-of-the-nut method. Where required connections in secondary members shall be made with special 1/2" oval head, high strength bolts with hex nuts. The faying surfaces of all bolted connections shall be smooth and free from burrs or distortions. (Optional) all bolts shall be electro-zinc plated.

h) All framing members shall carry an easily visible identifying mark, either stamped, stenciled or painted.

3.2 Rigid Frames
All members shall be welded built-up "I" shapes, either constant-depth or tapered.

3.3 Bearing End Frames
Bearing end frames shall consist of columns at the building corners and a continuous "C" shaped rafter beam supported by the endwall columns.

3.4 Endwall Columns
Endwall columns shall be cold-formed "C" sections or welded built-up "I" shapes.

3.5 Purlins and Girts
Purlins shall be roll-formed 8”, 10"” or 14” deep, “Z” sections, with stiffened flanges. The sections are formed so as to permit nesting during shipping and when making overlapping continuous connections. Girts shall be roll-formed “Z” sections or cold-formed “C” sections.

3.6 Eave Struts
Eave struts shall be unequal flange "C" sections formed so as to provide adequate backup for both roof and wall panels at the building eave.

3.7 Wind Bracing
Wind bracing when required shall be fixed base corner columns or other suitably designed bracing may be used in lieu of sidewall rod bracing. Wind bracing in the roof need not be furnished where it can be shown that the diaphragm strength of the roof covering is adequate to resist the longitudinal wind forces.

3.8 Flange
The inside flange of all rigid frames laterally so that the allowable compressive for any combination of loading.

3.9 Framed Openings
Structural framing members for all openings shall be adequate for the specified design loads.

4. Roof and wall covering

4.1 General

a) Roof covering shall be: 26 gage, galvanized steel, Type “R-Panel” Grade E (or equal) panels of pattern and color.

b) Exterior wall covering shall be: 26 gage, galvanized steel, Type “R-Panel” (or equal) panels of pattern and color.

4.2 Panel Materials
Galvanized steel panels for roof shall conform to ASTM Specification A-446, Grade “E” (80,000 psi yields) G-90 coating class. Galvanized steel panels for side walls shall conform to ASTM Specification A-446, Grade “D” (50,000 psi yield), G-90 coating class.

4.3 Fasteners

a) Where required for weather tightness, screws shall be equipped with metal and neoprene washers.

b) Screws and washers shall be a Carbon steel plated with 0.0003" thick cadmium.

c) After plating, all exposed fasteners and washers shall be coated with zinc phosphate and with one prime coat and two finish coats of baked silicone polyester; the color of the finish shall match the wall and/or panels.

d) (Standard) wall fasteners shall be cadmium plated, carbon steel, self-drilling screws. The head shall be color matched to the wall panels.

e) Structural blind rivets shall be special 1/ 8" diameter pull type fasteners having an aluminum body and an aluminum mandrel. When installed the body shall deform in such a manner as to securely clinch the jointed surfaces together.

4.4 Sealant and Closures

a) Sealant for sidelaps, endlaps and flashing shall be a gray pressure sensitive tape which shall be a blend of butyl and EPDM rubbers, with not less than 50% butyl and suitable inert fillers and pigments. The material shall be non-asphaltic, non-shrinking, non-drying and non-toxic and shall have superior adhesion to metals, plastic and painted surfaces at temperatures from -10 to +140 F. The material shall have a flash point of at least 300 F and shall not flow at 200 F.

b) Standard closures shall be closed cell foam EPDM closures matching the panel profile and installed along the eave, rake and at accessories as required to provide a weather tight building.

4.5 Installation of "R" Panel or equal

a) Roof panels shall be continuous from ridge to eave for buildings 60' wide or less. Where endlaps are required, they shall be a minimum of 3" and shall occur at a rood purlin.

b) Wall panels shall be continuous from 1-1/2" below the column base to the roof line except where the required length would exceed 32' in which case the panels shall be spliced at a girt. All panels shall be square cut at the roof line.

c) Before securing, all laps of roof panels shall be sealed with a continuous ribbon of tape sealer.

d) Roof and wall panels shall be secured to intermediate framing members, with #12 self-drilling screws at a maximum spacing of 12". At endlaps, the maximum spacing of screws for roof panels shall be two per foot.

e) 5 sidelaps of roof panels shall be stitched through the rib with:
   1. #12 self-drilling screws at a maximum spacing 20" for the type "WR" panels.
   2. Sidelaps of wall· panels shall be stitched through the rib with #12 self-drilling screws at a maximum spacing of 20".

4.6 Flashing, Closures and Trim

a) Flashing and/or trim shall be furnished at the rake, corners and eaves: at framed openings and wherever necessary to provide weather tightness and a finished appearance.

b) Galvanized steel for flashing metal closures, trim and other miscellaneous uses shall conform to ASTM Specification A-446, coating class G-90 and shall be 26 gauge or heavier.

c) A formed panel matching the slope and profile of adjoining roof panels shall be provided along the building ridge on (1:12) buildings.

4.7 Color Finish

Unless otherwise specified the exposed surface of all galvanized steel roof and wall panels, flashing, trim, gutters, downspouts, ventilators, louvers and other exterior galvanized steel surfaces shall be factory pre-finished white.

5. Accessories

5.2 Door Leaves

Door leaves shall be 1 ¾” thick, full flush, fabricated from 20 gage, galvanized, mill bonderized steel. The leaves shall have a core consisting of either:

a) One piece, full size, impregnated kraft paper honeycomb with a minimum crush strength of 45 psi.

b) Foamed-in-place polyurethane. Each door leaf shall swing from three (3) 4 ½” galvanized steel interlocking template butt hinges.

c) Door frames shall be heavy gage galvanized steel of a rabbeted design, with an optional, field applied, continuous weatherstripping.

5.2 Windows

All windows shall be:

a) Extruded aluminum frame units shall meet requirements of Architectural Aluminum Manufacturers Association (AAMA).

b) All exposed surfaces of frame and sash shall be mill finish or factory pre-finished.

c) Glass shall be factory installed clear flat drawn window glass SSB or DBS as required, to qualify for the high wind zone requirements of the AAMA. Glass shall be embedded in mastic and shall be securely retained by extruded vinyl splines.

d) Screen cloth shall be full or half-length of aluminum frames wired with aluminum cloth.

e) All hardware shall be made of corrosion resistant materials.

f) Weatherstripping shall be of woven pile or vinyl.

g) All windows shall be equipped with· integral head and sill flashing with jamb fins specially designed to match the wall panel profile and insure complete weathertightness.

h) Windows shall be installed in accordance with the drawings in a workmanlike manner. Only minor amounts of caulking or sealant shall be visible from the exterior.

5.3 Skylight Panels

a) Glass fiber reinforced polyester skylight panels shall be Type 1, structural (general purpose) conforming to commercial standard (CS 214-57).

b) Skylights shall have a profile matching the type "R" panel and shall be 1/16” (0.062”) thick weighing 8 ounces per square foot with a minimum acrylic content of 15 percent. Skylights shall be (white or green) with a granitized surface finish and shall have a minimum light transmission of:
   1. 66 percent (white).
   2. 69 percent (green).

5.4 Eave Gutters and Downspouts

Eave gutters shall be formed to a true profile free of objectionable waviness and any other imperfections from 26 gage galvanized steel. The face of the gutter shall provide positive counter flashing. Sections shall be securely fastened and sealed at end laps. The outside face of the gutter shall be supported by heavy gage galvanized steel supports.

5.5 Ventilators

Ventilation shall be of the gravity type fabricated from galvanized steel and shall be:

a) Continuous, furnished in 10’ – 0” lengths. Splice plates and end caps, where required, shall be provided to make up the specified length. Continuous ventilators shall have dampers. Dampers shall provide an adjustable opening at the throat and shall be of the manually operated:
   1. Screw type.
   2. Pull chain type.

b) Circular, with interior baffles and exterior wind band designed to provide maximum air flow. Optional dampers shall be a springloaded butterfly type operated by a fused pull chain.

All ventilators shall be furnished with birdscreens.

5.6 Louvers

Louvers shall be fabricated from galvanized steel and shall have blades of the overlapping type providing maximum weathertightness while allowing free air flow. Louvers shall be:

a) Fixed type with integral birdscreen.
b) Adjustable, operated by pull chain.

6. Building Anchorage and Foundations

6.1 Anchorage

The building anchor bolts and related anchorage shall be designed to resist the column reactions resulting from the specified loads as applied in the specified loading combinations. The sizes and design shall be as specified by the building manufacturer.

6.2 Foundation

The building foundation shall be designed to support the building reactions in addition to other loads imposed by the building use or occupancy. The design shall be based on actual job site conditions.

Agenda Item: 5.b.

The City of Durant

Office of City Clerk

Memorandum

Date: 5/4/2018
To: Airport Authority
From: Dewayne Williams, Airport Manager
Re: Airport Manager's Monthly Report - April 2018

Council Information / Action Requested

Information only.

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:

Description	Type	Upload Date
Airport Manager's Monthly Report - April 2018	Cover Memo	5/4/2018

D/W Aviation

Durant Regional Airport Eaker Field

Airport Managers Monthly Report May 8, 2018

Dewayne Williams, F.B.O.

- **Fuel Sales – 2018**

  Avgas 100 Low Lead (100LL)
  Year to Date – 11,890 Gallons
  April – 3,026 Gallons

  Jet A w/prist (Deicing additive)
  Year to Date – 39,844 Gallons
  April – 7,389 Gallons

- **Hangars – 100% Occupancy**
  Interest is still high for both individual and corporate hangars.

- **Maintenance Issues**
  Runway edge lighting is still currently in temporary service. Wise electric is waiting on parts to return and complete the repair.

  Entire Airport Infield has been mowed via City, Looks awesome.

  A/C repair (via Johnsons Heat/Air) is waiting on parts.

  Questions/Concerns/Comments?

- Thank you.

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