Minimum Standards for Commercial Aeronautical Activities

Smith Reynolds Airport Winston-Salem, North Carolina

Airport Commission of Forsyth County

MINIMUM STANDARDS FOR COMMERCIAL AERONAUTICAL ACTIVITIES AT SMITH REYNOLDS AIRPORT

TABLE OF CONTENTS

Section I	General Statement of Policy	3
Section 2	Definitions	4
Section 3	General Provisions	6
Section 4	Facilities	7
Section 5	Hangaring, Parking and Tie-Down	7
Section 6	Line Service	8
Section 7	Fuel and Lubricants	8
Section 8	Maintenance and Repair Services	8
Section 9	Miscellaneous Customer Services	9
Section 10	Assistance to Disabled Aircraft	9
Section 11	Special Aeronautical Activities and Services	9
Section 12	Mobile Service Providers	11
Section 13	New Applications	12
Section 14	Insurance Requirements	13
Section 15	Waiver of Minimum Standards	13
Section 16	Violations, Penalties and Procedures	14
Section 17	Safety and Security	14
Section 18	Compliance with Rules and Regulations	14
Section 19	Indemnification and Environmental	14
Section 20	Equal Opportunity	15

The attached Minimum Standards for Commercial Aeronautical Activities were adopted at the regular scheduled meeting of the Airport Commission of Forsyth County on November 15, 2011. These Minimum Standards supersede any standards previously established by the Airport Commission.

Chairman

Thomas F. McKim

Airport Commission of Forsyth County

SECTION 1 - GENERAL STATEMENT OF POLICY

It is the intent and policy of the Airport Commission of Forsyth County ("Airport Commission") to operate and develop Smith Reynolds Airport as the region's primary general aviation facility, serving all facets of aviation, including but not limited to corporate aviation, maintenance repair and overhaul (MRO), military, recreational aviation, flight training, air charter, air cargo, and passenger air carriers operations. The Airport will be operated in a manner which will not be needlessly incompatible with the Airport's neighbors and in a manner which will strive for financial self-sufficiency. A significant area of interest will be the general aviation community, and, consistent with financial self-sufficiency, the Commission will endeavor to support and develop general aviation facilities to enhance regional aviation needs.

In order to meet these goals, the Airport Commission of Forsyth County will be guided by the following policies:

- 1. All Fixed Base Operations (FBO) shall be leased as full service facilities according to minimum standards adopted as part of this policy. In addition, aviation-related Specialty Service Operations (SSO) may be authorized which provide a limited number of specific services which are not in significant conflict with the principle of basic services necessary for a full service FBO. Both types of facilities shall require a financial investment by the lessee in leasehold improvements and trade fixtures commensurate with potential economic benefits to lessee and sufficient to insure a reasonable level of public service.
- 2. Any company or individual who uses the Airport or any of its improvements or facilities for revenue producing business or commercial aeronautical activities must first complete an Aeronautical Business Application and enter into a written agreement with the Airport Commission. The company or individual must also comply with these Minimum Standards and all other rules and regulations established by the Commission, as well as any applicable orders, certificates or permits required by the Federal Aviation Administration (FAA) or its successors. In addition, the Airport Commission does permit Mobile Service Providers (MSP) to operate from the Airport on a temporary basis, part-time basis, if they meet certain requirements. These MSPs must also comply with all applicable policies, rules and regulations.
- 3. All rates and charges levied by the Commission shall be nondiscriminatory, taking into account different classifications of services. In September 2010, the Airport Commission adopted a Rates and Charges Policy to set forth a standardized system for the establishment of rates and charges which would be imposed on all users of the Airport and to comply with the FAA Final Policy regarding Rates and Charges published in the Federal Register, Volume 61, 121, on June 21, 1996. The Airport Commission's Rates and Charges Policy, as well as the Schedule of Charges, Fees and Rents, can be found on the Airport's web page www.smithreynolds.org or in the administrative offices.
- 4. All property which is developed as a result of investment by the Airport Commission will be leased in order to provide a reasonable rate of return for the public monies invested, and to insure compatibility with surrounding land uses.

SECTION 2 - DEFINITIONS

As used in these Minimum Standards, the following terms shall be defined as follows:

Aeronautical Business Application – is an application that must be filled out before conducting an aeronautical business at the airport.

Aeronautical Business Permit – is a permit required to conduct temporary business on the Airport on a part-time basis. Primarily used by Mobile Service Providers that are approved by the Airport Commission to conduct business.

Aircraft - are aeronautical vehicles including, but not limited to, powered fixed-wing airplanes, helicopters, gyrocopters, dirigibles and blimps, and unpowered gliders and hot air balloons.

Aircraft Operation - is any movement or use of any aircraft on Smith Reynolds Airport.

Aircraft Operations Area (AOA) - consists of all runways, taxiways, ramps, hold areas and any area used or intended to be used for surface maneuvering of aircraft, or any areas inside the perimeter fence which are adjacent to surface maneuvering areas.

Airport - means the entirety of Smith Reynolds Airport, located in Forsyth County, North Carolina.

Airport Director - shall mean Airport Commission's Airport Director or acting Airport Director, who may from time to time be appointed by Airport Commission, and shall include such person or persons who may from time to time be authorized by Airport Commission or by the Airport Director to act for him with respect to any or all matters pertaining to this document.

Airport Development Plan - is the FAA approved document, including any amendments or revisions thereto, which identifies current and proposed construction at the Airport.

Airport Master Plan - is the FAA approved document, including any amendments or revisions thereto, which governs and directs the development of the Airport.

Airport Commission of Forsyth County, ACFC or Airport Commission - refers to the duly authorized governmental board that manages, operates and promotes Smith Reynolds Airport.

Commercial Operator – refers to an aeronautical business operating from or at Smith Reynolds Airport including Fixed Base Operators, Specialty Service Operators and MSPs.

Entity - means a person, firm, corporation or partnership.

Equipment - includes all machinery, together with the necessary supplies, tools and apparatus necessary to properly conduct the activity being performed.

FAA - means the Federal Aviation Administration, which is the government agency responsible for the administration and enforcement of all federal aviation regulations (FAR).

Fixed Base Operator - is any entity which has been authorized by the Airport Commission of Forsyth County to maintain facilities at the Airport for the purpose of providing the full range of aeronautical services required at the Airport, including: retail sales of fuels, lubricants, and associated supplies; hangaring, parking, tie-down and associated line services; maintenance and repair of aircraft engines and airframes; and all specialty services or other functions required of FBOs set forth in the Minimum Standards.

Improvements - refers to all buildings, structures and facilities including, but not limited to, pavement, fencing, signs and landscaping constructed, installed or placed on, under or above any leased area by or with the concurrence of a lessee and the Airport Commission.

Mobile Service Providers (MSP) - are persons or entities that provide commercial aeronautical services but do not operate out of property owned or leased by them on the Airport.

Operator - means either an FBO or an SSO, as applicable, unless the context clearly indicates another meaning.

Premises - means the property and/or other facilities on Airport property leased or assigned to an Operator by the Airport Commission.

Ramp - refers to a paved area suitable for aircraft parking.

Repair Facility - is a shop or facility utilized for the repair of aircraft to include airframe, powerplant, propellers, radios, instruments and accessories. Such facility will be operated in accordance with pertinent Federal Aviation Administration regulations.

Revenue-Generating Commercial Aeronautical Activities - includes any commercial activity which relates to the operation, maintenance, modification or fabrication of aircraft. Such activity includes, but is not limited to, pilot training, aircraft rental and sightseeing, glider towing, parachuting, aerial photography and surveying, crop dusting, aerial advertising, air taxi, air ambulance or charter operations, aircraft sales and services, sale of aviation petroleum products, repair and maintenance of aircraft and the sale of aircraft parts.

Specialty Service Operator (SSO) - is any entity which performs one or more of various aviation-related services which may be provided as optional services by a full-service FBO at Smith Reynolds Airport. These services include, but are not limited to, aircraft rental, aircraft charter and taxi, flight training, aircraft sales and other services as set forth in the approved Minimum Standards for Full-Service Fixed Base Operations and Specialty Service Operations at Smith Reynolds Airport.

Tie-down - means the airside area which is suitable for the parking and mooring of aircraft, and has suitable tie-down points.

SECTION 3 – MINIMUM STANDARDS APPLICABLE TO FIXED BASE OPERATORS & SPECIALTY SERVICE OPERATORS - GENERAL PROVISIONS

TERMINOLOGY: The following provisions are the Minimum Standards which FBOs and SSOs must satisfy for operations on the Airport. When applicable only to FBOs we refer to "FBO"s. When applicable only to SSOs we refer to "SSO"s. When applicable to both we refer to "Operator".

An FBOs shall, at its sole expense, provide and maintain all equipment, facilities and aircraft necessary to provide the required services and level of performance in a clean and safe condition at all times. In addition, all personnel of the FBO shall conduct themselves in a courteous and businesslike manner at all times. Personnel who have public/customer contact (excluding pilots, office personnel, marketing personnel and offsite sales persons) shall be clothed in attractive uniforms with appropriate insignia and nameplate so they may be readily identified by customers.

An Operator shall furnish good, prompt, courteous and efficient services adequate to meet all reasonable demands on a fair, reasonable and nondiscriminatory basis to all users of the Airport. It shall maintain and operate its business in a first-class manner, and shall at all times keep the Premises in a safe, clean and orderly condition, consistent with the business activity contemplated hereunder and satisfactory to the Airport Commission.

An FBO will be properly staffed to provide services during minimum normal operating hours between 6:00 a.m. and 11:00 p.m., seven (7) days a week, and other hours when necessitated by business or emergency conditions. S S Os will be properly staffed to provide services during minimum normal operating hours between 8:00 a.m. and 5:00 p.m., five (5) days a week. Exceptions to these minimum operating hours may be granted by the Airport Director for certain holidays, or when special circumstances, conditions, or events warrant a reduction in operating hours.

An Operator shall select and appoint a full-time manager of its operation herein authorized. Such manager shall be highly qualified and experienced, and vested with full power and authority to act in the name of the Operator in respect to the method, manner and conduct of the services to be performed hereunder. Such manager shall be available at the Airport during regular business hours, and during the manager's absence a duly authorized subordinate shall be in charge and available at the Airport.

An Operator shall provide, at its sole expense, a sufficient number of employees to effectively and efficiently provide the services herein authorized. An Operator shall control the conduct, demeanor and appearance of its employees and representatives. Such employees shall be trained by the Operator and shall possess any technical qualifications, and hold certificates of qualification as may be required for such employee to carry out assigned duties. It shall be the responsibility of the Operator to maintain close supervision over its employees to assure a high standard of service to customers of the Operator. Upon reasonable objection from the Commission concerning the conduct, demeanor or appearance of any employee, an Operator shall forthwith take all steps necessary to remove the cause of the objection.

An Operator shall notify the Airport Commission of every instance where the Operator has knowledge of, or suspects that, another company or individual is using its Leased Premises for revenue-generating, commercial activities which include, but are not limited to, charter flights, air cargo and air taxi operations, any Specialty Service as defined herein, or any other business which is not specifically permitted in writing by the Airport Commission.

An Operator shall comply with all applicable local, state and federal environmental statutes and regulations, including but not limited to requirements for underground storage tanks and piping, for the disposal of waste oil and other potentially hazardous substances, and for the refueling of aircraft and vehicles

SECTION 4 - FACILITIES

An FBO shall lease or construct a facility that contains adequate paved and unpaved land and buildings which meet or exceed the following minimum requirements:

- a. A minimum of 5,000 square feet of properly lighted, heated and air conditioned building space on Airport property for office, restrooms and public use area.
- b. A minimum of 10,000 square feet of clear-span hangar of adequate dimensions to accommodate storage, maintenance and repair of aircraft normally frequenting the Airport.
- c. A minimum of 60,000 square feet of paved area for parking, tie-down and maneuvering of aircraft.
- d. No building, structure, tie-downs, ramps, paving, taxi areas or other improvements or additions to the Airport shall be altered, removed, placed or constructed on the Airport without the prior approval of the Airport Commission. In the event of any construction, the Airport Commission may, at its discretion, require an appropriate bond to guarantee the completion of construction and/or demolition. The Airport Commission reserves the right to review any proposals for construction on the Airport, or adjacent to the airport when airport access is part of the proposal, particularly in regard to conformity with the existing Airport Development Plan. Any proposal for construction on the Airport shall be aesthetically compatible with existing buildings on the Airport. Off-airport facilities with direct access to the airfield ("through-the-fence" operations) are prohibited by any person without an agreement with the Airport Commission.

SECTION 5 - HANGARING, PARKING AND TIE-DOWN

An FBO shall provide, as a minimum, Aircraft Storage Hangar parking for at least four (4) twinengined, based aircraft of 12,500 pounds or less, and ramp parking for a minimum of 20 based or itinerant aircraft.

SECTION 6 - LINE SERVICE

An FBO shall, during normal business hours, provide line services as follows:

- a. Ramp parking and tie-down assistance, including ramp personnel and vehicles as appropriate;
- b. Tie-down ropes, chains and anchors;
- c. Aircraft towing services utilizing motor driven drawbar vehicles capable of moving singleand multi-engine aircraft weighing up to 12,500 pounds;
- d. Mobile forced-air engine preheat equipment;
- e. Mobile ground power assistance with a minimum 14/28 volt, 1,600 ampere surge capacity;
- f. Mobile aircraft anti-ice and de-ice equipment; and
- g. Cabin cleaning and catering services.

SECTION 7 - FUEL AND LUBRICANTS

The FBO shall provide aviation fuels, including Jet A and 100LL aviation gasoline in sufficient quantities to meet the needs of the based and itinerant general aviation and air charter customers at the Airport. The FBO shall provide, as a minimum, three (3) mobile tenders (fuel trucks) for Jet Fuel, each with a capacity of at least 2,000 gallons; and one (1) mobile tender (fuel truck) of at least 1,000 gallon capacity of 100LL aviation gasoline. One or more fueling islands may be provided at the discretion of the FBO, but shall be in addition to, and not a substitute for, mobile fuel tenders.

The refueling, defusing, oil service and sumping of aircraft, and the placing of fuels in storage tanks or dispensers shall be conducted in accordance with the Rules and Regulations.

SECTION 8 - MAINTENANCE AND REPAIR SERVICES

Each FBO is required to provide service and minor repair of aircraft airframes and powerplants for small aircraft of 12,500 pounds and under. Each FBO must also meet all requirements as specified under FAR Parts 43, 65 and 145, and hold current certificates for the operation of FAA certified repair stations for airframes and powerplants. The Operator is also allowed, but not required to provide repair, sales and service of aircraft avionics, radios and instruments. If the Operator chooses to provide avionics, radio or instrument repair service, they must hold all applicable certificates and ratings required under FAR Parts 65 and 145.

SECTION 9 - MISCELLANEOUS CUSTOMER SERVICES

- A Fixed Base Operator shall provide a facility and employees which accommodate the following:
- a. Radio equipment to facilitate airborne customer requests.
- b. A discreet flight planning area properly equipped with appropriate wall charts, AIM, NOTAM's board or a computer with access to charts and NOTAMs.
- c. Local-access telephone to contact the Flight Service Station.
- d. Flight planning aids and miscellaneous small flight aid and comfort accessories.
- e. A convenient, comfortably furnished, public waiting area with adjoining restroom facilities.
- f. A discrete vending area within the FBO premises with the availability, at a minimum, of both hot and cold beverages and prepackaged snacks.
- g. Aviation grade in-flight oxygen refills upon 24-hour notice.
- h. Acceptance of one or more national bank and one or more oil company credit cards for fueling, line and related services.

SECTION 10 - ASSISTANCE TO DISABLED AIRCRAFT

An FBO shall, on thirty (30) minutes notice, provide equipment and trained personnel to remove disabled aircraft with a gross weight of 12,500 pounds or less from the Air Operations Area (AOA), and shall be required to perform such service on request of, and with acceptable release from the owner or operator of the disabled aircraft, or the Airport Director or his or her designee.

SECTION 11 - SPECIAL AERONAUTICAL ACTIVITIES AND SERVICES

The following categories of services may be provided as an optional service by an FBO, or as an approved Specialty Service Operator:

a. AIRCRAFT RENTAL - The Operator engaged in the rental of aircraft at the Airport must occupy a minimum of 500 square foot of properly lighted, heated and air conditioned space on the Airport for office and public use areas. In addition, the Operator must lease space for aircraft and auto parking. The Operator shall own or have under a written lease, and have available to rent to persons with a current pilot certificate at least one aircraft. Aircraft must meet all federal and state regulations including, but not limited to, those promulgated by the Federal Aviation Administration.

- b. AIRCRAFT CHARTER AND TAXI The Operator engaged in aircraft charter and air taxi services must occupy a minimum of 500 square feet of property lighted, heated and air conditioned space on the Airport for office and public use areas. In addition, the Operator must lease space for aircraft and auto parking. The Operator must hold a valid current FAA Commercial Air Taxi Operators Certificate, with ratings appropriate to and licensing the functions to be accomplished. The Operator shall provide an adequate number of aircraft meeting all requirements of the Certificate held. Aircraft shall be owned by, or leased to the Operator by agreement in writing, and shall meet all applicable requirements of Part 135 of the Federal Aviation Administration Regulations. The Operator will provide a FAA certified commercial pilot with instrument rating for each aircraft, and who is authorized to conduct charter and air taxi operations.
- c. FLIGHT TRAINING The Operator engaged in flight instruction must occupy a minimum of 1,000 square feet of properly lighted, heated and air conditioned space on the Airport for use as office, classroom and briefings. In addition, the Operator must lease space for aircraft and auto parking. The Operator shall employ at least one full-time person who is properly certified by the FAA as a flight instructor to cover instruction for primary and upgraded flight and ground schools. The Operator shall own or have under written lease at least one properly certified aircraft equipped for flight instruction.
- d. AIRCRAFT SALES The Operator engaged in the selling of new or used aircraft at the Airport must occupy at least 1,000 square feet of properly lighted, heated and air conditioned space on Airport property for office and public use areas. In addition, the Operator must lease space for auto parking. The Operator must have under lease a minimum amount of paved area or hangar space to accommodate the projected inventory of aircraft. The Operator shall have at least one full-time authorized agent to transact sales who maintains a current commercial pilot certificate with an instrument rating, and is rated for the types of aircraft to be demonstrated. It will be at the discretion of the Operator whether or not to be an authorized factory dealer, or what manufacturers he or she chooses to represent.
- e. OTHER SERVICES An SSO who has been approved by the Airport Commission to offer the following services at the Airport shall occupy an appropriate amount of office, vehicle and aircraft parking, maintenance, storage and apron space:
- 1. Aircraft exterior painting;
- 2. Aircraft interior modification including, but not limited to custom seating and finishing;
- 3. Contract major airframe repair and/or rebuilding;
- 4. Whole or part aircraft type modifications under the auspices of a Supplemental Type Certificate;
- 5. Turbine engine hot section repair;
- 6. Propeller overhaul and repair;

- 7. Engine/flight instrument overhaul and repair;
- 8. Accessory overhaul and repair;
- 9. Avionics repair and installation with specialization in complex equipment;
- 10. Specialized aircraft sales of a single or limited type and/or manufacturer;
- 11. Contract reciprocating engine overhaul and rebuilding;
- 12. Specialized aircraft charter services;
- 13. Specialized flight training services;
- 14. Specialized flight sight-seeing services;
- 15. Agricultural application;
- 16. Banner towing and aerial advertising;
- 17. Aerial photography and survey;
- 18. Fire fighting;
- 19. Power line or pipeline patrol;
- 20. Any other operations specifically excluded from Part 135 of the Federal Aviation Regulations. Each repair service offered above shall be under an appropriate FAA Repair Station license of either a class or limited rating as defined in FAR 145. All general and enforcement provisions of a full-service FBO shall apply to Specialty Service Operators.

SECTION 12 – MOBILE SERVICE PROVIDERS

Mobile Service Providers (MSPs) are persons or entities that provide commercial aeronautical services but do not operate out of owned or leased property on the Airport. Examples of MSPs include but are not limited to mobile mechanics, flight instructors, aircraft detailers, and mobile oil recyclers. Each MSP is required to obtain an Aeronautical Business Permit from the ACFC. Permits must be renewed annually and require payment of a fee. Mobile Service Providers (MSPs) must apply for a permit with the ACFC before operating on Airport property. MSPs must demonstrate reasons for a temporary permit and justify why they are unable to become a SSO at the Airport. Permits will not be unreasonably withheld and the fees will be fair and reasonable. Due to various requests to perform services at different locations, permit fees will be negotiated on a case-by-case basis.

SECTION 13 - NEW APPLICATIONS

Any person desiring to receive permission to operate as a full-service FBO, a Specialty Service Operator (SSO), Mobile Service Provider (MSP) or any other business or aeronautical activity on the Airport shall first make application to the Airport Commission of Forsyth County. The application shall be in sufficient detail to discern the completed qualifications of the applicant to perform the desired service. The application is available from the ACFC administrative offices and from the Airport web page www.smithreynolds.org

The application, together with all the supporting documentation shall be submitted to the Airport Director. The Airport Commission may deny any application if, in its opinion, it finds any one or more of the following:

- a. The applicant for any reason does not meet the qualifications, standards and requirements established by these rules and regulations, or is not prepared to meet same within a reasonable time to be established by the Airport Commission;
- b. The applicant's proposed operation or construction will create a safety hazard on the Airport;
- c. The granting of the application will require the Airport Commission to spend funds or to supply labor or materials in connection with the proposed operation, or the operation will result in a financial loss to the Commission;
- d. No appropriate, adequate or available space or building exists at the airport which would accommodate the entire activity of the applicant at the time of application, nor is contemplated within a reasonable time thereafter;
- e. The proposed operation, airport development or construction is in conflict with the Airport Master Plan then in effect;
- f. The development or use of the area requested by the applicant will result in a congestion of aircraft or buildings, or will result in unduly interfering with the operations of any present Operator on the Airport relating to problems with aircraft service and/or prevent free access to areas assigned to present Operators;
- g. The applicant has either intentionally or unintentionally misrepresented or omitted any material fact in the application or in supporting documents;
- h. The applicant has failed to make full disclosure on the application or in supporting documents;
- i. The applicant has a record of violating the rules and regulations of any other airport or civil air regulations, FAA regulations, or any other rules and regulations applicable to the Smith Reynolds Airport;
- j. The applicant has defaulted in the performance of any lease or any other agreement with the Airport Commission;

- k. The applicant does not, in the opinion of the Airport Commission, exhibit adequate financial responsibility to undertake the project, based upon current financial information provided;
- 1. The applicant cannot provide a performance bond in the amount required by the Airport Commission for that contract;
- m. The applicant has been convicted of any felony or misdemeanor involving moral turpitude. Nothing contained herein shall prohibit the Airport Commission from granting or denying, for any reason it deems sufficient, an application to do business on the Airport for the purpose of selling, furnishing or establishing non-aviation products supplied for any service or business of a non-aeronautical nature, or an application for the non-profit use of an airport facility.

SECTION 14 - INSURANCE REQUIREMENTS

The Operator will provide, and maintain in full force and effect, insurance coverage in the following types and minimum amounts when applicable:

- a. For Fixed Base Operators, General Liability coverage (which includes Premises and Property Damage) of at least \$10,000,000. combined single limit (CSL); Aircraft Liability of at least \$10,000,000. CSL; Products/Completed Operations Liability of at least \$10,000,000. CSL; and Hangarkeepers Liability of at least \$10,000,000. CSL.
- b. For a Specialty Service Operator offering one or more of the services in Section 11. above, General Liability coverage (which includes Premises and Property Damage) of at least \$1,000,000. CSL with a \$100,000 each passenger limit; Aircraft Liability of at least \$1,000,000. CSL; and Product/Completes Operations Liability of at least \$1,000,000. CSL
- c. For any Mobile Service Providers, General Liability coverage (which includes Premises and Property Damage) of at least \$1,000,000. CSL with a \$100,000 each passenger limit; Aircraft Liability of at least \$1,000,000. CSL; and Product/Completes Operations Liability of at least \$1,000,000. CSL. These minimum coverage's may be negotiated with proper justification from the Mobile Service Provider.

The Airport Commission shall be named as an additional insured on all such policies. The Operator shall also submit to the Airport Director a certificate of insurance for the Operator's insurance carrier verifying the types, limits and expiration dates of all policies.

SECTION 15 - WAIVER OF MINIMUM STANDARDS

The Airport Commission may, at its discretion, waive all or any portion of the Minimum Standards set forth herein for the benefit of any government or governmental agency performing non-profit public services to the aircraft industry or performing fire prevention or firefighting operations. The Airport Commission may further temporarily waive any of the Minimum

Standards for nongovernmental applicants where it deems such waiver to be in the best interest of the Airport's operation and the public good.

SECTION 16 - VIOLATIONS, PENALTIES AND PROCEDURES

If the Airport Director determines that any of these Minimum Standards have been violated by an Operator, and that he or she cannot resolve the matter satisfactorily by notice to and discussion with the offending Operator, then the Airport Director may recommend to the Commission that formal action be taken against the offending Operator. The Commission shall allow the Operator notice and an opportunity to be heard before deciding whether and what action should be taken against the operator for the alleged violation. Such action may include, but not be limited to reprimand, suspension of airport operations by Operator, or revocation of the Operator's right to conduct business at the Airport.

SECTION 17 - SAFETY AND SECURITY

All Operators shall abide by all airport security regulations. If violations result in fines being levied by any federal or state agency, the Operator will reimburse the Airport Commission for the full cost of said fines within 30 days of payment by the Commission. Any violations which are deemed to be a threat to public safety or health by the Airport Director or his or her designee must be discontinued immediately, and will not recommence until authorized by the Airport Director, his or her designee, or the Airport Commission.

SECTION 18 - COMPLIANCE WITH RULES AND REGULATIONS

All Operators shall agree that its use of its leased or assigned premises shall be in compliance with all rules and regulations of the Commission which are in effect as of the date of any lease or other agreement, or which are enacted by the Commission at any time. Each Operator shall agree also to comply with and abide by all federal, state, county, municipal, and other governmental statutes, ordinances, laws, and regulations affecting Operator's leased premises, the improvements thereon or any activity or condition on or in such premises.

SECTION 19 - INDEMNIFICATION AND ENVIRONMENTAL

All Operators shall agree to protect, defend, and hold harmless from and against and all liabilities, losses, suits, claims, judgments, fines or demands, including all reasonable costs for investigation and defense thereof (including but not limited to attorney fees, court costs, and expert fees), of any nature whatsoever arising out of or incident to commercial operator's use or occupancy of its premises or relating to its premises, including the injury or death of any person or damage to any property, any environmental matter, (including but not limited to expert, investigation and/or remediation costs and expenses of any site remediation required or any other state or federal law or regulation), or any other acts or omissions of commercial operator's

officers, agents, employees, contractors, subcontractors, licensees, or invitees, regardless of where the injury, death, damage or other liability may occur, unless such injury, death, damage, or other liability is caused by the sole negligence of the Airport Commission, its agents, employees, tenants or contractors. Operators and Airport Commission shall agree to give to each other reasonable notice of any such claims or actions. All Operators shall also agree to use counsel reasonably acceptable to ACFC in carrying out these obligations. All Operators shall also agree that these provisions shall survive the expiration or early termination of any lease or other agreement between the Operator and Airport Commission.

SECTION 20 - EQUAL OPPORTUNITY

- 1. All Operators, successors in interest, and assigns, as a part of the consideration for any lease or other agreement with Airport Commission, shall agree that in the event facilities are constructed, maintained or otherwise operated on the Airport property for a purpose for which a Department of Transportation (DOT) program or activity is extended or for another purpose involving the provision of similar services or benefits, Operator shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 39 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation and as said Regulations may be amended.
- 2. All Operators, successors in interest, and assigns, as a part of the consideration for any lease or other agreement with Airport Commission, shall agree that:
 - a. 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 said facilities;
 - b. 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; and
 - c. That the Operator shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21 Nondiscrimination on Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.