

**MINIMUM STANDARDS
FOR
AERONAUTICAL SERVICE
PROVIDERS
MILLINGTON REGIONAL JETPORT**

Adopted and Issued By:

**The Millington Airport Authority
Millington Regional Jetport
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Attachment I to the Millington Regional Jetport Rules and Regulations

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CHAPTER 1 INTRODUCTION

1.1 **General:** The Millington Airport Authority is a body politic and corporate of the State of Tennessee, created in 1992. It is governed by a nine member Board of Commissioners, all of whom are appointed and confirmed by the Mayor and Alderman of the City of Millington, Tennessee. The Authority was created pursuant to the provisions of the Airport Authorities Act, T.C.A Section 43-3-101, et seq., for the purpose of constructing, owning, leasing, managing and/or operating one or more airport facilities for the City of Millington. The Authority is considered to be a separate entity for financial reporting purposes and is not a component unit of the City of Millington. The Authority operates in accordance with bylaws and financial policies duly adopted and reviewed annually.

The governing Board of Commissioners (the "Board") has the responsibility for the management, operation and maintenance of the Millington Regional Jetport. It is the commitment of the Board that quality aeronautical services, facilities and activities be rendered and engaged in by duly qualified operators and be conducted in a fair, equitable and safe manner. The Board is fully conscious of the need to operate the Airport efficiently, to make reasonable profits, to provide safe, quality products and services to the public and to return to the airport the revenues it takes in to operate the facility. By allowing the Airport to develop to its full potential it will enhance business and customer demand for products and services offered by aeronautical service providers. The Board intends for the Millington Regional Jetport to be an economic development magnet for Millington and Shelby County, Tennessee. These Minimum Standards will be uniformly applied.

In both the initial development and updating these Minimum Standards, the Board has established a threshold entry requirement for those wishing to provide aeronautical services to the public on this airport. The standards establish a template for safe tenant operations; assure airport users, providers and tenants of fair and equal treatment; and address environmental liability. The Minimum Standards are incorporated as part of the duly adopted Rules and Regulations of the Millington Regional Jetport.

1.2 **Governance:** The Authority is empowered to control, govern and operate the Airport, including the right and duty to contract with and regulate persons or corporations who provide goods and services necessary and incidental to the operation of the Airport, to establish and impose fees, rentals and other charges for the use of the Airport, and to preserve order and protect and provide for the safety, health and welfare of the public using the Airport. The Authority has the power and authority to regulate all commercial and private activities in order to ensure strict compliance with these Minimum Standards, its Rules and Regulations and all other applicable laws and regulations.

1.3 **Policy:** The Authority, in recognition of the statutory prohibition against granting an exclusive right to conduct an aeronautical activity (or activities) on the Airport imposed by Section 308 of the Federal Aviation Act (FAA Act of 1958), as it has been amended and/or replaced, and in keeping with the obligations contained in certain contracts and deeds between the Authority and the United States of America relative to the expenditure of federal funds and the development and operation of the Airport, desires that all aeronautical activities be conducted on the Airport in a fair and equitable manner.

1.4 **Granting of Rights:** No person shall use the property of the Airport for the purpose of conducting flight activity or furnishing any aeronautical service for hire, or engaging in any sale of aviation products or service without a contract, lease, license, permit or other written agreement with the Authority, and without meeting the requirements of these Minimum Standards for Aeronautical Service Providers and the Authority's Rules and Regulations. The granting of any such user rights by the Authority and their acceptance by an Applicant establishes an obligation on the part of the Applicant to be bound by these Minimum Standards and Rules and Regulations, which remain subject to amendment by the Authority from time to time, during the entire term of the agreement. All Operators shall at all times possess currently valid licenses and permits necessary to meet the requirements of these Minimum Standards, and shall maintain all such licenses and permits in an active status at their own expense. In the event necessary licenses or permits should expire or become otherwise invalidated, the right to conduct the particular shall be automatically rescinded.

1.5 **Aviation Rates and Charges:** No Operator shall land or take off in aircraft on or from the Airport or operate a commercial or private business at the Airport without payment of such rates and charges as are determined from time to time by the Authority. A listing of current Aviation Rates and Charges is attached as Exhibit 1. Any revision of such rates and charges by the Authority will be published to all Operators. The Executive Director shall have the authority to detain aircraft or other assets for non-payment of charges due the Authority. Rates for aeronautical activities as contained in leases or contracts with the Authority shall be determined through an evaluation of at least four areas, as applicable: (a) fuel flowage fees (b) real estate rental (c) concession rights, (d) landing fees. All such rates shall include escalation provisions during the term of the agreement and guaranteed monthly minimum payments. Rates shall be set by the Executive Director and approved by the Authority and shall be subject to variations as to location upon the Airport or as conditions at the Airport change. Prospective tenants must recognize that as the Airport develops, the value of the land and concession rights may also increase and leases and contracts will reflect these changes.

1.6 **Meaning of Terms:** The Authority reserves the right to define within reasonable limits any term or phrase herein contained whose meaning or intent may be unclear or unspecified. The following Definitions are applicable to these Minimum Standards:

- a. **Aircraft Operations Area:** Any area on the Airport within the perimeter fence, which encompasses aircraft movement and vehicle traffic necessary to support the aircraft.
- b. **Airport:** The Millington Regional Jetport owned and operated by the Millington Airport Authority.
- c. **Applicant:** A person who has requested the right from the Authority to engage in one or more aeronautical activities at the Airport.
- d. **Authority:** The Millington Airport Authority (MAA).
- e. **Based Aircraft:** An aircraft owned or held by virtue of a leasehold agreement, by a person who is currently leasing the space upon which the aircraft is parked directly from the Authority, or by a person who is parking the aircraft in excess of 30 days in an area of the Airport leased by the Authority to an approved Fixed Base Operator (FBO).
- f. **Essential Services:** Those Airport aeronautical services which the operator of an aircraft might expect to have available upon landing at Millington Regional Jetport, being Aircraft Fueling Services, Ground Handling Services, and Aircraft Repair and Maintenance.
- g. **Exclusive Right.** A power, privilege or other right excluding or debarring another from enjoying or exercising a like power, privilege, or right. See 14 C.F.R.Part 155.
- h. **Executive Director:** Chief Administrator and Executive Officer of the Authority whose office is located at:

Millington Regional Jetport
8182 Hornet Avenue
Millington, TN 38053
Telephone: (901) 872-7495

- i. **Full Service Fixed Base Operator (FBO):** A commercial operator authorized by the Authority to engage in a full range of aeronautical services, the required minimum of which are set forth herein.

- j. **Special Aeronautical Service Provider (“SASP”)**: Any person or organization authorized by the Authority to engage in one or more of the activities and services outlined in these Minimum Standards, which shall be governed by the same Minimum Standards as to any activity or service as a Full Service Fixed Base Operator.
- k. **Operator**: An Applicant which has been authorized to engage in activities on the Airport, either as a Full Service Fixed Base Operator or a Special Aeronautical Service Provider.

CHAPTER 2 GENERAL CONDITIONS

2.1 **General**: Every Full Service Fixed Base Operator (FBO) or Special Aeronautical Service Provider (SASP) conducting an aeronautical activity or furnishing an aeronautical service on the Airport shall be required to fulfill the conditions set forth in Chapter 1 and Chapter 2 and shall, in addition, be subject to the specific requirements applicable to the specific activity or activities and/or service(s) as set forth in subsequent chapters or sections hereof and as contained in a specific agreement executed between the Authority and the Operator. Operators conducting more than one activity and/or service or a combination of activities and services shall not be subject to duplicate requirements, unless specifically required by the Authority and stated in a written agreement. Any right granted by the Authority to an Operator by reason of the incorporation of these Minimum Standards into an agreement, lease, permit, license or contract between the Authority and such operator or between the Authority and another operator as to whom the operator becomes a sub-lessee, sub-licensee or sub-contractor shall not continue beyond the expiration or termination of the contract or other agreement directly with the Authority.

2.2 **Full Service Fixed Base Operator(s) (FBO’s)**: As a condition for the right to engage in Aircraft Fueling Services, an Operator must provide ALL of those Essential Services defined and required in these Minimum Standards for a Full Service Fixed Base Operator (FBO), or must, upon the approval of the Authority, enter into a contract with another person or corporation capable of providing any service not rendered directly by the Operator.

2.3 **Application**: Any Applicant desiring to conduct an aeronautical activity or furnish an aeronautical service on the Airport shall make written application to the Authority in the form attached as Exhibit 2, and shall provide such evidence of financial responsibility and technical ability as the Authority may require. A copy of these Minimum Standards and the Authority’s Rules and Regulations shall be furnished to any person requesting an application. The Executive Director shall review the application, and with the advice of legal counsel shall determine whether or not the Applicant meets or can reasonably be expected to meet the standards and qualifications set forth in these Minimum Standards and Rules and Regulations. The Executive Director shall decide whether any application should be granted in whole or in part. After making such determination, the Executive Director shall request an agreement be prepared by the Authority’s legal counsel detailing the terms and operating conditions, and the rates or charges due the Authority. Such agreement will be subject to review by the Board of Commissioners of the Authority at a meeting open to public attendance, and put into effect, if approved by the Board. These Minimum Standards and the Authority’s Rules and Regulations, including all Attachments and Exhibits, shall be deemed to be incorporated into any agreement of the Authority, and any amendment shall effectively amend any agreement of the Authority.

2.4 **Laws, Rules and Regulations**: Applicant, by its application and Operator, in any agreement entered into with the Authority, covenants and agrees to comply with and be bound by all applicable laws, ordinances and regulations related to the operation of the Airport, specifically including the Airport Rules and Regulations and Minimum Standards published by the Authority, as they may be amended from time to time, as well any rules, policies, executive orders or directives which may be promulgated by the Authority or laws, regulations or directives of the FAA, or federal, state or local governmental authorities.

2.5 **Environmental Compliance and Indemnification:**

- a. The Applicant by its application, and the Operator, in any agreement entered into with the Authority, covenants and agrees to handle all Hazardous Materials in strict accordance with the Millington Jetport Airport Certification Manual and the Airport Rules and Regulations.
- b. The Applicant by its application and the Operator, in any agreement entered into with the Authority, covenant and agree to be bound by each and every condition imposed upon the Authority in the Quit Claim Deed dated December 22, 1999, between the United States of America and the Authority. This Deed is attached as Exhibit 3 and its terms shall be incorporated in any agreement entered into by the Authority and any Aeronautical Service Provider.
- c. An Operator shall be required to indemnify the Authority, defend the Authority with counsel reasonable and acceptable to the Authority, and hold the Authority free and harmless from any liabilities, damages, claims, penalties, fines, settlements, causes of action, cost or expense (including reasonable attorney's fees, environmental consultant and laboratory fees and the cost and expense of investigation in defending any claim or proceeding) resulting from or attributable to: (1) the presence, disposal, release or threatened release of any Hazardous Material that is on, from or affecting the leased premises, including the soil, water, vegetation, buildings, personal property, persons, animals, or otherwise; (2) any personal injury (including wrongful death) or property damage (real or personal) arising out of or relating to the Hazardous Material; (3) any lawsuits or administrative order relating to the Hazardous Material; or (4) violation of any laws applicable to the Hazardous Material. The terms of this paragraph shall apply only to Hazardous Materials for which the operator is responsible under its agreement with the Authority and the Rules and Regulations of the Airport.
- d. Each Operator shall agree to be subject to the Authority's policy of promoting environmental stewardship at the Airport and shall make a good faith effort to conduct an annual environmental assessment of its operations and to initiate both water and electrical conservation measures.

2.6 **Insurance Requirements:** The Authority shall obtain insurance for the real property located at the Airport which policy shall be for the sole benefit and protection of the Airport. An Operator shall be required, prior to beginning operations on the Airport, to obtain and furnish to the Authority proof of insurance by providing a Certificate of Insurance in the amount and type required herein; disclose to the Authority each of the required insurance policy limits; and waive subrogation rights against the Authority, its employees and Board of Commissioners. All policy contracts shall be written by a company licensed to operate and operating in the State of Tennessee, must name the Millington Airport Authority and its commissioners, officers and employees as additional insured, and must contain an agreement by the insurer to provide a thirty (30) day advanced written notice to the Authority before reducing the coverage, canceling the policy or allowing the policy to lapse. An Operator shall be required to update the Certificate of Insurance reflecting any and all changes to the insurance coverage including but not limited to changes in coverage terms, coverage limits, insured risks, agents or insurers. In addition, all Operators shall conduct their activities and render their services in a safe, responsible and efficient manner and shall be solely responsible for all of the acts of their agents and/or employees and shall insure its contractual liability to indemnify and hold harmless the Authority, its commissioners, officers and employees as set forth in its Operating Agreement. Each Operator shall obtain the following types of insurance unless otherwise set forth in subsequent sections herein:

- a. Workers Compensation as required by the State of Tennessee.
- b. Commercial General Liability: Public liability insurance must be issued by a company reasonably approved by the Authority, such insurance to have a combined single limit for bodily injury, including accidental death, personal injury and property damage for all premises, product and completed operations, unlicensed vehicles and contractual liability of a minimum of at least Ten Million Dollars (\$10,000,000.00) for each occurrence. Additionally, Hangarkeeper's Legal Liability insurance is required with a minimum limit of at least Five Million Dollars (\$5,000,000.00) for each occurrence for all non-owned aircraft under such Operator's care, custody or control.
- c. Automobile Liability: Combined Single Limit per occurrence providing bodily injury and property damage liability coverage for "any auto" in the amount of One Million Dollars (\$1,000,000.00), and Hired and Non- Owned Liability coverage in the amount of One Million Dollars (\$1,000,000.00), with all Coverage to be on a Standard ISO Occurrence form except where agreed in writing.
- d. Employee Dishonesty: An Operator whose employees handle funds of the Authority shall be required to provide Third Party Employee Dishonesty coverage to the Authority in an amount appropriate for the exposure as shall be set forth in writing.
- e. Pollution Liability: In the amount of One Million Dollars (\$1,000,000.00) to include liability for bodily injury, property damage and environmental damage resulting from sudden and accidental releases of pollution, and covering related or resultant cleanup and/or remediation costs arising out of the occupancy and use.

2.7 **Discrimination:** An Operator covenants and agrees, as part of the consideration for its license, lease or permit to operate, for itself, its personal representatives, successors in interest and assigns, that:

- a. No person on the grounds of race, sex, 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 Operator's facilities.
- b. That in the construction of any improvements on, over or under any land used in the Operator's operations and the furnishing of services thereon, no person on the grounds of race, sex, color, of national origin shall be excluded from participation therein, denied the benefits thereof, or otherwise be subjected to discrimination.
- c. The Operator shall use the 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, Non-Discrimination 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.
- d. In the event of breach of any of the above nondiscrimination covenants, the Authority shall have the right to terminate the license, lease or permit and to reenter and repossess said land and the facilities thereon and hold the same as if said license, lease or permit had never been made or issued. This provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21, are followed and completed, including exercise or expiration of appeal rights.

2.8 **Construction**: No person shall initiate or engage in any construction, alteration or electrical wiring project within the Airport without first securing written permission of the Executive Director. Any structures or facilities to be constructed, installed or placed upon the Airport shall conform to all the current safety regulations, building codes, and fire regulations of the State of Tennessee, The City of Millington, which may be applicable to the project. Performance bonds and evidence of adequate liability insurance and fire insurance commensurate with the value of the construction are required and shall be furnished to the Authority before any work begins.

2.9 **Operator Services, Rates and Charges**: The rates and charges for any and all activities and services of an Operator shall be determined by the Operator but shall be subject to the requirement that all such rates and charges shall be reasonable and be equally and fairly applied to all users of the same class of such service. Any Operator who enters into a service agreement or contract with a third party which includes such Operator providing services for a term of greater than thirty (30) days at the Airport shall notify the Authority of such agreement and file a copy with the Executive Director.

2.10 **Right of Inspection**: The Executive Director and any member of the Authority, or his/her appointee, shall retain the right to enter any premises used by an Operator conducting an activity on the Airport in order to inspect the property and to ensure compliance with these Minimum Standards and Airport Rules and Regulations.

2.11 **Subletting and Assignment**: No Operator under a lease, license, permit or other contract with the Authority may sublease, sublicense or assign any portion of the property or other rights granted, without the prior written approval of the Authority. In addition, any sublease or sublicense or assignment of property or rights to a commercial operator for the purpose of generating revenues from aeronautical activities or services at the Airport shall require the prior approval of the Authority. For the purpose of this section "sublease", "sublicense", or "assignment" shall include any arrangement by which the use of the leased premises is granted by an Operator to a third party. Any such subletting, sublicense, or assignment shall be subject to these Minimum Standards and the Airport Rules and Regulations.

2.12 **Effect on Existing Agreements**: The Authority reserves the right to review and supplement, amend or otherwise modify these Minimum Standards from time to time, in such manner and to such extent as the Authority may deem proper and all Operator leases, agreements or permits shall be subject to the new or revised requirements and or terms or conditions.

2.13 **Termination**: Violation of or failure to observe the terms and conditions of these Minimum Standards and the Airport Rules and Regulations may, at the sole option of the Authority, result in termination of user, property or other rights granted to the Operator, removal of the Operator from the Airport and/or barring such Operator from the use of the Airport and its facilities.

CHAPTER 3 FULL SERVICE FIXED BASE OPERATORS

3.1 **Required Services to be Provided by FBO**: Full Service Fixed Base Operator(s) (FBO's) at the Airport shall be full time, financially sound and progressive business enterprises with adequately manned and equipped facilities, including office facilities, who observe specifically required business hours. An FBO shall, provide, as a minimum, the following services:

- a. Dispense and provide for the sale of aviation gasoline, fuel, oil and lubricants for both the piston and turbine engine aircraft. FBO shall deliver and dispense, upon request, Jet Fuel, Avgas and aircraft lubricants and shall provide a reasonable response time during the required hours of activity.
- b. Adequate and efficient uniformed ramp service during normal hours of Tower operations, seven (7) days a week and "on call" by readily accessible telephone or pager at other hours with the capability of providing service at the Airport within one hour of

notification, twenty-four hours each day, each day of the year. FBO shall provide passenger, crew and aircraft ground services, support and amenities, including federal or state required security procedures, by qualified line personnel for those types of aircraft which have frequent operations at the airport. FBO's personnel shall meet, direct and park all aircraft arriving on FBO's leased premises using adequate towing equipment to park and tiedown aircraft efficiently in all reasonable conditions and shall provide oxygen, nitrogen, compressed air services as well as providing the aircraft with ground power units. FBO shall provide courtesy transportation to passengers, crew and baggage as necessary and make available crew and passenger ground transportation arrangements (limousine, shuttle and rental vehicles). FBO shall make adequate provision for vehicle, customer and employee automobile parking, and the safe movement of pedestrians in the area.

- c. Provide aircraft parking, including inside aircraft storage, aircraft storage for aircraft awaiting delivery after repair or maintenance and sufficient maintenance area and tie-down space for those aircraft which frequent the Airport.
- d. Provide FAA approved aircraft, engine, and accessory maintenance and repairs for those aircraft which frequent the airport to be performed by duly qualified and licensed airframe and power plant mechanics at an adequately manned and equipped workshop during a minimum of 8 hours per day, 5 days per week. FBO shall maintain a separate and shielded area for storing aircraft and/or components if aircraft or equipment is unflyable or scheduled to be salvaged to prevent said equipment from being viewed by the public and shall separately maintain an area with adequate fans and fire protection devices and disposal for waste materials from aircraft or spray painting aircraft.
- e. Provide facilities with at least one telephone for public use during all hours of operation a pay telephone for after-hours use and office, lounge with television and DVD capabilities and restroom facilities which equal or exceed the standard of such amenities offered by the Authority at the Airport. FBO is encouraged to provide the type of services and amenities to Airport customers which will differentiate the Airport and increase its use.
- f. Make any required capital investment sufficient to meet these Minimum Standards. The required capital investment must have the prior written approval of the Authority, such approval not to be unreasonably withheld. Capital investment does not include aircraft.
- g. Conduct business on the Airport in such a manner as to maintain a friendly, cooperative, and professional, relationship with the other Airport Operators and the Airport's customers.
- h. Comply with the requirements in Chapters 4, 5 and 6 herein.

3.2 **Additional Permitted FBO Services:** In addition to the required Essential Services, a FBO may engage in a variety of other aeronautical services as authorized by its lease or operating agreement with the Authority. Such services are as follows:

- a. Aircraft Charter and/or FAA-Certified air taxi service
- b. Sale of new aircraft parts and pilot supplies
- c. Sale of new and used aircraft as a qualified dealer
- d. Rental of aircraft
- e. Flight training

- f. Other aeronautical activities and/or services for which there is a significant public demand as authorized by the Authority in the lease or operating agreement.

CHAPTER 4 AIRCRAFT GROUND HANDLING SERVICES

Any Applicant proposing to offer aircraft ground handling services at the Airport shall, upon approval as an Operator, be required to:

4.1 **Essential Services:** Enter into a SASP Agreement with the Authority and, either with its own personnel capable of providing such service and provide all the services herein.

4.2 **Facilities:** Lease an area adequate to provide the facilities necessary for the proposed aircraft ground handling services in the space available at the Airport. The improvements shall include:

- a. Adequate paved ramp area for the safe parking and movement of transient aircraft and for conducting such services as fueling, oil changes, tire inflation, aircraft washing and other services not requiring a certified mechanic's rating.
- b. Adequate paved aircraft tiedown space for the level of service contemplated.
- c. Adequate space for indoor storage of aircraft to meet the level of service contemplated.
- d. Adequate office space for a customer service area, pilots lounge, restrooms, public telephones and administrative offices for the level of service contemplated.
- e. Adequate provision for vehicle, customer and employee automobile parking, and the safe movement of pedestrians in the area

4.3 **Hours of Operation:** Hours of operation will be, at a minimum, those hours of Tower operation and any additional hours of operation as approved by the Executive Director.

4.4 **Personnel:** Provide uniformed ramp personnel who have been properly trained to safely direct incoming aircraft to parking, fueling, and tiedown or hangar area for convenience and safety of transient and local based aircraft.

4.5 **Operating Procedures:** Establish, engage in and enforce operating procedures which conform to recommendations and standards set forth in current Federal Aviation Administration Advisory Circular 00-34A entitled "Aircraft Ground Handling and Servicing" and applicable standards set forth by the National Fire Protection Association.

4.6 **Rates and Charges:** Collect the appropriate rates and charges as set forth in Exhibit 1 as prescribed by the Authority; from all aircraft entering the Operator's leased area and from all such aircraft for whom services are provided at other areas of the Airport which do not have an agreement with the Authority or have not made arrangements to pay directly to the Authority. Operator shall maintain a record of the aircraft tail number, date and amount collected, and remit the payments to the Authority monthly, less any standard administrative charges authorized by the Authority. The Operator shall advise the Executive Director of any aircraft or persons who refuse to pay or make satisfactory arrangements for payment. The Executive Director shall have the authority to detain such aircraft.

4.7 **Hazards:** Maintain all surfaces free of foreign objects and debris hazards which could cause damage to aircraft or engines by conforming to FAA Advisory Circular 150/5380-5 entitled "Debris Hazards at Civil Airports." Remove unsightly "junk" aircraft and equipment from the Airport.

4.8 **Equipment:** Possess adequate equipment for moving, preheating, starting, and otherwise servicing the number and type of aircraft contemplated or that frequent the Airport.

4.9 **Tie-down Space:** Install suitable aircraft tiedown anchors, ropes, chokes, markings and spacing for based aircraft, and notify the Authority of the name and address of each owner of a based aircraft, including the manufacturer, model and tail number of each based aircraft.

CHAPTER 5 AIRCRAFT FUELING SERVICES

Any Applicant proposing to offer aircraft fueling services at the Airport shall, upon approval as an Operator, be required to:

5.1 **Essential Services:** Enter into a FBO Agreement with the Authority and provide the services required.

5.2 **Service:** Delivery of a recognized brand of aviation petroleum products required in the operation of all types of aircraft which frequent the Airport.

5.3 **Fuel Storage:**

- a. FBO shall operate or have immediately available for operation an above ground fuel storage facility on land leased directly from the Authority. Said facility shall be of adequate size to meet the anticipated demands of the Airport but shall have no less than a total capacity for three (3) days peak supply of aviation fuel for aircraft being serviced by FBO. Total storage capacity shall not be less than 20,000 gallons for Jet Fuel storage and 10,000 gallons for Avgas storage, and shall have adequate secondary containment for waste fuel or test samples. FBO's fuel service facility shall be equipped with a distribution system which meets all applicable federal, state, local and the National Fire Protection Association safety codes.
- b. All fuel storage tanks shall be installed, operated and maintained by the FBO in accordance with the fueling operations set forth herein or the Rules and Regulations of the Airport.
- c. FBO shall, at its sole expense, maintain the fuel storage facility, all improvements thereon, including separate metering and payment of all utilities, and all appurtenances thereto in a clean, neat, orderly and fully functional condition consistent with good business practice and equal or better than in appearance and character to other Airport improvements.
- d. FBO shall demonstrate that satisfactory arrangements have been made with a reputable aviation petroleum supplier/distributor for the delivery of aviation fuels in the quantities that are necessary to meet the requirements set forth herein.
- e. FBO shall have a written Spill Prevention, Control and Countermeasures Plan ("SPCC Plan") that meets Regulatory measures for the aboveground fuel storage facilities. A copy of the SPCC Plan shall be filed with the Executive Director at least 30 days prior to commencing operations or upon an update of the SPCC Plan.
- f. FBO shall be liable, indemnify and hold harmless the Authority and the City of Millington for all leaks, spills or other damage that may result through the handling and dispensing of fuel.
- g. Fuel delivered/dispensed by the FBO shall meet quality specification as outlined in

ASTM D 1655 (jet A) and ASTM 910 (Avgas) or any amendment of such specifications, Ensuring the quality of the fuel is the sole responsibility of the FBO.

- h. FBO shall have a current and executed Fuel Dispensary Permit authorized by and on file with the Executive Director.
- i. FBO shall maintain current fuel reports on file, including total gallons of fuel delivered by type, and shall make such reports available to the Authority as specified in its agreement.
- j. FBO must agree, at the normal conclusion of its lease, or at earlier termination by either party, at the Authority's sole election, to remove from the facility and restore the area to the condition which it existed at the commencement of the lease. This shall include, but not be limited to, removal and disposal of all contaminated materials and restoration of the site to and environmentally acceptable condition, in accordance with the Rules and Regulations cited herein.

5.4 **Equipment:** Own or lease fuel dispensing truck(s) clearly marked and labeled to indicate type and grade of fuel with adequate and appropriate filtering devices, meters, grounding cables and of sufficient capacity to refuel the largest aircraft the fueler expects to serve.

5.5 **Personnel:** Employ only personnel who have been properly trained and are certified and qualified to operate the equipment in use. FBO shall provide the Executive Director a list of authorized, certificated personnel.

5.6 **Procedures:** Establish, engage in and enforce operating procedures which conform to recommendations and standards which are set forth in current Federal Administration Advisory Circular 150/5230-4 entitled "Aircraft Fuel Storage, Handling and Dispensing on Airports", the National Fire Protection Association's "Standard for Aircraft Fueling" and fueling standards set for in FAR Part 139. Furthermore, the Operator shall abide by Airport Rules and Regulations regarding the operation of motor vehicles, fire prevention and the conduct of fueling or defueling services. The Executive Director may suspend or restrict any or all fueling operations whenever such action is deemed necessary in the interest of safety.

5.7 **Fuel Flowage Fees:** Submit a monthly report of fuel sales and remit to the Authority the applicable fuel flowage fee for all aviation fuel delivered. A copy of any and all fuel report filings made to any regulatory body of the state or county shall be provided the Authority within ten (10) days of filing. A fuel flowage fee, in the amount set by the Authority's Board of Commissioners in its sole discretion from time to time shall be assessed for fuel delivered into the FBO's own aircraft, or for fuel obtained by the owner to operator of an aircraft from a source other than the FBO and delivered to said aircraft while on the Airport. The FBO shall keep the delivery ticket (bill of lading) for each delivery of aviation fuel for a minimum of three (3) years and make them available for audit by the Authority upon request.

5.8 **Owner Self Fueling:** The owner or operator of an aircraft who desires to self-fuel the aircraft while on the Airport must obtain a permit from the Authority, must pay the required fee, and must demonstrate compliance with all of the requirements set forth in Section 7 of the Rules and Regulations of the Authority.

CHAPTER 6 AIRCRAFT REPAIR AND MAINTENANCE

Any Applicant proposing to offer aircraft repair and maintenance services at the Airport shall, upon approval as an Operator, be required to demonstrate compliance with Federal Aviation regulations, Part 145 and be required to:

6.1 **Essential Services:** Enter into a SASP Agreement with the Authority to provide Aircraft Repair and Maintenance.

6.2 **Facilities:** Lease from the Authority adequate lands, hangar, ramps and shop areas for the type of repair and maintenance for which the repair station is rated, and the service being performed. Suitable storage for aircraft awaiting delivery after the repair and or maintenance has been completed must be leased from the Authority. No major services involving the removal, assembly or disassembly of an engine or major aircraft component are to be conducted except in an area and manner approved by the Authority. Facilities and equipment for towing, parking, tie-down and cleaning aircraft and aircraft parts undergoing maintenance and repairs shall be provided. Aircraft undergoing repairs, and those in a non-airworthy condition for more than thirty (30) days, shall be screened from public view. Aircraft shall not be stored for salvage operations, except as specifically approved by the Authority, but shall in no circumstance cause any blight on the Airport.

6.3 **Hours of Operation:** Hours of operation will be as approved by the Authority.

6.4 **Certification:** Maintain an FAA certificate for an aircraft repair station, with duly qualified and licensed mechanics, with appropriate rating for the services to be offered.

6.5 **Equipment:** Provide sufficient equipment, supplies and parts to perform services for which the station is rated, and in accordance with manufacturer's recommendations of authorized aircraft, power plants and accessories.

CHAPTER 7 AIRCRAFT CHARTER AND AIR TAXI SERVICE

Any Applicant proposing to offer aircraft charter and air taxi services at the Airport shall upon approval as an Operator be required to:

7.1 **Operating Agreement:** Enter into a SASP Agreement with the Authority for providing the services herein defined and paying fees and charges as prescribed.

7.2 **Facilities:** Provide clean heated and air conditioned lounge or waiting room(s) for passengers with restrooms and public telephones exclusive or in common with other Operators. Hangar or tiedown space adequate for the type of operation proposed shall be leased from either the Authority or subleased from a duly authorized Fixed Base Operator.

7.3 **Customer:** Loading and unloading of all aircraft engaged for compensation or hire shall take place in designated loading zones which offer safe passage of customers within Aircraft Operations Area. Security processing required by TSA shall be provided or shall be obtained from a duly authorized Fixed Base Operator.

7.4 **Certification:** The owner and any other operator of an aircraft engaged for hire, and the aircraft which is used for Aircraft Charter and/or Air Taxi Service and is based at the Millington Regional Jetport, shall meet all the requirements of the Federal Air Regulations and hold appropriate FAA certification for the conduct of the flight activity being provided.

7.5 **Insurance:** Operator shall maintain, in addition to the insurance required in Section 2.5 herein, Aircraft and Passenger Liability Insurance in the amount of one Million Dollars/ One Hundred Thousand Dollars (\$1,000,000.00/\$100,000.00) sub limit per person to include bodily injury, property damage, and passenger injury for all owned, leased, or operated aircraft.

CHAPTER 8 FLIGHT AND GROUND TRAINING INSTRUCTION

Any applicant proposing to offer flight and ground training instruction services at the Airport shall, upon approval as an Operator, be required to:

8.1 **Operating Agreement:** Enter into a SASP Agreement with the Authority for providing the services herein defined and paying fees and charges as prescribed.

8.2 **Facilities:** Provide adequate classroom space for the number of students being trained, with restroom facilities available leased from the Authority.

8.3 **Equipment:** Provide at least one dual controls-equipped single engine aircraft properly equipped and maintained for flight instruction and such additional aircraft as may be required to give each of the types of flight instruction offered by the operator. Adequate mock-ups, pictures, slides, film strips or other visual aids (and manuals, training syllabuses, computers and other materials available for sale to the student trainees) necessary to provide proper ground school training and instruction shall be available.

8.4 **Supervision:** Students shall be supervised by an instructor properly certified by the FAA at all times.

8.5 **Certification:** At least one (1) flight and ground school instructor properly certificated by the FAA shall be provided. The Operator shall meet all the requirements of the FAR's and hold appropriate FAA certification for the conduct of the flight activity being provided.

8.6 **Insurance:** Operator shall maintain, in addition to the insurance required in Sections 2.5 and 7.5 herein, CFI Professional Liability Insurance in the amount of One Million Dollars (\$1,000,000.00) to include bodily injury and property damage not only during flight instruction, but after flight instruction is given. An Operator providing flight instruction shall post a notice and incorporate within the aircraft rental and flight instruction agreements the coverage and limits provided to the renter or student by the Operator as well as a statement advising that additional coverage is available to such renter or student through the purchase of an individual non-ownership liability policy. Operator shall provide a copy of such notice to the Executive Director.

CHAPTER 9 COMMERCIAL FLIGHT AND RENTAL OPERATIONS

Any Applicant proposing to offer commercial flight operations at the Airport shall, upon approval as an Operator, be required to:

9.1 **Definition:** Commercial flight operations pertain to the use of a based aircraft for compensation or hire. For the purposes of this section a person who owns or operates a based aircraft solely for his/her own personal or business pursuit and who at no time uses or provides that aircraft for compensation or hire to another person, shall not be considered to be engaging in a commercial flight operation.

9.2 **Operating Agreement:** Enter into a SASP Agreement with the Authority for providing the services herein defined and paying fees and charges as prescribed.

9.3 **Facilities:** Operator shall either lease from the Authority or sublease from a duly authorized Fixed Base Operator, adequate facilities for the type of service preformed.

9.4 **Certification:** The owner and any other operator of an aircraft engaged for hire, and the aircraft which is used for a commercial flight operation and is based at the Millington Regional Jetport, shall meet all of the requirements of the Federal Air Regulation and hold appropriate FAA certification for the conduct of the flight activity being provided.

9.5 **Customers:** Loading and unloading of all aircraft engaged for compensation or hire shall take place in designated loading zones which offer safe passage of customers with the Aircraft Operations Area.

9.6 **Insurance:** Operator shall maintain, in addition to the insurance required in Section 2.5 herein, Aircraft and Passenger Liability Insurance in the amount of one Million Dollars/ One Hundred Thousand Dollars (\$1,000,000.00/\$100,000.00) sub limit per person to include bodily injury, property damage, and passenger injury for all owned, leased, or operated aircraft.

CHAPTER 10 AIRCRAFT SALES

Any Applicant proposing to offer aircraft sales and rental services at the Airport shall, upon approval as an Operator, be required to:

10.1 **Definition:** A commercial aircraft sale is the sale of a newly manufactured aircraft, or the sale of any used aircraft not owned by the Applicant, or the sale of more than one aircraft per year which is owned by the Applicant.

10.2 **Operating Agreement:** Enter into a SASP Agreement with the Authority for providing the services herein defined and paying fees and charges as prescribed.

10.3 **Facilities:** Adequate office and hangar or tiedown space shall be leased from either the Authority or a duly authorized Fixed Base Operator.

10.4 **Customer:** Customer access shall be limited to designated zones which offer safe passage of customers within the Aircraft Operations Area.

10.5 **New aircraft:** Dealers of new aircraft shall hold a manufacturer's franchise or license and shall have available or on call one (1) current model demonstrator. The dealer shall provide for adequate servicing of aircraft during the warranty period, and shall maintain a supply of accessories and parts for the type of aircraft sold.

CHAPTER 11 LIMITED COMMERCIAL SERVICES

Any Applicant proposing to offer limited commercial services at the Airport shall, upon the approval as an Operator, be required to:

11.1 **Definition:** Limited commercial services offered only by based aircraft, as defined herein, may include, but not be limited to aerial work operations specifically identified within and excluded from FAR Part 135, non-stop sightseeing flights for hire that begin and end at the Millington Regional Jetport, aircraft ferry for hire, banner towing or any other activity for hire for which the FAA prescribes rules governing the operation thereof.

11.2 **Terms and Conditions:** Limited commercial services, not otherwise provided for herein, may be conducted upon application to the Executive Director and approval by the Authority reasonable terms and conditions for the privilege of engaging in these other services will be commensurate with the nature and scope of activity which is contemplated, with consideration given to availability of suitable facilities.

11.3 **Certification:** Establish to the satisfaction of the Authority that the aircraft and the personnel operating the aircraft hold the appropriate current ratings/certification to engage in the activity being contemplated.

11.4 **Storage:** Adequate space shall be leased from the Authority.

11.5 **Insurance:** Operator shall provide in addition to the insurance required in Sections 2.5, 7.6 and 8.6, any additional insurance applicable to the specific commercial activity as may be required by the Authority and shall be contained in the Operator's agreement with the Authority.

CHAPTER 12
AGRICULTURAL SPRAYING AND DUSTING

Agricultural crop spraying and dusting shall not be permitted to take place using the Airport as a base of operations. This restriction shall not apply to insect/pest control aerial spraying by a bonafide governmental unit or agency undertaken for the protection of the public. Such governmental units or agencies shall obtain permission of the Executive Director prior to initiating these activities.

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