

**MINIMUM STANDARDS FOR FIXED BASE OPERATORS AT
ATHENS MUNICIPAL AIRPORT
ATHENS, TEXAS**

This is a summary of the obligations and services which should be provided by a Fixed Base Operator (FBO). This guideline may be attached to and become part of an actual lease agreement between an FBO and the Athens Municipal Airport. Should the actual lease agreement be more or less restrictive than this guideline, the lease would take precedence.

I. Definitions

- A. Fixed Base Operator-** A Fixed Base Operator is a person, firm, or corporation performing any of the function or furnishing any of the services listed herein on a commercial basis. No person, firm, or corporation may act in the capacity of an FBO without a valid contract with the City of Athens authorizing such activity at the airport.
- B. Airport Tenant-** An airport tenant is a person, firm or corporation leasing or using airport property solely for the purpose of storing an aircraft and is not engaged in or providing any aviation related commercial activity or service at the airport. An airport tenant is not authorized to function as or provide the services of an FBO.

II. Services and Requirements

- A.** An FBO is authorized to offer or perform any or all of the following services or functions for the public. The guidelines for each service or function are listed.
 - 1. Airframe or power plant repair: Sufficient hangar space, FAA certified mechanic on duty, paved outside parking area for aircraft, and paved access to the runway-taxiway system (if connecting runway or taxiway is paved).
 - 2. Fueling: Avgas and jet fuel storage tanks (tanks must be State approved and registered if required), fuel delivery by means of pumps and/or trucks, trained and qualified fueling technician, plan of action in case of a massive fuel spill, and at least the minimum number of working fire extinguishers and bonding cables as recommended in the latest edition of the National Fire Protection Association booklet, Manual 407 - "Standard for Aircraft Fuel Servicing, 2001 edition," (or as revised) published by the National Fire Protection Association, 1 Batterymarch Park, P.O. Box 9101, Quincy MA 02269-9101, 800-344-2555. Fuel pumps and trucks must meet all applicable local and State codes and be approved for use by the local fire marshal.

3. Line service: Properly trained personnel; ropes, chains, or other restraining devices and wheel chocks for each tie down position.
4. Aircraft sales and/or rental: Sufficient office space, aircraft display area, telephone, and aircraft inventory.
5. Flight instruction: Trained and certified instructor, classroom, telephone and restrooms, and aircraft available for instruction.
6. Avionics: Shop area, office space with telephone and restrooms, and trained and certified personnel on duty.
7. Air taxi and charter: FAA Part 135 certification, aircraft with sufficient hangar, T-hangar, or tie down space, office with telephone and restrooms, and aircraft loading or unloading area.
8. Agricultural spraying operations: Qualified pilot, aircraft designed for such purpose, qualified personnel on duty to properly handle dangerous chemicals, secure area to store chemicals, and properly designed and constructed wash down pad.
9. Other as agreed on by contract: Telephone for public use, ground transportation into town, pilot and passenger lounge with restrooms, retail business area with restrooms, coffee and/or soft drinks, and parking.

Hangar space, shop areas, restrooms, and other equipment as well as sufficient personnel shall not necessarily be accumulative for each service provided. For example, if an FBO provides both flight instruction and aircraft sales, both functions could be serviced by the same restrooms and telephone. The actual contract agreement between an FBO and the Airport owner shall spell out the required services of each FBO and the square footage, number of personnel, etc. which must be provided by that FBO.

- B. An FBO is required to perform the following functions or abide by the following rules:
1. Install, operate, maintain, repair, and store all equipment necessary for the conduct of the FBO's business subject to the approval of the airport owner.
 2. Use, with others so authorized, any common areas or equipment on the airport including, but not limited to, the runways, taxiways, public aircraft and auto parking aprons, roadways, and navigational aids.

3. Upon termination of the lease, return any leased property to the airport owner in the same condition as it was at the start of the lease, normal wear excluded. Any improvements or additions made to real property during the term of the lease will become property of the airport owner at the termination of the lease.
4. Will not prevent any person, company, or employee of a company from servicing, maintaining, or fueling their own aircraft that might be parked or hangared at the airport.
5. Make its business open to all forms and classes of aeronautical use.
6. Submit to and abide by periodic safety inspections by the Airport owner, the FAA, and/or the Texas Department of Transportation.
7. Maintain all leased areas and the interior and exterior of any leased or constructed buildings to an acceptable standard.
8. Remove and properly dispose of any trash from the leased property.
9. Notify and gain approval of the airport owner of any intended reduction of services which are included in the FBO's lease agreement.
10. Furnish all applicable services in a fair, equal, and nondiscriminatory manner to all airport users.
11. Abide by any and all rules, requirements, or mandates placed upon the airport owner by the FAA or the State of Texas including, but not limited to, the Grant Assurances of FAA grants, the Terms and Conditions of State of Texas grants, and abide by the Rules and Regulations for the Athens Municipal Airport.
12. An FBO does not have the right to perform any services or business on the Airport unless such service or business is included in the current lease agreement with the airport owner.
13. An FBO's rights do not supercede the airport owner's rights and obligations.
14. The rates or charges for any and all activities and services of such operators, subject to the approval of the airport owner, and subject further, to the requirement that all such rates or charges shall be reasonable and be equally and fairly applied to all users of the services.

15. A FBO shall demonstrate continued financial solvency and business ability by the submitting of an annual balance sheet, credit references, and any other proof that the lessor may require from time to time. In cases of doubt by the lessor to such ability of a FBO, the lessor may conduct a hearing to determine appropriate action. In each instance, the lessor shall be the final judge as to the qualifications and financial ability of the lessee.
16. 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 ten (10) years, plus interest and reasonable rental for use during such period.

III. Airport Owner's Right and Obligations

The airport owner retains the right and/or obligations to do the following:

- A. Perform any or all of the functions of an FBO. If so inclined, the airport owner may retain a proprietary right to offer any or all FBO services and/or products and allow no FBO to offer the same services or products at the airport.
- B. Enter into contracts with other FBO's to operate similar or competitive businesses at the airport without regard to the wishes or desires of existing FBO's. Any new contracts will be written to standards applicable at that time. If a new contract agreement gives an economic advantage to the new FBO, the airport owner may renegotiate its contract with the disadvantaged FBO; however, under no circumstances will the airport owner be held liable or required to pay damages for services, equipment or any other obligations which were required by past or current contracts.
- C. Approve an FBO's placement of buildings, parking areas, or equipment to assure such development is accomplished in an orderly fashion and does not impede the future development or expansion of the airport as shown on an FAA or Texas Department of Transportation approved Airport Layout Plan or Master Plan.
- D. Maintain the airport in a safe and serviceable condition.
- E. Collect all fees for the use of the airport; these fees include lease of hangar space, office, T-hangar space, aircraft or auto parking areas, fuel flowage fees, and tie-down fees. The airport owner may charge these fees as long as such fees are fair and appropriate and not intended to discriminate for or against any FBO or airport user or type of user.

- F. Increase or decrease the fee or required services of an FBO at any time the FBO's contract is renegotiated or at any such time as authorized by the lease contract.
- G. Impound any personal property, tools, furniture, aircraft, or equipment located on the leased property and hold or liquidate such until all fees and taxes due the airport owner are paid, subject to a court judgement.
- H. Reserve the right to take any action necessary to protect the safety and usability of the airport and the approach surfaces to all runway ends.
- I. All contracts and leases between such operators and the City shall be subordinate to the right of the City during war or national emergency, to lease the landing area or any part thereof to the United States Government for military use, and if any such lease is so made, the provisions of any contracts or leases between such with the provisions of the lease to the Government, shall be suspended.
- J. The City reserves the right to enter upon any premises leased to fixed base operators at reasonable times for the purpose of making such inspections as it may deem expedient, to the proper enforcement of these minimum standards and for the proper enforcement of any covenant or condition of any FBO's contract or lease agreement.

IV. **Payment and Fees**

- A. **Service Charge** - An FBO must pay all responsible rentals, fees, or charges in a timely manner. The airport owner retains the right to assess a service charge for any late payments due to the owner.
- B. **Bond** - An FBO must show proof of financial responsibility or be properly bonded with the airport listed as beneficiary in the event the FBO cannot or will not return the property to an acceptable condition after the term to the lease or if the lease is prematurely terminated.
- C. **Utilities** - An FBO must arrange for water and waste water, gas, electricity, telephone, and any other utilities it uses on the airport and pay all responsible charges in a timely manner throughout the term of the lease.
- D. **Taxes** - An FBO will pay all responsible taxes in a timely manner.
- E. **Other Bills** - An FBO will pay all responsible bills in a timely manner.

Under no circumstances will the airport owner be responsible for payment of any taxes or bills owed by an FBO.

V. Insurance

The airport owner will provide insurance for all real property located at the airport under the owner's policy. This policy will be for the sole benefit and protection of the airport owner. The FBO will be required to provide adequate insurance coverage for his personal property and the contents of any buildings under lease. The FBO must furnish current proof of these policies to the airport owner and any changes in those policies must have prior written approval of the airport owner.

VI. Solicitation and Conduct

- A. An FBO will not engage in the solicitation of its fueling or other services on or about the airport in a loud, offensive, or objectionable manner. In the event of such questionable conduct, the airport owner will be the sole judge in determining if said conduct is a violation of the lease agreement and take any and all necessary steps to eliminate the undesirable condition, up to and including the termination of the FBOs lease contract.

- B. An FBO will conduct business on the airport in such a manner as to maintain a friendly and cooperative, though competitive, relationship with other operators engaged in similar businesses on the airport. An FBO will not engage in open public disputes, disagreements, or conflicts which would tend to deteriorate the quality of service of either party involved or which would be incompatible with the best interest of the public or the airport. The airport owner has the right to resolve all such disputes, disagreements, or conflicts and the airport owner's determination will be binding upon all FBO's operating at the airport.

VII. Use and Use Conflict

- A. Any land, building, paved area, and other infrastructure leased to an FBO are to be used and occupied solely for the purpose of operating a Fixed Base Operation and no other. The leased airport property cannot be sublet or divided, except for parking aircraft in hangars, T-hangars, or tie down spaces without the written permission of the airport owner. In the event the lessee makes application to sublet any portion of his lease, the sublessee must agree to assume the full obligations of the lessee as set out herein and must agree to fully cooperate with the City in seeing that these standards are complied with. The sublessee shall immediately comply with any reasonable request or direction of the City as it relates to the enforcement of these standards. In the event that the lessee or sublessee fails to comply fully with these standards or fails to comply with the reasonable request or direction of the City as it related to these standards, said lessee or sublessee shall be in default. If said default continues for more than ten (10) days after notice of said default, the lessee shall immediately cease operations and the City may terminate the lease. Said lessee is responsible for the performance of the sublessee.

- B. Should the FBO become deceased, be adjudged to be incompetent, or his business declared bankrupt or become insolvent, the leased property and the executed lease contract shall not be considered as a part of the FBO's estate or an asset of any appointed or assigned guardian, trustee, or receiver. In such cases, the FBO's lease will immediately terminate and all rights and property returned to the airport owner.

VIII. Unauthorized Use

An FBO may not park vehicles, trailers, motor homes, mobile homes, or any other vehicle or trailer on airport property without written approval of the airport owner.

IX. Rules

An FBO must abide by all laws, rules, regulations, guidelines, terms, and conditions of the airport owner, the Texas Department of Agriculture, the Environmental Protection Agency, the National Fire Protection Association, the local and State fire marshals, the Texas Department of Transportation, the Federal Aviation Administration, and any other applicable agencies in regard to the use and storage of pesticides, or other dangerous chemicals, the storage and dispensing of aircraft fuel, the storage, dispensing, and disposal of engine oil, the maintenance and upkeep of the airport facilities, the operation of the FBO's business, and the general safety and operation of the airport.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, TEXAS
THIS THE 11TH DAY OF AUGUST, 2008.



Randy Daniel, Mayor

ATTEST:



Pam Watson, City Secretary