BEFORE THE BOARD OF COUNTY COMMISSIONERS FOR JOSEPHINE COUNTY
STATE OF OREGON

In the Matter of Adopting New Minimum Standards for Fixed Base Operators and Airport Tenants at the Illinois Valley Airport	)	ORDER No. 98-68

WHEREAS, on November 21, 1973, the Josephine County Board of Commissioners adopted Minimum Standards for Fixed Base Operators at the Josephine County Airports, and these were amended on February 23, 1983, by Order 83-37, and further amended August 21, 1985, by Ordinance 85-25, and thereafter repealed by Ordinance 97-7; and

WHEREAS, on February 9, 1994, the Josephine County Board of Commissioners adopted an Airport Policy for the Illinois Valley Airport by Order 94-19; and

WHEREAS, the Board of County Commissioners finds that it would be in the best interest of all the citizens of Josephine County, Oregon, and would be in the best interest of the Illinois Valley Airport, to adopt the previous Minimum Standards with changes to allow for start up businesses to operate at the Airport,

NOW, THEREFORE, IT IS HEREBY ORDERED, that new Minimum Standards for Fixed Base Operators and Airport Tenants is hereby adopted as set forth in EXHIBIT A, attached hereto and expressly made a part hereof.

DONE AND DATED this 10th day of November, 1998.

JOSEPHINE COUNTY
BOARD OF COMMISSIONERS

Jim Brock

Jim Brock, Chair

Harold L. Haugen

Harold L. Haugen, Vice-Chair

Fred Borngasser - Absent

Fred Borngasser, Commissioner

Approved as to form

Marc Kardell 11-4-98

Marc Kardell, Assistant County Counsel DATE

ORDER NO. 98-68

RECEIVED
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JOSEPHINE CTY
LEGAL COUNSEL

MINIMUM STANDARDS FOR FIXED BASE OPERATORS AND AIRPORT TENANTS AT THE ILLINOIS VALLEY AIRPORT ORDINANCE 85-25

The owner of the Illinois Valley Airport shall hereinafter be referred to as the Authority. Authority is defined as the Board of County Commissioners, whose agents are the Airport Advisory Board, an advisory board appointed by the Commissioners, and the Airports Director.

The following minimum standards and requirements for commercial aeronautical activities have been established in the public interest for the sale and efficient operation of the Illinois Valley Airport to enhance its orderly growth; to preclude the granting of an exclusive right to conduct an aeronautical activity in violation of Section 308 (a) of the Federal Aviation Act of 1958; to conform to Title VI of the Civil Rights Act of 1964 and Part 21 of the Department of Transportation Regulations; and to assure to all lessees the availability of airport property on fair and reasonable terms and without unjust discrimination.

1. A Fixed Base Operator (FBO) is defined as any person, firm or corporation performing any of the functions or furnishing any of the services as hereinafter set out for Fixed Base Operators at the Illinois Valley Airport under Part A to I. No person, firm or corporation shall engage in any commercial activity of a Fixed Base Operator as herein defined unless the same is done in full compliance with the standards, rules and regulations herein set forth.

2. An Airport Tenant is defined as any person, firm or corporation leasing property at the Illinois Valley Airport who is not a hangar lessee or Fixed Base Operator. An Airport Tenant may hangar his aircraft on his own leased or purchased property subject to the provisions of category "H" hereof.

3. Any operator not otherwise qualified as a FBO, who from time to time and not as a permanent day to day enterprise engages in aircraft sales, maintenance or aircraft flight instruction shall register with the Airport manager and shall comply with and be subject to standards numbered 5 and 12. Any such operator shall not promote or advertise its services or activities on airport property.

4. Hangar leases are the tenants in the County-owned or privately owned hangars on County Airport property. The lease with the hangar tenant establishes the terms and conditions of the lease, which must in all respects, adhere to these minimum standards.

5. All operators shall protect the public generally, the customers or clients of such Fixed Base Operators, and Josephine County from any and all lawful damages, claims or liability and shall carry comprehensive general liability insurance of a company authorized to do business in the State of Oregon with limits of not less than $300,000 per person, $500,000 for each occurrence for personal injury, and $100,000 property damage with Josephine County named as an additional insured, and the County shall be notified a minimum of thirty (30) days prior to cancellation of any policy. Such policies must be approved by the County of Josephine and a certificate of insurance thereof furnished to the Authority. It is further understood that as circumstances in the future dictate, the County of Josephine may require an increase in bodily injury and property damage insurance.

All operators shall post a notice plainly visible to the public as to whether or not pilots who lease the FBO's aircraft are covered by insurance, type of insurance, and the extent of coverage, including who will pay any deductible amount.

6a. Any person, firm or corporation capable of meeting the minimum standards set forth herein for any of the stated categories is eligible to become a FBO at the airports, subject to the execution of a written lease for not less than five (5) years containing such terms and conditions as may be determined by the Authority. A FBO or tenant shall not engage in any business or activity at the airport other than that authorized under its particular category or categories. Any FBO desiring to extend its operation into more than one category or to discontinue operations in a category, shall first apply in writing to the Authority for permission to do so, setting forth in detail the reasons and conditions for the request. The Authority shall then grant or deny the request on such terms and conditions as the Authority deems to be prudent and proper under the circumstances. Each FBO shall provide its own buildings, where not available, personnel, equipment, and other requirements as herein stated upon land leased from the Authority.

6b. After determining that a need exists at the airport for a service provider of business activity not presently provided by an FBO, the authority may enter into an FBO lease with a start up provider, for a period of time not to exceed 5 years. In the lease agreement with said FBO, the authority may exempt the FBO from paragraphs 7 and 10 of these Minimum Standards, as well as from any of the requirements of categories A - I hereto, as well as the Policy, Operational Guidance, Rules and Regulations sections 7 and 8. Said start up FBO's shall comply with all other requirements set forth herein, and any exemptions allowed shall be given due consideration in reaching lease agreements with any subsequent FBO's, so as to maintain a level playing field among the FBO's.

7. All FBO's at the airport shall provide lounges and rest rooms for their customers whether in common or separately and shall make telephone service conveniently and readily available for public use.

8. All construction required of FBO's shall be in accordance with design and construction standards required or established by the Authority for the facility or activity involved, and in compliance with the approved airport layout plan. Title to any and all buildings and appurtenances, which may be built on Authority property, shall revert to the Authority, unless otherwise provided, when and if the subject lessee vacates the lease for any reason.

FBO's shall be required to furnish the Authority payment and performance bonds commensurate with any construction required under the standards herein fixed or under any contract or lease by and between an FBO and the Authority.

9. The rates or charges for any and all activities and services of such operators shall be determined by the operators, or in the lease agreement, subject to the approval of the Authority, and subject, further to the requirements that all such rates or charges shall be reasonable and be equally and fairly applied to all users of the services.

10. All FBO's at the airports shall be full time, financially sound and progressive business enterprises, with adequately manned and equipped facilities, including ample office facilities, and shall observe normal or specially required business hours. Proof of the facts may be requested by the Authority from time to time.

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

12. All operators shall abide by and comply with all Federal, State, and County laws and ordinances, the rules and regulations of the Authority, and the aeronautical rules and regulations of the State of Oregon, and the Federal Aviation Administration.

13. Each FBO or tenant shall provide and pay for all lights, gas, electrical current, water, sewer charges, and garbage collection charges used or incurred in or about their respective leased premises, and shall pay the charges made therefor by the suppliers thereof promptly when due.

14. All contracts and leases between such FBO's and tenants and the Authority shall be subordinate to the provisions of any existing or future agreement between Josephine County and the United States, relative to the operation or maintenance of the airports, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the airports facilities.

15. No FBO shall sublease or sublet any premises leased by such operator from the Authority, or assign any such lease, without the prior written approval of the Authority, and any such subletting or assignment shall be subject to all of the Minimum Standard herein set forth.

16. In the event the lessee sublets any portion of his lease with approval of the Authority, the sublessee must agree to assume the full obligations of the lease as set out herein and must agree to fully cooperate with the Authority in seeing that these standards are complied with. The sublessee shall immediately comply with any reasonable request or direction from the Authority as it relates to the enforcement of these standards.

17. 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 Authority as it relates to these standards, said lessee or sublessee shall be in default of any lease or leases which he may have with the Authority. If said default continues for more than ten (10) days after notice of said default, the Authority may terminate the lease. Said lessee is responsible for the performance of the sublessees.

18. Operators shall have the right in common with others authorized so to do, to use common areas of the airports, including runways, taxiways, aprons, roadways, floodlights, landing lights, signals and other conveniences for the takeoff, flying and landing of aircraft.

19. Beginning with the effective date of adoption of these Minimum Standards, leases to FBO's and tenants shall be limited to a maximum of twenty (20) years, with option to extend for ten

(10) years. In addition, leases shall, at the discretion of the Authority, be subject to review and evaluation at the end of each three (3) year period thereof, in relation to development costs or land values. In this regard, when at the end of each of said three (3) year periods, the index used by the County Commissioners to determine land values, is determined by the Authority to be five (5) or more per cent higher than at the date the lease became effective, the rental terms thereof may be increased to such percentage of increase or of said index. If at the end of such three (3) year period that said index has changed less than two (2) per cent, the Authority shall nevertheless retain the Authority to review and amend other lease provisions.

20. Lessees shall at all times during the continuance of the terms of any lease and any renewal or extension thereof, conduct, operate and maintain for the benefit of the public, the FBO provided for and described therein, and all aspects and parts and services thereof as defined and set forth, and will make all such services available to the public and will devote their best efforts for the accomplishment of such purposes and will make appropriate charges to patrons and customers for all merchandise or materials and services furnished or rendered, but will refrain from imposing or levying excessive or otherwise unreasonable charges or fees for any facilities or services. Notwithstanding anything contained in a lease that may be or appear to the contrary, it is expressly understood and agreed that the rights granted hereunder are non-exclusive and the Authority reserves the right to grant similar privileges to other FBO's or tenants on other parts of the airports when, in its sole discretion, the Authority deems the same to be in the public interest.

21. The Authority reserves the right to take any actions it considers necessary to protect the aerial approaches to the airport against any obstructions, together with the right to prevent any FBO from erecting, or permitting to be erected, any building, sign or other structure in the airport which, in the opinion of the Authority, would limit the usefulness of the airport or constitute a hazard to aircraft.

22. All contracts and leases between FBO's and the Authority shall be subordinate to the right of the Authority during the time of war or national emergency to lease the landing area or any part thereof to the United State Government for military or naval use, and, if any such lease is so made, the provisions of any existing contracts or leases with said FBO shall be suspended.

23. The provisions of these standards shall in no way negate or cause to be null or void existing leases with the FBO's or tenants at the Josephine County Airports.

24. All tenants and FBO's shall remove from the airports or otherwise dispose of in a manner approved by the Authority, all garbage, debris, and other waste material arising out of their occupancy of the premises or out of their operations. Said tenants and FBO's shall keep and maintain their leased premises in a neat and orderly manner. Any garbage, debris, or waste which may be temporarily stored in the open shall be kept in suitable garbage or waste receptacles, the same to be equipped with tight-fitting covers and to be of design safely and properly to contain whatever may be placed therein. The tenants and FBO's shall use extreme care when effecting removal of all such waste.

25. The Authority reserves the right to further develop or improve all areas of the airports as it sees fit, regardless of the desires or views of any FBO, and without interference or hindrance from any such FBO.

26. The Authority reserves the right to enter upon any premises leased to a FBO or tenant at reasonable times for the purpose of making such inspections as it may deem necessary for the proper enforcement of any covenant or condition of any FBO's contract or lease agreement.

27. All FBO's located on the airports shall provide operational statistics on request to the Authority within ten (10) days.

    These operational statistics may include but not be limited to the following:

    A. Operations conducted under Federal Aviation Regulation (FAR) Part 135 Authority.

    B. Passengers carried under FAR Part 135 Authority.

    C. All fuel and oil sales quantities and associated prices.

    D. Freight carried FAR Part 135 Authority, including weight and revenue.

    E. An audit of its total operation.

FIXED BASE OPERATOR CATEGORIES

Category "A" Flight Instruction and Aircraft Rental:

FBO in this category shall:

1. Have available on a full-time employment basis a minimum of one instructor pilot with appropriate and current Federal Aviation Administration pilot and medical certificates.

2. Aircraft may be owned or leased by FBO. It is understood that all aircraft, owned or leased, will be maintained according to FAA regulations.

3. Lease from the Authority an adequate amount of land determined by the Authority in which will be located all required improvements. The FBO shall also provide a minimum of 1,000 square feet of classroom and/or office space, including rest rooms, and parking space for employees and customers.

Category "B" Aircraft Charter and Taxi:

1. Have available on a full-time employment basis a minimum of one Federal Aviation Administration certified pilot with at least a current commercial and instrument rating, and Type 2 Medical Certificate.

2. Lease from Authority, or provide under terms agreeable to the Authority, at least 1,000 square feet in building for passenger shelter, rest rooms, telephone, etc. A suitable contract, approved by Authority, sharing existing facilities is acceptable.

3. Aircraft may be owned or leased by FBO. It is understood that all aircraft, owned by FBO or leased, will be maintained according to FAA regulation Part 135.

4. Lease from Authority a definite area of land on which will be located all required improvements, or an approved contract to share existing facilities with another FBO.

Category "C" Crop Dusting and Spraying:

A FBO in this category shall:

1. Furnish suitable arrangements for the safe loading, unloading, storage and containment of noxious chemical materials. And further, will have a full time employee in charge of loading chemicals with all permits, licenses, and certificates required by all government agencies (Federal, State, County & Municipal) for handling insecticides, pesticides, herbicides and defoliants.

2. Furnish a minimum of one (1) aircraft with pilot. The aircraft shall be suitably equipped and licensed for agricultural operations with adequate safeguard against spillage of chemical spray mixtures or materials on runways and taxiways or dispersal by wind force to other operational areas of the airport.

3. Lease from the Authority a definite area of land on which shall be located all required improvements and lease from the Authority or provide under terms agreeable to the Authority for his exclusive use a minimum of 1,000 square feet of shop or storage space and vehicle parking.

4. Lease from the Authority or otherwise provide to the satisfaction of the Authority a specific designated area for loading and unloading of application chemicals and for the washing and cleaning of applicable aircraft and/or service storage tanks and vehicles, and a method of protecting and excluding the public.

Category "D" Aircraft Sales:

A FBO in this category shall:

1. Establish to the satisfaction of the Authority that the FBO is a bona fide aircraft dealer.

2. Lease from the Authority a definite area of land on which shall be located all required improvements or lease from the Authority, or provide under terms agreeable to the Authority for its exclusive use a minimum of 1,000 square feet of office space and customer and employee parking.

Category "E" Aircraft, Engine, Propeller and Accessory Maintenance:

A FBO in this category shall:

1. Lease from the Authority or provide under terms agreeable to the Authority for its exclusive use a definite size of hangar, shop, and storage space.

2. Furnish facilities and equipment for airframe and power plant repairs with at least one duly certified Federal Aviation Administration A&P Mechanic and such other personnel as may be necessary. Such airframe and power plant repair shall include facilities for both major and minor repair of aircraft and engines used in private aviation in this area.

3. Be capable of removing damaged aircraft, when such aircraft has been released by federal agency and requested by owner, or so ordered by Authority in the interest of public safety. The equipment used such as cranes, hoists, dollies and other equipment, is the sole discretion of the FBO, but the FBO is to be consider liable for further unnecessary, or careless, damage.

4. Lease from the Authority a minimum of one (1) acre of land on which shall be located all required improvements including automobile parking area for customers and employees.

5. Overnight storage of transient aircraft in FBO Category "E" hangar is acceptable to Authority under the following conditions:

   A. Other flight category FBO's does not have hangars or space is unavailable.

   B. Insurance covering storage of transient aircraft is in force and certification is furnished the Authority.

Category "F" Radio and Electronics Equipment:

A FBO in this category shall:

1. Lease from the Authority a definite size of land on which shall be located all required improvements; lease from the Authority or provide under terms agreeable to the Authority for its exclusive use a minimum of 1,000 square feet of shop and storage space. Facilities of a like nature may be shared in common with a FBO with compatible classification.

2. Have available on a full time basis FAA certified technicians in the field of aircraft electronics and with proper FCC license to conduct complete aircraft transmitter, receiver and antennae repair.

Category "G" Sale on Aviation Petroleum and Ramp Service:

A FBO in this category shall:

1. Provide and maintain adequate tank storage capacity ~~below~~ ABOVE ground for each grade of aviation fuel required for aircraft using the airports.

2. Minimum separate pumping equipment for each grade of fuel meeting all applicable safety requirements with reliable metering devices subject to independent and government inspection and with a pumping efficiency capable of servicing all aircraft using the airports.

3. Provide and maintain metered, filter-equipped dispensers fixed or mobile for dispensing each grade of aviation fuel required. Mobile dispensing truck(s) shall have a total of 300-gallon capacity for each grade of fuel dispensed.

4. There shall be no fueling direct from a common carrier transport truck except into below ground storage tanks.

5. Have personnel on full time duty during normal business hours of 8:00 a.m. to 5:00 p.m., seven (7) days a week, until sunset in the summer months, different hours may be approved by the Airports Director, and further post an emergency number to be called after hours with the price of such emergency service.

6. Lease from the Authority a definite area of land on which shall be located all required improvements for aircraft parking and tie down facilities including approved and chocks approved by Authority. Demonstrate capability to efficiently and safely conduct or move aircraft to tie down areas and park them in compliance with all local regulations.

7. Be required to install and maintain ground rods and grounding cables with suitable alligator spring clamps, at all fueling locations, and on all refueling trucks to reduce danger of static electricity. Approved type fire extinguishers so approved by State Fire Authority as to size, class and number, which will be placed in refueling areas and on refueling trucks to be readily accessible to fire. One extinguisher is not considered adequate.

8. Construct or have available a building with minimum of 800 square feet conveniently located and comfortably heated with waiting room for passengers and crew of itinerant aircraft while being fueled, including sanitary rest rooms and public telephone. Above facilities may be mutually shared by contract approved by Authority.

9. Be adequately equipped to empty and/or pump chemical toilets, empty aircraft trash containers including "Sic-Sacs", clean up any spills or messes in aircraft, if so requested by pilot.

Category "H" Airport Tenant:

An Airport Tenant in this category shall:

1. Lease from the Authority or provide under terms agreeable to the Authority for its exclusive use a definite area of land, which shall be improved in accordance with applicable zoning pertaining to the airports and the approved airport layout plan.

2. Be prohibited from engaging in any of the activities of FBO defined by Category "A" through "G", unless specifically approved by the Authority in the Lease Agreement between the

Authority and Tenant.

3. Be responsible that aircraft owned by the FBO or operated from the property leased or occupied by it are competent personnel who hold appropriate and current Federal Aviation Administration pilot certificates.

4. All maintenance on commercially produced aircraft and construction of experimental aircraft must be limited to that permitted by FAA regulations.

Category "I" Flying Clubs:

1. The following requirements pertain to all flying clubs desiring to base their aircraft on the airport and be exempt from the Minimum Standards.

2. Each club must be organized and recognized as a flying club. Each member must be a bona fide owner of an aircraft or owner of an interest in the organization. The club may not derive greater revenue from the use of its aircraft than the amount necessary for the actual use of operation, maintenance and replacement of its aircraft. The club shall file and keep current with the Authority a complete list of the club's membership and investment share by each member.

3. The club's aircraft shall not be used by other than bona fide members for rental and by no one for commercial operations as defined by Category "A" through "G".

4. In the event that the club fails to comply with these conditions, the Authority shall notify the club in writing of such violations. If the club fails to correct the violations within fifteen (15) days, the Authority may take any action deemed advisable.

5. Each aircraft owned or leased by the flying club must have the aircraft liability insurance coverage for the following amounts:

Aircraft Liability	$5,000,000 each person
Bodily Injury	$1,000,000 each accident
Property Damage	$500,000 each accident

(Revised 8/25/98)