

7-13-2018 Draft  
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**Minimum Standards**  
**For**  
**Commercial Aeronautical Services**  
**At**  
**SANTA MONICA MUNICIPAL AIRPORT**

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**SECTION 1**  
**GENERAL INFORMATION**

**PURPOSE**

These Minimum Standards supplement the Leasing and Licensing Policy (the "Airport Leasing Policy") in place at the Santa Monica Airport (the "Airport") by setting minimum standards that must be met by any person or entity that uses or seeks to use the Airport as a base for any Commercial Aeronautical Activity (an "Operator"). Each Operator must have a written agreement with the City of Santa Monica (the "City").

The adoption and enforcement of these Minimum Standards is intended to establish reasonable threshold entry requirements that will ensure that each Operator is reasonably fit, willing and able to perform the services it seeks to provide at the Airport; to promote good service and fair competition at the Airport; to prevent unqualified applicants from operating at the Airport; to prevent irresponsible, unsafe, or inadequate services; and to make the Airport as financially self-sustaining as possible. The establishment of these Minimum Standards does not imply any right on the part of any Operator to provide any services at the Airport.

It is the City's policy to extend the opportunity to provide aeronautical services to any person or entity meeting the City's Minimum Standards for such services at the Airport, subject to availability of suitable space at the Airport (as determined by the City) to accommodate such activities, and subject to the City's rights under the Settlement Agreement/Consent Decree Between The Federal Aviation Administration And The City Of Santa Monica, approved by the court in City of Santa Monica v. United States of America, et al., Case No. 13-CV-8046-JFW (C.D. Cal. Jan. 31, 2017) (the "Consent Decree"). The City's rights under the Consent Decree include, but are not limited to, its rights to shorten the runway at the Airport, to exercise its proprietary exclusive right to provide any or all of the aeronautical services that are the subject of these Minimum Standards, and to close the Airport on or after January 1, 2029.

These Minimum Standards are subordinate to the Consent Decree. To the extent that these Minimum Standards may conflict with the provisions of the Consent Decree, the Consent Decree shall govern.

These Minimum Standards are also subordinate to the City of Santa Monica's Charter and Municipal Code, including but not limited to Municipal Code Chapter 10.04, and the Airport Leasing Policy. To the extent that these Minimum Standards may conflict with the provisions of the City's Charter or Municipal Code or the Airport Leasing Policy, those City instruments shall govern. As a result, among other things, these Minimum Standards do not alter the Municipal Code requirement that no Operator may use the Airport as a base for any commercial activity without an operations permit issued by the City Manager after consideration by the Airport Commission (SMMC 10.04.06.020, .030) or the Airport Leasing Policy requirement that all leases be approved by the City Manager, and that certain leases be approved by the City Council.

To the extent (if any) that these Minimum Standards may conflict with the Santa Monica Airport Operations Handbook, these Minimum Standards control.

Capitalized terms are defined in Appendix "A" to these Minimum Standards.

## **APPLICABILITY**

All Operators shall, as a condition of conducting Commercial Aeronautical Activities at the Airport, comply with all applicable requirements concerning such activities as set forth in these Minimum Standards and any subsequent amendments to these Minimum Standards. These Minimum Standards shall be deemed to be a part of each Operator's written agreement with the City (in whatever form, whether lease, license, permit or other) except to the extent any particular provisions of these Minimum Standards are waived or modified, in writing, by an authorized representative of the City. The mere omission of any particular standard from an Operator's written agreement with the City shall not constitute a waiver or modification of such standard in the absence of clear and convincing evidence that the City intended to waive or modify such standard. The requirements set forth in these Minimum Standards are minimums, and all Operators are encouraged to exceed these minimums in conducting their activities.

These Minimum Standards apply to every Operator as of the date of adoption of these Minimum Standards, and amendments to these Minimum Standards will apply to every Operator as of the date of their amendment, provided, however, that:

- (a) If an Operator has an existing written agreement with the City at the time these Minimum Standards are adopted or amended, and if compliance with these Minimum Standards as adopted or amended would create a conflict with the written agreement, the written agreement shall prevail until such time as it is amended, updated, renegotiated, renewed, or, with the City's approval, assigned, or a new written agreement is negotiated, at which time Operator will fully comply with these Minimum Standards as adopted or amended;
- (b) If an Operator has an existing written agreement with the City at the time these Minimum Standards are adopted and that agreement provides for application of Minimum Standards following their adoption, the Operator shall have six months from the date of adoption of these Minimum Standards to comply with these Minimum Standards, with the exception that any new subleases shall be immediately prohibited and any existing sub-tenancies at the time of adoption of these Minimum Standards shall be immediately subject to an orderly phase-out at the discretion of the City; and
- (c) Any Operator engaging in activities covered by these Minimum Standards without a written agreement with the City, shall have six months from the date of adoption to comply with these Minimum Standards.

These Minimum Standards shall not be deemed to modify any existing written agreement with the City under which an Operator is required to exceed these Minimum Standards nor prohibit the City from entering into and enforcing a written agreement or amendment thereto that requires an Operator to exceed these Minimum Standards.

### **EFFECTIVE DATE**

These Minimum Standards shall become effective on \_\_\_\_\_, 2018 (the "Effective Date"). Each and every Operator conducting any Commercial Aeronautical Activity at the Airport on or after the Effective Date must hold either (a) a current and valid Lease with the City which specifies that the Operator's Commercial Aeronautical Activities are a permitted use; (b) a Non-Exclusive License from the City authorizing the Operator to engage in such Commercial Aeronautical Activities; or (c) if an approved subcontractor for an Operator, a Commercial Operations Permit authorizing the subcontractor to engage in or facilitate the Operator's Commercial Aeronautical Activities as a subcontractor of the Operator. Any such Lease, Non- Exclusive License, or Commercial Operations Permit shall be in a form prescribed by the City that specifies which types of Commercial Aeronautical Activities the Operator (or subcontractor) is authorized to provide; requires the payment of fees to the City; imposes insurance, indemnification, and environmental obligations; and requires a security deposit or other form of contract security.

### **COMPLIANCE**

The Airport Director shall periodically conduct a review of each Operator's compliance with the terms of its Lease or Non-Exclusive License and these Minimum Standards. If the Airport Director, in his or her discretion, determines that there has been substantial non-compliance, the Airport Director shall notify the Operator of the non-compliance and take steps, which may include declaring a default of the Operator's Lease or Non-Exclusive License, to ensure that the Operator comes into compliance with the terms of its Lease or Non-Exclusive License and these Minimum Standards.

### **RIGHT TO AMEND STANDARDS**

The City reserves the right to amend these Minimum Standards as the City determines may be necessary or desirable to meet the needs of the Airport, to improve the quality of services, to enhance competition or as otherwise deemed to be reasonable by the City. The City further reserves the right to amend these Minimum Standards to pursue the City's rights under the Consent Decree, including the closure of the Airport on or after January 1, 2029, as described in the Consent Decree.

### **WAIVERS**

The Airport Director may, in his or her discretion, waive any requirement imposed by these Minimum Standards for the benefit of any governmental entity providing non-profit services to the aviation industry, performing emergency medical or rescue services to the public by means of aircraft or performing fire prevention or firefighting operations.

Except as otherwise limited by these Minimum Standards, the Airport Director may also waive any of the Minimum Standards for non-governmental Operators if the Airport Director, in his or her discretion, finds clear circumstances demonstrating such a waiver to be in the best interest of the City. Waivers must be approved by the City Manager (and City Council if City Council approval is required under the Airport Leasing Policy or under specific provisions of these Minimum Standards) after consideration by the Airport Commission. The Airport Director shall maintain a log of all such waivers indicating for each waiver: the clear circumstances demonstrating the basis for the waiver, the date on which it was presented for consideration by the Airport Commission, and the date on

which it was or was not approved by the City Manager (and City Council if City Council approval was required under the Airport Leasing Policy or under specific provisions of these Minimum Standards). When any such waiver is being proposed for an Operator, the Airport Director shall present to the Airport Commission for consideration at one of its public meetings a public document that attaches the log of prior waivers and identifies the basis for the proposed waiver.

### **CATEGORIES OF AERONAUTICAL SERVICE OPERATORS**

The following categories of Operators may provide commercial aeronautical services at the Airport:

1. Fixed Base Operator ("FBO")
2. Specialized Aeronautical Services Operator ("SASO")
  - a. Aircraft Charter and Air Taxi
  - b. Flight Training
  - c. Aircraft Maintenance and Repair Stations
  - d. Self-Service Fuel Pumps
  - e. Aircraft Management
  - f. Air Transportation Arranger
  - g. Aircraft Sales Operator
  - h. Other Aeronautical Services

**SECTION 2**  
**APPLICATION PROCEDURES**

1. An application to perform commercial aeronautical services at the Airport must be made in accordance with these Minimum Standards. The application must be signed by an authorized person and include the name, address, email address and telephone number of the applicant and the following information:
  - a. For all applicants - the name, address and telephone number of each person with a controlling interest in the applicant.
  - b. For a corporation - the name, address, email address and telephone number of the corporation's officers and directors.
  - c. For a partnership or joint venture - the name, address and telephone number of each partner or member of the venture.
  - d. Whether any officer, director, partner or person with a controlling interest in the applicant is also an officer, director, partner or person holding a controlling interest in any other commercial aeronautical service Operator at the Airport.
  
2. The application, together with all required supporting documentation, shall be submitted to:

City of Santa Monica, Santa Monica Airport –  
Attn: Airport Director  
3223 Donald Douglas Loop South  
Santa Monica, CA 90405.
  
3. An applicant shall furnish the following supporting documents as evidence of its organizational and financial capability to provide the proposed aeronautical services:
  - a. Business Plan - a written proposal detailing the nature of the proposed aeronautical service to be provided, the applicant's space and facility requirements, and the proposed location on the Airport.
  - b. Financial Statement - a current financial statement (for a corporation, sole proprietorship or for all principals of a partnership or joint venture) prepared in accordance with generally accepted accounting principles by a certified public accountant.
  - c. Credit Report - a current credit report (for a corporation or for all principals of a partnership or joint venture) covering all business activities in which the applicant has participated within the past ten years. To satisfy this requirement, an applicant shall furnish to the Airport with its application a fee that the Airport shall use to perform the required credit report check.
  - d. Personnel - a list, with resumes, of key personnel to be assigned to the Airport along with a description of their duties and responsibilities.

- e. Licenses and permits - copies of all licenses, certifications and permits possessed by the applicant or its key employees to be based at the Airport that are required to perform the proposed services.
  - f. Evidence of insurance that meets the applicable requirements as set forth in Section 3 of these Minimum Standards.
  - g. Commercial Operations Permit Application.
  - h. Such other information as the Airport Director may require.
4. The Airport Director shall deny any application to provide aeronautical services at the Airport if, in his or her discretion, the Airport Director determines that:
- a. the applicant does not meet any applicable provisions of these Minimum Standards;
  - b. the applicant has supplied the City, or any other person, with false or misleading information or has failed to make full disclosure in its application or in its supporting documents;
  - c. there is no appropriate, adequate or available space on the Airport to accommodate the applicant at the time of application;
  - d. the proposed activity would conflict with existing aeronautical uses;
  - e. the proposed activity would require the City to spend funds or to supply materials or manpower that the City would, in its discretion, prefer not to spend or supply;
  - f. the proposed activity would require existing Operators without their consent to reduce the amount of Airport property they use to provide aeronautical services, result in congestion anywhere within the Airport or interfere with the orderly activities of existing Operators;
  - g. the proposed service activities would be detrimental to the Airport;
  - h. the applicant has violated any of these Minimum Standards or any other regulations of the City, the standards or regulations of any other airport, or any other statutes, regulations, ordinances, laws or orders applicable to the Airport or any other airport;
  - i. the applicant is currently in default, or has been in default in the past, in the performance of any lease or other agreement with the City or at any other airport;
  - j. the applicant's financial statement or credit report contains information that creates doubt as to the applicant's abilities to provide the proposed services;
  - k. the applicant does not have or cannot demonstrate access to the operating capital necessary to conduct the proposed operation;

- l. the applicant is unable to obtain sufficient insurance, financial sureties or guarantors to protect the interests of the City or other appropriate governmental entities;
- m. the applicant has been convicted of any felony or misdemeanor involving moral turpitude; except that the Airport Director, in his or her discretion, may disregard such conviction based on consideration of the following factors: mitigating circumstances that may exist, the nature and gravity of the offense, the time elapsed, the nature of the aeronautical services to which the application applies and the relatedness of the conviction to those services, and any other factors that are related to the application and consistent with business necessity;
- n. the applicant's proposal is not in the best interest of the health, safety, welfare or convenience of the traveling public or Airport Users;
- o. the applicant is unable to qualify for unescorted access to Airport Operating Areas, if required to provide proposed services;
- p. approval of the proposed activity would be inconsistent with the Consent Decree, the City's Charter or Municipal Code, or the Airport Leasing Policy.

**SECTION 3**  
**GENERAL REQUIREMENTS**

These Minimum Standards establish certain requirements to be met by every Operator providing aeronautical services at the Airport. Such Operators must, in addition to complying with all applicable Minimum Standards, comply with all other applicable laws, regulations, ordinances, rules, building codes, or other provisions, including contracts, relating to their operations at the Airport.

In addition to the Minimum Standards applicable to each specific category of commercial service operation set forth below, every Operator providing aeronautical services at the Airport must meet the following general requirements.

1. **Property/Facilities.** Unless exempted from this requirement by the Airport Director in his or her discretion, each Operator must lease the property or facilities required for the services it renders directly from the City.
2. **Hangars and Other Buildings.** If required by these Minimum Standards, the Operator shall lease hangar space for aircraft storage and shall lease sufficient building space to support its activities at the Airport.
3. **Aircraft Parking Apron.** If required by these Minimum Standards, the Operator shall lease sufficient paved aircraft parking apron space within its leasehold premises to meet the requirements of its aeronautical activity and shall maintain any paved taxiways necessary for access to the Airport's taxiway system.
4. **Equipment.**
  - a. The Operator must demonstrate that it owns, leases or otherwise has sufficient access to all equipment required to provide the applicable aeronautical services promptly on demand without causing any flight delays or other operational impacts on aircraft at the Airport. All equipment must be maintained in good operating condition and good appearance and must be in compliance with all applicable safety standards and regulations. All heavy equipment except aircraft must be clearly designated with the name and logo of the Operator prominently displayed.
  - b. Any Operator that is involved with towing aircraft off of its leased premises and onto other airport property shall own or contract for appropriate equipment to be used and for appropriate lighting to be used during tow operations (including strobe lights).
  - c. All vehicles driven on Airport property must have any permits or required registrations as required by federal, state or local law. Such vehicles also must be operated by persons with appropriate licenses or permits and trained under the Airport's driver safety training program, should the Airport require such training.
  - d. Any Vehicle used for Commercial purposes in the AOA must bear identification designating the Commercial Aeronautical Operator to whom the vehicle is assigned. The display of identification shall be in letters in

sharp contrast to the background and shall be of such size, shape, and color as to be readily legible during daylight hours from a distance of 50 feet.

5. Personnel and Training.

- a. All personnel shall display Santa Monica Airport ID badges at all times on their person, as required by Airport Rules. Non-Administrative personnel in the AOA shall wear clothing that displays the identification of the Operator in letters in sharp contrast to the background which shall be of such size, shape, and color as to be readily legible during daylight hours from a distance of 20 feet. Administrative personnel need not wear uniforms.
- b. An adequate number of qualified and, where applicable, licensed employees shall be on duty at all times of operation to provide services consistent with these Standards.
- c. At least one qualified supervisor shall be on duty when any aeronautical services are being performed by any Operator. A supervisor may be “on duty” for purposes of this subsection if the supervisor is available by phone, but not at the Airport, provided that in such a case an Operator must provide the Airport Director with a list of phone numbers at which the Airport can reach supervisors during regularly scheduled shifts.
- d. Each Operator shall establish a written job description for each type of employee to ensure that all employees are thoroughly trained and qualified to perform the aviation tasks to which they are assigned. The level of detail required for each job description shall be commensurate with the technical complexity and safety risks associated with the employee’s work. At a minimum, each job description shall include a statement of responsibilities, as well as required skills, degrees, and certificates. For more technically specialized work or work involving heavy equipment or significant safety concerns, the description shall also include what training, experience, and safety precautions are required to perform the required tasks. Upon request, the Operator shall submit a copy of its written job descriptions to the Airport Director or designee.
- e. All personnel who will operate a vehicle on the AOA must successfully complete the Airport’s initial training course on driving on the AOA and any refresher training that may be required by the City.
- f. Each Operator shall provide to the Airport Operations/Public Safety Officer Unit a list of company officials and 24-hour contact information. This list shall include:
  - i. the Operator’s local representative with administrative, operational and fiscal authority over the aircraft/facility involved;
  - ii. the Operator’s corporate representative with administrative, operational and fiscal authority over the aircraft/facility involved; and

- iii. the Operator's point of contact for emergency/security incidents.
6. Insurance Requirements.
- a. All Operators shall comply with the insurance Requirements and Standards set forth in Appendix "B" to these Minimum Standards, which may be revised by the City. These include the requirement that all Operators shall procure prior to commencement of service, and shall thereafter maintain continuously in effect throughout the term of their activities at the Airport, at the Operator's sole expense, insurance of the types and in at least such minimum amounts as are set forth in Appendix "B-1" to these Minimum Standards, which may be revised by the City.
  - b. The insurance requirements imposed by this Section may not be waived by the Airport Director. .
7. Airport Security.
- a. All Operators shall comply with all applicable security requirements adopted for the Airport by the City (including but not limited to any Airport Security Plan issued by the City), the FAA, or the Transportation Security Administration, and shall comply with the directives of any law enforcement officer or other airport personnel implementing these requirements. The City reserves the right in its discretion at any time to impose additional security requirements, applicable to all similarly-situated Operators.
  - b. Operator shall have a documented security plan consistent with its Activity or Activities and adequate for the type of operation and services being provided. The security plan shall be made available to the Airport Director upon request and shall address at a minimum procedures for the following:
    - i. Securing Commercial Aeronautical Operator's Leasehold to prevent unauthorized access to the Leasehold and the AOA of the Airport.
    - ii. Monitoring and controlling access to the Airside Area of the Airport through Commercial Operator's Leasehold.
    - iii. Providing escort to vendors, customers or other visitors operating vehicles on the AOA.
    - iv. Informing Commercial Aeronautical Operator's employees, vendors, customers and other visitors of security requirements and procedures.
  - c. The Airport Security requirements imposed by this Section may not be waived by the Airport Director.

8. Subcontracting. A SASO may, but only with written permission from the Airport Director, subcontract any of the services it is authorized to provide on an item by item basis for no more than 180 days, subject to renewal with the permission of the Airport Director.
9. No Subleasing. Subleasing shall be prohibited. Existing sub-tenancies at the time of adoption of these Minimum Standards shall be subject to an orderly phase-out at the discretion of the City.
10. Commercial T-Hangars. Commercial T-hangar rental shall be prohibited. Only the City may lease and manage T-hangars for storage of general aviation aircraft.
11. Nondiscrimination. Operator shall not discriminate against any person or class of persons by reason of race, creed, color, national origin, sex, age, sexual orientation, gender identity, or physical handicap in providing any products, services, or facilities or in the use of any of its facilities that are available to the public, or in any manner prohibited by applicable regulatory measures including without limitation Part 21 of the Rules and Regulations of the office of the Secretary of Transportation effectuating Title VI of the Civil Rights Act of 1964, as amended or reenacted. This non-discrimination requirement may not be waived by the Airport Manager.
12. Legal Compliance.
  - a. Americans with Disabilities Act Compliance. Operator shall comply with the Americans with Disabilities Act, as amended, to the extent required by law.
  - b. Environmental Compliance. Operator shall comply with all applicable federal, state, and local environmental laws and regulations.
  - c. Noise Restrictions Compliance. Operator shall comply with all applicable federal, state, and local noise restriction laws and regulations.
  - d. Airport Leasing Policy, City Charter and Municipal Code. Operator must comply with all applicable sections of the Municipal Code and the policies of the City of Santa Monica, including but not limited to, the following:
    - i. The City's Airport Leasing Policy;
    - ii. The City's Charter and Municipal Code, including but not limited to: (a) Article XXII of the City of Santa Monica Charter (the "Oaks Initiative"); and (b) Chapter 10.04 of the Municipal Code.
  - e. The legal compliance requirements imposed by this Section may not be waived by the Airport Director.
13. Combination of Space Requirements. In his or her discretion, to reduce the overall amount of space required, the Airport Director may adjust or combine the minimum space requirements set forth for each type of aeronautical service if more than one type of service will be provided by a SASO from the same premises.

14. Required Fees and Payments. The fees and payments to be made to the City by each Operator will be set forth in the Operator's Lease or Non- Exclusive License and shall be reasonable and not unjustly discriminatory.

**SECTION 4**  
**FIXED BASE OPERATOR**

This section sets forth the minimum standards for a Fixed Base Operator at the Airport.

**STATEMENT OF CONCEPT**

An FBO provides a wide range of aeronautical services to the public. An FBO must provide all of the following products and services at its premises at the Airport:

1. Storage of aviation fuel and other petroleum products at City's fuel storage facilities.
2. Aircraft and engine maintenance and repair services directed towards the general aviation market.
3. Tie-down services.
4. Shuttle service for passengers of chartered, private and executive aircraft.
5. Arrange car rental, limo services or taxi-cab services for customers.
6. Arrange catering services for customers.
7. Marshaling and parking of aircraft.
8. Maintenance of the Airport's Registration Log and other statistical data concerning the FBO's activities on the Airport.
9. Automotive maintenance for ground support equipment at the Airport.
10. Aviation maintenance and repair service with a licensed airframe and power plant mechanic at the Airport.
11. Gate service for aircraft such as, but not limited to, passenger ramp service baggage handling, catering, and interior cleaning of aircraft.
12. Towing service for disabled aircraft. For larger aircraft (over 30,000 lbs.) the FBO may arrange with other qualified operators to provide this service.
13. Into-plane Fueling.
  - a. Aviation fuels (including both jet fuel and either AvGas or unleaded AvGas once unleaded AvGas is commercially available and approved for use) and lubricating oils shall be stored and dispensed by an FBO in accordance with all local, state and federal laws, regulations, rules and other requirements, as same may be amended, regarding the sale and storage of such fuels and oils, including without limitation any rules, regulations or minimum standards that are established by the City.
  - b. Prior to commencement of the operations of dispensing and selling fuels, an FBO shall submit to the City, for review and comment, the FBO's Spill Prevention Control and Countermeasure Plan and Pollution Incident and

Prevention Plan and any permit requirements necessary by local, county and State agencies.

14. **Other Services.** An FBO may provide other specialized aeronautical services on its leasehold subject to the approval of the City, through the Airport Director, including the sale or rental of all types of consumer products normally related to the ownership or operation of aircraft; and any other services normally performed by similar FBOs at other airports in the United States. These requests will be reviewed and approved on a case-by-case basis.
15. **Subcontracting.** An FBO shall not subcontract any fueling services or other services that it is authorized or required to provide without the prior written approval of the Airport Director. Subcontracting of services shall not relieve FBO of any of its obligations or liabilities under these Minimum Standards or its Lease or operating agreement with the City.
16. **Prohibited Activities.** Each FBO is expressly prohibited from engaging in any of the following activities:
  - a. Provision of terminal facilities for passenger operations, other than those covered by Federal Aviation Regulations 14 CFR Parts 91 and 135.
  - b. Sale of non-aviation products, except for paraphernalia associated with the Operator's business (i.e., t-shirts, hats, etc.) and food and beverage amenities (i.e. vending machine snacks, sodas, etc., but not alcoholic beverages).
  - c. Air shows or meets.
  - d. Film shoots, or displays or other public gatherings, without the express written approval of the Airport Director.
  - e. Any service prohibited by law or not related to aviation.
  - f. Advertising of any kind unrelated to services FBO is permitted to provide at the Airport.
  - g. Storage of Hazardous Materials, liquid industrial waste or any other regulated waste that does not fully comply with all applicable environmental laws.
  - h. Constructing or operating a fuel farm without the express written approval of the Airport Director.
  - i. Heavy maintenance on an aircraft on a parking apron or any other area not designated or leased for aircraft maintenance without the express written approval of the Airport Director. This does not apply to routine line maintenance of aircraft.
  - j. Parking, storing, or allowing the parking or storage of any vehicles on the Operator's premises that are not used in the daily operation of the general aviation business permitted to be conducted on the premises, unless

such vehicles are owned and operated by the Operator's customers or employees.

### **MINIMUM STANDARDS**

1. Experience. An Operator proposing to operate as an FBO shall have a minimum of 5 years' experience as an FBO (including the fueling of aircraft). The Airport Director may not exercise his or her discretion to waive this requirement unless the Airport Director is satisfied, after reviewing documentation from an applicant the Airport Director deems to be sufficient, that the proposed FBO Operator's management personnel have sufficient knowledge and experience to safely and efficiently conduct FBO operations at the Airport.
2. Land. Each FBO must lease enough land to provide adequate space for buildings, paved private auto parking, paved aircraft parking, paved pedestrian walkways, fuel storage facilities, and all storage, servicing utilities and support facilities as may be mutually agreed upon in writing by the City and FBO. The minimum area required will not be less than 144,000 square feet.
3. Hangars and Other Buildings. Each FBO must lease facilities to provide at least 6,000 square feet of lounge (for crew and passengers), offices, flight planning facilities, pilot waiting areas, and public restrooms.
4. Aircraft Parking. Each FBO must provide paved aircraft parking of a minimum of 30,000 square feet that can accommodate the largest aircraft to be handled or serviced by the FBO.
5. Automobile Parking. Each FBO must lease a minimum of 20 paved private automobile parking spaces excluding employee parking.
6. Fuel Storage Facilities. Depending on the location and nature of the proposed FBO business, with the advance approval of the Airport Director in writing, which approval may be issued by the Airport Director only after authorization by the City Council, the FBO may be permitted to establish and operate its own fuel farm. If a request by the FBO to establish and operate its own fuel farm is approved by the Airport Director, the following requirements will apply:
  - a. The FBO shall lease sufficient land for installation of above-ground fuel storage tanks to be constructed and operated on the FBO's leased premises in compliance with all applicable environmental requirements.
  - b. Total storage capacity shall consist of at least one (1) 10,000 gallon storage tanks for jet fuel and one (1) 2,500 gallon storage tank for aviation gasoline to assure adequate supplies of fuel at all times.
  - c. The fuel storage system must include adequate fuel spill prevention features and containment capabilities, together with an approved fuel spill containment and countermeasures control plan, and shall be improved and upgraded as necessary to meet all current EPA, State, and City of Santa Monica requirements for spill prevention, containment and mitigation as they may be revised.

- d. The FBO shall be required to undertake at its own expense any environmental testing of its fuel facilities which the City may reasonably request, on or off the Airport, and to take any remedial actions determined to be necessary or appropriate as a result of such testing.
  - e. The right is reserved to the City to disapprove installation of a new FBO fuel farm if the City determines, in its discretion, that the proposed FBO fuel farm would have an adverse effect on safety or otherwise not be in the interest of a safe and efficient airport operation.
7. Mobile Dispensing Equipment.
- a. Each FBO shall provide at least three (3) metered filter-equipped mobile dispensing trucks for dispensing jet fuel, AvGas, and unleaded AvGas (once commercially available and approved for use), with separate dispensing pumps and meters required for each type of fuel.
  - b. At least two (2) of the mobile dispensing trucks must be used for jet fuel with each having a minimum capacity of at least 3,000 gallons.
  - c. The remaining mobile dispensing truck shall provide Unleaded AvGas with a capacity of at least 750 gallons. Until such time as unleaded AvGas is commercially available and approved for use, standard AvGas may be used.
  - d. All dispensers must have bottom-refilling capabilities and turbine fuel dispensers must have single point refueling capabilities.
  - e. All dispensers shall meet all applicable safety requirements, with reliable metering devices subject to independent inspection.
  - f. All equipment shall be maintained and operated in accordance with Federal, State, City and industry requirements, including ATA 103, NFPA 407, OSHA guidelines, and Municipal Code 10.04.06.120.
8. Aircraft Service Equipment. Each FBO shall procure and maintain tools, jacks, tugs, towing equipment, tire repairing equipment, ground power units, portable compressed air tanks, oxygen cart and supplies, fire extinguishers, air stairs, chocks, ropes, tie-down supplies, crew and passenger courtesy transportation vehicles, and any other equipment appropriate and necessary for the servicing of all aircraft types normally expected to use the FBO facilities.
9. Hours of Operation. Each FBO shall provide aircraft fueling and line services during the hours of 7 a.m. to 9 p.m. Monday thru Friday and from 8 a.m. to 9 p.m. on Saturdays and Sundays.
10. Personnel and Training. In addition to the general personnel and training requirements in Section 3 of these Minimum Standards:
- a. Full-Time Manager: All activities of the FBO shall be conducted under the guidance and supervision of a full-time FBO Manager who must have demonstrated experience in FBO supervision and operations and must be approved in advance by the Airport Director, which approval the Airport

Director retains discretion to deny. The FBO Manager must be vested with full power and authority to direct and conduct the FBO operation. The FBO Manager shall be assigned to the Airport and shall be available during normal business hours.

- b. Line Service: At least two (2) fully trained and qualified fuel service personnel shall be on duty at all times while the facility is open for business. And adequate staff shall be on duty to ensure that aircraft are able to be marshalled onto FBO's leased area expeditiously without interfering with Airport operation in the AOA. One must be a responsible supervisor trained in accordance with 14 CFR §§ 139.321(b)(6) and (e)(1).
  - c. Maintenance: At least one (1) FAA-certificated aircraft mechanic shall promptly be available upon request. The FBO can meet this requirement with mechanics employed by the FBO, or by contracting with an on-call Specialized Aeronautical Service Operator authorized to conduct Aircraft Maintenance at the Airport, provided that the Airport Director approves such contract.
  - d. All personnel shall be suitably uniformed.
  - e. There shall be at least one person on duty during the hours of 7 a.m. to 9 p.m. Monday thru Friday and from 8 a.m. to 9 p.m. on Saturdays and Sundays to act as supervisor, customer service representative, ramp attendant, and dispatcher for General Aviation activity, unless otherwise agreed in writing by the City. If an FBO deplanes passengers outside of the hours provided in this subsection, then the FBO shall staff sufficient personnel to perform necessary functions for those passengers and for safe operation of the aircraft.
  - f. All fuel service personnel shall have successfully completed an approved line technician safety course. A National Air Transportation Association (NATA) course or equivalent is acceptable.
  - g. Supervisors and all other personnel dispensing fuel must have received initial and required recurrent training in accordance with 14 CFR § 139.321. Training records for all personnel providing fueling services must be maintained on file at the Airport and be available for inspection by the City.
11. Insurance Requirements. Each FBO shall provide evidence of insurance coverage in the types and with the limits specified by Section 3 of these Minimum Standards and its Lease with the City.
12. Airport Security. Each FBO shall comply with all security requirements specified by Section 3 or otherwise applicable as a matter of law.
13. Required Fees and Payments.

Lease: The FBO shall enter into a lease agreement providing for the payment of rent for leased space and facilities.

Fuel Flowage: In addition to the rent to be paid under its lease with the City, the FBO shall pay the City any fuel flowage fees or other fees that are specified in its lease.

14. Fly Neighborly Program. The FBO shall maintain on its premises copies of, and shall provide to each pilot using the FBO, a Pilot's Guide for the type of aircraft being flown by that pilot (fixed wing, jet, or helicopter), in the form attached as Appendix C or such similar form as may be provided by the Airport Director.

**SECTION 5**  
**SPECIALIZED AERONAUTICAL SERVICES OPERATOR:**  
**AIRCRAFT CHARTER AND AIR TAXI**

**STATEMENT OF CONCEPT**

An Aircraft Charter or Air Taxi Operator is a person, firm or corporation engaged in the business of providing commercial air transportation (persons or property) to the general public for hire under FAR Part 135 and using the Airport as a base for engaging in this business.

**MINIMUM STANDARDS**

1. Facilities.
  - a. If providing facilities for customer use at the Airport through an FBO operating at the Airport, the Operator shall provide the Airport Director with documentation confirming the FBO's agreement to provide such facilities and establishing that the FBO has complied with all the terms of its lease with the City and all applicable provisions of these Minimum Standards, and, upon a determination by the Airport Director that these requirements have been satisfied, shall enter into a Non-Exclusive License with the City for provision of services.
  - b. Otherwise, the Operator shall lease from the City an area of sufficient size, shape, and location as mutually agreed upon to provide at least 1,000 square feet of floor space for office, restrooms, and customer lounge for customer use. All office/lounge space shall be properly heated and lighted. The Operator shall provide sufficient automobile parking space to accommodate employees and customers parking with no on-street parking. Paved walkways with all points of access conforming to the criteria specified in the Americans with Disabilities Act (ADA) as required by the act will be provided by the Operator. Adequate hard surfaced aircraft ramp must be provided within the leased area, sufficient to accommodate the Operator's activities, operations, and adequate tie-down facilities. If the Operator utilizes existing facilities, which may not meet the minimum sizes outlined in this section, the minimum square footage requirements may be determined by the availability of facilities and through written agreement with the City.
2. Aircraft. The Operator shall provide for charter one or more aircraft, which may be single- or multi-engine, or helicopters. All aircraft must be either owned by or under written lease to Operator. All aircraft must meet the requirements of the FAA and the FAR Part 135 certificate held by the Operator.
3. FAA Approvals. The Operator shall have and provide copies to the City of all appropriate certifications, approvals and FAA issued operating certificates. Any time certifications or approvals are modified, the updated documentation reflecting the changes shall be provided to the City within three calendar days. Only air charter and air taxi activities authorized by the FAA and appropriate City approvals may be conducted at the Airport under this section, and all such activities must be conducted in accordance with all applicable FAA regulations,

- including any such regulations limiting the permissible weight of aircraft loads based on factors such as runway length, weather, and aircraft operating specifications.
4. Reports. For each flight providing commercial air transportation to persons, the Operator shall provide the Airport Director, upon request made by the Airport Director within 180 days after the flight, with a written report stating the type of aircraft, number of passenger seats, and number of passengers actually carried.
  5. Employees. If certified to engage in on-demand common carriage for persons or property, the Operator shall employ the number of employees required by 14 CFR Part 135.
  6. Mitigation Measures. As described in the Municipal Code, § 10.04.06.030(d), applications for air carrier service at the Airport “shall identify and assess the effects of the service on community aircraft noise exposure, automobile traffic, and other significant environmental impacts and propose appropriate mitigation measures. Environmental assessment shall be in accordance with State and City laws and procedures.” As used in the Code, “air carrier” service includes commuter service, air charter and air taxi operations, freight, cargo, express, and mail service, indirect air carriers and other commercial flight operations certificated by the Federal Aviation Administration.
  7. Hours of Operation. If leasing premises to provide customer services pursuant to Section 5.1(b) above, the Operator shall have its premises open and services available to customers at least two (2) hours prior to and one (1) hour after each flight offered by the Operator.
  8. Personnel and Training. The Operator shall have in its employ suitably uniformed and trained personnel in such numbers as are required to meet the minimum standards set forth in this category, but never less than two FAA currently certificated commercial pilots appropriately rated to conduct the flight activity offered by Operator. The Operator shall have available sufficient qualified personnel for checking in passengers, handling of luggage, ticketing and for furnishing or arranging for suitable ground transportation.
  9. Insurance Requirements. The Operator shall provide evidence of insurance coverage in the types and with the limits specified by Section 3 and Appendix B of these Minimum Standards and its Lease with or Non-Exclusive License from the City.
  10. Airport Security. The Operator shall comply with all security requirements specified by Section 3 or otherwise applicable as a matter of law.
  11. Required Fees and Payments. The Operator may be required to pay other required fees and payments as specified in the Operator's Lease with or Non-Exclusive License from the City.
  12. Fly Neighborly Program. The Operator shall provide to each pilot flying for the Operator a Pilot's Guide for the type of aircraft being flown by that pilot (fixed wing, jet, or helicopter), in the form attached as Appendix C or such similar form as may be provided by the Airport Director.

**SECTION 6**  
**SPECIALIZED AERONAUTICAL SERVICES OPERATOR:**  
**FLIGHT TRAINING**

**STATEMENT OF CONCEPT**

A Flight Training Operator may provide instruction to pilots in dual and solo flight training, in fixed wing aircraft, and any related ground school instruction as is necessary for preparation to taking an FAA written examination and flight check ride for various category or categories of pilot's licenses and ratings.

**MINIMUM STANDARDS**

1. Facilities. The Operator shall lease from the City an area of sufficient size, shape, and location to provide sufficient area to accommodate all of the Operator's activities and operations as described below. The Operator shall provide at a minimum:
  - a. At least 1,000 square feet of floor space for an office, shop, restrooms, customer lounge, classroom, and briefing room space to support flight-training activities.
  - b. For aircraft using a hangar, sufficient area for parking the Operator's aircraft.
  - c. For aircraft not using a hangar, tie-down spaces of sufficient area for parking the Operator's aircraft.
  - d. Sufficient automobile parking space to accommodate employees and customers parking with no on-street parking.
  - e. Paved walkways with all points of access conforming to the criteria specified in the Americans with Disabilities Act (ADA) as required by the act will be provided by the Operator.
  - f. Copies of all applicable federal, state and local licenses to operate a flight training facility, including but not limited to any approvals required under 14 CFR Part 61 or 14 CFR Part 141.
2. Equipment. The Operator shall have available for use in flight training, either owned or under written lease to the Operator, not less than two (2) properly certificated aircraft, at least one (1) of which must be equipped for and capable of use in instrument flight instruction, unless the Operator is only providing sport pilot training.
3. Personnel. The Operator shall have on duty, on a full-time basis, at least one (1) flight instructor who is currently certificated by the FAA to provide the type of flight training offered; and shall have available for call, on a part-time basis, at least one (1) flight instructor who is currently certified by the FAA to provide the type of flight training offered. The Operator shall provide a currently certified ground school instructor as needed; this requirement may be satisfied by a certificated flight instructor with appropriate experience in ground school teaching. The Operator shall have its premises open and services available in

- day and night hours as necessary to meet demand for training, and shall have an employee in the facility at all times that flight or ground training is being conducted.
4. Maintenance of Aircraft and Space for Maintenance. If the Operator is conducting Aircraft Maintenance on Aircraft owned or leased or operated by (and under the full and exclusive control of) the Operator, then the Operator must lease at least 1,500 square feet of hangar space for such Aircraft Maintenance, including employee work areas, shop areas, and storage.
  5. Insurance Requirements. The Operator shall provide evidence of insurance coverage in the types and with the limits specified by Section 3 of these Minimum Standards and its Lease with or Non-Exclusive License from the City.
  6. Airport Security. The Operator shall comply with all security requirements specified by Section 3 or otherwise applicable as a matter of law.
  7. Required Fees and Payments. The Operator may be required to pay other required fees and payments as specified in the Operator's Lease with or Non-Exclusive License from the City.
  8. Fly Neighborly Program. The Operator shall maintain on its premises copies of, and shall provide to each person being trained, a Pilot's Guide for the type of aircraft on which the person is being trained (fixed wing, jet, or helicopter), in the form attached as Appendix C or such similar form as may be provided by the Airport Director.

**SECTION 7**  
**SPECIALIZED AERONAUTICAL SERVICES OPERATOR:**  
**AIRCRAFT MAINTENANCE AND REPAIR STATIONS**

**STATEMENT OF CONCEPT**

An Aircraft Repair Station Operator provides maintenance, repair, rebuilding, alteration or inspection of aircraft or any of their component parts. Two types of Aircraft Repair Station Operators are permitted at the Airport: (1) Aircraft Repair Stations and (2) Minor and Specialized Maintenance and Repair Operators.

An Aircraft Repair Station must be certificated by the FAA under FAR Part 145 to perform aircraft maintenance and shall provide only those maintenance and inspection services permitted by its FAA certification. An Aircraft Repair Station Operator may also sell aircraft parts and accessories on a non-exclusive basis.

A Minor and Specialized Maintenance and Repair Operator may provide either or both of the following types of maintenance and repair services:

- a. A Minor Maintenance and Repair Operator may provide aircraft airframe and engine inspection, maintenance and repair on general aviation aircraft that is not required to be performed by a Repair Station certificated under 14 CFR Part 145. Services may include minor aircraft airframe and engine inspection, maintenance and repair, and sale of incidental parts and accessories.
- b. A Specialized Minor Aircraft Maintenance and Repair Operator may provide maintenance and repair of aircraft radios, propellers, instruments, and accessories for general aviation aircraft. This category shall include the sale of new and/or used aircraft radios, propellers, instruments, and accessories on a non-exclusive basis.

**MINIMUM STANDARDS**

1. Hangars and Shops. The Operator shall lease a hangar or shop facilities of at least 5,000 square feet to conduct its business.
2. Aircraft Apron. If necessary for its operations, the Operator shall lease at least 4,000 square feet of paved aircraft parking and storage area to support its activities, unless the City agrees in writing to a lesser leased area.
3. Aircraft Service Equipment.
  - a. Aircraft Repair Station Operators shall at all times maintain an adequate supply of all necessary parts, equipment and accessories as needed for its business operations.
  - b. Minor and Specialized Maintenance and Repair Operators shall provide sufficient equipment, supplies and parts to provide minor repairs, inspections and preventative Maintenance as defined in FAA regulations at 14 CFR Part 43, including machine tools, jacks, lifts and testing equipment.

- c. If the Operator is involved with moving aircraft, the Operator shall have, lease or contract with an FBO at least one aircraft tug of sufficient power or braking weight to handle any aircraft that the Operator is permitted to service under the Operator's FAA certificate.
    - d. The Operator shall own, lease or otherwise have available all of the tools and equipment required under the Operator's FAA certificate.'
4. Hours of Operation.
  - a. The Repair Station shall be open and have services available at least eight (8) hours a day, five (5) days a week.
  - b. The Operator shall provide for services during off-hours through an "on-call" system.
5. Personnel and Training. In addition to the general personnel and training requirements in Section 3 of these Minimum Standards:
  - a. The Operator shall have in its employ, and on duty during its hours of operation under Section 7.4.a above, trained personnel in such numbers as are required to meet contract requirements and FAA regulations, in a safe and efficient manner, but never less than one (1) person who is an employee of the Operator and is currently certified by the FAA with ratings appropriate to the work being performed, and who holds an airframe, power plant or an aircraft inspector rating. The requirements of this subsection regarding inspector ratings shall not apply to radio shop repair stations, if any.
  - b. During its hours of operation under Section 7.4.a above, the Operator shall maintain a responsible person in charge to supervise its operations on the Airport who has authority to represent and act for and on behalf of the Operator.
  - c. All employees shall be suitably uniformed.
6. Insurance Requirements. The Operator shall provide evidence of insurance coverage in the types and with the limits specified by Section 3 of these Minimum Standards and its Lease with or Non-Exclusive License from the City.
7. Airport Security. The Operator shall comply with all security requirements specified by Section 3 or otherwise applicable as a matter of law.
8. Required Fees and Payments. The Operator may be required to pay other required fees and payments as specified in the Operator's Lease with or Non-Exclusive License from the City.

**SECTION 8**  
**SPECIALIZED AERONAUTICAL SERVICES OPERATOR:**  
**SELF-SERVICE FUEL PUMPS**

**STATEMENT OF CONCEPT**

A Commercial Self-Service Fuel Operator provides and operates a commercial self-service fueling facility from which pilots may fuel their aircraft. A commercial self-service fueling facility may or may not be attended. Commercial self-service fueling is distinct from self-fueling, in which an aircraft owner or operator performs services on its Owned Aircraft with its Own Employees and Own Equipment.

**MINIMUM STANDARDS**

1. Land. The Operator shall lease, at a minimum, 8,000 square feet to provide sufficient land for a retail self-service aviation fueling pump and corresponding underground fuel storage tank (or a retail self-service aviation fueling pump and the installation of a new above-ground fuel storage tank), supporting reporting equipment and credit card authorization, and to provide fueling and dispensing services to customers.
2. Services. The Operator shall operate a commercial self-service fueling facility and shall provide retail aviation fueling and dispensing services to Airport users, including the retail distribution of either 100 low lead AvGas or unleaded AvGas (once unleaded AvGas is commercially available and approved for use). The City, in its discretion, may allow subcontracting for these services after reviewing a request for approval in writing.
3. Equipment, Operations, and Spill Control.
  - a. Equipment. The Operator must demonstrate that it owns, leases or otherwise has sufficient access to all equipment required to provide storage and dispensing operations at the Airport. All equipment shall be maintained and operated in accordance with Federal, State, City and industry requirements, including ATA 103, NFPA 407, OSHA guidelines, and Municipal Code 10.04.06.120.
  - b. Operating procedures. The Operator shall develop and maintain Standard Operating Procedures (SOP) for fueling and shall ensure compliance with all applicable federal, state and local requirements or standards, including those set forth in Advisory Circular 150/5230-4B - Aircraft Fuel Storage, Handling, Training, and Dispensing on Airports, ATA 103, NFPA 407, OSHA guidelines, Municipal Code 10.04.06.120, and ASTM best management practices. The SOP shall include the following:
    - i. a training plan,
    - ii. fuel quality assurance procedures,
    - iii. a schedule for inventory, inspections, and maintenance procedures;

- iv. record keeping procedures, and
- v. emergency response procedures for fuel spills and fires, including prevention measures;
- vi. information regarding the control of access and security for fuel and oil dispensing areas.

The SOP shall be submitted to the City not later than ten (10) business days before the Operator commences operation at the Airport.

- c. **Spill Prevention and Containment.** Prior to transporting or dispensing aviation fuel or oil onto the Airport, the Operator shall provide the City with a Spill Prevention Contingency and Control Plan (SPCC) that meets regulatory requirements for fuel and oil storage facilities. An updated copy of such SPCC Plan shall be filed with the City at least ten (10) business days prior to actual implementation. Such plan shall describe, in detail, those methods that shall be used by the Operator to clean up any potentially hazardous fuel spills. The plan should include Equipment to be used, emergency contact personnel and their telephone numbers, and all other details as to how the Operator would contain such a spill. This plan should also describe, in detail, what methods the Operator intends to use to prevent any such spill from occurring.
- 4. **Hours of Operation.** The facilities shall be open and have services available during the hours of 7 a.m. to 9 p.m. Monday thru Friday and from 8 a.m. to 9 p.m. on Saturdays and Sundays.
  - 5. **Personnel and Training.** In addition to the general personnel and training requirements in Section 3 of these Minimum Standards, the Operator shall have in its employ, and on duty during business hours, trained personnel in such numbers as are required to meet FAA regulations and any applicable terms specified in the Operator's Lease with or Non-Exclusive License from the City, in a safe and efficient manner. All employees shall be suitably uniformed.
  - 6. **Insurance Requirements.** The Operator shall provide evidence of insurance coverage specified in Section 3.
  - 7. **Airport Security.** The Operator shall comply with all security requirements specified by Section 3 or otherwise applicable as a matter of law.
  - 8. **Permits.** The Operator shall have, and shall make available to the City on request, evidence of all federal, state and local licenses, certificates and permits that are required.
  - 9. **Fuel Revenues and Flowage Fees.** The Operator shall pay to the City on a monthly basis two types of fees: percentage revenue and a fuel flowage fee. These fees may be based on fuel sale revenues and amounts, and may be specified in the Operator's Lease with or Non-Exclusive License from the City. The Operator also may be required to pay other required fees and payments as specified in the Operator's Lease with or Non-Exclusive License from the City.

**SECTION 9**  
**SPECIALIZED AERONAUTICAL SERVICES OPERATOR:**  
**AIRCRAFT MANAGEMENT SERVICES**

**STATEMENT OF CONCEPT**

An Aircraft Management Services Operator is a person, firm or corporation engaged in the business of providing aircraft management including, but not limited to, flight dispatch, flight crews, or aircraft maintenance coordination to the general public, under a long-term contract. Management contracts must be in writing and must identify each managed aircraft by registration number, type and model, and must be for a term of at least six months. Contracts must be bona fide, exclusive and comprehensive, covering all aspects of aircraft operation including, without limitation, fees and charges, insurance, inspection, maintenance and repair during the term of the contract. Management contracts may be “wet” or “dry,” and with or without crew.

**MINIMUM STANDARDS**

1. Facilities. The Operator shall lease adequate space and facilities at the Airport to store park or hangar managed aircraft, to store equipment, to operate its business, and to accommodate its employee parking requirements. Leased space must include sufficient work space for any aircraft upon which maintenance or repairs are being performed by the Operator.
2. Equipment. The Operator must have the use of sufficient and appropriate equipment to serve the types of aircraft being managed. The Operator must have computer hardware and accounting software adequate to provide comprehensive records of all revenues and expenses of aircraft management as well as required aircraft maintenance.
3. Hours of Operation. The Operator shall have services available as required by its customers.
4. Personnel and Training. In addition to the general personnel and training requirements in Section 3 of these Minimum Standards, the Operator shall have trained and suitably uniformed personnel sufficient to provide services desired by contract customers.
5. Insurance Requirements. The Operator shall provide evidence of insurance coverage in the types and with the limits specified by Section 3 of these Minimum Standards and its Lease with or Non-Exclusive License from the City.
6. Airport Security. Each The Operator shall comply with all security requirements specified by Section 3 or otherwise applicable as a matter of law.
7. Required Fees and Payments. The Operator may be required to pay other required fees and payments as specified in the Operator's Lease with or Non-Exclusive License from the City.

**SECTION 10**  
**SPECIALIZED AERONAUTICAL SERVICES OPERATOR:**  
**AIR TRANSPORTATION ARRANGER**

**STATEMENT OF CONCEPT**

An Air Transportation Arranger Operator is a person, firm or corporation, whether or not certificated by the FAA, using the Airport as a base to engage in the business of arranging commercial air transportation (persons or property) to the general public for hire, which commercial air transportation is provided by one or more persons, firms or corporations engaged in the business of providing commercial air transportation (persons or property) to the general public for hire under FAR Part 135 or any other section of the FAR (the "Contracted Carrier").

**MINIMUM STANDARDS**

1. Facilities or License.
  - a. If providing facilities for customer use at the Airport through either an FBO or a Contracted Carrier operating at the Airport pursuant to Section 5 of these Minimum Standards, the Operator shall provide the Airport Director with documentation confirming the FBO's or Contracted Carrier's agreement to provide such facilities and establishing that the FBO or Contracted Carrier has complied with all the terms of its lease with the Airport and all applicable provisions of these Minimum Standards, and, upon a determination by the Airport Director that these requirements have been satisfied, shall enter into a Non-Exclusive License with the City for provision of services.
  - b. Otherwise, the Operator shall lease from the City an area of sufficient size, shape, and location as mutually agreed upon to provide at least 1,000 square feet of floor space for office, restrooms, and customer lounge for customer use, in accordance with the requirements set forth in Section 5.1.b of these Minimum Standards.
2. Contracted Carrier Compliance. The Operator shall provide the City with documentation establishing that each Contracted Carrier operating at the Airport pursuant to Section 5 of these Minimum Standards satisfies the requirements set forth in Sections 5.2 through 5.11 of these Minimum Standards and that any other Contracted Carrier has all required FAA certifications and complies with all applicable FAA regulations.
3. Reports. For each flight providing commercial air transportation to persons, the Operator shall provide the Airport Director, upon request made within 180 days of the flight, with a written report identifying the Contracted Carrier that provided the flight and, if that Contracted Carrier is not operating at the Airport pursuant to Section 5 of these Minimum Standards, stating the type of aircraft, number of passenger seats, and number of passengers actually carried.

4. Insurance Requirements. The Operator shall provide evidence of insurance coverage in the types and with the limits specified by Section 3 and Appendix B of these Minimum Standards and its Lease with or Non-Exclusive License from the City.
5. Airport Security. The Operator shall comply with all security requirements specified by Section 3 or otherwise applicable as a matter of law.
6. Required Fees and Payments. The Operator may be required to pay other required fees and payments as specified in the Operator's Lease with or Non-Exclusive License from the City.
7. Fly Neighborly Program. For any flight provided by a Contracted Carrier that is not operating at the Airport pursuant to Section 5 of these Minimum Standards, the Operator shall provide to the pilot of that flight a Pilot's Guide for the type of aircraft being flown by that pilot (fixed wing, jet, or helicopter), in the form attached as Appendix C or such similar form as may be provided by the Airport Director.

**SECTION 11**

**SPECIALIZED AERONAUTICAL SERVICES OPERATOR:**

**AIRCRAFT SALES OPERATOR**

**STATEMENT OF CONCEPT**

An Aircraft Sales Operator is an Operator engaged in the sale of more than three new or used Aircraft during a 12-month period. This excludes individuals selling personally owned Aircraft, unless the individual purchased the Aircraft for the primary purpose of resale.

**MINIMUM STANDARDS**

1. Facilities. The Operator shall lease adequate space and facilities at the Airport to store, park or hangar Aircraft to be sold, to store equipment, to operate its business, and to accommodate its employee parking requirements. Leased space must include sufficient work space for any aircraft upon which maintenance or repairs are being performed by the Operator.
2. Equipment, License and Certifications. The Operator shall have sufficient and appropriate equipment to serve the types of aircraft being stored and sold as appropriate for its business. If the Operator offers flight demonstration for Aircraft offered for sale, then the Operator shall also be properly certificated by the FAA, hold appropriate ratings and medical certifications for providing flight demonstration, and employ personnel authorized to fly such Aircraft for such demonstration purposes.
3. Hours of Operation. The Operators shall have services available as required by its customers.
4. Personnel and Training. In addition to the general personnel and training requirements in Section 3 of these Minimum Standards, the Operator shall have trained personnel sufficient to provide services desired by customers.
5. Insurance Requirements. The Operator shall provide evidence of insurance coverage in the types and with the limits specified by Section 3 of these Minimum Standards and its Lease with or Non-Exclusive License from the City.
6. Airport Security. The Operator shall comply with all security requirements specified by Section 3 or otherwise applicable as a matter of law.
7. Required Fees and Payments. The Operator may be required to pay other required fees and payments as specified in the Operator's Lease with or Non-Exclusive License from the City.

**SECTION 12**  
**SPECIALIZED AERONAUTICAL SERVICE OPERATOR:**  
**OTHER AERONAUTICAL SERVICES**

**STATEMENT OF CONCEPT**

There may be other types of aeronautical services provided or to be provided at the Airport that are not covered by the Minimum Standards set forth above and they may not warrant the establishment of specific Minimum Standards at this time. Any existing provider of such services must meet the general requirements of Section 3 of these Minimum Standards.

1. Existing services not covered by specific category minimum standards.
  - a. Specialized Aeronautical Service Operators not covered by the specific minimum standards in Sections 4 through 11 must meet all the requirements of this section and Sections 3 and 14, including the requirement that they have a Non-Exclusive License to provide services at the Airport.
  - b. The City may require that the Operator lease space on the Airport.
  - c. Operators covered by this provision may be required to pay other required fees and payments as specified in the Operator's Lease with or Non-Exclusive License from the City.
2. Application for new specialized aeronautical service operations. If and when an applicant proposes to conduct a specialized aeronautical service that is not currently conducted at the airport and is not covered by any of Sections 4 through 11 of these Standards, the City may adopt applicable Minimum Standards for such service, taking into consideration the desires of the applicant, the needs of the City and the need for such service at the Airport. At a minimum, all aeronautical service providers at the Airport must comply with Section 3, General Requirements.

**SECTION 13**  
**SPECIAL RULES FOR A SASO CONDUCTING**  
**MULTIPLE AERONAUTICAL SERVICES**

**STATEMENT OF CONCEPT**

This section would apply to any Specialized Aeronautical Services Operator that engages in any two (2) or more of the specialized aeronautical services for which Minimum Standards have been developed. The sale of aviation fuels is not included in this section because only FBOs are permitted to engage in the sale of aviation fuels.

**MINIMUM STANDARDS**

1. Land. If required by these Minimum Standards, the Operator shall lease, from the City an area that is equal to the total area required by the sum of the minimum land areas required under the individual specialized services the Operator is providing.
2. Hangars and Other Buildings. If required by these Minimum Standards, this Operator shall lease hangar facilities providing a total square footage that is equal to the total area required by the sum of the minimum hangar size required under the individual specialized services the Operator is providing. The hangar must have a door that meets the largest width and height requirements of the individualized services the Operator is providing.
3. Aircraft Apron. If required by these Minimum Standards, the Operator shall lease paved aircraft parking apron that provides a total square footage that is equal to the total area required by the sum of the minimum apron areas required under the individual specialized services the Operator is providing.
4. Hours of Operation. The Operator shall maintain the longest hours of operation required elsewhere in these Minimum Standards for any of the aeronautical services it provides.
5. Personnel. In addition to the general personnel and training requirements in Section 3 of these Minimum Standards, the Operator shall have in its employ and on duty during the appropriate business hours, suitably uniformed, trained personnel in such numbers as are required to meet these Minimum Standards for the aeronautical services to be provided. Multiple responsibilities may be assigned to meet the personnel requirements for each specialized aeronautical service being performed.
6. Equipment. The Operator shall provide all of the facilities, equipment and services required to meet the Minimum Standards for each of the aeronautical services it provides.
7. Insurance. The Operator shall obtain, as a minimum, that insurance coverage which is equal to the highest single coverage requirement of all the aeronautical services being performed by the Operator.
8. Required Fees and Payments. The Operator shall pay all fees applicable to each and every service that it provides at the Airport.

9. Applicability of Specific Provisions. The provision of multiple types of services by the Operator shall not exempt the Operator from any of the requirements otherwise applicable to each of the services provided.

**SECTION 14**  
**RECOGNITION AND REGULATION**  
**OF SELF-SERVICE AND SELF-FUELING RIGHTS**

**RIGHT TO SELF-SERVICE AND SELF-FUELING**

An aircraft owner may perform services, including Self-Fueling, on the owner's Own Aircraft utilizing the aircraft owner's Own Employees and Own Equipment.

In the interests of safety and fairness, a Person desiring to Self-Fuel must hold a current Non-Commercial Annual Operational Permit from the Santa Monica Fire Department and be granted Self-Fueling rights by the City in a Lease, Non-Exclusive License, or Non-Commercial Self-Fueling Permit. Any Person not party to a Lease or Non-Exclusive License granted by the City may only have permission to Self-Fuel such Person's Owned Aircraft if such Person (a) holds a valid and current Non-Commercial Self-Fueling Permit from the City, and (b) is in and continues to be in compliance with all City, state and federal requirements applicable to aircraft fuel handling practices.

If an aircraft owner does not exercise the right to Self-Fuel, that owner's aircraft may be fueled or otherwise serviced at the Airport only by those Operators authorized to provide such services at the Airport under a Lease or Non-Exclusive License approved by the City.

**NON-COMMERCIAL SELF-FUELING PERMIT**

1. General

A Person desiring to Self-Fuel that Person's Owned Aircraft, and not holding Self-Fueling rights under a Lease or Non-Exclusive License, shall have a reasonable opportunity to qualify for and receive a Non-Commercial Self-Fueling Permit. Each Person conducting non-commercial Self-Fueling at the Airport shall comply with the following minimum standards. Any Person desiring to Self-Fuel its Owned Aircraft may only do so using its Own Employees and its Own Equipment. Third-party employees and equipment can never be used for Self-Fueling.

Self-service fueling by an aircraft owner or operator at an FBO's self-service pump is not Self-Fueling and does not require a Self-Fueling Permit.

2. Permit/Approval

- a. No Person shall engage in Self-Fueling activities unless a valid Non-Commercial Self-Fueling Permit authorizing such activity has been obtained from the City.
- b. The Permit shall not reduce or limit Permittee's obligations with respect to these Self-Fueling minimum standards, which shall be incorporated in the Permit by reference.
- c. An applicant for a Permit shall provide evidence that any aircraft to be fueled by the applicant is an Owned Aircraft. At any time after a Permit is issued, the Permittee, upon request by the Airport Director or delegee, shall provide evidence that all aircraft being Self-Fueled are Owned Aircraft.

- d. The Airport Director will make binding determinations about whether specific aircraft qualify as Owned Aircraft for purposes of Self-Fueling.
  - e. A Person seeking to Self-Fuel on the basis of a Long Term Lease for any aircraft must obtain insurance to cover all of its interest and activities with respect to the leased aircraft or be a named insured under the policy of the lessor and must attach true and correct copies of the lease and a complying certificate of insurance to such Person's application for a Non-Commercial Self-Fueling Permit, as updated by such Person before there are any changes in the aircraft such Person seeks to Self-Fuel.
  - f. A Person seeking to Self-Fuel aircraft on the basis of a Long Term Management Contract for any aircraft must obtain insurance to cover all of its interests and activities with respect to the aircraft or be named as an insured under the policy of the aircraft owner and must attach true and correct copies of the management contract and a complying certificate of insurance to such Person's application for a Non-Commercial Self-Fueling Permit, as updated by such Person before there are any changes in the aircraft such Person seeks to Self-Fuel.
  - g. A Person seeking to Self-Fuel using facilities or equipment that are under a Long Term Lease or other written agreement must obtain insurance to cover all of its interests and activities with respect to the subject of the agreement or be a named insured under the policy of the equipment owner and must attach true and correct copies of the agreement and a complying certificate of insurance to such Person's application for a Non-Commercial Self-Fueling Permit as updated by that Person before there are any changes in the facilities or equipment to be used for Self-Fueling by such Person.
3. Fuel Storage and Delivery
- a. Permittee shall arrange and demonstrate that satisfactory arrangements have been made for the storage and delivery of fuel in accordance with this Section 14.
  - b. Fuel Storage Facilities. A Permittee may be authorized to establish its own fuel farm only with the advance written approval of the Airport Director, which approval may be issued by the Airport Director only after authorization by the City Council,. A Permittee authorized by the City to install its own fuel tank may lease land and construct or install an above-ground fuel storage facility at a location approved by the Airport Director in writing. If a request by the Permittee to use its own fuel farm is approved by the Airport Director, after obtaining authorization from the City Council, the following requirements will apply:
    - i. The Permittee shall lease sufficient land for installation of above-ground fuel storage tanks to be constructed and operated on the Permittee's leased premises in compliance with all applicable environmental requirements.

- ii. All fuel storage must be above-ground. In no event shall the total storage capacity be less than 10,000 gallons for Jet Fuel or 2,500 gallons for Avgas.
  - iii. The fuel storage system must include adequate fuel spill prevention features and containment capabilities, together with an approved fuel spill containment and countermeasures control plan, and shall be improved and upgraded as necessary to meet all current EPA requirements for spill prevention, containment and mitigation as they may be revised.
  - iv. The Permittee shall be required to undertake at its own expense any environmental testing of its fuel facilities which the City may reasonably request, on or off the Airport, and to take any remedial actions determined to be necessary or appropriate as a result of such testing. The right is reserved to the Airport Director to disapprove installation of a new fuel farm if the facility would have an adverse effect on safety or otherwise in the judgment of the Airport Director not be in the interest of a safe and efficient airport operation.
  - v. In no event shall fuel delivery trucks be used for fuel storage on the Airport. Vehicles used to deliver fuel to the Airport will transfer fuel to storage tanks or, if approved, directly to the Permittee's fuel dispensing trucks, and depart the Airport.
  - c. Permittee shall be liable and indemnify the City for all leaks, spills, or other damage that may result through the handling and dispensing of fuel.
  - d. Fuel delivered shall be clean, bright, pure, and free of microscopic organisms, water, or other contaminants. Ensuring the quality of the fuel is the responsibility of Permittee.
4. Fueling Equipment
- a. Permittee shall utilize a single mobile dispensing truck that has the following minimum capacity: (1) for Avgas or jet fuel, 750 gallons; (2) for MoGas, 80 gallons. Avgas or MoGas dispensing trucks shall have a maximum capacity of 1,200 gallons and jet fuel dispensing trucks shall have a maximum capacity of 3,000 gallons. All Refueling Vehicles shall be capable of bottom loading, and turbine fuel dispensers must have single point refueling capability.
  - b. Each Refueling Vehicle shall be equipped and maintained to comply at all times with all applicable safety and fire prevention requirements or standards, as may be amended, including without limitation, those prescribed by:
    - i. National Fire Protection Association (NFPA) 407, OSHA guidelines, the California Fire Code, and Municipal Code 10.04.06.120;

- ii. 14 CFR Part 139, Airport Certification, § 139.321 “Handling/Storing of Hazardous Substances and Materials”; and
  - iii. applicable FAA Advisory Circulars (AC) including AC 150/5210-20, Ground Vehicle Operations on Airports”; and AC 150/5210-5D, "Painting, Marking and Lighting of Vehicles Used On An Airport".
5. Spill Prevention and Containment. Prior to transporting Fuel onto the Airport, the Permittee shall provide the City with a Spill Prevention Contingency and Control Plan (SPCC) that meets regulatory requirements for above ground Fuel storage facilities. An updated copy of such SPCC Plan shall be filed with the City at least ten (10) business days prior to actual implementation. Such plan shall describe, in detail, those methods that shall be used by the Permittee to clean up any potentially hazardous Fuel spills. The plan should include Equipment to be used, emergency contact personnel and their telephone numbers, and all other details as to how the Permittee would contain such a spill. This plan should also describe, in detail, what methods the Permittee intends to use to prevent any such spill from occurring.
6. Operating procedures. In accordance with all applicable Regulatory Measures and appropriate industry practices, the Permittee shall develop and maintain Standard Operating Procedures (SOP) for fueling and shall ensure compliance with standards set forth in NFPA 407, the California Fire Code, and Municipal Code 10.04.06.120. The SOP shall include a training plan, fuel quality assurance procedures, record keeping, and emergency response procedures for fuel spills and fires. The SOP shall also address the following: (1) bonding and fire protection, (2) public protection, (3) control of access to fuel dispensing vehicle storage areas, and (4) marking and labeling of fuel dispensing vehicles. The SOP shall be submitted to the City not later than ten (10) business days before the Permittee commences Self-Fueling at the Airport.
7. Licenses, Certifications, and Permits. Permittee shall have, and shall make available to the City on request, evidence of all federal, state and local licenses, certificates and permits that are required to conduct Self-Fueling.
8. Reporting
  - a. Permittee shall report all Fuel delivered to the approved Permittee’s fuel storage facility, if any, and into Permittee’s Aircraft during each calendar month and submit a summary report along with appropriate fees and charges due the City on or before the 10th day of the subsequent month.
  - b. Permittee shall during the term of the Permit and for three (3) years thereafter maintain records identifying the total number of aviation Fuel gallons purchased and delivered. Records (and meters) shall be made available for audit to the City or representatives of the City. In the case of a discrepancy, Permittee shall promptly pay, in cash, all additional rates, fees, and charges due the City, plus annual interest on the unpaid balance at the lesser of 18% or the maximum rate allowable by law from the date originally due.

9. Personnel
  - a. Only the Permittee's Own Employees may conduct Self-Fueling operations on the Permittee's aircraft. All Employees of the Permittee conducting Self-Fueling must be properly trained in Aircraft refueling, in compliance with 14 CFR § 139.321.
  - b. There must be a minimum of two (2) trained individuals present during Self-Fueling activities.
10. Limitations on Self-Fueling Rights.
  - a. A Permittee may not sell or dispense fuels to based or transient aircraft that are not Owned Aircraft of the Permittee. Any such sale or dispensing shall be grounds for immediate revocation of the Permit. Revocation upon first violation will be for a period of one (1) year. Revocation upon a second violation shall be permanent.
  - b. Once unleaded Avgas is commercially available and approved for use, self-fueling using leaded Avgas or MoGas will no longer be permitted.
11. Insurance. Except as otherwise provided for in these Minimum Standards, Permittee shall maintain, at a minimum, the coverages and policy limits set forth in Appendix B – Insurance Requirements.
12. Required Fees and Payments. Fuel flowage fees and any other payments to be made to the City by each Permittee will be set forth in the Permittee's Non-Commercial Self-Fueling Permit and shall be reasonable and not unjustly discriminatory.

## **APPENDIX A DEFINITIONS**

The following terms shall have the following meanings:

**AERONAUTICAL ACTIVITY** – Any activity that involves, makes possible, or is required for the operation of aircraft or that contributes to or is required for the safety of such operations. Activities within this definition, commonly conducted on airports, include, but are not limited to, the following: general and corporate aviation, air taxi and charter operations, scheduled and nonscheduled air carrier operations, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, aircraft sales and services, aircraft storage, sale of aviation petroleum products, repair and maintenance of aircraft, sale of aircraft parts, parachute or ultralight activities, and any other activities that, because of their direct relationship to the operation of aircraft, can appropriately be regarded as aeronautical activities.

**AIRPORT** – Santa Monica Airport (SMO).

**AIRPORT DIRECTOR** – the Airport Director of the Santa Monica Airport or the duly authorized representative of the Airport Director.

**AIRPORT USER** – a person who operates an aircraft at the Airport.

**AIR OPERATIONS AREA or AOA** – that portion of the Airport used or intended to be used for landing, take off or surface maneuvering of aircraft including the hangar and cargo areas and aircraft parking aprons.

**AIRPORT LEASING POLICY** -- Santa Monica City Council Airport Leasing and Licensing Policy (“Airport Leasing Policy”).

**APRON or RAMP** – those areas of the Airport within the AOA designated for the loading, unloading, servicing, or parking of aircraft.

**CITY** – the City of Santa Monica, California. The City may delegate its powers to the Airport Director or such other City staff member as the City may choose.

**COMMERCIAL** – conducted with the intent or purpose of generating or securing earnings, income, compensation or profit, whether or not such objectives are accomplished.

**CONSENT DECREE** – the Consent Decree between the City and the United States in the U.S. District Court, *City of Santa Monica v. United States*, Dkt. No. 2:13-cv-08046 (C.D. Cal. 2017), dated January 31, 2017.

**FAA** – Federal Aviation Administration, or any successor agency.

**FIXED BASE OPERATOR (FBO)** – an operator that furnishes a full range of aeronautical activities and services to the public, including fueling and line services to General Aviation aircraft.

**FUELING OPERATIONS** – the receipt, storage, handling, movement, delivery and dispensing of fuel for aircraft at the Airport, including the installation, use and

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maintenance of fueling equipment, and the operations and supervision of all personnel engaged in fueling activities.

**GENERAL AVIATION** – all aviation operating under FAR Part 91 (with the exception of government aircraft operations) and FAR Part 135 operations to the extent permitted in these Minimum Standards.

**INDIVIDUAL** – An Operator’s agent, employee, supplier, contractor, tenant, invitee or other party that has been granted access to the Operator’s premises.

**LEASE** – an agreement with the City for the exclusive use of designated airport land and/or facilities.

**LONG TERM LEASE** – a written lease for one or more aircraft, with adequate consideration, for a term of at least six months and terminable within six months only for cause which provides that the primary care, custody and control of the aircraft is in the Person applying to conduct Self-Fueling Operations and contains substantially all terms and conditions standard in the industry for that type of lease.

**LONG TERM MANAGEMENT CONTRACT** – a written management contract for specified aircraft, with adequate consideration, for a term of at least six months and terminable within six months only for cause which provides that the primary care, custody and control of the aircraft is in the Person applying to conduct Self-Fueling Operations and contains substantially all terms and conditions standard in the industry for that type of contract. The management contract must provide that the Person applying to conduct Self-Fueling Operations is responsible for all maintenance, all pilot service, and all scheduling of the aircraft that are subject to the managements contract.

**MUNICIPAL CODE** – the City of Santa Monica Municipal Code.

**NON-COMMERCIAL SELF-FUELING PERMIT** – a written document issued by the City authorizing Self-Fueling at the Airport.

**NON-EXCLUSIVE LICENSE** – an agreement with the City granting permission for the conduct of specified commercial aeronautical services on the Airport, but not granting an exclusive right to provide those services or the exclusive use of any Airport property or facilities.

**OPERATOR** – a person or persons, firm, company, joint venture, partnership or corporation using the Airport as a base for any Commercial Aeronautical Activity.

**OWNED AIRCRAFT** – for FAA Part 91 or Part 135 operators, aircraft listed on that operator’s then-current Part 91 or Part 135 Certificate and for all other operators: aircraft used exclusively by that Person and titled and registered with the FAA in that Person’s own name; aircraft used by that Person as lessee under a Long Term Lease, or aircraft used by that Person under a Long Term Management Contract.

**OWN EMPLOYEES** – employees of the Person applying to conduct Self-Fueling Operations for whom all state and federal employment taxes are paid by that Person.

**OWN EQUIPMENT** – facilities or equipment that is used exclusively by and titled in the name of the Person applying to conduct Self-Fueling Operations or is used by that Person subject to a Long Term Lease or written purchase, financing or use agreement

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for such facilities or equipment, with adequate consideration, for a term of at least six months and terminable within six months only for cause which provides that the primary care, custody and control of the facilities or equipment is in the Person applying to conduct Self-Fueling Operations and contains substantially all terms and conditions standard in the industry for that type of agreement.

**PERMITTEE** – a Person who has been issued and holds a valid and current Non-Commercial Self-Fueling Permit.

**PERSON** – an Individual, firm, company, joint venture, partnership or corporation.

**REPAIR STATION** – a facility utilized for the repair of aircraft approved and certificated by the FAA under 14 CFR Part 145. Activities may include repair and maintenance of airframes, power plants, propellers, radios, instruments and accessories.

**SELF-FUELING** – a Person's conduct of Fueling Operations for that Person's Own Aircraft, using that Person's Own Equipment and conducted by that Person or the Person's Own Employees. Self-fueling may be permitted by a Lease or Non-Exclusive License authorizing commercial services or by a Non-Commercial Self-Fueling Permit.

**SPECIALIZED AERONAUTICAL SERVICES OPERATOR (SASO)** – an Operator that is authorized to engage in one or more of the following specialized aeronautical support services:

- a. Aircraft Charter and Air Taxi
- b. Flight Training
- c. Aircraft Maintenance and Repair Stations
- d. Self-Service Fuel Pumps
- e. Aircraft Management
- f. Air Transportation Arranger
- g. Aircraft Sales Operator
- h. Other Aeronautical Services

## APPENDIX B INSURANCE REQUIREMENTS AND STANDARDS

#

The City has established the following minimum insurance requirements and standards for Operators providing commercial aeronautical services at the Santa Monica Municipal Airport:

- A. The Operator shall procure and maintain at its own expense for the duration of the Operator's activities and/or use of leased premises at the Airport insurance as set out in the Minimum Insurance Requirements Matrix (Appendix B-1) against claims for injuries to persons or damages to property that may arise from or in connection with activities and/or the use of leased premises at the Airport by the Operator, its agents, representatives, employees or subcontractors.
  
- B. If the Operator maintains broader coverage or higher limits than the minimums required in Appendix B-1, the City of Santa Monica requires and shall be entitled to any broader coverage and higher limits maintained by the Operator. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Santa Monica.
  
- C. The insurance policies are to contain, or be endorsed to contain, the following provisions:
  - i. **Additional Insured Status:** The City of Santa Monica, its officers, officials, employees and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of the use, occupancy, operations or maintenance of leased premises, including work or operations performed on behalf of the Operator.
  
  - ii. **Primary Coverage:** For any claims related to Operator's activities and/or use of leased premises at the Airport, the Operator's insurance shall be primary coverage at least as broad as Insurance Services Offices Form CG 20 01 04 13 as respects the City of Santa Monica, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City of Santa Monica, its officers, officials, employees or volunteers shall be in excess of the Operator's insurance and shall not contribute with it.
  
  - iii. **Notice of Cancellation:** Each insurance policy required herein shall state that coverage shall not be cancelled except after notice has been given to the City of Santa Monica.
  
  - iv. **Waiver of Subrogation:** Operator hereby grants to the City of Santa Monica a waiver of any right of subrogation which any insurer of said Operator may acquire against the City of Santa Monica by virtue of payment of any loss. Operator agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies

regardless of whether or not the City of Santa Monica has received a waiver of subrogation endorsement from the insurer.

- v. **Claims Made Policies:** If the pollution liability policy provides “claims made” coverage: the Retroactive Date must be shown and must be before the commencement of the Operator’s lease; the insurance must be maintained and evidence of insurance must be provided for at least 3 years after the expiration of the Operator’s lease; and if the policy is cancelled or not renewed, and not replaced with another “claims made” policy form with a Retroactive Date prior to the effective date of the lease, the Operator must purchase “extended reporting” coverage for a minimum of 3 years after lease expiration.
  
- vi. **Indemnification and Hold Harmless.** Operator shall defend, indemnify, save, protect, and hold harmless the City of Santa Monica, the Santa Monica Airport, the Santa Monica Airport Commission, and the Santa Monica City Council, individually and collectively, and their representatives, officers, officials, employees, agents, and volunteers from any and all claims, demands, damages, fines, obligations, suits, judgments, penalties, causes of action, losses, liabilities, administrative proceedings, arbitration, or costs at any time received, incurred, or accrued by the City of Santa Monica, the Santa Monica Airport, the Santa Monica Airport Commission, and the Santa Monica City Council, individually and collectively, and their representatives, officers, officials, employees, agents, and volunteers as a result of, or arising out of Operator's activities, actions, or inactions. In the event a party indemnified hereunder is in part responsible for the loss, the indemnitor shall not be relieved of the obligation to indemnify; however, in such a case, liability shall be shared in accordance with California principles of comparative fault.

Operator shall accept total responsibility, defend, indemnify, save, protect, and hold harmless the City of Santa Monica, the Santa Monica Airport, the Santa Monica Airport Commission, and the Santa Monica City Council, individually and collectively, and their representatives, officers, officials, employees, agents, and volunteers in the event of an environmental contaminating accident or incident caused by Operator, its employees, its vendors or any other personnel used by the Operator to maintain Operator's improvements, vehicles, equipment, or aircraft.

Nothing herein shall constitute a waiver of any protection available to the City and the City Council, individually and collectively, and its representatives, officers, officials, employees, agents and volunteers under the State of California’s governmental immunity act or any similar doctrine or statutory provision.

- D. All insurance shall be placed with insurers authorized to conduct business in California with a current A.M. Best rating of no less than A:VII, unless otherwise acceptable to the City of Santa Monica.

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- E. Operator shall furnish the City of Santa Monica with original certificates and amendatory endorsements (or copies of the applicable policy language effecting coverage provided by this clause). All certificates and endorsements are to be received and approved by the City of Santa Monica before the lease commences. However, failure to obtain required documents prior to the work beginning shall not waive the Operator's obligation to provide them. The City of Santa Monica reserves the right to require complete, certified copies of all required insurance policies, including the endorsements required herein, at any time.

**APPENDIX B-1  
MINIMUM INSURANCE REQUIREMENTS MATRIX <sup>1</sup>**

Insurance Requirements	FBO	Aircraft Charter/Air Taxi	Flight Training	Aircraft Repair & Maintenance	Aircraft Management Services	Self Service Fuel Pump	Self Service Fuel Permit	Air Transportation Arrangers	Aircraft Sales	Notes
<b>Airport Liability Insurance (per occurrence)</b>	\$5 million	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Coverage shall include products & completed operations, bodily injury, personal injury and property damage including non-owned aircraft liability.
• Additional Insured Endorsement	Yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
<b>Commercial General Liability (per occurrence)</b>	N/A	\$2 million	\$2 million	\$2 million	\$2 million	\$2 million	\$2 million	\$1 million	\$2 million	Coverage shall include bodily injury, personal injury, property damage, and products & completed operations.
• Additional Insured Endorsement	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
<b>Auto Liability (per accident)</b>	\$2 million	\$1 million	\$1 million	\$1 million	\$1 million	\$1 million	\$1 million	\$1 million	\$1 million	Coverage shall include bodily injury & property damage for all vehicles (owned, non-owned, or hired vehicles).
<b>Hangar Keepers Liability (largest aircraft accommodated) <sup>2</sup></b>										
• Piston Aircraft (each aircraft, per occurrence)	\$250,000 / \$500,000	\$250,000 / \$500,000	\$250,000 / \$500,000	\$250,000 / \$500,000	\$250,000 / \$500,000	N/A	N/A	N/A	\$250,000 / \$500,000	Coverage shall include property damage for all non-owned aircraft under the care, custody & control of the Operator. <sup>2</sup>
• Turboprop Aircraft (each aircraft, per occurrence)	\$1 million / \$2 million	\$1 million / \$2 million	N/A	N/A	N/A	\$1 million / \$2 million	Coverage shall include property damage for all non-owned aircraft under the care, custody & control of the Operator. <sup>2</sup>			
• Turbine Aircraft (each aircraft, per occurrence)	\$2.5 million / \$5 million	\$2.5 million / \$5 million	N/A	N/A	N/A	\$2.5 million / \$5 million	Coverage shall include property damage for all non-owned aircraft under the care, custody & control of the Operator. <sup>2</sup>			
<b>Aircraft Liability (each aircraft, per occurrence)</b>										
• Piston Aircraft	N/A	\$1 million	\$1 million	N/A	\$1 million	N/A	N/A	N/A	\$1 million	Coverage shall include bodily injury and property damage for owned, leased, or operated aircraft.
• Turboprop Aircraft	N/A	\$5 million	N/A	N/A	\$5 million	N/A	N/A	N/A	\$5 million	Coverage shall include bodily injury and property damage for owned, leased, or operated aircraft.
• Turbine Aircraft	N/A	\$10 million	N/A	N/A	\$10 million	N/A	N/A	N/A	\$10 million	Coverage shall include bodily injury and property damage for owned, leased, or operated aircraft.
• Additional Insured Endorsement	N/A	Yes	Yes	N/A	Yes	N/A	N/A	N/A	Yes	
<b>Non-Owned Aircraft Liability (each aircraft, per occurrence) <sup>3</sup></b>										
• Piston Aircraft	N/A	\$1 million	\$1 million	N/A	\$1 million	N/A	N/A	\$1 million	\$1 million	Coverage shall include bodily injury and property damage for non-owned aircraft. <sup>3</sup>
• Turboprop Aircraft	N/A	\$5 million	N/A	N/A	\$5 million	N/A	N/A	\$5 million	\$5 million	Coverage shall include bodily injury and property damage for non-owned aircraft. <sup>3</sup>
• Turbine Aircraft	N/A	\$10 million	N/A	N/A	\$10 million	N/A	N/A	\$10 million	\$10 million	Coverage shall include bodily injury and property damage for non-owned aircraft. <sup>3</sup>
• Additional Insured Endorsement	N/A	Yes	Yes	N/A	Yes	N/A	N/A	Yes	Yes	
<b>Pollution Liability Insurance (per occurrence)</b>	\$2 million	N/A	N/A	N/A	N/A	\$2 million	\$21 million	N/A	N/A	
<b>Property Insurance (Personal Property/Improvements)</b>	Replacement Cost	Replacement Cost	Replacement Cost	Replacement Cost	Replacement Cost	Replacement Cost	Replacement Cost	Replacement Cost	Replacement Cost	
• Business Interruption Endorsement	1 Year	1 Year	1 Year	1 Year	1 Year	1 Year	1 Year	1 Year	1 Year	
<b>Workers' Compensation</b>	As Required By Law	As Required By Law	As Required By Law	As Required By Law	As Required By Law	As Required By Law				
• Waiver of Subrogation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	

<sup>1</sup> The requirements/limits contained in this document will be evaluated annually and modified as appropriate to reflect changes in insurance industry standards (i.e., limits and coverage) and/or to address new or changing risks.

<sup>2</sup> Hangar Keepers Liability is not required if all aircraft are owned by the operator; lease-back aircraft are considered owned aircraft.

<sup>3</sup> Non-owned Aircraft Liability is not required for aircraft sales if operator is selling only its owned aircraft – or – for Aircraft Charter/Air Taxi or Flight Training if operators are operating only their owned aircraft.