MINIMUM STANDARDS FOR AERONAUTICAL ACTIVITIES AND SERVICES

Albert J. Ellis Airport

EFFECTIVE: October 19, 2026

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SECTION ONE – PREAMBLE & POLICY

General
Onslow County (County), as the owner and operator of the Albert J. Ellis Airport (Airport) does hereby establish the following Minimum Standards policy for the Airport:

> These Minimum Standards: (1) establish the threshold entry requirements for those entities wishing to engage in Commercial Aeronautical Activities at the Airport including, but not limited to, the provision of aeronautical products, services, and/or facilities to the public; (2) ensure that those entities obtaining the approval of the Airport to engage in such activities are not exposed to unfair competition; and (3) protect the public from unsafe, inadequate or substandard aeronautical products, services, and facilities.
>
> These Minimum Standards were developed taking into consideration: (1) the role of the Airport, (2) the range, level, and quality of aeronautical products, services, and facilities currently being provided at the Airport, (3) the future prospects for and the anticipated development of the Airport and the community, and (4) the promotion of fair competition at the Airport.
>
> The uniform application of these Minimum Standards is considered essential to protect the public interest and ownership of the Airport, discourage substandard Operators, and protect Airport customers.

The purpose of these Minimum Standards is to encourage, promote, and ensure:

1) the delivery of high-quality aeronautical products, services, and facilities to Airport customers;
2) the design and development of quality aeronautical facilities and improvements at the Airport;
3) safety and security by preventing unauthorized or unlicensed service providers;
4) the economic health of aeronautical businesses at the Airport;
5) the orderly development of Airport property;
6) the consistent establishment of policy to avoid conflict of interest and politically motivated pressures;
7) formalized baselines for lease development;
8) fostering of mutually beneficial landlord/tenant relationships by maintaining financially equitable treatment;
9) an environment that welcomes and encourages new service providers; and,
10) the Airport System maintain its financial self-sustainability.

Administration and Policy Oversight
Onslow County ("County") and Onslow County Commissioners has ultimate policy-making authority for the Airport and will duly consider the advice the Airport Director ("Director") when adopting its policies. The Director shall reasonably administer, interpret, and enforce these Minimum Standards as appropriate for the Airport.

Effective Date and Amendment of Standards
These Minimum Standards shall be effective on _____ and shall remain in effect until such time that they are either repealed or amended. The County reserves the right to adopt such amendments to these Standards from time to time as it determines are necessary or desirable to reflect current trends of commercial airport activity and availability of property for lease, for the benefit of the general public, or the operation of the Airport. It is intended that these Standards shall be reviewed by the Airport staff at least annually and updated or modified as necessary.

In adopting the standards set forth herein, the County expressly acknowledges that the same are subject to change by amendment or cancellation, in whole or in part, from time to time, by the County and that no rights shall accrue to any Airport user, FBO, SASO, Operator, Entity, or third party by virtue of this adoption of these Standards.

Owner's Rights
The establishment of these Minimum Standards does not alter the County's proprietary right to engage in the development of Airport property as it deems prudent, including development of Aeronautical Activities which are not otherwise conferred exclusively herein.

Standards are Minimums Only
The standards and requirements in this policy are only minimums. All Operators are encouraged to exceed the minimums specified herein.

Opportunity To Qualify To Perform Services
A reasonable opportunity, without unjust discrimination, shall be afforded to all Applicants to qualify, or otherwise compete for, available Airport facilities and the furnishing of selected Aeronautical Services. Should the County determine that there are more qualified applicants seeking to provide a particular Commercial Aeronautical Service or Activity than there is space or demand at the Airport for such service, then the County may select the Commercial Aeronautical Service provider through a competitive solicitation, a Request for Proposals, or another process which allows the County, in its sole discretion, to determine the selected Operator or Lessee of the land or Improvements.

Right to Self-Service
A Person may service his/her own Aircraft provided the Person does so himself/herself (or his/her Employees do so) using his/her vehicles, equipment, and resources and that the servicing is performed in accordance with all applicable safety regulations, these Minimum Standards, Airport policies, Rules and Regulations, and Airport Standard Operating Procedures, and any applicable Governmental Requirements or Regulatory Measures. Self-fueling is not permitted at Albert J. Ellis Airport without the prior written approval of the Airport Director

Applicability
No person may conduct a commercial business or provide an Aeronautical Service or Activity that is based on the Airport without an Agreement or License with the Airport. The Minimum Standards do not apply to the Airport itself, to certificated air carriers operating from the Airport to government entities engaged in emergency public safety

services, or to individual persons operating Aircraft on the Airport who perform services on their own Aircraft with their own regular employees and resources in accordance with Airport Rules and Regulations and applicable Regulatory Measures, and Agreement, Permit, or lease provisions.

These Minimum Standards are not intended to be all-inclusive. All Operators may be subject additionally to applicable federal, state, and local laws, ordinances, codes, and regulations, which may pertain to their operation, construction, maintenance of facilities, or services provided, including Airport Rules and Regulations pertaining to all such services.

Severability

In the event any covenant, clause, section, condition or provision herein contained is held to be invalid by any court of competent jurisdiction, such invalidity shall in no way affect any other covenant, clause, section, condition or provision herein contained.

Notices, Requests for Approval, Applications, and Other Filings

Any notice, demand, request, consent, or approval that an Entity may, or is required to give to the Airport under these Minimum Standards, shall be in writing, and shall be either personally delivered or sent by first class mail, postage prepaid, addressed as follows:

Albert J.Ellis Airport
ATTN: Airport Director
264 Albert Ellis Airport Road
Richlands, NC 28574

Variances, Waivers, Deviations

The Airport reserves the right, in its sole discretion, to authorize variances or deviations from all or a portion of these Minimum Standards for the benefit of any government or governmental agency performing non- profit public services to the aviation industry, or performing emergency medical or rescue services to the public by means of Aircraft, or performing fire prevention or firefighting operations, or for law enforcement purposes. The Airport may further temporarily waive any of the Minimum Standards for non-governmental Operators where the Airport, in its sole discretion, deems such waiver to be in the best interest or welfare of the Airport's operation, and under special conditions and in unique circumstances that don't adversely affect public health or safety, Airport finances or operations, or violate any Governmental Requirements or Regulatory Measures, or FAA Grant Assurances. Such variances shall not amend or alter the Minimum Standards. All requests for variances or deviations shall be presented to the Director in writing.

Enforcement

The Director is responsible for the operation, management, maintenance, development, and security of the Airport and all Airport-owned and operated land, improvements, facilities, vehicles, and equipment. Among other things, the County Commissioners has authorized and directed the Director to:

(1) interpret, administer, and enforce Agreements and these Minimum Standards; and

(2) obtain and receive copies of all licenses, permits, certifications, ratings, Certificates of Insurance, and other documents required to be provided to or filed with the Airport under these Minimum Standards.

Failure to comply with the applicable Standards set forth herein may result in the suspension or revocation of the applicable activity Agreement or Permit issued to Operator, thereby removing any right of the Operator to conduct the activities granted on the Airport.

All official inquiries regarding these Minimum Standards and/or compliance therewith should be directed to the Director.

SECTION TWO – DEFINITIONS

The following terms shall have the following meanings for purposes of these Minimum Standards:

AC (ADVISORY CIRCULAR) – Documents published by the FAA that contain information about standards, practices and procedures that the FAA has found to be acceptable for compliance with associated rules, laws, policies, or regulations.

AERONAUTICAL ACTIVITY - Any activity or service commonly conducted at airports that involves, makes possible, facilitates, is related to, assists in, or is required for the operation of Aircraft or another Aeronautical Activity, or which contributes to or is required for the safety of such operations.

The following functions, without limitation, which are commonly conducted on airports, are considered Aeronautical Activities within this definition:

a. Aerial advertising and banner towing
b. Aerial applications (crop dusting, agricultural aviation, firefighting, etc.) services
c. Aerial photography or survey
d. Air ambulance and medical transportation by Aircraft services
e. Air carrier operations
f. Aircraft airframe and powerplant repair and maintenance services
g. Aircraft charter and air taxi services
h. Aircraft management services
i. Aircraft rental services
j. Aircraft sales and services
k. Aircraft washing, cleaning and detailing services
l. Avionics, instrument, accessory or propeller repair services
m. Commercial hangar operation and rental services
n. Flight or Pilot training services
o. Ground servicing of air carrier Aircraft and passenger services
p. Into-plane fueling services for air carrier Aircraft
q. Non-Commercial private hangar operation
r. Private flying clubs
s. Rental of Aircraft hangar, parking and tie-down space
t. Sale of Aircraft parts
u. Sale of aviation fuels, lubricants and petroleum products
v. Sightseeing flight services
w. Any other Activities which in, the sole judgment of the Airport, because of their direct relationship to the operation or repair of Aircraft, can appropriately be regarded as an Aeronautical Activity

AERONAUTICAL SERVICE - Any Aeronautical Activity or service by an Entity that has a lease, sublease, license, permit, or Agreement from the Airport authorizing it to provide such service.

AGREEMENT - A written contract, executed by both parties, and enforceable by law between the Airport and an Entity granting a concession, transferring rights or interest in land and/or improvements, and/or otherwise authorizing and/or prohibiting the conduct of certain Activities. Such Agreement will recite the terms and conditions under which the Activity will be conducted at the Airport including, but not limited to, term of the Agreement; rents, fees, and charges to be paid by the Entity; and the rights and obligations of the respective parties. For purposes of clarification in these Minimum Standards, the following terms may be substituted for the term Agreement: Lease, Sublease, Permit, or License.

AIRCRAFT - Any contrivance now known or hereafter invented which is used or designed for navigation of or flight in air, except a parachute or other contrivance designed for such navigation but used primarily as safety equipment. This includes, but is not limited to, airplanes, airships, balloons, dirigibles, rockets, helicopters, gliders, gyrocopters, ground-effect machines, sailplanes, amphibians, and seaplanes.

AIRCRAFT MAINTENANCE – The repair, adjustment, maintenance, alteration, preservation, and/or inspection of Aircraft airframe or powerplant, including the replacement of parts. Major repairs include major alterations to the airframe, powerplant, or propeller, as defined in FAR Part 43. Minor repairs include normal, routine annual inspection with attendant maintenance repair, calibration, or adjustment of Aircraft airframe or powerplant and associated accessories. Preventive maintenance means simple or minor preservation operations and the replacement of small standard parts not involving complex assembly operations, as defined in FAR Part 43.

AIRCRAFT OPERATOR - A person who uses, causes to be used, or authorizes to be used an Aircraft, with or without the right of legal control (as owner, Operator, or otherwise), for the purpose of air navigation including the piloting of Aircraft, or on any part of the surface of the Airport.

AIRFRAME AND POWERPLANT MECHANIC - A person, certificated by the FAA, that performs and/or supervises the maintenance, preventive maintenance or alteration of an Aircraft or appliance, or a part thereof, for which he/she is rated, and may perform additional duties in accordance with certain Regulatory Measures.

AIRPLANE DESIGN GROUP – An FAA-defined grouping of airplanes based on wingspan. For purposes of these Minimum Standards, the term Airplane Design Group may be referred to as simply Group I or VI, etc.

The groups are as follows:

Group I Up to but not including 49 feet; and
Group II 49 feet up to but not including 79 feet; and
Group III 79 feet up to but not including 118 feet; and
Group IV 118 feet up to but not including 171 feet; and
Group V 171 feet up to but not including 214 feet; and
Group VI 215 feet up to but not including 262

feet.

AIRPORT - Means the Albert J. Ellis Airport and all land, improvements, and appurtenances within the legal boundaries of the Airport as it now exists on the Airport Layout Plan (or Exhibit A of the most recent approved ALP Set) and as it may hereinafter be extended, enlarged, or modified.

ADVISORY COMMISION – The Albert J. Ellis Airport Advisory Commission which is the panel appointed by the Onslow County Commissioners to provide advice and counsel to the Airport on development and policy of the Airport

AIRPORT CERTIFICATION MANUAL - A document required by the FAA detailing the Airport's requirements as contained in 14 CFR Part 139.

AIRPORT DIRECTOR - The individual charged with the duty to manage, supervise, control, develop, maintain, regulate, and protect the Airport, or such other employee of the Department as the Director may from time to time designate to carry out the duties of the Director.

AIRPORT LAYOUT PLAN (ALP) - The drawing (currently approved by the FAA) depicting the physical layout of the Airport and identifying the location and configuration of current and proposed runways, taxiways, buildings, roadways, utilities, navaids, etc.

AIRPORT OPERATIONS AREA (AOA) - Is a restricted area of the Airport, either fenced or posted, where Aircraft are parked or operated, or operations not open to the public are conducted. Areas include, but are not limited to, the Aircraft Ramps and Aprons, hangar areas, taxiways, runways, unimproved land attributed to the taxiways and runways, safety areas, and contiguous areas delineated for the protection and security of Aeronautical Activity.

AIRPORT SECURITY PROGRAM - A document required by the Transportation Security Administration detailing the Airport's requirements as contained in the applicable federal security regulations.

APPLICANT – An Entity desiring to develop facilities or use land and/or Improvements at the Airport to engage in Aeronautical Activities or Aeronautical Services, and who shall apply in writing and in the manner and form prescribed herein for authorization to engage in such activities at the Airport.
AVIATION PURPOSES – see "Aeronautical Activity."

CFR - Code of Federal Regulations.

COMMERCIAL – Intended for the purpose of securing revenue, earnings, income, and/or compensation (including exchange for service), and/or profit, whether or not such objectives are accomplished. May also mean the exchange, trading, buying, hiring, providing, or selling of commodities, goods, services, or property on the Airport.

EMPLOYEE(S) - Any individual employed by an Entity whereby said Entity collects and pays all associated taxes on behalf of Employee (i.e., social security and Medicare). The

determination of status between "employee" and "contractor" shall be made according to then-current Internal Revenue Service standards.

ENTITY – Includes a person, persons, firm, partnership, limited liability partnership or corporation, agency, unincorporated proprietorship, association or group, or corporation, and includes any trustee, receiver, assignee, or other similar representatives.

EXCLUSIVE RIGHT - A power, privilege, or other right excluding or preventing another from enjoying or exercising a like power, privilege, or right. An Exclusive Right can be conferred either by express agreement, by the imposition of unreasonable standards or requirements, or by any other means. Such a right conferred on one or more parties but excluding others from enjoying or exercising a similar right or rights, would be an Exclusive Right. Note: An Exclusive Right to conduct an Aeronautical Activity, which is forbidden by federal regulation, is distinguished from an exclusive right to occupy real estate, which is permitted by federal regulation under certain conditions.

FAA (Federal Aviation Administration) - The division within the Department of Transportation of the United States government that has the responsibility of promoting safety in the air, by both regulation and education.

FIXED BASE OPERATOR (FBO) – Fixed Base Operator" shall be any person(s) having entered into a written lease or agreement with the County for the use of any building, shop, or hangar, having a floor area that is approved by the Airport Director, or for the site upon which such a building might be erected, and who, by further agreement, guarantees to provide fuel on the airport and serve the public with aircraft airframe, engine, and accessories maintenance, and at least three (3) of the following specialized services either directly or through an approved sublessee:

(a) Aircraft Sales
(b) Flight Training
(c) Avionics, Instrument, Propellor Repair
(d) Aircraft Charter and Air Taxi
(e) Aircraft Storage
(f) Specialized Commercial Flying Services
(g) Pilot Supply Store and Planning Facilities

GOVERNMENTAL REGULATIONS– May be used interchangeably with "Regulatory Measures."

GRANT ASSURANCES - Those contractual obligations that are described by law and are undertaken by a public airport sponsor as a condition of receipt of federal airport development grants or federal surplus property.

GRANTEE - Means the term commonly used in various agreements to identify an Entity that has been granted certain rights while operating at the Albert J. Ellis Airport.

GRANTOR - The term commonly used in various agreements identifying Onslow County and/or the Albert J. Ellis Airport.

IMPROVEMENTS – All buildings, structures, and facilities including pavement, concrete, fencing, signs, lighting, and landscaping constructed, installed, or placed on, under, or above any land on the Airport.

IO (INDEPENDENT OPERATOR) – A Commercial Operator that provides Aeronautical Services that is not permanently based at the Airport.

MINIMUM STANDARDS - Those qualifications, standards, and criteria set forth, by the Airport, as the minimum requirements that must be met as a condition for the right and privilege to engage in Aeronautical Activities or Services at the Airport.

NFPA- All codes, standards, rules, and regulations contained in the Standards of the National Fire Protection Association, as may be amended from time to time, and are incorporated herein by reference.

NON-COMMERCIAL - Not for the purpose of securing earnings, income, compensation (including exchange of service) and/or profit.

OPERATOR - Any Entity that has entered into an Agreement with the Airport or has subleased office, shop, hangar, or land from an authorized FBO or SASO to engage in Aeronautical Activities or Services (either Commercial or Non-commercial), and who shall be subject to the Minimum Standards set forth herein.

PERSON – Means a natural person, corporation, partnership, trust, association, or other legal Entity.

PREMISES – The land and/or Improvements leased by an Operator for the conduct of Operator's activities.

PRIVATE FLYING CLUB - A private non-commercial organization, whose members own equal shares, established to promote flying, develop skills in aeronautics, including pilotage, navigation, and awareness and appreciation of aviation requirements and techniques.

RAMP (OR APRON) - An area of the Airport within the AOA designated for the loading, unloading, servicing, or parking of Aircraft.

REGULATORY MEASURES – All Federal, state, county, local, and Airport, laws, statutes, codes, ordinances, policies, standards, rules and regulations, including, without limitation, those of the United States Department of Transportation, the United States Department of Homeland Security, TSA, FAA, EPA, OSHA, NFPA, ARFF Standard Operating Guidelines, the Airport Certification Manual, the Airport Security Program, the Airport's Standard Operating Procedures, and Airport Policies; all as may be in existence, hereafter enacted, and amended from time to time, which are applicable to the use of the Airport and the Operator's activities, operations, or utilization of any leased premises thereon.

SASO (SPECIALIZED AERONAUTICAL SERVICE OPERATOR) - A Commercial Operator that provides

any one or more of the following Aeronautical Activities or Services:

a. Aircraft charter and air taxi services
b. Aircraft management services
c. Aircraft airframe and powerplant maintenance
d. Aircraft rental
e. Aircraft sales
f. Avionics, instrument or propeller services
g. Commercial Aircraft storage services
h. Flight training
i. Other specialized commercial aviation services
j. Temporary specialized commercial aviation services

SELF-FUELING – The fueling or servicing of an Aircraft by the owner of the Aircraft or the owner's employee using his/her own vehicles, equipment, and resources. Self-Fueling is not permitted without the prior written approval of the Airport Director.

SELF-SERVICE - Maintenance, repair, cleaning, or other servicing of an Aircraft performed by the Aircraft owner (or the owner's employee) using resources (goods) obtained by the Aircraft owner and vehicles or equipment owned by the Aircraft owner. 14 CFR Part 43 permits the holder of a pilot certificate to perform specific types of preventative maintenance on any Aircraft owned or operated by the pilot. For a list of such preventive maintenance activities refer to 14 CFR Part 43. "Owned Aircraft" is an Aircraft that is owned or leased and operated under the full and exclusive control of the Aircraft owner or Operator.

SUBLEASE OR SUBCONTRACT - An Agreement entered by an Entity with an Operator that transfers rights or interests in Operator's Premises and is enforceable by law.

THROUGH-THE-FENCE OPERATION - Direct access to the Airport from private property located contiguous to the Airport which provides access to the Airport's runway and taxiway system or other infrastructure.

TSA - Transportation Security Administration of the U. S. Department of Homeland Security.

SECTION THREE – GENERAL REQUIREMENTS

All Operators engaging in Aeronautical Activities at the Airport shall meet or exceed the requirements of this Section Three as well as the specific Minimum Standards applicable to the Operator's Activities, as set forth in subsequent sections.

1. **EXPERIENCE/CAPABILITY**
   Operator or its key management personnel assigned to the Airport shall have such business background and shall demonstrate its business capability and financial responsibility and capacity to the satisfaction of, and in such manner as to meet with the approval of, the Airport.

   Any prospective Operator seeking to conduct an Aeronautical Activity at the Airport shall demonstrate that they have the resources necessary to realize the business objectives established by the Operator. Section Six – Application for Agreement (Application/Proposal Requirements) should be used as a guide to assist a prospective Operator in demonstrating resources and capabilities.

2. **AGREEMENT REQUIRED**
   No Entity shall be permitted to use any land or improvements, conduct any Aeronautical Activity or Service, or solicit business in connection there with unless such activity is conducted in accordance with these Minimum Standards, as amended from time to time by the Airport; and unless the Entity has a valid Agreement or License with the Airport allowing the conduct of such specifically authorized activities on the Airport. In the event of a conflict between an Agreement and the Minimum Standards, the Agreement shall govern.
   An Operator shall not engage in any commercial activity not specifically authorized by an Agreement or License.

3. **PAYMENTS OF RENTS, FEES, AND CHARGES**
   All Operators shall comply with the Fee Schedule enacted by the Airport or as otherwise specified in a written Agreement or Permit with the Airport.

4. **PREMISES AND MISCELLANEOUS FACILITY REQUIREMENTS**
   Operator shall, at a minimum, lease the land and/or Improvements stipulated for the Activity in these Minimum Standards. All Commercial Aeronautical Activities must be conducted on Airport property.

   Premises used for Commercial purposes that require public access shall have direct landside access for vehicle and customer access. Space used for public reception, waiting areas or lounges shall be air conditioned/heated, provide access to a restroom and the space shall provide adequate space for employee areas, storage, and work areas. Approved security procedures shall be applied to prevent unauthorized access to restricted areas and must abide by the requirements set forth by the Airport and/or TSA-approved Airport Security Program.

5. INDEPENDENT OPERATORS

The Airport may enter into an agreement that permits a person or entity to access the Airport, or portions thereof, for the purpose of performing an aeronautical activity as defined in Section Two. A person or entity that performs an aeronautical activity at the Airport but does not lease or occupy Airport premises under a long-term lease for the conduct of that activity is considered an Independent Operator ("IO"). For purposes of these Minimum Standards, the lease of a t-hangar, tie-down, or other aircraft storage space shall not, by itself, constitute a permanent, long-term lease for purposes of determining whether a person or entity qualifies as an IO.

An IO may conduct an approved aeronautical activity at the Airport subject to these Minimum Standards, the terms and conditions of any applicable agreement or lease with the Airport, Airport rules and regulations, and all applicable federal, state, and local laws and regulations.

All persons or entities wishing to engage in an aeronautical activity on a commercial basis as an IO must submit an application as defined by the Airport Director, pay the appropriate application fee, and receive written approval from the Airport Director prior to engaging in the proposed activity.

An IO may lease a t-hangar, tie-down, or other aircraft storage space from the Airport without losing its status as an IO, provided that such lease is primarily for aircraft storage or similar limited use and is not a long-term lease of premises for the conduct of the aeronautical activity. The Airport may establish reasonable conditions governing the IO's access to and use of Airport facilities and property in connection with its approved aeronautical activity.

6. FACILITY MAINTENANCE

Unless otherwise agreed to in writing, Operator shall, at its own expense, keep and maintain the Premises leased for its own use and all such improvements and facilities and additions thereto, constructed or installed by it or by Airport, in good repair and in clean, neat, orderly, and fully functional condition, reasonable wear and tear excepted, during the term of any Agreement, including all structural, interior, and exterior maintenance of all facilities, all landscaping, all utilities, all lighting, and all paved areas. Operator is also expected to provide all necessary cleaning services and waste removal and replace any property that has been damaged by Operator's activities. More specific maintenance responsibilities shall be detailed in the Agreement.

Operator shall be responsible for snow removal on its leased aircraft ramps and other premises.

Operator shall always provide safe and clear passageways and access for emergency vehicles and other authorized users.

7. PRODUCTS, SERVICES AND FACILITIES

An FBO may conduct any activity or activities, meeting the applicable standards specified herein, in addition to those specifically identified and required of an FBO

in Section 4 - Fixed Base Operator.

A Specialized Aeronautical Service Operator (SASO) may engage in any of the permissible Aeronautical Activities identified for a SASO in Section 5 - Specialized Aeronautical Service Operator.
Operators are expected to (1) provide products, services, and facilities on a reasonable and not unjustly discriminatory basis to all consumers, (2) charge reasonable and not unjustly discriminatory prices (while being allowed to make reasonable discounts to volume purchasers), and (3) conduct Activities in a safe, efficient, and first class professional and workmanlike manner.

8. EXCLUSIVE RIGHTS

No person shall be granted an exclusive right to conduct any Aeronautical Activity on the Airport as mandated by FAA regulations regarding exclusive rights and minimum standards for Aeronautical Activities.
The grant of an exclusive right for the conduct of any aeronautical activity, on an airport on which Federal funds, administered by the FAA, have been expended, is regarded as contrary to the requirements of applicable laws, whether such exclusive right results from an express agreement, from the imposition of unreasonable standards or requirements, or by any other means. However, certain circumstances may exist whereby exceptions to the granting of exclusive rights may occur:

a. Single Activity. The presence on an airport of only one enterprise conducting Aeronautical Activities does not necessarily mean that an exclusive right has been granted. If there is no intent by express agreement, by the imposition of unreasonable standards, or by other means to exclude others, the absence of a competing activity is not a violation of this policy. This sort of situation frequently arises where the market potential is insufficient to attract additional Aeronautical Activities. So long as the opportunity to engage in an Aeronautical Activity is available to those who meet reasonable and relevant standards, the fact that only one enterprise takes advantage of the opportunity does not constitute a grant of an exclusive right.

b. Space Limitations. It will not be construed as evidence of intent to exclude others if all available Airport land or facilities suitable for a specific Aeronautical Activity is leased to a single entity if it can be reasonably demonstrated that the total space leased is presently required and will be immediately used to conduct the planned activity restrictions Based on Safety. Under certain circumstances, it is sometimes necessary to deny the right to engage in an Aeronautical Activity at an airport for reasons of safety.

9. NON-DISCRIMINATION

Operator agrees to abide by those certain covenants and assurances required or recommended by the FAA, TSA, North Carolina Department of Transportation (NCDOT), United States Department of Transportation (USDOT) or by Federal or North Carolina statute. In the event of breach of any such covenant, the Airport shall have the right to terminate any Agreement and to reenter and repossess any land and/or facilities thereon and hold the same as if said Agreement had never

been made or issued. It is further understood and agreed that the Airport shall have the right to take such action as the Federal Government may lawfully direct to enforce this obligation. In the event future covenants and/or assurances are required of the Airport by the USDOT, NCDOT, FAA or TSA, which are applicable to an Agreement, Operator agrees that it will conform with the provisions thereof so long as the Agreement is in effect.

Operator shall not discriminate against any person or class of persons by reason of race, creed, color, national origin, sex, age, or physical handicap in providing any products or services or in the use of any of its facilities provided for 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.

10. LICENSES, PERMITS, CERTIFICATIONS, AND RATINGS

Operator shall obtain, maintain, and display in a prominent location all applicable licenses, permits, certifications and/or ratings for the activities specified herein and shall, upon request, provide copies to the Airport.

11. PERSONNEL

Operator shall have in its employ, on duty, and on Premises during Hours of Activity, courteous, properly trained, fully qualified and certificated (if applicable), and current in the function/position for which they are employed and working, personnel in such numbers as are required to meet these Minimum Standards and to meet the reasonable demands of the aviation public for each Activity being conducted in a safe, efficient, courteous, and prompt manner. Operator shall also maintain, during all business hours, a responsible person in charge to supervise the operations on the Premises with the authorization to represent and act for and on behalf of Operator.

Employee Appearance and Conduct - Operator shall be responsible for the conduct, demeanor, and appearance of its officers, agents, employees and representatives. Employees on duty shall wear uniforms bearing company logo or wear other suitable attire appropriate for the nature of work. Employees shall be trained by Grantee to render high quality, courteous, and efficient service. Grantee shall closely supervise service personnel to assure a high standard of service.

Employees, when required, shall be able to obtain TSA-Approved Airport identification/access control media and shall adhere to all requirements set forth concerning use, display and control of said media. Employees shall also immediately notify the Airport upon any acts or conditions that would nullify the ability for that employee to obtain or retain said media.

No offensive or profane language or symbols may be worn or displayed by any employee while on the Airport. Each employee will always conduct themselves in a professional manner.

Upon receipt of a written objection from the Director concerning the conduct or demeanor of any of Operator's employees, Operator shall promptly eliminate the basis for the objection and shall take any action reasonably necessary to prevent a recurrence of the same or similar conduct or demeanor.

Employees not adhering to the above requirements, in the opinion of Director, will be asked to immediately comply or leave the Airport until such time they are in full compliance.

12. AIRCRAFT, VEHICLES, AND EQUIPMENT

All required Aircraft, Vehicles, and Equipment must be fully operational, functional, and available at all times and capable of providing all required products and services. Every attempt to maintain back-up vehicles and equipment shall be made by the Operator. In the event equipment/vehicles become inoperative and impact the ability to provide a service, the Operator shall notify the Airport immediately.

Vehicles shall be maintained in satisfactory condition so to not damage, pollute or otherwise negatively impact Airport facilities. Vehicles are to be kept clean and free from contaminants that could pose Foreign Object Debris (FOD) occurrences. Anyone operating a vehicle or other equipment conveyance with the AOA shall be current on all Airport driver training requirements and abide by all rules and regulations set forth within. Vehicle operations within the "movement" area of the airport and strictly prohibited unless authorized by the Director.

13. HOURS OF ACTIVITY

Hours of activity shall be clearly posted in public view using appropriate signage. Unless otherwise approved by the Director, operator shall be open and services shall be available to meet the reasonable demands of the public for Activity during normal business hours (8:00 a.m. – 5:00 p.m.) five (5) days a week. Operator shall provide reasonable after-hours, on-call, response time to customer inquiries.

14. COMPLIANCE WITH REGULATORY MEASURES REGARDING SAFETY AND SECURITY, HEALTH AND ENVIRONMENTAL PROTECTION

Airport has overall responsibility for safety, Aircraft rescue/firefighting, law enforcement and security at the Airport as described in 14 CFR Part 139 and 49 CFR Part 1542, among other regulations. Standards and procedures for meeting these requirements are defined in the Airport Certification Manual, the Airport Security Program, and the Airport Standard Operating Procedures. Applicable portions of these standards and procedures may apply to certain Operators on the Airport.

Operators shall obey all rules and regulations promulgated from time to time by the U.S. Department of Transportation, U.S. Department of Homeland Security, the FAA, the TSA, the EPA, the North Carolina Department of Transportation, the North Carolina Department of Health, Onslow County, and the Airport governing the conduct and operation of the Airport and its facilities. In the event the Airport is lawfully assessed and pays a fine because of an act or omission of Operator, its employees, agents, customers, and invitees, in violation of any Regulatory

Measure or this Section, Operator shall reimburse the Airport for such payment within thirty (30) days of the Airport providing such notice of payment. Nothing in this provision shall prevent an Operator from contesting in good faith such fine.

Operators whose facilities have direct access to the AOA, or other secured, sterile or restricted area, shall develop, maintain, and comply with a security program that has been approved by the Airport, and shall also comply with the Airport Security Program.

Operator shall always and in all respects comply with local, State, and Federal laws ordinances, regulations, and orders relating to environmental protection, industrial hygiene, or the use, generation, manufacture, storage, disposal, or transportation of Hazardous Materials on, about, or from the Airport.

15. INDEMNIFICATION AND INSURANCE

Operators shall not commence operations or construction until Operator has obtained the types and amounts of required insurance and until such insurance has been reviewed by the Airport or a Certificate of Insurance is received indicating required coverage. All prospective and existing Operators shall provide to the Airport's satisfaction evidence of their ability to procure and maintain insurance coverage in the amounts stipulated for each type of activity according to the insurance requirements established by the airport in consultation with its risk management agent(s) or insurance carriers, as may be amended from time to time. The limits stipulated for each Activity represent the minimum coverage and amounts that shall be maintained by Operator to engage in Activities at the Airport. Operator shall conduct its own analysis, in conjunction with its own risk management agent(s), to determine if additional coverage is needed.
The current minimum insurance requirements are specified in Appendix One and they are subject to periodic modifications. Current requirements are kept on file with the Airport.

Operator shall protect, defend, and hold the Airport and the County and their officers and employees, individually and collectively, completely harmless from and against liabilities, losses, suits, claims, judgments, fines or demands arising by reason of injury or death of any person or damage to any property, including all reasonable costs for investigation and defense thereof (including but not limited to attorneys' fees, court costs, and expert fees), of any nature whatsoever arising out of or incidental to an Agreement and/or the use or occupancy of the leased/assigned Premises by Operator, or the acts or omissions of Operator, its officers, agents, employees, contractors, subcontractors, licensees, or invitees, regardless of where the injury, death, or damage may occur, except to the extent such injury, death or damage is caused by the act or omission of Airport, its agents, representatives, contractors or employees. Airport shall give to Operator reasonable notice of any such claims or actions.

Policies of insurance shall be in a form and with companies (authorized to write insurance in the State of North Carolina) satisfactory to the Airport having an A.M. Best rating of A- VIII or better. Operator shall be fully responsible for any insurance policy deductible(s) for which the required insurance applies. The Airport and

County shall be named as additional insureds on a "primary and non-contributory" basis on the General Liability, Automobile, Employers Liability, and Excess or Umbrella policies; furthermore, a waiver of subrogation in favor of the Airport and County is required on these insurance policies. Required policies shall not be cancelled or altered without 30 days advance written notice to the Airport. Required policies shall cover and protect the Airport and County and their officers and employees, individually and collectively.

If required insurance coverage is cancelled, changed in coverage, or reduced in limits, Operator shall, within 30 days but in no event later than the effective date of cancellation, change or reduction, provide to the Airport a certificate showing that insurance coverage has been reinstated or provided through another carrier. Failure to provide required insurance in an event of default under a Lease, Agreement or License with the Airport.

16. TAXES AND ASSESSMENTS

Operator shall, at its sole cost and expense, pay all taxes, fees, and other charges that may be lawfully levied, assessed, or charged by any duly authorized governmental body associated with Operator's Premises, Operator's improvements, or equipment on Premises, and/or Operator's Activities.

17. MULTIPLE ACTIVITIES

When more than one Activity is conducted, the minimum requirements shall vary, as reasonably determined by the Director, depending upon the nature of each Activity or combination of Activities, but shall not necessarily be cumulative.

18. NEW ACTIVITIES

Aeronautical Activities may be proposed that do not fall within the categories designated herein. In any such cases, appropriate minimum standards shall be developed at such time on a case-by-case basis for such Activities and/or incorporated into the Operator's Agreement.

19. EXISTING AGREEMENTS

It is understood that the establishment of these Minimum Standards is not retroactive and will not alter certain provisions or requirements of existing Agreements or Licenses between the Airport and existing Operators.
All entities will become subject to these standards immediately following the expiration, termination, and/or modification of any Agreement through extension, renewal, or significant amendment, addendum, or other means. Compliance with these Standards shall be required as a condition of approval to modify, extend, or renew an existing Agreement.

20. CONSTRUCTION/ALTERATIONS

Construction of all Improvements and alterations, including but not limited to, offices, hangars, access roads, access taxiways, storm water and drainage facilities, vehicle parking areas and Aircraft Ramps/Aprons and parking areas, shall be in accordance with design and construction standards established by the Airport, and in accordance with applicable federal, state and local codes, ordinances, laws, standards, and rules and regulations. Operator shall not

proceed with any construction, remodeling, demolition, or installation of infrastructure on the Premises without first submitting detailed construction plans and specifications to the Director and obtaining written approval of plans and specifications for such work from the Director.

The approval by Director of plans and specifications shall not constitute a representation or warranty that such plans and specifications comply with the requirements of any governmental agency or code, and responsibility therefore shall always remain with the Operator.
FAA form 7460-1, "Notice of Proposed Construction or Alteration" will be filled out by an Operator in consultation with the Airport and submitted by Airport to the FAA to initiate the required airspace study. An unobjectionable determination from the FAA shall be received prior to commencement of construction of any structures.

Appropriate performance and payment bonds and insurance shall be maintained during all periods of construction.

All structures placed upon the Operator's Premises shall be of permanent construction. No portable, temporary, or modular structures shall be permitted unless approved by the Director. No short-term leased structures shall be permitted, except during periods of construction on the Premises.

When improvements to the Premises are required to meet the terms of an Agreement, Operator shall commence construction within the time period specified in the Agreement. The Operator's failure to commence or complete construction within the approved timelines will be an event of default.

A) AIRCRAFT PARKING RAMPS/APRONS AND PAVED TIE-DOWN AREAS
Aircraft Parking Ramps/Aprons and Paved Tie-Down areas constructed/maintained by the Operator shall be paved in accordance with Airport and FAA design guidelines for the largest and heaviest aircraft or other vehicle anticipated to use the ramp on a regular basis. The ramps shall be adequately sized to accommodate the movement, staging, and parking of Aircraft expected to use the area without interfering with the movement of Aircraft in and out of other facilities and Aircraft operating in common taxi lanes or taxiways.

B) HANGAR RAMPS
Ramps associated with hangars shall be sufficient, in size, to accommodate the movement of Aircraft into and out of the hangar, staging, and parking of customer and/or Operator Aircraft without interfering with the movement of Aircraft moving in and out of other facilities and/or Aircraft operating in taxi lanes or taxiways. Hangar ramps shall generally be no smaller than 1.5 times the square footage of the hangar bay, unless specified otherwise in a specific standard.

C) AUTOMOBILE PARKING
Paved Automobile Parking shall be in an amount to either comply with County codes, or sufficient to accommodate all of the Operator's and its tenant's customers, employees, visitors, vendors, and suppliers on a daily basis, whichever is

greater. Unless otherwise made available by the Airport, paved automobile parking shall be entirely on Operator's Premises and located in close proximity to the Operator's main facility. On-street vehicle parking is not allowed. Parking lots shall be paved with curb and gutter and proper drainage. All driveways, and access points for fuel delivery trucks, shall be paved.

D) STORM WATER AND DRAINAGE

Leaseholds shall be sufficiently sized to include all required improvements on-site, including any on-premises water quality or drainage facilities necessary to comply with applicable regulations and the Airport Storm Water Pollution Prevention Plan (SWPPP). All storm water detention facilities shall be constructed and maintained at Operator's expense. Drainage and detention facilities shall be designed in accordance with Airport and FAA guidelines and shall not create a wildlife attractant. However, upon approval of the Airport, on-premises detention facilities may not be required if the leasehold is in an area of the Airport which already has sufficient storm water drainage facilities and capacity, and the tenant is permitted to utilize the master drainage system. Operators shall be required to follow Best Management Practices for storm water treatment in accordance with Airport and County policies.

E) UTILITIES

Operators shall generally be responsible for providing all necessary utility services to their Premises, at their own cost and expense. However, the Airport may choose to install certain utilities, and in such an event, the Operator may be required to participate in the pro-rata sharing of costs to construct and provide such utilities.

F) LANDSCAPING

Operators shall install and maintain, at their own expense, approved landscaping on its Premises in accordance with the Airport's design guidelines and Standard Operating Procedures. Landscaping shall not create a wildlife attractant.

G) SPECIAL ASSESSMENTS

Operators may be required to participate in pro-rata sharing of costs through special assessments when common use infrastructure (e.g., utilities, roadways, taxiways, drainage systems, etc.) must be developed and installed by the Airport to serve Operator's needs.

21. SUBLEASE ACTIVITIES

All Sublease Agreements require the prior written approval of the Airport, except for Subleases for aircraft storage space and offices normally leased out by FBOs and Commercial Hangar Operators. All commercial activities proposed to be conducted on an Operator's Premises by a sub lessee shall receive the prior written approval of Airport.

SECTION FOUR – FIXED BASE OPERATOR

1. GENERAL REQUIREMENTS

In addition to the General Requirements set forth in Section Three, each Fixed Base Operator at the Airport shall comply with the Minimum Standards set forth in

this Section Four.

An FBO may Subcontract Major Aircraft Airframe and Powerplant Maintenance to a qualified SASO (i.e., a SASO can fulfill this mandatory requirement of an FBO) provided that the Subcontract and/or Sublease Agreement are approved in writing in advance by the Airport and the subcontractor obtains a License from the Airport to conduct such business. SASOs must meet all applicable requirements for the subcontracted operation. The FBO shall remain primarily responsible for any services performed by a subcontractor and the compliance by such subcontractor with these Minimum Standards.

In addition to the required services listed above, an FBO may also engage in any additional SASO activity outlined in these Standards that it may wish to offer, so long as the Airport approves in advance the addition of those services or activities. An FBO may also provide other commercial operations not identified in these Standards that are complementary and/or supportive of aviation activities provided such additional services are approved in writing by the Airport.

SASOs can sublease space from an FBO in order to meet Minimum Standards for the SASO activity as long as the FBO meets the Premises requirement for both the FBO and the SASO activity, and prior Airport approval is obtained in writing.

2. PREMISES & FACILITIES

In addition to the minimum premise and facility requirements outlined in Section 3 herein, the FBO shall provide adequate space for the following uses:

- pilot lounge and/or rest area
- flight planning area with necessary equipment

If the FBO engages in additional Commercial Activities (beyond those required in this section), the FBO shall comply with the space requirements stipulated for each additional activity; however, the requirements shall not necessarily be cumulative.

3. FUELING

An FBO shall be required to comply with and/or provide the following:

Fuel-dispensing equipment, meeting all applicable Regulatory Measures for each type of fuel dispensed.

Adequate bonding wires continuously inspected and maintained, on all fueling equipment. Spill kits for mobile fuel storage tanks.

An adequate supply of properly located fire extinguishers and/or equipment as required by applicable fire codes.

FBOs are required to provide both Jet A and 100LL Avgas. Provision for sale of future aviation fuel/energy alternatives and grades will be evaluated by the FBO and airport staff.

A) Mobile Refueler Size/Quantity:
Mobile refueling vehicles (refuelers) shall be designed and built for the purpose of fueling Aircraft, self-propelled, be properly marked/labeled with type of fuel being carried, equipped with a metering device, and have separate dispensing pumps for each grade of fuel. Jet A refuelers shall have the capability to provide "over-the-wing", "single point", and "bottom-loading" capability.

Proper storage and staging of refuelers shall be in accordance with all applicable Regulatory Measures.

B) Backup Equipment:
An FBO having only <u>one</u> (1) refueler shall be required to have immediate access to the use and operation of a temporary replacement refueler should the primary vehicle used to meet these Minimum Standards become inoperative and/or unable to dispense fuel. Such access shall be conveyed through written agreement clearly stating the terms and conditions under which refueler shall be made available to FBO. Copies of such agreement shall be made available to the Director upon request.

C) Use of Equipment
With respect to the use and operation of the equipment described herein, FBO shall be liable for any leaks, spills and/or other damage that may result from the handling, storage, or dispensing of fuel.

4. OTHER EQUIPMENT

Regarding Aircraft line service activities, the FBO shall provide and maintain adequate Equipment or availability of contract services for:

- Tie-down facilities, including rope, chains, and other types of restraining devices (e.g., wheel chocks).
- Adequate loading, unloading and towing equipment (tugs and tow bars) to move Aircraft safely and efficiently as necessary.
- Repairing and inflating Aircraft tires and servicing struts.
- Changing oil.
- Cleaning Aircraft windows.
- Recharging or energizing discharged Aircraft batteries.
- Oxygen, nitrogen, and compressed air.
- Lavatory servicing.
- Ground power and air conditioning/heating.
- Aircraft deicing.
- Engine pre-heating
- Cleaning and deodorizing the interior of the Aircraft.
- Contacting service personnel.
- Tools and jacks for removal of disabled Aircraft from the Airfield.
- Crew/courtesy vehicles.

The quantity of such equipment shall be based upon that required to support the Aircraft normally frequenting the FBO's Premises to include backup/replacement equipment. FBO's not able to provide the above service directly shall make available contact information for a contractor able to provide this service.

5. HOURS OF ACTIVITY

Aircraft fueling, line services, and passenger, crew, and support amenities shall be continuously offered and available to meet the reasonable demands of the public for this Activity seven (7) days a week (including holidays). The FBO must always ensure personnel and services are available after- hours as-needed and on-call, with a response time not to exceed one (1) hour.

Aircraft Maintenance and Aircraft recovery/removal services shall be continuously offered and available to meet reasonable demand of the public. Aircraft Maintenance and Aircraft recovery/removal services and personnel shall be available after-hours, on-call, with a response time not to exceed two (2) hours.

The Airport reserves the right to require that facilities be open and staffed during other times based upon the public benefit and/or need.

6. AIRCRAFT AIRFRAME AND POWERPLANT MAINTENANCE

The FBO shall be certified as an FAA Repair Station under FAR Part 145. An FBO is permitted to subcontract the required Aircraft Maintenance service through a Subcontract and Sublease of its facilities to a qualified SASO with prior written Airport approval.

7. AIRCRAFT RECOVERY/REMOVAL

To maintain the operational readiness of the Airport, upon request from the Airport, the FBO shall respond to the Airport and promptly begin the steps necessary to remove disabled Aircraft (up to the largest Aircraft based or routinely serviced at the FBO) from the Airfield. This service may be contracted out based upon size of aircraft and availability of equipment needed for removal.

SECTION FIVE- SPECIALIZED AVIATION SERVICE OPERATORS (SASO)

1. FUEL

A SASO is not permitted to store fuel or dispense fuel on its Premises.

A SASO is not permitted to provide, sell, or dispense aviation fuel to (or barter, trade, or exchange aviation fuel with) the public and/or any other Entity.

2. OTHER

An FBO may Subcontract Aircraft Airframe and Powerplant Maintenance services to a qualified SASO (i.e., a SASO can fulfill that mandatory requirement of an FBO). SASOs must meet all applicable requirements for the subcontracted operation. The FBO shall remain primarily responsible for any services performed by a subcontractor and the compliance by such subcontractor with these Minimum Standards. SASOs can sublease space from an FBO in order to meet its Minimum Standards as long as the FBO meets the Premises requirement for both the FBO and SASO activity, and prior Airport approval is obtained in writing.

3. SUBLEASING

A SASO shall not sublease space to other Operators, nor shall it permit any Commercial Activities to be conducted on its Premises other than those specifically authorized in the Agreement with the Airport.

4. TEMPORARY SASO OPERATORS

On occasion, an Aircraft Operator may have need for specialized assistance with the maintenance of its Aircraft. When such assistance is not available at the Airport from an existing FBO or SASO, the Airport may allow an Aircraft Operator to solicit and utilize the services of a qualified Entity from off the Airport to provide those services.

If an Aircraft Operator needs such services, the Airport may issue a temporary License to such an off-Airport Entity to engage in specialized services on the Airport. The License may be renewed, if necessary, until repairs are completed. Such License shall require evidence of proper insurance coverage, evidence of proper licenses and certificates, processing of TSA security clearances, etc.

5. MULTIPLE SERVICES

If a SASO desires to operate a combination of any two (2) or more Aeronautical Activities, it shall not be required to duplicate the requirements of the individual activities if the SASO's facilities are sufficient to safely meet both requirements. The Operator shall provide evidence of insurance coverage equal to the highest of the minimums set forth for the individual categories but is not required to duplicate coverage.

AIRCRAFT CHARTER AND AIR TAXI OPERATOR (SASO)

1. DEFINITION

An Aircraft Charter and Air Taxi Operator is a Commercial Operator engaged in on-demand common carriage of persons or property (as defined in 14 CFR Part 135), or operates in private carriage under 14 CFR Part 125 with its own fleet of Aircraft. Aircraft Charter and Air Taxi Operators providing non-scheduled service to and from the Airport, but not based at the Airport, are exempt from these Minimum Standards. In addition to the General Requirements set forth in Section Three, each Aircraft Charter and Air Taxi Operator at the Airport shall comply with the following Minimum Standards set forth in this Section Five.

COMMERCIAL HANGAR OPERATOR (SASO)

1. DEFINITION

A Commercial Hangar Operator (CHO) is a Commercial Operator that develops hangar facilities for the sole purpose of furnishing to the public Aircraft storage hangar facilities on a long-term sublease basis (i.e., one year or longer). No hangar sales or condominium ownership is permitted. A CHO may build bay-style community hangars, individual hangars, Box hangars, T-Hangars, or any combination or type as approved by the Airport. In addition to the General Requirements set forth in Section Three, each Commercial Hangar Operator at the Airport shall comply with the following Minimum Standards set forth in this Section Five.

2. SPECIFIC CONDITIONS FOR USE

- No transient, guest, or overnight Aircraft storage is permitted. Only long-term leasing (one year or longer) of hangars is allowed without prior approval from the Airport Director.
- Commercial Activities or services (such as flight schools, aircraft charter or air taxi, aircraft maintenance, aircraft sales, or any other SASO Activity where the public could be invited into the Premises) may be permitted if the proposed Commercial Activity will meet all requirements (including minimum space) of these Minimum Standards, appropriate space is available, proper parking is constructed, and security/access controls are established.
- If Aircraft maintenance takes place on the Premises, painting, welding, and any type of hazardous materials storage or operation shall not be permitted unless the facilities are constructed in accordance with applicable codes and Regulatory Measures.
- Storage of non-Aircraft items (e.g., boats or other watercraft, snowmobiles, recreational vehicles, household goods, office equipment, etc.) is not permitted.
- A Non-Commercial Private Hangar Operator, or an Entity which operates Aircraft for its private and non-revenue-producing purposes, shall not be permitted to be a Commercial Hangar Operator.
- Any sub-subleases of hangar spaces require the prior written approval of the Director, subject to these Minimum Standards, the terms and conditions of any applicable agreement or lease with the Airport, Airport rules and regulations, and all applicable federal, state, and local laws and regulations.
- Operator shall maintain at all times a current list of tenants and shall

provide it to Director upon request.

- Facilities shall be available to customers seven days a week (including holidays), 24 hours a day.

AIRCRAFT MAINTENANCE OPERATOR (SASO)

1. **DEFINITION**

   An Aircraft Maintenance Operator is a Commercial Operator engaged in providing Aircraft Airframe and Powerplant Repair and Maintenance to the public and includes the sale of Aircraft parts and accessories. In addition to the General Requirements set forth in Section Three, each Aircraft Maintenance Operator at the Airport shall comply with the following minimum standards set forth in this Section Five.

2. **AIRCRAFT PAINTING**

   For paint, varnish or lacquer spraying and removal operations, the arrangement, construction, ventilation, and protection of spraying booths, and the storage and disposal of materials, shall be in accordance with federal, state and locally recognized fire prevention and environmental standards.

AVIONICS, INSTRUMENT, ACCESSORY AND/OR PROPELLER MAINTENANCE OPERATOR (SASO)

1. **DEFINITION**

   An Avionics, Instrument, Accessory and/or Propeller Maintenance Operator is a Commercial Operator engaged in the business of maintenance, alteration, or sale of one or more of the items described in 14 CFR Part 43, Appendix A (e.g., Aircraft radios, electrical systems, instruments, or propellers). In addition to the General Requirements set forth in Section Three, each Avionics or Instrument Maintenance Operator at the Airport shall comply with the following minimum standards set forth in this Section Five.

AIRCRAFT RENTAL AND/OR FLIGHT TRAINING OPERATOR (SASO)

1. **DEFINITION**

   An Aircraft Rental Operator is a Commercial Operator engaged in the rental of Aircraft to the public to include any necessary competency checks, check rides and/or transition training associated with Aircraft Rental Activities. In addition to the General Requirements set forth in Section Three, each Aircraft Rental Operator at the Airport shall comply with the following Minimum Standards set forth in this Section Five.

   A Flight Training Operator is a Commercial Operator engaged in providing flight instruction to the public including flight training using fixed and/or rotary wing Aircraft and providing such related ground school instruction as is necessary preparatory to taking a written examination and flight check ride for the category or categories of pilot certificate(s) and rating(s) involved. In addition to private pilot and commercial pilot license and instrument rating training, Operator provides recurrent training (e.g. biennial flight review, instrument competency

check, etc.).

AIRCRAFT SALES OPERATOR (SASO)

1. **DEFINITION**

An Aircraft Sales Operator is a Commercial Operator engaged in the sale of new and/or used Aircraft. In addition to the General Requirements set forth in Section Three, each Aircraft Sales Operator at the Airport shall comply with the following Minimum Standards set forth in this Section Five.

New Aircraft Sales: Operator may engage in the sale of new Aircraft through franchises or licensed dealerships (if required by local, county or state Airport) or distributorship (either on a retail or wholesale basis) of an Aircraft manufacturer; and provide such repair, services, and parts as necessary to meet any guarantee or warranty of Aircraft sold.

Used Aircraft Sales: Operator may engage in the purchase and/or sale of used Aircraft accomplished through various methods including Aircraft brokering, assisting a customer in the purchase or sale of an Aircraft, or purchasing used Aircraft and marketing them to potential purchasers.
Operator shall provide, either directly or by subcontracted agreement, necessary and satisfactory arrangements for repair and servicing of Aircraft, for the duration of any sales guarantee or warranty period. Operator shall have a representative example of the product available for demonstration.

2. **PREMISES**

In addition to the above listed Facilities and Parking requirements, Operator shall have adequate facilities to meet its customer demand with sufficient space for:

- Aircraft ramp to accommodate its inventory of Aircraft
- Hangar, shop, and parts storage space if providing warranty maintenance and service

AIRCRAFT MANAGEMENT OPERATOR (SASO)

1. **DEFINITION**

An Aircraft Management Operator is a Commercial Operator engaged in the business of providing Aircraft management services to the public for Aircraft not owned by the Operator including, but not limited to, flight scheduling and dispatching, provision of flight crew (pilot) services, and/or coordinating Aircraft fueling, line services, ground handling, maintenance, and storage.

SPECIALIZED COMMERCIAL AERONAUTICAL OPERATOR (SASO)

1. **DEFINITION**

A Specialized Commercial Aeronautical Operator is a Commercial Operator (SASO) engaged in providing: (1) limited Aircraft services and support, (2) miscellaneous commercial services and support, or (3) limited air transportation

services for hire. In addition to the General Requirements set forth in Section Three, each Specialized Commercial Aeronautical Operator at the Airport shall comply with the minimum standards set forth in this Section Five.

SCOPE OF ACTIVITIES

Activities may include, but are not limited to:

a. Sightseeing flights that begin and end at the Airport; or
b. Crop-dusting, seeding, spraying; or
c. Banner towing and/or aerial advertising; or
d. Aerial photography and/or survey; or
e. Power line patrol; or
f. Aerial firefighting; or
g. Aircraft cleaning and detailing; or
h. Air ambulance; or
i. Aircraft painting, upholstery, or interior shops; or
j. Flight simulator training or ground schools; or
k. Aircraft restoration or refurbishment shops; or any other operations specifically excluded from 14 CFR 135

SECTION SIX – APPLICATION FOR AGREEMENT

AERONAUTICAL ACTIVITY APPLICATION

Any Entity desiring to engage in a Commercial Aeronautical Activity shall submit a written application to the Director and pay the permit application fee as defined in the schedule of charges.

APPLICATION

The prospective FBO and SASO Operators shall submit all the information requested on the Application/Proposal Requirements checklist below and thereafter shall submit any additional information that may be required or requested by the Director in order to properly evaluate the application and facilitate an analysis of the prospective operation including, but not limited to, verifiable history of experience, financial statements, references, etc. IO applicants are excluded from certain proposal requirements due to the nature of their operations.

No application will be deemed complete that does not provide the Director with the information necessary to allow for a meaningful assessment of the Applicant's prospective operation and capabilities and determine whether the prospective operation will comply with all applicable Regulatory Measures and be compatible with the Airport's Master Plan or Airport Layout Plan.

APPLICATION/PROPOSAL REQUIREMENTS

An application submitted to the Airport shall include the following information in written form (as applicable and appropriate to the type of activity proposed):

1. The proposed nature of the business. Provide a detailed description of the intended nature of the business operation and list of services which would be conducted out of all Airport-based facilities. A copy of the business plan and marketing plan should be included. Include the means and methods it will employ to provide high-quality service to Airport users, and to increase business activity at the Airport System. The business plan should include a market analysis of the current business activity at the Airport that is targeted by the proposal.

2. The legal name of Applicant, and its business name (if different) plus address, fax, e-mail, telephone number, of Applicant and its principal contact:
   - If the Applicant is a corporation, include all contact information for the registered agent and the key management of the corporation. List the date of incorporation, EIN Number, the state in which the corporation is incorporated, status of corporation, and any other names the corporation has done business, or by which they may be known. Provide names and positions of each person

who is either an officer of the corporation or an owner of more than 5% of the voting stock, and their taxpayer ID number.

- If the Applicant is a partnership/joint venture, include all contact information for all general partners/investors.
- If the Applicant is an individual person, include all contact information and taxpayer ID number or social security number, and date of birth.

3. Name of all principals and/or holding company and financial backers.

4. Applicant shall furnish a statement of its qualifications and experience in providing the proposed services, together with a statement that it or its principals have the managerial ability to perform the proposed services. Applicant should include resumes of its key employees engaged in the management and operation of the proposed services.

5. List of three references (include name, title, company, telephone number, Email and address).

6. Number and type of Aircraft that will be provided, if applicable.

7. A listing of assets owned, being purchased, or leased which will be used in the business on the Airport.

8. Equipment necessary and special tooling to be provided, if any.

9. Number of persons to be employed (specify full and part time).

10. Periods (days and hours) of proposed operation.

11. Amount of space/land that will be leased (include preferred location and preliminary site plan for initial development and future expansions).

12. Building space to be constructed and the site and floor plan proposed.

13. Construction cost estimate.

14. Construction schedule.

15. List of any prospective sub-Operators and uses.

16. Evidence of financial responsibility to perform project and operation, including audited financial statements prepared or certified by a Certified Public Accountant and/or a bank letter of credit stating financial capability of the applicant to operate the proposed business. In addition to the above, a current credit report from a major credit reporting agency may be required as determined appropriate by the airport director.

17. Preliminary plans, specifications, and dates (including construction schedule and a site plan in accordance with the ALP and land use requirements) for any

improvements, which the applicant intends to make on the Airport as part of the activity for which approval is sought. Applicant shall comply with appropriate construction standards and review procedures of the Airport.

18. Proof that the Applicant has or the capability of having the minimum insurance coverage, by attaching hereto proof of insurance in the form of an "Accord" form, copy of policy binder or other suitable proof of such capability such as an insurance letter of intent.

19. Statement of past work experience in conducting proposed operation and construction.

20. Evidence of business activity projections for the first year and the succeeding four (4) years.

21. Marketing plan to include methods to be used to attract new business (advertising, promotion, and incentives, etc.).

22. Plans for physical expansion if future business should warrant such expansion.

23. Provide copies of all licenses, certifications, and permits possessed by the Applicant, or its key employees that will be based at the Airport, and that are necessary or required to perform the proposed services.

24. Provide details if Applicant, or any Entity operated by the principals of the Applicant, has defaulted in the performance of any Agreement with the Airport, provide details if Applicant, or any corporate officer, substantial owner, or investor, has ever filed for bankruptcy.

25. Provide details if Applicant, or any corporate officer, substantial owner, or investor, has been charged, indicted, accepted diversion for, or been convicted of a felony crime, in any jurisdiction of the United States.

26. A written authorization for use by the Airport to obtain information from the FAA or other applicable Entity for any aviation or aeronautics commissions, administrators, departments of all states in which the applicant has engaged in aviation business to release information in their files relating to the applicant or its operation. The applicant shall execute all such forms, releases, or discharges as may be required by those agencies.

27. Such other information as the Airport may require including, but not limited to, details of any outstanding debts, past or current lawsuits and outstanding warrants or tax liens.

28. Applicant shall provide with its application a signed certification statement as shown below:

Certification Statement

The undersigned is duly authorized to execute this application on behalf of the Applicant. The undersigned also:

1. Certifies that to the best of its knowledge and belief, the information being submitted to the Airport is true and correct and that there are no omissions of material fact or information that render any response to be false or misleading and there are no misstatements of fact in any of the responses.

2. Certifies that the Applicant is following all applicable laws, regulations, ordinances and orders of public authorities.

3. Certifies that the Applicant is not in default under the terms and conditions of any grant or loan agreements, leases, or financing arrangements with any of its creditors.

4. Understands that the contents of this application, and any subsequent material submitted will remain confidential to the fullest extent permitted by the North Carolina Open Records Act.

5. Authorizes the Albert J. Ellis Airport and any of its agents to conduct a background investigation based on the application, including but not limited to a criminal history checks and TSA Security Threat Assessments, reference checks, obtaining information from the FAA and other agencies or airports with which the Applicant has engaged in aviation business, and credit checks and financial investigations, as appropriate. The Applicant shall execute all forms, releases, or discharges as may be required by those agencies.

Signature _____
Position _____
Date _____

Notarized by _____

ACTION ON APPLICATION AND APPROVAL PROCESS

The Airport shall make a reasonable effort to review and act upon an application within ninety (90) days from the receipt of the application.
All applications received and the information contained within will remain confidential to the fullest extent permitted by the Open Records Act. However, because the Albert J. Ellis Airport is a government- owned and operated entity, information related to the Applicant can become public during public meetings, correspondence requests by the public, media announcements, or by public records requests.
Applications may be denied for one or more of the following reasons, among others:

1. The Applicant does not meet qualifications, standards and/or requirements established by these Minimum Standards or other policies of the Airport.

2. The Applicant's proposed operations or construction will create a safety hazard or have a detrimental operational effect on the Airport.

3. The granting of the application will require the expenditure of Airport funds, labor or materials on the facilities described in or related to the application, or the operation will result in a financial loss or hardship to Airport.

4. There is no appropriate or adequate available space on the Airport to accommodate the entire activity of the Applicant.

5. The proposed operation, development and/or construction does not comply with the current Airport Master Plan (AMP) and/or Airport Layout Plan (ALP).

6. The development or use of the area requested will result in a congestion of Aircraft or buildings, or will result in unduly interfering with the operations of any current FBO, SASO, or other tenant on the Airport, such as problems in connection with Aircraft traffic or service, or preventing free access and egress to the existing FBO, SASO, or tenant areas, or will result in depriving, without the proper economic study, an existing FBO, SASO, or tenant of portions of its leased area in which it is operating.

7. Any Entity applying, or having an interest in the business, has supplied false information, or has misrepresented any material fact in the application or in supporting documents, or has failed to make full disclosure on the application.

8. Any Entity applying, or having an interest in the business, has a record of violating any Albert J. Ellis Airport rules, regulations, policies or procedures, , any aviation-related Federal rules and regulations, or any other rule, regulation, law or ordinance applicable to this or any other airport.

9. Any Entity applying, or having an interest in the business, has defaulted in the performance of any Agreement with the Airport, or of any Agreement at any other airport.

10. Any Entity applying, or having an interest in the business, is not sufficiently credit worthy and responsible, in the sole judgment of the Airport, to provide and maintain the business for which the application relates to promptly pay amounts due under an Agreement.

11. The Applicant does not have the finances necessary to conduct the proposed operation. The Applicant must demonstrate financial capability to initiate operations, to construct proposed Improvements, and to provide working capital to carry on the contemplated operations. The demonstration of financial and managerial capability shall include a cash flow and a profit and loss projection for the first five (5) years of the proposed operation.

12. The provided business and marketing plan does not demonstrate that the proposed activity is financially viable at the Airport.

13. The Applicant cannot obtain proper insurance coverage for the proposed activity, or other performance and payment bonds during construction.

14. The proposed activity does not comply with the aviation-related requirements of North Carolina law.

15. The Applicant seeks Agreement terms which are inconsistent with Airport policies.

16. The Applicant and its key employees are unable to successfully pass TSA security threat assessments and background investigations.

17. The proposed activity is inconsistent or incompatible with the Airport System's mission, goals or objectives, or any policies, laws or regulations, or FAA grant assurances, and including the Airport's obligation to run a safe, efficient, and financially self-sufficient business enterprise for the benefit of the public.

DENIAL OF APPLICATION

The Airport always reserves the right to approve or disapprove the application for any proposed Aeronautical Activity or Service. Such approval shall consider the Minimum Standards along with an analysis of the business background, financing and proposed plans for the development of an Aeronautical Activity. Final approval by the Airport shall thus be based on an appraisal of the application regarding the purposes and intent as set forth and based on a commonly acceptable business analysis.

Should an application be denied by the Director, the Applicant may appeal to the Onslow County Commissioners.

APPENDIX ONE

SCHEDULE OF MINIMUM INSURANCE REQUIREMENTS

OPERATOR TYPE	COMPREHENSIVE GENERAL LIABILITY (Including Products/Completed Ops if noted in NOTES below)	HANGARKEEPER'S LIABILITY	AIRCRAFT LIABILITY	AUTOMOBILE LIABILITY
Fixed Base Operator	$10 million	$5 million		$5 million
Aircraft Maintenance	$1 million	$1 million		$1 million
Aircraft Rental/ Flight Training	$1 million		$1 million	$1 million
Avionics/Instrument/ Propeller	$1 million	$1 million		$1 million
Aircraft Sales	$1 million		$1 million	$1 million
Charter/Air Taxi	$5 million		$5 million	$1 million
Aircraft Management	$1 million		$1 million	$1 million
Commercial Hangar	$1 million	$1 million		$1 million
Non-Commercial Hangar	$1 million			$1 million
Specialized Operator	$1 million			$1 million

NOTES:

1. Comprehensive Vehicle/Automobile Liability is required only on vehicles operated on non-public portions of the Airport. Vehicles authorized to operate on the Aircraft Operations Areas (AOA) shall carry $5 million.
2. Hangar keeper's Liability is required when an Operator provides storage, or provides for the care, custody, and control of Aircraft that the Operator does not own. It is not required when an Operator is storing its own Aircraft.
3. Aircraft/Passenger Liability is required when passengers are transported in an Aircraft operated as part of the Operator's business activities.
4. Fixed Base Operators are required to carry a minimum of $5 million in Products Liability coverage for fuel sales activities. This may be provided in conjunction with the fuel supplier.
5. **NOTE - FBOs and Non-Commercial Hangar Operators providing fuel services are required to carry a minimum of $1 million for Pollution and Environmental Consequences Liability coverage.**
6. Aircraft Maintenance Operators and Avionics/Instrument/Propeller/Accessory Repair Operators are required to carry a minimum of $1 million on Products and Completed Operations Liability coverage.
7. All Operators are required to carry Fire and Casualty Insurance coverage for facilities at a Full Replacement Value.
8. All Operators shall carry any other insurance that may be required by State Law.
9. All policies shall name the Airport and County, and their officers and employees, individually and collectively as additional insureds on a **primary and non-contributory basis.**
10. **All policies shall include a waiver of subrogation in favor of the Airport and County, and their**

officers and employees, individually and collectively.

11. Minimum amounts and types of coverage required may be modified from time-to-time by the Airport upon the advice of its risk management agents and insurance carriers.
12. During any period of construction by Operator, appropriate Builders Risk Insurance shall be provided, along with Performance and Payment Bonds.
