

MINIMUM STANDARDS & REQUIREMENTS

FOR

COMMERCIAL AERONAUTICAL ACTIVITIES

AT THE

BEAVER ISLAND AIRPORT

Effective xxxx

**MINIMUM STANDARDS GOVERNING COMMERCIAL AERONAUTICAL ACTIVITIES AT
THE BEAVER ISLAND AIRPORT**

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BEAVER ISLAND AIRPORT

**MINIMUM STANDARDS FOR
COMMERCIAL AERONAUTICAL OPERATORS**

INTRODUCTION

The Beaver Island Airport Commission (hereinafter referred to as the "BIAC"), is charged with the responsibility for the administration of the Beaver Island Airport, Beaver Island, Michigan (hereinafter referred to as "Airport"). In order to foster, encourage, and insure the economic health and orderly development of general aviation and its related aeronautical activities at the Airport, insure adequate commercial aeronautical services and facilities are available to the users of the airport, and the continued safety and well being of all Beaver Island residents the following Minimum Standards and requirements for commercial aeronautical tenants (as defined in section 1.1), (hereinafter referred to as "Operator"), have been adopted:

This document sets forth the Minimum Standards for an entity based upon and engaging in one or more aeronautical activities at the Airport.

Any Operator who is based on the Airport will be subject to applicable federal, state and local laws, codes, ordinances, and other regulatory measures, including the Beaver Island Township Airport Ordinance.

The BIAC reserves the right to change these Minimum Standards at its discretion. All entities affected by such changes will have an opportunity to comment on proposed changes and will be apprised of dates of implementation of such changes. See Article XI.

A written lease agreement, properly executed by Operator and the BIAC, is a prerequisite to tenancy on the Airport and the commencement of operations. The lease provisions will be compatible with these Minimum Standards and will not change or modify such standards. All leases shall include a number of standard items that are a part of all leases between the BIAC and any entity based on the Airport and engaged in aeronautical services or activities.

GENERAL POLICY STATEMENT

A fair and reasonable opportunity, without discrimination, shall be afforded all applicants to qualify, or otherwise compete, for available airport facilities and the furnishing of selected aeronautical services; subject to the Minimum Standards as established by the BIAC.

An Operator shall have the right and privilege of engaging in and conducting the activities selected and specified by the written contract contingent upon meeting the established Minimum Standards, the execution of a written lease with the BIAC, the payment of the prescribed rentals, fees, and charges, and compliance with all federal, state, county, and airport laws, rules, codes, and regulations.

The granting of such right and privilege, however, shall not be construed as affording the Operator any exclusive right of use of the premises and facilities of the Airport, other than those premises which may be leased exclusively to the Operator, and then only to the extent provided in a written agreement.

The prospective Operator shall select one or more aeronautical services covered by these Minimum Standards. When more than one activity is proposed, the minimum requirements will vary (dependent upon the nature of individual services in such combination) but will not necessarily be cumulative in all instances. Because of these variables, the applicable Minimum Standards to combinations of service will be discussed with the prospective Operator at the time of application.

The BIAC reserves and retains the right for the use of the Airport by others who may desire to use the same, pursuant to applicable federal, state, and local laws, ordinances, codes, Minimum Standards, and other regulatory measures pertaining to such use. The BIAC reserves the further right to designate the specific Airport areas in which aeronautical services may be conducted.

Such designation shall give consideration as to the nature and extent of the operation and the lands available for such proposed uses, consistent with the orderly and safe operation of the Airport.

ARTICLE ONE - DEFINITIONS/QUALIFICATIONS/REQUIREMENTS

1.1 COMMERCIAL SERVICES DEFINED

Commercial Services are defined as an activity which involves, makes possible, or is required for the operation of aircraft, or which contributes to, or is required for the safety of such aircraft operations. The purpose of such activity may be to secure earnings, income, compensation, or profit, whether or not such objective(s) are accomplished.

Commercial Services that shall be subject to these Minimum Standards include, but not limited to, the following aeronautical and ground transportation activities:

- a) Aircraft sales (new and/or used)
- b) Airframe and powerplant repair facilities
- c) Aircraft rentals
- d) Flight training
- e) Self fueling
- f) Specialized aircraft repair service - radios, propellers, instruments, and accessories.
- g) Aircraft charter and air taxi
- h) Skydiving
- i) Specialized commercial flying services
- j) Aviation operators subleasing from another aviation operator (See Section 1.04(A)(8)).
- k) Other aviation related activities
- l) any other activities not specifically provided for in these Minimum Standards, will be subject to negotiation.

1.2 PRE-QUALIFICATION REQUIREMENTS.

The prospective Operator shall submit, in written form, to the Airport Manager, at the time of application, the following information, plus such other information as may be reasonably requested by the BIAC:

- A) INTENDED SCOPE OF ACTIVITIES.**
Before being granted an operating privilege on the Airport, the prospective Operator must submit to the BIAC a detailed description of the intended activity(s), and the means and methods to be employed to accomplish the activity(s). This description shall include:

1. The services to be offered.
2. The amount of land to be leased
3. Hours of service to be offered
4. Proposed charges, rates and fees for services to be offered
5. Proposed time frame to launch proposed services
6. The building space to be constructed or leased
7. The number of aircraft to be provided
8. The number of persons to be employed
9. The hours of proposed operation
10. The number and types of insurance coverage to be maintained

B) FINANCIAL RESPONSIBILITY.

The prospective Operator shall demonstrate the financial capability to initiate operations and for the construction of improvements and appurtenances that may be required commensurate with the proposed operation(s).

1.3 GENERAL REQUIREMENTS:

A) REQUIREMENT OF A WRITTEN AGREEMENT.

Prior to the commencement of operations, the prospective Operator will be required to enter into a written agreement with the BIAC, which agreement will recite the terms and conditions under which he will operate his business on the Airport, including, but not limited to, the term of agreement; the rentals, fees, and charges; the rights, privileges and obligations of the respective parties; and other relevant covenants. It should be understood that these Minimum Standards do not represent a complete recitation of the provisions to be included in the written agreement. Such contract provisions, however, will not change, modify, or be inconsistent with these Minimum Standards.

B) SITE DEVELOPMENT STANDARDS:

i) Physical Facilities

Provide for an adequate structure or facility of sufficient square footage and design to provide adequate space for the Commercial Operations to be rendered and adequate facilities for the welfare of the visiting public, including on-site public restroom facilities. All construction must be approved by the Board and other appropriate agencies. Any and all alterations and additions to existing buildings shall be considered the same as new construction and must be

approved in writing by the BIAC prior to construction. The premises and buildings shall be maintained in good repair and in a neat attractive appearance. The design is to be compatible with surrounding environment.

ii) Signage.

The operator shall not erect, maintain, or display any sign on leased premises or elsewhere on the airport unless he first obtains the prior consent of the Airport Manager. All signage must meet the requirements of the airport.

C) ENGINEERING STANDARDS.

No person shall make any alterations of any nature whatsoever to any buildings, ramp or other Airport space, nor erect any building or other structure without prior submission of a written request, including detailed plans and specifications, and have receipt of written permission from the BIAC. Prospective Operators shall comply with all building codes of the County of Charlevoix and shall deliver to the Airport Manager "as built" plans upon completion. Alterations or construction must be submitted to the Federal Aviation Administration, FAA Form 7460-1 (Notice of Proposed Construction and/or Alteration) and receive a favorable determination, prior to commencement of any construction

1.4 GENERAL LEASE CLAUSES

A) FOR ALL AIRPORT LEASE AGREEMENTS

i) Aircraft Service by Owner or Operator of Aircraft

No right or privilege granted herein shall prevent any entity operating aircraft on the Airport from performing any services on its own aircraft with its own regular employees (including, but not limited to, maintenance repair and self-fueling) that it may choose to perform, subject to BIAC and Federal restrictions and these Minimum Standards.

ii) Airport Development

The BIAC reserves the right to further develop or improve the landing area of the Airport. If the physical development of the Airport requires the relocation of Operator-owned facilities, the BIAC agrees to provide a comparable location, and agrees to relocate all Operator-owned buildings or provide similar facilities for the

Operator at no cost to the Operator.

iii) Airport Obstructions

The BIAC reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstructions, together with the right to prevent the Operator from erecting, or permitting to be erected, any building or other structure on the Airport which in the opinion of the BIAC, would limit the usefulness of the Airport or constitute a hazard to aircraft.

iv) Subordination

Airport leases shall be subordinate to the provisions of any existing or future agreement between the BIAC and the United States, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport.

v) Compliance with Laws, Etc.

The Operator shall at all times comply with the Airport Rules and Regulations, Federal, State, and local laws, ordinances, codes and other regulatory measures now in existence or, as may be hereafter modified or amended, applicable to the specific type of operation contemplated. The Operator shall procure and maintain during the term of the Agreement all licenses, permits, and other similar authorizations required for the conduct of his business operations.

VI) Misrepresentation

All terms and conditions with respect to these Minimum Standards are expressly contained herein, and the Operator agrees that no representation or promise has been made with respect to these Minimum Standards not expressly contained herein.

VII) Subleasing

If permitted in the lease between Operator and the BIAC, all or a portion of a leased area may be subleased to another Operator. No such Operator shall be exempt from these Minimum Standards.

B) FOR AGREEMENTS WHICH PROVIDE SERVICES TO THE PUBLIC

- i)** The Operating entity, its heirs, personal representatives, successors in interest, and assignees, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the said property described in an Airport lease for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the Operators shall maintain and operate such facilities and services in compliance with all other requirements imposed in federally assisted programs of the Department of Transportation, and as said regulations may be amended.

- ii)** The Operating entity, for itself, its heirs, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

 - a. No person on the grounds of race, sex, color, marital status, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

None of the above provisions are required for a hangar lease where space is used only for storing lessee's aircraft, and no services are provided to the public, however, the leases must state the intended use, and stipulate that services to the public are prohibited.

ARTICLE TWO

FIXED BASE OPERATORS

2.1 Qualifications.

An Operator shall qualify as an FBO upon proof that the said Operator is a financially stable and responsible business enterprise. In addition, said Operator shall perform more than one operation as listed in Section 1.1 of these Minimum Standards. The Operator shall demonstrate that the premises from which it operates at the Airport and the personnel employed by it comply with the following requirements, as appropriate to the conduct of Operator's business.

2.2 Minimum Area

The Operator shall construct a building or lease all or a portion of a building to provide suitable facilities for the type of operations proposed. Such space shall include an office area, parking for employees and customers, a public telephone, and properly lighted and heated restrooms for customers and employees.

All improvements to the property such as connecting taxiway or apron to the nearest taxiway, utilities, approaches, drain tiling, and fill dirt, will be provided at the lessee's expense.

2.3 Personnel

Provide employees with the proper training and certifications for the operations proposed.

2.4 Equipment

Provide the equipment necessary to perform the operations proposed.

2.5 Hours of Operation

the Operator shall post and maintain hours of operation convenient to customers.

2.6 Insurance

The Operator shall provide insurance coverage for all operations performed in amounts as defined from time to time by the BIAC. Current certificates of all policies must be placed on file with Airport Management. Commercial Liability Insurance shall include BIAC as additional insured.

ARTICLE IV.
AIRFRAME AND/OR POWERPLANT REPAIR
OTHER SPECIALIZED AIRCRAFT MAINTENANCE SERVICES

Any service desiring to engage in airframe and/or power plant repair or other specialized aircraft maintenance services shall provide as a minimum the following:

3.1 Minimum Area.

The Operator shall construct a building or lease all or a portion of a building to provide suitable facilities for office space, aircraft parking, and auto parking for customers and employees.

Operator shall provide properly lighted and heated restrooms for customers and employees.

3.2 Personnel.

The Operator shall provide a minimum of one person properly certificated by the FAA or other regulatory agency with appropriate ratings for work to be performed.

3.3 Equipment.

The Operator shall provide sufficient equipment, supplies, and parts availability to perform maintenance in accordance with manufacturer recommendations or equivalent on various types of based aircraft.

3.4 Hours of Operation.

The Operator shall post and maintain hours of operation convenient to customers.

3.5 Insurance.

The Operator shall provide insurance coverage for all operations performed in amounts as defined from time to time by the BIAC. Current certificates of all policies must be placed on file with Airport Management. Commercial Liability Insurance shall include BIAC as additional insured.

ARTICLE V.
AIRCRAFT RENTAL

Any service desiring to engage in the rental of aircraft to the public shall provide as a minimum the following:

4.1 Minimum Area.

The Operator shall construct a building or lease all or a portion of a building to provide suitable facilities for office space, flight planning, aircraft parking, and auto parking for customers and employees. The Operator shall provide properly lighted and heated restrooms for customers and employees.

4.2 Personnel.

The Operator shall provide for office to be attended during posted working hours.

4.3 Aircraft.

The Operator shall own or have exclusive lease in writing at least one (1) aircraft equipped for flight under instrument conditions. Aircraft to be maintained in accordance with all applicable FAA regulations.

4.4 Hours of Operation.

The Operator shall post and maintain hours of operation convenient to customers.

4.5 Insurance.

The Operator shall provide insurance coverage for all operations performed in amounts as defined from time to time by the BIAC. Current certificates of all policies must be placed on file with Airport Management. Commercial Liability Insurance shall include BIAC as additional insured.

ARTICLE VI.
FLIGHT INSTRUCTION

All independent flight instructors, defined as giving instruction only in student owned aircraft, are exempt from this article of the Minimum Standards. All other Operator's desiring to engage in flight instruction shall provide as a minimum the following:

5.1 Minimum Area.

The Operator shall construct a building or lease all or a portion of a building to provide suitable facilities for office space, flight planning, aircraft parking, and auto parking for customers and employees. The Operator shall provide properly lighted and heated restrooms for customers and employees.

5.2 Personnel.

The Operator shall provide a minimum of one person holding a current commercial pilot certificate with appropriate ratings for flight instruction. Additional persons to provide for office to be attended during posted working hours.

5.3 Aircraft.

The Operator shall own or have exclusive lease in writing for one (1) aircraft equipped for flight under instrument conditions. Aircraft to be maintained in accordance with all applicable FAA regulations.

5.4 Hours of Operation.

The Operator shall post and maintain hours of operation convenient to customers.

5.5 Insurance.

The Operator shall provide insurance coverage for all operations performed in amounts as defined from time to time by the BIAC. Current certificates of all policies must be placed on file with Airport Management. Commercial Liability Insurance shall include BIAC as additional insured.

ARTICLE VII.
AIR TAXI OR CHARTER SERVICE

Any service desiring to engage in air taxi or charter service shall, in addition to meeting all provisions of FAR Part 135, provide as a minimum the following:

6.1 Minimum Area.

The Operator shall construct a building or lease all or a portion of a building to provide suitable facilities for office space, flight planning, customer lounge area, aircraft parking, and auto parking for customers and employees. Operator shall provide properly lighted and heated restrooms for customers and employees.

6.2 Personnel.

The Operator shall provide a minimum of one (1) FAA certified commercial pilot appropriately rated to conduct air service offered. Additional personnel as required to attend office during normal working hours.

6.3 Aircraft.

Own or have the exclusive right to operate, through a written agreement, at least one (1) aircraft equipped for flight in accordance with Federal Aviation Regulations and services to be provided. A copy of any written agreement to operate an aircraft for the satisfaction of this Minimum Standards shall be provided to Airport Management.

6.4 Hours of Operation.

The Operator shall post and maintain hours of operation convenient to customers.

6.5 Insurance.

The Operator shall provide insurance coverage for all operations performed in amounts as defined from time to time by the BIAC. Current certificates of all policies must be placed on file with Airport Management. Commercial Liability Insurance shall include BIAC as additional insured.

ARTICLE VIII.
SELF FUELING

7.1 Fuel Storage.

Store all aviation fuels in BIAC fuel storage tanks.

7.2 Equipment.

Utilize fuel dispensing vehicles/equipment of no less than 250 gallons to refill aircraft. All such vehicle/equipment and their fuel dispensing systems shall comply with and be maintained according to aviation industry safety regulations and protocols.

7.3 Not for Sale.

Fuel may not be sold for profit, or sell fuel to any other individuals, groups, or businesses.

7.4 Inspection.

Permit the Airport Manager or another designee of the BIAC as defined by the lease(s) and any operating agreement(s) in addition to applicable rates and charges imposed by the City of Charlevoix, which may be updated and revised from time to time.

7.5 Payments

The operator will make regular and timely payments to the BIAC as defined by the lease(s) in addition to applicable rates and charges imposed by the BIAC, which may be updated and revised from time to time.

7.6 Insurance.

The Operator shall provide insurance coverage for all operations performed in amounts as defined from time to time by the BIAC. Current certificates of all policies must be placed on file with Airport Management. Commercial Liability Insurance shall include BIAC as additional insured.

ARTICLE X.
SPECIALIZED COMMERCIAL FLIGHT SERVICES

Services desiring to engage in specialized commercial air activities such as, but not limited to the following: Banner towing and aerial advertising; aerial photography or survey; fire fighting or fire patrol; power line or pipeline patrol; any other operations specifically excluded from Part 135 of the FAA Regulations, shall comply with the following minimums.

8.1 Minimum Area.

The Operator shall construct a building or lease a portion of a building to provide suitable facilities for office space, aircraft parking, and auto parking for customers and employees. The Operator shall provide properly lighted and heated restrooms for customers and employees.

8.2 Personnel.

The Operator shall provide at least one (1) person having a current commercial certificate with appropriate ratings for the aircraft to be flown.

8.3 Aircraft. Own or have the exclusive right to operate, through a written agreement, at least one (1) aircraft equipped for flight in accordance with Federal Aviation Regulations and services to be provided. A copy of any written agreement to operate an aircraft for the satisfaction of this Minimum Standards shall be provided to Airport Management.

8.4 Hours of Operation.

The Operator shall post and maintain hours of operation convenient to customers.

8.5 Insurance.

The Operator shall provide insurance coverage for all operations performed in amounts as defined from time to time by the BIAC. Current certificates of all policies must be placed on file with Airport Management. Commercial Liability Insurance shall include BIAC as additional insured

ARTICLE XI.
FLYING CLUB

9.1 **Organization.**

Flying Clubs operating from the airport shall be organized and operated in concurrence with the Michigan Aeronautics Commission rules and Regulations pertaining to flying clubs. Officers shall register with the Airport Manager, furnish membership lists upon request, and be responsible for the club's activities.

9.2 **Flight Instructors.**

All persons belonging to the flying club and acting as flight instructor must be licensed as same by the FAA and currently registered with Michigan Department of Aeronautics.

9.3 **Insurance.**

Flying Club shall provide insurance coverage for all operations performed in amounts as defined from time to time by the BIAC. Current certificates of all policies must be placed on file with Airport Management. Commercial Liability Insurance shall include BIAC as additional insured.

ARTICLE XII.

ADOPTION AND AMENDMENT TO MINIMUM STANDARDS

10.1 ADOPTION

These Minimum Standards shall become effective as of xxxx.

10.2 AMENDMENT

The BIAC reserves the right to amend these Minimum Standards at its own discretion.

Prior to all amendments, a written comment period of sixty (60) days will transpire for all proposed amendments. Proposed amendments will be distributed by certified mail to all Operators at the Airport affected by the Minimum Standards, for comment on proposed amendment(s).