

OKALOOSA COUNTY AIRPORTS, FLORIDA

MINIMUM STANDARDS FOR FULL-SERVICE FIXED BASE OPERATIONS AND SPECIALTY SERVICE OPERATIONS

May 30, 2008

**BOB SIKES AIRPORT
DESTIN/FT. WALTON BEACH AIRPORT**



OKALOOSA COUNTY AIRPORTS, FLORIDA

MINIMUM STANDARDS
FOR
FULL-SERVICE FIXED BASE OPERATIONS
AND SPECIALITY SERVICE OPERATIONS

BOB SIKES AIRPORT - DESTIN/FT. WALTON BEACH AIRPORT

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MINIMUM STANDARDS
FOR

FULL-SERVICE FIXED BASE OPERATIONS
AND SPECIALITY SERVICE OPERATIONS

BOB SIKES AIRPORT - DESTIN/FT. WALTON BEACH AIRPORT

SECTION 1. GENERAL PROVISIONS:

a. A full-service Fixed Base Operator (hereinafter referred to as "FBO") shall, at its sole expense, provide and maintain all equipment, facilities, and aircraft necessary to provide the required services and level of performance in a clean and safe condition at all times. In addition, all personnel of the FBO shall conduct themselves in a courteous and businesslike manner at all times. Personnel who have public/customer contact (excluding pilots and office personnel) shall be clothed in attractive uniforms with appropriate insignia and nameplate so they may be readily identified by customers. AIRPORT personnel will conduct inspections and evaluations, at least on a weekly basis, to ensure conformity with these standards. The AIRPORT personnel will also survey customers and users periodically to determine the overall quality of service being rendered by the FBO.

The FBO shall furnish good, prompt, courteous, and efficient services adequate to meet all reasonable demands on a fair, reasonable, and nondiscriminatory basis to all users of the AIRPORT. It shall maintain and operate its business in a first-class manner and shall at all times keep the premises in a safe, clean, and orderly condition, consistent with the business activity contemplated hereunder and satisfactory to the BOARD.

The FBO shall be properly staffed to provide services during minimum normal operating hours between 7:00 A.M. and 10:00 P.M., seven (7) days a week, and other hours when necessitated by business or emergency conditions.

b. Specialty Service Operators will be properly staffed to provide services during minimum normal operating hours between 8:00 A.M. and 5:00 P.M., five (5) days a week.

c. The FBO shall select and appoint a full-time manager of its operation herein authorized. Such manager shall be highly qualified and experienced, and vested with full power and authority to act in the name of the operator in respect to the method, manner, and conduct of the services to be performed hereunder. Such manager shall be available at the AIRPORT during regular business hours, and during the manager's absence, a duly authorized subordinate shall be in charge and available at the AIRPORT.

The FBO shall provide, at its sole expense, a sufficient number of employees to effectively and efficiently provide the services herein authorized. All operators shall control the conduct, demeanor, and appearance of its employees and representatives. Such employees shall be trained by the operator and shall possess any technical qualifications and hold certificates of qualification as may be required for such employee to carry out assigned duties. It shall be the responsibility of the operator to maintain

close supervision over its employees to assure a high standard of service to customers of the operator. Upon reasonable objection from the BOARD concerning the conduct, demeanor, or appearance of any employee, the operator shall forthwith take all steps necessary to remove the cause of the objection.

d. All operators shall comply with all applicable local, state, and federal environmental statutes and regulations, including but not limited to, requirements for aboveground storage tanks and piping, for the disposal of waste oil and other potentially hazardous substances, and for the refueling of aircraft and vehicles.

SECTION 2. FACILITIES:

The FBO shall lease a minimum of One Hundred Thousand (100,000) square feet to provide space for all buildings, aircraft parking, paved ramp area, and employee and customer parking.

a. The FBO shall provide a minimum of one thousand (1,000) square feet of properly lighted, heated and air conditioned building space on airport property for office, restrooms, and public use area.

b. The FBO shall provide a minimum of ten thousand (10,000) square feet of clear-span hangar of adequate dimensions to accommodate storage, maintenance, and repair of aircraft normally frequenting the AIRPORT.

c. The FBO shall provide a minimum of seventy-five thousand (75,000) square feet of paved area for the parking, tie-down, and maneuvering of aircraft.

d. The FBO shall have a minimum paved area sufficient to park and maneuver a minimum of twenty (20) automobiles for employee and patron parking.

e. No building, structure, tie-downs, ramps, paving, taxi areas, or other improvements or additions to the AIRPORT shall be altered, removed, placed, or constructed on the AIRPORT without the prior approval of the BOARD or its authorized representative. In the event of any construction, the BOARD may, at its discretion, require an appropriate bond to guarantee the completion of construction and/or demolition. The BOARD reserves the right to review any proposals for construction on the AIRPORT, particularly in regard to conformity with the existing Airport Layout Plan. Any proposal for construction on the AIRPORT shall be aesthetically compatible with existing buildings on the AIRPORT.

Off-airport facilities with access with access to the airfield (“through-the-fence” operations) are strictly prohibited.

SECTION 3. HANGARING, PARKING, AND TIE-DOWN:

The FBO shall provide, as a minimum, main hangar parking for at least four (4) twin-engine, based aircraft of 12,500 pounds or less, and apron parking for a minimum of twenty (20) based or itinerant aircraft.

SECTION 4. LINE SERVICE:

The FBO shall, during normal business hours, provide line service as follows:

- a. Ramp parking and tie-down assistance, including ramp personnel and vehicles as appropriate;
- b. Tie-down ropes, chains, and anchors;
- c. Aircraft towing services utilizing motor driven drawbar vehicles capable of moving single and multi-engine aircraft weighing up to 12,500 pounds;
- d. Mobile electrical ground power assistance with a minimum 14/28 volt, 1,600 ampere surge capacity;
- e. Cabin cleaning including on-board toilet, and catering services.

SECTION 5. MAINTENANCE AND REPAIR SERVICES:

The FBO shall provide service and repair of aircraft airframes and powerplants. The FBO must hold all applicable certificates/ratings and must offer these services for small aircraft of 12,500 pounds and under. The FBO must also meet all requirements as specified under FAR Parts 43, 65, and 145 for the operation of a certified repair station, not less than airframe Class 3 rating. The FBO is allowed, but not required, to provide repair, sales, and service of aircraft avionics, radios, instruments and other limited class ratings for propellers, accessories, and powerplants. If the FBO chooses to provide avionics, radio, instrument, propeller, accessory, or powerplant repair service, the service personnel must hold all applicable certificates and ratings required under FAR Part 145.

SECTION 6. MISCELLANEOUS CUSTOMER SERVICES:

The FBO shall provide a facility and trained employees who are capable of providing the following:

- a. UNICOM equipment to facilitate airborne customer requests;
- b. A discreet flight planning area properly equipped with appropriate wall charts, AIM, NOTAM's board, and a local-access telephone to contact the Flight Services Station.

- c. Flight planning aids and miscellaneous small flight aid and comfort accessories;
- d. Conveniently located pay telephones;
- e. A convenient, comfortably furnished, public waiting area with adjoining restroom facilities;
- f. A discrete vending area within the FBO premises with the availability of both hot and cold beverages and prepackaged snacks;
- g. Aviation grade in-flight oxygen refills upon 24-hour notice;
- h. Acceptance of one or more national bank and one or more oil company credit cards for fueling, line, and related services.

SECTION 7. AIRCRAFT CHARTER AND TAXI SERVICE:

The FBO shall provide aircraft charter and taxi service and must occupy a minimum of 200 square feet of properly lighted, heated and air conditioned space on the AIRPORT for office and public use areas with such minimum space to be in addition to the minimum space requirements as identified in Section 2a of these Minimum Standards. The FBO must hold a valid FAA Commercial Air Taxi Operator's Certificate under Part 135 and be registered with the Civil Aeronautics Board, or replacement agency, under the Economic Regulations of Part 298 with ratings appropriate to, and licensing for, the functions to be accomplished. The FBO shall provide an adequate number of aircraft meeting all requirements of the certificates held. At least one (1) aircraft shall be multi-engine and completely equipped for flight under instrument conditions. Aircraft shall be owned by, or leased to, the FBO by agreement in writing, and shall meet all applicable requirements of Part 135 of the Federal Aviation Administration (FAA) regulations. The FBO shall provide an FAA-certified commercial pilot with instrument rating for each aircraft and who is authorized to conduct charter and air taxi operations.

SECTION 8. FLIGHT INSTRUCTION:

The FBO shall provide flight instruction and must occupy a minimum of 400 square feet of properly lighted, heated and air conditioned space on the AIRPORT for use as office, classroom, and briefings with such minimum space in addition to the minimum space requirements as identified in Section 2a of these Minimum Standards. The FBO shall employ at least one (1) full-time pilot who is properly certified by the FAA as a flight instructor with appropriate instrument ratings to cover instruction for both primary and complex flight instruction for multi-engine and single engine aircraft as certified by FAR Part 141. The FBO shall own or have under written lease at least two (2) properly certified aircraft equipped for flight instruction, with at least one of those aircraft fully equipped for instrument flight instruction.

SECTION 9. ASSISTANCE TO DISABLED AIRCRAFT:

The FBO shall, on thirty (30) minutes notice during normal business hours, and two (2) hours notice after normal business hours, provide equipment and trained personnel to remove disabled aircraft with a gross weight of 12,500 pounds or less from the Air Operations Area (AOA), and shall be required to perform such service on request of, and with acceptable release from, the owner or operator of the disabled aircraft, or the Airports Director or his or her designee.

SECTION 10. FUEL AND LUBRICANTS:

The FBO may provide aviation fuels, including Jet A and 100LL octane aviation gasoline, in sufficient quantities to meet the needs of the based and itinerant general aviation customers at the AIRPORT if the FBO is currently and continually providing services as set forth in Sections 2 through 9 of these Minimum Standards. The FBO must be in full compliance with such services and certified in compliance by the Airports Director prior to the FBO being granted permission to provide aviation fuels under this Section 10. In the event the FBO does not currently provide such services as identified in Sections 2 through 9 and/or fails to continually provide such services, in that event, the FBO will not be granted permission or permission will be withdrawn to provide aviation fuels at the AIRPORT. The Airports Director will periodically conduct inspections of the leased premises to certify the FBO is in compliance with all applicable sections of these Minimum Standards.

The FBO Shall provide, as a minimum, one (1) mobile tender (fuel truck) for Jet A fuel with a capacity of at least 2,000 gallons and one (1) mobile tender (fuel truck) of at least 1,000 gallon capacity of 100LL octane aviation gasoline.

The following general rules shall govern the refueling, defueling, oil services and sumping of aircraft, and the place of fuels in storage tanks or dispensers:

a. No aircraft shall be refueled, defueled, or oil-serviced while aircraft engines are running or being warmed by application of heat, and/or while such aircraft is in a hangar. Aircraft shall be refueled on hard surface areas only and only in areas approved by the Airports Director.

b. No person shall smoke or permit any open flame on the airfield within the perimeter fence, within 100 feet of an aircraft undergoing fuel servicing, or within 50 feet of any hangar.

c. Prior to the fuel servicing of any aircraft, it and the fuel dispensing equipment shall be grounded to a point or points of zero electrical potential in order to prevent the possibility of static ignition of volatile liquids.

d. All equipment used to store or deliver fuel to aircraft or vehicles shall be inspected by a qualified representative of the County's Environmental Services

Department on a semi-annual basis. Environmental officers are authorized to require and enforce the immediate cessation of fuel service operations under conditions which they deem jeopardizes public safety. All other situations which violate any provisions contained herein shall be cured by the FBO in a timely manner as determined by the Airports Director.

e. Fueling, pumps, meters, hoses, nozzles, fire extinguishers, and grounding devices shall be UL - approved where applicable and will be kept in first class condition at all times.

f. Fuel pumps shall be powered and the flow shall be controlled by a deadman flow control in the nozzle. Nozzles shall have a cable with a plug or clip for bonding to the aircraft. Pouring or gravity flow shall not be permitted.

g. Fuel systems shall have a means for quickly and completely stopping fuel flow in the event of an emergency. Fuel dispensing containers shall have a valve mechanism such that water or other contaminants can be drained from the lowest portion of the tank. An in-line filtration system utilizing a 5-micron or less fuel filter element shall be included in the dispensing system.

h. When a malfunction of the refueling equipment is detected, all refueling operations shall cease immediately and the malfunctions or irregularities detected on or within the aircraft being serviced will be brought to the attention of the aircraft owner or the FBO immediately.

i. Crews engaged in the fueling and defueling of aircraft shall exercise extreme caution to prevent spills. When a spill occurs, servicing will cease, the County's Environmental Services Department will be notified immediately, and spills will be removed or absorbed with suitable material dependent upon the nature of the spill, and approval by the Airports Director, and in conformance with all local, state, and federal rules.

j. During fuel handling operations in connection with any aircraft, no less than two (2) CO₂ or approved dry chemical fire extinguishers of ten pounds or larger shall be immediately available for use in connection therewith.

k. No person shall perform or allow performance of any refueling activity when lightning is observed in the immediate vicinity of the AIRPORT or during an electrical storm.

l. No person shall use any material or equipment during fueling and defueling operations which is likely to cause a spark or ignition.

m. No person shall start the engine of an aircraft when there is a flammable substance on the ground under or around the aircraft.

n. All hoses, funnels, and appurtenances used in fueling and defueling operations shall be equipped with a grounding device to prevent ignition of volatile liquids. Furthermore, funnels shall be metal and have a capacity of not less than two (2) gallons to reduce the risk of spillage.

o. No aircraft shall be fueled or defueled while passengers are on board the aircraft.

p. No airborne radar equipment shall be operated or ground tested on any area wherein the directional beam of high intensity radar is within 300 feet, or low intensity radar (less than 50KW output) is within 100 feet of another operation or aircraft refueling truck.

q. During fueling and defueling, fuel handling devices and vehicles shall be placed so as to be readily removed in the event of fire so as to permit direct driving away from the loading or fueling position. Not more than one refueling truck shall be positioned to serve the same aircraft.

r. Fuel shall not be transferred from a vehicle fuel system to an aircraft fuel tank or intermediary tank for the purpose of fueling aircraft.

s. Storage of fuel shall be in compliance with all applicable federal, state, local and EPA requirements.

SECTION 11. SPECIAL AERONAUTICAL ACTIVITIES AND SERVICES:

The following categories of services may be as an optional service offered by a full-service FBO, or as an approved Specialty Service Operator:

a. **AVIONICS INSTRUMENT SALES, SERVICES AND REPAIRS** - The operator engaged in aircraft avionics must occupy a minimum of 300 square feet of properly lighted, heated and air conditioned space on the AIRPORT for office, shop, and other needs. The operator shall have available to it at all times, by ownership, lease, or contract, hangar space to accommodate customer requirements. The operator must provide aircraft avionics, radio, and instrument repair service and shall hold all applicable certificates and ratings required under FAR Parts 145 and 65 and may, in addition, engage in aircraft radio and instrument sales.

b. **AIRCRAFT RENTAL** - The operator engaged in the rental of aircraft at the AIRPORT must occupy a minimum of 200 square feet of properly lighted, heated and air conditioned space on the AIRPORT for office and public use areas. The operator shall own or have under a written lease, and have available to rent to persons with a current pilot certificate, at least one (1) two-place, fixed-gear aircraft, and one (1) four-place, retractable-gear aircraft equipped for night and instrument flight. Aircraft must meet all federal and state regulations including, but not limited to, those promulgated by the Federal Aviation Administration.

c. AIRCRAFT SALES - The operator engaged in the selling of new or used aircraft at the AIRPORT must occupy at least 200 square feet of properly lighted, heated and air conditioned space on airport property for office and public use areas. The operator must have under a lease a minimum amount of paved area or hangar space to accommodate the projected inventory of aircraft.

The operator shall have one full-time authorized agent to transact sales who maintains a current commercial pilot certificate with an instrument rating and is rated for the types of aircraft to be demonstrated. It will be at the discretion of the operator whether or not to be an authorized factory dealer, or what manufacturers he or she chooses to represent. A dealer of new aircraft shall have available or on call at least one current model demonstrator and shall provide for demonstrations of additional models of the manufacturer for which a dealership is held, if any. A dealer shall provide an adequate supply of parts and servicing facilities to customers during aircraft and parts warranty periods.

d. OTHER SERVICES - The operator who has been approved by the BOARD to offer the following services at the AIRPORT shall occupy an appropriate amount of office, vehicle and aircraft parking, maintenance, storage and apron space:

1. Aircraft exterior painting;
2. Aircraft interior modification including, but not limited to, custom seating and finishing;
3. Contract major airframe repair and/or rebuilding;
4. Whole or part aircraft type modifications under the auspices of a Supplemental Type Certificate;
5. Turbine engine hot section repair;
6. Propeller overhaul and repair;
7. Engine/flight instrument overhaul and repair;
8. Accessory overhaul and repair;
9. Avionics repair and installation with specialization in complex equipment such as pulse-radar and HIS systems;
10. Specialized aircraft sales of a single or limited type and/or manufacturer such as for a multi-engine turbine;
11. Contract reciprocating engine overhaul and rebuilding;

12. Specialized aircraft charter services;

13. Agricultural application;

14. Fire fighting;

15. Power line or pipeline patrol;

16. Any other operations specifically excluded from Part 135 of the Federal Aviation Regulations.

Each repair service offered above shall be under an appropriate FAA-certified Repair Station license of either a class or limited rating as defined in FAR 145. All general and enforcement provisions of a full-service FBO shall apply to Specialty Service Operators.

SECTION 12. SPECIALIZED OPERATIONS AND OTHER AERONAUTICAL FUNCTIONS:

The requirements specified in this section, 12a through 12g, shall be applicable to any operator desiring to engage in specialized commercial aeronautical activities including, but not limited to, aerial photography, sightseeing, accessory overhaul, and prop shops.

a. Facilities - Said operators shall lease or construct the following facilities: Specialty shops and specialized commercial aeronautical activities are encouraged to be tenants of existing operators. However, special requirements will be reviewed by the Airports Director on an individual basis.

b. Pilots - Said operators shall provide a sufficient number of commercial pilots who are certificated by the FAA and are appropriately rated to conduct the specialized flight services offered.

c. Aircraft - Said operators shall provide a sufficient number of properly certificated aircraft owned by, or leased under a written agreement to, the operator to meet the public demand.

d. Hours of Operation - Said operators shall maintain sufficient hours of operations to meet the public demand.

e. Insurance - Said operators shall provide adequate comprehensive general liability insurance combined single limit coverage to protect the operator and the COUNTY from legal liabilities involved.

f. Other Services - Said operators may provide any of the other services contained in this Section 12 of these Minimum Standards. In providing any such

services, said operators shall meet the standards for such services, the standards of which are contained in this Section 12.

g. Optional, Incidental Services - Said operators may provide any other services the operator deems incidental to its operation. However, no non-aeronautical activities may be performed that are presently being performed on a limited contractual basis by persons having valid contracts with the COUNTY to perform such services on the AIRPORT.

SECTION 13. SELF-FUELING BY PRIVATE OWNERS:

Self-fueling by private owners of aircraft using automotive gasoline (MoGas) will be permitted by the BOARD, provided that owners adhere to provisions in Sections 10a through 10s of these Minimum Standards as well as those further defined herein.

a. MoGas must meet ASTM D-439-58 standards at the time of delivery into the aircraft. MoGas may be substituted for AvGas in only those aircraft for which an individual Supplemental Type Certificate (STC) has been approved by the Federal Aviation Administration. A copy of the individually held STC must be on file with the BOARD.

b. All MoGas self-fueling operations will be governed by a permit issued by the Airports Director for a fee of \$500.00 and shall be valid for a period of one (1) year. A permit must be issued for each aircraft subject to self-fueling operations.

c. All private users shall also pay a fuel flowage fee as determined by the BOARD. A fuel flowage report, invoice, or receipt with the appropriate remittance shall be provided to the Airports Director by the tenth (10th) day of each month for fuel dispensed on the AIRPORT. Fees may be adjusted from time-to-time as deemed necessary by the BOARD.

d. Private users shall be responsible for the payment of the appropriate Federal Excise Tax on aviation gasoline and for all reports required by the Internal Revenue Service and shall comply with all applicable federal statutes and all regulations, including but not limited to, those promulgated by the Federal Aviation Administration.

e. All private users shall obtain and keep in effect during the term of their permit and/or operations, an insurance policy which provides coverage for general liability to include premises and property damage, of at least one million (\$1,000,000) dollars combined single limits, and said policy shall name the Okaloosa County Board of Commissioners as an additional insured. The user shall also furnish the Airports Director with a certificate from the user's insurance carrier executed on an approved form showing such insurance to be in full force and effect.

f. Private users who do not have written permission from an FBO which allows the user to refuel on the FBO's leased premises shall coordinate with, and receive written

permission from, the Airports Director for the location of, and access routes to, an alternative fueling location.

g. The Chapter 108, Hangarmates of Experimental Aircraft Association currently operating under lease agreement with the BOARD at the Bob Sikes Airport are considered exempt from the standards for self-fueling by private owners as set forth above.

SECTION 14. MINIMUM REQUIREMENT - FLYING CLUBS:

Regulations

Prior to commencement of aeronautical activities, each club must obtain approval from the BOARD and secure a lease and operating agreement for proposed activities. Prior to, and during the term of the lease and operating agreement, each club, at the request of the BOARD will submit sufficient documentation to establish ownership, financial status, and technical ability, in addition to adhering to the following regulations:

- a. Each club must be registered as a non-profit corporation or partnership.
- b. Each member must be a bona fide owner of the aircraft or stockholder in the corporation.
- c. The club may not derive greater revenue from the use of its aircraft than the amount necessary for the actual operation, maintenance, and replacement of its aircraft.
- d. The club will file and keep current with the Airports Director a complete list of the club's membership and investment share held by each member.
- e. The club's aircraft will not be used by other than bona fide members for rental and will not be used by anyone for commercial operations.
- f. Student instruction can be given in club aircraft to club members provided such instruction is given by a Lessee based at the AIRPORT who provides flight instruction, or by an instructor who shall not receive remuneration in any manner for such service.
- g. Aircraft maintenance performed by the club shall be limited to only that maintenance that does not require a certificated mechanic. All other maintenance must be provided by a lessee based at the AIRPORT who provides such service, or by a properly certificated mechanic who shall not receive remuneration in any manner for such service.

SECTION 15. NEW APPLICATIONS:

Any corporation, partnership, or individual desiring to receive permission to operate as a full-service FBO, a Specialty Service operator, or any other business or aeronautical

activity on the AIRPORT shall first make application to the Board's Airports Director. The application shall be in sufficient detail to discern the completed qualifications of the applicant to perform the desired service and shall include the following:

a. A written letter detailing the nature of the proposed activity as well as the following:

1. The name, address, and telephone number of the applicant;
2. A detailed description of the proposed operation, to include the date of commencement;
3. The professional qualifications of the personnel who will manage and/or operate the proposed service;
4. Descriptions and cost estimates of any proposed capital improvements on the proposed site.
5. Pro forma operating statement for first year's activity.

b. A current financial statement prepared or certified by, a certified public accountant, if available, and if not, a current financial statement as provided to a financial institution. The BOARD shall be entitled to consider the type of financial statement in evaluating the applicant's financial ability to provide responsible, safe, and adequate service to the public.

c. A written listing of the assets owned, leased, or being purchased which will be used in the business on the AIRPORT. Copies of any leases or purchase contracts must be attached.

d. A current credit report covering all areas in which the applicant has done business in the past ten (10) years.

e. A written authorization of the FAA and all aviation or aeronautic commissions, administrators, or 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 will execute such forms, releases, or discharges as may be requested by those agencies.

f. The applications shall be signed and submitted by every person owning an interest in the business, those who will be managing the business if already designated, every partner of a partnership, and each director and/or officer of the corporation.

g. Any additional information and material necessary or requested by the BOARD to establish to the satisfaction of the BOARD that the applicant can qualify and will comply with these Minimum Standards.

The application together with all supporting documentation shall be submitted to the Airports Director. For Fixed Base Operations, once all application material is submitted and reviewed by the Airports Director, and provided the application is deemed complete, the Airports Director shall request BOARD directive to initiate the Bid Process.

All other aviation-related Specialty Service Operations and/or company or individual who uses the AIRPORT or any of its improvements of facilities for any revenue-producing business or commercial aeronautical activities and once all application material is submitted and reviewed by the Airports Director, the matter shall be considered within thirty (30) days of the next regularly scheduled meeting of the BOARD, provided the application is deemed complete.

The BOARD may deny any application if, in its opinion, it finds any one or more of the following:

a. The applicant for any reason does not meet the qualifications, standards, and requirements established by these rules and regulations, or is not prepared to meet same within a reasonable time to be established by the BOARD;

b. The applicant's proposed operation or construction will create a safety hazard on the AIRPORT;

c. The granting of the application will require the BOARD to spend funds or to supply labor or materials in connection with the proposed operation, or the operation will result in a financial loss to the BOARD;

d. No appropriate, adequate, or available space or building exists at the AIRPORT which would accommodate the entire activity of the applicant at the time of application nor is contemplated within a reasonable time thereafter;

e. The proposed operation, airport development, or construction does not comply with the Airport Master Plan then in effect;

f. The development or use of the area requested by the applicant will result in a congestion of aircraft or buildings, or will result in unduly interference with the operations of any present Fixed Base Operator on the AIRPORT relating to problems with aircraft service and/or prevent free access to the Fixed Base Operator's area;

g. The applicant has either intentionally or unintentionally misrepresented or omitted any material fact in the application or in supporting documents;

h. The applicant has failed to make full disclosure on the application or in supporting documents;

i. The applicant has a record of violating the rules and regulations of any other airport or civil air regulations, FAA regulations, or any other rules and regulations applicable to Okaloosa County Airports;

j. The applicant has defaulted in the performance of any lease or any other agreement with the BOARD;

k. The applicant does not, in the opinion of the BOARD, exhibit adequate financial responsibility to undertake the project, based upon current financial information provided;

l. The applicant cannot provide a performance bond in the amount required by the BOARD for that contract;

m. The applicant has been convicted of any felony or a misdemeanor involving moral turpitude.

Nothing contained herein shall prohibit the BOARD from granting or denying, for any reason it deems sufficient, an application to do business on the AIRPORT for the purpose of selling, furnishing, or establishing non-aviation products supplied for any service or business of a non-aeronautical nature, or an application for the non-profit use of an airport facility.

SECTION 16. INSURANCE REQUIREMENTS:

The operator will provide, and maintain in full force and effect, insurance coverage in the following types and minimum amounts:

a. For full service Fixed Base Operations, general liability coverage to include premises and property damage of at least two million (\$2,000,000.00) dollars combined single limit (CSL); aircraft liability coverage of at least ten million (\$10,000,000.00) dollars CSL; products/completed operations liability coverage of at least ten million (\$10,000,000.00) dollars CSL; hangarkeepers liability coverage of at least 10 million (\$10,000,000.00) dollars CSL. Insurance coverage shall be applicable to the type of activity being conducted.

b. For any Specialty Service Operator offering one or more of the services in Section 11 above, general liability coverage to include premises and property damage of at least one million (\$1,000,000.00) CSL; aircraft liability coverage of at least one million (\$1,000,000.00) CSL; business auto bodily injury and property damage of five (\$5,000,000) million; and products/completed operations liability coverage of at least one million (\$1,000,000.00) CSL.

The Okaloosa County Board of Commissioners shall be named as an additional insured on all such policies. The operator shall also submit to the Airports Director a certificate

of insurance from the operator's insurance carrier, executed on the approved form, verifying the types, limits and expiration dates of all policies.

SECTION 17. WAIVER OF MINIMUM STANDARDS:

The BOARD may, at its discretion, waive all or any portion of the Minimum Standards set forth herein for the benefit of any government or governmental agency performing non-profit public services to the aircraft industry. The BOARD may further temporarily waive any of the Minimum Standards for non-governmental applicants where it deems such waiver to be in the best interest of the AIRPORT's operation and public good.

SECTION 18. VIOLATIONS, PENALTIES AND PROCEDURES:

If the Airports Director determines that any of these Minimum Standards have been violated by an entity operating on the AIRPORT, and that he or she cannot resolve the matter satisfactorily by notice to, and discussion with, the offending operator, then the Airports Director may recommend to the BOARD that formal action be taken against the offending operator. The BOARD shall allow the operator notice and an opportunity to be heard before deciding whether and what action should be taken against the operator for the alleged violation. Such action may include, but not limited to, reprimand, suspension of airport operations by the operator, or revocation of the operator's right to conduct business at the AIRPORT.

SECTION 19. SAFETY AND SECURITY:

All operators shall abide by all provisions of the approved AIRPORT rules and regulations. If violations of the approved AIRPORT rules and regulations result in fines being levied by any federal or state agency, the operator will reimburse the BOARD for the full cost of said fines within thirty (30) days of payment by the BOARD.