

STATE OF VERMONT
AGENCY OF TRANSPORTATION
MINIMUM STANDARDS
FOR COMMERCIAL AERONAUTICAL ACTIVITIES
ON VERMONT STATE OWNED AIRPORTS

December 15, 2011

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SECTION I

DEFINITIONS AS USED IN THE MINIMUM STANDARDS

ADMINISTRATOR The State Aeronautics Administrator

AGENCY The Vermont Agency of Transportation

AIR CARGO OPERATOR An operator providing only freight and/or mail transportation services for compensation or hire.

AIRPORT A Vermont state owned Airport.

COMMERCIAL AERONAUTICAL ACTIVITIES Any one or a combination of the following aeronautical services performed in full compliance with the specific activity standards hereinafter set forth.

- A. Full Service Fixed Base Operation
- B. Limited Service Fixed Base Operation
- C. Aircraft Maintenance, Overhaul, and Parts Shop
- D. Specialized Commercial Flying Service
- E. Specialized Aircraft Repair Services
- F. Scheduled Air Carriers and Air Cargo Operators
- G. Commercial Aircraft Hangar Storage Operations

Any other activities not specifically provided for in the minimum standards will normally be subject to negotiation.

COMMERCIAL AVIATION OPERATOR See OPERATOR.

FIXED BASE OPERATOR (FBO) An Operator who provides multiple aviation services at an airport, as further defined under "Operator", below, and in Section V, Minimum Standards.

MINIMUM STANDARD A guideline for the provision of required and permitted services at an airport, as further defined under "Operator", below, and in Section V herein.

OPERATOR A Commercial Aviation Operator, who is a person or persons, firm, or corporation, engaging in a Commercial Aeronautical Activity based at the Airport 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 being to secure earnings, income, compensation, or profit, whether or not such objective or objectives are accomplished.

SCHEDULED AIR CARRIER An Operator providing scheduled passenger air transportation services for compensation or hire.

SECRETARY The Vermont Secretary of Transportation.

SECTION II

GENERAL STATEMENT OF POLICY

In order to promote and develop general aviation, air transportation, and related aeronautical activities at Vermont's state owned airports, and acting in accordance with Vermont Statutes Annotated, Title 5, Section 203-205, the Secretary of The Vermont Agency of Transportation hereby establishes certain policies, standards and requirements for Commercial Aviation Operators at all Vermont State Owned Airports.

A fair and reasonable opportunity, without discrimination, shall be accorded to all applicants to qualify/compete for available airport facilities and the furnishing of selected aviation services, subject however, to minimum standards as established by the Secretary and set forth herein and entitled "**Minimum Standards for Commercial Aeronautical Activities on Vermont State Owned Airports**". In all cases where the words "standards" or "requirements" appear in the above-mentioned schedule of standards, it shall be understood that they are modified by the word "minimum". All operators will be encouraged to exceed the minimums; none will be allowed to operate under conditions below the minimums. These standards shall be enforced by the Administrator.

Contingent upon the operator's qualifications, meeting the established minimum standards, the execution of a written agreement with the State of Vermont Agency of Transportation (hereinafter referred to as "Agency") and payment as due of all rentals, fees, and charges, the Operator shall have the right and privilege of engaging in and conducting the activity or activities selected by the Operator on the Airport as specified by the written contract. The granting of such right and privilege, however shall not afford the Operator the exclusive right of use of the premises and facilities of such Airport other than those premises which may be leased exclusively to him in a written agreement. The agency reserves and retains the right of the use of such Airport by others who may desire to use the same pursuant to applicable laws, ordinances, codes, minimum standards, and other regulatory measures pertaining to such use. The Agency reserves the further right to designate the specific Airport areas in which single or combinations of aeronautical services may be conducted. Such designation shall give consideration to the nature and extent of the operation and the lands available for such purpose consistent with the orderly and safe operation and future development of the Airport.

In any case of conflict between these Minimum Standards and any previously adopted Vermont Aeronautical Rules and Regulations, these Minimum Standards will take precedence. If any section of these Minimum Standards is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such decision shall neither affect nor impair any of the remaining provisions.

SECTION III

PREQUALIFICATION REQUIREMENTS

The prospective Operator shall submit to the Agency at its offices at Montpelier, Vermont, at the time of the Operator's application the following information and, thereafter, such additional information as may be requested by the Agency:

- A. Intended Scope of Activities: A detailed description of the scope of the intended operation and the means and methods to be employed to accomplish the contemplated operating standards.
- B. Financial Responsibility: A statement, satisfactory to the Agency, in evidence of Operator's financial responsibility, from a bank or trust company doing business in the State of Vermont or from such other source that may be acceptable to the Agency and readily verified through normal banking channels. The prospective Operator must also demonstrate financial capability to initiate and maintain operations and for the construction of improvements and appurtenances that may be required.
- C. Pro-forma Financial Statement: A projection of first year operating income and expense, prepared in accordance with commonly accepted accounting practices.
- D. Experience: The prospective Operator shall also furnish the Agency with a statement of past experience in the specified aviation services. Such experience shall not be less than the minimums established for each of the respective individual aviation functions involved.

SECTION IV

GENERAL REQUIREMENTS

- A. **Requirements of a Written Agreement:** Prior to the commencement of operations, the prospective Operator will be required to enter into a written agreement with the Agency, which agreement will recite the terms and conditions under which the Operator will operate its 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, therefore, that neither the conditions herein contained nor those set forth in the minimum standards represent a complete recitation of the provisions to be included in the written agreement. Such contract provisions, however, will not change or modify the minimum standards or be inconsistent therewith.
- B. **Performance Bond:** Upon demand by the Agency, the prospective Operator shall, concurrent with the execution by Operator of the aforesaid written agreement, furnish an acceptable performance bond or cash deposit to the Agency, in an amount satisfactory to the Agency.
- C. **Hold Harmless Requirement:** the Operator shall indemnify, defend and save the Agency and its authorized agents, officers, representatives, and employees harmless from and against any and all actions, penalties, liabilities, claims, demands, damages, or losses whatsoever arising directly or indirectly out of acts or omissions of the operator, its agents, employees, servants, guests, members, business visitors, tenants, sub lessees, partners or affiliates, and shall pay all expenses in defending any claims made against the Agency by reason of the operator's tenancy and activities on the Airport. A hold harmless provision shall be included in all written agreements between the Agency and the Operator.
- D. **Insurance:** The Operator shall procure and maintain, during the term of the Operator's agreement, insurance of the types and in the minimum limits set forth as determined by the Agency and outlined in the written agreements between the Agency and the Operator. The insurance company or companies writing the required policy or policies shall be licensed to do business in the State of Vermont and, unless the Operator is otherwise directed by the Agency, the Agency shall be named in the policy as an additional insured. The Operator shall furnish evidence of compliance with this requirement in the form of an insurance certificate acceptable to the Agency. The applicable insurance coverage shall be in force during any construction of facilities for the Operator and/or prior to the Operator's entry upon the Airport for the conduct of business.

- E. Compliance with Laws, Etc.: The Operator shall at all times comply with all laws, ordinances, codes, and other regulatory measures applicable to the specific type of operation contemplated by the Operator. The Operator shall procure and maintain during the term of the agreement all licenses, permits, and other similar authorizations required for the conduct of the Operator's business operations.
- F. Miscellaneous
1. The prospective Operator may select one or a combination of the aeronautical services covered by the minimum standards outlined in this document. Where more than one Commercial Aeronautical 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. Applicable minimum standards for Operators who plan to provide combinations of services will be discussed with the prospective Operator at the time of the Operator's application or otherwise during lease negotiations.
 2. The pertinent minimum standards and requirements for any Commercial Aviation Operator, will be predicated upon the nature of the Operator's initial business venture. If at a later date the business is expanded to encompass new and additional types of services under an appropriate operating agreement, then the minimum standards established for these additional services shall immediately apply.
 3. These Minimum Standards will govern all commercial activities on Vermont State Airports unless determined in writing by the Secretary, on a case by case basis, that any exemption is justified to best serve the public interest.
 4. The Agency recognizes that certain Operators are presently conducting business on Vermont State owned Airports and may occupy facilities or be conducting certain operations not in compliance with these minimum standards. The operations of such Operators shall be governed by individual lease provisions determined on a case by case basis; however, any expansion of facilities or operations or any relocation of facilities or operations on the Airport shall be in accordance with these minimum standards.
 5. The prospective Operator is required to be registered to do business in the State of Vermont with the Vermont Secretary of State prior to execution of the agreement by the Agency.

SECTION V

MINIMUM STANDARDS

The Minimum Standards for Commercial Aeronautical Activities outlined in this document are not intended to be all inclusive, as the Operator of a commercial venture who is based on the Airport will be subject to applicable laws, codes, ordinances, and other similar regulatory measures, including Airport rules and regulations pertaining to all such activities.

A written agreement, properly executed by the Agency and the Operator, is a prerequisite to tenancy on the Airport and the commencement of any operations thereon. The contract provisions however, will be compatible with the minimum standards herein contained and will not change or modify the standards themselves.

Information relative to rentals, fees, and charges applicable to the several aeronautical services included herein will be made available to the prospective commercial operator by the Agency at the time of application or during the contract negotiations.

The following schedules set forth the minimum standards for an operator engaging in one or more selected commercial aeronautical activities at Vermont State Owned Airports:

A. Full Service Fixed Base Operation

1. Minimum Services Required

- a. Tie-down and hangar storage for general aviation aircraft, both itinerant and local.
- b. Adequate ramp service, including deicing and preheating for general aviation aircraft users, with a qualified attendant available on the ramp seven (7) days a week, eight (8) hours a day.
- c. Sale of aviation gasoline, fuel, oils and lubricants of kinds customarily sold to general aviation aircraft users. Aviation gasoline and/or fuel shall be made available (24) hours a day and (7) days a week.
- d. Maintenance, repair and servicing of general aviation aircraft, aircraft engines and parts.

- e. Maintenance of adequate inventory of the necessary aircraft parts and accessories to maintain, repair and service general aviation aircraft.
- f. Flight training.
- g. Aircraft rental business.
- h. Operation of aviation Universal Communications station (UNICOM), if requested by Agency.

2. **Services Permitted**

Privileges which may be exercised by a full service fixed base operator shall include, but not necessarily be limited to:

- a. Sale of new or used aircraft.
- b. Non-scheduled aircraft charter operations.
- c. Operation of specialized commercial flying service
- d. Operation of specialized aircraft repair service.

3. **Minimum Land and Improvement Requirements**

- a. The minimum ground leased and operational area for a full service fixed base operation shall be 14,000 square feet.
- b. The minimum facilities required shall be as follows:
 - (1) One aircraft maintenance hangar of not less than 2,000 square feet.
 - (2) One aircraft storage hangar of not less than 2,000 square feet.
 - (3) Fuel farm facility which will include, at a minimum an operable Avgas dispensing unit, with no less than 2,500 square feet per fuel type.
 - (4) Office building (either separate or adjoining) adequate to house an office, pilot's lounge, a public waiting room, lounge area, telephone, sanitary public restroom facilities, and adequate shop area.
 - (5) Paved ramp area of not less than 5,000 square feet with access to hangars.
 - (6) Adequate tie-down area (to accommodate not less than ten (10) aircraft of which at least three (3) shall be designated for itinerant and seven (7) for local general aviation aircraft), and wash area.

(7) Adequate customer car parking, as approved by the Agency.

4. Minimum Prior Experience

A minimum of three (3) years satisfactory prior experience in the business of fixed base operations or such other related business as may be determined acceptable by the Agency in lieu thereof.

5. Minimum Public Service Hours

Seven (7) days a week, eight (8) hours a day, as approved by Agency, with a qualified attendant.

B. Limited Service Fixed Base Operation

1. Minimum Services Required

- a. Adequate hangar storage for aircraft.
- b. Flight Training.
- c. Aircraft rental business.

2. Services Permitted

Any of the following additional services may be provided by a limited service fixed base operator.

- a. Sale of new or used aircraft.
- b. Non-scheduled aircraft charter operations.
- c. Operation of specialized commercial flying service.
- d. Ramp services, including preheating and deicing.

3. Minimum Requirements

Adequate hangar, ramp, office, and public service facilities; adequate prior experience; adequate hours of operation.

C. Aircraft Maintenance, Overhaul, and Parts Shop

1. Services Required and Limited To:

- a. Maintenance, repair and servicing of aircraft, aircraft engines and parts.
- b. Availability of adequate inventory of the necessary aircraft parts and accessories to maintain, repair and service aircraft.

2. Minimum Requirements

Adequate hangar, ramp, office, and public service facilities; adequate prior experience; adequate hours of operation. At least one employee shall be a licensed airframe and power mechanic.

D. Specialized Commercial Flying Service

1. The following individual operations are classified as a specialized commercial flying service:

- a. Sightseeing flights
- b. Crop dusting
- c. Banner towing and aerial advertising
- d. Aerial photography, mapping, or survey
- e. Aerial firefighting
- f. Power line or pipeline patrol
- g. Glider operations
- h. Sale of new or used aircraft

2. Minimum Requirements

Adequate hangar, ramp, office, and public service facilities; adequate prior experience; adequate hours of operation.

E. Specialized Aircraft Repair Services

1. The following individual operations are classified as a specialized aircraft repair service:

- a. Repair of aircraft radios
- b. Repair of aircraft propellers
- c. Repair of aircraft instruments
- d. Repair of aircraft accessories
- e. Aircraft paint shop
- f. Aircraft upholstery shop
- g. Aircraft restoring and refinishing

2. Minimum Requirements

- a. Adequate hangar, ramp, office, and public service facilities; adequate prior experience; adequate hours of operation.

F. Scheduled Air Carriers and Air Cargo Operators

Minimum requirements will be determined on a case by case basis and outlined in the agreement governing the operation between the Agency

and Operator. Where a public terminal is located on the airport, a passenger carrying Operator will operate from such terminal and the agreement will provide for the Operator's use of terminal facilities.

G. Commercial Aircraft Hangar Storage Operations

1. The following can be classified as commercial aircraft storage operations:
 - a. Commercial use hangars (includes condo hangars) constructed for lease or sale to others.
 - b. Private use hangars (includes individually owned condo hangars) constructed originally for hangar owner's personal aircraft, but converted by written agreement with the Agency for use by others.
2. Minimum Requirements
 - a. Adequate hangar and ramp space to accommodate the proposed operation.
 - b. A copy of the proposed rental agreement between the proposer and Agency lessee, if applicable, including rates and charges.

H. Limitations on Commercial Aviation Operators

1. Any commercial aviation operators other than full service fixed base operators will be strictly prohibited from engaging in the following activities:
 - a. The sale of fuel for use in aircraft.
 - b. The rental of aircraft tie-down spaces to any person or persons, firm or corporation.
2. Any Operator (excluding Scheduled Air Carriers or Air Cargo Operators who may provide the following for their own aircraft and/or personnel) who desires to provide any one or a combination of the following services from the Airport shall either: (1) be required to enter into a full or limited service fixed base operator agreement with the State and meet the minimum standards outlined herein, or (2) enter into an Agency approved operating agreement with a tenant who has a valid full or limited service fixed base operator agreement on the Airport. Such agreement must receive the prior written approval of the Agency.
 - a. Flight training
 - b. Non-scheduled aircraft charter operations

- c. Aircraft rental and lease
- d. Ramp service, including deicing and preheating

These Minimum Standards for Commercial Aeronautical Activities on Vermont State Airports are hereby adopted on this last day of December, 2011.

Guy A. Rouelle
State Aeronautics Administrator
STATE OF VERMONT
AGENCY OF TRANSPORTATION