

## **Model Minimum Standards for Fixed Base Operators (FBO)**

**The attached "Model of Minimum Standards for Fixed Base Operators (FBO)" has been prepared to assist owners of public use airports in developing standards for the providers of airport services. This is a guideline only. The local situation will dictate if additional or fewer standards will be applicable.**

**The owner of a public use airport which has a grant or loan obligations with either the Federal Aviation Administration (FAA) or the State of \_\_\_\_\_ or has deed obligations under the Surplus Property Act is required to make that airport available to all qualified users and providers without an unjust bias or discrimination. These obligations also prohibit the airport owner from granting an exclusive right to offer services or products. However, the airport owner may retain the exclusive right to perform any of the functions of an FBO providing this is done with its own employees and resources. A third party may not be designated as the agent of the airport owner to satisfy this exemption.**

**If an airport owner elects not to retain the exclusive right to provide services and there is a "need" for additional FBO services or positions, the airport owner may not routinely deny an application without sufficient justification. "Need" would be established if a proponent requests approval for an additional FBO business and is willing and able to accomplish such request. No other justification for "need" is required. This establishment of need would require the airport owner to allow all qualified persons the opportunity to bid on the subsequent FBO position. No qualified bidder, including the incumbent FBO, should be excluded from participating. If all suitable facilities are currently under lease and being actively used by the incumbent FBO, subsequent requests may be denied on the grounds of insufficient space. The airport owner would not be required to void or alter existing contracts to provide space or other provisions. The incumbent FBO should not be required to relinquish leased space or hangars which are actively used in his business and likewise, should not be able to hold unused space or hangars, even if included in his lease, solely for the purpose of denying a subsequent FBO sufficient space to set up operation.**

**Any new FBO contracts should be written to standards applicable at that time. The new contract does not necessarily have to be equal or comparable to any existing contract; however, the airport owner MUST be able to adequately justify the differences. In such case, the airport owner should be willing to renegotiate existing contracts that would place an incumbent FBO at an economic or business disadvantage. If a previous contract required a level of service which is no longer applicable, under no circumstances should the airport owner be liable for or be required to pay damages to an FBO for having to provide those services under previous contracts.**

## **Model Minimum Standards for Fixed Base Operators (FBO)**

This is a summary of the obligations and services which should be provided by a Fixed Base Operator (FBO). This guideline may be attached to and become part of an actual lease agreement between an FBO and the airport owner. Should the actual lease agreement be more or less restrictive than this guideline, the lease would take precedence.

### **I. Definitions**

- A. **Fixed Base Operator** – A Fixed Base Operator is a person, firm, or corporation performing any of the functions or furnishing any of the services listed herein on a commercial basis. No person, firm, or corporation may act in the capacity of an FBO without a valid contract with the City/County of \_\_\_\_\_ authorizing such activity at the airport.
- B. **Airport Tenant** – An airport tenant is a person, firm, or corporation leasing or using airport property solely for the purpose of storing an aircraft and is not engaged in or providing any aviation related commercial activity or service at the airport. An airport tenant is not authorized to function as or provide the services of an FBO.

### **II. Services and Requirements**

- A. An FBO is authorized to offer or perform any or all of the following services or functions for the public. The guidelines for each service or function are listed.
  - 1. Airframe or power plant repair: Sufficient hangar space, FAA certified mechanic on duty, paved outside parking area for aircraft, and paved access to the runway-taxiway system (if connecting runway or taxiway is paved).
  - 2. Fueling: Avgas and jet fuel storage tanks (tanks must be State approved and registered if required), fuel delivery by means of pumps and/or trucks, trained and qualified fueling technician, plan of action in case of a massive fuel spill, and at least the minimum number of working fire extinguishers and bonding cables as recommended in the latest edition of the National Fire Protection Association booklet, Manual 407 – “Standard for Aircraft Fuel Servicing, 2001 edition,” (or as revised) published by the National Fire Protection Association, 1 Batterymarch Park, P.O. Box 9101, Quincy MA 02269-9101, 800-344-3555. Fuel pumps and trucks must meet all applicable local and State codes and be approved for use by the local fire marshal.

3. Line service: Properly trained personnel; ropes, chains, or other restraining devices and wheel chocks for each tie down position.
4. Aircraft sales and/or rental: Sufficient office space, aircraft display area, telephone, and aircraft inventory.
5. Flight instruction: Trained and certified instructor, classroom, telephone and restrooms, and aircraft available for instruction.
6. Avionics: Shop area, office space with telephone and restrooms, and trained and certified personnel on duty.
7. Aircraft storage: Sufficient hangar, T-hangar, and tie down spaces.
8. Air taxi and charter: FAA Part 135 certification, aircraft with sufficient hangar, T-hangar, or tie down space, office with telephone and restrooms, and aircraft loading or unloading area.
9. Agricultural spraying operation: Qualified pilot, aircraft designed for such purpose, qualified personnel on duty to properly handle dangerous chemicals, secure area to store chemicals, and properly designed and constructed wash down pad.
10. Other as agreed on by contract: Telephone for public use, ground transportation into town, pilot and passenger lounge with restrooms, retail business area with restrooms, and coffee and/or soft drinks.

Hangar space, shop areas, restrooms, and other equipment as well as sufficient personnel shall not necessarily be accumulative for each service provided. For example, if an FBO provides both flight instruction and aircraft sales, both functions could be serviced by the same restrooms and telephone. The actual contract agreement between an FBO and the airport owner shall spell out the required services of each FBO and the square footage, number of personnel, etc. which must be provided by that FBO.

B. An FBO is required to perform the following functions or abide by the following rules:

1. Install, operate, maintain, repair, and store all equipment necessary for the conduct of the FBO's business subject to the approval of the airport owner.
2. Use, with others so authorized, any common areas or equipment on the airport including, but not limited to, the runways, taxiways, public aircraft and auto parking aprons, roadways, and navigational aids.
3. Upon termination of the lease, return any leased property to the airport owner in the same condition as it was at the start of the lease, normal wear

excluded. Any improvements or additions made to real property during the term of the lease will become property of the airport owner at the termination of the lease.

4. Will not prevent any person, company, or employee of a company from servicing, maintaining, or fueling their own aircraft that might be parked or hangared at the airport.
5. Make its business open to all forms and classes of aeronautical use.
6. Submit to and abide by periodic safety inspections by the Airport owner, the FAA, and/or the
7. Maintain all leased areas and the interior and exterior of any leased or constructed buildings to an acceptable standard.
8. Remove and properly dispose of any trash from the leased property.
9. Notify and gain approval of the airport owner of any intended reduction of services which are included in the FBO's lease agreement.
10. Furnish all applicable services in a fair, equal, and nondiscriminatory manner to all airport users.
11. Abide by any and all rules, requirements, or mandates placed upon the airport owner by the FAA or the State of including, but not limited to, the Grant Assurances of FAA grants and the Terms and Conditions of State of grants.
12. An FBO does not have the right to perform any service or business on the Airport unless such service or business is included in the current lease agreement with the airport owner.
13. An FBO's rights do not supercede the airport owner's rights and obligations.

### **III. Airport Owner's Rights and Obligations**

The airport owner retains the right and/or obligation to do the following:

- A. Perform any or all of the functions of an FBO. If so inclined, the airport owner may retain a proprietary right to offer any or all FBO services and/or products and allow no FBO to offer the same services or products at the airport.
- B. Enter into contracts with other FBO's to operate similar or competitive businesses at the airport without regard to the wishes or desires of existing FBO's. Any new contracts will be written to standards applicable at that time.

If a new contract agreement gives an economic advantage to the new FBO, the airport owner may renegotiate its contract with the disadvantaged FBO; however, under no circumstances will the airport owner be held liable or required to pay damages for services, equipment or any other obligations which were required by past or current contracts.

- C. Approve an FBO's placement of buildings, parking areas, or equipment to assure such development is accomplished in an orderly fashion and does not impede the future development or expansion of the airport as shown on an FAA or \_\_\_\_\_ approved Airport Layout Plan or Master Plan.
- D. Maintain the airport in a safe and serviceable condition.
- E. Collect all fees for the use of the airport; these fees include lease of hangar space, office space, T-hangar space, aircraft or auto parking areas, fuel flowage fees, and tie-down fees. The airport owner may charge these fees as long as such fees are fair and appropriate and not intended to discriminate for or against any FBO or airport user or type of user.
- F. Increase or decrease the fee or required services of an FBO at any time the FBO's contract is renegotiated or at any such time as authorized by the lease contract.
- G. Impound any personal property, tools, furniture, aircraft, or equipment located on the leased property and hold or liquidate such until all fees and taxes due the airport owner are paid, subject to a court judgement.
- H. Reserve the right to take any actions necessary to protect the safety and usability of the airport and the approach surfaces to all runway ends.

#### **IV. Payment and Fees**

- A. **Service Charge** – An FBO must pay all responsible rentals, fees, or charges in a timely manner. The airport owner retains the right to assess a service charge for any late payments dues to the owner.
- B. **Bond** – An FBO must show proof of financial responsibility or be properly bonded with the airport owner listed as beneficiary in the event the FBO cannot or will not return the property to an acceptable condition after the term to the lease or if the lease is prematurely terminated.
- C. **Utilities** – An FBO must arrange for water and waste water, gas, electricity, telephone, and any other utilities it uses on the airport and pay all responsible charges in a timely manner throughout the term of the lease.
- D. **Taxes** – An FBO will pay all responsible taxes in a timely manner.

E. **Other Bills** – An FBO will pay all responsible bills in a timely manner. Under no circumstances will the airport owner be responsible for payment of any taxes or bills owed by an FBO.

#### **V. Insurance**

The airport owner will provide insurance for all real property located at the airport under the owner's policy. This policy will be for the sole benefit and protection of the airport owner. The FBO will be required to provide adequate insurance coverage for his personal property and the contents of any buildings under lease. The FBO must furnish current proof of these policies to the airport owner and any changes in those policies must have prior written approval of the airport owner.

#### **VI. Solicitation and Conduct**

- A. An FBO will not engage in the solicitation of its fueling or other services on or about the airport in a loud, offensive, or objectionable manner. In the event of such questionable conduct, the airport owner will be the sole judge in determining if said conduct is a violation of the lease agreement and take any and all necessary steps to eliminate the undesirable condition, up to and including the termination of the FBOs lease contract.
- B. An FBO will conduct business on the airport in such a manner as to maintain a friendly and cooperative, though competitive, relationship with other operators engaged in similar businesses on the airport. An FBO will not engage in open public disputes, disagreements, or conflicts which would tend to deteriorate the quality of service of either party involved or which would be incompatible with the best interest of the public or the airport. The airport owner has the right to resolve all such disputes, disagreements, or conflicts and the airport owner's determination will be binding upon all FBO's operating at the airport.

#### **VII. Use and Use Conflict**

Any land, building, paved area, and other infrastructure leased to an FBO are to be used and occupied solely for the purpose of operating a Fixed Base Operation and no other. The leased airport property cannot be sublet or divided, except for parking aircraft in hangars, T-hangars, or tie down spaces without the written permission of the airport owner. Should the FBO become deceased, be adjudged to be incompetent, or his business declared bankrupt or become insolvent, the leased property and the executed lease contract shall not be considered as a part of the FBO's estate or an asset of any appointed or assigned guardian, trustee, or receiver. In such cases, the FBO's lease will immediately terminate and all rights and property returned to the airport owner.

#### **VIII. Unauthorized Use**

An FBO may not park vehicles, trailers, motor homes, mobile homes, or any other vehicle or trailer on airport property without written approval of the airport owner.

## **IX. Rules**

An FBO must abide by all laws, rules, regulations, guidelines, terms, and conditions of the airport owner, the \_\_\_\_\_, the Environmental Protection Agency, the National Fire Protection Association, the local and State fire marshals, the \_\_\_\_\_, the Federal Aviation Administration, and any other applicable agencies in regard to the use and storage of pesticides, or other dangerous chemicals, the storage and dispensing of aircraft fuel, the storage, dispensing, and disposal of engine oil, the maintenance and upkeep of the airport facilities, the operation of the FBO's business, and the general safety and operation of the airport.