



**NOTICE AND AGENDA OF MEETING OF THE
MESA GATEWAY AIRPORT AUTHORITY
BOARD OF DIRECTORS**

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Mesa Gateway Airport Authority and to the public that the Mesa Gateway Airport Authority will hold a meeting open to the public on **Tuesday, March 17, 2026 beginning at 9:00 a.m.** in the Board Room (Saguaro A & B) of the Gateway Administration Building, 5835 South Sossaman Road, Mesa, Arizona. Members of the Mesa Gateway Airport Authority may attend either in person or by audioconference. The Board may vote to hold an executive session for the purpose of obtaining legal advice from the Board's attorney on any matter listed on the agenda pursuant to A.R.S. § 38-431.03 (A)(3)&(4).

The agenda for the meeting is as follows:

1. **Call to Order** (Lt. Governor Regina Antone, Chair)
Members of the Mesa Gateway Airport Authority will attend either in person or via videoconference.
2. **Pledge of Allegiance**
3. **Executive Director's Report** - J. Brian O'Neill, A.A.E., Executive Director/CEO
4. **Consent Agenda**
 - a) **Minutes** of the Board Meeting held on **February 17, 2026.**
 - b) **Resolution No. 26-09** – Authorizing a Construction Manager at Risk Construction Services Contract, Early Procurement for Guaranteed Maximum Price (GMP) 1 with **Pulice Construction, Inc.** for the Taxiway Golf Realignment / Reconstruction – Phase 1 Project in an amount not to exceed \$451,087.99 pending FAA and ADOT grant funding under CIP 1092.
 - c) **Resolution No. 26-10** – Approving an Authorization of Services for **Kimley-Horn & Associates** to provide Construction Administration Services for the Taxiway G Realignment / Reconstruction - Phase 1 Project in an amount not to exceed \$546,741.54, pending receipt of FAA and ADOT Grant Funding.
 - d) **Resolution No. 26-11** – Approve the 2026 updates and improvements to **Airport Minimum Standards.**

Consideration and Approval of:

5. **Resolution No. 26-12** – Authorizing MGAA Executive Director to impose a **landing fee on itinerant aircraft** less than 12,500 pounds Max Gross Landing Weight (MGLW) to increase revenue to support airfield operations, in an amount not to exceed the highest itinerant aircraft landing fee imposed at any other metropolitan Phoenix airport.
6. **Board Member Comments/Announcements**

7. Call to the Public

Members of the Board may not discuss items that are not on the agenda. Therefore, action taken as a result of public comment will be limited to directing staff to study the matter or scheduling the matter for further consideration and decision at a later date. Maximum of three minutes per speaker.

8. Next Meeting: Tuesday, April 21, 2026 at 9:00 a.m.

9. Adjournment

Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting Misty Johnson at 480-988-7607 or mrjohnson@gatewayairport.com. Requests should be made as early as possible to allow time to arrange the accommodation.



- Mesa Gateway Airport Aces Annual FAR Part 139 Certification Inspection
- Garmin Announces New Facility at Gateway Airport
- Gateway Airport Hosts Launch Parties for Three New Allegiant Destinations
- TSA Adds Third Explosive Detection System (EDS) Machine in Terminal
- New TSA Checked Baggage Inspection Facility Goes Vertical
- SpringHill Suites by Marriott Hotel Breaks Ground in Gateway East
- MGAA Board Approves Phase I of Taxiway Golf Realignment and Reconstruction

Executive Director's Report March 2026



Concrete Placed at the North End of Runway 12R-30L

Financial Snapshot

OPERATING INCOME	January		Month Variance	FYTD Comparison		FYTD Variance
	2025	2026		FY25	FY26	
Revenues	\$3,072,071	\$4,191,803	\$1,119,732	\$19,092,385	\$24,536,808	\$5,444,423
Less Expenses	\$2,353,509	\$3,400,983	\$1,047,474	\$16,576,203	\$21,044,107	\$4,467,904
Operating Income (Before Depreciation)	\$718,562	\$790,820	\$72,258	\$2,516,182	\$3,492,701	\$976,519

Investment Fund Balances: As of January, the Local Governmental Investment Pool (LGIP) 700 = \$3,855,786; Wells Fargo; Collateralized Money Market = \$2,339,858 and Commercial/Paper Brokered CD's = \$69,007,656; Total \$75,203,300. MGAA invests in fixed rate instruments.

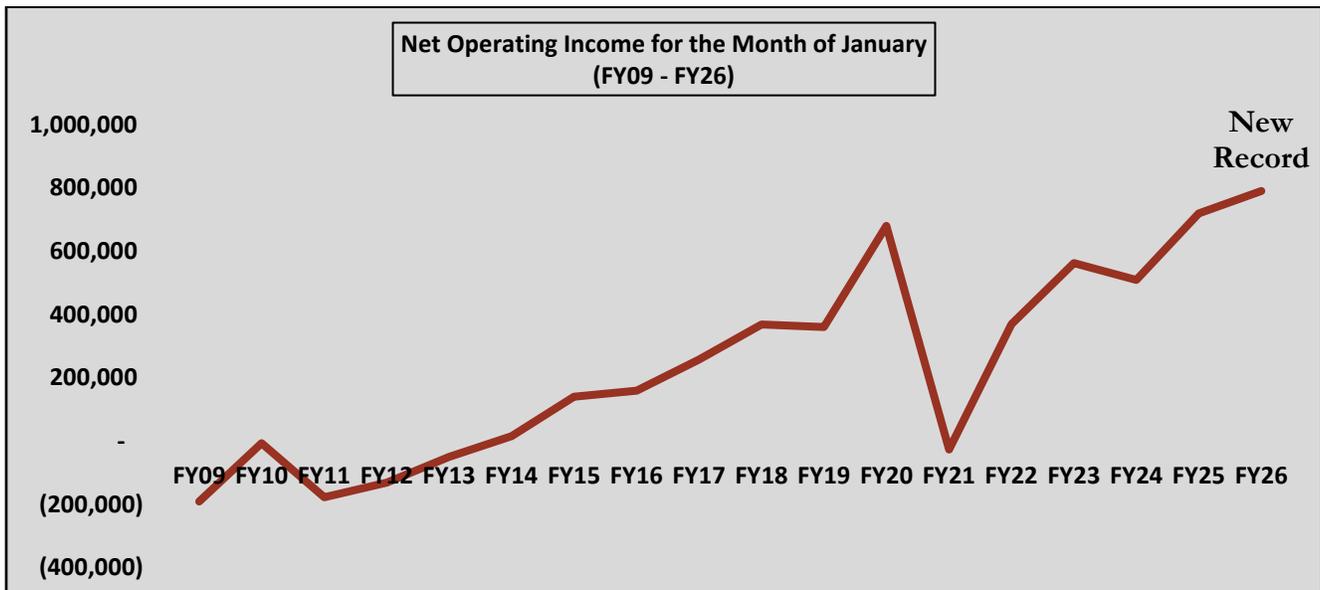
Finance and Accounting

Mesa Gateway Airport Authority (MGAA, Authority) is reporting a net operating income of \$790,820 for January 2026, a new record for the month of January (see line graph below). Fiscal-year-to-date 2026 (FYTD26), the Authority is reporting net operating revenue of \$3,492,701, compared to \$2,516,182 for the same time in FY25.

January 2026 aeronautical revenues increased by 52% and non-aeronautical revenues increased by 5% on a year-over-year monthly comparison. The aeronautical increase was across most related revenue categories, with aviation fuel sales and landing fees leading the way with 121% and 28% increases respectively. All categories of non-aeronautical revenues were relatively flat on a month-to-month comparison from the previous fiscal year.

Operating expenditures for January increased by 45% and totaled \$3,400,983. The increase was due to an increase in fuel related cost-of-goods-sold due to increased fuel sales volume.

Fiscal-year-to-date operating expenditures are \$3,321,322 over budget, due to the increased aviation fuel cost-of-goods sold.



Active/Pending Solicitations

TYPE OF SOLICITATION	Number	Title	Anticipated Contract Award
Invitation for Bid	2026-003-IFB	Baggage Tractor	April 2026
Request for Qualifications	2026-005-RFQ	CMAR for Taxiway Golf Reconstruction	April 2026

Airport Operations

Mesa Gateway Airport Aces Annual FAR Part 139 Certification Inspection

Each year, Gateway Airport participates in a comprehensive days-long certification and compliance inspection by the Federal Aviation Administration (FAA). This inspection, completed at all commercial service airports nationwide, ensures that airports are following strict national safety standards. This year, Gateway Airport completed its FAA Part 139-Certification and Operations Inspection with no reportable conditions or major findings across more than 4.5 square miles of airfield and nearly six miles of runway.

Included in a FAR Part 139 - Certification and Operations Inspection is a review of:

- Airport rescue/firefighting equipment, training, and response times
- Airport Emergency Plan (AEP)
- Operations/maintenance personnel training and performance
- All paved/unpaved safety areas and runway approaches
- All airfield markings and lighting
- Airport's self-inspection program
- All operations and maintenance records and logs

This year's FAA Part 139 Inspection confirmed that Mesa Gateway Airport is a safe, efficient, and well-run operation. Thank you to everyone at MGAA for keeping the Airport and airfield in excellent condition all year round.

Gateway Airport Hosts Launch Parties for Three New Allegiant Destinations

Gateway Airport hosted three new destination launch parties for Allegiant in February – Orange County, CA, La Crosse, WI, and Bloomington-Normal, IL. For more information visit www.allegiant.com.



Allegiant Crews and Passengers Celebrate the Start of Three New Destinations in February at Gateway Airport

PASSENGERS AND AIR CARGO		January		% Change	FYTD		% Change
		2025	2026		FY25	FY26	
Passengers	TOTAL	169,813	166,158	-2%	1,066,997	1,093,213	2%
	Deplaned	87,774	85,935	-2%	546,283	560,417	3%
	Enplaned	82,039	80,223	-2%	520,714	532,796	2%
Allegiant		165,697	161,762	-2%	1,044,755	1,070,302	2%
Sun Country		4,116	4,396	7%	22,242	22,911	3%
Air Cargo (lbs.)		246,719	133,627	-46%	650,857	6,465,221	893%

Engineering, Planning, and Facilities

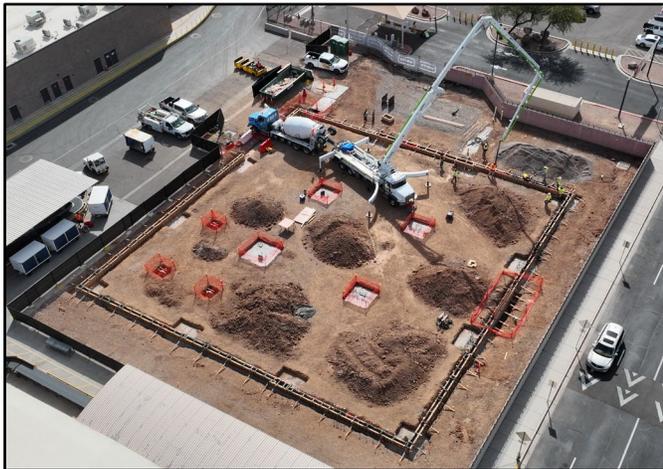
TSA Adds Third Explosive Detection System (EDS) Machine in Terminal

The TSA has installed a third Explosive Detection System (EDS) machine in Gateway Airport's terminal as a temporary solution to meet the growing number of checked bags being processed until their new Checked Baggage Inspection Facility is completed next year. The TSA's current EDS machines are capable of screening a total of 400 checked bags per hour. During the busy spring travel period, Allegiant will require additional screening capacity to keep up with increased demand. Once the new inspection facility is completed, the TSA will increase screening capacity to over 1,500 checked bags per hour; with room for further expansion in the future.



Third EDS Machine Installed in Terminal

New TSA Checked Baggage Inspection Facility Goes Vertical



New TSA EDS Facility Under Construction

The TSA and Gateway Airport are partnering on the development of a new \$43MM Checked Baggage Inspection Facility. The new 10,000 sq. ft. explosive detection building will include two state-of-the-art EDS machines capable of processing more than 1,500 checked bags per hour. The new system will have the capability to expand to include a third machine in the future.

Ground preparation, utility installation, and footings are complete and the project is going vertical. The TSA and Gateway Airport anticipate the new facility coming online in the fall of 2027.

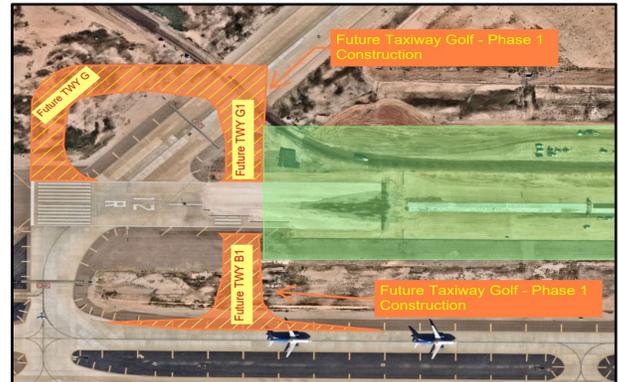
MGAA would like to thank the TSA for their partnership and financial contribution on this important security infrastructure project. We make a good team!

MGAA Board Approves Phase I of Taxiway Golf Realignment and Reconstruction

Over the next five- to seven-year planning horizon, MGAA will invest more than \$130MM developing and improving Gateway Airport's expansive airfield. Projects include, but are not limited to:

- New midfield taxiway connectors
- Parallel taxiway on the center runway
- Lighting vault replacement
- Taxiway Delta and connectors

Two important airfield projects currently underway at the Airport this year are the Runway 12R-30L Reconstruction (Phase II) and the Taxiway Golf Realignment and Reconstruction (Phase I). Portions of these two projects are being completed simultaneously to limit the amount of time Gateway Airport's primary runway is closed for construction. Phase I of the Taxiway Golf project will be completed while Phase II of the Runway 12R-30L project finishes up, thus allowing MGAA to only close the runway one time.



Phase I of Taxiway Golf Redesign Project

Business Development

Garmin Announces New Facility at Gateway Airport



Garmin's New Gateway Airport Testing Facility

Garmin recently announced that it has acquired a hangar and office complex at Gateway Airport. The new facility will expand the company's capacity for aircraft certification and flight testing.

The facility consists of two adjacent hangars of approximately 75,000 total square feet which includes office space that can accommodate approximately 75 Garmin team members. The new Mesa location joins Garmin's two existing flight operations centers in New Century, Kansas and Salem, Oregon.

"We are excited to add another aviation facility to our business. The capabilities this location will provide are instrumental in extending aircraft airworthiness approvals and market coverage for our product lines. This expansion represents Garmin's continued investment in infrastructure that supports growth and innovation in our aviation business segment."

–Phil Straub, Garmin Executive Vice President Managing Director Aviation

Garmin's new facility is located at the north end of the Airport's airfield, adjacent to JetNEXA, Boeing, Embraer, and Virgin Galactic. MGAA would like to welcome Garmin to the Gateway Airport family.

For additional information regarding Garmin's aviation business, please visit www.Garmin.com/Aviation.

SpringHill Suites by Marriott Hotel Breaks Ground in Gateway East

The Boyer Company, Western States Hospitality, SpringHill Suites by Marriott, MGAA, and area VIPs recently celebrated the groundbreaking for a new five-story, 127-suite SpringHill Suites by Marriott Hotel in the Gateway East Airport business park.

Strategically located adjacent to XNRGY Climate Systems, FlightSafety International, and Gulfstream Aerospace Corp., and

across the street from the Arizona Athletic Grounds (AAG) Sports Complex, the new hotel features an outdoor pool, lobby bar, restaurant, fitness center, and conference facilities. The hotel is scheduled to be open in summer 2027.



Groundbreaking Ceremony for SpringHill Suites Hotel

MGAA TEAM MEMBER SPOTLIGHT

Employee Name: Abigail Anderson
Employee Title: Marketing and Social Media Analyst
MGAA Department: Communications and Government Relations
Years with MGAA: 1+



What are your job responsibilities for MGAA? My job responsibilities include things like photography, videography, and all things social media. I get to be super creative, which I love. I dictate how we show up online through our social media channels; this could mean participating in a fun trend, alerting the public of construction projects, providing TSA travel updates, posting cool aircraft that visit, etc. It's my job to figure out how to talk about multiple kinds of topics in a way that'll be well-received & understood by the person on the other side of the screen. I want everyone to know who, what and where Mesa Gateway Airport is! One thing is guaranteed: if there's something going on at the airport, I'll be there with a camera in hand!

What is your most memorable Gateway Airport moment? When the Blue Angels visited! That was a pretty awesome day. Getting to photograph such a famous group of aircraft & pilots was something I never expected to experience. A close second would be taking aerial photos out of an open-door helicopter during my second month working here. 🤩 Talk about an adrenaline rush!

What is something people may not know about you? I grew up in a very musical family and played many instruments, one of those being violin; I played for about 18 years.

Gateway Aviation Services

Gateway Aviation Services (GAS), the MGAA owned and operated Fixed Base Operator (FBO), pumped 1,821,015 gallons of aviation fuel during the month of January 2026, a 3% increase compared to last January when the Gateway Aviation Services team pumped 1,772,103 total gallons. FYTD26, Gateway Aviation Services has pumped a total of 11,670,603 gallons, a 10% increase over the same period last fiscal year.



GAS Team Member Fueling Aircraft

Big kudos to the Gateway Aviation Services team for pumping a record 21MM+ gallons of aviation fuel last year!

FUEL (Gallons)	January			FYTD		
	2025	2026	% Change	FY25	FY26	% Change
AvGas	56,617	56,103	-1%	348,785	352,407	1%
Retail Jet A	94,849	402,040	324%	613,343	1,951,147	218%
Contract	228,503	178,932	-22%	1,614,894	1,393,502	-14%
Commercial	1,366,688	1,152,313	-16%	7,912,124	7,603,341	-4%
Cargo	25,446	31,627	24%	131,159	370,206	182%
TOTAL	1,772,103	1,821,015	3%	10,620,305	11,670,603	10%

Community Noise Report

CALLERS	January		FYTD	
	2025	2026	FY25	FY26
Total	14	14	63	73

AIRCRAFT TYPE	January		FYTD	
	2025	2026	FY25	FY26
	Callers	Callers	Callers	Callers
Commercial	5	9	27	46
GA Total	7	2	28	20
Helicopter	0	0	6	3
Military	2	3	2	4
Total	14	14	63	73

LOCATION	January		FYTD	
	2025	2026	FY25	FY26
Mesa	8	2	19	25
Gilbert	5	7	29	21
Gold Canyon	0	1	0	4
Queen Creek	0	4	5	21
Queen Valley	0	0	4	0
Apache Junction	0	0	2	0
San Tan Valley	1	0	3	2
Florence	0	0	1	0
TOTAL	14	14	63	73

MGAA received communications from a total of 14 individuals regarding aircraft noise issues during the month of January 2026, the same number of individuals that contacted MGAA last January.



**MINUTES OF THE PUBLIC MEETING OF THE
MESA GATEWAY AIRPORT AUTHORITY
BOARD OF DIRECTORS | February 17, 2026**

A public meeting of the Mesa Gateway Airport Authority (MGAA, Authority) was convened on Tuesday, February 17, 2026, beginning at 9:00 a.m. in the Board Room (Saguaro A&B) of the Gateway Administration Building, 5835 S Sossaman Road, Mesa, Arizona.

Members Present

Lt. Governor Regina Antone, Gila River Indian Community
Mayor Mark Freeman, Mesa
Mayor Scott Anderson, Gilbert
Mayor Chip Wilson, Apache Junction (*via audioconference*)
Mayor Julia Wheatley, Queen Creek

Airport Staff Present

J. Brian O'Neill, Executive Director/CEO
Scott Brownlee, Deputy Director/COO
Chuck Odom, CFO
Misty Johnson, Clerk of the Board
Jill Casson Owen, Attorney

1. Call to Order at 9:02 a.m. (Lt. Governor Regina Antone, Chair)

2. Pledge of Allegiance

3. Executive Director's Report – J. Brian O'Neill, A.A.E., Executive Director/CEO

Executive Director O'Neill provided a briefing on MGAA financial performance, passenger activity, the community noise report, and various Airport projects.

- Changes to aircraft landing fees are being actively discussed at the national, regional, and local levels as a solution for airports facing increasing funding challenges. Aircraft now using an airport that implements a new landing fee would likely shift flight activity to other airports in the region to avoid paying the new landing fee. Mesa Gateway Airport (Airport, Gateway Airport) has a thriving mix of commercial, corporate, military, and general aviation activity. The vast majority of Gateway Airport's 300,000+ annual operations do not pay a landing fee to use the Airport. The MGAA Board is supportive of protecting the Airport and MGAA staff will continue to monitor the evolution of landing fees and make recommendations to the MGAA Board as necessary.
- December 2025 Net Operating Income is \$328,887 compared to \$99,636 in December 2024.
- Fiscal Year-to-Date 2026 (FYTD) Net Operating Income is \$2,700,636 compared to \$1,796,903 in FYTD25.
- Gateway Airport welcomed 197,534 commercial passengers during December 2025 compared to the 196,249 passengers during December 2024.
- FYTD26 commercial passengers' activity is 927,055 compared to 897,184 in FYTD25.
- Launch parties were held to celebrate Allegiant's three new destinations. Allegiant began services from Gateway Airport to three new nonstop destinations. Service to La Crosse, WI (LSE) began on February 6th, Orange County, CA (SNA) began on February 12th, and Bloomington-Normal, IL (BMI) began on February 13th.
- Reconstruction of the northern half of Runway 12R-30L (Phase II) began in October 2025 and is on schedule to be completed later in 2026. This important infrastructure project totals approximately \$45MM. Thanks to continued strong support from the Federal Aviation Administration (FAA), the substantial reconstruction of Runway 12R-30L will be completed within a two-year timeframe. Phase I began in October 2024 and was completed in May 2025. The old concrete at the north end of the

runway has been removed, crushed, and recycled as the new runway's sub-base. The soil has been stabilized through lime treatments, and final grading is complete. Concrete will begin to be placed later this week.

- The Taxiway Golf Realignment Project will correct existing pavement issues and non-standard geometry. Construction is contingent on grant funding and this important airfield improvement project is scheduled for completion over the next two years. The timing of the project is planned to overlap with Phase II reconstruction of Runway 12R-30L in order to limit the number of runway closures for the two projects.
- A new Transportation Security Administration (TSA) Checked Baggage Inspection System installation is currently underway to replace two older explosive detection machines that can only clear 200 checked bags an hour with state-of-the-art machines capable of clearing 750 bags an hour. This additional capacity will be necessary as the Airport continues to grow. The Authority and the TSA are sharing the \$46MM project cost. The foundation for the new Checked Baggage Inspection Facility will begin being poured this week.
- The TSA worked with the Authority to temporarily install a third Explosive Detection System Machine (EDS) in the lobby of the terminal. This new machine will assist with anticipated capacity surges during the busy February - April spring travel season.
- The 200 covered parking spaces located within the Ray Road Economy Lot have experienced tremendous growth in popularity. To meet increasing demand, and to continue to bolster the customer experience, the Authority will be constructing an additional 200 covered parking spaces. The possibility of putting solar panels on the extension of the covered parking spaces is being considered. Moving forward with solar panels is contingent upon a strong business justification and project cost.
- Dunkin' will be the newest concession opening in the terminal near Gate Four. Design plans have been submitted for review and the new Dunkin' concession will be under construction within the next several months.
- A new terminal entrance sign has been designed and will replace the current sign at the entrance to the terminal off of Sossaman Road.
- Gateway Airport is the first airport selected to participate in an FAA pilot program that allows for the conversion of a U.S. Contract Tower to an FAA Tower. The conversion could start within the next 18 to 36 months.
- Each year, the FAA conducts a FAR Part-139 Certification Inspection. The 2026 FAA Certification Safety Inspection shows Gateway Airport had a clean inspection with no reportable conditions.
- Garmin announced a new aviation facility at Gateway Airport for testing and development. The facility consists of hangar and office space to accommodate approximately 75 employees.
- A hotel groundbreaking will be held for SpringHill Suites by Marriott at Gateway East following the February Board meeting. Construction for this five-story, 129-room hotel with a restaurant, fitness facility, and conference rooms will be underway in early 2026.
- Gateway Commerce Center III is a two-building development totaling approximately 100,000 sq. ft. with move-in ready office suites for aviation and non-aviation tenants. HB Aerospace is the first tenant in this development.

4. Consent Agenda

- a) **Minutes** of the Board Meeting held on **January 20, 2026**.
- b) **Resolution No. 26-05** – Authorizing an Amendment of the **FY26 Capital Budget** to include \$250,000 for a Vertipad Design and Construction Project, contingent upon being selected for the

State's proposal of the pilot program and pending receipt of the State funds specifically allocated for Advanced Air Mobility within Arizona.

- c) **Resolution No. 26-06** – Authorizing a reimbursement to the **City of Mesa** of \$83,158.90 for providing the Salt River Project Power Distribution access to the Gateway East Development. The Mesa Gateway Airport Authority and the City of Mesa entered into an Intergovernmental Agreement on August 10, 2022 for Gateway East Infrastructure.
- d) **Resolution No. 26-07** – Authorizing an Amendment of the **FY26 Capital Budget** to provide the capacity in funding for the Construction of the Taxiway G Realignment / Reconstruction – Phase 1 Project, in the amount of \$14,200,000, contingent upon receipt of grant funding from the Federal Aviation Administration and the Arizona Department of Transportation.
- e) **Resolution No. 26-08** - Authorizing a Construction Manager at Risk Pre-Construction Services Contract with **Pulice Construction, Inc.** for the Taxiway G Realignment / Reconstruction – Phase 1 Project in an amount not to exceed \$55,680.25, pending FAA and ADOT approval.

Regarding Resolution 26-06, Mayor Freeman expressed concern over a possible conflict of interest as the Mayor of the City and recused himself from discussing or voting on this item.

Resolution 26-06 was pulled from the Consent Agenda.

**Mayor Julia Wheatley moved to approve the Consent Agenda omitting Resolution 26-06.
Mayor Scott Anderson seconded the motion.
The motion was carried unanimously.**

Consideration and Approval of:

- 5. **Resolution No. 26-06** – Authorizing a reimbursement to the **City of Mesa** of \$83,158.90 for providing the Salt River Project Power Distribution access to the Gateway East Development. The Mesa Gateway Airport Authority and the City of Mesa entered into an Intergovernmental Agreement on August 10, 2022 for Gateway East Infrastructure.

**Mayor Julia Wheatley moved to approve the Resolution 26-06.
Mayor Scott Anderson seconded the motion.
The motion carried with four voting in favor. Mayor Freeman abstained.**

6. Board Member Comments/Announcements

The Board of Directors has been invited for a ceremonial photo op for the ground breaking of the SpringHill Suites by Marriott at Gateway East following the conclusion of this meeting.

7. Call to the Public

None.

- 8. **Next Meeting: Tuesday, March 17, 2026** at 9:00 a.m. in the Board Room (Saguaro A&B) of the Gateway Administration Building, 5835 S Sossaman Road, Mesa, Arizona. Members of the Mesa Gateway Airport Authority may attend either in person or by audioconference.

9. Adjournment.

The meeting adjourned at 9:45 a.m.

Dated this ____ day of _____ 20__.

Misty Johnson, Clerk of the Board



Mesa Gateway Airport Authority
5835 S Sossaman Road
Mesa, Arizona 85212-6014
www.gatewayairport.com

Board Action Item

Re: Resolution 26-09

To: Board of Directors
From: Carmen Parks, P.E., Engineering & Facilities Director
Through: Scott Brownlee, Deputy Director/COO
J. Brian O'Neill, A.A.E., Executive Director/CEO
Subject: Taxiway Golf Realignment / Reconstruction – Phase 1 Project – Construction
Manager at Risk Construction Services Contract Early Procurement, GMP 1 – Pulice
Construction, Inc. - CIP 1092
Date: March 17, 2026

Proposed Motion

To authorize a Construction Manager at Risk Construction Services Contract, Early Procurement for Guaranteed Maximum Price (GMP) 1 with Pulice Construction, Inc. for the Taxiway Golf Realignment / Reconstruction – Phase 1 Project in an amount not to exceed \$451,087.99 pending FAA and ADOT grant funding under CIP 1092.

Narrative

The existing Taxiway Golf alignment, at the Mesa Gateway Airport (MGAA), consists of a 150-foot wide taxiway that connects the north end of each of the Airport's three Runways (12L, 12C, and 12R) with deteriorating concrete pavement and non-standard acute angles. The Pavement Condition Index (PCI) for most of the taxiway is poor, ranging from a PCI of 25 to 55, and the configuration does not meet current Federal Aviation Administration (FAA) Airport Design standards. The current acute angle entries at the runway ends provide poor pilot visibility resulting in an environment where a pilot can easily lose situational awareness.

The contractor, Pulice Construction, Inc. (Pulice), is currently providing Pre-Construction Services as a CMAR for the Taxiway Golf Realignment / Reconstruction – Phase 1 Project. This project consists of the construction of a portion of a new concrete paved taxiway in accordance with FAA geometric requirements, and also includes a new Taxiway B1 located on the west side of RW 12R south of existing Taxiway Golf as well as new pavement for Taxiway Golf and Taxiway Golf Phase 1 on the east side of RW 12R. This will result in 3 new 90-degree entrances to RW 12R which will be consistent with the latest revision of the Airport's ALP.

The proposed GMP 1 Early Procurement is required to secure critical electrical components with delivery lead times up to 25 weeks. Authorizing this procurement now will help mitigate schedule risk and support timely project execution. MGAA staff will present an additional GMP (GMP 2) to the Board for review and consideration at a later date.

The Notice of Request for Qualifications (RFQ), Solicitation 2026-005-RFQ was issued on December 3, 2025, and advertised in the Arizona Business Gazette on 12/4, 12/11, 12/18, 12/25, and 1/1/26; it was also posted on the AzAA, ACC, ACI-NA, SWAAAE, FAA Matchmaker, and the Mesa Gateway Airport Authority Websites. In addition, the RFQ was emailed to a list of one hundred thirteen (113) prospective contractors

Page 2 of 2: BAI – **Taxiway Golf** Realignment / Reconstruction – Phase 1 Project – Construction Manager at Risk Construction Services Contract Early Procurement, GMP 1 – Pulice Construction, Inc. - CIP 1092

and subcontractors. MGAA Staff received six (6) qualified Statements of Qualifications. Upon review of the qualifications, the Evaluation Panel selected Pulice as the CMAR firm that best satisfied the requirements, based on the qualifications of the firm, project team experience, project understanding, and approach to performing the required services.

Fiscal Impact

This project is included in the FY26 Capital Budget utilizing FAA and ADOT Grant funding, and MGAA Matching non-grant funds under CIP 1092.

Attachments: CMAR Construction Services Contract, Early Procurement, GMP 1



RESOLUTION NO. 26-09

WHEREAS, the Mesa Gateway Airport Authority (“Authority”), a joint powers airport authority formed pursuant to Arizona Revised Statute §28-8521 *et seq.* owns and operates the Mesa Gateway Airport (“Airport”); and

WHEREAS the Authority desires to authorize a Construction Manager at Risk Construction Services Contract, Early Procurement for Guaranteed Maximum Price (GMP) 1 with Pulice Construction, Inc. for the Taxiway Golf Realignment / Reconstruction – Phase 1 Project in an amount not to exceed \$451,087.99 pending FAA and ADOT grant funding under CIP 1092;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority as follows:

The Board of Directors of the Authority hereby authorizes a Construction Manager at Risk Construction Services Contract, Early Procurement for Guaranteed Maximum Price (GMP) 1 with Pulice Construction, Inc. for the Taxiway Golf Realignment / Reconstruction – Phase 1 Project in an amount not to exceed \$451,087.99 pending FAA and ADOT grant funding under CIP 1092 This resolution also authorizes the Chair or Executive Director/CEO to make such additions, deletions, and changes as may be approved by the Chair or Executive Director/CEO, necessary to carry out the purposes and intent of this Resolution.

Passed and adopted by the Authority this 17th day of March, 2026.

Regina Antone, Chair

ATTEST:

APPROVED AS TO FORM:

Jeanine Rogers, Interim Clerk of the Board

Jill Casson Owen, Attorney

DIVISION I



**TAXIWAY GOLF
REALIGNMENT/RECONSTRUCTION – PHASE 1**

**CONSTRUCTION MANAGER AT RISK (CMAR)
CONSTRUCTION SERVICES CONTRACT #1,
EARLY PROCUREMENT
(FOR GMP 1)**

PROJECT NO. 1092

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Mesa Gateway Airport Authority

Construction Manager at Risk Construction Services Project No.: 1092

THIS CONTRACT is made and entered into by and between the Mesa Gateway Airport Authority, formerly known as Phoenix-Mesa Gateway Airport Authority, a joint powers airport authority authorized by the state of Arizona, hereinafter called "Owner" and the "Construction Manager at Risk" or "CMAR" designated below, Individually, each is a "Party" and collectively, the "Parties", and shall be effective as of the date signed by Owner.

NOW, THEREFORE, intending to be legally bound and for valuable consideration, the receipt and sufficiency of which are acknowledged, the Owner and CMAR agree as follows:

ARTICLE 1 – PARTICIPANTS AND PROJECT

Owner: Mesa Gateway Airport Authority
Project Manager: John Burgmeier
Telephone: 480-988-7652
E-mail: jburgmeier@gatewayairport.com

CMAR: Pulice Construction, Inc.
CMAR Representative: Jeff Gergal
Telephone: 858.525.3901
Email: jgergal@pulice.com

DESIGN PROFESSIONAL: Kimley-Horn & Associates
Jarrett Moore
Telephone: 623-552-3185
Email: Jarrett.moore@kimley-horn.com

PROJECT DESCRIPTION: Taxiway Golf Realignment / Reconstruction, Phase 1

PROJECT LOCATION: Mesa Gateway Airport
Mesa, Az 85212

ARTICLE 2 – CONTRACT DOCUMENTS

2.1 CONTRACT DOCUMENTS

The Contract between the Owner and CMAR shall consist of the following Contract Documents. Should any of the Contract Documents conflict with each other, the conflict will be resolved by using the following order of precedence:

1. Any amendments or modifications to the Contract Documents in reverse chronological order, including (a) a written amendment signed by both parties, (b) a Change Order, (c) a Change Directive, (d) Supplementary Instructions, or (e) a written order for a minor change in the work (collectively the "Contract");
2. Exhibit A to the CMAR Construction Contract, Accepted GMP #1 ("GMP")/Price Proposal and Project Schedule – the "Basis of GMP" and "Basis of Schedule";
3. The Guaranteed Maximum Price Proposal sections outside of item (2) above;
4. The CMAR Construction Services Contract #1, Early Procurement for GMP 1, and all of its Exhibits;
5. The *Federal Contract Provisions*;
6. Drawings;
7. Specifications;
8. The Request for Qualifications requirements, document, and exhibits (#2026-005-RFQ), documents, and CMAR's submittal to such solicitation dated January 13, 2026;
9. Any other Contract Documents.

2.3 PROJECT-SPECIFIC CONDITIONS

If there are any additional conditions that apply to this Project, they are set forth in the attached Exhibit A and are incorporated herein.

2.4 PROJECT PLANS AND SPECIFICATIONS

A detailed list of the Plans and Specifications for this Project is set forth in the attached Exhibit B.

ARTICLE 3 – PRE-CONSTRUCTION SERVICES

Although CMAR has performed Pre-Construction Services pursuant to a separate Contract between Owner and CMAR, the completion, quality, and accuracy of those services and the deliverables provided by Owner thereunder directly impact CMAR's performance of its obligations under this Contract. Therefore, all of CMAR's obligations, duties, and warranties in relation to Pre-Construction Services and deliverables survive completion of the Pre-Construction Services Contract and are incorporated herein. Any breach of any of CMAR's duties, obligations, or warranties under the Pre-Construction Services Contract shall likewise be considered a breach of this Contract.

ARTICLE 4 – CONSTRUCTION SERVICES

4.1 GENERAL

- 4.1.1 CMAR agrees at its own cost and expense, to do all work necessary and required to fully, timely and properly complete the construction of the Project in strict accordance with the Contract Documents in a good and workmanlike manner, free and clear of all claims, liens, and charges whatsoever, in the manner and under the conditions specified, and within the Project Schedule included in Exhibit A of this Contract.
- 4.1.2 CMAR shall provide all of the labor and materials and perform the Work in accordance with the Contract Documents. Some but not all of the major components of the Construction Services are set forth below.

- 4.1.3 At all times relevant to the Contract and performance of the Work, the CMAR and its subcontractors shall fully comply with all Laws, Regulations, or Legal Requirements applicable to Owner, the Project, and the Contract.
- 4.1.4 CMAR shall perform the Work under this Contract using only those firms, team members, and individuals designated by CMAR consistent with the Statement of Qualifications dated January 13, 2026, the GMP Proposal, or otherwise approved in writing by Owner. No other entities or individuals may be used without prior approval of the Project Manager.
- 4.1.5 CMAR will comply with all terms and conditions of the Contract Documents, as well as the Owner's published Rules & Regulations and Minimum Standards (Exhibit E).
- 4.1.6 In the event of a conflict between this Contract and any exhibit hereto or appendix thereto, the terms of this Contract shall control, but nothing in this contract shall be construed to either (i) Violate any term or condition of the Owner's published Rules & Regulations or Minimum Standards; or (ii) Violate Owner's mandatory subordination to its federal obligations, pursuant to Federal Aviation Administration ("FAA") Policies (2009) (including, but not limited to § 1.1, § 1.5, § 12.3, §10, § 14.1, *et. seq.*) and federal statutory authority, including, but not limited to, 49 U.S.C. §40103(a) (establishes the federal government's total dominance over the airspace of the United States, including, U.S. airports).
- 4.1.7 Ownership of Work Product. Notwithstanding anything to the contrary in this Contract, all Work Product prepared or otherwise created in connection with the performance of this Contract, including the Work, are to be and remain the property of Owner. For purposes of this provision, "Work Product" shall include all designs, drawings, plans, specifications, ideas, renderings, and other information or matter, in whatever form created (e.g., electronic or printed) and in all media now known or hereinafter created. All Work Product shall be considered Work Made for Hire as defined in the United States Copyright Act 17 U.S.C. § 101 (Copyright Act). If, for any reason, any such Work is found not to be a work for hire, CMAR hereby transfers and assigns ownership of the copyright in such Work to Owner. The rights in this section are exclusive to the Owner in perpetuity.

4.2 CMAR's PRE-CONTRACT AND PRE-WORK DELIVERABLES

The CMAR will provide the insurance in accordance with Article 11 of this Contract prior to any work commencing.

Owner will obtain and pay for all permits necessary for the work.

4.3 PRE-CONSTRUCTION CONFERENCE

Not Used.

4.4 PERFORMANCE OF THE WORK (INCLUDING FIELD MEASUREMENTS, SUBCONTRACTORS, AND SUPPLIERS)

Not Used.

4.5 CONTROL OF THE PROJECT SITE

Not Used.

4.6 PROJECT SAFETY

Not Used.

4.7 MATERIALS QUALITY, SUBSTITUTIONS, AND SHOP DRAWINGS

- 4.7.1 Requests for Substitutions. After the Contract has been executed, the Owner and Architect may consider, but shall have no obligation to consider, a formal request for the substitution of products in place of those specified under the conditions set forth herein and those set forth in the Technical Specifications. The decision in the first instance on acceptance or rejection of proposed alternate, substitute, or similar materials, products, equipment, or systems shall be vested in the Architect, and ultimately with the Owner, whose decision shall be final and binding.
- 4.7.2 Conditions for Substitutions. By making requests for substitutions, the CMAR (1) represents that the CMAR has personally investigated the proposed substitute product and determined that it is equal or superior in all respects to that specified, (2) represents that the CMAR will provide the same warranty for the substitution that the CMAR would for that specified, (3) certifies that the cost data presented is complete and includes all related costs under the Contract except the Architect's analysis and redesign costs, and waives all claims for additional costs related to the substitution which subsequently become apparent, and (4) will coordinate the installation of the accepted substitute, making such changes as may be required for the work to be complete in all respects.
- 4.7.3 Criteria for Acceptance or Rejection of Substitutes. Acceptance or rejection of the proposed alternative, substitute, or similar materials, products, equipment, or systems for use may be based on the construction, design, function, type, size, capacity, performance, strength, durability, finish, aesthetic quality, the Owner's standard for repair, replacement, and maintenance, or other characteristics or criteria approved by the Owner.
- 4.7.4 Expense for Modification. The CMAR proposing the substitution shall pay any modification to the Contract or work necessary as a result of the use of an approved alternate or substitute.
- 4.7.5 Rejection of Substitute. If any alternate or substitute is not approved, the CMAR shall use the specified material, product, equipment, or system without adjustment to the Contract Sum or Contract Time.

4.8 PROJECT RECORD DOCUMENTS

CMAR shall maintain and make available to Owner any Project Record Documents.

4.9 WARRANTY AND CORRECTION OF DEFECTIVE WORK

- 4.9.1 CMAR warrants to the Owner and Architect that materials and equipment furnished under the Contract will be of first quality and new. Materials and equipment not conforming to these

requirements, including substitutions not properly approved and authorized, shall be considered defective. This warranty is in addition to and not limited by any other provision of the Contract.

- 4.9.2 Assignment of Warranties. The CMAR shall assign to the Owner, before Final Payment is due, all manufacturer's warranties relating to equipment and materials used in the work.

ARTICLE 5 – OWNER RESPONSIBILITIES

- 5.1 Owner shall have the responsibilities and provide the information specified in, and subject to the conditions set forth throughout the Contract Documents.
- 5.2 Additional information to be provided by Owner, if any, is listed below:
Final Contract Documents.

ARTICLE 6 – CONTRACT TIME

Contract Duration is 257 calendar days.

6.1 CONTRACT TIME

- 6.1.1 The Contract Time shall start with the Notice to Proceed (“NTP”) and end with Final Acceptance as set forth in Article 6.4 below. The Notice to Proceed cannot be issued prior to the approval and acceptance by the Owner of the GMP.
- 6.1.2 CMAR agrees that it will commence performance of the Work and complete the Project through both Substantial Completion within the Contract Time.
- 6.1.3 Time is of the essence of this Contract, for the Project, and for each phase and/or designated Milestone thereof.

6.2 PROJECT SCHEDULE

The Project Schedule approved as part of the GMP Proposal and incorporated herein as part of the attached Exhibit A shall be updated and maintained throughout CMAR's performance under this Contract.

- 6.2.1 Failure on the part of CMAR to adhere to the approved Project Schedule will be deemed a material breach and sufficient grounds for termination for cause of this Contract by Owner.

6.3 SUBSTANTIAL COMPLETION

Substantial Completion shall be achieved not later than the Substantial Completion Date set forth in the Accepted Project Schedule.

6.4 FINAL COMPLETION AND FINAL ACCEPTANCE

- 6.4.1 Final Completion will be obtained within the time period set forth in the Project Schedule.

6.4.2 Final Completion will be determined, and a Final Acceptance will be issued, pursuant to the following:

6.4.2.1 Following the issuance of a Certificate of Substantial Completion for the work and upon completion of the work, the CMAR shall forward to the Architect a written notice that the work is ready for final inspection and acceptance, and shall also forward to the Architect a final Application for Payment. Upon receipt, the Architect will promptly make such inspection. When the Architect, upon consultation with the Owner, finds the work acceptable under the Contract and the Contract fully performed, the Architect will promptly issue a final recommendation stating that to the best of its knowledge, information and belief, and on the basis of its observations and inspections, the work has been completed in accordance with the Contract and that the remaining Contract Sum is due, including all retainage, less authorized deductions.

6.5 LIQUIDATED DAMAGES

6.5.1 **Substantial Completion Liquidated Damages.** For the same reason set forth in Article 6.1.3 above, Owner and CMAR further agree that if CMAR fails to achieve Substantial Completion of the work within the time set forth in Article 6.3 above, Owner shall be entitled to retain or recover from CMAR, as liquidated damages and not as a penalty, the following per diem amounts (which the Parties agree is a reasonable approximation of any resulting damages) commencing from the actual date of Substantial Completion:

\$570 per calendar day.

6.5.2 Owner may deduct liquidated damages described in this Article 6.5 above from any unpaid amounts then or thereafter due to CMAR under this Agreement. Any liquidated damages not so deducted from any unpaid amounts due CMAR shall be payable to Owner at the demand of Owner, together with interest from the date of the demand at the highest lawful rate of interest payable by CMAR.

ARTICLE 7 – CONTRACT PRICE

7.1 CONTRACT PRICE

7.1.1 In exchange for CMAR's full, timely, and acceptable performance and construction of the Work under this Contract, and subject to all of the terms of this Contract, Owner will pay CMAR the "Contract Price" which:

The sum of the CMAR's Fee and reimbursable Cost of the Work, which the CMAR guarantees will not exceed the GMP set forth in Exhibit A, in the amount of \$451,087.99 (four hundred fifty-one thousand, eighty-seven dollars and ninety-nine cents). Costs that would cause the GMP to be exceeded shall be paid by CMAR without reimbursement from Owner.

7.1.2 The Contract Price is all-inclusive and specifically includes all fees, costs, insurance, and bond premiums, and taxes of any type necessary to fully, properly, and timely perform and construct the Work encompassed in attached Exhibit A.

7.1.3 The contract price may only be changed as set forth in the Contract Documents.

7.1.4 Only costs specifically designated as reimbursable costs are eligible for payment by Owner or may be charged against the Contract Price. All other costs will not be paid by Owner and shall not be chargeable against the Contract Price.

- 7.1.5 For Contract Amendments, Change Orders, or Job Orders, reimbursable costs shall be determined pursuant to MAG Specifications 109.5.

7.2 ALLOWANCES

Contractor shall include in the Contract Price all Allowances stated in the Contract Documents and agreed to in writing by Owner. Items covered by these Allowances shall be supplied for such amounts and by such persons as Owner may direct, provided Contractor will not be required to employ persons against whom Contractor makes a reasonable objection. Materials and equipment under an Allowance shall be selected by the Owner in accordance with a schedule to be mutually agreed upon by the Owner, Design Professional, and Contractor or otherwise in reasonably sufficient time to avoid delay in the Work.

- 7.2.1 Unless otherwise provided in the Contract Documents:

- 7.2.1.1 These Allowances shall cover the cost to Contractor, less any applicable trade discount, of the Materials and equipment required by the Allowances, delivered at the Site, and all applicable taxes;
- 7.2.1.2 Contractor's costs for unloading and handling on the Site, labor, installation costs, overhead, profit, and other expenses relating to Materials and Equipment required by the Allowance shall be included in the Contract Sum and not in the Allowance; and
- 7.2.1.3 Whenever the cost is more or less than the Allowance, the Contract Sum shall be adjusted accordingly by Change Order, the amount of which will recognize the difference between actual costs for an Allowance item and the amount of the Allowance item and changes, if any, in handling costs on the Site, labor, installation costs, overhead, profit, and other expenses.

7.3 CONTINGENCY

An agreed-upon amount in the GMP that may only be used in accordance with the Contract Documents and with prior written approval by Owner

7.4 FINAL PAYMENT

If the Contract Price is based upon a GMP, as a further condition precedent to Final Payment by Owner, Contractor must submit to the Project Manager a complete final accounting of the Actual Reimbursable Cost of the Work, including all such documentation (including, without limitation, invoices, subcontracts, subcontractor change orders, purchase orders, records of payment, etc.) as Owner may require, to establish whether the payments made to Contractor equal, exceed, or are less than the Actual Reimbursable Cost of the Work to date.

Any excess payments by Owner, as determined by the Project Manager, shall be deducted from the one-half retention payment to be made to Contractor, and any additional excess amounts paid to Contractor shall be refunded by Contractor to Owner. Disputes relating to the Final Cost of the Work shall be subject to the Owner's audit rights and 7.5 below, and the dispute resolution process under Article 13 of this Contract.

7.5 OPEN BOOK

On any GMP-based or Change Order, Owner may attend any and all meetings or discussions pertaining to the Project, including bid openings, and shall have access to all books, invoices, accounts, memoranda, correspondence, and written communications or records of any kind pertaining to the Project, including, without limitation, those stored in electronic format.

ARTICLE 8 – PAYMENT

Payments shall be made to CMAR in accordance with this Article 8 and Article 7 above.

- 8.1** Payment for Stored Materials. Unless otherwise provided in the Contract, payments shall be made on account of materials delivered and suitably stored at the Site for subsequent incorporation in the work. Payment will not be made for materials and equipment suitably stored off the Site. Payment for materials and equipment stored on the Site shall be conditioned upon (1) compliance by the CMAR with procedures satisfactory to the Owner to establish the Owner's title to such materials and equipment or otherwise protect the Owner's interest, (2) property insurance as set forth in Article 11, and (3) transportation to the Site. The Owner will not consider requests to pay for items that are stored off-site, or off-the-shelf type materials not requiring a long lead time to order.
- 8.2** Lien Waivers. The CMAR warrants that title to all materials covered by an Application for Payment will pass to the Owner no later than the time of payment. The CMAR also warrants that upon submittal of an Application for Payment, all materials for which payments have been received from the Owner shall be free and clear of liens, claims, security interests, or encumbrances in favor of the CMAR, Subcontractors, or other persons or entities making a claim by reason of having provided materials or equipment relating to the work. All Applications for Payment shall include lien waivers executed by the CMAR and all Subcontractors providing equipment or materials for the work. If a sub-subcontractor, vendor, supplier, manufacturer, or other entity or person supplying equipment or materials related to the work refuses to furnish a lien waiver for CMAR's Application for Payment, the CMAR shall furnish a bond satisfactory to the Owner against such possible lien prior to payment. Payment shall not be due until CMAR furnishes such a bond. The CMAR shall also indemnify, defend, and hold harmless the indemnified parties against any lien by any sub-subcontractor, vendor, supplier, manufacturer, or other entity or person supplying equipment or materials related to the work.
- 8.3** Timing for Payment. The Owner shall pay the CMAR in accordance with Arizona Revised Statutes Title 34.
- 8.4** Recommendation Subject to Later Evaluation. The decision of the Owner to make a payment is subject to later evaluation of the materials for conformance with the Contract, to the results of subsequent tests and inspections, to minor deviations from the Contract correctable prior to completion, and to specific qualifications expressed by the Architect or Owner.
- 8.5** Payment to subcontractors/suppliers. The CMAR agrees to pay each subcontractor/supplier under this prime contract for satisfactory performance of its contract.
- 8.6** No Obligation to Oversee Payments. Neither the Owner nor Architect shall have an obligation to pay or to see to the payment of money to a subcontractor/supplier.
- 8.7** Payment Not Acceptance of Work. A payment to CMAR or occupancy of the Project by the Owner shall not constitute acceptance of work not in accordance with the Contract.
- 8.8** Waiver of Claims. Acceptance of payment by the CMAR or Subcontractor shall constitute a waiver of claims by that payee except those previously made in writing and identified by that payee as unsettled at the time of final Application for Payment

ARTICLE 9 – CHANGES TO THE CONTRACT

A Change Order is a written order to the CMAR signed by the Owner authorizing a change in the (1) GMP, (2) Contract Sum or (3) Contract Time. Only a Change Order may change the GMP, Contract Sum, or Contract Time. The CMAR shall not perform any work for which the CMAR intends to seek additional money or an extension of time unless the

CMAR obtains a written Change Order or written approval by the Owner prior to performing the work. A Change Order signed by the CMAR indicates the CMAR's agreement therewith, including, without limitation, any adjustment in the Contract Sum or Contract Time. A Change Order signed by the CMAR without any indication of change in the GMP or Contract Time indicates the CMAR's agreement that there will be no change in the Contract Sum or Contract Time (collectively "Change Order").

ARTICLE 10 – SUSPENSION AND TERMINATION

This Contract may be suspended and/or terminated in accordance with MAG Specifications.

ARTICLE 11 – INSURANCE

- 11.1** CMAR shall provide insurance in accordance with this Article 11. CMAR shall provide proof of such insurance and all required endorsements in forms acceptable to Owner prior to commencing any Work under this Contract.
- 11.2** CMAR shall provide the following insurance:
- 11.2.1 Property Insurance. All-risk property insurance covering damages and/or destruction of all materials which will become part of the work until such materials are delivered to the Site.
- 11.3** Contractual Obligations. The stipulation of insurance coverage in this Section 11 shall not be construed to limit, qualify, or waive any liabilities or obligations of CMAR, assumed or otherwise, under this Contract.

ARTICLE 12 – INDEMNIFICATION

Not Used.

ARTICLE 13 – DISPUTE RESOLUTION

- 13.1** Negotiations. If a dispute arises out of or relates to this Contract or its breach, the parties to this Contract shall endeavor to settle the dispute through direct discussions as a condition precedent to mediation or binding dispute resolution.
- 13.2** Mediation. Should the parties to this Contract be unable to resolve their dispute through direct negotiations, the parties to this Contract, upon the written request of either, shall engage in mediation, to be administered privately by a mediator and according to rules mutually agreed upon by the parties to this Contract, or, the absence of such mutual agreement, by a mediator appointed by JAMS and administered by JAMS in accordance with its then-current mediation rules. The fees and costs of mediation shall be split equally by the parties to this Contract, but subject to reallocation following binding dispute resolution.
- 13.3** Binding Dispute Resolution. Should the parties to this Contract be unable to resolve their dispute through direct negotiations or mediation, either party may, within the time limitations for bringing claims under Arizona law and this Contract, commence formal dispute resolution proceedings. Both parties to this Contract consent to binding arbitration administered by JAMS according to its then current arbitration rules, provided, however, that (i) in the event both parties agree, the arbitration may be administered privately by an arbitrator and according to rules mutually agreed upon by the parties to this Contract, and (ii) in the event any party seeks relief against the other party or against a non-party which cannot fully be granted in arbitration, by reason of non-joinder or otherwise, the parties to this Contract are excused from this

arbitration requirement and the parties to this Contract shall proceed in the state or federal courts of competent jurisdiction and located in Maricopa County, Arizona. In any arbitration or litigation, the prevailing party shall be entitled to an award of its reasonable attorneys' fees and costs as determined by the arbitrator or court, as applicable.

ARTICLE 14 – MISCELLANEOUS PROVISIONS

Not Used.

IN WITNESS WHEREOF, the parties hereto executed this Contract through their duly authorized representatives and bind their respective entities as of the effective date.

“OWNER”

MESA GATEWAY AIRPORT AUTHORITY,
a joint powers airport authority, authorized by the
State of Arizona

By: _____
J. Brian O’Neill, A.A.E.

Title: Executive Director/CEO

Date: _____

“CMAR”

Pulice Construction, Inc., an Arizona Corporation

By: _____

Title: _____

Date: _____

EXHIBIT A – ACCEPTED GMP/PRICE PROPOSAL AND PROJECT SCHEDULE**(Under Separate Cover)**

All terms and conditions are set forth in the Contract. Any terms and conditions and/or exceptions noted in the CMAR's proposal, GMP, or other documents do not apply unless agreed to in this Contract or an approved addendum.

EXHIBIT B – PROJECT SPECIFIC CONDITIONS & PROJECT PLANS AND SPECIFICATIONS

1. All specifications and plans per the GMP referenced in Exhibit A of this Contract.

EXHIBIT C – REQUIRED FORMS

NOTICE TO PROCEED

Date

Pulice Construction, Inc.

Address

Attn: Jeff Gergal

Taxiway Golf Realignment/Reconstruction, Phase 1, GMP 1
Authority Project No. 1092
Authority Solicitation No. 2026-005-RFQ

Dear _____:

You are unconditionally authorized to proceed with the above-referenced project effective the date of this letter. The contract time is **TBD** calendar days. All work shall be performed strictly in accordance with the Contract Documents, including all project schedule requirements.

Your contact for this project is John Bergmeier, phone no. (480) 988-7652, and all project communications should be directed to him. If the preconstruction conference has not already occurred, he will contact you shortly about scheduling it.

Remember, the Owner must approve *in writing* any and all changes in the project scope of work before you start work on the change.

Mesa Gateway Airport Authority looks forward to a successful project with your firm.

Sincerely,

MESA GATEWAY AIRPORT AUTHORITY, a joint powers airport authority authorized by the State of Arizona

Authorized Representative

APPLICATION AND CERTIFICATE FOR PAYMENT

Taxiway Golf Realignment/Reconstruction, Phase 1, GMP 1
Authority Project No. 1092

CONSULTANT: _____

CMAR: _____

Application No. _____ Period From: _____ To: _____

Application is made for payment, as shown below, and on the attached Construction Progress Estimate Form, in accordance with the Contract Documents:

Original GMP: \$ _____

Approved Change Orders and Dates:

Change Order No.1	Date _____	\$ _____
Change Order No.2	Date _____	\$ _____
Change Order No.3	Date _____	\$ _____

Total Change Orders Approved to Date: \$ _____

Adjusted GMP \$ _____

Total Amount Due to Date
 (from attached Construction Progress Estimate) \$ _____

Less Previous Certificates for Payment \$ _____

Current Payment Due \$ _____

Retainage _____ % \$ _____

Total Earned Less Retainage \$ _____

Notice to Proceed Date _____ Date of Substantial Completion _____

Time Used _____ % Complete _____ %



CHANGE ORDER

PROJECT: Taxiway Golf Realignment/Reconstruction, Phase 1, GMP 1 CHANGE ORDER NO: _ _

Authority Project No. 1092

TO CMAR: Pulice Construction, Inc.

CONTRACT NO: _____

Address

CONTRACT DATE: _____, 202__

The Contract is changed as follows. CMAR shall provide all labor, materials, equipment, services, transportation, utilities, and facilities to perform all of the following changes: [describe].

This Change Order shall constitute a final settlement of all matters relating to the change in the work that is the subject of the Change Order, including but not limited to all direct or indirect costs associated with such change, all delay and disruption costs, any impact such change may have on unchanged work, and any and all adjustments to the Contract Sum or the Contract Time. This Change Order supersedes all prior reservations stated or implied.

Not Valid until signed by the Owner, Architect, and CMAR.

The original Contract Sum was.....\$
Net change by previously authorized Change Orders\$
The Contract Sum prior to this Change Order was.....\$
The Contract Sum will be increased [or decreased] by this Change Order.....\$
The new Contract Sum including this Change Order is\$

The Contract Time will be unchanged [or increased/decreased by _____ calendar days.]

The Substantial Completion date for base contract work is unchanged [or changed to _____, 202__.]

[CMAR],

Owner

By _____ Date _____

By _____ Date _____

It's _____

It's _____

Architect Name

By _____ Date _____

It's _____

CERTIFICATE OF SUBSTANTIAL COMPLETION

(To be completed by Owner/Architect)

I hereby certify that _____ has substantially completed
(Name of CMAR)

The work under the following project:

Taxiway Golf Realignment/Reconstruction, Phase 1, GMP 1
Authority Project No. 1092

in accordance with the contract documents and bid specifications, and all activities required by the Contractor under the Contract have been substantially completed as of _____ (date).

Firm Name: _____

By: _____
(Name)

(Title)

(Signature)

(Date)

CERTIFICATE OF FINAL COMPLETION

(To be Completed by CMAR and Owner)

I hereby certify that all goods and/or services required by **MESA GATEWAY AIRPORT AUTHORITY**, have been delivered in accordance with the Contract Documents and Specifications, and all activities required by the CMAR under the Contract have been completed, including all items on the final punch list, including administrative items, as of _____ (date).

Taxiway Golf Realignment/Reconstruction, Phase 1, GMP 1 Authority Project No. 1092

Firm Name: _____

Principal: _____
(Name)

(Title)

(Signature)

(Date)

MESA GATEWAY AIRPORT AUTHORITY has performed a final inspection of Owner's CMAR Services for Construction of **Taxiway Golf Realignment/Reconstruction, Phase 1, GMP 1, Authority Project No. 1092**

, **Owner Project Number 1092**, and finds that to the best of our knowledge and belief, the work on this project has been completed in accordance with all Contract documents.

The date of final completion for this project is _____, 20__

Mesa Gateway Airport Authority

By: _____

Date: _____

**FINAL
CMAR'S AFFIDAVIT REGARDING
SETTLEMENT OF CLAIMS**

**Taxiway Golf Realignment/Reconstruction, Phase 1, GMP 1
Authority Project No. 1092**

Gentlemen:

This is to certify that all lawful claims for materials, rental of equipment and labor used in connection with the construction of the above project, whether by subcontractor or claimant in person, have been duly discharged.

The undersigned, for the consideration of \$_____, as set out in the final pay estimate, as full and complete payment under the terms of the contract, hereby waives and relinquishes any and all further claims or right of lien under, in connection with, or as a result of the above described project. The undersigned further agrees to indemnify and save harmless **MESA GATEWAY AIRPORT AUTHORITY, ARCHITECT**, the OWNER's **DESIGNATED CONSTRUCTION ADMINISTRATOR**, their employees, agents or representatives, against any and all liens, claims of liens, suits, actions, damages, charges and expenses whatsoever, which said OWNER and Architect may suffer arising out of the failure or the undersigned to pay for all labor performances and materials furnished for the performance of said installation.

Signed and dated at _____, this _____ day of _____, 202__.

CMAR

By:

STATE OF ARIZONA)
) ss
COUNTY OF)

The foregoing instrument was subscribed and sworn to before me this _____ day of _____, 202__.

(Notary Public)

(My Commission Expires)

**CONDITIONAL
FULL RELEASE OF ALL CLAIMS AND WAIVER OF LIEN
UPON PAYMENT
(CMAR)**

WHEREAS, the undersigned, _____ (CMAR) has furnished labor, materials, and services and/or equipment for the construction of the **CMAR Services for Taxiway Golf Realignment/Reconstruction, Phase 1, GMP 1, Authority Project No. 1092**, at the Mesa Gateway Airport, Maricopa County, State of Arizona, on the Property of the Mesa Gateway Airport Authority, Mesa, Arizona.

NOW, THEREFORE, the undersigned, upon receipt of a check from the Owner payable to the CMAR in the sum of \$ _____, said sum representing full and final payment for the above-mentioned labor, materials, services and/or equipment, does hereby waive and release any and all liens, claims of lien, and demands whatsoever that now exist or may hereafter accrue against the Owner and the Property on account of labor and materials furnished by the undersigned.

The undersigned warrants that all materials and labor placed by the undersigned in the Project are free from any claims, liens, or encumbrances and that all bills and obligations incurred for labor, taxes, withholding taxes based on payroll and payable to the United States of America or State of Arizona, premiums under a voluntary disability insurance policy, if any, carried with a private insurer, and payments to all union health, welfare, pension, apprentice training and vacation funds applicable for workmen employed on the above-described Project, in connection with the work of improvement on the Project, have been paid in full. The undersigned warrants that all subcontractors and material-men that may have delivered materials and performed work upon the Property for the Project have been fully paid or will be paid from monies received from this final payment. The undersigned shall and does hereby indemnify, save, and hold harmless the Owner and CMAR from all claims, damages, liens and losses, including all costs, professional fees, and reasonable attorney's fees, which the Owner may suffer by reason of filing of any claims, notices, liens or encumbrances, or the failure of the undersigned to obtain cancellation and discharge thereof.

DATED this _____ day of _____, 202____.

Company Name

By _____

(Title)

**CONDITIONAL
FULL RELEASE OF ALL CLAIMS AND WAIVER OF LIEN
UPON PAYMENT
(SUB-CONTRACTOR / SUPPLIER)**

WHEREAS, the undersigned, _____ (Sub-contractor) has furnished labor, materials, and services and/or equipment to _____ (CMAR) for the construction of the **Taxiway Golf Realignment/Reconstruction, Phase 1, GMP 1, Authority Project No. 1092**, at the Mesa Gateway Airport, Maricopa County, State of Arizona, on the Property of the Mesa Gateway Airport Authority, Mesa, Arizona.

NOW, THEREFORE, the undersigned, upon receipt of a check from the CMAR payable to the Sub-contractor in the sum of \$ _____, said sum representing payment for the above-mentioned labor, materials, services and/or equipment, does hereby waive and release any and all liens, claims of lien, and demands whatsoever that now exist or may hereafter accrue against the Owner and the Property on account of labor and materials furnished by the undersigned.

The undersigned warrants that all materials and labor placed by the undersigned in the Project are free from any claims, liens, or encumbrances and that all bills and obligations incurred for labor, taxes, withholding taxes based on payroll and payable to the United State of America or State of Arizona, premiums under a voluntary disability insurance policy, if any, carried with a private insurer, and payments to all union health, welfare, pension, apprentice training and vacation funds applicable for workmen employed on the above-described Project, in connection with the work of improvement on the Project, have been paid in full. The undersigned warrants that all subcontractors and material-men that may have delivered materials and performed work upon the Property for the Project have been fully paid or will be paid from monies received from this payment. The undersigned shall and does hereby indemnify, save, and hold harmless the Owner and CMAR from all claims, damages, liens and losses, including all costs, professional fees, and reasonable attorney's fees, which the Owner may suffer by reason of filing of any claims, notices, liens or encumbrances, or the failure of the undersigned to obtain cancellation and discharge thereof.

DATED this _____ day of _____, 202__.

Company Name

By _____

(Title)

**UNCONDITIONAL
FULL RELEASE OF ALL CLAIMS AND WAIVER OF LIEN
UPON PAYMENT
(CMAR)**

WHEREAS, the undersigned, _____ (CMAR) has furnished labor, materials, and services and/or equipment for the construction of the **CMAR Services for Taxiway Golf Realignment/Reconstruction, Phase 1, GMP 1, Authority Project No. 1092**, at the Mesa Gateway Airport, Maricopa County, State of Arizona, on the Property of the Mesa Gateway Airport Authority, Mesa, Arizona.

NOW, THEREFORE, the undersigned, has been paid and has received a check from the Owner payable to the CMAR in the sum of \$ _____, said sum representing full and final payment for the above-mentioned labor, materials, services and/or equipment, does hereby waive and release any and all liens, claims of lien, and demands whatsoever that now exist or may hereafter accrue against the Owner and the Property on account of labor and materials furnished by the undersigned.

The undersigned warrants that all materials and labor placed by the undersigned in the Project are free from any claims, liens, or encumbrances and that all bills and obligations incurred for labor, taxes, withholding taxes based on payroll and payable to the United States of America or State of Arizona, premiums under a voluntary disability insurance policy, if any, carried with a private insurer, and payments to all union health, welfare, pension, apprentice training and vacation funds applicable for workmen employed on the above-described Project, in connection with the work of improvement on the Project, have been paid in full. The undersigned warrants that all subcontractors and material-men that may have delivered materials and performed work upon the Property for the Project have been fully paid or will be paid from monies received from this final payment. The undersigned shall and does hereby indemnify, save, and hold harmless the Owner and CMAR from all claims, damages, liens and losses, including all costs, professional fees, and reasonable attorney's fees, which the Owner may suffer by reason of filing of any claims, notices, liens or encumbrances, or the failure of the undersigned to obtain cancellation and discharge thereof.

DATED this _____ day of _____, 202____.

Company Name

By _____

(Title)

**UNCONDITIONAL
FULL RELEASE OF ALL CLAIMS AND WAIVER OF LIEN
UPON PAYMENT
(SUB-CONTRACTOR / SUPPLIER)**

WHEREAS, the undersigned, _____ (Sub-contractor) has furnished labor, materials, and services and/or equipment to _____ (CMAR) for the construction of the **Taxiway Golf Realignment/Reconstruction, Phase 1, GMP 1, Authority Project No. 1092**, at the Mesa Gateway Airport, Maricopa County, State of Arizona, on the Property of the Mesa Gateway Airport Authority, Mesa, Arizona.

NOW, THEREFORE, the undersigned, has been paid and has received a check from the CMAR payable to the Sub-contractor in the sum of \$ _____, said sum representing payment for the above-mentioned labor, materials, services and/or equipment, does hereby waive and release any and all liens, claims of lien, and demands whatsoever that now exist or may hereafter accrue against the Owner and the Property on account of labor and materials furnished by the undersigned.

The undersigned warrants that all materials and labor placed by the undersigned in the Project are free from any claims, liens, or encumbrances and that all bills and obligations incurred for labor, taxes, withholding taxes based on payroll and payable to the United State of America or State of Arizona, premiums under a voluntary disability insurance policy, if any, carried with a private insurer, and payments to all union health, welfare, pension, apprentice training and vacation funds applicable for workmen employed on the above-described Project, in connection with the work of improvement on the Project, have been paid in full. The undersigned warrants that all subcontractors and material-men that may have delivered materials and performed work upon the Property for the Project have been fully paid or will be paid from monies received from this payment. The undersigned shall and does hereby indemnify, save, and hold harmless the Owner and CMAR from all claims, damages, liens and losses, including all costs, professional fees, and reasonable attorney's fees, which the Owner may suffer by reason of filing of any claims, notices, liens or encumbrances, or the failure of the undersigned to obtain cancellation and discharge thereof.

DATED this _____ day of _____, 202__.

Company Name

By _____

(Title)

EXHIBIT D – DEFINITIONS

Allowance – A specific amount for a specific item of Work, if any, that Owner agrees has not been sufficiently designed, detailed, or selected (including design changes from 90% to 100% as authorized by and at the discretion of the Owner) at the time the Contract Price is agreed to for Contractor to provide a definitive price. Allowances shall be treated in accordance with Article 7.2 above.

Baseline Cost Model – A breakdown and estimate of the scope of the Project developed by CMAR.

CMAR or Construction Manager at Risk – The person or firm selected by Owner to provide pre-construction and/or construction services as detailed in a Construction Manager at Risk Contract with Owner. The term “Contractor” includes CMAR under both Pre-Construction and Construction Services Contracts.

CMAR Fee or Contractor’s Fee – An agreed to percentage in an accepted GMP that represents the Contractor’s fee for performance of the Work.

Contract Documents – Where compensation under the Contract is based upon a GMP accepted by Owner, the term “Contract Documents” also includes the accepted GMP Proposal.

Contract Price – Where compensation under the Contract based upon a GMP accepted by Owner, the term “Contract Price” refers to the GMP.

Cost-Based Contract, Change Order, or Job Order – A Contract, Change Order, or Job Order where the Contract Price is based upon the actual cost of performing the Work, subject to the terms of the Contract Documents. These would include those generally referred to as “Cost of the Work plus a Fee with a GMP,” “Time and Materials,” or “Cost Plus a Fee.”

Cost of the Work – The direct costs necessarily incurred by Contractor in the proper, timely, and complete performance on the Work. The Cost of the Work shall include only those costs set forth in Article 7 above.

Deliverables – The work products prepared by Contractor in performing the scope of work described in the Contract. Some of the major deliverables to be prepared and provided by Contractor during pre-construction may include but are limited to: the Baseline Cost Model and Schedule that validate Owner’s plan and budget, Construction Management Plan, Detailed Project Schedule, Schedule of Values, alternative system evaluations, procurement strategies and plans, Detailed Cost Estimates, construction market surveys, cash flow projections, GMP Proposals, Subcontractor procurement plan, Subcontractor agreements, Subcontractor bid packages, Supplier agreements, Constructability Review, Cost Control Log, Traffic control and phasing plans and others as indicated in this Contract or required by the Project Team.

Pre-Construction Services Contract – The Contract entered into between Owner and the CMAR for Pre-Construction Services to be provided by the CMAR, including, without limitation, the generation of a GMP Proposal. If the GMP Proposal is accepted by Owner and a CMAR Contract is entered into between Owner and CMAR, the duties, obligations and warranties of the CMAR under the Pre-Construction Services Contract survive and are incorporated into the resulting CMAR Contract.

Pre-Construction Services – The services to be provided under a Pre-Construction Services Contract.

Detailed Project Schedule – The Detailed Project Schedule developed by the CMAR for the review and approval of the Owner.

GMP Plans and Specifications – The plan and specifications upon which the Guaranteed Maximum price Proposal is based.

GMP Proposal – The proposal of Contractor submitted for the entire Work and/or portion (phases) of the Work.

Guaranteed Maximum Price or GMP – The Guaranteed Maximum Price set forth in the Contract.

EXHIBIT E – OWNER’S PUBLISHED RULES AND REGULATIONS
AND MINIMUM STANDARDS

CMAR agrees to comply with Mesa Gateway Airport Authority’s (Owner’s) published Rules and Regulations and Minimum Standards as amended from time to time.

1. Rules & Regulations (link)

<https://www.gatewayairport.com/policiesdocumentsandforms>

2. Minimum Standards (link)

<https://www.gatewayairport.com/policiesdocumentsandforms>



Mesa Gateway Airport Authority
5835 S Sossaman Road
Mesa, Arizona 85212-6014
www.gatewayairport.com

Board Action Item

Re: Resolution 26-10

To: Board of Directors
From: Carmen Parks, P.E., Engineering & Facilities Director
Through: Scott Brownlee, Deputy Director/COO
J. Brian O'Neill, A.A.E., Executive Director/CEO
Subject: Taxiway G Realignment / Reconstruction - Phase 1, Construction Administration
Services – Kimley-Horn & Associates – CIP 1092
Date: March 17, 2026

Proposed Motion

To approve an Authorization of Services for Kimley-Horn & Associates to provide Construction Administration Services for the Taxiway G Realignment / Reconstruction - Phase 1 Project in an amount not to exceed \$546,741.54, pending receipt of FAA and ADOT Grant Funding.

Narrative

The existing Taxiway G alignment, at the Mesa Gateway Airport consists of a 150-foot wide taxiway that connects the north end of each of the Airport's three Runways (12L, 12C, and 12R) with deteriorating concrete pavement and non-standard acute angles. The Pavement Condition Index (PCI) for most of the taxiway is poor, ranging from a PCI of 25 to 55, and the configuration does not meet current Federal Aviation Administration (FAA) Airport Design standards. The current acute angle entries at the runway ends provide poor pilot visibility resulting in an environment where a pilot can easily lose situational awareness. This project will reconstruct a portion of a new concrete paved taxiway in accordance with FAA geometric requirements including the new Taxiway B1 located on the west side of RW 12R south of existing Taxiway G, as well as new pavement for Taxiway G and Taxiway G1 on the east side of RW 12R. This will result in 3 new 90-degree entrances to RW 12R which will be consistent with the latest revision of the Airport's ALP.

Kimley-Horn & Associates (KHA) will provide Construction Administration Services that will consist of construction support, observation, a resident project representative, and inspection services during construction. Construction support will be composed of site visits, weekly/bi-weekly meeting participation, review of contractor submittals, review/respond to Requests for Information, review of contractor Change Order requests and proposals. Observation will entail on-site observation/monitoring of construction materials, finishes, and workmanship. Additional services include electrical inspections and quality assurance testing.

In 2024, a Request for Qualifications, 2024-005-RFQ, for On-Call Engineering Services was issued. KHA was one of two firms selected as the most qualified. In accordance with the terms of the On-Call Engineering Services Agreement, C-20240076, KHA worked with Airport staff to refine a Scope of Work for Construction Administration Services for the Taxiway G Realignment / Reconstruction - Phase 1 Project. The cost for these services was negotiated based upon the agreed fee schedule at a cost not to exceed \$546,741.54.

Fiscal Impact

This project is included in the FY26 Capital Budget utilizing anticipated FAA Grant Funding, ADOT and MGAA Matching funds under CIP 1092.

Attachment(s): Authorization of Services



RESOLUTION NO. 26-10

WHEREAS, the Mesa Gateway Airport Authority (“Authority”), a joint powers airport authority formed pursuant to Arizona Revised Statute §28-8521 *et seq.* owns and operates the Mesa Gateway Airport (“Airport”); and

WHEREAS the Authority desires to approve an Authorization of Services for Kimley-Horn & Associates to provide Construction Administration Services for the Taxiway G Realignment / Reconstruction - Phase 1 Project in an amount not to exceed \$546,741.54, pending receipt of FAA and ADOT Grant Funding;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority as follows:

The Board of Directors of the Authority hereby approves an Authorization of Services for Kimley-Horn & Associates to provide Construction Administration Services for the Taxiway G Realignment / Reconstruction - Phase 1 Project in an amount not to exceed \$546,741.54, pending receipt of FAA and ADOT Grant Funding. This resolution also authorizes the Chair or Executive Director/CEO to make such additions, deletions, and changes as may be approved by the Chair or Executive Director/CEO, necessary to carry out the purposes and intent of this Resolution.

Passed and adopted by the Authority this 17th day of March, 2026.

Regina Antone, Chair

ATTEST:

APPROVED AS TO FORM:

Jeanine Rogers, Interim Clerk of the Board

Jill Casson Owen, Attorney

AUTHORIZATION OF SERVICES
Kimley-Horn & Associates, AOS 20240076 26-04

The signing of this Authorization of Services (AOS) by Mesa Gateway Airport Authority, formerly known as Phoenix-Mesa Gateway Airport Authority (“MGAA”) and Kimley-Horn & Associates, (“Consultant”), authorizes Consultant to carry out and complete the services described below in consideration of the mutual covenants set forth below.

1. **PROJECT:** Taxiway G Realignment / Reconstruction – Phase 1 - CIP1092

2. **SCOPE OF SERVICE:** Perform and provide Construction Administration Services for the Taxiway G Realignment / Reconstruction – Phase 1 Project. The Construction Administration Services will consist of construction support, observation, a resident project representative, and inspection services during construction. Construction support will be composed of site visits, weekly/bi-weekly meeting participation, review of contractor submittals, review/respond to Requests for Information, review of contractor Change Order requests and proposals. Observation will entail on-site observation/monitoring of construction materials, finishes, and workmanship. Additional services include electrical inspections and quality assurance testing.

3. **FEE FOR SERVICES:** The fee for services shall be based upon the attached scope of services, not to exceed the-time and materials calculated-fee of \$546,741.54 (Five hundred forty-six thousand, seven hundred forty-one dollars, and fifty-four cents), without express written approval of MGAA.

4. **AVAILABILITY OF PROJECT FUNDING:** The approval and continuation of this AOS is subject to the availability of funds provided to, made available to, or appropriated by MGAA for this purpose. In the event that funds are not available or appropriated for MGAA’s payment requirements under this AOS for the goods and/or services to be provided hereunder, MGAA may terminate this AOS by providing notice to the Consultant of the lack of the availability of funds. The Consultant acknowledges and agrees that one source of funding for this AOS may be funds made available from the Federal Aviation Administration and/or Arizona Department of Transportation, and that this AOS, its approval and continuation, may be contingent on the availability of those funds being made to MGAA.

5. **INCORPORATED:** The following documents, including its terms, conditions, exhibits, attachments, and amendments are hereby incorporated with this AOS and made part thereof:
 - MGAA Agreement Number: 20240076 effective 12/19/23.

6. **ATTACHED:** The following documents are attached to this AOS and are incorporated herein by this reference and made part thereof:
 - Consultant’s Scope and Fee Proposal dated February, 2026.

7. **EFFECTIVE:** This AOS is effective as of the date signed by MGAA.



MGAA and Consultant acknowledge that they are in agreement with the terms and conditions as set forth in this AOS.

Executed as of the Effective Date.

CONSULTANT
Kimley-Horn & Associates

MGAA
MESA GATEWAY AIRPORT AUTHORITY,
a joint powers airport authority authorized by
the state of Arizona

By: 
Name: Sterling Margolis
Title: Sr. Vice President
Date: 2/26/26

By: _____
Name: J. Brian O'Neill, A.A.E.
Title: Executive Director/CEO
Date: _____



Mesa Gateway Airport Authority
5835 S Sossaman Road
Mesa, Arizona 85212-6014
www.gatewayairport.com

Board Action Item

Re: Resolution 26-11

To: Board of Directors
From: J. Brian O'Neill, A.A.E., Executive Director/CEO
Subject: Airport Minimum Standards
Date: March 17, 2026

Proposed Motion

To approve the 2026 updates and improvements to Airport Minimum Standards.

Narrative

The Federal Aviation Administration suggests that airports establish reasonable minimum standards that are relevant to the proposed aeronautical activity at the airport. Airports should apply these standards objectively and uniformly to all similarly situated on-airport aeronautical service providers. The purpose for imposing minimum standards is to ensure safe, efficient, equitable, and adequate level of operation and services are offered to the public.

Mesa Gateway Airport Authority currently has established minimum standards that were adopted in 2016 and last updated in 2024. Staff proposes an update to these minimum standards to include additional information and more specific details for certain sections.

Fiscal Impact:

There is no fiscal impact related to the proposed minimum standards update.

Attachment(s)

Airport Minimum Standards Updates – red-line and clean versions.



RESOLUTION NO. 26-11

WHEREAS, the Mesa Gateway Airport Authority (“Authority”), a joint powers airport authority formed pursuant to Arizona Revised Statute §28-8521 *et seq.* owns and operates the Mesa Gateway Airport (“Airport”); and

WHEREAS the Authority desires to approve the 2026 updates and improvements to Airport Minimum Standards;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority as follows:

The Board of Directors of the Authority hereby approves the 2026 updates and improvements to Airport Minimum Standards. This resolution also authorizes the Chair or Executive Director/CEO to make such additions, deletions, and changes as may be approved by the Chair or Executive Director/CEO, necessary to carry out the purposes and intent of this Resolution.

Passed and adopted by the Authority this 17th day of March, 2026.

Regina Antone, Chair

ATTEST:

APPROVED AS TO FORM:

Jeanine Rogers, Interim Clerk of the Board

Jill Casson Owen, Attorney



Mesa Gateway Airport Authority

Airport Minimum Standards

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March 2026

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CHAPTER I INTRODUCTION

1.1 Policy.

1.1.1 The Mesa Gateway Airport Authority (MGAA), a joint powers airport authority authorized by the Arizona Revised Statutes, being the owner, operator and sponsor of the Mesa Gateway Airport (“Airport”), an FAA-designated commercial service airport generally located at the intersection of Ray Road and Sossaman Road, City of Mesa, Maricopa County, Arizona, does hereby establish these AIRPORT MINIMUM STANDARDS (“STANDARDS”) to encourage, promote, and ensure:

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- The delivery of high-quality products and services to Airport users;
- The design, development, and operation of quality improvements and facilities at the Airport;
- Safety and security for Airport tenants, users, and the general public;
- The economic health of Airport businesses; and
- The orderly, long-term development of Airport property.

1.1.2 These STANDARDS supersede and replace the Mesa Gateway Airport Minimum Standards dated April 2024.

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1.2 Applicability.

1.2.1 These STANDARDS define the threshold entry requirements for any and all persons and business entities desiring to provide commercial aeronautical services to the public and/or participate in commercial aeronautical activities at and on the Airport. Their uniform application relates primarily to the public interest, discouraging substandard entrepreneurs, protecting established aeronautical activity at the Airport and safeguarding the interests of Airport users and patrons.

1.2.2 Except as otherwise provided herein, all commercial aeronautical services permitted by and conducted in accordance with these STANDARDS shall not convey an exclusive right to any operator to provide such service(s).

1.2.3 These STANDARDS do not apply to MGAA or certified air carriers operating from the Airport in accordance with 14 CFR Part 121, or foreign air carriers under 14 CFR Part 129. In addition, these STANDARDS do not apply to: (i) operators acting only as off-Airport suppliers of wholesale goods to Airport-based operators or tenants; (ii) persons or other entities providing individual initial and/or recurrent flight training to aircraft owners using said owner’s own aircraft; or (iii) operators providing commodities and services within the Airport commercial passenger terminal area under written agreement (“Agreement”) with MGAA. However, all such suppliers and flight training operators are subject to the *Airport Rules and Regulations* at all times while on Airport property, and flight training operators shall, in addition, comply fully with the applicable provisions of 14 CFR Part 61, 141 and/or 142, and all other applicable laws and regulations.

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1.2.4 Any activities for which there are no specific minimum standards set forth herein shall be subject to such standards, requirements, and provisions as are developed and/or negotiated by MGAA on a case-by-case basis, and are set forth in such operator’s written Agreement with MGAA or other applicable policies adopted by MGAA.

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1.2.5 In the event of conflict between these STANDARDS and the *Airport Rules and Regulations*, the applicable provisions of the *Airport Rules and Regulations* shall apply.

1.3 Grounds for Denial.

Any application for an Agreement with MGAA to engage in commercial aeronautical activity at the Airport that does not meet the intent of all qualifications, standards and requirements established by MGAA in these STANDARDS is subject to denial, as provided herein.

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1.4 Waiver of Standards.

The MGAA Executive Director may, at his or her sole and absolute discretion, waive any or all provisions of these STANDARDS for the benefit of any government or governmental agency performing non-profit public services to the aviation industry, or performing fire prevention, firefighting or rescue operations. The Executive Director may further temporarily waive any of these STANDARDS for other applicants when such waiver is deemed to be in the best interests of safety and security of Airport operations, offer significant community benefit, promote the economic viability of the Airport and not be in violation of any Federal, state or other law, statute, ordinance, rule, regulation or MGAA grant assurance to the FAA.

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1.5 Prohibited Activities.

In the interest of aviation safety relating to dissimilar (in size, speed and capability) aircraft traffic operations at the Airport, individuals or businesses operating ultra-light aircraft, hot air balloons, or unmanned aircraft (UAS)/drones shall not be permitted to use the Airport as a base of operations without prior written approval from Executive Director or his/her designee. Further, and to avoid potential encumbrances upon Airport property and limitations on its ability to satisfy its Federal obligations, MGAA prohibits through-the-fence operations from adjacent Airport property.

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1.6 Amendments.

Amendments to these STANDARDS shall be proposed by the Executive Director for consideration by the MGAA Board of Directors for adoption. Such amendments shall become effective upon Board approval or as indicated in the resolution or motion of approval.

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1.7 STANDARDS Review and Update Policy.

These STANDARDS may be reviewed by the Executive Director periodically and updated or amended (the latter as provided in SECTION 1.6 herein), as necessary, to ensure the original objectives upon which the STANDARDS are based remain consistent with Airport practices. Further, such reviews and any resulting updates or amendments shall ensure these STANDARDS promote equal opportunity and fair competition at the Airport.

1.8 Existing Operators.

Operators existing and providing services at or on the Airport as of the date of these STANDARDS who do not meet all standards and requirements specified herein shall be considered non-conforming. All such non-conforming operators shall correct any and all deficiencies and return to conformance upon the occurrence of any of the following: (i) a change to an existing Agreement, including amendment, assignment, renewal or expiration; or (ii) a change in majority ownership (51 percent or more) of the operator's business.

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CHAPTER II DEFINITIONS

The terms used herein, whether or not capitalized, shall be given the meaning specified below and are considered supplemental to other definitions and terms contained in the *Airport Rules and Regulations*.

Aeronautical Activity – any activity or service conducted at the Airport that directly or indirectly involves, makes possible, is required for or is related to the operation of aircraft, or which contributes to or is required for the safety of such operations.

Agreement – a written contract, lease, permit, license, or other similar document executed by and between MGAA and an operator specifying the terms and conditions under which the operator may conduct business activities at the Airport, and which recites or specifies the terms and conditions under which such activities may be conducted, including but not limited to, the agreement term, rents, fees, and other charges to be paid, and the rights and obligations of the respective parties.

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Aircraft Charter or Air Taxi – the commercial air transport of persons or property under the provisions of 14 CFR Parts 91 or 135, either on an exclusive contract basis or as a non-exclusive air taxi operator.

Aircraft Owner – a person or other such entity holding legal title to an aircraft, or having rights to exclusive possession of an aircraft via lease or other instrument.

Aircraft Painting and Interior Refurbishment – all commercial activities required for and related to the painting of aircraft exteriors, and to the functional and/or cosmetic replacement or reconditioning of aircraft cabin interiors, fixtures, etc. Such activities do not include those other activities more commonly associated with airframe and power plant maintenance, as defined in 14 CFR Part 43 and elsewhere in these STANDARDS.

Aircraft Rental – the commercial rental or lease of aircraft (fixed and rotary wing) to the public for compensation, for a defined period of time.

Aircraft Sales – the commercial sale of new or used fixed and/or rotary wing aircraft through brokerage, ownership, franchise, distributorship or licensed dealership.

Aircraft Storage – refers to the commercial rental or lease of aircraft storage facilities within an operator’s owned or leased hangars, or at outdoor tie-down locations within the operator’s leasehold area. Such services are provided per written agreement between the operator and aircraft owner.

Airframe and Power Plant Maintenance – the provision of major aircraft maintenance services for fixed and/or rotary wing aircraft, including those services involving the repair, maintenance, inspection, construction, and modification and/or alteration of/to aircraft, aircraft engines, propellers, and accessories, and the removal of engines for major overhaul as defined in 14 CFR Part 43. This service category also includes the sale of aircraft parts and accessories. It pertains only to the provision of such services for aircraft not owned, leased or operated by, or under the full and exclusive control of, the operator. This term is applicable to organizations commonly referred to as “maintenance, repair and overhaul” (MRO) operators or organizations and aircraft manufacturer service centers.

Airframe and Power Plant (A&P) Mechanic – a person holding an aircraft mechanic certificate with both airframe and power plant ratings, as authorized and described in 14 CFR Part 65.

Airport – Mesa Gateway Airport, including all MGAA-owned or leased real or personal property, buildings, facilities and improvements within the boundaries thereof, as it presently exists or as it may exist when it is hereafter modified, expanded or developed, and including all facilities depicted on the most current *Airport Layout Plan*.

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Airport Layout Plan (ALP) – the current, FAA-approved depiction of the physical layout of the Airport, including the location and configuration of runways, taxiways, buildings, roadways, utilities, navigational aids, etc.

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Aviation Shop Repair Service – the fee-for-service operation of a single or combined FAA-certified shop or shops for the repair, service, replacement, or refurbishment of aircraft radios, propellers, instruments, and accessories for general aviation aircraft, including those items described in 14 CFR Part 43, Appendix A (e.g., aircraft radios, electrical systems, or instruments). Also includes the sale of new and/or used aircraft radios, propellers, instruments, and accessories.

Based Aircraft – A based aircraft is an operational, airworthy aircraft that spends the majority of the year (more than six months) stored at Mesa Gateway Airport

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Commercial Aeronautical Activity – the conduct of any aspect of an aeronautical activity business, operation, or agency providing goods and services to any person for compensation or hire, including an exchange of services, whether or not such objectives are accomplished. An activity is considered commercial regardless of whether it is performed for-profit or as non-profit, charitable, or tax exempt.

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Commercial Operator – a person, firm, corporation, or other entity (“operator”) which makes possible, or is required for, the operation of aircraft, or which contributes to, or is required for, the safe conduct and utility of aircraft operations, the purpose of such activity being to generate and/or secure earnings, income, compensation, and/or profit, whether or not such objectives are accomplished.

Deleted: an aircraft which the owner or lessee physically locates at the Airport for an undetermined period and, whenever absent from the Airport, its owner or lessee intends to return the aircraft to the Airport for long-term storage on a permanent or semi-permanent basis.¶

Exclusive Right – a power, privilege, or other right excluding or debarring another from enjoying or exercising a like power, privilege, or right. An exclusive right can be conferred either by express agreement, contract, license, and permit, or by the imposition of unreasonable standards or requirements, or by any other means.

Fixed Base Operator (FBO) – a full-service Commercial Operator authorized and engaging in activities such as aircraft fueling, aircraft maintenance, and other aircraft-related services.

Flying Club – a non-commercial and non-profit entity organized for the purpose of providing its members with any number of aircraft for their personal use and enjoyment. Aircraft must be vested in the name of the flying club owners on a pro-rata share basis and the club may not derive greater revenue from the use of the aircraft than the cost to operate, maintain, and replace such aircraft.

Fuel Handling or Fueling – the transportation, sale, delivery, dispensing, storage, or draining of fuel or fuel waste products to or from aircraft, vehicles, or equipment.

Fuel Storage Area – any portion of the Airport designated and/or authorized temporarily or permanently by the MGAA Executive Director as an area in which aviation fuel, motor vehicle gasoline, or any other type of fuel or fuel additive may be stored or loaded.

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General Aviation – all phases of aviation other than aircraft manufacturing, military aviation and scheduled or non-scheduled commercial air carrier operations.

Limited and Miscellaneous Aircraft Service and Support – a Commercial Operator authorized to offer and/or perform one or more of the following limited or miscellaneous activities at or on the Airport: (i) limited aircraft, engine or accessory maintenance, cleaning (including appearance services) or component repair; (ii) aviation ground school instruction and flight simulator training; (iii) charter flight coordination; (iv) aircraft and/or aircrew management; (v) aircraft ground handling (above-and/or below-wing); and (vi) other miscellaneous activities directly related to aircraft service and support not specified elsewhere in these STANDARDS. The term “limited” refers only to aircraft, engine and accessory maintenance activities that may be permitted only in the absence of an appropriate Airframe and Power Plant Maintenance and/or Aviation Shop Repair Service presence on the Airport that is in full compliance with these STANDARDS.

Pilot Flight Training – the provision of personal instruction of prospective and active pilots in dual and solo flight, in fixed or rotary wing aircraft, including related ground school instruction, as necessary to complete an FAA-written pilot’s examination and flight check ride for various categories of pilots’ licenses and ratings. Said activities are performed in accordance with 14 CFR Part 61, 14 CFR Part 141 and/or 14 CFR Part 142.

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Preventive Aircraft Maintenance – maintenance that is not considered a major aircraft alteration or repair and does not involve complex assembly operations, as listed in 14 CFR Part 43, except for Item 22. Item 22 involves the replacement of prefabricated fuel lines and shall, for purposes of these STANDARDS, be considered a “major” aircraft repair.

Self-Fueling – the dispensing of aviation fuels into fuel tanks of aircraft that are owned or operated by an authorized Airport tenant or based aircraft owner, using the tenant’s/owner’s equipment and employees.

Self-Service – aircraft refueling, repair, preventive maintenance, towing, adjustment, cleaning, and general services performed by an aircraft owner or his/her employees on his/her aircraft using resources supplied by the aircraft owner.

Self-Service Fueling – the dispensing of aviation fuel into fuel tanks of aircraft by the operator of that aircraft using dispensing equipment contained in fixed cabinets that are owned and made available by an authorized Airport tenant within their leasehold area; also, the commercial operation of an unmanned stationary fuel tank and dispensing equipment for general use via a card reader. This includes the operations of anyone using this type of equipment to provide fuel for sale or reuse.

Specialized Aviation Service Operator (SASO) – a Commercial Operator maintaining facilities or a physical presence on the Airport for the purpose of providing one or more of the following: (i) aircraft charter or air taxi, including air ambulance and aeromedical evacuation services; (ii) aircraft painting and refurbishment; (iii) aircraft rental; (iv) aircraft sales; (v) aircraft storage; (vi) airframe and power plant maintenance; (vii) aviation shop repair services; and (viii) pilot flight training.

Specialized Commercial Flying Service – a Commercial Operator authorized to engage in air transportation for hire for the purpose of providing the use of aircraft for one or more specialized activities, including but not limited to (i) non-stop sightseeing flights that begin and end at the same airport; (ii) crop dusting, seeding, spraying and bird chasing; (iii) banner towing and aerial advertising; (iv) aerial photography or survey; (v) power line, cable or pipeline patrol; (vi) firefighting; (vii) aerial dispersal of chemicals, dispersants, retardants, etc.; (viii) helicopter operations in support of construction or repair work; and (ix) any other activities directly related to air transportation services for hire that not specified elsewhere in these STANDARDS.

Sponsor – Mesa Gateway Airport Authority

Sublease – a written agreement, approved by MGAA, stating the terms and conditions upon which a third-party operator leases space from an Airport leaseholder.

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UAV/UAS/Drone – an unmanned aerial vehicle (UAV), commonly known as a drone, or an unmanned aircraft system (UAS), and also referred by several other names, is an aircraft without a human pilot aboard.

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CHAPTER III APPLICATION PROCEDURES

3.1 Application Preparation and Submission.

3.1.1 All prospective operators desiring to conduct or participate in Commercial Aeronautical Activity at or on the Airport shall complete a MGAA Agreement Application (or adhere to all Request for Proposal (RFP) instructions, if an opportunity is being competitively bid) and enter into an appropriate Agreement with MGAA prior to advertising or conducting any such activities at or on the Airport. An application may be downloaded and completed via the Airport website, www.gatewayairport.com, or obtained at the Airport Administrative Offices, 5835 S. Sossaman Road, Mesa, Arizona 85212. Information contained in and submitted with this application must include:

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- a. Name(s) and contact information (e.g., mailing addresses, telephone numbers, email addresses) for all parties whose names may appear on agreements or other documents as being a partner, director or corporate officer.
- b. The proposed nature and scope of the applicant’s business.
- c. Current financial information.
 - (1) *For existing companies:* Current audited financial statements. If such statements are over six months old, the operator shall provide those audited statements and include a certified statement from a corporate officer that there have been no material changes in the business’ reporting, operations, debt, and that there are no undisclosed legal matters. If the prospective operator has no audited statements (for whatever reason), the operator shall then provide three years of unaudited financial statements sufficient to demonstrate a financial capability commensurate to the activity or activities contemplated.
 - (2) *For new companies with an established parent:* An appropriate financial guarantee (with supporting financial statements) from the parent company.
 - (3) *For other new companies:* Sufficient financial information to demonstrate, as determined solely by MGAA, the applicant’s ability to sustain its proposed business activities for the first twelve months of operation at the Airport.
- d. Listing of assets owned, being purchased or leased that will be used on the Airport.
- e. For all limited liability and sole proprietorship business applicants, a listing of all business owners and written authorization to allow MGAA and its Executive Director to obtain credit reports for each, if determined necessary by MGAA.
- f. Proposed Airport location(s) of the business, including plans for any required or planned improvements.
- g. Names and qualifications of individuals who will manage the business.
- h. The number of persons to be employed at the beginning and through the proposed term of the operator’s prospective agreement.
- i. The proposed hours of operation.
- j. Copies of FAA and other licenses and/or permits pertinent to the proposed business operation(s), including proof the applicant is authorized to conduct its proposed business activities within the State of Arizona.
- k. Business and banking references.
- l. Certification that the applicant is in good standing with the FAA, MGAA and all other pertinent regulatory agencies, meaning it has not had any authorizations, licenses

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or permits revoked or suspended, or defaulted on any prior or present agreement with MGAA or any other airport operator, within the previous five years.

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- m. A listing of all other business locations operated by the applicant during the previous five years, including addresses and dates.

3.1.2 All applications are to be submitted, with the currently applicable processing fee and all information specified in the application and SECTION 3.1.1 above, to MGAA at the following address:

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Mesa Gateway Airport Authority
Attn.: Business Development – Application Processing
5835 S. Sossaman Road
Mesa, Arizona 85212-0614

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Alternatively, if application is being made via an RFP submittal, applicants should submit completed responsive proposals to the address required by the RFP.

3.2 Application Review and Processing.

3.2.1 All submitted Agreement applications will be reviewed for completeness and compliance with these STANDARDS and Airport leasing policy by MGAA staff, and a due diligence evaluation of the applicant’s qualifications, experience, and capabilities performed. Normally, this process will take approximately 30 days.

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3.2.2 Applications receiving a favorable MGAA staff review will be followed by preparation of an Agreement Terms Summary that serves as the basis for negotiations between the parties regarding an Agreement that will enable the applicant to operate at and on the Airport. Mutual agreement of the terms and conditions of the Agreement Terms Summary will then lead to preparation of an initial draft of the appropriate Agreement. Once agreed by the parties, the final draft of the document will be forwarded to the MGAA Executive Director for his/her approval and, if appropriate, subsequent submission to the MGAA Board of Directors for their formal consideration.

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3.2.3 Normal processing time from application receipt until consideration by MGAA will be approximately two (2) to six (6) months, depending upon the complexity of the activities involved and the extent of negotiations leading to finalization of the Agreement.

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3.3 Grounds for Denial of an Application.

Agreement Applications may be denied for any of the following reasons:

3.3.1 The applicant does not, for any reason, fully meet the qualifications, standards, and/or requirements established in these STANDARDS.

3.3.2 The applicant’s proposed operation or construction would create, in the sole and absolute determination of MGAA, a safety hazard on the Airport.

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3.3.3 Approval of the application will require MGAA to expend funds or supply labor or materials in connection with the proposed activity or operation that MGAA is unable or unwilling to expend or supply, or the proposed activity or operation will result in a financial loss to MGAA.

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3.3.4 No appropriate, adequate, or available land, space, or building(s) exist at the Airport to accommodate the applicant’s entire operation at the time of the application, and none is contemplated to be available within a reasonable period of time thereafter.

3.3.5 The proposed operation, development, or construction does not comply with MGAA’s FAA-approved *Airport Master Plan* or *Airport Layout Plan*.

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3.3.6 A proposed operation, development, or construction will result in an undue concentration of aircraft or buildings in one or more contiguous location(s), or will result in undue interference with the operations of any present operator at the Airport, or limit access to a present operator's leased premises.

3.3.7 The applicant has intentionally or unintentionally misrepresented or omitted a material fact in the application or supporting documents, or has failed to make full disclosure therein.

3.3.8 The applicant, or any officer, director, key employee, or person having a controlling interest in the applicant, has a record of: (i) violating the laws, rules and regulations applicable to the Airport or any other airport, including but not limited to civil air regulations and FAA regulations; (ii) defaulting in the performance of a lease, license, permit or similar agreement at the Airport, or at any airport; and (iii) having been convicted of any felony or misdemeanor involving moral turpitude.

3.3.9 The applicant, in the opinion of the Executive Director, has not provided verifiable evidence of adequate financial responsibility or does not exhibit the experience necessary to undertake the proposed operation or activity based on information provided with the application.

3.3.10 The applicant cannot provide the required performance and other bonds, security deposits, or other acceptable surety in the amount(s) required by MGAA for the proposed operation, development, or construction.

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3.4 Application Appeal Process.

Applicants shall be afforded an opportunity to appeal a denial of their application to MGAA's Executive Director or Board of Directors (if appropriate), subject to the following stipulations:

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3.4.1 Written notice of the appeal must be received by the Executive Director within ten business days of the date of receipt of formal notice of application denial. Such appeal notice shall include a detailed, factual basis for the appeal, the specific remedy sought or proposed, and an explanation concerning how approval of the applicant's appeal is in the best interests of MGAA and the Airport.

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3.4.2 The Executive Director shall render his/her decision in writing within 30 calendar days of the applicant's written notice.

3.4.3 The Executive Director may determine that the applicant's appeal should be heard and considered by the MGAA Board of Directors. If so determined, the Executive Director will place the matter on the agenda of a Board meeting within 60 calendar days of the Executive Director's receipt of the appeal.

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3.4.4 The decision of the Executive Director (or Board of Directors, as applicable) regarding any applicant appeal shall be considered final.

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CHAPTER IV MINIMUM STANDARDS

4.1 Basic Requirements for All Operators.

All operators engaging in commercial Aeronautical Activities at the Airport shall meet or exceed the requirements of this SECTION, the *Airport Rules and Regulations*, and any other minimum standards applicable to the operator's activities, as set forth in these STANDARDS.

4.1.1 Written Agreement.

- a. Before beginning or advertising operations at or on the Airport, prospective operators must enter into an appropriate written Agreement with MGAA (or one pre-approved by MGAA if subleasing space from another Airport tenant) that specifies the terms and conditions under which the operator will be permitted to do business, including but not limited to: (i) the agreement term; (ii) permitted uses (iii) the rentals, fees and charges to be paid; (iv) the rights, privileges and obligations of the respective parties; and (v) other relevant provisions. Such Agreement (or approved sublease) shall be consistent with these STANDARDS.
- b. Agreements shall not be considered executed and or in force until approved by the Board of Directors when required, and signed by the Executive Director.
- c. The term of an Agreement shall be mutually agreed upon by MGAA and the operator, with due consideration given to the operator's financial investment and need to amortize leasehold improvements. Aeronautical land leases are limited to the minimum number of years necessary for the operator's investment amortization and receipt of a reasonable investment return, typically no more than 50 years. Land lease duration determinations will be guided by an operator's financial investment per acre, as well as Federal Aviation Administration (FAA) guidelines.
- d. If an operator desires to sublease space to another operator, or subcontract a function required by these STANDARDS, the operator must obtain advance written approval of the Executive Director to do so, and may, depending upon the activities conducted or service(s) provided, require such sub lessee or subcontractor to enter into a separate Agreement with MGAA. In addition, the form and substance of all subleases also shall require advance written approval of the Executive Director prior to execution, and no sublease may deviate from the permitted use(s) authorized in the operator's original agreement with MGAA.

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4.1.2 Site/Premises Development Standards.

- a. *Location.* Operators shall be permitted to conduct commercial Aeronautical Activities only in areas of the Airport specified for such use in the *Airport Master Plan* and *Airport Layout Plan*, and as defined within the operator's Agreement.
- b. *Space Requirements.* The minimum space requirements specified for each activity elsewhere in this CHAPTER IV shall be satisfied. With prior written approval, MGAA will consider consolidated space requirements in the case of duplications only for combined operations in a common location (e.g., a Pilot Flight Training Operator wishing to also provide Aircraft Rental services need only have one office, one set of restrooms, one customer lounge). An applicant who proposes combined operations in a common location shall provide a building layout or similar plan that demonstrates functional compliance with the applicable STANDARDS herein.
- c. *Airport Design Guidelines.* The construction of improvements and infrastructure on the Airport must be performed in accordance with MGAA's Design Guidelines and plans approved by the City of Mesa ("City"), including all related and applicable statutes,

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ordinances, building codes, rules and regulations of MGAA, the City, the FAA, and other authorities having jurisdiction over the Airport, the premises, or the operator's activities. Operators are prohibited from constructing, installing, removing, or modifying any improvements on their premises without advance written approval of MGAA's Executive Director and, if appropriate, MGAA's Design Review Committee.

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- d. *Bonds and Insurance.* Operators constructing improvements on leasehold premises valued at more than \$100,000 shall provide MGAA, prior to commencement of construction of such improvements, a valid performance bond and/or payment bond, in an amount equal to the hard construction costs plus ten percent (10%), to guarantee successful completion of those improvements. Said bonds shall be maintained and kept in full force and effect until all work items previously approved by MGAA are complete. In addition, operators shall carry appropriate commercial general liability and builder's risk insurance policies with levels of coverage as specified by the Executive Director throughout the improvement construction period.

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4.1.3 Premises Maintenance Responsibility Standards.

Operators shall, at their sole cost and expense, maintain, repair, and keep in good condition all buildings, improvements, pavements, landscaping, lighting, and equipment on their premises, as specified by their Agreement.

4.1.4 Personnel Standards.

- a. Operators shall employ a qualified, competent, experienced, full-time on-site manager to supervise and direct the performance of the operator's activities at the Airport, and one or more qualified assistant managers to act for the manager in his or her absence. Operators also shall employ and have on-duty trained personnel in such numbers and with such certificates and ratings as are required to comply with all STANDARDS pertinent to the commercial Aeronautical Activities the operator has been authorized to perform, and satisfy all reasonable service requirements of Airport users and the public in an efficient, courteous, and high-quality manner.
- b. All operator personnel, while on duty at the Airport, shall be clean, neat in appearance, courteous, and properly uniformed and/or attired at all times. Uniforms shall be required for personnel other than management and administrative staff, and shall, at a minimum, identify the name of the operator and the employee, and such uniforms shall be clean, neat, professional in appearance, and properly maintained.

4.1.5 Security Standards.

- a. Operators shall designate responsible primary and secondary persons to serve as contact officials for the coordination of all security procedures and communications with MGAA. Operators also shall specify and provide 24-hour telephone numbers for each contact person to the Executive Director, and keep any listing of such persons' names and other information current (with designated MGAA officials) at all times.
- b. Operators shall adhere to MGAA's *Airport Security Plan* pursuant to Transportation Security Administration ("TSA") requirements and 49 CFR Parts 1520, 1540 and 1542. Operators shall at all times comply with all *Airport Security Plan* provisions specified in their Agreement, and in applicable MGAA security credentialing forms.

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4.1.6 Insurance Standards.

- a. Operators shall satisfy all insurance requirements established by MGAA, as specified herein and/or in each operator’s Agreement throughout the term thereof. These requirements may vary among different types of operators, and may be periodically adjusted to ensure the interests of MGAA and other Airport users and operators are adequately protected.
- b. Operators shall provide continuous proof of proper insurance meeting their Agreement requirements as a condition of operating at the Airport. All policies, except those for *Workers’ Compensation* and *Employer’s Liability* shall: (i) name MGAA as a certificate holder or additional named insured; (ii) contain a provision that written notice of cancellation or modification thereof shall be given to MGAA not less than 30 calendar days before such cancellation or modification takes effect (10 calendar days in case of nonpayment of premium); and (iii) contain a waiver of subrogation in favor of MGAA. Operators shall not permit any insurance policy to be canceled or modified without the Executive Director’s written consent unless equivalent replacement policies are issued with no lapse in coverage. All policies shall be obtained from insurance companies licensed to do business in the State of Arizona and possessing a rating of at least A – VII or higher from the A.M. Best Company, or an equivalent rating approved by MGAA.

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4.1.7 Indemnification Standards.

Operators shall, in all agreements, defend, indemnify and hold harmless MGAA, including its member governments, elected or appointed officials, agents, contractors, subcontractors, boards, commissions, and employees for, from, and against any and all claims, causes of action, liability, suits, litigation (including reasonable attorney’s fees and other costs of investigation and litigation), actions, losses, damages, or claims of any nature whatsoever which arise out of the operator’s use of and activities at the Airport, to the maximum extent permitted by law. This indemnification shall exclude responsibility for any consequential damages and/or claims arising by reason of the negligent or wrongful act of MGAA or its employees, contractors, or agents.

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4.1.8 Nondiscrimination Standards.

Operators shall maintain and operate their facilities and services in compliance with all requirements imposed pursuant to 49 CFR Part 21, *Nondiscrimination in Federally Assisted Programs of the Department of Transportation*, as it may be amended. In addition, operators shall:

- a. Ensure that: (i) no person is excluded from participation, denied benefits, or otherwise subjected to discrimination on the grounds of race, color, creed, disability, age, sex, or national origin; (ii) in the construction of any improvements on, over, or under the operator’s premises and the furnishing of services thereon, no person shall be excluded from participation, denied benefits, or otherwise subjected to discrimination on the grounds of race, color, or national origin; and (iii) all commercial aeronautical business activities are conducted in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, as it may be amended.
- b. Comply with pertinent statutes, Executive Orders, and rules promulgated to assure that no person shall on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in the operator’s business.
- c. In furnishing services to the public, not discriminate against any person or class of persons by reason of race, color, creed, or national origin, and shall otherwise provide such services on a fair, equal, and not unjustly discriminatory basis to all users thereof.

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- d. Charge fair, reasonable, and not unjustly discriminatory prices for each unit of service, notwithstanding the operator's right to offer reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to returning, frequent, or volume customers.

4.1.9 Environmental Compliance Standards.

Operators shall, at each operator's own expense, comply with all present and hereinafter enacted environmental laws, rules and regulations, and any amendments thereto, affecting or applying to the operator's activities at or on the Airport.

4.1.10 Aircraft Fueling Standards

With the prior written approval of MGAA, Operators may dispense aviation fuel to aircraft owned, leased, managed, or operated by the tenant from approved mobile fueling equipment or other facilities authorized by MGAA. Such fueling activities shall occur only within the tenant's leased premises and shall not constitute the operation of a Fixed Base Operator offering fuel services to the general public or transient aircraft. However, any Operator engaged in such fueling shall comply with all Airport fuel handling standards, safety procedures, training requirements, and applicable federal, state, and local regulations applicable to Fixed Base Operator aircraft fuel servicing operations in Section 4.2.1.

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4.1.11 Professional Certification Standards.

Operators shall obtain and maintain in full force and affect throughout their Agreement term all FAA and other certificates and licenses necessary for the work being performed at the Airport, and provide copies of such certificates and licenses to the Executive Director upon request.

4.1.12 AOA Motor Vehicle Operation Standards.

Operators shall control the on-Airport transportation of pilots and passengers of transient general aviation aircraft using the operator's facilities and services. Customer motor vehicles are not generally permitted within the Airport Air Operations Area (AOA) unless under escort by an appropriately trained and credentialed operator employee in an appropriately marked vehicle. All such operations shall, however, be governed by the *Airport Rules and Regulations* and *Airport Security Plan*.

4.2 **Additional Requirements for Fixed Base Operators (FBO).**

At present, MGAA has elected to exercise its exclusive and proprietary right, pursuant to FAA Advisory Circular 150 5190-6, *Exclusive Rights at Federally Obligated Airports*, to serve as the sole FBO at the Airport, including serving as the Airport's sole commercial aircraft fuel service provider. As a result, no other FBO operators are permitted to operate at or on the Airport at this time. However, should this policy change, Operators seeking to provide FBO services at the Airport shall, in addition to the Basic Requirements for All Operators specified in CHAPTER IV, Section 4.1, satisfy the additional requirements and standards specified herein.

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4.2.1 Services and Equipment Standards.

Operators shall provide the following minimum services and related equipment:

- a. *Aircraft Fuel Servicing.*
 - (1) The FBO shall provide the sale and into-plane delivery of common and recognized brands of aircraft fuels, lubricants, and other aviation petroleum products. The Full Service FBO shall dispense AvGas, jet fuel, and fuel for GSE. All equipment used for the dispensing of aviation fuels must meet all applicable Federal, State, local laws, and Airport Rules and Regulations. The FBO shall demonstrate that it has made satisfactory arrangements with an industry-recognized aviation fuel supplier for delivery of aviation fuels in such quantity as are necessary to meet the requirements set forth herein and to meet customer

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demand. Aviation fuels and lubricating oils shall be stored and dispensed by an FBO in accordance with all Federal, State, local laws, and Airport Rules and Regulations. All metering devices must be inspected, checked, and certified annually by appropriate local and State agencies.

(2) The FBO shall have an approved, written Spill Prevention Contingency and Control Plan (SPCC Plan) that meets Federal, State, local, and the Airport Rules and Regulations for all fuel storage facilities. Prior to commencement of storage, selling, or dispensing of any fuels at the Airport, an FBO shall submit to Sponsor, for review and comment, the FBO's Spill Prevention Control and Countermeasures Plan and its Pollution Prevention Plan. Fuel storage, selling, or dispensing will be disallowed by Sponsor if any serious deficiencies are found in these plans that are not rectified prior to commencement of the operations and which would cause Sponsor or the FBO to be in violation of any applicable rule or regulation. An updated copy of the SPCC Plan shall be filed with the Airport Director at least thirty (30) days prior to commencing operations.

(3) Operator will provide regular monitoring and timely response for repair of equipment and prompt reimbursement to customers for erroneous charges resulting from malfunction. Sponsor reserves the right to periodically inspect all equipment used by the Operator and to deny its use on the Airport if Sponsor determines that the equipment is not safe or otherwise unfit for use. Such determination shall be based on noncompliance with any applicable NFPA Standards, the Sponsor's Airport Certification Manual, any applicable Federal or FAA Advisory Circular or FAA Order, or Sponsor's observation regarding the equipment's leaking of oil, fuel, or other chemicals that could cause damage to Airport pavements or create an explosive hazard. Such determination shall be only for the purpose of confirming compliance with Minimum Standards and the Airport Rules and Regulations and shall not constitute compliance with city, county, state and federal laws. Such inspection shall not constitute an approval, ratification or endorsement of the quality or soundness of the equipment, and MGAA shall not have any liability in connection with or related to inspected equipment.

(4) The FBO shall provide sufficient National Fire Protection Association (NFPA) 407 compliant metered filter-equipped mobile dispensing trucks for dispensing aviation fuel for meeting the daily commercial and general aviation needs, with separate dispensing pumps and meters required for each type of fuel. The FBO shall have at least two (2) jet refueling vehicles with a capacity of at least 7,000 gallons each and at least one (1) Avgas refueling vehicle with a capacity of at least 1,000 gallons, of which at least one (1) of each is operating and fully functional at all times.

(5) All aircraft refueling vehicles shall be equipped and maintained to comply at all times with all applicable federal, state, local, and Sponsor's Rules and Regulations, including without limitation, those prescribed by the following:

- A. State Fire Code and Fire Marshal's Codes;
- B. National Fire Protection Association (NFPA) Standards;
- C. 14 CFR Part 139, Airport Certification, all applicable sections including Section 139.321 "Handling/Storing of Hazardous Substances and Materials;"
- D. Applicable FAA Advisory Circulars (AC's), including the current version of AC 00-34 "Aircraft Ground Handling and Servicing," AC 150-5210-5 "Painting, Marking, and Lighting of Vehicles Used on an Airport," and AC 150/5230-4 "Aircraft Fuel

Deleted: Operators shall provide into-plane retail delivery of a recognized brand of aviation fuel, including Jet-A turbine fuel and aviation gasoline (AvGas 100LL - or such other fuel that may be developed for the operation of piston engine aircraft), and provide motor oils and lubricants appropriate to general aviation aircraft normally operating to and from the Airport.

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Deleted: Minimum FBO fueling equipment shall include not less than two (2) Jet-A refueling vehicle/trucks, each with a capacity of not less than 3,000 gallons, and two (2) AvGas 100LL refueling vehicles/trucks, each with a capacity of not less than 750 gallons. Operators shall be permitted to have only one (1) operable vehicle of each type if they have a written agreement with another FBO operator at the Airport to support Jet-A turbine fuel and AvGas 100LL fueling requirements at times when an operator's fuel service vehicle/truck is unavailable or unable to satisfy customer requirements in a timely manner. All refueling vehicles shall be equipped with calibrated and operable metering devices, bottom-loaded and fully compliant with National Fire Protection Association (NFPA), PMGAA and other pertinent regulatory directives.

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Storage, Handling, and Dispensing on Airports, as may be amended.

- (6) Aircraft defueling and re-servicing equipment for both Jet-A and AvGas 100LL. Operators may incorporate this capability into its refueling vehicles/trucks, or provide for this service via separate defueling and re-servicing carts/equipment.
- b. Aircraft Line Services. Operators shall provide:
 - (1) Suitable hard surface aircraft parking, tie-down and hangar storage space, including appropriate restraining devices and wheel chocks, for the typical number and type of aircraft simultaneously using the FBO during peak periods, and adequate loading, unloading and towing equipment to safely and efficiently move aircraft and otherwise relocate aircraft should operational necessity and/or circumstances require.
 - (2) Passenger, flight crew and aircraft ground handling service amenities and support, including: (i) aircraft marshaling, towing and removal; (ii) baggage handling; and (iii) lavatory service.
 - (3) Other line services, including:
 - A. Aircraft battery charging.
 - B. Aircraft ground power capability (28-volt DC and 400-Hz AC), including at least one item of equipment capable of satisfying each requirement.
 - C. Courtesy transportation service (via not less than one motor vehicle capable of accommodating seven passengers plus baggage) for passengers and flight crews to and from destinations on the Airport and local area hotels and restaurants, and courtesy crew car service (via not less than one full-size car) for transient aircraft crewmember use when such crewmembers are not remaining overnight at the Airport.
 - D. Arranging passenger and flight crew ground transportation (limousine, taxi, shuttle, rental car, etc.).
 - E. Placing and delivering (to the aircraft, as required) aircraft catering orders.
 - F. Providing for fuel spill response, including having spill containment and clean-up supplies and equipment readily available for use.
 - G. Nitrogen and oxygen service.

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Deleted: <#>The maximum allowable Operator response time to a customer aircraft fuel servicing request shall be fifteen (15) minutes.¶

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c. Personnel Standards

- (1) The FBO shall staff properly trained and qualified employees providing all required services. While on duty at the Airport, all FBO personnel shall be clean, neat in appearance, courteous, and properly uniformed (excluding management and administrative personnel). Personnel uniforms must include the FBO's company name and the employee's identification badges and shall at all times be professionally and properly maintained.
- (2) Full-Time Manager. All activities of the FBO shall be conducted under the guidance and supervision of a full-time, on-site FBO Manager. Such person must be a highly qualified and experienced FBO Manager vested with full power and authority to direct and conduct all matters pertaining to the day-to-day FBO operation. Such FBO Manager shall be assigned to the Airport location and shall be available during required business hours, also being on-call 24 hours per day in case of emergencies.
- (3) Line Service. At least three (3) fully trained and qualified fuel service staff persons

Deleted: <#>Airframe and Power Plant Maintenance (SASO). In providing this required service, an FBO shall comply with the applicable requirements specified in CHAPTERS 4.3.1 and¶ <#>4.3.7 herein.¶ <#>Additional Services. Operators shall, in addition to the required services specified in a., b., and c. above, provide not less than two (2) of the following secondary or SASO activities, and satisfy the applicable minimum requirements specified elsewhere in this CHAPTER.¶ <#>Aircraft charter or air taxi;¶ <#>Aircraft rental;¶ <#>Aviation shop repair services; and/ or¶ <#>Aircraft storage.¶

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shall be on duty at all times during required business hours. One must be a responsible and qualified supervisor. All fuel service personnel shall have successfully completed an approved line technician safety course. A National Aviation Transportation Association (NATA) course or equivalent is acceptable.

(4) Customer Service. At least one (1) customer service representative must be on duty to handle customers entering the FBO facilities during required business hours. The customer service representative may not count toward staffing requirements for line service personnel as well.

d. Operating Procedures. The FBO shall develop and maintain Standard Operating Procedures (SOPs) for fueling, ground handling and management of aircraft staging on the FBO ramp. The SOPs shall include a training plan, record keeping, fuel quality assurance procedures, and emergency response procedures. The SOPs shall address bonding and fire protection, public protection, control of access to fuel storage facilities, as well as marking / labeling of fuel storage tanks and refueling vehicles. The FBO's SOPs must be submitted to Sponsor no less than thirty (30) days prior to the commencement of FBO activities at the Airport. Sponsor will conduct periodic inspections to ensure compliance

Deleted: Maintenance. At least one (1) FAA licensed Airframe and Powerplant (A&P) mechanic available to perform maintenance on General Aviation aircraft that normally utilize the FBO shall be on-duty and on-premises for at least eight (8) hours during the FBO's operating hours, five days a week, and shall otherwise be on-call during other hours.

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e. Subcontracting. Operators may provide any required SASO service using its own resources and personnel, or with the prior written consent of the Executive Director, it may provide such service through a subcontractor leasing space from the FBO in accordance with these STANDARDS and the terms and conditions of the FBO's Agreement applicable to subleasing. Operators shall remain primarily responsible for any service performed by a subcontractor, as well as the subcontractor's compliance with these STANDARDS.

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f. Hours of Operation.

(1) Aircraft fueling, ground handling, and customer service shall be continuously offered and available to meet reasonable customer demand within thirty (30) minutes during required business hours and on-call, after required business hours, with a response time not to exceed one (1) hour. Operators shall offer its aircraft fuel servicing and lines services a minimum of sixteen (16) hours daily, seven (7) days per week, including holidays. The Executive Director may require the Operator to provide service on a twenty-four (24) hour basis, should aircraft traffic at the Airport require such. Operators shall have personnel available on an on-call basis at all times outside the Operator's regularly scheduled business hours for emergency services.

(2) Operators shall offer its SASO services a minimum of eight (8) hours daily, five (5) days per week, excluding holidays, and at other times when required by customer requirements and operational circumstances.

4.2.2 Premises and Facilities Standards.

a. Leased Premises. The minimum amount of contiguous land to be leased by an Operator for FBO operations shall be five (5) acres.

b. Aircraft Parking. Operators shall provide a minimum of 60,000 square feet of paved apron for aircraft parking and tie-down, and circulating taxi lanes around aircraft operating areas.

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c. Aircraft Hangar(s). Operators shall provide a minimum of 30,000 cumulative square feet of which 25,000 square feet is dedicated to aircraft maintenance and storage operations, capable of accommodating the largest aircraft likely to be serviced by the Operator at the

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Airport, with door openings of at least 150 feet in width and at least 28 feet in height. The hangar must also contain a minimum of 5,000 square feet dedicated to a terminal and office area in addition to the aircraft maintenance and storage area. Excluding T-hangars, no individual Operator hangar shall be smaller in size than 10,000 square feet and must be capable of accommodating, at a minimum, FAA Airport Design Group II Aircraft.

Deleted: 20,000 square feet of hangar space, including not less than 12,000 square feet dedicated to the storage of tenant and transient aircraft, and not less than 8,000 square feet dedicated to the provision of aircraft airframe and power plant maintenance services and spare parts storage.

- d. *Automobile Parking.* Operators shall provide sufficient paved and striped parking area within its leasehold premises to accommodate Operator and subtenant customers, passengers and employees on a daily basis. The minimum required number of marked automobile parking spaces provided shall be in accordance with City code.
- e. *Terminal, Office and Administrative Space.* Operators shall provide climate-controlled facilities within their leasehold premises that include not less than 5,000 square feet of floor space for operator offices, a flight planning area with access to current weather information and FAA flight plan filing services, a customer lounge and public waiting area, public restrooms and telephones, and an employee break room, restrooms and service response staging area(s). In addition, not less than 1,000 square feet of office and shop space shall be provided for aircraft airframe and power plant maintenance services, in either the Operator's terminal/main building or the hangar in which such services are provided.
- f. *Aviation Fuel Storage Facilities.*

(1) The FBO shall construct above-ground fuel storage facility, in a location approved by the Airport, capable of containing at a minimum 10,000 gallons of avgas and 20,000 gallons of jet fuel. Filter-equipped aviation fuel dispensers with separate dispensing pumps and meter systems for each grade of aviation fuel shall be provided. Such fuel storage area shall be designed, constructed, and maintained to all applicable standards and shall contain the proper drainage and secondary containment as required by applicable federal, state and local laws, and Airport Rules and Regulations. The use of fueling trucks or other vehicles for such storage shall not be permitted. Such construction, installation and maintenance may not be permitted by MGAA unless the Operator's leasehold area can accommodate such without presenting a potential hazard to Airport users and other Operators, and such siting is consistent with the *Airport Layout Plan*. Facilities must be permitted in accordance with MGAA Rules and Regulations.

Deleted: Operators shall construct, install and maintain an above-ground aviation fuel tank storage facility within the operator's leasehold area sufficient for the storage of not less than 25,000 gallons of Jet-A turbine fuel and 12,000 gallonsof aviation gasoline (AvGas 100LL).

(2) In lieu of constructing, installing and maintaining the fuel storage facility specified in (1) above, Operators may make arrangements with other authorized FBO Operators on the Airport, or with MGAA, for the storage and/or purchase of fuel, provided the minimum requirements set forth herein are satisfied.

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(3) Operators shall demonstrate that satisfactory arrangements have been made with a reputable aviation petroleum/fuel supplier/distributor for the delivery of aviation fuels in quantities necessary to satisfy customer demand and the requirements herein.

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- g. *Other Service Facilities.* Depending upon which additional SASO activities the FBO operator chooses to undertake, said operator shall comply with the applicable additional requirements specified in this CHAPTER for such activities.

Deleted: <#>Agreement Term Standards.¶ <#>The term of an Operator's Agreement shall be not less than five (5) years and no longer than twenty-five (25) years, unless the Operator can demonstrate to the Executive Director that a longer term is necessary to finance and construct improvements on the premises that would be necessary to enable the business to operate in compliance with these STANDARDS. In no event, however, shall the term of any FBO Operator lease exceed forty (40) years.¶

4.2.3 Prior Experience Standards.

Operators shall possess and demonstrate a minimum of five (5) years' experience in operating a full-service FBO facility at another airport similar in levels and type of service proposed at the Airport, and similar to the types and quantity of air traffic occurring at said airport.

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4.2.4 Insurance Standards.

In addition to satisfying the provisions of CHAPTER 4.1.6, Operators shall purchase and maintain, at the Operator's own expense, the types and amounts of insurance coverage specified below and sustain such throughout the term of their agreement. Should coverage requirements be less than those specified for SASO or other services performed by the Operator, the higher coverage requirement shall always apply.

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- a. If operating aircraft, *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).
- b. *Airport Premises Liability* insurance in the amount of \$10,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor" and "blanket contractual liabilities."
- c. *Business Interruption* insurance in an amount equal to 12 months' loss of Operator income for operations/activities occurring on or at the Airport due to fire or other catastrophe; optional *Extra Expense* coverage also is recommended (but not required) to facilitate covering expenses beyond normal operating expenses that might otherwise preclude the business from shutting down during post-disaster restoration.
- d. *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence, covering all owned, non-owned and hire vehicles operated on the Airport that are assigned to or used in the performance of "commercial" activities, or are operated within the AOA; an *MSC 90 Endorsement* also is required due to the operator's aircraft fuel service activities.
- e. *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$2,000,000 per occurrence, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed or maintained on the Airport, and including expenses for defense, release mitigation and off- and on-site remediation.
- f. *Hangar Keeper's Liability* insurance in the amount of \$5,000,000 (or the value of the largest aircraft that may be in the custody and/or control of the Operator, if greater) per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise in the care, custody or exclusive control of the Operator on the Airport; coverage may be "ground" (if no test flying or other related airborne/aircraft-powered operations (e.g., ferrying, ground taxiing) are conducted) or "air," and is required anytime aircraft are "moved" by the insured, irrespective of whether or not a physical hangar facility is involved.
- g. *Property* insurance in an amount equal to the full insurable value of the Operator's essential personal property and all improvements made to buildings or facilities on the Operator's premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- h. *Workers' Compensation and Employer's Liability* insurance, the former in amounts specified by-law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the Operator's employees and others permitted to conduct commercial aeronautical activities on the Operator's premises.

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4.3 Additional Requirements for Specialized Aviation Service Operators (SASO).

4.3.1 General.

- a. SASOs providing one or more of the services specified in this SECTION 4.3 shall, in addition to the Basic Standards included in this CHAPTER IV, satisfy the minimum additional requirements and standards pertinent to those services as defined herein.
- b. The term of a SASO agreement with MGAA shall be not less than two years and no longer than ten (10) years, unless the operator can demonstrate to MGAA that a longer term is necessary to finance and construct improvements on the premises that would be necessary to enable the business to operate in compliance with these STANDARDS. In no event, however, shall the term of any SASO agreement exceed 40 years.
- c. If a SASO is not leasing facilities or land from MGAA:
 - (1) And the SASO desires to sublease facilities and/or land from another Airport tenant, such operator may only do so if that tenant's Agreement with MGAA will permit the conduct of the specific SASO operation(s) on the tenant's leasehold premises, and the tenant has received advance written approval from the Executive Director therefor.
 - (2) And the SASO does not lease facilities and/or land at the Airport, such operator may be required to obtain a permit or conclude such other Agreement with MGAA that mandates operator compliance with the *Airport Rules and Regulations* and these STANDARDS. Such Agreement may require the payment of fees to MGAA as a prior condition of granting authorization for the privilege of operating at or on the Airport.

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4.3.2 Aircraft Charter or Air Taxi Operator.

- a. *Operating Standards.*
 - (1) Operators shall hold a current operating certificate as may be required and issued by the FAA under the provisions of 14 CFR Parts 91, 125 or 135, as well as all appropriate pilot ratings and licenses for the services to be provided at the Airport.
 - (2) Operators shall own, lease, or have available under their exclusive control not less than one (1) airworthy, US-registered, civil aircraft that meets all requirements authorized in the certificate holder's operations specifications pertinent to the activities to be conducted at and on the Airport, and is capable of flight in instrument meteorological conditions.
 - (3) Operators shall have available and on-duty sufficient trained personnel for checking in and ticketing passengers, handling luggage, providing service quotes, and customer services to customers, and scheduling and dispatching aircraft and aircrews to satisfy customer requirements.
 - (4) Operators shall operate a minimum of eight (8) hours per day, five (5) days per week, and at other times sufficient to satisfy public demand for its services. During other periods, operators shall provide customers a means for after-hours contact and be capable of responding to a customer air transport request within four (4) hours.
- b. *Premises and Facilities Standards.* Operators shall lease from MGAA (or make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct its business activities and satisfy the

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requirements specified below.

- (1) Not less than 400 square feet of properly lighted, heated, and cooled business office space and a customer lounge/waiting area that affords direct access to individual sanitary restrooms for customers and employees, and provides other suitable employee/customer amenities.
 - (2) Paved aircraft apron or hangar space sufficient to park and maneuver the operator's aircraft.
 - (3) A sufficient number of motor vehicle parking spaces to accommodate daily customer and employee parking requirements, and satisfy applicable City code specifications.
- c. *Prior Experience Standards.* Operators shall possess and demonstrate experience providing the services specified in CHAPTER 4.3.2.
- d. *Insurance Standards.*

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- (1) *Aircraft Liability* insurance in the amount of \$25,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).
- (2) *Airport Premises Liability* insurance in the amount of \$25,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities."
- (3) *Comprehensive/ Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of "commercial" activities, or are operated within the AOA. An *MSC 90 Endorsement* is required if the operator is fueling aircraft.
- (4) If maintaining and/or fueling aircraft, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$2,000,000 per occurrence, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment, and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation and off- and on-site remediation.
- (5) *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, if any, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- (6) *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business activities on the operator's premises.

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4.3.3 Aircraft Painting and Refurbishment Operator.

- a. *Operating Standards.*
 - (1) Operators shall obtain and maintain an Air Quality Permit from the Maricopa

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County Air Quality Department and shall acquire and maintain any applicable certifications and ratings specified by pertinent Federal, state, or local laws, ordinances, and rules and regulations.

- (2) Operators shall possess and maintain all equipment and supplies necessary to operate its business at the Airport.
- (3) Operators shall operate a minimum of eight (8) hours per day, five (5) days per week, and at other times sufficient to satisfy public demand for its services.
- b. *Premises and Facilities Standards.* Operators shall lease from MGAA (or make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct business activities and satisfy the requirements specified below.

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- (1) Not less than 2,000 square feet of properly lighted, heated, and cooled shop, storage, and office space, including a customer waiting or lounge area with access to sanitary customer restrooms, employee restrooms, and other required amenities.
- (2) A separate aircraft and component painting shop sized to accommodate the largest aircraft for which the operator plans to provide painting services, and compliant with all applicable safety, air quality, and environmental requirements.
- (3) If refurbishing aircraft interiors, an aircraft hangar sized to accommodate the largest customer aircraft the operator plans to service.
- (4) Sufficient paved aircraft parking apron to accommodate all customer aircraft the operator is capable of servicing at one time, including aircraft circulation space, but not less than the square footage equal to 150 percent of the total paint shop and refurbishment hangar floor area.
- (5) A sufficient number of motor vehicle parking spaces to accommodate daily customer and employee parking requirements, and satisfy applicable City code specifications.

- c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of three (3) years of experience providing the services specified in CHAPTER 4.3.3.

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- d. *Insurance Standards.*
 - (1) *Airport Premises Liability* insurance in the amount of \$3,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for “premises/operations,” “products and completed operations,” “professional,” “host liquor,” and “blanket contractual liabilities.”
 - (2) *Comprehensive/ Commercial Automobile Liability* insurance in the amount of \$1,000,000 per occurrence, covering all owned, non-owned, and hire vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
 - (3) *Environmental Impairment Liability (or Pollution Legal Liability)* insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed or maintained on the Airport, and including expenses for defense, release mitigation and off- and on-site remediation.
 - (4) *Hangar Keeper's Liability* insurance in the amount of \$3,000,000 (or the value of the

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largest aircraft that may be in the operator’s custody and/or control, whichever is greater) per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise in the care, custody or exclusive control of the insured on the Airport. “Ground” coverage is required.

- (5) *Property* insurance in an amount equal to the full insurable value of the operator’s essential personal property and all improvements made to buildings or facilities within the operator’s premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- (6) *Workers’ Compensation and Employer’s Liability* insurance, the former in amounts specified by law and the latter in the amount of \$500,000 per occurrence, covering work-related injuries to the operator’s employees and others permitted to conduct business activities on the operator’s premises.

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4.3.4 Aircraft Rental Operator.

a. *Operating Standards.*

- (1) Operators shall own, or possess under written lease to the operator, and have available for rental a sufficient number of airworthy aircraft, but not less than two fixed and/or rotary wing aircraft, that are properly certificated to handle the proposed scope of the operator’s activities on the Airport.
- (2) Operators shall employ and have on-duty during normal business hours at least one (1) person having a current FAA pilot’s license appropriate for each aircraft model offered for rent, and who is capable of performing a customer aircraft proficiency flight check when required.
- (3) Operators shall develop and implement written policies to ensure that only properly qualified and licensed persons are permitted to rent aircraft, and shall make such policies available to the Executive Director and/or his designated representative for inspection upon request.
- (4) Operators shall operate their business during hours sufficient to satisfy public demand for services, but not less than eight (8) hours daily, six (6) days per week, excluding holidays.

b. *Premises and Facilities Standards.* Operators shall lease from MGAA (or make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct its business activities and satisfy the requirements specified below.

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- (1) If constructing facilities on the Airport, not less than one-half acre of contiguous land sufficient to accommodate the operator’s business activities thereon, including the facilities specified below.
- (2) Not less than 250 square feet of properly lighted, heated and cooled office and administrative space with access to a customer lounge/waiting area, and sanitary restrooms.
- (3) A customer lounge/waiting area of not less than 200 square feet, with direct access to sanitary restrooms and other pertinent amenities.
- (4) Paved aircraft apron and/or hangar space sufficient to park, tie-down and maneuver a minimum of two small aircraft, but not less than 5,000 square feet.
- (5) Sufficient motor vehicle parking area to accommodate operator’s daily customer and employee requirements, and satisfy applicable City of Mesa code

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specifications.

- c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of two (2) years of experience providing the services specified in CHAPTER 4.3.4.
- d. *Insurance Standards.*

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- (1) *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).
- (2) *Airport Premises Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for “premises/operations,” “products and completed operations,” “professional,” “host liquor” and “blanket contractual liabilities.”
- (3) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
- (4) If maintaining and/or fueling its own rental aircraft, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence, covering third-party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
- (5) *Property* insurance in an amount equal to the full insurable value of the operator’s essential personal property and all improvements made to buildings or facilities within the operator’s premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- (6) *Workers’ Compensation* and *Employer Liability* insurance, the former in amounts specified by-law and the latter in the amount of \$500,000 per occurrence, covering work-related injuries to the operator’s employees and others permitted to conduct business activities on the operator’s premises.

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4.3.5 Aircraft Sales Operator.

- a. *Operating Standards.*
 - (1) Operators shall be properly bonded and licensed in accordance with applicable Federal, state and local laws, ordinances, and rules and regulations.
 - (2) Operators offering new aircraft sales shall have available or on-call at least one (1) current model of an aircraft made by the manufacturer the operator represents, and provide for demonstrations of additional models of such manufacturer upon reasonable customer request. Operators offering used aircraft for sale shall retain all such aircraft in (at least) an on-call status, such that they may be made available to a customer within a reasonable period of time after a customer inquiry is made.
 - (3) Operators shall have at least one (1) full-time, authorized agent available to customers during normal business hours, and at least one (1) certificated and duly

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licensed pilot with ratings appropriate for the type(s) of aircraft offered for sale in order to provide an appropriate demonstration of such aircraft.

- (4) Operators shall provide all parts, equipment and services required to repair and service aircraft sold by the operator during applicable warranty periods. Warranty services may be provided through written agreement with an Airframe and Power Plant Maintenance operator on the Airport.
- (5) Operators shall operate their business during hours sufficient to satisfy public demand for such services, but not less than four (4) hours per day, three (3) days per week.

b. *Premises and Facilities Standards.* Operators shall lease from MGAA (or make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct its business activities and satisfy the requirements specified below.

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- (1) If constructing facilities on the Airport, not less than one-half acre of contiguous land sufficient to accommodate the operator's business activities thereon, including the facilities specified below.
- (2) Not less than 200 square feet of properly lighted, heated, and cooled sales office and administrative space, including a customer waiting area with access to sanitary restrooms and other pertinent amenities.
- (3) Paved aircraft apron and/or hangar space sufficient to accommodate a minimum of two (2) of the aircraft offered for sale.
- (4) Sufficient motor vehicle parking area to accommodate operator's daily customer and employee parking requirements, and satisfy applicable City code specifications.

c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of two (2) years of experience providing the services specified in CHAPTER 4.3.5.

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d. *Insurance Standards.*

- (1) *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).
- (2) *Airport Premises Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities."
- (3) *Comprehensive/ Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
- (4) If maintaining and/or fueling aircraft, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence, covering third-party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-

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- (5) *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- (6) *Workers' Compensation and Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$500,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business operations on the operator's premises.

4.3.6 Aircraft Storage Operator.

a. *Operating Standards.*

- (1) Operators shall have at least one (1) full-time, authorized agent available to customers during normal business hours, either via telephone or at the operator's business office.
- (2) Operators shall develop a standardized rental or leasing format which shall be pre-approved in writing by the Executive Director prior to its use. Operators shall use this approved format for each aircraft storage rental, and provide copies of completed agreements to the Executive Director within 15 calendar days of execution.
- (3) Operators shall remain responsible for the conduct of all aircraft storage customers, and for such customers' strict compliance with the *Airport Rules and Regulations*.

b. *Premises and Facilities Standards.* Operators shall lease from MGAA (or make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct business activities and satisfy the requirements specified below.

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- (1) A business office, including restroom facilities, of such size and location as to enable customers to acquire information about aircraft storage availability, pricing and related information, and complete storage transactions. This business office need not be located at the Airport. However, providing such contiguous with or in close proximity to the operator's aircraft storage facilities is highly encouraged.
- (2) When offering facilities capable of storing FAA Category Group I aircraft, not less than one (1) or more hangars sized at a minimum of 1,500 square feet each and not less than a total of 2,250 square feet of paved apron for aircraft tie-down and/or circulation. Hangars shall possess a minimum depth of 40 feet. Hangars shall not be used for other than aircraft (and related equipment, supplies, etc.); except, however, that an aircraft owner may be permitted to park his or her motor vehicle therein when that owner's aircraft is on a flight away from the Airport.
- (3) When offering facilities capable of storing FAA Category Group II and larger aircraft, not less than one (1) or more hangars shall be sized at a minimum of 4,800 square feet each (or sized appropriate to the aircraft being stored), and not less than a total of 7,200 square feet of paved apron for aircraft tie-down and/or circulation. Hangars shall possess a minimum depth of 60 feet and allow for a minimum aircraft tail height of 17 feet. Hangars shall not be used for other than aircraft (and related equipment, supplies, etc.); except, however, that an aircraft owner may be permitted to park his or her motor vehicle therein when that

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- owner's aircraft is on a flight away from the Airport.
- (4) For each hangar (or row of connected hangars), not less than one (1) common, unisex, handicap-accessible restroom.
- (5) Sufficient motor vehicle parking area to accommodate operator's daily customer and employee parking requirements that exceed those permissible under sections (2) and (3) above.
- c. *Prior Experience Standards.* Operators need not have direct experience operating an aircraft storage business. However, such operators shall possess and demonstrate a minimum of two (2) years of experience operating a successful small business enterprise within the past five (5) years.
- d. *Insurance Standards.*
 - (1) *Airport Premises Liability* insurance in the amount of \$3,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities."
 - (2) *Comprehensive/ Commercial Automobile Liability* insurance in the amount of \$1,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
 - (3) *Environmental Impairment Liability (or Pollution Legal Liability) insurance (if maintaining and/or fueling aircraft) in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third-party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment, and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.*
 - (4) *Hangar Keeper's Liability* insurance in the amount of \$3,000,000 (or the value of the largest aircraft that may be in the operator's custody and/or control, whichever is greater) per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise in the care, custody or exclusive control of the insured on the Airport. "Air" coverage is required.
 - (5) *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
 - (6) *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$500,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business operations on the operator's premises.

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4.3.7 Airframe and Power Plant Maintenance Operator.

- a. *Operating Standards.*
 - (1) Operators shall hold or apply for repair station certification from the FAA under 14 CFR Part 145, and provide a true copy of such to the Executive Director when granted. Failure to obtain said certification within six months of application shall be considered a violation of these STANDARDS unless the operator can

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demonstrate such failure is attributable to FAA delays and not the operator. Once obtained, operators shall maintain such certification current at all times while operating at and on the Airport.

- (2) Operators shall employ a sufficient number of FAA-certified personnel with airframe, power plant and/or inspector ratings to properly and safely perform all authorized activities, including at least one FAA-certified A&P Mechanic (or inspector) properly trained and qualified to perform aircraft maintenance on aircraft normally frequenting its business who shall be available and on-duty during normal business hours.
- (3) Operators shall have all necessary tools, equipment, supplies, and parts necessary to perform and provide repair and maintenance services in accordance with manufacturer specifications and applicable FAA directives.
- (4) Operators shall operate a minimum of eight (8) hours per day, five (5) days per week, and at other times sufficient to satisfy reasonable public demand for services. During other periods, operators are encouraged (but not required) to provide their customers with on-call, 24-hour service to accommodate emergencies.

b. *Premises and Facilities Standards.* Operators shall lease from MGAA (or make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct its business activities as required by 14 CFR Part 145, 49 CFR 1554, and satisfy the requirements specified below.

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- (1) If constructing facilities on the Airport, not less than one (1) acre of contiguous land sufficient to accommodate the operator's business activities thereon and including the facilities specified below.
- (2) At least one aircraft hangar sized not less than 10,000 square feet and adequate for aircraft maintenance and repair, and parts and equipment storage.
- (3) Not less than 300 square feet of office and administrative space, and 1,000 square feet of maintenance shop and personnel space, all properly lighted, heated and cooled, with access to a customer lounge and having independent customer and employee restrooms. The customer lounge/waiting area shall comprise not less than 200 square feet.
- (4) Not less than 15,000 square feet of paved aircraft apron sufficient to accommodate parking and maneuvering of at least three FAA Category Group II aircraft (or 150% of actual hangar floor space, if greater). Also, a sufficient number of paved motor vehicle parking spaces to accommodate daily customer and employee parking requirements, and satisfy applicable City code specifications.

c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of three (3) years of experience providing the services specified in CHAPTER 4.3.7.

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d. *Insurance Standards.*

- (1) Aircraft Liability insurance (if test flying aircraft), in the amount of \$5,000,000 per occurrence, covering third party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third party liabilities arising from War Risk perils (e.g., acts of terrorism).
- (2) *Airport Premises Liability* insurance in the amount of \$10,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage

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for “premises/operations,” “products and completed operations,” “professional,” “host liquor,” and “blanket contractual liabilities.”

- (3) *Comprehensive/ Commercial Automobile Liability* insurance in the amount of \$5,000,000 combined single limit, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
- (4) *Environmental Impairment Liability (or Pollution Legal Liability)* insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
- (5) *Hangar Keeper’s Liability* insurance in the amount of \$10,000,000 per occurrence (or the value of the largest aircraft operator can accommodate, whichever is greater), covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise in the operator’s care, custody or exclusive control. Coverage may be “ground” (if no test flying or other related airborne/aircraft-powered operations (e.g., ferrying, ground taxiing) are conducted) or “air,” and is required anytime aircraft are “moved” by the operator, irrespective of whether or not a physical hangar facility is involved.
- (6) *Property* insurance in an amount equal to the full insurable value of the operator’s essential personal property and all improvements made to buildings or facilities within the operator’s premises, if any, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- (7) *Workers’ Compensation* and *Employer’s Liability* insurance, the former in amounts specified by law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the operator’s employees and others permitted to conduct business activities on the operator’s premises.

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4.3.8 Aviation Shop Repair Services Operator

- a. *Operating Standards.*
 - (1) Operators shall acquire and maintain, as necessary, FAA repair station certificates applicable to the activity or activities contemplated. Operators conducting avionics-related activities shall maintain current the qualifications of the applicable Class I and/or Class II FAA repair station.
 - (2) Operators shall have in their employ and on-duty during required operating hours, sufficient trained personnel currently certificated by the FAA as radio, instrument or propeller repairmen, as appropriate, in such numbers as are required to satisfy all requirements of these STANDARDS.
 - (3) Operators shall operate a minimum of eight (8) hours per day, five (5) days per week, and at other times sufficient to satisfy reasonable public demand for its services. During other periods, operators are encouraged (but not required) to provide their customers with on-call, 24-hour service to accommodate emergencies.
- b. *Premises and Facilities Standards.* Operators shall lease from MGAA (or make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if

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appropriate) as required to undertake and conduct business activities and satisfy the requirements specified below.

- (1) Not less than 2,000 square feet of properly lighted, heated, and cooled space for workshops, parts and equipment storage, administration and customer waiting area, including separate, sanitary restrooms for customers and employees.
- (2) Paved aircraft apron space sufficient to accommodate the maximum number and type of aircraft the operator can service at any one time, but not less than 6,500 square feet.
- (3) Sufficient motor vehicle parking area to accommodate operator's daily customer and employee parking requirements, and satisfy applicable City code specifications.

c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of two (2) years of experience providing the services specified in CHAPTER 4.3.8.

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d. *Insurance Standards.*

- (1) *Airport Premises Liability* insurance in the amount of \$3,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities."
- (2) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$1,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
- (3) *Environmental Impairment Liability (or Pollution Legal Liability)* insurance in the amount of \$1,000,000 per occurrence, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
- (4) *Hangar Keeper's Liability* insurance in the amount of \$2,000,000 (or the value of the largest aircraft that may be in the operator's custody and/or control, whichever is greater) per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise in the care, custody or exclusive control of the insured on the Airport. "Air" coverage is required.
- (5) *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- (6) *Workers' Compensation and Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$500,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business activities on the operator's premises.

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4.3.9 Pilot Flight Training Operator.

a. *Operating Standards.*

- (1) Operators shall obtain and maintain an FAA certificate in accordance with 14 CFR Parts 61, 141 or 142, as appropriate to its activities on the Airport.

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- (2) ~~The Operator shall staff sufficient personnel to adequately and safely carry out aircraft rental and/or flight training in a courteous, prompt, and efficient manner adequate to meet the reasonable demands of the public/members. Aircraft Rental Operators shall employ at least one full-time flight instructor. Flight Training Operators shall employ at least one full-time Chief Flight Instructor and adequate staff to comply with the Airport's TSA-approved ASP for escorting unbadged persons.~~
- (3) Operators shall own or have under written lease at least one (1) properly certified and equipped aircraft appropriate for the type of flight instruction offered. Operators also shall have appropriate training equipment and instructional materials/aids to provide proper and effective flight training, including adequate mock-ups, pictures, slides, films or other visual aids. All equipment and materials shall comply fully with applicable FAA requirements.
- (4) Operators shall have on-duty at their place of business during normal business hours, and at other times when required, not less than one current, FAA-certificated pilot with the appropriate instructor rating and current medical certificate.
- (5) Operators shall conduct business not less than eight (8) hours per day, five (5) days per week, and at other times to satisfy the reasonable demands of its customers and the public.
- b. *Premises and Facilities Standards.* Operators shall lease from MGAA (or make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct business activities under the applicable provisions of 14 CFR Parts 61, 141 and/or 142, and satisfy the requirements specified below.
 - (1) Not less than 5,000 square feet of properly lighted, heated, and cooled classroom, office and storage space with adjacent access to a customer lounge or waiting area and sanitary restrooms. Separate flight planning and briefing/de-briefing areas are also highly encouraged, although not mandatory. Ground school instruction shall not be permitted in public areas of the Airport, other than normal pre- and post-flight briefings.
 - (2) ~~Properly lighted, heated, and cooled hangar space for aircraft storage and maintenance, workshops, parts and equipment storage capable of accommodating the maximum number and type of aircraft the operator has in service at any one time, but not less than 10,000 square feet.~~
 - (3) ~~Paved aircraft apron space sufficient to accommodate the maximum number and type of aircraft the operator can service at any one time, but not less than 20,000 square feet.~~
 - (4) Sufficient motor vehicle parking area to accommodate operator's daily customer and employee parking requirements, and satisfy applicable City code specifications.
- c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of two (2) years of experience providing the services specified in CHAPTER 4.3.9.
- d. *Insurance Standards.*
 - (1) *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on

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<#>If self-maintaining operator fleet aircraft, not less than 500 square feet of adequate and dedicated space for employee work areas, shop areas, and storage of aircraft parts and equipment.¶

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the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).

- (2) *Airport Premises Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for “premises/operations,” “products and completed operations,” “professional,” “host liquor,” and “blanket contractual liabilities.”
- (3) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
- (4) *Environmental Impairment Liability (or Pollution Legal Liability) insurance (if maintaining and/or fueling aircraft)* in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third-party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment, and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
- (5) *Property* insurance in an amount equal to the full insurable value of the operator’s essential personal property and all improvements made to buildings or facilities within the operator’s premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- (6) *Workers’ Compensation* and *Employer’s Liability* insurance, the former in amounts specified by law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the operator’s employees and others permitted to conduct business activities on the operator’s premises.

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4.4 Additional Requirements for Specialized Commercial Flying Service Operators.

4.4.1 Operating Standards.

- a. Operators shall obtain and maintain all licenses, aircraft type certifications and other qualifications and regulatory compliance documents required to permit the lawful conduct of its authorized business activities at and on the Airport. Copies of such documents shall be provided to the Executive Director upon written request.
- b. For operators performing crop dusting or aerial applications, suitable arrangements shall be made for or sufficient space available within the operator’s leasehold area to permit the safe loading, unloading, storage, and containment of chemical materials. Operators shall conduct these activities under a written emergency plan for the handling of hazardous materials and provide a copy of such plan to the Executive Director prior to commencing operations at or on the Airport. In addition, operators shall have in their employ and on-duty sufficient trained and experienced personnel to facilitate compliance with their emergency plan, and ensure safety remains a paramount consideration to all operations and activities at the Airport.
- c. Operators shall demonstrate the availability of aircraft suitably equipped and certified for the particular type of operation(s) intended at the Airport.
- d. Operators shall be open for business and make their services available to customers and prospective customers during periods appropriate to the activities proposed, or as normally maintained by entities operating competitive businesses at the Airport.

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4.4.2 Premises and Facilities Standards.

- a. If developing and constructing new facilities on the Airport, operators shall lease or sublease a minimum of one acre of contiguous land for the construction thereof.
- b. Operators shall lease or sublease sufficient office, equipment and materials storage, and aircraft parking space to accommodate all activities and operations proposed, including integral or close proximity access to sanitary restroom(s). The sufficiency of the minimum or operating areas proposed by an operator shall be subject to review and advance written approval by the Executive Director on a case-by-case basis.
- c. Operators shall provide for sufficient motor vehicle parking within their premises to accommodate daily customer and employee parking requirements, and satisfy applicable City code specifications.

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4.4.3 Prior Experience Standards.

Operators shall possess and demonstrate a minimum of two (2) years of experience providing the services proposed under CHAPTER 4.4.

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4.4.4 Insurance Standards.

- a. *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).
- b. *Airport Premises Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities."
- c. *Comprehensive/ Commercial Automobile Liability* insurance in the amount of \$2,000,000 per occurrence or combined single limit, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
- d. If maintaining or fueling aircraft or conducting crop dusting or aerial chemical application, *Environmental Impairment Liability (or Pollution Legal Liability)* insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third-party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
- e. *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities on the Airport, if any, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- f. *Workers' Compensation* and *Employer Liability* insurance, the former in amounts specified by law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business activities on the operator's leasehold premises.

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4.5 Additional Requirements for Limited and Miscellaneous Aircraft Service & Support Operators.

Operators in this category shall, in addition to the Basic Standards specified in SECTION 4.1 herein, satisfy the additional requirements and standards specified herein.

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4.5.1 Operating Standards.

- a. Operators shall obtain all licenses and other certifications required of their business and employees to allow the lawful conduct of its proposed business activities at and on the Airport. For operators performing aircraft/flight support ground services (above- and below-wing), certification in accordance with contracted air carrier, aircraft charter or air taxi operator's FAA operating certificate(s) shall be required before commencing such services at the Airport. Operators performing limited aircraft, engine or accessory maintenance (which shall be permitted only in the absence of an Airframe and Power Plant Maintenance operator or Aviation Shop Repair Service operator providing the same or similar services from leased or subleased premises on the Airport) shall acquire and maintain all appropriate FAA certifications and ratings under 14 CFR Part 65, and shall be limited to the conduct of preventive maintenance activities, as defined in 14 CFR Part 43 (not including Item 22).
- b. Operators shall make their services available to customers and the public not less than eight (8) hours per day, five (5) days per week, excluding holidays, and during such other times as may be necessary to satisfy reasonable customer demands and/or contractual requirements.

4.5.2 Premises and Facilities Standards.

Operators shall lease or sublease sufficient land and/or facilities as may be necessary to accommodate their proposed operations. Depending upon the activity or activities involved, this may include apron and aircraft tie-down areas; aircraft maintenance areas, including employee work areas, shop areas, and parts and equipment storage areas; customer areas, including adequate space for a customer lounge or waiting area, telephone access, restrooms, and administrative areas; office space, including flight crew offices, lounges, flight planning areas, and restrooms; classroom and simulator areas (if appropriate); and sufficient motor vehicle parking area for customers and employees consistent with City code requirements. Appropriate minimum standards shall be developed by MIGAA in coordination with the operator and incorporated into the operator's Agreement. The conduct of like-business activities at the Airport (meaning those similar in function and scope) under significantly divergent or different minimum standards shall be prohibited.

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4.5.3 Prior Experience Standards.

Prior operator experience of at least two (2) years providing the service(s) proposed is encouraged, but not mandatory.

4.5.4 Insurance Standards.

- a. If operating within the AOA, *Airport Premises Liability* insurance in the amount of \$10,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities." If not operating within the AOA, *Comprehensive General Liability* insurance in the amount of \$5,000,000 per occurrence, covering the same risks above.
- b. *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence or combined single limit, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
- c. If permitted activities involve hazardous materials such as maintaining and/or fueling aircraft, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment, and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for

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defense, release mitigation, and off- and on-site remediation.

- d. Hangar Keeper's Liability insurance (if moving aircraft within the AOA) in the amount of \$10,000,000 (or the value of the largest aircraft that may be in the operator's custody and/or control) per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise are in the care, custody or exclusive control of the insured on the Airport. "Ground" coverage is required.
- e. *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, if any, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- f. *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business activities on the operator's premises.

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4.6 Additional Requirements for Flying Clubs.

Flying clubs shall, in addition to the applicable Basic Standards specified in this CHAPTER IV, satisfy the additional requirements and standards specified herein.

4.6.1 General.

- a. As non-commercial, non-profit entities, private flying clubs operating at the Airport shall not be required to meet or satisfy the standards and requirements stipulated for aircraft rental or pilot flight training operators, so long as the flying club's membership is not available on-call to the general public.
- b. Clubs shall provide the Executive Director a complete membership list, complete with an itemization of the investment ownership share held by each member on that list, and including a record of all members (past and present) with full names, mailing addresses, and date each membership affiliation began (and ended, if applicable). Such lists also shall include the names, home and business addresses, and telephone numbers for all club officers and directors, and be submitted to the Executive Director not less than at recurring six (6) month intervals after the effective date of the club's Agreement throughout its term.
- c. Clubs also shall provide the Executive Director copies of by-laws, articles of organization, operating rules, and membership agreements, including all updates and/or revisions thereto, and the location/address of the club's registered office.

4.6.2 Operating Standards.

- a. The ownership of all club aircraft shall be vested in the name of the flying club, or owned proportionately by all its members. The property rights of all club members shall be equal, and no part of the net earnings may inure to the benefit thereto, including salaries, bonuses, etc.
- b. Clubs shall not derive greater revenue from the use of club aircraft than the amount for the operation, maintenance and replacement of said aircraft. In no event shall any club aircraft be used or employed in the conduct of a commercial Aeronautical Activity.
- c. No club member or owner shall receive compensation for services provided to the club or on the club's behalf unless such member or owner is authorized to conduct related commercial Aeronautical Activities at the Airport.

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d. Club aircraft shall not be used or operated by other than club members or owners, and no member or owner shall use any club aircraft in exchange for compensation; except, however, that the sharing of flight expenses is permitted, subject to the restrictions of CHAPTER 4.6.2.

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4.6.3 Premises and Facilities Standards.

- a. Clubs shall lease or sublease sufficient contiguous aircraft apron and/or hangar space to permit aircraft parking, tie-down, and/or storage at the Airport, including maneuvering space for aircraft circulation and access to/from taxiways and runways as necessary to accommodate all club aircraft based at and operating from the Airport.
- b. If required, clubs shall lease or sublease sufficient space to accommodate the storage of club equipment and supplies, if any.
- c. Clubs shall provide for sufficient motor vehicle parking within their premises to accommodate daily member parking requirements, and satisfy applicable City code specifications.

4.6.4 Insurance Standards.

- a. *Aircraft Liability* insurance in the amount of \$1,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).
- b. *Airport Premises Liability* insurance in the amount of \$1,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities."
- c. *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$1,000,000 per occurrence or combined single limit, covering all owned, non-owned, and hired vehicles operated on the Airport that are operated within the AOA.
- d. Environmental Impairment Liability (or Pollution Legal Liability) insurance (if maintaining and/or fueling aircraft) in the amount of \$1,000,000 per occurrence, covering third-party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment, and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
- e. *Property* insurance in an amount equal to the full insurable value of the club's essential personal property and all improvements made to buildings or facilities within the club's premises, if any, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.

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CHAPTER V ENFORCEMENT

5.1 General.

Enforcement of these STANDARDS shall commence when an operator is granted authorization by MGAA to conduct commercial Aeronautical Activities at or on the Airport and serve as condition of Agreement award. Thereafter, enforcement shall continue during the operator's Agreement term via periodic Agreement compliance reviews, including monitored compliance with the *Airport Rules and Regulations*.

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5.2 Non-Compliance.

Failure to comply with these STANDARDS shall subject an operator's Agreement and privilege to operate at the Airport to suspension or termination, as provided therein. Generally, upon written notice from the Executive Director or his/her designee that an operator is violating or has violated a provision of these STANDARDS, operators are afforded a specified period of time to remedy such violation or: (i) become subject to other default provisions of their agreement, including possible termination thereof; or (ii) show cause as why additional time should be granted by the Executive Director or his/her designee to enable the operator to complete a cure. Such appeals must be pursued in accordance with provisions specified in the operator's agreement.

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CHAPTER VI REFERENCES

Aircraft Owners and Pilots Association publication, *Minimum Standards for Commercial Aeronautical Activities*

FAA Advisory Circular AC 150/5160-6, *Exclusive Rights at Federally Obligated Airports*

FAA Advisory Circular AC 150/5190-7, *Minimum Standards for Commercial Aeronautical Activities*

National Air Transportation Association, *Airport Sponsors Guide to Minimum Standards & Airport Rules and Regulations*, 2009

[Mesa Gateway Airport Rules and Regulations](#)

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[Mesa Gateway Airport Design Guidelines](#)

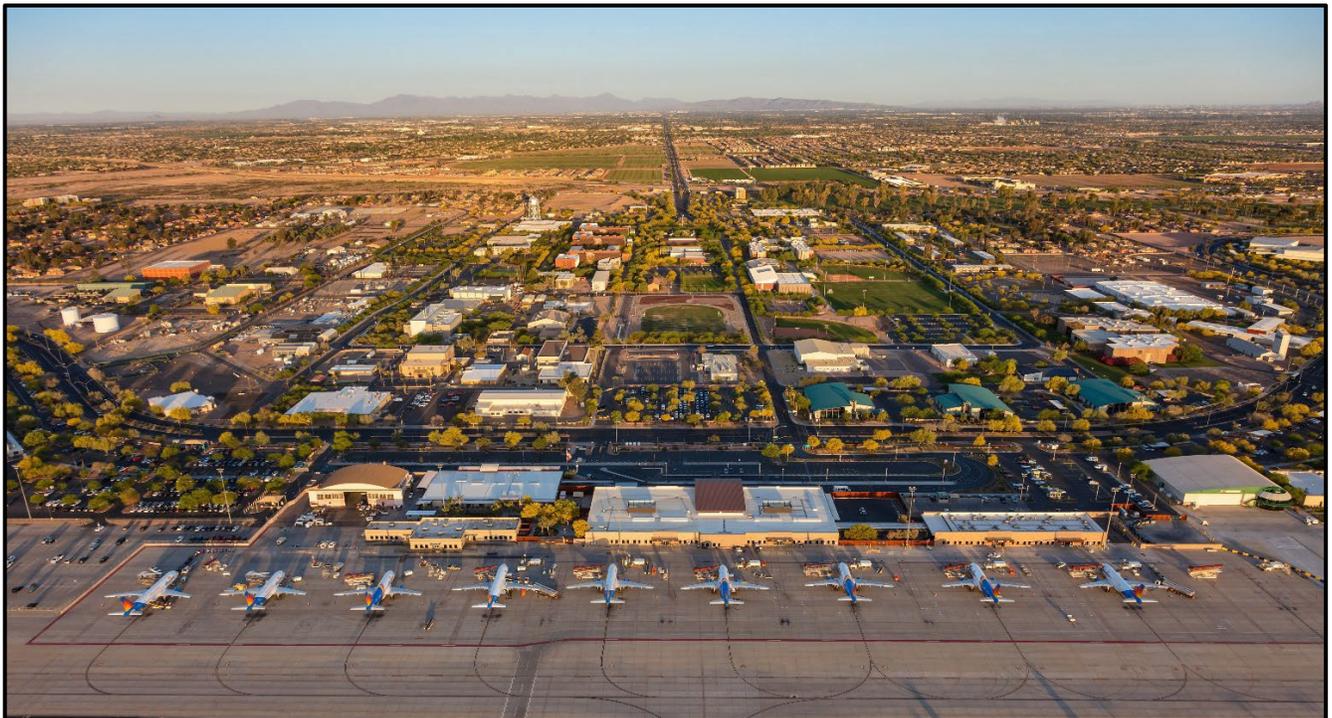
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Mesa Gateway Airport Authority

Airport Minimum Standards



March 2026

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CHAPTER I INTRODUCTION

1.1 Policy.

1.1.1 The Mesa Gateway Airport Authority (MGAA), a joint powers airport authority authorized by the Arizona Revised Statutes, being the owner, operator and sponsor of the Mesa Gateway Airport (“Airport”), an FAA-designated commercial service airport generally located at the intersection of Ray Road and Sossaman Road, City of Mesa, Maricopa County, Arizona, does hereby establish these AIRPORT MINIMUM STANDARDS (“STANDARDS”) to encourage, promote, and ensure:

- ➔ The delivery of high-quality products and services to Airport users;
- ➔ The design, development, and operation of quality improvements and facilities at the Airport;
- ➔ Safety and security for Airport tenants, users, and the general public;
- ➔ The economic health of Airport businesses; and
- ➔ The orderly, long-term development of Airport property.

1.1.2 These STANDARDS supersede and replace the Mesa Gateway Airport Minimum Standards dated April 2024.

1.2 Applicability.

1.2.1 These STANDARDS define the threshold entry requirements for any and all persons and business entities desiring to provide commercial aeronautical services to the public and/or participate in commercial aeronautical activities at and on the Airport. Their uniform application relates primarily to the public interest, discouraging substandard entrepreneurs, protecting established aeronautical activity at the Airport and safeguarding the interests of Airport users and patrons.

1.2.2 Except as otherwise provided herein, all commercial aeronautical services permitted by and conducted in accordance with these STANDARDS shall not convey an exclusive right to any operator to provide such service(s).

1.2.3 These STANDARDS do not apply to MGAA or certified air carriers operating from the Airport in accordance with 14 CFR Part 121, or foreign air carriers under 14 CFR Part 129. In addition, these STANDARDS do not apply to: (i) operators acting only as off-Airport suppliers of wholesale goods to Airport-based operators or tenants; (ii) persons or other entities providing individual initial and/or recurrent flight training to aircraft owners using said owner’s own aircraft; or (iii) operators providing commodities and services within the Airport commercial passenger terminal area under written agreement (“Agreement”) with MGAA. However, all such suppliers and flight training operators are subject to the *Airport Rules and Regulations* at all times while on Airport property, and flight training operators shall, in addition, comply fully with the applicable provisions of 14 CFR Part 61, 141 and/or 142, and all other applicable laws and regulations.

1.2.4 Any activities for which there are no specific minimum standards set forth herein shall be subject to such standards, requirements, and provisions as are developed and/or negotiated by MGAA on a case-by-case basis, and are set forth in such operator’s written Agreement with MGAA or other applicable policies adopted by MGAA.

1.2.5 In the event of conflict between these STANDARDS and the *Airport Rules and Regulations*, the applicable provisions of the *Airport Rules and Regulations* shall apply.

1.3 Grounds for Denial.

Any application for an Agreement with MGAA to engage in commercial aeronautical activity at the Airport that does not meet the intent of all qualifications, standards and requirements established by MGAA in these STANDARDS is subject to denial, as provided herein.

1.4 Waiver of Standards.

The MGAA Executive Director may, at his or her sole and absolute discretion, waive any or all provisions of these STANDARDS for the benefit of any government or governmental agency performing non-profit public services to the aviation industry, or performing fire prevention, firefighting or rescue operations. The Executive Director may further temporarily waive any of these STANDARDS for other applicants when such waiver is deemed to be in the best interests of safety and security of Airport operations, offer significant community benefit, promote the economic viability of the Airport and not be in violation of any Federal, state or other law, statute, ordinance, rule, regulation or MGAA grant assurance to the FAA.

1.5 Prohibited Activities.

In the interest of aviation safety relating to dissimilar (in size, speed and capability) aircraft traffic operations at the Airport, individuals or businesses operating ultra-light aircraft, hot air balloons, or unmanned aircraft (UAS)/drones shall not be permitted to use the Airport as a base of operations without prior written approval from Executive Director or his/her designee. Further, and to avoid potential encumbrances upon Airport property and limitations on its ability to satisfy its Federal obligations, MGAA prohibits through-the-fence operations from adjacent Airport property.

1.6 Amendments.

Amendments to these STANDARDS shall be proposed by the Executive Director for consideration by the MGAA Board of Directors for adoption. Such amendments shall become effective upon Board approval or as indicated in the resolution or motion of approval.

1.7 STANDARDS Review and Update Policy.

These STANDARDS may be reviewed by the Executive Director periodically and updated or amended (the latter as provided in SECTION 1.6 herein), as necessary, to ensure the original objectives upon which the STANDARDS are based remain consistent with Airport practices. Further, such reviews and any resulting updates or amendments shall ensure these STANDARDS promote equal opportunity and fair competition at the Airport.

1.8 Existing Operators.

Operators existing and providing services at or on the Airport as of the date of these STANDARDS who do not meet all standards and requirements specified herein shall be considered non-conforming. All such non-conforming operators shall correct any and all deficiencies and return to conformance upon the occurrence of any of the following: (i) a change to an existing Agreement, including amendment, assignment, renewal or expiration; or (ii) a change in majority ownership (51 percent or more) of the operator's business.

CHAPTER II DEFINITIONS

The terms used herein, whether or not capitalized, shall be given the meaning specified below and are considered supplemental to other definitions and terms contained in the *Airport Rules and Regulations*.

Aeronautical Activity – any activity or service conducted at the Airport that directly or indirectly involves, makes possible, is required for or is related to the operation of aircraft, or which contributes to or is required for the safety of such operations.

Agreement – a written contract, lease, permit, license, or other similar document executed by and between MGAA and an operator specifying the terms and conditions under which the operator may conduct business activities at the Airport, and which recites or specifies the terms and conditions under which such activities may be conducted, including but not limited to, the agreement term, rents, fees, and other charges to be paid, and the rights and obligations of the respective parties.

Aircraft Charter or Air Taxi – the commercial air transport of persons or property under the provisions of 14 CFR Parts 91 or 135, either on an exclusive contract basis or as a non-exclusive air taxi operator.

Aircraft Owner – a person or other such entity holding legal title to an aircraft, or having rights to exclusive possession of an aircraft via lease or other instrument.

Aircraft Painting and Interior Refurbishment – all commercial activities required for and related to the painting of aircraft exteriors, and to the functional and/or cosmetic replacement or reconditioning of aircraft cabin interiors, fixtures, etc. Such activities do not include those other activities more commonly associated with airframe and power plant maintenance, as defined in 14 CFR Part 43 and elsewhere in these STANDARDS.

Aircraft Rental – the commercial rental or lease of aircraft (fixed and rotary wing) to the public for compensation, for a defined period of time.

Aircraft Sales – the commercial sale of new or used fixed and/or rotary wing aircraft through brokerage, ownership, franchise, distributorship or licensed dealership.

Aircraft Storage – refers to the commercial rental or lease of aircraft storage facilities within an operator's owned or leased hangars, or at outdoor tie-down locations within the operator's leasehold area. Such services are provided per written agreement between the operator and aircraft owner.

Airframe and Power Plant Maintenance – the provision of major aircraft maintenance services for fixed and/or rotary wing aircraft, including those services involving the repair, maintenance, inspection, construction, and modification and/or alteration of/to aircraft, aircraft engines, propellers, and accessories, and the removal of engines for major overhaul as defined in 14 CFR Part 43. This service category also includes the sale of aircraft parts and accessories. It pertains only to the provision of such services for aircraft not owned, leased or operated by, or under the full and exclusive control of, the operator. This term is applicable to organizations commonly referred to as "maintenance, repair and overhaul" (MRO) operators or organizations and aircraft manufacturer service centers.

Airframe and Power Plant (A&P) Mechanic – a person holding an aircraft mechanic certificate with both airframe and power plant ratings, as authorized and described in 14 CFR Part 65.

Airport – Mesa Gateway Airport, including all MGAA-owned or leased real or personal property, buildings, facilities and improvements within the boundaries thereof, as it presently exists or as it may exist when it is hereafter modified, expanded or developed, and including all facilities depicted on the most current *Airport Layout Plan*.

Airport Layout Plan (ALP) – the current, FAA-approved depiction of the physical layout of the Airport, including the location and configuration of runways, taxiways, buildings, roadways, utilities, navigational aids, etc.

Aviation Shop Repair Service – the fee-for-service operation of a single or combined FAA-certified shop or shops for the repair, service, replacement, or refurbishment of aircraft radios, propellers, instruments, and accessories for general aviation aircraft, including those items described in 14 CFR Part 43, Appendix A (e.g., aircraft radios, electrical systems, or instruments). Also includes the sale of new and/or used aircraft radios, propellers, instruments, and accessories.

Based Aircraft – A based aircraft is an operational, airworthy aircraft that spends the majority of the year (more than six months) stored at Mesa Gateway Airport

Commercial Aeronautical Activity – the conduct of any aspect of an aeronautical activity business, operation, or agency providing goods and services to any person for compensation or hire, including an exchange of services, whether or not such objectives are accomplished. An activity is considered commercial regardless of whether it is performed for-profit or as non-profit, charitable, or tax exempt.

Commercial Operator – a person, firm, corporation, or other entity (“operator”) which makes possible, or is required for, the operation of aircraft, or which contributes to, or is required for, the safe conduct and utility of aircraft operations, the purpose of such activity being to generate and/or secure earnings, income, compensation, and/or profit, whether or not such objectives are accomplished.

Exclusive Right – a power, privilege, or other right excluding or debarring another from enjoying or exercising a like power, privilege, or right. An exclusive right can be conferred either by express agreement, contract, license, and permit, or by the imposition of unreasonable standards or requirements, or by any other means.

Fixed Base Operator (FBO) – a full-service Commercial Operator authorized and engaging in activities such as aircraft fueling, aircraft maintenance, and other aircraft-related services.

Flying Club – a non-commercial and non-profit entity organized for the purpose of providing its members with any number of aircraft for their personal use and enjoyment. Aircraft must be vested in the name of the flying club owners on a pro-rata share basis and the club may not derive greater revenue from the use of the aircraft than the cost to operate, maintain, and replace such aircraft.

Fuel Handling or Fueling – the transportation, sale, delivery, dispensing, storage, or draining of fuel or fuel waste products to or from aircraft, vehicles, or equipment.

Fuel Storage Area – any portion of the Airport designated and/or authorized temporarily or permanently by the MGAA Executive Director as an area in which aviation fuel, motor vehicle gasoline, or any other type of fuel or fuel additive may be stored or loaded.

General Aviation – all phases of aviation other than aircraft manufacturing, military aviation and scheduled or non-scheduled commercial air carrier operations.

Limited and Miscellaneous Aircraft Service and Support – a Commercial Operator authorized to offer and/or perform one or more of the following limited or miscellaneous activities at or on the Airport: (i) limited aircraft, engine or accessory maintenance, cleaning (including appearance services) or component repair; (ii) aviation ground school instruction and flight simulator training; (iii) charter flight coordination; (iv) aircraft and/or aircrew management; (v) aircraft ground handling (above-and/or below-wing); and (vi) other miscellaneous activities directly related to aircraft service and support not specified elsewhere in these STANDARDS. The term “limited” refers only to aircraft, engine and accessory maintenance activities that may be permitted only in the absence of an appropriate Airframe and Power Plant Maintenance and/or Aviation Shop Repair Service presence on the Airport that is in full compliance with these STANDARDS.

Pilot Flight Training – the provision of personal instruction of prospective and active pilots in dual and solo flight, in fixed or rotary wing aircraft, including related ground school instruction, as necessary to complete an FAA-written pilot’s examination and flight check ride for various categories of pilots’ licenses and ratings. Said activities are performed in accordance with 14 CFR Part 61, 14 CFR Part 141 and/or 14 CFR Part 142.

Preventive Aircraft Maintenance – maintenance that is not considered a major aircraft alteration or repair and does not involve complex assembly operations, as listed in 14 CFR Part 43, except for Item 22. Item 22 involves the replacement of prefabricated fuel lines and shall, for purposes of these STANDARDS, be considered a “major” aircraft repair.

Self-Fueling – the dispensing of aviation fuels into fuel tanks of aircraft that are owned or operated by an authorized Airport tenant or based aircraft owner, using the tenant’s/owner’s equipment and employees.

Self-Service – aircraft refueling, repair, preventive maintenance, towing, adjustment, cleaning, and general services performed by an aircraft owner or his/her employees on his/her aircraft using resources supplied by the aircraft owner.

Self-Service Fueling – the dispensing of aviation fuel into fuel tanks of aircraft by the operator of that aircraft using dispensing equipment contained in fixed cabinets that are owned and made available by an authorized Airport tenant within their leasehold area; also, the commercial operation of an unmanned stationary fuel tank and dispensing equipment for general use via a card reader. This includes the operations of anyone using this type of equipment to provide fuel for sale or reuse.

Specialized Aviation Service Operator (SASO) – a Commercial Operator maintaining facilities or a physical presence on the Airport for the purpose of providing one or more of the following: (i) aircraft charter or air taxi, including air ambulance and aeromedical evacuation services; (ii) aircraft painting and refurbishment; (iii) aircraft rental; (iv) aircraft sales; (v) aircraft storage; (vi) airframe and power plant maintenance; (vii) aviation shop repair services; and (viii) pilot flight training.

Specialized Commercial Flying Service – a Commercial Operator authorized to engage in air transportation for hire for the purpose of providing the use of aircraft for one or more specialized activities, including but not limited to (i) non-stop sightseeing flights that begin and end at the same airport; (ii) crop dusting, seeding, spraying and bird chasing; (iii) banner towing and aerial advertising; (iv) aerial photography or survey; (v) power line, cable or pipeline patrol; (vi) firefighting; (vii) aerial dispersal of chemicals, dispersants, retardants, etc.; (viii) helicopter operations in support of construction or repair work; and (ix) any other activities directly related to air transportation services for hire that not specified elsewhere in these STANDARDS.

Sponsor – Mesa Gateway Airport Authority

Sublease – a written agreement, approved by MGAA, stating the terms and conditions upon which a third-party operator leases space from an Airport leaseholder.

UAV/UAS/Drone – an unmanned aerial vehicle (UAV), commonly known as a drone, or an unmanned aircraft system (UAS), and also referred by several other names, is an aircraft without a human pilot aboard.

CHAPTER III APPLICATION PROCEDURES**3.1 Application Preparation and Submission.**

3.1.1 All prospective operators desiring to conduct or participate in Commercial Aeronautical Activity at or on the Airport shall complete a MGAA Agreement Application (or adhere to all Request for Proposal (RFP) instructions, if an opportunity is being competitively bid) and enter into an appropriate Agreement with MGAA prior to advertising or conducting any such activities at or on the Airport. An application may be downloaded and completed via the Airport website, www.gatewayairport.com, or obtained at the Airport Administrative Offices, 5835 S. Sossaman Road, Mesa, Arizona 85212. Information contained in and submitted with this application must include:

- a. Name(s) and contact information (e.g., mailing addresses, telephone numbers, email addresses) for all parties whose names may appear on agreements or other documents as being a partner, director or corporate officer.
- b. The proposed nature and scope of the applicant's business.
- c. Current financial information.
 - (1) *For existing companies:* Current audited financial statements. If such statements are over six months old, the operator shall provide those audited statements and include a certified statement from a corporate officer that there have been no material changes in the business' reporting, operations, debt, and that there are no undisclosed legal matters. If the prospective operator has no audited statements (for whatever reason), the operator shall then provide three years of unaudited financial statements sufficient to demonstrate a financial capability commensurate to the activity or activities contemplated.
 - (2) *For new companies with an established parent:* An appropriate financial guarantee (with supporting financial statements) from the parent company.
 - (3) *For other new companies:* Sufficient financial information to demonstrate, as determined solely by MGAA, the applicant's ability to sustain its proposed business activities for the first twelve months of operation at the Airport.
- d. Listing of assets owned, being purchased or leased that will be used on the Airport.
- e. For all limited liability and sole proprietorship business applicants, a listing of all business owners and written authorization to allow MGAA and its Executive Director to obtain credit reports for each, if determined necessary by MGAA.
- f. Proposed Airport location(s) of the business, including plans for any required or planned improvements.
- g. Names and qualifications of individuals who will manage the business.
- h. The number of persons to be employed at the beginning and through the proposed term of the operator's prospective agreement.
- i. The proposed hours of operation.
- j. Copies of FAA and other licenses and/or permits pertinent to the proposed business operation(s), including proof the applicant is authorized to conduct its proposed business activities within the State of Arizona.
- k. Business and banking references.
- l. Certification that the applicant is in good standing with the FAA, MGAA and all other pertinent regulatory agencies, meaning it has not had any authorizations, licenses

or permits revoked or suspended, or defaulted on any prior or present agreement with MGAA or any other airport operator, within the previous five years.

- m. A listing of all other business locations operated by the applicant during the previous five years, including addresses and dates.

3.1.2 All applications are to be submitted, with the currently applicable processing fee and all information specified in the application and SECTION 3.1.1 above, to MGAA at the following address:

**Mesa Gateway Airport Authority
Attn.: Business Development – Application Processing
5835 S. Sossaman Road
Mesa, Arizona 85212-0614**

Alternatively, if application is being made via an RFP submittal, applicants should submit completed responsive proposals to the address required by the RFP.

3.2 Application Review and Processing.

3.2.1 All submitted Agreement applications will be reviewed for completeness and compliance with these STANDARDS and Airport leasing policy by MGAA staff, and a due diligence evaluation of the applicant's qualifications, experience, and capabilities performed. Normally, this process will take approximately 30 days.

3.2.2 Applications receiving a favorable MGAA staff review will be followed by preparation of an Agreement Terms Summary that serves as the basis for negotiations between the parties regarding an Agreement that will enable the applicant to operate at and on the Airport. Mutual agreement of the terms and conditions of the Agreement Terms Summary will then lead to preparation of an initial draft of the appropriate Agreement. Once agreed by the parties, the final draft of the document will be forwarded to the MGAA Executive Director for his/her approval and, if appropriate, subsequent submission to the MGAA Board of Directors for their formal consideration.

3.2.3 Normal processing time from application receipt until consideration by MGAA will be approximately two (2) to six (6) months, depending upon the complexity of the activities involved and the extent of negotiations leading to finalization of the Agreement.

3.3 Grounds for Denial of an Application.

Agreement Applications may be denied for any of the following reasons:

3.3.1 The applicant does not, for any reason, fully meet the qualifications, standards, and/or requirements established in these STANDARDS.

3.3.2 The applicant's proposed operation or construction would create, in the sole and absolute determination of MGAA, a safety hazard on the Airport.

3.3.3 Approval of the application will require MGAA to expend funds or supply labor or materials in connection with the proposed activity or operation that MGAA is unable or unwilling to expend or supply, or the proposed activity or operation will result in a financial loss to MGAA.

3.3.4 No appropriate, adequate, or available land, space, or building(s) exist at the Airport to accommodate the applicant's entire operation at the time of the application, and none is contemplated to be available within a reasonable period of time thereafter.

3.3.5 The proposed operation, development, or construction does not comply with MGAA's FAA-approved *Airport Master Plan* or *Airport Layout Plan*.

3.3.6 A proposed operation, development, or construction will result in an undue concentration of aircraft or buildings in one or more contiguous location(s), or will result in undue interference with the operations of any present operator at the Airport, or limit access to a present operator's leased premises.

3.3.7 The applicant has intentionally or unintentionally misrepresented or omitted a material fact in the application or supporting documents, or has failed to make full disclosure therein.

3.3.8 The applicant, or any officer, director, key employee, or person having a controlling interest in the applicant, has a record of: (i) violating the laws, rules and regulations applicable to the Airport or any other airport, including but not limited to civil air regulations and FAA regulations; (ii) defaulting in the performance of a lease, license, permit or similar agreement at the Airport, or at any airport; and (iii) having been convicted of any felony or misdemeanor involving moral turpitude.

3.3.9 The applicant, in the opinion of the Executive Director, has not provided verifiable evidence of adequate financial responsibility or does not exhibit the experience necessary to undertake the proposed operation or activity based on information provided with the application.

3.3.10 The applicant cannot provide the required performance and other bonds, security deposits, or other acceptable surety in the amount(s) required by MGAA for the proposed operation, development, or construction.

3.4 Application Appeal Process.

Applicants shall be afforded an opportunity to appeal a denial of their application to MGAA's Executive Director or Board of Directors (if appropriate), subject to the following stipulations:

3.4.1 Written notice of the appeal must be received by the Executive Director within ten business days of the date of receipt of formal notice of application denial. Such appeal notice shall include a detailed, factual basis for the appeal, the specific remedy sought or proposed, and an explanation concerning how approval of the applicant's appeal is in the best interests of MGAA and the Airport.

3.4.2 The Executive Director shall render his/her decision in writing within 30 calendar days of the applicant's written notice.

3.4.3 The Executive Director may determine that the applicant's appeal should be heard and considered by the MGAA Board of Directors. If so determined, the Executive Director will place the matter on the agenda of a Board meeting within 60 calendar days of the Executive Director's receipt of the appeal.

3.4.4 The decision of the Executive Director (or Board of Directors, as applicable) regarding any applicant appeal shall be considered final.

CHAPTER IV MINIMUM STANDARDS**4.1 Basic Requirements for All Operators.**

All operators engaging in commercial Aeronautical Activities at the Airport shall meet or exceed the requirements of this SECTION, the *Airport Rules and Regulations*, and any other minimum standards applicable to the operator's activities, as set forth in these STANDARDS.

4.1.1 Written Agreement.

- a. Before beginning or advertising operations at or on the Airport, prospective operators must enter into an appropriate written Agreement with MGAA (or one pre-approved by MGAA if subleasing space from another Airport tenant) that specifies the terms and conditions under which the operator will be permitted to do business, including but not limited to: (i) the agreement term; (ii) permitted uses (iii) the rentals, fees and charges to be paid; (iv) the rights, privileges and obligations of the respective parties; and (v) other relevant provisions. Such Agreement (or approved sublease) shall be consistent with these STANDARDS.
- b. Agreements shall not be considered executed and or in force until approved by the Board of Directors when required, and signed by the Executive Director.
- c. The term of an Agreement shall be mutually agreed upon by MGAA and the operator, with due consideration given to the operator's financial investment and need to amortize leasehold improvements. Aeronautical land leases are limited to the minimum number of years necessary for the operator's investment amortization and receipt of a reasonable investment return, typically no more than 50 years. Land lease duration determinations will be guided by an operator's financial investment per acre, as well as Federal Aviation Administration (FAA) guidelines.
- d. If an operator desires to sublease space to another operator, or subcontract a function required by these STANDARDS, the operator must obtain advance written approval of the Executive Director to do so, and may, depending upon the activities conducted or service(s) provided, require such sub lessee or subcontractor to enter into a separate Agreement with MGAA. In addition, the form and substance of all subleases also shall require advance written approval of the Executive Director prior to execution, and no sublease may deviate from the permitted use(s) authorized in the operator's original agreement with MGAA.

4.1.2 Site/Premises Development Standards.

- a. *Location.* Operators shall be permitted to conduct commercial Aeronautical Activities only in areas of the Airport specified for such use in the *Airport Master Plan* and *Airport Layout Plan*, and as defined within the operator's Agreement.
- b. *Space Requirements.* The minimum space requirements specified for each activity elsewhere in this CHAPTER IV shall be satisfied. With prior written approval, MGAA will consider consolidated space requirements in the case of duplications only for combined operations in a common location (e.g., a Pilot Flight Training Operator wishing to also provide Aircraft Rental services need only have one office, one set of restrooms, one customer lounge). An applicant who proposes combined operations in a common location shall provide a building layout or similar plan that demonstrates functional compliance with the applicable STANDARDS herein.
- c. *Airport Design Guidelines.* The construction of improvements and infrastructure on the Airport must be performed in accordance with MGAA's *Design Guidelines* and plans approved by the City of Mesa ("City"), including all related and applicable statutes,

ordinances, building codes, rules and regulations of MGAA, the City, the FAA, and other authorities having jurisdiction over the Airport, the premises, or the operator's activities. Operators are prohibited from constructing, installing, removing, or modifying any improvements on their premises without advance written approval of MGAA's Executive Director and, if appropriate, MGAA's Design Review Committee.

- d. *Bonds and Insurance.* Operators constructing improvements on leasehold premises valued at more than \$100,000 shall provide MGAA, prior to commencement of construction of such improvements, a valid performance bond and/or payment bond, in an amount equal to the hard construction costs plus ten percent (10%), to guarantee successful completion of those improvements. Said bonds shall be maintained and kept in full force and effect until all work items previously approved by MGAA are complete. In addition, operators shall carry appropriate commercial general liability and builder's risk insurance policies with levels of coverage as specified by the Executive Director throughout the improvement construction period.

4.1.3 Premises Maintenance Responsibility Standards.

Operators shall, at their sole cost and expense, maintain, repair, and keep in good condition all buildings, improvements, pavements, landscaping, lighting, and equipment on their premises, as specified by their Agreement.

4.1.4 Personnel Standards.

- a. Operators shall employ a qualified, competent, experienced, full-time on-site manager to supervise and direct the performance of the operator's activities at the Airport, and one or more qualified assistant managers to act for the manager in his or her absence. Operators also shall employ and have on-duty trained personnel in such numbers and with such certificates and ratings as are required to comply with all STANDARDS pertinent to the commercial Aeronautical Activities the operator has been authorized to perform, and satisfy all reasonable service requirements of Airport users and the public in an efficient, courteous, and high-quality manner.
- b. All operator personnel, while on duty at the Airport, shall be clean, neat in appearance, courteous, and properly uniformed and/or attired at all times. Uniforms shall be required for personnel other than management and administrative staff, and shall, at a minimum, identify the name of the operator and the employee, and such uniforms shall be clean, neat, professional in appearance, and properly maintained.

4.1.5 Security Standards.

- a. Operators shall designate responsible primary and secondary persons to serve as contact officials for the coordination of all security procedures and communications with MGAA. Operators also shall specify and provide 24-hour telephone numbers for each contact person to the Executive Director, and keep any listing of such persons' names and other information current (with designated MGAA officials) at all times.
- b. Operators shall adhere to MGAA's *Airport Security Plan* pursuant to Transportation Security Administration ("TSA") requirements and 49 CFR Parts 1520, 1540 and 1542. Operators shall at all times comply with all *Airport Security Plan* provisions specified in their Agreement, and in applicable MGAA security credentialing forms.

4.1.6 Insurance Standards.

- a. Operators shall satisfy all insurance requirements established by MGAA, as specified herein and/or in each operator's Agreement throughout the term thereof. These requirements may vary among different types of operators, and may be periodically adjusted to ensure the interests of MGAA and other Airport users and operators are adequately protected.
- b. Operators shall provide continuous proof of proper insurance meeting their Agreement requirements as a condition of operating at the Airport. All policies, except those for *Workers' Compensation* and *Employer's Liability* shall: (i) name MGAA as a certificate holder or additional named insured; (ii) contain a provision that written notice of cancellation or modification thereof shall be given to MGAA not less than 30 calendar days before such cancellation or modification takes effect (10 calendar days in case of nonpayment of premium); and (iii) contain a waiver of subrogation in favor of MGAA. Operators shall not permit any insurance policy to be canceled or modified without the Executive Director's written consent unless equivalent replacement policies are issued with no lapse in coverage. All policies shall be obtained from insurance companies licensed to do business in the State of Arizona and possessing a rating of at least A – VII or higher from the A.M. Best Company, or an equivalent rating approved by MGAA.

4.1.7 Indemnification Standards.

Operators shall, in all agreements, defend, indemnify and hold harmless MGAA, including its member governments, elected or appointed officials, agents, contractors, subcontractors, boards, commissions, and employees for, from, and against any and all claims, causes of action, liability, suits, litigation (including reasonable attorney's fees and other costs of investigation and litigation), actions, losses, damages, or claims of any nature whatsoever which arise out of the operator's use of and activities at the Airport, to the maximum extent permitted by law. This indemnification shall exclude responsibility for any consequential damages and/or claims arising by reason of the negligent or wrongful act of MGAA or its employees, contractors, or agents.

4.1.8 Nondiscrimination Standards.

Operators shall maintain and operate their facilities and services in compliance with all requirements imposed pursuant to 49 CFR Part 21, *Nondiscrimination in Federally Assisted Programs of the Department of Transportation*, as it may be amended. In addition, operators shall:

- a. Ensure that: (i) no person is excluded from participation, denied benefits, or otherwise subjected to discrimination on the grounds of race, color, creed, disability, age, sex, or national origin; (ii) in the construction of any improvements on, over, or under the operator's premises and the furnishing of services thereon, no person shall be excluded from participation, denied benefits, or otherwise subjected to discrimination on the grounds of race, color, or national origin; and (iii) all commercial aeronautical business activities are conducted in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, as it may be amended.
- b. Comply with pertinent statutes, Executive Orders, and rules promulgated to assure that no person shall on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in the operator's business.
- c. In furnishing services to the public, not discriminate against any person or class of persons by reason of race, color, creed, or national origin, and shall otherwise provide such services on a fair, equal, and not unjustly discriminatory basis to all users thereof.

- d. Charge fair, reasonable, and not unjustly discriminatory prices for each unit of service, notwithstanding the operator's right to offer reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to returning, frequent, or volume customers.

4.1.9 Environmental Compliance Standards.

Operators shall, at each operator's own expense, comply with all present and hereinafter enacted environmental laws, rules and regulations, and any amendments thereto, affecting or applying to the operator's activities at or on the Airport.

4.1.10 Aircraft Fueling Standards

With the prior written approval of MGAA, Operators may dispense aviation fuel to aircraft owned, leased, managed, or operated by the tenant from approved mobile fueling equipment or other facilities authorized by MGAA. Such fueling activities shall occur only within the tenant's leased premises and shall not constitute the operation of a Fixed Base Operator offering fuel services to the general public or transient aircraft. However, any Operator engaged in such fueling shall comply with all Airport fuel handling standards, safety procedures, training requirements, and applicable federal, state, and local regulations applicable to Fixed Base Operator aircraft fuel servicing operations in Section 4.2.1.

4.1.11 Professional Certification Standards.

Operators shall obtain and maintain in full force and affect throughout their Agreement term all FAA and other certificates and licenses necessary for the work being performed at the Airport, and provide copies of such certificates and licenses to the Executive Director upon request.

4.1.12 AOA Motor Vehicle Operation Standards.

Operators shall control the on-Airport transportation of pilots and passengers of transient general aviation aircraft using the operator's facilities and services. Customer motor vehicles are not generally permitted within the Airport Air Operations Area (AOA) unless under escort by an appropriately trained and credentialed operator employee in an appropriately marked vehicle. All such operations shall, however, be governed by the *Airport Rules and Regulations* and *Airport Security Plan*.

4.2 **Additional Requirements for Fixed Base Operators (FBO).**

At present, MGAA has elected to exercise its exclusive and proprietary right, pursuant to FAA Advisory Circular 150 5190-6, *Exclusive Rights at Federally Obligated Airports*, to serve as the sole FBO at the Airport, including serving as the Airport's sole commercial aircraft fuel service provider. As a result, no other FBO operators are permitted to operate at or on the Airport at this time. However, should this policy change, Operators seeking to provide FBO services at the Airport shall, in addition to the Basic Requirements for All Operators specified in CHAPTER IV, Section 4.1, satisfy the additional requirements and standards specified herein.

4.2.1 Services and Equipment Standards.

Operators shall provide the following minimum services and related equipment:

a. *Aircraft Fuel Servicing.*

- (1) The FBO shall provide the sale and into-plane delivery of common and recognized brands of aircraft fuels, lubricants, and other aviation petroleum products. The Full Service FBO shall dispense AvGas, jet fuel, and fuel for GSE. All equipment used for the dispensing of aviation fuels must meet all applicable Federal, State, local laws, and Airport Rules and Regulations. The FBO shall demonstrate that it has made satisfactory arrangements with an industry-recognized aviation fuel supplier for delivery of aviation fuels in such quantity as are necessary to meet the requirements set forth herein and to meet customer

demand. Aviation fuels and lubricating oils shall be stored and dispensed by an FBO in accordance with all Federal, State, local laws, and Airport Rules and Regulations. All metering devices must be inspected, checked, and certified annually by appropriate local and State agencies.

- (2) The FBO shall have an approved, written Spill Prevention Contingency and Control Plan (SPCC Plan) that meets Federal, State, local, and the Airport Rules and Regulations for all fuel storage facilities. Prior to commencement of storage, selling, or dispensing of any fuels at the Airport, an FBO shall submit to Sponsor, for review and comment, the FBO's Spill Prevention Control and Countermeasures Plan and its Pollution Prevention Plan. Fuel storage, selling, or dispensing will be disallowed by Sponsor if any serious deficiencies are found in these plans that are not rectified prior to commencement of the operations and which would cause Sponsor or the FBO to be in violation of any applicable rule or regulation. An updated copy of the SPCC Plan shall be filed with the Airport Director at least thirty (30) days prior to commencing operations.
- (3) Operator will provide regular monitoring and timely response for repair of equipment and prompt reimbursement to customers for erroneous charges resulting from malfunction. Sponsor reserves the right to periodically inspect all equipment used by the Operator and to deny its use on the Airport if Sponsor determines that the equipment is not safe or otherwise unfit for use. Such determination shall be based on noncompliance with any applicable NFPA Standards, the Sponsor's Airport Certification Manual, any applicable Federal or FAA Advisory Circular or FAA Order, or Sponsor's observation regarding the equipment's leaking of oil, fuel, or other chemicals that could cause damage to Airport pavements or create an explosive hazard. Such determination shall be only for the purpose of confirming compliance with Minimum Standards and the Airport Rules and Regulations and shall not constitute compliance with city, county, state and federal laws. Such inspection shall not constitute an approval, ratification or endorsement of the quality or soundness of the equipment, and MGAA shall not have any liability in connection with or related to inspected equipment.
- (4) The FBO shall provide sufficient National Fire Protection Association (NFPA) 407 compliant metered filter-equipped mobile dispensing trucks for dispensing aviation fuel for meeting the daily commercial and general aviation needs, with separate dispensing pumps and meters required for each type of fuel. The FBO shall have at least two (2) jet refueling vehicles with a capacity of at least 7,000 gallons each and at least one (1) Avgas refueling vehicle with a capacity of at least 1,000 gallons, of which at least one (1) of each is operating and fully functional at all times.
- (5) All aircraft refueling vehicles shall be equipped and maintained to comply at all times with all applicable federal, state, local, and Sponsor's Rules and Regulations, including without limitation, those prescribed by the following:
 - A. State Fire Code and Fire Marshal's Codes;
 - B. National Fire Protection Association (NFPA) Standards;
 - C. 14 CFR Part 139, Airport Certification, all applicable sections including Section 139.321 "Handling/Storing of Hazardous Substances and Materials;"
 - D. Applicable FAA Advisory Circulars (AC's), including the current version of AC 00-34 "Aircraft Ground Handling and Servicing," AC 150-5210-5 "Painting, Marking, and Lighting of Vehicles Used on an Airport," and AC 150/5230-4 "Aircraft Fuel

Storage, Handling, and Dispensing on Airports”, as may be amended.

- (6) Aircraft defueling and re-servicing equipment for both Jet-A and AvGas 100LL. Operators may incorporate this capability into its refueling vehicles/trucks, or provide for this service via separate defueling and re-servicing carts/equipment.
- b. *Aircraft Line Services.* Operators shall provide:
- (1) Suitable hard surface aircraft parking, tie-down and hangar storage space, including appropriate restraining devices and wheel chocks, for the typical number and type of aircraft simultaneously using the FBO during peak periods, and adequate loading, unloading and towing equipment to safely and efficiently move aircraft and otherwise relocate aircraft should operational necessity and/or circumstances require.
 - (2) Passenger, flight crew and aircraft ground handling service amenities and support, including: (i) aircraft marshaling, towing and removal; (ii) baggage handling; and (iii) lavatory service.
 - (3) Other line services, including:
 - A. Aircraft battery charging.
 - B. Aircraft ground power capability (28-volt DC and 400-Hz AC), including at least one item of equipment capable of satisfying each requirement.
 - C. Courtesy transportation service (via not less than one motor vehicle capable of accommodating seven passengers plus baggage) for passengers and flight crews to and from destinations on the Airport and local area hotels and restaurants, and courtesy crew car service (via not less than one full-size car) for transient aircraft crewmember use when such crewmembers are not remaining overnight at the Airport.
 - D. Arranging passenger and flight crew ground transportation (limousine, taxi, shuttle, rental car, etc.).
 - E. Placing and delivering (to the aircraft, as required) aircraft catering orders.
 - F. Providing for fuel spill response, including having spill containment and clean-up supplies and equipment readily available for use.
 - G. Nitrogen and oxygen service.
- c. *Personnel Standards*
- (1) The FBO shall staff properly trained and qualified employees providing all required services. While on duty at the Airport, all FBO personnel shall be clean, neat in appearance, courteous, and properly uniformed (excluding management and administrative personnel). Personnel uniforms must include the FBO’s company name and the employee’s identification badges and shall at all times be professionally and properly maintained.
 - (2) Full-Time Manager. All activities of the FBO shall be conducted under the guidance and supervision of a full-time, on-site FBO Manager. Such person must be a highly qualified and experienced FBO Manager vested with full power and authority to direct and conduct all matters pertaining to the day-to-day FBO operation. Such FBO Manager shall be assigned to the Airport location and shall be available during required business hours, also being on-call 24 hours per day in case of emergencies.
 - (3) Line Service. At least three (3) fully trained and qualified fuel service staff persons

shall be on duty at all times during required business hours. One must be a responsible and qualified supervisor. All fuel service personnel shall have successfully completed an approved line technician safety course. A National Aviation Transportation Association (NATA) course or equivalent is acceptable.

- (4) Customer Service. At least one (1) customer service representative must be on duty to handle customers entering the FBO facilities during required business hours. The customer service representative may not count toward staffing requirements for line service personnel as well.
- d. *Operating Procedures.* The FBO shall develop and maintain Standard Operating Procedures (SOPs) for fueling, ground handling and management of aircraft staging on the FBO ramp. The SOPs shall include a training plan, record keeping, fuel quality assurance procedures, and emergency response procedures. The SOPs shall address bonding and fire protection, public protection, control of access to fuel storage facilities, as well as marking / labeling of fuel storage tanks and refueling vehicles. The FBO's SOPs must be submitted to Sponsor no less than thirty (30) days prior to the commencement of FBO activities at the Airport. Sponsor will conduct periodic inspections to ensure compliance
 - e. *Subcontracting.* Operators may provide any required SASO service using its own resources and personnel, or with the prior written consent of the Executive Director, it may provide such service through a subcontractor leasing space from the FBO in accordance with these STANDARDS and the terms and conditions of the FBO's Agreement applicable to subleasing. Operators shall remain primarily responsible for any service performed by a subcontractor, as well as the subcontractor's compliance with these STANDARDS.
 - f. *Hours of Operation.*
 - (1) Aircraft fueling, ground handling, and customer service shall be continuously offered and available to meet reasonable customer demand within thirty (30) minutes during required business hours and on-call, after required business hours, with a response time not to exceed one (1) hour. Operators shall offer its aircraft fuel servicing and lines services a minimum of sixteen (16) hours daily, seven (7) days per week, including holidays. The Executive Director may require the Operator to provide service on a twenty-four (24) hour basis, should aircraft traffic at the Airport require such. Operators shall have personnel available on an on-call basis at all times outside the Operator's regularly scheduled business hours for emergency services.
 - (2) Operators shall offer its SASO services a minimum of eight (8) hours daily, five (5) days per week, excluding holidays, and at other times when required by customer requirements and operational circumstances.

4.2.2 Premises and Facilities Standards.

- a. *Leased Premises.* The minimum amount of contiguous land to be leased by an Operator for FBO operations shall be five (5) acres.
- b. *Aircraft Parking.* Operators shall provide a minimum of 60,000 square feet of paved apron for aircraft parking and tie-down, and circulating taxi lanes around aircraft operating areas.
- c. *Aircraft Hangar(s).* Operators shall provide a minimum of 30,000 cumulative square feet of which 25,000 square feet is dedicated to aircraft maintenance and storage operations, capable of accommodating the largest aircraft likely to be serviced by the Operator at the

Airport, with door openings of at least 150 feet in width and at least 28 feet in height. The hangar must also contain a minimum of 5,000 square feet dedicated to a terminal and office area in addition to the aircraft maintenance and storage area. Excluding T-hangars, no individual Operator hangar shall be smaller in size than 10,000 square feet and must be capable of accommodating, at a minimum, FAA Airport Design Group II Aircraft.

- d. *Automobile Parking.* Operators shall provide sufficient paved and striped parking area within its leasehold premises to accommodate Operator and subtenant customers, passengers and employees on a daily basis. The minimum required number of marked automobile parking spaces provided shall be in accordance with City code.
- e. *Terminal, Office and Administrative Space.* Operators shall provide climate-controlled facilities within their leasehold premises that include not less than 5,000 square feet of floor space for operator offices, a flight planning area with access to current weather information and FAA flight plan filing services, a customer lounge and public waiting area, public restrooms and telephones, and an employee break room, restrooms and service response staging area(s). In addition, not less than 1,000 square feet of office and shop space shall be provided for aircraft airframe and power plant maintenance services, in either the Operator's terminal/main building or the hangar in which such services are provided.
- f. *Aviation Fuel Storage Facilities.*
 - (1) The FBO shall construct above-ground fuel storage facility, in a location approved by the Airport, capable of containing at a minimum 10,000 gallons of avgas and 20,000 gallons of jet fuel. Filter-equipped aviation fuel dispensers with separate dispensing pumps and meter systems for each grade of aviation fuel shall be provided. Such fuel storage area shall be designed, constructed, and maintained to all applicable standards and shall contain the proper drainage and secondary containment as required by applicable federal, state and local laws, and Airport Rules and Regulations. The use of fueling trucks or other vehicles for such storage shall not be permitted. Such construction, installation and maintenance may not be permitted by MGAA unless the Operator's leasehold area can accommodate such without presenting a potential hazard to Airport users and other Operators, and such siting is consistent with the *Airport Layout Plan*. Facilities must be permitted in accordance with MGAA Rules and Regulations.
 - (2) In lieu of constructing, installing and maintaining the fuel storage facility specified in (1) above, Operators may make arrangements with other authorized FBO Operators on the Airport, or with MGAA, for the storage and/or purchase of fuel, provided the minimum requirements set forth herein are satisfied.
 - (3) Operators shall demonstrate that satisfactory arrangements have been made with a reputable aviation petroleum/fuel supplier/distributor for the delivery of aviation fuels in quantities necessary to satisfy customer demand and the requirements herein.
- g. *Other Service Facilities.* Depending upon which additional SASO activities the FBO operator chooses to undertake, said operator shall comply with the applicable additional requirements specified in this CHAPTER for such activities.

4.2.3 Prior Experience Standards.

Operators shall possess and demonstrate a minimum of five (5) years' experience in operating a full-service FBO facility at another airport similar in levels and type of service proposed at the Airport, and similar to the types and quantity of air traffic occurring at said airport.

4.2.4 Insurance Standards.

In addition to satisfying the provisions of CHAPTER 4.1.6, Operators shall purchase and maintain, at the Operator's own expense, the types and amounts of insurance coverage specified below and sustain such throughout the term of their agreement. Should coverage requirements be less than those specified for SASO or other services performed by the Operator, the higher coverage requirement shall always apply.

- a. If operating aircraft, *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).
- b. *Airport Premises Liability* insurance in the amount of \$10,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor" and "blanket contractual liabilities."
- c. *Business Interruption* insurance in an amount equal to 12 months' loss of Operator income for operations/activities occurring on or at the Airport due to fire or other catastrophe; optional *Extra Expense* coverage also is recommended (but not required) to facilitate covering expenses beyond normal operating expenses that might otherwise preclude the business from shutting down during post-disaster restoration.
- d. *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence, covering all owned, non-owned and hire vehicles operated on the Airport that are assigned to or used in the performance of "commercial" activities, or are operated within the AOA; an *MSC 90 Endorsement* also is required due to the operator's aircraft fuel service activities.
- e. *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$2,000,000 per occurrence, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed or maintained on the Airport, and including expenses for defense, release mitigation and off- and on-site remediation.
- f. *Hangar Keeper's Liability* insurance in the amount of \$5,000,000 (or the value of the largest aircraft that may be in the custody and/or control of the Operator, if greater) per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise in the care, custody or exclusive control of the Operator on the Airport; coverage may be "ground" (if no test flying or other related airborne/aircraft-powered operations (e.g., ferrying, ground taxiing) are conducted) or "air," and is required anytime aircraft are "moved" by the insured, irrespective of whether or not a physical hangar facility is involved.
- g. *Property* insurance in an amount equal to the full insurable value of the Operator's essential personal property and all improvements made to buildings or facilities on the Operator's premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- h. *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by-law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the Operator's employees and others permitted to conduct commercial aeronautical activities on the Operator's premises.

4.3 Additional Requirements for Specialized Aviation Service Operators (SASO).

4.3.1 General.

- a. SASOs providing one or more of the services specified in this SECTION 4.3 shall, in addition to the Basic Standards included in this CHAPTER IV, satisfy the minimum additional requirements and standards pertinent to those services as defined herein.
- b. The term of a SASO agreement with MGAA shall be not less than two years and no longer than ten (10) years, unless the operator can demonstrate to MGAA that a longer term is necessary to finance and construct improvements on the premises that would be necessary to enable the business to operate in compliance with these STANDARDS. In no event, however, shall the term of any SASO agreement exceed 40 years.
- c. If a SASO is not leasing facilities or land from MGAA:
 - (1) And the SASO desires to sublease facilities and/or land from another Airport tenant, such operator may only do so if that tenant's Agreement with MGAA will permit the conduct of the specific SASO operation(s) on the tenant's leasehold premises, and the tenant has received advance written approval from the Executive Director therefor.
 - (2) And the SASO does not lease facilities and/or land at the Airport, such operator may be required to obtain a permit or conclude such other Agreement with MGAA that mandates operator compliance with the *Airport Rules and Regulations* and these STANDARDS. Such Agreement may require the payment of fees to MGAA as a prior condition of granting authorization for the privilege of operating at or on the Airport.

4.3.2 Aircraft Charter or Air Taxi Operator.

- a. *Operating Standards.*
 - (1) Operators shall hold a current operating certificate as may be required and issued by the FAA under the provisions of 14 CFR Parts 91, 125 or 135, as well as all appropriate pilot ratings and licenses for the services to be provided at the Airport.
 - (2) Operators shall own, lease, or have available under their exclusive control not less than one (1) airworthy, US-registered, civil aircraft that meets all requirements authorized in the certificate holder's operations specifications pertinent to the activities to be conducted at and on the Airport, and is capable of flight in instrument meteorological conditions.
 - (3) Operators shall have available and on-duty sufficient trained personnel for checking in and ticketing passengers, handling luggage, providing service quotes, and customer services to customers, and scheduling and dispatching aircraft and aircrews to satisfy customer requirements.
 - (4) Operators shall operate a minimum of eight (8) hours per day, five (5) days per week, and at other times sufficient to satisfy public demand for its services. During other periods, operators shall provide customers a means for after-hours contact and be capable of responding to a customer air transport request within four (4) hours.
- b. *Premises and Facilities Standards.* Operators shall lease from MGAA (or make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct its business activities and satisfy the

requirements specified below.

- (1) Not less than 400 square feet of properly lighted, heated, and cooled business office space and a customer lounge/waiting area that affords direct access to individual sanitary restrooms for customers and employees, and provides other suitable employee/customer amenities.
 - (2) Paved aircraft apron or hangar space sufficient to park and maneuver the operator's aircraft.
 - (3) A sufficient number of motor vehicle parking spaces to accommodate daily customer and employee parking requirements, and satisfy applicable City code specifications.
- c. *Prior Experience Standards.* Operators shall possess and demonstrate experience providing the services specified in CHAPTER 4.3.2.
- d. *Insurance Standards.*
- (1) *Aircraft Liability* insurance in the amount of \$25,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).
 - (2) *Airport Premises Liability* insurance in the amount of \$25,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities."
 - (3) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of "commercial" activities, or are operated within the AOA. An *MSC 90 Endorsement* is required if the operator is fueling aircraft.
 - (4) If maintaining and/or fueling aircraft, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$2,000,000 per occurrence, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment, and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation and off- and on-site remediation.
 - (5) *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, if any, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
 - (6) *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business activities on the operator's premises.

4.3.3 Aircraft Painting and Refurbishment Operator.

- a. *Operating Standards.*
- (1) Operators shall obtain and maintain an Air Quality Permit from the Maricopa

- County Air Quality Department and shall acquire and maintain any applicable certifications and ratings specified by pertinent Federal, state, or local laws, ordinances, and rules and regulations.
- (2) Operators shall possess and maintain all equipment and supplies necessary to operate its business at the Airport.
 - (3) Operators shall operate a minimum of eight (8) hours per day, five (5) days per week, and at other times sufficient to satisfy public demand for its services.
- b. *Premises and Facilities Standards.* Operators shall lease from MGAA (or make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct business activities and satisfy the requirements specified below.
- (1) Not less than 2,000 square feet of properly lighted, heated, and cooled shop, storage, and office space, including a customer waiting or lounge area with access to sanitary customer restrooms, employee restrooms, and other required amenities.
 - (2) A separate aircraft and component painting shop sized to accommodate the largest aircraft for which the operator plans to provide painting services, and compliant with all applicable safety, air quality, and environmental requirements.
 - (3) If refurbishing aircraft interiors, an aircraft hangar sized to accommodate the largest customer aircraft the operator plans to service.
 - (4) Sufficient paved aircraft parking apron to accommodate all customer aircraft the operator is capable of servicing at one time, including aircraft circulation space, but not less than the square footage equal to 150 percent of the total paint shop and refurbishment hangar floor area.
 - (5) A sufficient number of motor vehicle parking spaces to accommodate daily customer and employee parking requirements, and satisfy applicable City code specifications.
- c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of three (3) years of experience providing the services specified in CHAPTER 4.3.3.
- d. *Insurance Standards.*
- (1) *Airport Premises Liability* insurance in the amount of \$3,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for “premises/operations,” “products and completed operations,” “professional,” “host liquor,” and “blanket contractual liabilities.”
 - (2) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$1,000,000 per occurrence, covering all owned, non-owned, and hire vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
 - (3) *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed or maintained on the Airport, and including expenses for defense, release mitigation and off- and on-site remediation.
 - (4) *Hangar Keeper’s Liability* insurance in the amount of \$3,000,000 (or the value of the

largest aircraft that may be in the operator's custody and/or control, whichever is greater) per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise in the care, custody or exclusive control of the insured on the Airport. "Ground" coverage is required.

- (5) *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- (6) *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$500,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business activities on the operator's premises.

4.3.4 Aircraft Rental Operator.

a. *Operating Standards.*

- (1) Operators shall own, or possess under written lease to the operator, and have available for rental a sufficient number of airworthy aircraft, but not less than two fixed and/or rotary wing aircraft, that are properly certificated to handle the proposed scope of the operator's activities on the Airport.
- (2) Operators shall employ and have on-duty during normal business hours at least one (1) person having a current FAA pilot's license appropriate for each aircraft model offered for rent, and who is capable of performing a customer aircraft proficiency flight check when required.
- (3) Operators shall develop and implement written policies to ensure that only properly qualified and licensed persons are permitted to rent aircraft, and shall make such policies available to the Executive Director and/or his designated representative for inspection upon request.
- (4) Operators shall operate their business during hours sufficient to satisfy public demand for services, but not less than eight (8) hours daily, six (6) days per week, excluding holidays.

b. *Premises and Facilities Standards.* Operators shall lease from MGAA (or make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct its business activities and satisfy the requirements specified below.

- (1) If constructing facilities on the Airport, not less than one-half acre of contiguous land sufficient to accommodate the operator's business activities thereon, including the facilities specified below.
- (2) Not less than 250 square feet of properly lighted, heated and cooled office and administrative space with access to a customer lounge/waiting area, and sanitary restrooms.
- (3) A customer lounge/waiting area of not less than 200 square feet, with direct access to sanitary restrooms and other pertinent amenities.
- (4) Paved aircraft apron and/or hangar space sufficient to park, tie-down and maneuver a minimum of two small aircraft, but not less than 5,000 square feet.
- (5) Sufficient motor vehicle parking area to accommodate operator's daily customer and employee requirements, and satisfy applicable City of Mesa code

specifications.

- c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of two (2) years of experience providing the services specified in CHAPTER 4.3.4.
- d. *Insurance Standards.*
 - (1) *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).
 - (2) *Airport Premises Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for “premises/operations,” “products and completed operations,” “professional,” “host liquor” and “blanket contractual liabilities.”
 - (3) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
 - (4) If maintaining and/or fueling its own rental aircraft, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence, covering third-party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
 - (5) *Property* insurance in an amount equal to the full insurable value of the operator’s essential personal property and all improvements made to buildings or facilities within the operator’s premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
 - (6) *Workers’ Compensation* and *Employer Liability* insurance, the former in amounts specified by-law and the latter in the amount of \$500,000 per occurrence, covering work-related injuries to the operator’s employees and others permitted to conduct business activities on the operator’s premises.

4.3.5 Aircraft Sales Operator.

- a. *Operating Standards.*
 - (1) Operators shall be properly bonded and licensed in accordance with applicable Federal, state and local laws, ordinances, and rules and regulations.
 - (2) Operators offering new aircraft sales shall have available or on-call at least one (1) current model of an aircraft made by the manufacturer the operator represents, and provide for demonstrations of additional models of such manufacturer upon reasonable customer request. Operators offering used aircraft for sale shall retain all such aircraft in (at least) an on-call status, such that they may be made available to a customer within a reasonable period of time after a customer inquiry is made.
 - (3) Operators shall have at least one (1) full-time, authorized agent available to customers during normal business hours, and at least one (1) certificated and duly

- licensed pilot with ratings appropriate for the type(s) of aircraft offered for sale in order to provide an appropriate demonstration of such aircraft.
- (4) Operators shall provide all parts, equipment and services required to repair and service aircraft sold by the operator during applicable warranty periods. Warranty services may be provided through written agreement with an Airframe and Power Plant Maintenance operator on the Airport.
 - (5) Operators shall operate their business during hours sufficient to satisfy public demand for such services, but not less than four (4) hours per day, three (3) days per week.
- b. *Premises and Facilities Standards.* Operators shall lease from MGAA (or make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct its business activities and satisfy the requirements specified below.
- (1) If constructing facilities on the Airport, not less than one-half acre of contiguous land sufficient to accommodate the operator's business activities thereon, including the facilities specified below.
 - (2) Not less than 200 square feet of properly lighted, heated, and cooled sales office and administrative space, including a customer waiting area with access to sanitary restrooms and other pertinent amenities.
 - (3) Paved aircraft apron and/or hangar space sufficient to accommodate a minimum of two (2) of the aircraft offered for sale.
 - (4) Sufficient motor vehicle parking area to accommodate operator's daily customer and employee parking requirements, and satisfy applicable City code specifications.
- c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of two (2) years of experience providing the services specified in CHAPTER 4.3.5.
- d. *Insurance Standards.*
- (1) *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).
 - (2) *Airport Premises Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities."
 - (3) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
 - (4) If maintaining and/or fueling aircraft, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence, covering third-party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-

site remediation.

- (5) *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- (6) *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$500,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business operations on the operator's premises.

4.3.6 Aircraft Storage Operator.

a. *Operating Standards.*

- (1) Operators shall have at least one (1) full-time, authorized agent available to customers during normal business hours, either via telephone or at the operator's business office.
- (2) Operators shall develop a standardized rental or leasing format which shall be pre-approved in writing by the Executive Director prior to its use. Operators shall use this approved format for each aircraft storage rental, and provide copies of completed agreements to the Executive Director within 15 calendar days of execution.
- (3) Operators shall remain responsible for the conduct of all aircraft storage customers, and for such customers' strict compliance with the *Airport Rules and Regulations*.

b. *Premises and Facilities Standards.* Operators shall lease from MGAA (or make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct business activities and satisfy the requirements specified below.

- (1) A business office, including restroom facilities, of such size and location as to enable customers to acquire information about aircraft storage availability, pricing and related information, and complete storage transactions. This business office need not be located at the Airport. However, providing such contiguous with or in close proximity to the operator's aircraft storage facilities is highly encouraged.
- (2) When offering facilities capable of storing FAA Category Group I aircraft, not less than one (1) or more hangars sized at a minimum of 1,500 square feet each and not less than a total of 2,250 square feet of paved apron for aircraft tie-down and/or circulation. Hangars shall possess a minimum depth of 40 feet. Hangars shall not be used for other than aircraft (and related equipment, supplies, etc.); except, however, that an aircraft owner may be permitted to park his or her motor vehicle therein when that owner's aircraft is on a flight away from the Airport.
- (3) When offering facilities capable of storing FAA Category Group II and larger aircraft, not less than one (1) or more hangars shall be sized at a minimum of 4,800 square feet each (or sized appropriate to the aircraft being stored), and not less than a total of 7,200 square feet of paved apron for aircraft tie-down and/or circulation. Hangars shall possess a minimum depth of 60 feet and allow for a minimum aircraft tail height of 17 feet. Hangars shall not be used for other than aircraft (and related equipment, supplies, etc.); except, however, that an aircraft owner may be permitted to park his or her motor vehicle therein when that

owner's aircraft is on a flight away from the Airport.

- (4) For each hangar (or row of connected hangars), not less than one (1) common, unisex, handicap-accessible restroom.
 - (5) Sufficient motor vehicle parking area to accommodate operator's daily customer and employee parking requirements that exceed those permissible under sections (2) and (3) above.
- c. *Prior Experience Standards.* Operators need not have direct experience operating an aircraft storage business. However, such operators shall possess and demonstrate a minimum of two (2) years of experience operating a successful small business enterprise within the past five (5) years.
- d. *Insurance Standards.*
- (1) *Airport Premises Liability* insurance in the amount of \$3,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities."
 - (2) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$1,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
 - (3) *Environmental Impairment Liability* (or Pollution Legal Liability) insurance (if maintaining and/or fueling aircraft) in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third-party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment, and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
 - (4) *Hangar Keeper's Liability* insurance in the amount of \$3,000,000 (or the value of the largest aircraft that may be in the operator's custody and/or control, whichever is greater) per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise in the care, custody or exclusive control of the insured on the Airport. "Air" coverage is required.
 - (5) *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
 - (6) *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$500,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business operations on the operator's premises.

4.3.7 Airframe and Power Plant Maintenance Operator.

- a. *Operating Standards.*
- (1) Operators shall hold or apply for repair station certification from the FAA under 14 CFR Part 145, and provide a true copy of such to the Executive Director when granted. Failure to obtain said certification within six months of application shall be considered a violation of these STANDARDS unless the operator can

- demonstrate such failure is attributable to FAA delays and not the operator. Once obtained, operators shall maintain such certification current at all times while operating at and on the Airport.
- (2) Operators shall employ a sufficient number of FAA-certified personnel with airframe, power plant and/or inspector ratings to properly and safely perform all authorized activities, including at least one FAA-certified A&P Mechanic (or inspector) properly trained and qualified to perform aircraft maintenance on aircraft normally frequenting its business who shall be available and on-duty during normal business hours.
 - (3) Operators shall have all necessary tools, equipment, supplies, and parts necessary to perform and provide repair and maintenance services in accordance with manufacturer specifications and applicable FAA directives.
 - (4) Operators shall operate a minimum of eight (8) hours per day, five (5) days per week, and at other times sufficient to satisfy reasonable public demand for services. During other periods, operators are encouraged (but not required) to provide their customers with on-call, 24-hour service to accommodate emergencies.
- b. *Premises and Facilities Standards.* Operators shall lease from MGAA (or make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct its business activities as required by 14 CFR Part 145, 49 CFR 1554, and satisfy the requirements specified below.
- (1) If constructing facilities on the Airport, not less than one (1) acre of contiguous land sufficient to accommodate the operator's business activities thereon and including the facilities specified below.
 - (2) At least one aircraft hangar sized not less than 10,000 square feet and adequate for aircraft maintenance and repair, and parts and equipment storage.
 - (3) Not less than 300 square feet of office and administrative space, and 1,000 square feet of maintenance shop and personnel space, all properly lighted, heated and cooled, with access to a customer lounge and having independent customer and employee restrooms. The customer lounge/waiting area shall comprise not less than 200 square feet.
 - (4) Not less than 15,000 square feet of paved aircraft apron sufficient to accommodate parking and maneuvering of at least three FAA Category Group II aircraft (or 150% of actual hangar floor space, if greater). Also, a sufficient number of paved motor vehicle parking spaces to accommodate daily customer and employee parking requirements, and satisfy applicable City code specifications.
- c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of three (3) years of experience providing the services specified in CHAPTER 4.3.7.
- d. *Insurance Standards.*
- (1) *Aircraft Liability* insurance (if test flying aircraft) in the amount of \$5,000,000 per occurrence, covering third party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third party liabilities arising from War Risk perils (e.g., acts of terrorism).
 - (2) *Airport Premises Liability* insurance in the amount of \$10,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage

for “premises/operations,” “products and completed operations,” “professional,” “host liquor,” and “blanket contractual liabilities.”

- (3) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 combined single limit, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
- (4) *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
- (5) *Hangar Keeper's Liability* insurance in the amount of \$10,000,000 per occurrence (or the value of the largest aircraft operator can accommodate, whichever is greater), covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise in the operator's care, custody or exclusive control. Coverage may be “ground” (if no test flying or other related airborne/aircraft-powered operations (e.g., ferrying, ground taxiing) are conducted) or “air,” and is required anytime aircraft are “moved” by the operator, irrespective of whether or not a physical hangar facility is involved.
- (6) *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, if any, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- (7) *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business activities on the operator's premises.

4.3.8 Aviation Shop Repair Services Operator.

a. *Operating Standards.*

- (1) Operators shall acquire and maintain, as necessary, FAA repair station certificates applicable to the activity or activities contemplated. Operators conducting avionics-related activities shall maintain current the qualifications of the applicable Class I and/or Class II FAA repair station.
- (2) Operators shall have in their employ and on-duty during required operating hours, sufficient trained personnel currently certificated by the FAA as radio, instrument or propeller repairmen, as appropriate, in such numbers as are required to satisfy all requirements of these STANDARDS.
- (3) Operators shall operate a minimum of eight (8) hours per day, five (5) days per week, and at other times sufficient to satisfy reasonable public demand for its services. During other periods, operators are encouraged (but not required) to provide their customers with on-call, 24-hour service to accommodate emergencies.

b. *Premises and Facilities Standards.* Operators shall lease from MGAA (or make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if

appropriate) as required to undertake and conduct business activities and satisfy the requirements specified below.

- (1) Not less than 2,000 square feet of properly lighted, heated, and cooled space for workshops, parts and equipment storage, administration and customer waiting area, including separate, sanitary restrooms for customers and employees.
 - (2) Paved aircraft apron space sufficient to accommodate the maximum number and type of aircraft the operator can service at any one time, but not less than 6,500 square feet.
 - (3) Sufficient motor vehicle parking area to accommodate operator's daily customer and employee parking requirements, and satisfy applicable City code specifications.
- c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of two (2) years of experience providing the services specified in CHAPTER 4.3.8.
- d. *Insurance Standards.*
- (1) *Airport Premises Liability* insurance in the amount of \$3,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities."
 - (2) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$1,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
 - (3) *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
 - (4) *Hangar Keeper's Liability* insurance in the amount of \$2,000,000 (or the value of the largest aircraft that may be in the operator's custody and/or control, whichever is greater) per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise in the care, custody or exclusive control of the insured on the Airport. "Air" coverage is required.
 - (5) *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
 - (6) *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$500,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business activities on the operator's premises.

4.3.9 Pilot Flight Training Operator.

a. *Operating Standards.*

- (1) Operators shall obtain and maintain an FAA certificate in accordance with 14 CFR Parts 61, 141 or 142, as appropriate to its activities on the Airport.

- (2) The Operator shall staff sufficient personnel to adequately and safely carry out aircraft rental and/or flight training in a courteous, prompt, and efficient manner adequate to meet the reasonable demands of the public/members. Aircraft Rental Operators shall employ at least one full-time flight instructor. Flight Training Operators shall employ at least one full-time Chief Flight Instructor and adequate staff to comply with the Airport's TSA-approved ASP for escorting unbadged persons.
 - (3) Operators shall own or have under written lease at least one (1) properly certified and equipped aircraft appropriate for the type of flight instruction offered. Operators also shall have appropriate training equipment and instructional materials/aids to provide proper and effective flight training, including adequate mock-ups, pictures, slides, films or other visual aids. All equipment and materials shall comply fully with applicable FAA requirements.
 - (4) Operators shall have on-duty at their place of business during normal business hours, and at other times when required, not less than one current, FAA-certificated pilot with the appropriate instructor rating and current medical certificate.
 - (5) Operators shall conduct business not less than eight (8) hours per day, five (5) days per week, and at other times to satisfy the reasonable demands of its customers and the public.
- b. *Premises and Facilities Standards.* Operators shall lease from MGAA (or make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct business activities under the applicable provisions of 14 CFR Parts 61, 141 and/or 142, and satisfy the requirements specified below.
- (1) Not less than 5,000 square feet of properly lighted, heated, and cooled classroom, office and storage space with adjacent access to a customer lounge or waiting area and sanitary restrooms. Separate flight planning and briefing/de-briefing areas are also highly encouraged, although not mandatory. Ground school instruction shall not be permitted in public areas of the Airport, other than normal pre- and post-flight briefings.
 - (2) Properly lighted, heated, and cooled hangar space for aircraft storage and maintenance, workshops, parts and equipment storage capable of accommodating the maximum number and type of aircraft the operator has in service at any one time, but not less than 10,000 square feet.
 - (3) Paved aircraft apron space sufficient to accommodate the maximum number and type of aircraft the operator can service at any one time, but not less than 20,000 square feet.
 - (4) Sufficient motor vehicle parking area to accommodate operator's daily customer and employee parking requirements, and satisfy applicable City code specifications.
- c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of two (2) years of experience providing the services specified in CHAPTER 4.3.9.
- d. *Insurance Standards.*
- (1) *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on

the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).

- (2) *Airport Premises Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for “premises/operations,” “products and completed operations,” “professional,” “host liquor,” and “blanket contractual liabilities.”
- (3) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
- (4) *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance (if maintaining and/or fueling aircraft) in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third-party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment, and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
- (5) *Property* insurance in an amount equal to the full insurable value of the operator’s essential personal property and all improvements made to buildings or facilities within the operator’s premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- (6) *Workers’ Compensation* and *Employer’s Liability* insurance, the former in amounts specified by law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the operator’s employees and others permitted to conduct business activities on the operator’s premises.

4.4 Additional Requirements for Specialized Commercial Flying Service Operators.

4.4.1 Operating Standards.

- a. Operators shall obtain and maintain all licenses, aircraft type certifications and other qualifications and regulatory compliance documents required to permit the lawful conduct of its authorized business activities at and on the Airport. Copies of such documents shall be provided to the Executive Director upon written request.
- b. For operators performing crop dusting or aerial applications, suitable arrangements shall be made for or sufficient space available within the operator’s leasehold area to permit the safe loading, unloading, storage, and containment of chemical materials. Operators shall conduct these activities under a written emergency plan for the handling of hazardous materials and provide a copy of such plan to the Executive Director prior to commencing operations at or on the Airport. In addition, operators shall have in their employ and on-duty sufficient trained and experienced personnel to facilitate compliance with their emergency plan, and ensure safety remains a paramount consideration to all operations and activities at the Airport.
- c. Operators shall demonstrate the availability of aircraft suitably equipped and certified for the particular type of operation(s) intended at the Airport.
- d. Operators shall be open for business and make their services available to customers and prospective customers during periods appropriate to the activities proposed, or as normally maintained by entities operating competitive businesses at the Airport.

4.4.2 Premises and Facilities Standards.

- a. If developing and constructing new facilities on the Airport, operators shall lease or sublease a minimum of one acre of contiguous land for the construction thereof.
- b. Operators shall lease or sublease sufficient office, equipment and materials storage, and aircraft parking space to accommodate all activities and operations proposed, including integral or close proximity access to sanitary restroom(s). The sufficiency of the minimum or operating areas proposed by an operator shall be subject to review and advance written approval by the Executive Director on a case-by-case basis.
- c. Operators shall provide for sufficient motor vehicle parking within their premises to accommodate daily customer and employee parking requirements, and satisfy applicable City code specifications.

4.4.3 Prior Experience Standards.

Operators shall possess and demonstrate a minimum of two (2) years of experience providing the services proposed under CHAPTER 4.4.

4.4.4 Insurance Standards.

- a. *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).
- b. *Airport Premises Liability* insurance in the amount of \$5,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for “premises/operations,” “products and completed operations,” “professional,” “host liquor,” and “blanket contractual liabilities.”
- c. *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$2,000,000 per occurrence or combined single limit, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
 - d. If maintaining or fueling aircraft or conducting crop dusting or aerial chemical application, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third-party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
- e. *Property* insurance in an amount equal to the full insurable value of the operator’s essential personal property and all improvements made to buildings or facilities on the Airport, if any, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- f. *Workers’ Compensation* and *Employer Liability* insurance, the former in amounts specified by law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the operator’s employees and others permitted to conduct business activities on the operator’s leasehold premises.

4.5 **Additional Requirements for Limited and Miscellaneous Aircraft Service & Support Operators.**

Operators in this category shall, in addition to the Basic Standards specified in SECTION 4.1 herein, satisfy the additional requirements and standards specified herein.

4.5.1 Operating Standards.

- a. Operators shall obtain all licenses and other certifications required of their business and employees to allow the lawful conduct of its proposed business activities at and on the Airport. For operators performing aircraft/flight support ground services (above- and below-wing), certification in accordance with contracted air carrier, aircraft charter or air taxi operator's FAA operating certificate(s) shall be required before commencing such services at the Airport. Operators performing limited aircraft, engine or accessory maintenance (which shall be permitted only in the absence of an Airframe and Power Plant Maintenance operator or Aviation Shop Repair Service operator providing the same or similar services from leased or subleased premises on the Airport) shall acquire and maintain all appropriate FAA certifications and ratings under 14 CFR Part 65, and shall be limited to the conduct of preventive maintenance activities, as defined in 14 CFR Part 43 (not including Item 22).
- b. Operators shall make their services available to customers and the public not less than eight (8) hours per day, five (5) days per week, excluding holidays, and during such other times as may be necessary to satisfy reasonable customer demands and/or contractual requirements.

4.5.2 Premises and Facilities Standards.

Operators shall lease or sublease sufficient land and/or facilities as may be necessary to accommodate their proposed operations. Depending upon the activity or activities involved, this may include apron and aircraft tie-down areas; aircraft maintenance areas, including employee work areas, shop areas, and parts and equipment storage areas; customer areas, including adequate space for a customer lounge or waiting area, telephone access, restrooms, and administrative areas; office space, including flight crew offices, lounges, flight planning areas, and restrooms; classroom and simulator areas (if appropriate); and sufficient motor vehicle parking area for customers and employees consistent with City code requirements. Appropriate minimum standards shall be developed by MGAA in coordination with the operator and incorporated into the operator's Agreement. The conduct of like-business activities at the Airport (meaning those similar in function and scope) under significantly divergent or different minimum standards shall be prohibited.

4.5.3 Prior Experience Standards.

Prior operator experience of at least two (2) years providing the service(s) proposed is encouraged, but not mandatory.

4.5.4 Insurance Standards.

- a. If operating within the AOA, *Airport Premises Liability* insurance in the amount of \$10,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities." If not operating within the AOA, *Comprehensive General Liability* insurance in the amount of \$5,000,000 per occurrence, covering the same risks above.
- b. *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence or combined single limit, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
- c. If permitted activities involve hazardous materials such as maintaining and/or fueling aircraft, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment, and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for

defense, release mitigation, and off- and on-site remediation.

- d. *Hangar Keeper's Liability* insurance (if moving aircraft within the AOA) in the amount of \$10,000,000 (or the value of the largest aircraft that may be in the operator's custody and/or control) per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise are in the care, custody or exclusive control of the insured on the Airport. "Ground" coverage is required.
- e. *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, if any, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- f. *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business activities on the operator's premises.

4.6 Additional Requirements for Flying Clubs.

Flying clubs shall, in addition to the applicable Basic Standards specified in this CHAPTER IV, satisfy the additional requirements and standards specified herein.

4.6.1 General.

- a. As non-commercial, non-profit entities, private flying clubs operating at the Airport shall not be required to meet or satisfy the standards and requirements stipulated for aircraft rental or pilot flight training operators, so long as the flying club's membership is not available on-call to the general public.
- b. Clubs shall provide the Executive Director a complete membership list, complete with an itemization of the investment ownership share held by each member on that list, and including a record of all members (past and present) with full names, mailing addresses, and date each membership affiliation began (and ended, if applicable). Such lists also shall include the names, home and business addresses, and telephone numbers for all club officers and directors, and be submitted to the Executive Director not less than at recurring six (6) month intervals after the effective date of the club's Agreement throughout its term.
- c. Clubs also shall provide the Executive Director copies of by-laws, articles of organization, operating rules, and membership agreements, including all updates and/or revisions thereto, and the location/address of the club's registered office.

4.6.2 Operating Standards.

- a. The ownership of all club aircraft shall be vested in the name of the flying club, or owned proportionately by all its members. The property rights of all club members shall be equal, and no part of the net earnings may inure to the benefit thereto, including salaries, bonuses, etc.
- b. Clubs shall not derive greater revenue from the use of club aircraft than the amount for the operation, maintenance and replacement of said aircraft. In no event shall any club aircraft be used or employed in the conduct of a commercial Aeronautical Activity.
- c. No club member or owner shall receive compensation for services provided to the club or on the club's behalf unless such member or owner is authorized to conduct related commercial Aeronautical Activities at the Airport.

d. Club aircraft shall not be used or operated by other than club members or owners, and no member or owner shall use any club aircraft in exchange for compensation; except, however, that the sharing of flight expenses is permitted, subject to the restrictions of CHAPTER 4.6.2.

4.6.3 Premises and Facilities Standards.

- a. Clubs shall lease or sublease sufficient contiguous aircraft apron and/or hangar space to permit aircraft parking, tie-down, and/or storage at the Airport, including maneuvering space for aircraft circulation and access to/from taxiways and runways as necessary to accommodate all club aircraft based at and operating from the Airport.
- b. If required, clubs shall lease or sublease sufficient space to accommodate the storage of club equipment and supplies, if any.
- c. Clubs shall provide for sufficient motor vehicle parking within their premises to accommodate daily member parking requirements, and satisfy applicable City code specifications.

4.6.4 Insurance Standards.

- a. *Aircraft Liability* insurance in the amount of \$1,000,000 per occurrence, covering third-party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third-party liabilities arising from War Risk perils (e.g., acts of terrorism).
- b. *Airport Premises Liability* insurance in the amount of \$1,000,000 per occurrence, covering third-party bodily injury and property damage, and including coverage for “premises/operations,” “products and completed operations,” “professional,” “host liquor,” and “blanket contractual liabilities.”
- c. *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$1,000,000 per occurrence or combined single limit, covering all owned, non-owned, and hired vehicles operated on the Airport that are operated within the AOA.
- d. *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance (if maintaining and/or fueling aircraft) in the amount of \$1,000,000 per occurrence, covering third-party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment, and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
- e. *Property* insurance in an amount equal to the full insurable value of the club’s essential personal property and all improvements made to buildings or facilities within the club’s premises, if any, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.

CHAPTER V ENFORCEMENT**5.1 General.**

Enforcement of these STANDARDS shall commence when an operator is granted authorization by MGAA to conduct commercial Aeronautical Activities at or on the Airport and serve as condition of Agreement award. Thereafter, enforcement shall continue during the operator's Agreement term via periodic Agreement compliance reviews, including monitored compliance with the *Airport Rules and Regulations*.

5.2 Non-Compliance.

Failure to comply with these STANDARDS shall subject an operator's Agreement and privilege to operate at the Airport to suspension or termination, as provided therein. Generally, upon written notice from the Executive Director or his/her designee that an operator is violating or has violated a provision of these STANDARDS, operators are afforded a specified period of time to remedy such violation or: (i) become subject to other default provisions of their agreement, including possible termination thereof; or (ii) show cause as why additional time should be granted by the Executive Director or his/her designee to enable the operator to complete a cure. Such appeals must be pursued in accordance with provisions specified in the operator's agreement.

CHAPTER VI REFERENCES

Aircraft Owners and Pilots Association publication, *Minimum Standards for Commercial Aeronautical Activities*

FAA Advisory Circular AC 150/5160-6, *Exclusive Rights at Federally Obligated Airports*

FAA Advisory Circular AC 150/5190-7, *Minimum Standards for Commercial Aeronautical Activities*

National Air Transportation Association, *Airport Sponsors Guide to Minimum Standards & Airport Rules and Regulations*, 2009

Mesa Gateway Airport *Rules and Regulations*

Mesa Gateway Airport *Design Guidelines*



Mesa Gateway Airport Authority
5835 S Sossaman Road
Mesa, Arizona 85212-6014
www.gatewayairport.com

Board Action Item

Re: Resolution 26-12

To: Board of Directors
From: J. Brian O'Neill, Executive Director/CEO
Subject: Itinerant Aircraft Landing Fee
Date: March 17, 2026

Proposed Motion

To authorize MGAA Executive Director to impose a landing fee on itinerant aircraft less than 12,500 pounds Max Gross Landing Weight (MGLW) to increase revenue to support airfield operations, in an amount not to exceed the highest itinerant aircraft landing fee imposed at any other metropolitan Phoenix airport.

Narrative

The Federal Aviation Administration (FAA) requires airports receiving federal grants to be as financially self-sustainable as possible, generating revenue through landing fees, facility and land leases, terminal rental fees, fuel flowage and storage fees, and airport concessions to cover operational costs rather than relying on local tax subsidies. Airport's failing to maintain self-sustainability can be subject to FAA enforcement actions and potential loss of future federal funding.

In 2025, Mesa Gateway Airport (Airport, Gateway Airport) reported approximately 305,000 total aircraft operations (takeoff or landing) during the twelve-month period. Approximately 94.5% of those aircraft operations were general aviation activity, with a vast majority of them paying no user fee (landing fee) to access Gateway Airport.

Mesa Gateway Airport Authority (MGAA) is a joint-powers authority that owns and operates Gateway Airport. MGAA currently uses non-airfield revenue to subsidize a more than \$2MM annual operating deficit in its Airfield Cost Center.

Historically, MGAA has only collected a landing fee for aircraft using Gateway Airport that weigh more than 12,500 pounds (lbs) Maximum Gross Landing Weight (MGLW). Recently, MGAA has contemplated expanding Gateway Airport's landing fee to include aircraft weighing under 12,500 lbs MGLW, because collecting a landing fee from a higher percentage of Airport users would help reduce the annual Airfield Cost Center operating deficit. However, MGAA has not implemented the change because of the impact the proposed change would have on other airports serving the Phoenix metropolitan area.

It is MGAA's understanding that a general aviation airport in greater Phoenix is planning to implement a landing fee for aircraft weighing under 6,000 lbs MGLW. If successful, MGAA would reconsider imposing a landing fee on aircraft weighing less than 12,500 lbs MGLW as a viable new revenue opportunity to narrow the operating deficit in its Airfield Cost Center.

MGAA recognizes and acknowledges that based aircraft weighing less than 12,500 lbs MGLW calling Gateway Airport home already financially support the Airport's Airfield Cost Center through land and facility

leases, hangar and ramp tie-down rental fees, fuel flowage fees, fuel purchases, and other user fees. Therefore, the competitive landing fee on aircraft weighing less than 12,500 lbs MGLW would only be imposed on itinerant aircraft using Gateway Airport, and would not exceed the highest landing fee charged for itinerant aircraft at any airport in the greater Phoenix area.

Fiscal Impact

It is anticipated that a landing fee on itinerant aircraft using Gateway Airport weighing less than 12,500 lbs MGLW could generate up to an additional \$1MM annually to support the Airport's Airfield Cost Center.

Attachment(s)

MGAA Airfield Cost Center FY25 – FY27



RESOLUTION NO. 26-12

WHEREAS, the Mesa Gateway Airport Authority (“Authority”), a joint powers airport authority formed pursuant to Arizona Revised Statute §28-8521 *et seq.* owns and operates the Mesa Gateway Airport (“Airport”); and

WHEREAS the Authority desires to authorize MGAA Executive Director to impose a landing fee on itinerant aircraft less than 12,500 pounds Max Gross Landing Weight (MGLW) to increase revenue to support airfield operations, in an amount not to exceed the highest itinerant aircraft landing fee imposed at any other metropolitan Phoenix airport;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority as follows:

The Board of Directors of the Authority hereby authorizes MGAA Executive Director to impose a landing fee on itinerant aircraft less than 12,500 pounds Max Gross Landing Weight (MGLW) to increase revenue to support airfield operations, in an amount not to exceed the highest itinerant aircraft landing fee imposed at any other metropolitan Phoenix airport. This resolution also authorizes the Chair or Executive Director/CEO to make such additions, deletions, and changes as may be approved by the Chair or Executive Director/CEO, necessary to carry out the purposes and intent of this Resolution.

Passed and adopted by the Authority this 17th day of March, 2026.

Regina Antone, Chair

ATTEST:

APPROVED AS TO FORM:

Jeanine Rogers, Interim Clerk of the Board

Jill Casson Owen, Attorney



**Mesa Gateway Airport Authority
Airfield Cost Center
(FY25 – FY27)**

	Actuals FY25	Projected FY26	Budget FY27
REVENUE			
AERO OPERATING REVENUE: Aircraft Parking	\$149,805	\$417,799	\$436,662
Tie Down / Apron Fees	\$149,805	\$417,799	\$436,662
AERO OPERATING REVENUE: Fuel Flowage Fees	\$721,048	\$794,864	\$664,290
Fuel Flowage Fees	\$721,048	\$794,864	\$664,290
AERO OPERATING REVENUE: Landing Fees	\$1,905,297	\$1,884,213	\$1,753,416
Domestic Passenger Airline	\$1,399,118	\$1,284,608	\$1,302,655
General Aviation	\$516,314	\$605,527	\$525,000
Domestic Landing Fee Waivers	-\$10,135	-\$5,922	-\$74,240
AERO OPERATING REVENUE: Lease Income Aero	\$244,325		
Land Lease Income Aero	\$244,325	Included in Apron Fees	
AERO OPERATING REVENUE: Services Sold	\$600,818	\$532,163	\$473,845
Badging	\$193,548	\$181,788	\$177,350
Miscellaneous Services Aero	\$207,370	\$185,504	\$152,987
Ramp Services	\$199,900	\$164,871	\$143,508
TOTAL AERO REVENUE	\$3,621,293	\$3,629,039	\$3,328,213
EXPENSES			
AERO OPERATING EXPENSES			
Personnel and Compensation Benefits	\$2,426,361	\$2,612,528	\$2,786,853
Communications & Utilities	\$190,284	\$203,160	\$235,300
Contractual Services	\$1,699,639	\$2,017,452	\$2,348,767
Other	\$14,343	\$31,116	\$48,975
Repair & Maintenance	\$172,851	\$327,690	\$316,330
Supplies & Materials	\$174,185	\$203,933	\$219,419
TOTAL AERO EXPENSES	\$4,677,663	\$5,395,879	\$5,955,644
OPERATING INCOME/LOSS	-\$1,056,370	-\$1,766,840	-\$2,627,431
OPERATING MARGIN %	-29%	-49%	-79%
MGAA OVERHEAD	\$818,435	\$593,536	\$813,204
OPERATING INCOME/LOSS	-\$1,874,805	-\$2,360,377	-\$3,440,635



Mesa Gateway Airport Authority
5835 S Sossaman Road
Mesa, Arizona 85212-6014
www.gatewayairport.com

Management Information Report

To: Board of Directors
From: Chuck Odom, Chief Financial Officer
Through: J. Brian O'Neill, A.A.E., Executive Director/CEO
Re: January 2026 Financials
Date: March 17, 2026

Attached is the monthly Financials Report for January 2026.

Mesa Gateway Airport Authority
AIRPORT - All Operations P&L
January, 2026

	Month of January 2026				Y-T-D as of January 2026			
	January FY25 Actual	January FY26 Actual	YOY Variance	B/(W)	YTD FY25 Actual	YTD FY26 Actual	Y-T-D Variance	B/(W)
Aeronautical Operating Revenues								
Aircraft Parking	28,969	46,349	17,380	60%	228,062	376,421	148,359	65%
Fuel Flowage Fees	55,897	91,399	35,502	64%	344,573	506,147	161,574	47%
Landing Fees	151,204	193,771	42,567	28%	964,907	1,194,766	229,859	24%
Lease Income Aero	510,275	498,676	(11,598)	-2%	2,731,829	2,958,131	226,302	8%
Fuel Sales	806,715	1,779,936	973,221	121%	5,120,599	9,223,318	4,102,719	80%
Services Sold - Aero	480,633	490,767	10,134	2%	3,075,219	3,303,357	228,138	7%
Sub-total Aero Operating Revenues	2,033,693	3,100,898	1,067,204	52%	12,465,190	17,562,140	5,096,950	41%
Non-Aeronautical Operating Revenues								
Concessions	133,267	120,707	(12,560)	-9%	829,585	811,841	(17,745)	-2%
Lease Income Non-Aero	119,744	141,121	21,377	18%	803,232	937,549	134,316	17%
Parking	439,604	449,987	10,383	2%	3,372,374	3,523,506	151,132	4%
Rental Car Fees	341,773	319,718	(22,056)	-6%	1,584,430	1,574,505	(9,925)	-1%
Svcs Sold - Non Aero	3,990	59,372	55,382	1388%	37,573	127,267	89,694	239%
Sub-total Non-Aero Operating Revenues	1,038,378	1,090,905	52,527	5%	6,627,195	6,974,668	347,473	5%
Total Operating Revenues	3,072,071	4,191,803	1,119,732	36%	19,092,385	24,536,808	5,444,423	29%
Operating Expenses								
Cost of Goods Sold	528,241	1,435,193	(906,951)	-172%	3,275,410	7,040,897	(3,765,487)	-115%
Personnel	889,593	1,005,101	(115,507)	-13%	6,809,953	7,143,095	(333,142)	-5%
Comm & Utilities	77,351	80,002	(2,651)	-3%	732,175	762,656	(30,481)	-4%
Contractual Services	641,319	656,902	(15,583)	-2%	4,306,932	4,582,646	(275,714)	-6%
Insurance	57,395	51,305	6,090	11%	414,316	375,064	39,252	9%
Other	22,573	32,148	(9,575)	-42%	171,648	179,179	(7,531)	-4%
Repair & Maintenance	71,852	78,190	(6,338)	-9%	396,733	451,118	(54,386)	-14%
Supplies & Materials	65,185	62,142	3,043	5%	469,037	509,452	(40,415)	-9%
Air Service Incentives [2,000,000]	-	-	-	0%	-	-	-	0%
Operating Contingency [3,042,018]	-	-	-	0%	-	-	-	0%
Total Operating Expenses	2,353,509	3,400,983	(1,047,475)	-45%	16,576,203	21,044,107	(4,467,904)	-27%
Operating Income (Loss) Before Depreciation	718,562	790,820	72,256	10%	2,516,182	3,492,701	976,519	39%
	23.4%	18.9%			13.2%	14.2%		

Depreciation

1,435,871

10,049,702



Mesa Gateway Airport Authority
5835 S Sossaman Road
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www.gatewayairport.com

Management Information Report

To: Board of Directors
From: Chuck Odom, Chief Financial Officer
Through: J. Brian O'Neill, A.A.E., Executive Director/CEO
Re: Solicitation Notification
Date: March 17, 2026

This report is to provide notification of the active and upcoming solicitations to help ensure compliance with the Mesa Gateway Airport Authority procurement transparency clause. The active activities include the following:

Active/Pending Solicitations

Type Solicitation	Number	Title	Anticipated Contract Award (Board Action)
Invitation for Bid	2026-007-IFB	Baggage Tractor	April 2026
Request for Qualifications	2026-005-RFQ	CMAR for Taxiway Golf Realignment/Reconstruction – Construction Services	April 2026

Future Solicitations

No immediate solicitations needed.

Equipment Disposals

Fiscal year totals from sales of decommissioned / nonworking equipment total \$34,774.

If you have any questions about the solicitations or the procurement process, please feel free to contact me at 480-988-7613.