



Aviation Management  
Consulting Group

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# Summary Report

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Santa Barbara Municipal Airport

*Flight Instruction – Task Force Working Group*

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August 30, 2021



August 30, 2021

Mr. Aaron Keller  
Santa Barbara Municipal Airport  
601 Firestone Road  
Santa Barbara, California 93117

RE: Flight Instruction Task Force Working Group – Summary Report

Dear Mr. Keller:

Consistent with the *Professional Services Agreement* (dated February 10, 2020) between Aviation Management Consulting Group (AMCG) and the City of Santa Barbara (City), AMCG was engaged to provide multiple services related to the review and update of the Minimum Standards for the Santa Barbara Municipal Airport (Airport).

Subsequently, Airport management requested AMCG facilitate a task force working group (TFWG) focused on flight instruction activities at the Airport in the context of developing new minimum standards for such activity.

A series of four TFWG meetings were conducted (one virtual and three in-person) to discuss flight instruction activities currently occurring at the Airport and the issues surrounding such activity. A detailed summary of the TFWG meetings including an overview of the issues is provided below.

AMCG is pleased to have been called on to conduct this project. Please contact me if you have any questions pertaining to the status of any element or the conclusions reached.

Helping your aviation management excellence,

A handwritten signature in blue ink, appearing to read "Robert D. Trimbora", is written over a light blue horizontal line.

Robert D. Trimbora, C.M., C.A.E.  
Senior Consultant  
Aviation Management Consulting Group, Inc.

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## **I. INTRODUCTION**

### **A. Background and Overview**

Since November of 2018, the City of Santa Barbara (City) has received three informal compliant letters from the Federal Aviation Administration (FAA) Western Pacific Region, Compliance Program Office, regarding flight instruction activities at the Santa Barbara Municipal Airport (Airport). Airport management has also received multiple emails and a verbal complaint from the FAA challenging the Airport Minimum Standard Requirements for Airport Aeronautical Activities (Minimum Standards) policy regarding independent flight instruction at the Airport. The FAA notifications identified concerns that the City could be in violation of FAA Sponsor Assurance 22, Economic Nondiscrimination. The FAA recommended in an email to Airport staff (dated May 4, 2017) that the City “review and revise [its] rules and standards to establish and maintain an equitable competitive environment”.

Specifically, the FAA expressed concern that the flight instructor permit fee adopted by the City in 2017 (\$200 per independent flight instructor per year) economically favors independent flight instructors and may be unjustly discriminatory to locally based flight schools. The FAA is also concerned about Airport management’s ability to appropriately administer and enforce the current independent flight instructor permit program.

In response to the concerns expressed by the FAA, Airport management commenced an open and transparent public process to address and resolve the issues with an overarching goal of maintaining compliance with the City’s federal obligations. This process included updating provisions within the Airport’s Minimum Standards that relate to independent operators. In February 2020, the City engaged Aviation Management Consulting Group (AMCG) to facilitate the process. Subsequently, public engagement sessions occurred on February 12 and February 18, 2020. During these sessions, the discussions centered on the issues and process of updating Minimum Standards. Unfortunately, due to the COVID-19 pandemic and ensuing State of California mandated restrictions, the process paused.

Once the COVID-19 restrictions eased and in-person meetings permitted again, Airport management decided to start the process once again. Prior to the commencement of the formal public process related to the development of the Airport’s Minimum Standards, Airport management decided to form a task force working group (TFWG) comprised of three stakeholder groups actively engaged in flight instruction at the Airport. The purpose of the initiative was to identify and address issues related to flight instruction activity. The TFWG was subsequently formed and a series of four meetings occurred. This report summarizes the issues addressed and the outcome of the meetings.

**B. Participating Stakeholder Groups**

The TFWG was comprised of the following stakeholder groups:

Flight School (flight training operator) – A specialty aviation service operator who leases or subleases land and/or improvements on the Airport to provide flight training services to the public.

Flying Club – Legally formed non-profit entity that does not provide (or facilitate) flight training services to the public in compliance with FAA requirements.

Independent Flight Instructor – Individual providing flight training services but does not lease or sublease land and/or improvements on the Airport.

**C. Members**

Facilitator: Robert Trimborn, Senior Consultant, AMCG

Airport Management: Aaron Keller, Airport Operations Manager

Flight School: Above All Aviation  
Shawn Sullivan and Steve Boothby

Flying Clubs: Santa Barbara Flying Club  
Darryl Eaton and Erwin Green  
Channel City Flyers  
Justin Robertson and David Williams

Independent Flight Instructors: Michael Fountaine and Devin Dierenfield

**D. Goals**

The purpose of the TFWG was to create a channel of communication surrounding needed changes to the Minimum Standards related to flight instruction activities (Flight Schools, Flying Clubs, and Independent Flight Instructors). The process was designed to ensure each stakeholder's competing (and potentially conflicting) interests were heard, and that each group's concerns were reasonably addressed (if possible while maintaining compliance with FAA requirements). The ultimate goal was to create consensus for the Minimum Standards that establish equality and fairness amongst the stakeholder groups as required by FAA Sponsor Assurances and applicable legal requirements.

**E. Objectives**

Fairness and equality amongst the stakeholders were of paramount importance in order to facilitate openness and candor during discussions. Each meeting provided a detailed examination of the participating stakeholder group within the context of the Airports regulatory/compliance obligations and legal requirements. The primary objective was to create a context for drafting Minimum Standards that would provide a clear, concise, and understandable "compliance lane" for the stakeholders and Airport management.

The outcome of the TFWG will be considered in context with other outreach efforts that will occur during the overall public process of developing the Airport's Minimum Standards.

To accomplish the objectives and to stay on target, each meeting had a defined agenda that provided a road map and reinforced "ground rules" for the meetings to facilitate discussion including:

- Finding a common ground on how flight instruction operations are conducted at the Airport.
- Permitting each task force member an opportunity to provide a written statement throughout and at the end of the process.
- The task force was non-voting.
- Membership could not be delegated to others due to schedule conflicts.
- Keeping each attendee familiar with the entire process and various perspectives shared.
- Only TFWG members were permitted to attend TFWG meetings – visitors, guests and members of the public were not permitted to attend.
- During the meetings, all TFWG members were afforded an opportunity to speak, voice their concerns, and provide recommendations.
- All participants were treated with respect.
- In the interest of each stakeholder's time commitment, meetings were focused with a specific agenda to ensure goals and objectives were met in a timely manner.
- Bob Trimborn (AMCG) was responsible for ensuring the meetings proceeded in an orderly manner.
- Meetings could be suspended at any time due to lack of cooperation, inappropriate conduct, behavior, language, or refusal to comply with the ground rules. Individuals may be muted in the "virtual world" if required to respect the ground rules. It is important to note this did not occur and was never needed in any meeting.

## **II. COMPLIANCE FRAMEWORK**

### **A. Background**

The Airport is a federally obligated airport having received Airport Improvement Program (AIP) grant funds from the FAA. The City owns and operates the Airport and is able to meet all applicable legal requirements to receive federal grants. Therefore, the City is considered an “airport sponsor” by the FAA.

To secure AIP funds (a grant), an airport sponsor is required (or “obligated”) to give certain assurances to the FAA known as the Airport Sponsor Assurances (Sponsor Assurances). In essence, airport sponsors must agree to comply with the Assurances (currently 39) as a condition of receiving AIP funds which is included in the AIP grant application.

The Sponsor Assurances provide a means for the federal government to ensure that public use airports are developed, operated, and maintained in a safe, secure, efficient, compatible, and compliant manner.

*The Sponsor Assurances apply to:*

- The entire airport (inside the fence)
- Relationships with tenants and users

*The Sponsor Assurances do not apply to:*

- Non-aeronautical activities
- Activities occurring off-airport (outside the fence)

There are three Sponsor Assurances that are most germane to the discussion of commercial aeronautical activities at an airport - Sponsor Assurances 22, 23, and 24. The following is a brief synopsis of these relevant Sponsor Assurances.

### **B. Sponsor Assurance 22 – Economic Non-Discrimination**

Airport sponsor will make its airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds, and classes of aeronautical activities.

- Airport sponsor may establish reasonable and not unjustly discriminatory conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
- Each similar commercial aeronautical activity shall be subject to the same rents and fees.
- “Each commercial aeronautical activity (operator) shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other such operators making the same of similar uses of the airport and utilizing the same or similar facilities.”

- “Each commercial aeronautical activity (operator) shall furnish services on a reasonable and not unjustly discriminatory basis to all airport users.”
- “This provision shall be included in the agreement with the operator and shall be enforced by the sponsor.”
- Airport sponsor may establish reasonable and not unjustly discriminatory rules and regulations.
- Airport sponsor may establish reasonable and not unjustly discriminatory conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.

### **C. Sponsor Assurance 23 – Exclusive Rights**

Prohibits an airport from granting an exclusive right for the use of the airport – including granting an exclusive right to any person or entity providing or intending to provide commercial aeronautical services to the public.

Airport sponsor will not grant exclusive use of the airport.

- Airport sponsor will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public.

Definition of an exclusive right:

“Any power, privilege or right excluding or debarring another from enjoying or exercising a like power, privilege, or right.”

#### FAA policy on exclusive rights

Granting an exclusive right...

- Restricts the opportunity to engage in aeronautical activity on a federally funded airport.
- Limits the usefulness of federally funded airports.
- Deprives the public of the benefits of competitive commercial enterprise.

### **D. Sponsor Assurance 24 – Fee and Rental Structure**

Airport sponsor will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as (financially) self-sustaining as possible under the circumstances existing at the particular airport.

#### Compliance Challenge

- The Airport is obligated to be fair and reasonable in all of its policies.
- Any policy that cannot be consistently managed and enforced is vulnerable to a user complaint being filed with the FAA.
- Failure to meet the obligation of economic nondiscrimination places the Airport at risk of non-compliance with FAA Grant assurances.



### **III. IMPORTANCE OF MINIMUM STANDARDS**

#### **A. Introduction**

The TFWG meetings focused heavily on minimum standards for commercial aeronautical activities – specifically on how the requirements relate to flight instruction at the Airport. The following is a brief discussion on how minimum standards provide guidance for potential and existing commercial operators at the Airport.

Minimum Standards are part of the Airport's Primary Management and Compliance Documents (PMCDs) which are documents governing the operation, management, and development of the Airport. PMCDs may include:

- Rules and Regulations
- Minimum Standards
- Leasing Policy
- Rents Policy
- Fees Policy
- Development Standards

Minimum Standards set forth the minimum requirements that need to be met to engage in commercial aeronautical activities at an airport.

#### **B. Role and Purpose**

The primary role of Minimum Standards is to establish consistent threshold requirements for entities desiring to establish and provide commercial aeronautical activities at the Airport – which levels the playing field and promotes fair competition among operators (minimum “ante”). As such, Minimum Standards apply to entities engaging in such commercial activities at an airport.

Minimum Standards encourage and promote:

- The consistent provision of high-quality activities at the Airport.
- The orderly development of aeronautical land and high-quality aeronautical improvements at the Airport.
- The safety, security, and efficiency at the Airport.
- The economic health of operators engaging in authorized commercial aeronautical activities at the Airport.
- Maintain compliance with FAA grant assurances.
- Helps prevent disputes between aeronautical operators and reduces the potential for complaints.

Minimum Standards are usually formatted beginning with a general requirements section that sets forth standards applying to all commercial operators followed by standards for specific types of operators usually broken down by sections that apply to:

- Fixed Base Operators (FBOs)
- Specialized Aviation Service Operators (SASOs), and
- Independent Commercial Operators.

### **C. FAA Perspective**

The FAA publishes Advisory Circulars (AC) to provide federal policies, guidance, and practices for airport sponsors to follow. AC 150/5190-7 *Minimum Standards for Commercial Aeronautical Activities* provides FAA perspective and guidance on Minimum Standards. This AC outlines recommendations on commercial minimum standards and related policies. Although minimum standards are optional, the FAA highly recommends their use and implementation as a means to minimize the potential for violations of Federal obligations at federally obligated airports. The following is a summary on the FAA's perspective on minimum standards as detailed in the AC:

- Protect the level and quality of services offered to the public
- Promote safety in all Airport commercial aeronautical activities
- Maintain a higher quality of service for airport users
- Protect airport users from unlicensed and unauthorized products and services
- Enhance the availability of services for all airport users
- Promote the orderly development of airport land
- Prevent disputes between aeronautical providers and reduce the potential for complaints

### **D. Airport Minimum Standards**

The City has adopted Minimum Standards for the Airport (see Appendix C – Minimum Standards). The Minimum Standards were most recently updated in 2017. The City desires to update the Minimum Standards once again to address FAA concerns and to eliminate any ambiguities related to standards that relate to independent operators.

#### **IV. MEETING SUMMARIES**

##### **A. Compliance Background**

As outlined in the *Background and Overview*, the City has received three informal complaint letters from the FAA regarding flight instruction activities at the Airport and the current Minimum Standards policy for independent flight instruction. The FAA identified concerns that the City could be in violation of FAA Sponsor Assurance 22, Economic Nondiscrimination and recommended an email to Airport staff (dated May 4, 2017) that the City “review and revise [its] rules and standards to establish and maintain an equitable competitive environment”.

Specifically, the FAA expressed concern that the flight instructor permit fee adopted in 2017 (\$200 per independent flight instructor per year) economically favors independent flight instructors and may be unjustly discriminatory to locally based flight schools. The FAA is also concerned about Airport management’s ability to appropriately administer and enforce the current independent flight instructor permit program.

Additionally, Airport management has been informed that independent flight instructors have been allegedly providing commercial flight instruction to the public using aircraft from flying clubs which is in violation of FAA policy and legal requirements.

The City recognizes the importance of each stakeholder group (Flight Schools, Flying Clubs, and Independent Flight Instructors) to the Airport and the aviation community. However, the City must resolve the informal complaint letters received from the FAA and ensure an equitable competitive environment.

##### **B. Meeting Approach**

The TFWG process consisted of four separate meetings, as follows:

- Meeting 1 – Introductory/Kick-Off Meeting
- Meeting 2 – Flight School Focus Meeting
- Meeting 3 – Flying Club Focus Meeting
- Meeting 4 – Independent Flight Instruction Focus Meeting

The introductory/kick-off meeting on May 12, 2021, was held in a virtual environment while the remaining meetings were in-person on three consecutive Wednesdays: June 9, June 16, and June 23, 2021. The in-person meetings occurred at the Airport Administrative offices in compliance with the City’s COVID-19 social distancing and hygienic requirements.

Each meeting had a defined agenda covering specific subject matter for each stakeholder group. The meeting agendas are provided in Appendix A – Meeting Agendas.

The format of each meeting was similar and included a review of the goals and objectives of the TFWG, review of minimum standards, the definition of the specific stakeholder group, current applicable Airport Minimum Standards, presentation by the stakeholder group, general discussion, wrap-up, and adjournment. The summary minutes from Airport staff are provided in Appendix B – Summary Meeting Minutes.

TFWG members approached the subject matter in a thoughtful and meaningful way. There was candid and direct dialogue between stakeholders with a key sense of attempting to attain a meaningful understanding and consensus of the issues at hand. Two of the most salient goals of the TFWG meeting were to:

- identify a recommended policy to ensure fair and equal treatment of those involved in flight instruction activity and
- identify a policy that levels the playing field amongst those involved in all other commercial service activity at the Airport that ensures fair and equal treatment to include reasonable fees, insurance, hold harmless, business license, and other requirements for all.

### **C. Meeting 1 – Introductory/Kick-Off Meeting**

Meeting #1 focused on the introduction of the different stakeholder groups and participating TFWG members. The initial meeting also set the table for subsequent meetings and established common goals, objectives, and meeting ground rules.

### **D. Meeting 2 – Flight School Focus Meeting**

Meeting #2 focused on Flight Schools operating at the Airport and the related regulatory and compliance environment.

A Flight School (flight training operator) is a specialized aviation service operator leasing or subleasing land and/or improvements on the Airport to provide flight training to the public in compliance with the Airport's Minimum Standards.

A Flight School engages in flight instruction to individuals in dual and solo flight using fixed and/or rotary wing aircraft. In addition, Flight Schools provide related ground school instruction as is necessary to prepare individuals for the knowledge examination and flight check ride for the category or categories of certificates and ratings involved.

In addition to compliances with the Airport's Minimum Standards Article 3. *General Requirements for Commercial Aeronautical Services* that apply to all commercial aeronautical service operators at the Airport, a prospective Flight School must demonstrate compliance with Article 7. *Specialized Aviation Service Operator* and Section 7-4 *Flight Training* of the Airport's Minimum Standards that specifically apply flight training operators.

The entity must also demonstrate economic wherewithal to conduct the proposed operation, provide detailed evidence of technical abilities and experience to operate a flight school, demonstrate ability to comply with a federal, state and local legal requirements, and enter into an agreement with the City prior to conducting the aeronautical activity at the Airport. The Flight School is required to conduct business activity from a fixed place of business on the Airport and provide adequate space for the proposed operation.

The Flight School is required to carry and maintain, at its sole cost and expense throughout the term of its lease, the required types of insurance policies as dictated by the City. The Flight School's employees, agents, and contractors must also fully comply with the Airport's Security Program. Additionally, the Flight School must comply with all applicable environmental laws, rules, regulations, policies, and procedures adopted by the Airport, federal, state, and municipal authorities, including the Airport's Stormwater Pollution Prevention Plan (SWPP) and Stormwater Management Plan.

### **E. Meeting 3 – Flying Club Focus Meeting**

Meeting #3 focused on Flying Clubs operating at the Airport and the related regulatory and compliance environment. Under the Airport's Minimum Standards, Flying Clubs are not considered a commercial entity. As such, the applicable standards are outlined in Article 10 *Non-Commercial Activities*, Section 10-1 *Flying Clubs*.

A Flying Club is comprised of a group of individuals owning an aircraft by sharing the costs associated with ownership as well as controlled access to the aircraft. A Flying Club is a legally formed non-profit entity that does not provide (or facilitate) flight training services to the public in compliance with FAA and City requirements. A Flying Club is a non-profit/non-commercial social organization and differentiated from a for-profit, commercial Flight School. There are essentially three types of non-profit flying clubs:

- Equity ownership of all club assets including the aircraft.
- Non-equity ownership of club assets excluding the aircraft (i.e., lease-back).
- A hybrid model in that the Flying Club owns certain aircraft and uses lease-back for other aircraft.

The FAA defines a Flying Club in the FAA Airport Compliance Manual (Order 5190.6B - Section 10.6 – as amended) as a nonprofit or not-for-profit entity (e.g., corporation, association, or partnership) organized for the express purpose of providing its members with aircraft for their personal use and enjoyment only. Flying Clubs operating at federally obligated airports (such as the Airport) must conform to the FAA definition and policy as stated in the FAA Airport Compliance Manual Order 5190.6B.

The FAA policy emphasizes five points:

- Flying Clubs should at no time hold out as fixed based operators, flight schools, or as businesses offering services to the general public.

- Flying Clubs must not indicate, in any form of marketing and/or communications, as a business where people can learn to fly.
- The ownership of the Flying Club aircraft must be vested in the name of the flying club or owned by all its members.
- The property rights of the members of the Flying Club shall be equal and no part of the net earnings of the Flying Club will inure to the benefit of any individual in any form, including salaries, bonuses, etc.
- Certified Flight Instructors (CFIs) and mechanics may be permitted to receive either monetary compensation or discounted/waived regular Flying Club member dues, but not both.

The FAA expects that airport sponsors of federally obligated airports must take appropriate action to ensure that commercial operators and flying clubs are properly classified, and the airport sponsor's actions continue to be consistent with the Airport Sponsors Assurance.

#### **F. Meeting 4 – Independent Flight Instruction Focus Meeting**

Meeting #4 focused on Independent Flight Instructors operating at the Airport and the related regulatory and compliance environment. The Airport's Minimum Standards indicate that Independent Flight Instructors are considered a commercial entity subject to applicable Article 3. *General Requirements for Commercial Aeronautical Services* that apply to all commercial aeronautical service operators at the Airport, Article 8 *Independent Operators*, and Section 8.1. *Minimum Standards-Independent Flight Instruction*.

An Independent Flight Instructor is an "independent operator" that does not lease or sublease land and/or improvements on an airport. Some Independent Flight Instructors are part-time (providing flight instruction on an occasional basis) while other Independent Flight Instructors can be considered full-time.

Independent Flight Instructors can provide a valuable service to the public – specifically if an existing flight school does not have instructors with the expertise to provide flight instruction in a specific aircraft.

Some independent operators conduct an aeronautical activity through an agreement with the airport sponsor while others do not. As such, it is important to recognize the difference between regulated and unregulated independent operators:

##### ***Unregulated Independent Operators:***

- Pay varying or no fees and may not conduct a commercial aeronautical activity through a lease/sublease agreement or be permitted by the Airport.
- Independent operators that compete with "brick and mortar" businesses located at the Airport (i.e., leasing land and/or improvements from the Airport) may receive an economic advantage due to reduced operating costs.



- Compete with regulated tenants that pay rent, fees, and other charges to the Airport.
- Generate little or no direct revenue for the Airport.
- May not conform with the Airport's Minimum Standards (e.g., insurance status unknown, business license not on file, potentially expose the airport sponsor to liability due to lack of a hold harmless agreement)
- Compete with based commercial aeronautical operators required to comply with the Airport's Minimum Standards as well as federal, state, and local legal requirements.
- Discourage new commercial aeronautical operators from locating businesses at the Airport.

***An unauthorized Independent Flight Instructor:***

- Conducts flight training activities that may not conform with the Airport's Minimum Standards.
- Does not have a permit/agreement with the Airport.
- May not be properly insured.
- Does not pay rates and fees to the Airport.
- May not comply with applicable legal requirements.

***Regulated Independent Operators:***

- Required to comply with airport rules, regulations, and ordinances.
- Required to comply with the Airport's Minimum Standards.
- Possess required insurance.
- Possess a City Business License.
- Conform with applicable legal requirements.

The airport sponsor (i.e., City) assumes immense liability exposure if the airport sponsor knowingly permits unregulated commercial aeronautical activity to occur on the Airport.

***An authorized Independent Flight Instructor:***

- Required to comply with the Airport's Minimum Standards.
- Has an agreement to conduct the aeronautical activity.
- Holds necessary licenses/permits.
- Is properly insured.
- Pays established rents and fees to the Airport.
- Complies with applicable legal requirements

**G. Identified Issues/Concerns**

Issue #1: Unpermitted Independent Flight Instructors are conducting flight training at the Airport.

- Issue #2: Independent Flight Instructors expressed feeling unfairly targeted by Airport management and want to comply with reasonable standards.
- Issue #3: FAA contends the current Independent Flight Instructor permit fee economically favors Independent Flight Instructors and may be unjustly discriminatory to locally based Flight Schools.
- Issue #4: FAA is concerned about Airport management's ability to appropriately administer and enforce the current Independent Flight Instructor permit program without clear Minimum Standards.
- Issue #5: FAA identified concerns the Airport could be in violation of FAA Sponsor Assurance 22, *Economic Nondiscrimination*.
- Issue #6: Flying Clubs expressed feeling unfairly treated by Airport management as these entities feel flight training is an appropriate activity for the Flying Clubs and contend there is no competition with the locally based Flight Schools.

## **H. Conclusions**

There was a general consensus among the TFWG to comply with appropriate minimum standards and ensure a level playing field for all aeronautical operators at the Airport so that not one operator was favored economically over a different operator.

Stakeholders requested the updated Minimum Standards have clear, concise, and understandable "compliance lanes" to avoid a situation of non-compliance. All stakeholders desire to operate in compliance with reasonable minimum standards.

The stakeholders recognized the fees established for Independent Flight Instructors need to be fair and equitable. The most pressing challenge will be how to establish a fee structure that is non unjustly discriminatory.

The stakeholders understood the current Minimum Standards need to be reviewed and revised to establish and maintain an equitable environment for flight instruction activity at the Airport.

The goal of the TFWG was met. The TFWG provided a valuable forum for the competing stakeholder groups to discuss issues and perspectives while gaining a better understanding of the issues from conflicting perspectives.

## **I. Next Steps**

The TFWG was the precursor to the development of the updated Minimum Standards. The process will be open, transparent, and inclusive that will include numerous occasions for input by members of the public and stakeholder groups. The process is slated to start in the Fall of 2021.



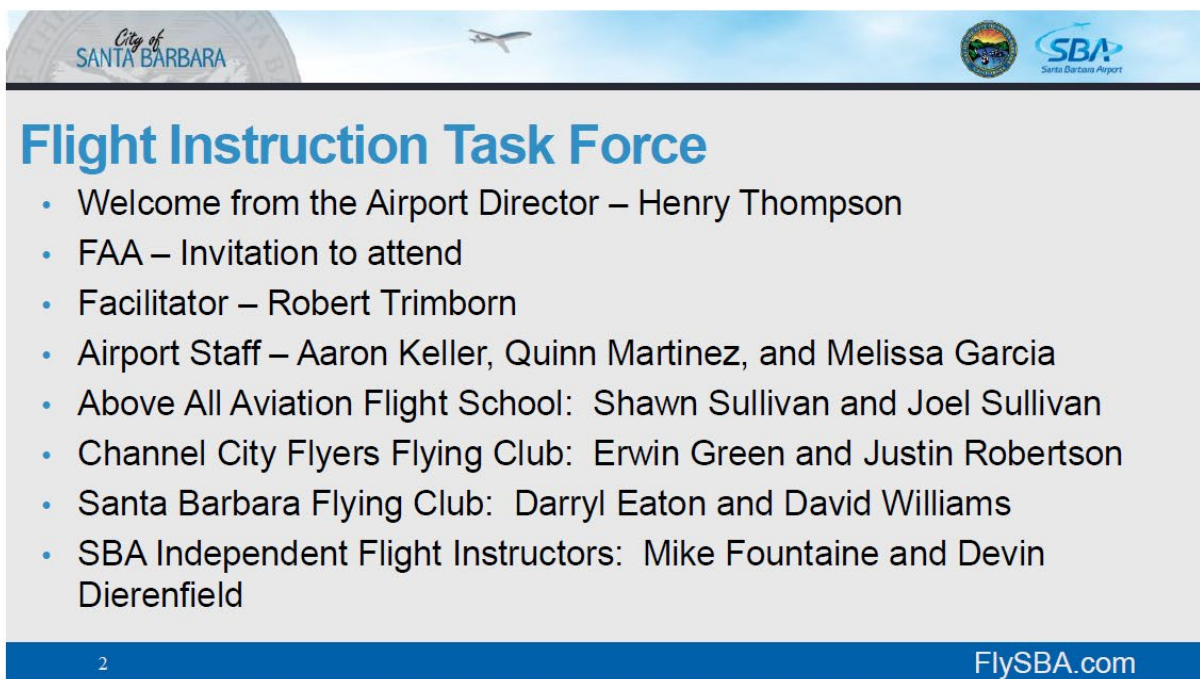
## V. APPENDIX

### A. Meeting Agendas


#### Meeting 1 – Introductory/Kick-Off Meeting Presentation



1



2



## Airport Minimum Standards

- Definition
  - Sets forth the requirements that need to be met to engage in commercial aeronautical activities at an airport
- Role/Purpose
  - Establishes consistent threshold requirements – which levels the playing field and promotes fair competition among operators (minimum “ante”)
  - Applies to entities who want to engage in commercial aeronautical activities at an airport – Required

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## Flight Instruction Task Force

- What is the goal of the TFWG?
  - Create an opportunity to open a channel of communication surrounding needed changes to the Airport’s Minimum Standards related to flight instruction (Independent Flight Instruction, Flight Schools, and Flying Clubs)
  - Ensure that each stakeholder’s competing interests are heard and each group’s concerns are addressed to the best of our ability
  - Create equality as required by FAA Grant Assurance 22
  - Protect the Airport & City: Business License, Insurance, & Permits

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## Flight Instruction Task Force

- Defining TFWG objectives
  - Fairness and equality amongst the competing stakeholder groups
  - Airport regulatory compliance, legal standing, and the best interest of the Airport's operation as a whole
  - Stay on target with the defined agenda and "ground rules"
  - Find common ground on how flight instruction operations are conducted

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## Flight Instruction Task Force

- Defining TFWG objectives
  - Each stakeholder group will be entitled to provide a written statement at the conclusion of the TFWG that summarizes their position, and provide written objections to the outcome of the meetings
  - The outcome of the TFWG will be considered in context with other outreach efforts that will be completed during the overall public process of developing the minimum standards

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## Flight Instruction Task Force

- TFWG Meetings
  - It is estimated it will take 4 meetings to hear all points of view
    - *Meeting 1 - Introductory Meeting*
    - *Meeting 2 - Flight School Focus Meeting*
    - *Meeting 3 - Independent Flight Instruction Focus Meeting*
    - *Meeting 4 - Flying Club Focus Meeting*
  - It is likely this process will take several months to complete and ensure all perspectives are understood. Completion must occur prior to August 2021.

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## Flight Instruction Task Force

- 3 Groups
  - *Flight School – A specialty aviation service operator who leases or subleases land and/or Improvements on the Airport to provide flight training services to the public.*
  - *Independent Flight Instructors – Provides flight training services but does not lease or sublease land and/or improvements on the Airport.*
  - *Flying Club – legally formed non-profit entity that does not provide (or facilitate) flight training services to the public in compliance with FAA requirements*
- The FAA view on each entity

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## Flight Instruction Task Force

- Attendance is limited to membership, however, public comment through the existing avenues will be thoughtfully considered throughout the process.
- This is a non-voting Task Force
- Membership cannot be delegated due to schedule conflicts
  - It is important that each attendee be familiar with the entire process and various perspectives that will be shared.

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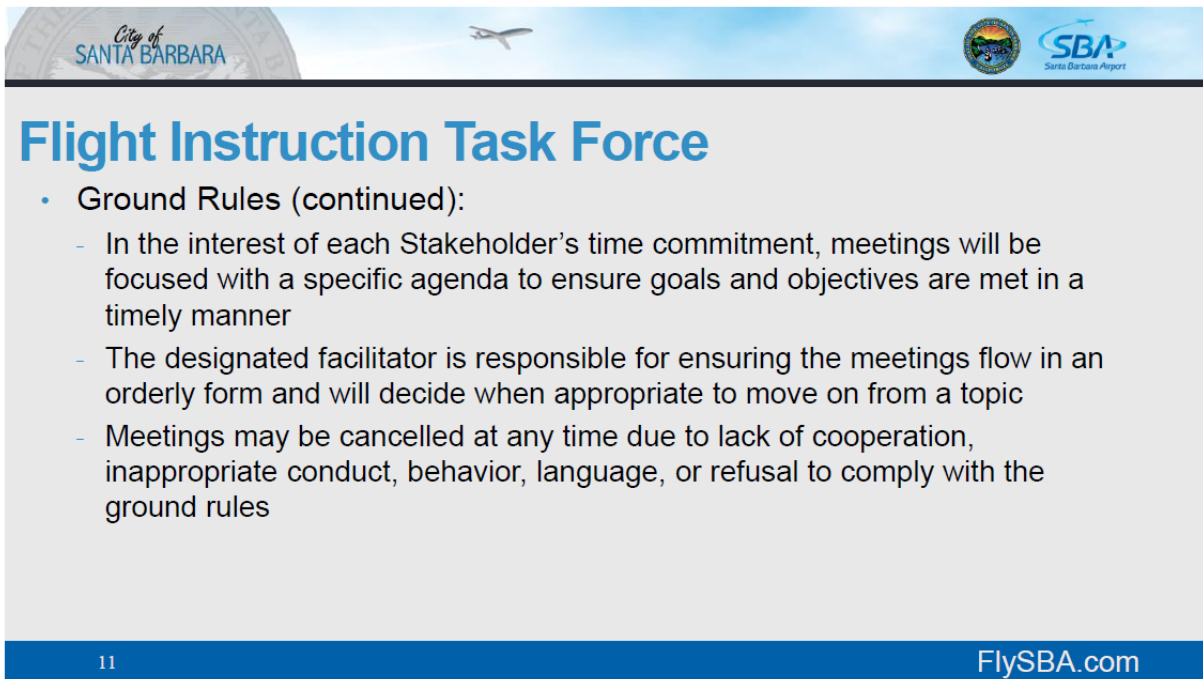
## Flight Instruction Task Force

- Ground Rules:
  - Only SBA Stakeholders are permitted to attend TFWG meetings – visitors, guests and members of the public will not be permitted to attend
  - Each invited Stakeholder is restricted to (2) members as stipulated under Membership
  - During the meetings, all TFWG members will be afforded an opportunity to speak, voice their concerns, and provide recommendations
  - All participants will be treated with respect

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City of SANTA BARBARA

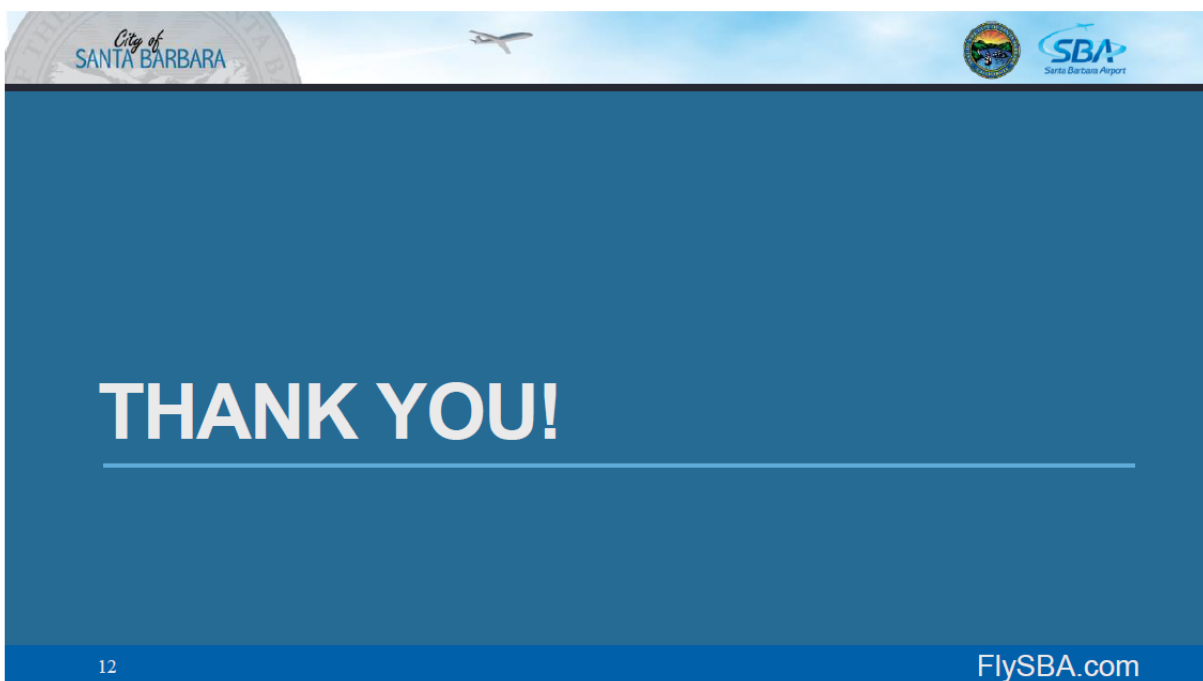
SBA Santa Barbara Airport

## Flight Instruction Task Force

- Ground Rules (continued):
  - In the interest of each Stakeholder's time commitment, meetings will be focused with a specific agenda to ensure goals and objectives are met in a timely manner
  - The designated facilitator is responsible for ensuring the meetings flow in an orderly form and will decide when appropriate to move on from a topic
  - Meetings may be cancelled at any time due to lack of cooperation, inappropriate conduct, behavior, language, or refusal to comply with the ground rules

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# THANK YOU!

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*Meeting 2 – Flight School (Flight Training Operator) Focus Meeting*

**Santa Barbara Airport  
Task Force Working Group  
Group Meeting Agenda  
June 9, 2021**

**Minimum Standards as they relate to Flight Training Operators**

1. Welcoming Remarks
2. Self-Introductions
3. Review of Goals and Objectives of the TFWG
4. Review of Minimum Standards
5. Lunch
6. What Defines a Based Flight Training Operator?
7. Airport Minimum Standards that apply to Flight Training Operators
8. Presentation by Above All Aviation, re: Overview of their Current Operation
9. Break
10. Discussion regarding Based Flight Training Operators
11. Meeting Wrap-Up
12. Adjournment

*Meeting 3 – Flying Club Focus Meeting*

**Santa Barbara Airport  
Task Force Working Group  
Meeting Agenda  
June 16, 2021**

**Minimum Standards as they relate to Flying Clubs**

1. Welcoming Remarks
2. Self-Introductions
3. Review of Goals and Objectives of the TFWG
4. Quick Review of Minimum Standards
5. Lunch
6. FAA Perspective
7. Typical Flying Club Standards
8. Airport Minimum Standards that apply to Flying Clubs
9. Presentation by Santa Barbara Flying Club, re: Overview of their Current Operation
10. Presentation by Channel City Flyers, re: Overview of their Current Operation
11. Break
12. Discussion regarding Flying Clubs
13. Meeting Wrap-Up
14. Adjournment



*Meeting 4 – Independent Flight Instruction Focus Meeting*

**Santa Barbara Airport  
Task Force Working Group  
Meeting Agenda  
June 23, 2021**

**Minimum Standards as they relate to Independent Flight Instructors**

1. Welcoming Remarks
2. Self-Introductions
3. Review of Goals and Objectives of the TFWG
4. Quick Review of Minimum Standards
5. Definition of an Independent Flight Instructor
6. Lunch
7. FAA Perspective
8. Typical Independent Flight Instructor Standards
9. Airport Minimum Standards that apply to Independent Flight Instructors
10. Presentation by Mike Fontaine, re: Independent Operators at the Airport
11. Break
12. Discussion regarding Independent Flight Instructors
13. Meeting Wrap-Up
14. Adjournment

## B. Summary Meeting Minutes

### *Meeting 1 – Introductory/Kick-Off Meeting*

**Santa Barbara Municipal Airport  
SBA Task Force Working Group**

Date: Wednesday, May 12, 2021

Time: 13:00

Place: Virtual GoToMeeting

Attendees:

Aaron Keller, Airport

Henry Thompson, Airport

Melissa Garcia, Airport

Quinn Martinez, Airport

Shawn Sullivan, Above All Aviation

Joel Sullivan, Above All Aviation

Darryl Eaton, SB Flying Club

Justin Robertson, Channel City Flyers

Robert Trimborn, AMCG

David Williams, Channel City Flyers

Erwin Green, SB Flying Club

Michael Fountaine, Channel City Flyers

#### Summary Minutes

##### General notes:

- Opening remarks by Henry Thompson
- Presentation by Robert Trimborn
- Justin Robertson- Would like option to do virtual or in person meetings for this group. Henry Thompson states that all 3 meetings should be in-person meetings.
- Mike Fountaine- What is the City of Santa Barbara's biggest issue with flight training? Henry Thompson states that we must find a solution that will allow all three groups to co-exist.
- Mike Fountaine- Requested list from FAA on industry minimum standards for flight instructors
- Justin Robertson- Requested dates for next three meetings. The following were potential date conflicts:  
  
David Williams- prefers meetings to be any day except Tuesday  
Justin Robertson- Prefers evening meetings and we try to avoid July
- Henry Thompson states he anticipates meetings will be 3-4 hours each

##### Closing Comments:

- Justin Robertson- Would like hard data from FAA regarding 5190.6B to be sent to working group.
- Henry Thompson- Necessary documentation pertaining to each meeting will be provided.

Next meeting topic: Flight School & Minimum Standards

Meeting closed at 14:07

## Meeting 2 – Flight School (Flight Training Operator) Focus Meeting

### Santa Barbara Municipal Airport SBA Task Force Working Group

Date: Wednesday, June 9, 2021

Time: 13:00

Place: Airport Conference Room

Attendees:

Aaron Keller, Airport

Melissa Garcia, Airport

Shawn Sullivan, Above All Aviation

Steve Boothby, Above All Aviation

Darryl Eaton, SB Flying Club

Justin Robertson, Channel City Flyers

Robert Trimborn, AMCG

David Williams, Channel City Flyers

Erwin Green, SB Flying Club

Michael Fountaine, Channel City Flyers

### Summary Minutes

#### General notes:

Topic: Flight School Minimum Standards

- Opening remarks by Robert Trimborn
- Presentation by Robert Trimborn
- Introductions: Invitees introduced themselves and shared information about themselves and their experience in aviation.
- David Williams- Asked why Above All Aviation was allowed to bring in a replacement represented when all groups were instructed that this would not be acceptable, at initial meeting.

Aaron Keller stated that Above All did notify the airport and in order to stay in line with the objective of the meeting, which is to be fair and equal, they decided that it would be best to be more flexible if needed.

Shawn Sullivan stated that Joel Sullivan would not be in attendance at any of the meetings and that Steve would be his permanent replacement for the duration of the meetings.

- Robert Trimborn- commented that the goal of the Task Force Working Group is to create an opportunity to open the channel of communication surrounding the needed changes for the minimum standards in relation to flight instructions, flight schools and flying clubs. He reviewed the current minimum standards and the requirement set by the FAA grant assurance compliance.

Justin Robertson- Asked what the ramifications would be from the FAA if it was determined that the Airport was not in compliance.

Robert Trimborn- stated that the FAA could ultimately suspend any and all federal grant funding that the City of Santa Barbara currently receives.

Mike Fountaine- asked how long it would generally take for the FAA to take action on an airport that is not in compliance.

Robert Trimborn- responded that the FAA will try to work with the airport to bring them back into compliance before actions would be taken. But that these investigations can take months or even years long to conclude.

Aaron Keller- stated that the airport business department has elected to advertise a competitive bid for our flight schools to ensure that we have the best and most competitive structure for flight schools at the airport. The FAA encourages competitive bidding for services that occur at airport.

- Shawn Sullivan- stated that Above All does not currently have a lease and are on a month to month contract.

Robert Trimborn- stated that Above All does have a lease called a “hold over” lease.

- Steve Boothby- asked what obligation the City of Santa Barbara has to provide space to flight schools?

Robert Trimborn stated that if the Airport has space available, they are not responsible to do any sort of construction on the space or provide utilities.

Shawn Sullivan- Why doesn’t aviation based companies have precedent over non-aviation business that are currently holding leases on airport property.

- Robert Trimborn- What are minimum standards? Minimum Standards are the “minimum not maximum” level of requirements for an airport that engages in any commercial aeronautical services and is encouraged by the FAA, but not required. It establishes a consistent threshold requirement, which levels the playing field and promotes fair competition among operators. In other words, everyone has to meet the standards to get onto the airport to provide commercial aeronautical services.

- Justin Robertson- Asks are flight schools not an FBO?

Robert Trimborn- replies that a flight school can be an FBO. An FBO provides fuel, but not always specialty services. Some FBO’s provide full service, to include both fuel and specialty services.

- Robert Trimborn- Reviewed all requirements needed to be a flight school operator, as an FBO. Full description provided to members in hardcopy form. He states that all operators must comply with the environmental laws, including the Storm Water Pollution Prevention plan.

Aaron Keller- Per State Water Board, SBA is required to have a storm water pollution prevention plan. The State holds the airport accountable to make sure that we are not illegally and negligently discharging any pollutant that may harm the environment. Any maintenance to aircraft at SBA must follow compliance of this plan.

Shawn Sullivan- states that Above All Aviation would be financial liable if any pollutants caused by one of their aircraft were to enter the storm drain.

- Robert Trimborn- Reviews the provisions that Above All Aviation are required to follow, since they provide specialty aviation services operator. Document with full details provided to members. He asks Above All Aviation to provide a general operation statement for their business.

Shawn Sullivan- replies that Steve Boothby will provide statement.

Steve Boothby- reads statement to group on Above All Aviation's primary goal and objectives of this meeting. Reviews the different aircraft that Above All uses and maintains.

Robert Trimborn- What are the business hours?

Steve Booth replies- 7 days per week from 8am to 8pm.

Robert Trimborn asks Above All Aviation what are the goals/objectives at Santa Barbara Airport.

Steve Boothby replies to provide aviation training experience to the community. To obtain a long term lease with a larger facility, that is all in one location.

Shawn Sullivan states that this is about fairness and equality to all independent flight operators at SBA.

- David Williams states that it is the right of the individual learning to fly to be able to choose who they would like to have train them.

Robert Trimborn confirms that a student can choose who they would like to teach them, but that instructor must comply with all requirements that are set by airport and authorized by airport and that is where the minimum standards come into play.

- Darryl Eaton states that he has contacted multiple airports and can't find one that has this same issue between flight schools and independent flight operators. Why is SBA experiencing this issue?
- Mike Fountaine comments that TSA allows flying clubs and for members of flying clubs to use a flight instructor.

Robert Trimborn replies that TSA does allow for this, but that next week meeting will cover flying clubs.

- Erwin Green comments that although flight schools have to follow all requirements, there is also a lot of advantages that they are exposed to.

Robert Trimborn- comments that flying clubs are non-profit entities and are normally not included in minimum standards, because they are a non-commercial activity.

Aaron Keller- states that the reason we are going down this path is because the FAA has received word that it appears that SBA may be unjustly discriminatory and that we are very likely in violation. They strongly suggest that we update our minimum standards to prevent the unjust discrimination from harming the existing flight school at the airport.

Justin Robertson- asked to define what level of discrimination is currently happening with the existing flight school. Would like a more factual form of discrimination. How much money is being lost?

Robert Trimborn- states that it is not about money being lost, but rather to ensure that SBA is equally applying consistent rules with all commercial operators.

Aaron Keller- states the FAA will not assist us in writing our minimum standards, which is the reason we are coming together for these meetings, to create a fair program which will not unjustly discriminate against any commercial activity.

Shawn Sullivan- commented that Above All Aviation keeps record of all activity and suggested that all flight instructors should keep records for any flight instruction.

Justin Robertson- stated that he feels that he is prevented from training that he feels that he is being discriminated against.

Robert Trimborn- replied that the user does not dictate the commercial activity, the airport provides a standard for the activity to occur. If you choose to use a commercial operator at the airport, that operator has to be permitted by the City to conduct commercial aeronautical activity. We are not trying to prevent any activity except authorized activity.

Mike Fountaine- states that the complaint on the table, spills over from the flying school into the flying club. The flying school feels that there is unjust treatment being given to flying clubs.

Robert Trimborn- suggest to focus on what the FAA defines to be a flying club and what they can and cannot do.

Steve Boothby- states that independent flight instructors should not pay the same amount money as flight schools, but that there should be a fair cost burden to an independent flight instructor.

Robert Trimborn suggests instead of saying "cost burden", it should be framed as "equitable rates & charges" between one operator and another.

Justin Robertson- states that it would not be fair for an independent instructor to pay rent, because for rent you get a facility. Nor should they be responsible for a mechanic, because they are not mechanics. He asks Above All Aviation what part of fee they feel an independent instructor should be liable for.

Steve Boothby- replies that they are required to have a facility in order to provide flight lessons.

Robert Trimborn- explains what a "through the fence commercial operator" is and how they can have an economic advantage over fixed operator. The FAA highly discourages through the fence operators.

Shawn Sullivan- added that they pay greatly to provide flight school services. She stated that a flying club should not be industrialized as a non-profit flight school.

Aaron Keller- encourages task members to review the federal register update that was provided in initial email to understand the final rule and look at intent of each organization.

Justin Robertson- states that as of now we still have not defined what fair is. If we had numbers, thresholds, this would help clarify. He states that they have no issue with how the flight schools are working, but feels there needs to a factual mathematical equation to help them understand what the issue is. He states that they are hopeful that when Deanna Zachrisson puts out the RFP things can go forward on that development.

Darryl Eaton- Asks if we are doing what we are supposed to be doing and they are doing they are supposed to be doing. Then what is the issue?

Robert Trimborn- the purpose if these meetings is to bury this issue now and focus on flight schools, so that we all understand what the issues are. So that we can development minimum standards and rules and regulation. We may not all be happy, but we will all understand what the current issues are.

Aaron Keller- commented that once the minimum standards are complete that final rule will be relatively laid out.

Darryl Eaton- asks if we are depriving the public because of this issue.



Robert Trimborn- states that the public is not be deprived. If you want to be a flight school, independent operator or a flying club, you must comply with the minimum standards.

Shawn Sullivan- states that back in 2016, the Santa Barbara Flying Club had a link on website which listed all the flight schools

Justin Robertson- request that the FAA 5190.6B document be sent out to them.

Robert Trimborn- states that the FAA has clearly laid out what is a flying club and what is not.

Mike Fountaine- states that they are very hopeful that we can get to a spot, because one of the issues over the last 4 or 5 years is that we don't know what we can and cannot do.

Robert Trimborn- states that once we are done with this process you will know. Next week we will focus on flying clubs.

Next meeting topic: Flying Clubs & Minimum Standards  
Meeting closed at 13:55

## June 6/16/2021 TFWG Meeting

## Introductions:

Justin Robertson

Dave Williams

Mike Fountaine

Devin Derrinfield

Irwin Green

Steve, Chief Instructor of Above All

Darryl Eaton

Aaron Keller

Quinn Martinez

Greg Goodsell

Robert Trimborn

## Meeting from 1100-1415

## Notes

Bob presents agenda for the meeting and defines flying club, flight school, and individual flight instructor definition...we are focusing on flying clubs for today's meeting. Explains the purpose of minimum standards and the reasons they exist. FAA-promotes equality and protect users of airports...prevents disputes and prevents complaints. "Enhances the availability for all services"...Justin Robertson asked for this quote to be repeated from Bob who was quoting the FAA.

Equity of ownership is a component of a flying club that is defined by the FAA and Bob mentions the AOPA document of starting a flying club is not necessarily in line with the FAA. Flight clubs operate their aircraft in 3 different ways...flying clubs own aircraft, operate leased aircraft, or a hybrid of the two.

Bob defines the FAA purpose of flying club...for enjoyment of its members, ownership must be spread out among its members equally. Bob provides context on the phrase flying club and provides explanation as to how some businesses use it differently....Some flying schools call themselves a club, but do it for marketing purposes. Provides an example of a flying school that calls itself a flying club, out of Palo Alto, that's comprised of 30 aircraft and equal flight instructors...members do not have an equal share of equity in the club and the membership price is insignificant. Irwin Green is commenting/questioning the process of the meetings and is expressing how he believes the meetings are for show and believes a decision has already been made and that this is not accomplishing anything. Based on the definitions that Bob has provided in the initial intro to the meeting he believes his flying club falls under the category of a flying club definition provided by the FAA. Mike Fountaine requests



clarification of the flying club and the general vagueness of the definitions of the term flying club and flying school. Bob explains that is where he is getting to and the minimum standards are the lane that provides the additional details, but he has not yet had the opportunity to talk about it. Justin Robertson asks if a leaseback option is breach of the definition of a flying club since there is no equity. Bob responds that the leaseback to the club members for their sole use would not be a violation as long as it is only utilized for the flight club members. Steve made a comment to clarify the nature of Above All Aviation and the nature of the compliant... they are not disputing the definition of the flying club, but the comingling of flying clubs and independent flight instructors that are putting them at an economic disadvantage.

Bob explains the airport and how the airport receive Federal funding from the FAA. He goes on to explain the regulation as to how the FAA's amendment to the flying club came about. Explains that flying club cannot market itself or hold out to the public. Aaron highlights this comment asks if he can spread the information via word of mouth. Devin comments and says that that's not marketing or holding out. There is some back and forth as to whether or not a flying club member is considered a part of the entity of a flying club.

Bob highlights that property rights of the club members must be equal, assets and liability. Bob explains that flying clubs put flying schools at an economic disadvantage if they do not stay in their lane and operate as intended. Explains many of the regulations defining the rules of flying clubs defined by the FAA and although vague the FAA states that the airport may put limits on the flying clubs and the amount of training that is performed for compensation. Bob informs that flying clubs are prohibited from marketing its services. Cannot communicate to people that there is a business that provides its service. Justin and Devin comment that they're not a business...they're a nonprofit. The conversation goes to who can be a flight instructor and a flight instructor must be a member of the club. Darryl mention how being a lessee permits them to services and thus independent flight instruction. Aaron agrees with the statement. An airport flight instructor who is permitted at the airport can instruct at the airport and not be a member of the flight club.

Bob introduces typical standards that create a flying club. Designee, bylaws, and information to provide to city/airport. Bob explains that the airport can limit maintenance activities that are permitted. Justin Robertson questions this and believes that this is not right and the airport doesn't have any say in this and that it is a safety issue. Steve explains Part 43 defines how an owner can perform preventative maintenance and that's a separate issue. Aaron explains the liabilities associated with allowing people to dump drain oil anywhere they please, how this could impact ramp operations or create hazards etc. and the airport has a duty to comply with environmental agencies as well as not damage property. Devin asks about how a designated spot had been mentioned back in 2017, prior to Aaron's arrival, built for the purpose of pilots performing their maintenance. Aaron addresses how the airport is under no obligation to provide this and it would require them to build a covered facility in order for this to be permitted, not a small financial investment. Irwin Green researches the flying "club" that was mentioned earlier is a business and not a club because they are also a rental facility. He wanted to clarify for context. This flying club was a business using the word "club" for the purposes of marketing.

Bob goes over the airports standards that regulate flying clubs. Aaron asks a question to the group as a whole....Bob's reading of the FAA regulation stated that people are a part of the entity. As a member of the club you are part of the entity.

Darryl and Justin give a presentation of some historical information and some regulations. They focus on FAA order 5190.6b Paragraph 10.6(c)(3) and highlight a case where the decision shows that restricting non-student pilots would be against the intent of the FAA's policy on flying clubs. SBFC also brings up the history of a minor dispute with Hazel Johns and the airport and after some backlash the dispute was dropped by the airport. The airport had proposed limits on the flight club.

Mild debate about who is the pilot in command if a student pilot is in the aircraft with an instructor that is outside of the organization and the point is dropped. Mike Fountaine asks the question that "if 100% of the students were student pilots, where is it written that it is illegal or not permitted?" He has created a business based off of what is already in place from the flight clubs. It's not written anywhere Bob explains and that's where the minimum standards can come into place.

David Williams asks a question to Bob about whether or not he is there to actually present both sides in good faith, will he provide fair suggestions to the Airport Operator on behalf of the flying clubs, flight schools, and independent flight instructors. Bob reassures that his goal is to accomplish what is fair and just, while maintaining the culture of the airport that already exists. He states that sometimes this requires telling the Airport Operator things they may not like to hear or agree with, and Aaron stated that Bob had already told him that.

Bob opens the floor to questions. Devin asks a question about being permitted his renewal for the airport as an independent flight instructor. He voices his concern for limitations imposed on flight instructors and what they would do to the community of flying as a whole. The next meeting will address independent flight instructors directly and in more detail.

*Meeting 4 – Independent Flight Instruction Focus Meeting***Santa Barbara Airport Task Force Working Group 6/23/21****Final Meeting, Meeting #3****Independent flight instruction**

The following notes are transcribes of the groups comments into response of Bob's reading from is notes/script. There is no summary of his notes provided in these notes, as he has already provided his outline and notes.

**1. Welcoming Remarks**

No comments on this sections

**2. Self-introductions**

No comments on this sections

**3. Review of the Goals and Objectives of the TFWG**

No comments on this sections

**4. Quick Review of Minimum Standards**

Justin Roberts asks where definitions come from?

Bob says personal experience, self-evidence, off 33 years of experience. Talks about shade tree mechanics, no permit operator/insurance. Shares general personal experience supporting that statement. Liability falls back towards airport for allowing unregulated operators.

Justin Roberts asks for a specific case example

Bob doesn't have one. Shared a story about non permitted flight instructor who soloed non-ready student who crashed. Flight instructor was running instruction without permit.

Shawn Sullivan ask "do these rules apply to all federally obligated airports or only ones with M.S.R.'s.?"

Bob says "airports aren't required to have minimum standards, but grant assurances say you have to have a level playing field for commercial operators on the airport and everyone plays by the same rules"

Devin Derrinfield asked definition commercial operator

Bob answers "Anyone who receives any remuneration whatsoever, whether it's money, barter, favor trades. Tangible benefit from performing work."

David Williams asks about exceptions to the rules such as a 737 lands an airport that doesn't have a repair facility.

Bob says you have to be flexible. Issue temporary commercial operations permit to people who had a business license with insurance, allow it per specific work to be done, with limited temporary access gate card. You have to return the aircraft back to service.

Aaron Keller adds "SBA municipal code requires for any commercial operations on the airport, you are required to have a permit issued by the city and the airport."

#### **5. Definition of an Independent Flight Instructor**

No comments on this sections

#### **6. FAA Perspective**

Justin asks – "do you interpret that as federally protected classes that can't be discriminated against or I mean what if you had someone so uncoordinated you didn't want to get in a plane with them?"

Bob expresses the phrasing is unjustly discriminate, so you can discriminate against someone who can't fly, you'll kill yourself or others. The FAA allows discrimination to occur, the most overt one, the FAA won't permit through the fence operators, because they discriminate against the based operators that pay all the rent and fees. So you can discriminate against the through the fence operator, and the FAA backs that.

Justin says "so in the term of any operator, independent or not, the independent cannot unjustly discriminate or any operator?"

Bob – Correct, and goes on to give an example about lower fueling rate to a friend as opposed to someone else.

Aaron – Sponsor has that obligation, but individuals in agreement with sponsor have that same obligation.

Bob talks about rates being adjust due to location, or facility quality. But expresses that rate structures must be fair, such as, charging 750\$ a year to do 1 hour of instruction to an independent wouldn't be fair, just like charging nothing wouldn't be fair.

Shawn Sullivan says – "you said independent operators are considered aeronautical, correct?" She says she wants to read something about discounted rates on this airport..."she wanted to clarify rental charges for aeronautical and non-aeronautical uses is a matter of FAA policy. The FAA defines aeronautical use as all activities that involve or directly relate to the operation of aircraft, services located on the airport that are directly and substantially related to the movement of passengers and baggage, and cargo are considered aeronautical uses. Specifically aviation uses that do not have to be on airport property such as flight kitchens are not considered aeronautical. By this standard, a flight school office and simulator are considered aviation related but not aeronautical. Not unless if airport considered a flight school to be aeronautical, the regulation states airport sponsor must impose fair market value for non-aeronautical use, while there is options for aeronautical uses. So we are being told we are not aeronautical use but an independent operator is"

Bob – talks about Boeing aircraft being manufactured isn't aeronautical use, but as soon as it was built and into a hangar it was aeronautical use.

Shawn says – “We are part 135, we are the movement of people and baggage, so I just want to clarify it”

Devin asks about being able to see if the airport desire is to gain more revenue? Is the city operating in red/black? Where is the motivation to generate more revenue?

Bob expresses that all revenue stays at the airport, it's an enterprise fund and must stay at the airport.

Devin asks for more insight and input as to how the master plan is going or what is the goal financially for you to get to, to develop the facilities.

Aaron - that is a difficult question to answer directly. What I can tell you is short, general aviation makes up a small portion of the airport revenues as compared to commercial aviation. We are funding improvements across the airport for general aviation users and commercial users alike, you have to look where those revenues need to be funneled to be self-sufficient as possible, which is a sponsor requirement, so we look at all that and determine where the best bang for buck to facilitate all aeronautical activity.

Devin – so if we're going to increase fees for independents, what benefit is there in the long run for us, as far as facilities?

Bob – when you operate an airport, you have to maintain it, and fee schedule has to be equitable. The establishment of the fees are an important part, ensure equitable treatment, and money goes back into the airport.

David – “if the fees are so small, why not reduce fees for flight school, so they don't have to be so competitive”

Aaron – They are required to pay a fair market rent for a facility, that other people around the airport are offered, a fair market rent.

David asks who their rate is compared to

Bob goes onto explain competitive rates, 50-100mi rates in the area, and comparable rate nationwide. Rates based on similar size, rents, information, rent structure that doesn't price people out of the market, rely on a benchmarks so that rents that make sense. Sometimes with rent you only get up to 85%, and use fees to get that last 15%. Sometimes that doesn't work and the airport sponsor transfers money from the general fund.

David asks if there is anything that would cause this airport to cost more than similar size?

Aaron – yes, the budget as a whole needs to be taken into account, salaries cost more in other areas, so it is priced accordingly. The majority of budget falls on salaries.

Bob expresses there is high demand, so there is higher rates.



Conversation goes back and forth about lease agreements, reversion clauses, amortization period and difference between different lease agreements.

#### **7. Minimum Standards are the relate to Typical Independent Flight Instructor**

Bob talks about an example of how an airport doesn't have to allow independent operators if a flight school can provide all the training.

Shawn Sullivan – how do you determine if above all has the capability to provide all training?

Bob gives examples of aircraft specific training, such as if you don't have an instructor for a certain model of aircraft, then you don't have the capability.

Darryl says how does this work with the exclusivity clause for taking grant assurances, how do we reconcile that?

Bob says the airport operator can say no independent operators period.

"what about flight schools?"

Bob – the airport can deny any operator

Devin – how can you ensure every instructor doing touch and go's here have insurance?

Bob – you can't ensure every person operating has insurance, but if you want to be permitted to operate out of this airport, you are required. You can't check everyone.

Aaron – gives example about Amtrak operating through the City vs. MTD can operating on a public road in the City.

#### **8. Current Minimum Standards That Apply to SBA Independent Flight Instructors**

No comments on this section

#### **9. Presentation by Mike Fountaine about independent operators at Santa Barba**

Mike starts off by apologizing to Shawn Sullivan about an incident that happened 4 years ago. He goes on to start by talking how a qualified tradesperson should be allowed to offer their services. If the rules were to favor independents more, why aren't there more of them. Who is doing more of the vast majority of service? If the rules are so unfair advantageous to the independents, why don't the flight schools alter its operations to mimic the independents. Flights schools and independents are fundamentally different. He discusses these differences, expresses the difficulty of setting up without income, without clients, no income. He is sole responsible, his income is zero when he has to work on other aspects of the job as an independent. Mike says a significant portion is not giving primary instruction due to the limitations of being an instructor. The business model is hard to scale. A lack of office gives off a shady appearance. But an independent instructor is more rooted vs a flight school who is using it as a stepping stone for another job upwards. The rules put a lot of burden on independents, he says the level field favors the flight schools as they are growing with their record year.

Devin – expresses that the barrier to entry is really high, how can he make this worth his while? How much does he need to work? He doesn't do this as a living, but to help other pilots, and he doesn't want

to take away from the flight schools. He talks about the city permit, the airport permit and umbrella insurance costs, and wants to hear the flight school opinions.

Bob asks about how they comply with security backgrounds, Devin says FAA forms. Mike makes the distinction about U.S. and Non-U.S., and that they supply documents, TSA does review and audits, it doesn't apply to every flight instruction – not flight reviews.

There is more general talk about foreign students and the steps that are taken before they can attain a student certificate, and the TSA approval for training.

#### **10. Wrap-up**

Devin offers up some ideas and is cut short by Steve Boothby in order to give some preface about what Devin missed at the first meeting as to Above All Aviation's initial complaint, which is intermingling which is unfair. That they were advertising as a flight school online, and giving a perception as a flight school under the guise of a flying club.

Devin continues to bring up about being a 1099 instructor, working as a contract for above all, which Shawn says they already have. And then later mentions about personal attacks, slander, and other negative issues that have arisen out of this.

There was a discussion about how the wrong David Williams was looked up in the audit of flying clubs.

Irwin expresses there was a large representation of hours due to a missing pilot certificate which is why it was labeled as primary instruction. It should not have been accounted for in that manner.

Justin wants to know what Steve sees for a solution. Steve says he wants to see flying clubs structured as such that independents couldn't have access to the planes in such a way that basically allows them to operate as a flight school, such as full time instruction. Steve brings up the aircraft ownership cost again. There's more discussion about the 1200\$ buy in fee that doesn't seem right for aircraft ownership. Darryl Eaton explains that the 3 fees on their website is towards the lease, the monthly for tie-down, and hourly for maintenance fuel. This satisfies Steve's speculation about the costs that they have listed on their webpage.

Shawn brings up again that they had a webpage advertising learn to fly, a van with saying learn to fly, and not owning an aircraft, but using the flying club extensively.

There's discussion about the perception about 7 students in the club. It's brought up that the FAA doesn't prohibit flight instruction and that 5190.6B language talks about how compensation can take place. There was guidance for compliance sought after from AC-100 in Washington, the intention of the policy but not explicitly, is to include all both lessees at the airport with leased facilities and others who are authorized by the airport sponsor, to engage in commercial aeronautical activities at the airport, but who are not actually lessees at the airport with leased facilities – Email from Tony Garcia. The FAA isn't trying to make aeronautical activities ineligible. If Mike is a permitted operator, then he is a lessee/permittee of the airport.

Mike brings up how he doesn't have to be a member of the club to provide instruction. And if they are a member, they are allowed to give instruction for compensation to other members of that club. Unlimited instruction, unrestricted, unless restricted by the airport, not in the form of an email. Aaron

brings up if a flight club unduly completes with a flight school on an airport, then we need to rethink how that the FAA has presented the rule.

Justin says the FAA would step in and prevent the airport from stopping students to learn, from the Grand Forks decision. Prohibiting students from being in the flying club is against the FAA intentions.

Devin brings up an idea about a 3 tiered system for independents. A 1099, part-time, and full-time. It is mentioned the 1099 already exists. More discussion about limits/rates/fees regarding the cut-off for part time and full time, how many students? Shawn reiterates that they have 1099. Devin says make the barrier to entry so high that they can't. Make the barrier low enough for new students. Bob says that fees wouldn't be set to create barriers.

Justin asks Above All regarding the 20\$ fee for instruction in planes that aren't owned by Above All, why the cost? Shawn says it's their policy, it requires more effort, logbook checks, insurances, and we'd rather fly our own planes. Aaron states she is running a business and she probably has a preference to operate her airplanes. Shawn mentions she won't deal with leasebacks.

This concluded the meeting.



**C. Minimum Standards**

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# **MINIMUM STANDARD REQUIREMENTS**

**FOR AIRPORT AERONAUTICAL ACTIVITIES**

**AT THE**

**SANTA BARBARA MUNICIPAL AIRPORT**

*(Revised November 16, 2017)*

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# **SANTA BARBARA MUNICIPAL AIRPORT MINIMUM STANDAND REQUIREMENTS**

## **Article 1. Introduction**

The City of Santa Barbara ("City") is the owner and operator of the Santa Barbara Municipal Airport. The Airport Department is responsible for the management and administration of the Airport which includes operation, maintenance, and capital improvement of aviation buildings and facilities.

The Federal Aviation Administration (FAA) places the responsibility with the Airport operator to ensure that adequate aeronautical services and facilities are available on a fair and reasonable basis to all aviation users.

To encourage the safe and orderly development of the Airport and its operation, the FAA recommends that *Minimum Standards for Commercial Aeronautical Activity* be developed. Airport minimum standards establish the minimum requirements to be met by an entity as a condition for the privilege to conduct an aeronautical activity or provide a commercial aeronautical service at the Airport.

The benefits of establishing minimum standards include:

- Promoting safety in all Airport activities;
- Maintaining and enhancing the availability of adequate services for all Airport users;
- Protecting Airport users from unlicensed and unauthorized products and services;
- And, promoting the orderly development of Airport property.

The requirements in this policy are minimums. All entities are encouraged to exceed the minimum.

### Section 1-1. Applicability

Pursuant to the City of Santa Barbara Municipal Code, no person shall conduct any commercial activity or otherwise transact business on the Airport without first obtaining the authorization required under Title 18 of the Municipal Code.

These Minimum Standards shall apply to all aeronautical activity providers, with the exceptions noted below. These Minimum Standards do not apply to:

- The Airport itself;
- Certificated air carriers providing scheduled passenger and/or cargo service operating under a separate lease and/or agreement with the Airport;
- Non-aeronautical commercial service providers such as restaurants, rental cars, concessions, taxis, Airport shuttles, etc., located on or otherwise serving the Airport;

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- Non-commercial Airport tenants, including private aircraft owners and operators operating under 14 CFR Part 91, except as noted below;
  - Aircraft operators and service providers that are not based at the Airport but that use the Airport on a transient or itinerant basis and comply with all applicable rules, regulations, and procedures.

These Minimum Standards are not intended to be all-inclusive; aeronautical service providers are also subject to all applicable federal, state, and city laws, codes, ordinances, rules, and regulations, including the rules and regulations promulgated by the Airport, as may be amended from time to time.

The provisions of the Minimum Standards herein contained do not supersede any federal, state, or local law, code, ordinance, or regulation; Airport operating rules and regulations; lease, permit, or agreement entered into with the Airport or the City. It is intended that the Minimum Standards be consistent with all applicable laws, ordinances, codes, rules, and regulations. In the event of any difference between the Minimum Standards and other applicable laws, ordinances, rules, regulations, agreements, etc., the Airport reserves the right to amend the Minimum Standards as necessary to ensure consistency.

These Minimum Standards are subordinate and subject to the provisions of any agreement between the City and the United States Government relative to the operation and maintenance of the Airport, the execution of which has been, or may in the future be, required as a condition precedent to the transfer of federal funds or property to the City for Airport purposes, or the expenditure of federal funds for the development of the Airport in accordance with the provision of the Federal Aviation Act of 1958, as amended.

The invalidity or unenforceability of any provision of these Minimum Standards shall not affect the validity or unenforceability of any other provision of these Minimum Standards, and the remainder shall be construed and enforced as if the invalid or unenforceable provision were not included in the Minimum Standards.

The following minimum standards have been developed in accordance with FAA Advisory Circular #150/5190-7, *Minimum Standards for Commercial Aeronautical Activities* (8/28/06) and FAA Advisory Circular #150/5190-6 *Exclusive Rights at Federally-Obligated Airports* (1/4/07).

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## **Article 2. Definitions**

Aeronautical Activity - Any activity that involves, makes possible, or is required for the operation of aircraft or that contributes to or is required for the safety of such operations. Activities within this definition, commonly conducted on airports, include, but are not limited to, the following: general and corporate aviation, air taxi and charter operations, scheduled and nonscheduled air carrier operations, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, aircraft sales and services, aircraft storage, sale of aviation petroleum products, repair and maintenance of aircraft, sale of aircraft parts, and any other activities that, because of their direct relationship to the operation of aircraft, can appropriately be regarded as aeronautical activities.

Air Carrier –Any air transportation company performing scheduled commercial air transportation services over specified routes to and from the Airport (including diversions), pursuant to published schedules. Such Air Carriers may provide passenger and/or all-cargo services to the Airport.

Airport - the Santa Barbara Airport and all of the property, buildings, facilities and improvements within the exterior boundaries of such Airport as it now exists on the Airport Layout Plan or as it may hereinafter be extended, enlarged or modified.

Airport Director - the Director of the Santa Barbara Airport or the Director's authorized designee.

Airport Operations Area (AOA) - the area of the Airport used or intended to be used for landing, take off or surface maneuvering of aircraft including the associated hangars and navigational and communications facilities.

CFC - California Fire Code

CFR - Code of Federal Regulations

City - the City of Santa Barbara.

Commercial Aeronautical Service - a service which involves, makes possible, or is required for the operation of aircraft, or which contributes to, or is required for the safe conduct and utility of such aircraft operations, the purpose of such activity being to secure earnings, income, compensation, or profit, whether or not such objective(s) are accomplished.

Commercial Operator ("Operator") - any person, firm, partnership, corporation, association, or limited partnership, or any other legal entity based at the Airport and duly licensed and authorized by written agreement with the



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Airport sponsor to provide specific aeronautical activities at the Airport, under strict compliance with such agreement and pursuant to these Minimum Standards, the purpose of such activity being to secure earnings, income, compensation, or profit, whether or not such objective(s) are accomplished.

Entity - an individual, corporation, government or governmental subdivision, partnership, association, or any other legal entity.

FAA - Federal Aviation Administration.

FAR - Federal Aviation Regulation.

Fixed Base Operator (FBO) - any person, firm, partnership, corporation, association, or limited partnership, or any other legal entity duly licensed and authorized by written agreement with the Airport sponsor to provide specific aeronautical services at the Airport as described in Article 5, under strict compliance with such agreement and pursuant to these regulations and standards.

Fixed Place of Business – a designated business facility, located on the Airport and occupied by virtue of a lease agreement with the City of Santa Barbara.

Flying Club - a non-profit or not-for-profit entity (e.g., corporation, association, or partnership) organized for the express purpose of providing its members with aircraft for their personal use and enjoyment only.

Fuel - FAA authorized aviation fuel.

Fueling Operations - the dispensing of aviation fuel into aircraft.

Fueling Operator - an entity which dispenses aviation fuel at Santa Barbara Airport. A Fueling Operator shall be of three types:

(1) FBO Fueling Operator - an entity engaged in the retail sale and dispensing of aviation fuel, and other line services to aircraft other than that owned or leased by such entity.

(2) a Self-Service Fueling Operator - an entity engaged in the self-service retail sale of aviation fuel to aircraft other than that owned or leased by such entity.

(3) a Self-Fueling Operator - an entity who dispenses aviation fuel solely for its own use, to aircraft owned or leased for its exclusive use.

Ground School – includes in-person or online education of general aeronautical knowledge described in 14 CFR Sections 61.97, 61.105, 61.125, 61.155, 61.156, 61.185, 61.309, and 61.407

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Independent Operator - an individual or entity that provides commercial aeronautical services but does not operate out of owned or leased property on the Airport.

Interchange Agreement –an arrangement whereby a person leases his airplane to another person in exchange for equal time, when needed, on the other person’s airplane, and no charge, assessment, or fee is made, except that a charge may be made not to exceed the difference between the cost of owning, operating and maintaining the two airplanes

Joint Ownership Agreement –an arrangement whereby one of the registered joint owners of an airplane employs and furnishes the flight crew for that airplane and each of the registered joint owners pays a share of the charge specified in the agreement

Lease of Aircraft - (pertaining to the lease of aircraft by an aeronautical activity) means a term written agreement established on a minimum basis of six (6) months wherein the Lessee shall have full control over the scheduling and use of aircraft and the aircraft is insured as required by these Minimum Standards for the use of the aircraft by Lessee. (Also referred to as aircraft “lease-back.”)

Lease Agreement - a written document executed by the City of Santa Barbara and the Commercial Operator which sets forth the premises, use, fees, standards of operation, and other contractual terms for conducting business on the Airport. A lease agreement reflects a grant of three basic rights or privileges:

- (1) The right to use the airfield and public airport facilities in common with others so authorized.
- (2) The right to occupy as a tenant and to use certain designated premises exclusively.
- (3) The commercial privilege to offer goods and services to Airport users.

Lessee – a person or entity who receives the use and possession of leased property from the City of Santa Barbara in exchange for a payment of funds via a Lease Agreement.

License Agreement – a written document executed by the City of Santa Barbara and an entity to store aircraft at a City-managed T-hangar or tie-down.

Licensee – a person or entity who stores aircraft at a City of Santa Barbara-managed T-hangar or tie-down via a License Agreement.

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Minimum Standards - the standards which are established by the Airport sponsor as the minimum requirements to be met as a condition for the right to conduct an aeronautical activity on the Airport.

NFPA - the National Fire Protection Association.

Operator, Permittee, or Tenant - refers to an entity providing specific commercial aeronautical services, by virtue of an agreement with the City of Santa Barbara.

Proprietary Aeronautical Activity, as prescribed by FAA Advisory Circular 150/5190-6 (Exclusive Rights at Federally-Obligated Airports) – means the public agency that owns and operates the Airport may engage in any proprietary aeronautical activity and deny the same right to others without violating federal grant assurances. This means that a public agency may provide aeronautical services on an exclusive basis, but only in principal, using its own employees and resources. It is recognized that aeronautical service may be provided more efficiently by private enterprise.

Security Identification Display Area (“SIDA”) – That portion of the Airport, specified in the Airport Security Program, in which security measures in 49 CFR Part 1540 are carried out. This area includes the secured area and may include other areas of the Airport.

Sponsor - City of Santa Barbara, a Municipal Corporation, which owns the Airport in title.

Time Sharing Agreement - an arrangement whereby a person leases his airplane with flight crew to another person, and no charge is made for the flights conducted under that arrangement other than those specified under FAR Part 91.501(d)

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### **Article 3. General Requirements for Commercial Aeronautical Services**

The following standards apply to all Commercial Operators at the Airport. Additional standards specific to each type of Operator can be found in Articles Four through Nine,

#### Section 3-1. Prior Agreement/Approval

An Operator is based at the Airport and conducts or provides one or more commercial aeronautical services at the Airport in accordance with a written agreement with the City.

If an Operator has an existing agreement with the City at the time the Minimum Standards are adopted or amended, and if compliance with the Minimum Standards would create a conflict with the agreement, the agreement shall prevail until such time that it is amended, updated, renegotiated, or a new agreement is negotiated, at which time Operator will fully comply with the Minimum Standards.

In addition, the Operator must meet the regulatory qualifications, standards and requirements of these Minimum Standards, pay any required fees or charges, and receive approval from the City prior to commencing operations.

#### Section 3-2. Non-Discrimination.

All services shall be provided on a fair and reasonable basis at fees that are competitive with similar providers in the region.

#### Section 3-3. Application

Any person or entity that desires to conduct a commercial aeronautical service on the Airport covered by these Minimum Standards shall submit a written application to the Airport Director prior to conducting such activities. Applications shall be made on forms provided by the Airport Director. Prior to submitting a written application, applicants are encouraged to discuss all aspects of the application and proposed operation with the Airport Director.

The applicant shall submit the following required information or documentation:

- a. An operations plan which addresses the primary operation(s), including the DOT, State and/or FAA authority under which the applicant will operate, as well as support operations such as ground handling, maintenance, fueling, safety and staffing. The plan should include a detailed description of the scope of the intended operations, including all services to be offered.

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- b. The amount of land, office space, and/or aircraft storage areas required for the operation. The number and type of aircraft to be parked, serviced, or provided (as applicable). The size of an Operator's leasehold and/or facility will be dictated by its needs and ability to provide products and services to the public and available space at the Airport. If applicant proposes to enter a sublease agreement for land, office space, and or/aircraft storage areas from another Operator, applicant shall provide a letter of endorsement from the sublessor.
  - c. A list of material assets, goods, and equipment necessary to perform the proposed services that are owned, leased, or under purchase contract by applicant.
  - d. A detailed description of any improvements or modifications to be constructed or made to Airport property, including cost estimates and a construction timetable.
  - e. A detailed management plan, marketing plan, and the proposed hours of operation. The Operator shall have its premises open and services available as established and set forth in the lease agreement. The Operator shall ensure that personnel be in attendance on the premises at all times during designated business hours.

### ***Financial Responsibility/References***

Applicant must provide documentation of the applicant's financial capabilities to construct any improvements and to conduct any proposed activities. The Operator shall submit all of the following; however, depending on the organization's corporate structure, some items listed below may not be required. The submitted business plan and proposed lease will be evaluated in terms of its reasonableness, economic viability, and overall ability to support same.

- a. A pro forma of projected income and expenses for the proposed operation during the lease term and verifiable sources of capital, cash, and credit for the proposed operation and facility construction at the Airport.
- b. Financial statements for the most recent twelve month period and preceding two (2) calendar years which include balance sheets, and related statements of income and cash flow in accordance with generally accepted accounting principles. Subject documentation shall be, preferably audited, or compiled by a Certified Public Accountant.

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- c. Other financial and legal information including, but not limited to, copies of the three most recent federal and state income tax returns, and a statement of credit, payment and legal history.
  - d. A list of landlords, creditors, vendors, suppliers and other trade references including current contact information.
  - e. Current banking references and a letter setting forth the Operator's financial integrity and its account status from a bank or equivalent financial institution.
  - f. The Operator shall give its advance permission to the City to verify the Operator's financial and legal responsibilities, and for the use of a qualified credit rating firm.

### ***Technical Qualifications/Certification***

A detailed description and/or evidence of the applicant's technical abilities and experience in conducting the proposed activities, including references and FAA certificates, if applicable. Operator shall have "demonstrated experience" in the aeronautical service to be provided. It will be satisfactory if the Operator has in its employ, in a reasonable supervisory position, a person with such minimum experience requirements. A statement of qualification shall accompany the Operator's application to the Santa Barbara Airport.

### ***Term***

The commencement date for the applicant's activities and the term of the lease, license, permit or agreement sought, including all option periods, shall be for a term to be mutually agreed upon between the City and the Operator commensurate with the Operator's financial investment in the facility.

### ***Identification/Ownership***

The identity and ownership of the proposed Operator and its principals, to include the following information, as applicable:

- a. Name, address and telephone number
- b. Type of organization and the State under the laws of which it is organized.
- c. The designated agent for service process in the State of California.



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- d. The names and addresses of all officers, directors and key management personnel of the applicant, briefly describing the certifications, expertise and responsibilities of each.
  - e. The name, address, citizenship and principal business of each person holding 5 percent or more of applicant's total voting stock, together with the amount and percentages held, and the name, address, citizenship and principal business of any person whose account, if other than the holder, such interest is held; if any of these people are related by blood or marriage, include the relationship.
  - f. All subsidiaries of the applicant, briefly describing the relationship to the applicant and principal business.
    - 1. If the applicant is a corporation, a copy of the Article of Incorporation as filed with the Corporation Commission;
    - 2. If the applicant is a limited liability company, a copy of the Articles of Organization filed with the Corporation Commission;
    - 3. If the applicant is a limited partnership, a copy of the Certificate of Limited Partnership filed with the Secretary of State;
    - 4. If the applicant is a general partnership, a copy of the written partnership agreement, if any.
  - g. The Airport Director may require the applicant to provide additional information as necessary to ensure compliance with these Minimum Standards.

### ***Processing/Approval***

The Airport Director shall be responsible for processing and approving or disapproving an application for a lease, license, permit or agreement to conduct activities at the Airport.

### ***Grounds for Disapproval of an Application***

Grounds for disapproval of an application may include the following:

- a. The applicant does not, for any reason, fully meet the qualifications, standards, and requirements established in the Minimum Standards.

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- b. The applicant's proposed operation or construction would create a safety hazard on the Airport.
  - c. The granting of the application will require the Airport to expend funds, or supply labor or materials, in connection with the proposed activity or operation that the Airport is unwilling to spend or supply, or the proposed activity or operation will result in a financial loss to the Airport.
  - d. No appropriate, adequate, or available land, space, or building exists at the Airport to accommodate the entire operation of the applicant at the time of application, and none is contemplated to be available within a reasonable time thereafter.
  - e. The proposed operation, development, or construction does not comply with the Airport Master Plan or Airport Layout Plan.
  - f. The proposed operation, development, or construction will result in congestion of aircraft or buildings, or will result in undue interference with the operations of any present Operator at the Airport, or with adequate access to a present Operator's leased premises.
  - g. The applicant has misrepresented or omitted any material fact in the application or supporting documents, or has failed to make full disclosure in the application or supporting documents.
  - h. The applicant, or any officer, director, key employee, or person having a controlling interest in the applicant, has a record of:
    - 1. 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;
    - 2. Or, having defaulted in the performance of a lease, license, permit, or similar agreement at the Airport or any other airport;
  - i. The applicant, in the opinion of the Director, has not provided verified evidence of adequate financial responsibility or does not exhibit the experience to undertake the proposed operation or activity based on the information provided with the application.
  - j. The applicant cannot provide the required performance and other bonds, security deposits, or other acceptable surety in the amount

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required by the Airport for the proposed operation, activity, or construction.

### ***Appeals***

Appeals shall be made according to Chapter 18.44 of the Municipal Code of the City of Santa Barbara.

### ***Section 3-4. Indemnification/Insurance***

#### ***Indemnification***

Operator shall, to the extent permitted by law, investigate, defend, indemnify and hold harmless the City, its officers, agents and employees from and against any and all loss, damage, liability, claims, demands, detriments, costs, charges, and expenses (including reasonable attorney's fees) and causes of action of whatsoever character which City may incur, sustain, or be subjected to on account of loss or damage to property or loss of use thereof, or for bodily injury to or death of any persons (including but not limited to property, employees, subcontractors, agents, and invitees of each party hereto) arising out of or in any way connected with operator's use or possession of the Premises.

#### ***Required Insurance Coverage.***

An Operator or Tenant shall carry and maintain at its sole cost and expense throughout the term of its lease, permit, or agreement with the City the required types of insurance policies that meets (or exceeds) the specifications contained in the lease, permit, or agreement.

### ***Section 3-5. Fixed Place of Business***

No entity, with the exception of flying clubs and independent operators, shall use the Airport as an Operator until such entity has executed a lease agreement, license agreement, or permit, approved by the City, which establishes a fixed place of business on the Airport, and provides adequate space for the proposed operations. As appropriate, the City will accept requests to combine space from individual Operators who conduct more than one commercial aeronautical activity.

### ***Section 3-6. Conduct of Business Operations***

The Operator shall conduct all business operations in a safe and professional manner consistent with the degree of care and skill exercised by experienced Operators providing comparable products, services, and activities at similar Airports in like markets. The Airport expects the Operator to strive to consistently meet (or exceed) its customer's expectations by providing excellent service, in a positive and timely manner, and in full view of the public.

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### Section 3-7. Management Control and Supervision

The Operator shall be responsible for ensuring that it has provided adequate management control and supervision for each service and operation provided on the Airport, during all times when such services are being offered. Managers shall also be available after normal business hours in the event of an emergency.

### Section 3-8. Airport Security

Each Operator, its employees, agents, and contractors, shall:

- Fully comply with the Airport's Security Program, approved by the FAA and/or Transportation Security Administration (TSA), and agrees to institute and carry out all security measures in the Security Program, as may be amended from time to time;
- Successfully complete the security training required by the Airport and TSA prior to gaining access to restricted areas of the Airport;
- Successfully complete a background check and security threat assessment as required by the Airport and/or TSA, and provide all necessary documentation to the Director prior to allowing access of such personnel to secured areas of the Airport;
- Fully comply with all appropriate Airport, TSA, and FAA regulations, including but not limited to 14 CFR Part 139 and 49 CFR Parts 1540 and 1542.

If Operator premises are located in a restricted area accessible only to those persons displaying a security identification badge issued by Airport (including but not limited to the AOA and SIDA), each person working on the premises must wear the badge at all times while on the Airport. The cost to obtain badge, including its replacement, will be paid for by Operator.

Operator shall control their Premises so as to prevent unauthorized access to the AOA and/or SIDA.

Operator shall submit a construction security plan for all major construction activity occurring inside the AOA, or affecting Airport security. The plan must be submitted in writing and approved by the Airport and TSA before beginning construction activity.

### Section 3-9. Environmental Requirements

Each Operator shall strictly comply with all applicable environmental laws, rules, regulations, policies, and procedures adopted by the Airport, as well as those promulgated by federal, state, and municipal authorities, including the Airport's Stormwater Pollution Prevention Plan (SWPP) and Stormwater Management Plan. In addition, each Operator shall comply with generally accepted environmental best management practices and standards.

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Section 3-10. Interference with Utilities, Radio, or Navigational Aids

Each Operator shall strictly ensure that it will not interfere with, interrupt, or disrupt any utilities, radio, or navigation aids that are located on or otherwise serve the Airport. Any and all activities or operations that may potentially interfere with, interrupt, or disrupt any utilities, radios, or navigation aids shall be approved by the Airport prior to such activities or operations being conducted by the Operator, its employees, or agents.

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## **Article 4. Multiple Service Providers**

A multiple services Operator provides any two or more of the aeronautical services for which minimum standards have been herein provided in Article 7.

### **Section 4-1. Aircraft**

The Operator shall comply with the aircraft requirements, including the equipment thereon for each aeronautical service to be performed except that multiple uses can be made of all aircraft owned or under lease by Operator except aircraft used for crop dusting, aerial application, or other commercial use of chemicals.

### **Section 4-2. Facilities**

The Operator shall provide the facilities, equipment and services required to meet the minimum standards as herein provided for each aeronautical service the Operator is performing. However, only one office will be required of each Operator.

### **Section 4-3. Insurance**

An Operator or Tenant shall carry and maintain at its sole cost and expense throughout the term of its lease, permit, or agreement with the City the required types of insurance policies that meets (or exceeds) the specifications contained in the lease, permit, or agreement.

### **Section 4-4. Personnel**

The Operator shall have in his employ, and on duty during designated business hours, trained personnel in such numbers as are required to meet the minimum standards for each aeronautical service the Operator is performing as herein provided. Multiple responsibilities may be assigned to meet the personnel requirements for each aeronautical service being performed by the Operator.



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## **Article 5. Fixed Base Operators (FBOs)**

A Fixed Base Operator (FBO) makes available, at minimum, retail aviation fuel and oil sales, aircraft maintenance and repair, aviation line services, and aircraft storage (as more fully described below). An FBO may also be authorized by the City to offer additional aviation and related services.

The FBO shall not subcontract retail aviation fuel and oil sales or aircraft storage.

An FBO must have sufficient land area for development of a fixed base operation including but not limited to office space, general aviation terminal facilities, a fuel farm, aircraft storage hangars, tie-down facilities, paved apron and auto parking areas.

### **Section 5-1. General Aviation Terminal Facilities**

An FBO must provide a General Aviation Terminal encompassing no less than 5,000 square feet, which includes:

- a. A flight planning area, separate from other public areas, with appropriate seating, work areas, communication facilities, directories and all items necessary for complete flight planning
- b. A pilot lounge
- c. A conference room
- d. Restrooms
- e. A customer waiting area for transition of passengers to ground transportation and vice versa.
- f. Designated office, counter, and/or other space from which to conduct business.

### **Section 5-2. Aircraft Airframe, Engine and Accessory Maintenance and Repair Services**

An FBO shall provide space sufficient to house any aircraft upon which such service is being performed, with paved apron area adjacent to the hangar, suitable for storage of aircraft awaiting services and associated offices and required storage areas in accordance with the requirements of Section 7-2 of the Minimum Requirements. The FBO may subcontract in order to provide the major aircraft maintenance and repair services and maintenance hangar space required of it, provided that such subcontractor(s) are approved by the City and meet the requirements of these Minimum Standards.

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### Section 5-3. Aircraft Storage

An FBO must also provide facilities for safe aircraft storage and towing, hangaring and/or tie-downs of based and transient aircraft, including, at minimum:

- a. Cumulative Common Hangar space totaling no less than 40,000 square feet for corporate or multiple general aviation aircraft. Restroom required.
- b. T-hangar and/or box hangar space totaling no less than 10,000 square feet, which shall accommodate both single and twin-engine piston aircraft.
- c. Tie-down space of 20,000 square feet or for no less than 20 tie-down and transient fixed-wing aircraft.
- d. Tie-down space of no less than 10,000 square feet for tie-down and transient helicopters.
- e. Operator shall also provide restroom(s) for use by its aircraft storage tenants. Restrooms must be located within a reasonable walking distance and in a number adequate to serve the needs of tie-down and hangar tenants. Location and number of restrooms shall be subject to approval by the Airport Director.

### Section 5-4. Fuel Facilities and Services

An FBO must provide facilities and equipment for the safe storage and delivery of aircraft fuel, in quantities adequate to meet the demands of its customers, in accordance with all applicable local, state and federal standards and Article 6 of these Minimum Standards. In this regard, at minimum, an FBO must:

- a. Provide a fixed fuel storage facility (fuel farm) with a capacity of no less than 40,000 gallons, installed by Operator in a location approved by the Director.
- b. Provide a full range of approved retail fuel services, including jet fuel and avgas available 7 days a week, 24 hours a day, by trained and competent employees. The fuel vendor's facility must be open for business during designated hours with on-call availability during non-business hours. FBO may also dispense automotive fuel as necessary for equipment associated with aviation line services.

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- c. Provide a sufficient number of mobile dispensing trucks to accommodate the measurable demands of its customers.
  - d. Provide an adequate inventory of generally accepted grades of aviation fuel and engine oil.
  - e. Provide transient aircraft with a parking area having access to the Airport runway/taxiway systems.
  - f. Provide aircraft parking to transient aircraft, including the availability of minor aircraft maintenance and repair services, which may be provided by other Airport tenants.

Section 5-5. Specific Aviation Line Services

An FBO must provide adequate ground equipment, including ground power and starting equipment, fire extinguishers, oxygen carts, portable compressed air, disabled recovery equipment, aircraft towing equipment, and such other equipment, supplies, and spare parts as may be reasonably required to service all general aviation aircraft. An FBO may also provide catering, window cleaning, lavatory, and baggage handling services. The FBO may subcontract in order to provide the specific aviation line services required of it, provided that such subcontractor(s) are approved by the City and meet the requirements of these Minimum Standards.

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## **Article 6. Aircraft Fuels Operator**

An aircraft fuels Operator provides aviation fuels, lubricants and other services supporting the itinerant and based aircraft operations on the Airport. Aviation fuel sales are vitally important to supporting aircraft Operators, these services are considered essential to aircraft operation and the operation of the Airport.

### Section 6-1. Applicability

These regulations are applicable to any person who sells or otherwise dispenses aircraft fuel at Santa Barbara Airport.

### Section 6-2. Compliance with Applicable Laws and Standards

Operator shall construct and maintain its facilities and shall conduct fueling operations in compliance with all applicable City, state, and federal laws and regulations, whether presently in effect or enacted hereafter. Operator shall also obtain a permit from the Santa Barbara City Fire Department under California Fire Code (CFC) 105.6 and comply with CFC Chapter 20, all current applicable standards of National Fire Protection Association (NFPA) 407, "Standard for Aircraft Fuel Servicing" and Air Transport Association Specification 103, "Standard for Jet Fuel Quality Control at Airports".

### Section 6-3. Inspections

- a. Operator shall not begin fueling operations until the Director has inspected the fueling facilities and equipment and has determined that they comply with the requirements of these regulations.
- b. Operator shall allow the Director and/or appropriate State and City fire and safety officials to enter and inspect its premises at all reasonable hours to ensure compliance with the requirements of these regulations.

### Section 6-4. Training

Operator shall not conduct fueling operations, nor shall Operator allow any other person to conduct such operations on its premises until the Operator has submitted to the Director evidence of the training and safety procedures required as follows:

- a. At least one supervisor from the fueling Operator must complete an aviation fuel training course in fire safety which is acceptable to the Administrator of the FAA.

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- b. All other employees who fuel aircraft, accept fuel shipments, or otherwise handle fuel shall receive at least on the job training in fire safety from the supervisor trained in accordance with Paragraph 1. of this section.
  - c. Each fuel vendor shall provide certification once a year to the Airport Director that the training described in Paragraphs 1. and 2. has been accomplished.

Section 6-5. Fueling Facilities, Equipment, and Operations

- a. **All Fueling Operators.** The following requirements regarding fueling facilities and equipment are applicable to all Fueling Operators:
  - 1. For each type of fuel dispensed, Operator shall have separate, filter-equipped dispensing pumps and meters and monitoring equipment for leak detection.
  - 2. If Operator uses mobile dispensing trucks, the Operator shall have at least one tank on the truck or trucks for the exclusive storage of each type of fuel available. Non-operational and out-of-service mobile fuel dispensers shall be promptly removed from the Airport. Self-fueling Operators are prohibited from using trucks for dispensing of fuel without prior written approval of the Director.
  - 3. Operator shall obtain the written approval of the Director prior to construction or installation of any improvement on Operator's leased premises.
  - 4. Operator shall maintain all fueling facilities in a safe and clean condition, equal in appearance and character to other similar Airport improvements.
  - 5. Operator shall promptly repair any damage caused by Operator, Operator's employees, agents, patrons and guests.
  - 6. Upon written notice Operator shall perform any reasonable facility maintenance the Director determines is necessary. If Operator fails to undertake such maintenance within ten (10) days of receipt of written notice, the Director may perform the maintenance and/or revoke or suspend the fueling operations. If maintenance is performed by the Santa Barbara Airport, the Operator shall reimburse the Airport through the Director, for the cost of the maintenance performed.

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7. **Public Protection.** No person may dispense Class I flammable liquid fuel directly into the supply tanks on motor vehicles or aircraft unless the dispensing site is inaccessible to the general public.

8. **Fire Safety in Fuel Farm Storage Areas.** The Operator of premises where a bulk fuel storage plant for flammable or combustible liquids is located shall:

1. Prohibit the handling, drawing, or dispensing of flammable or combustible liquids within 100 feet of an ignition source.
2. Prohibit smoking within 100 feet of areas where flammable or combustible liquids are used.

b. **Self-Service Fueling Operators.** The following additional requirements regarding fueling facilities and equipment are applicable solely to Self-Service Fueling Operators:

1. Provide a fixed fuel storage facility (fuel farm) with a capacity no greater than 10,000 gallons, installed by Operator in a location approved by the Director.
2. The Self-Service Fueling Operator shall provide approved retail fuel, available 7 days a week, 24 hours a day.
3. The Self-Service Fueling Operator may provide transient aircraft with an ingress/egress area having access to the Airport runway/taxiway systems for the explicit purpose of refueling at the self-service fueling facility.
4. The Self-Service Fueling Operator may provide generally accepted grades of engine oil and lubricants.

c. **Self-Fueling Operators.** The following additional requirements regarding fueling facilities and equipment are applicable solely to Self-Fueling Operators:

1. Provide a fuel storage facility or equipment with a capacity no greater than 10,000 gallons, located or stored by Operator in a location approved by the Director.
2. A Self-Fueling Operator shall have adequate aircraft storage with service and parking area having access to the Airport

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runway/taxiway system to satisfy the number of aircraft owned by Operator or leased for Operator's exclusive use.

3. Self-Fueling Operators shall not dispense aircraft fuel to another Airport user. Dispensing aircraft fuel under the authority of this permit is limited to Operator's own use in aircraft owned by Operator or leased for Operator's exclusive use.
4. A Self-Fueling Operator may conduct fueling operations only on those premises leased to the Operator by the Santa Barbara Airport or by a Tenant of the Santa Barbara Airport in the area designated in the Fueling Agreement.
5. A Self-Fueling Operator shall submit to the Director a report of fuel dispensed by aircraft registration number. An application for Self-Fueling Operator shall include the registration numbers of all owned or leased aircraft to be fueled.

Section 6-6. Records and Monthly Reports

- a. Operator shall keep and maintain on the Premises full, complete and appropriate books, records and accounts relating to the Premises, the delivery of fuel to the Premises, all fuel dispensed, and the proper calculation of rent and fees due the City hereunder.
- b. Operator shall maintain and keep all books, records and accounts relating, in City's reasonable judgment, to Operator's compliance with the terms, provisions, covenants and conditions of the Lease in accordance with generally accepted accounting principles consistently applied. If, at any time during the term hereof, said books, records and accounts are deemed inadequate or incomplete in the reasonable judgment of the City, Operator shall, upon the request of the City, revise, adjust, complete, procure and maintain such books, records and accounts so that thereafter they shall be of a character and form adequate for said purposes in City's reasonable judgment.
- c. Operator shall make available upon reasonable written notice from City, at all times during normal business hours, for inspection by City, its auditors or other authorized representatives all such books, records and accounts. Upon reasonable written notice, copies of all sales, other excise tax reports and Internal Revenue tax reports or any other reports that Operator may be required to furnish any governmental agency shall at all reasonable times be open for inspection by City at the place that the books, records and accounts of Operator are kept. Operator shall preserve all such business



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records for a period of five (5) years from the date of the preparation of such records and the submission of each annual statement.

- d. Operator shall, each month, submit to the Director a complete report of all fuel delivered and dispensed, in a form approved by the City.

Section 6-7. Audits

Operator shall allow its records of fueling operations to be audited at any time, either by a field accountant of the City of Santa Barbara Finance Department or by an independent certified public accountant selected by the City.

Section 6-8. Assignment and Transfer Prohibited

A fueling operations agreement is not assignable or transferable.

Section 6-9. Revocation or Suspension of Operations

The Director may revoke or suspend fueling operations if it is determined that:

- a. The Operator has violated any provision of these regulations and has not made needed corrections in a timely manner as directed by the Director;
- b. The Operator has given false or misleading information to the Director during the application process;
- c. The Operator has intentionally or knowingly impeded a lawful inspection by the Director or other person authorized to inspect the fueling operations of the Operator; or
- d. The Operator has, within a twelve (12) month period, committed two or more violations of these regulations and has failed to make needed corrections in a timely manner as directed by the Director.

The Director shall send to the Operator by certified mail, return receipt requested, a written statement setting forth the reasons for the revocation or suspension.

In case of an emergency, the Director may order the Operator to correct the violation immediately, discontinue use of the product or equipment, or to cease fueling operations to the extent the Director, at its sole discretion, determines is necessary to abate the threat unless the violation is corrected. For purposes of this Section, an emergency shall be deemed to exist if the Director determines that a violation or situation has occurred which constitutes an imminent and serious threat to the public health and safety, or to the environment.

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#### Section 6-10. Fuel Spill Procedures

Fuel operators shall make the following provisions to prevent or minimize the risk of fire hazard, property damage and/or environmental contamination due to the spillage of a hazardous liquid (jet fuel, avgas, oils, solvents, etc.) during aircraft servicing operations. Fuel operators shall follow the procedures set forth in CFC Section 2006.11, Fuel Spill Prevention and Procedures. The specific fire safety and hazardous spill cleanup procedures outlined in NFPA 407 shall also serve as a primary guideline for fueling Operators in regard to fuel spill disposition.

- a. In the event of a fuel spill the fueling Operator should contact 911 to coordinate hazardous materials and fire fighting assistance.
- b. Fuel spill cleanup is the responsibility of the fueling Operator. Fueling Operators are required to develop a fuel spill cleanup plan which minimizes the possibility of ignition of spilled flammable fuel and which prevents the introduction of fuels into the stormwater or sewer systems. Fueling Operators are required to have a current fuel spill plan on file in the office of the Airport Director, at all times. Equipment and material to support the fuel spill plan must be available on-site at each fueling facility.
- c. Fueling Operators are required to train fuel service employees with regard to the following:
  - 1. Proper procedure and fire hazards associated with fuel spill cleanup. Training should include appropriate notification, fuel spill containment environmental contamination, EPA notification requirements, Airport ARFF response and standards of post spill cleanliness.
  - 2. Proper procedures for preventing fuel from flowing into storm drains, sanitary sewer drains or into airfield grass areas. Fuel service employees are requested to allow at least 50 feet of ramp separation, if possible, between fueling operations and storm drains to facilitate fuel spill containment.
  - 3. The procedure concerning proper storage, length of storage and appropriate disposal of contaminated absorbent material.
- d. Fueling Operators are required to maintain all fuel service equipment and vehicles in safe working condition.
- e. HAZMAT and/or fire fighting are required to standby at the scene of the spill in the interest of fire safety until the reasonable possibility

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of a fire emergency has been eliminated. In the event of a fire emergency, fuel service employees shall respond to all instructions from emergency personnel regarding safety and/or controlling the emergency.

- f. Uncontrolled fuel spill situations will be handled by the Santa Barbara County Fire Department Hazardous Materials Response Team. All costs incurred by the Fire Department or other agencies will be charged to the fueling Operator responsible for the spill.
- g. Whenever cleanup of a fuel spill is contracted out to a commercial spill contractor, it is the responsibility of the fueling Operator to ensure that appropriate Regional Water Quality Control and Environmental Protection Agency regulations concerning contaminated soil and/or ground-water cleanup standards have been met.
- h. Fueling Operators are required to report all fuel spills in excess of 10 feet in any direction or covering an area of 50 square feet to the fire department.
- i. Fueling Operators are encouraged to organize mutual assistance agreements between the fueling Operators located on Santa Barbara Airport in regard to providing spill cleanup assistance to handle large spills. Airport Department Maintenance personnel may be available to assist in controlling an unchecked or expanding spill.
- j. The Fire Department and Airport Operations are responsible for gathering all pertinent information concerning the origin and facts surrounding fuel spills. Airport Operations is responsible for recording all spill incidents to monitor trends and fuel service histories of all fueling Operators. The Airport Director is responsible for maintaining the above information concerning spills at the Airport. Every fuel spill shall be investigated by the Airport Department to determine the cause and required corrective measures.

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## **Article 7. Specialized Aviation Service Operator**

The Specialized Aviation Service Operator (SASO) shall engage in one or more of those commercial aviation activities described in this Section as stated in the appropriate Commercial Operating Permit. The Specialized Aviation Service Operator cannot subcontract these activities. The SASO may use third party providers to provide services identified in Article 7, provided the third party provider operates from the SASO's premises. Additionally, SASO is fully responsible for assuring third party operator's compliance with Airport rules and regulations.

### **Section 7-1. Aircraft Storage**

An aircraft storage Operator engages in the rental of conventional hangars, T-hangars, or paved tie down area.

#### **Minimum Standards**

a. **Inside Storage.**

1. The conventional hangar Operator shall have his facilities available for the tenants aircraft removal and storage twenty-four hours per day, seven days a week, fifty-two weeks per year.
2. The Operator shall demonstrate that it can provide sufficient personnel trained to meet all requirements for the storage of aircraft with appropriate equipment.
3. The Operator may have an office in the storage building. If no office is maintained, the Operator shall post in conspicuous places on the hangar facilities the name, address and telephone number of the Operator and of the person who shall be managing or operating the hangar facilities.

b. **Outside Storage**

The Operator must have a lease to conduct one or more additional Operator services listed in this section, and provide suitable space for paved tie-down area of sufficient size to accommodate all aircraft used by the Operator in its operations and all aircraft that will be parked or stored by the Operator.

c. **Private, Non-Commercial Hangars**

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An applicant may request a leasehold upon which to build and use private non-commercial hangars.

1. The hangars shall be used only for those purposes, which are specified for aircraft storage hangars in the City of Santa Barbara Municipal Code.
2. All aircraft which are stored in the hangars shall be owned by the tenant or one of the following persons associated with the tenant, if the tenant is a non-natural person:
  - (a) A person who is a general partner of a tenant, which is a partnership.
  - (b) A person who is manager of a tenant which is a limited liability company, or if there is no designated manager, a member of such tenant.
  - (c) The president of a tenant, which is a corporation.
  - (d) The chief executive officer of any other legal entity, which is a tenant
3. The tenant shall not sublease any hangar or make any partial assignment of its leasehold interest. Any assignment of all of the tenant's leasehold interest shall be subject to the approval of the Airport Director.
4. Tenant shall carry and maintain at its sole cost and expense throughout the term of its lease, permit, or agreement with the City the required types of insurance policies that meets (or exceeds) the specifications contained in the lease, permit, or agreement.

*Section 7-2. Aircraft, Airframe, Engine and Accessory Maintenance and Repair*

An aircraft airframe, engine and accessory maintenance and repair Operator provides one or a combination of airframe, engine and accessory overhauls and repair services on aircraft up to and may include business jet aircraft and helicopters. This category shall also include the sale of aircraft parts and accessories.

**Minimum Standards**

- a. **FAA Certification.** An aircraft airframe, engine and accessory maintenance and repair Operator must operate as an FAA

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approved repair station (FAR Part 145) or as an FAA Licensed A & P or Inspection Authorization (FAR Part 65) and in accordance with all requirements for FAA certification.

- b. **Personnel.** The Operator shall have in his employ, and on duty during the designated business hours, trained personnel in such numbers as are required to meet the minimum standards set forth in this category of services in an efficient manner, but never less than one person currently certificated by the FAA with ratings appropriate to the work being performed and who holds an airframe, power plant or an aircraft inspector rating.
- c. **Other Requirements.** Except as otherwise provided in any agreement between the Operator and the City, an Operator offering aircraft engine, airframe and accessory sales, maintenance and repair facilities to the public shall provide:
  - 1. In case of airframe and/or engine repairs, sufficient hangar space to house the type of aircraft upon which such service is being performed, except when emergency unscheduled maintenance is required.
  - 2. Suitable storage space for aircraft awaiting repair, maintenance, or delivery.
  - 3. Adequate enclosed shop space to house the equipment and adequate tools, jacks, lifts, and testing equipment to perform overhauls as required for FAA certification and repair of parts not needing replacement on common single engine and light multi-engine general aviation aircraft, and supporting technical documents.
  - 4. Sufficient FAA certified mechanics with inspection authority for the work to be performed, with established business hours and on-call availability.
  - 5. Ability to provide necessary equipment and personnel to promptly remove from the public landing area (as soon as permitted by FAA, NTSB, and other authorities) disabled aircraft.
  - 6. Adequate provisions for the removal/disposal of solutions, cleaning agents, lubricants and other wastes in compliance with Federal, State and County regulations.

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7. Any facilities utilized for washing and cleaning aircraft shall comply with the Santa Barbara Airport Stormwater Pollution Prevention Plan, as approved by the State of California Water Resources Control Board, and the terms of any other applicable laws, rules and regulations relating to storm water discharge.
  8. A written plan for adhering to all safety and environmental requirements.

Section 7-3. Avionics, Instrument, Propeller and/or Accessory Repair Station

An avionics, instrument, propeller, or accessory repair station Operator engages in the business of, and provides a facility for, the repair of aircraft avionics, propellers, instruments, and accessories for general aviation aircraft. This category may include the sale of new or used aircraft avionics, propellers, instruments, and accessories. The Operator shall hold the appropriate repair shop certificates issued by FAA for the types of equipment the Operator plans to service and/or install.

**Minimum Standards**

- a. **Personnel.** The Operator shall have in his employ and on duty during the designated business hours trained personnel in such numbers as are required to meet the minimum standards set forth in this category in an efficient manner but never less than one person who is an FAA rated radio, instrument, propeller or accessory repairman.
- b. **Other Requirements.** Except as otherwise provided in any agreement between the Operator and the Airport, an Avionics, Instrument, Propeller, and/or Accessory Repair Operator offering services to the public shall:
  1. Provide adequate space to be used for shop, storage and test equipment.
  2. Have available during designated business hours an FAA (Part 145) appropriately certified technician in the field of aircraft electronics and/or aircraft instruments.
  3. Lease sufficient space or provide satisfactory arrangements for access to and storage of aircraft on which work is being performed.



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#### Section 7-4. Flight Training

A flight training Operator engages in instructing pilots in dual and solo flight training, in fixed and/or rotary wing aircraft, and provides such related ground school instruction as is necessary to take a knowledge examination and flight check ride for the category or categories of pilots' certificates and ratings involved.

##### **Minimum Standards**

- a. **Aircraft.** The Operator shall have available for use in flight training, either owned or under written Lease-Back to Operator, properly certificated airworthy aircraft.
- b. **Personnel.** The Operator shall have on a full-time basis at least one flight instructor who has been properly certificated by the FAA to provide the type of training offered.
- c. **Other Requirements.** Except as otherwise provided in any agreement between the Operator and the City, an Operator conducting flight training activities shall provide:
  1. Training aircraft that:
    - (a) Have a minimum of two seats
    - (b) Are maintained in accordance with Federal Aviation Regulations
    - (c) Are kept in a clean and presentable manner
    - (d) Are available for training and rental
  2. Adequate office and classroom space, separate from public areas.
  3. Adequate instructional aids necessary to provide proper ground school instruction.
  4. Current certificates required by the FAA for flight instruction.
  5. Adequate facilities or arrangements for storing, parking, servicing, and repairing all its aircraft.
  6. Auto parking for customers and employees.

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### Section 7-5. Aircraft Lease and Rental

An aircraft lease or rental Operator engages in the rental or lease of aircraft to the public.

#### **Minimum Standards**

- a. **Aircraft.** The Operator shall have available for rental, either owned or under written lease to Operator, certified and currently airworthy aircraft.
- b. **Other Requirements.** Except as otherwise provided in any agreement between the Operator and the City, an Operator conducting aircraft rental activity shall provide:
  1. Suitable office space at the Airport for consummating rentals and keeping proper records in connection therewith.
  2. Airworthy aircraft suitably maintained and certificated.
  3. Adequate facilities for servicing the aircraft.
  4. Adequate arrangements for parking the aircraft being rented.
  5. An adequate supply of properly located fire extinguishers and other precautions and/or equipment required by City fire codes.
  6. Auto parking for customers and employees.

### Section 7-6. Aircraft Sales

**New Aircraft Sales.** An aircraft sales Operator engages in the sale of new aircraft through franchises or licensed dealership (if required by local, county or state authority) or distributorship (either on a retail or wholesale basis) of an aircraft manufacturer or used aircraft; and makes available such repair, services, and parts as necessary to meet any guarantee or warranty on aircraft sold.

**Used Aircraft Sales and Brokerage.** Many companies engage in the purchasing and selling of used aircraft. This is accomplished through various methods including matching potential purchasers with an aircraft, assisting a customer in the sale of an aircraft, or purchasing used aircraft and marketing them to potential purchasers. In many cases these Operators also makes available such repair, services, and parts as necessary to support the operation of aircraft sold. Some requirements may not be appropriate to the sale of used aircraft because of each aircraft's unique operational history.

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**Personal Aircraft Sales.** Nothing contained herein shall prohibit any person from selling such person's own aircraft.

**Minimum Standards**

- a. **Repair and Inventory.** The Operator shall make available necessary and satisfactory arrangements for repair and servicing of aircraft, but only for the duration of any sales guarantee or warranty period. The Operator shall provide an adequate inventory of spare parts for the type of new aircraft for which sales privileges are granted. The Operator who is engaged in the business of selling new aircraft shall have available a representative example of the product.
- b. **Personnel.** The Operator shall have in his employ, and on duty during designated business hours, trained personnel in such numbers as are required to meet the minimum standards set forth in an efficient manner. The Operator shall also maintain, during designated business hours, a responsible person in charge to supervise the operations in the leased area with the authorization to represent and act for and on behalf of the Operator, and pilot in control for aircraft sold.
- c. **Other Requirements.** The Operator shall provide the office required by these regulations and standards and shall lease from the Airport or applicable FBO an area of sufficient size to permit the storage and/or display of all aircraft for sale or use in the aircraft sales business. All inventory must be insured with liability coverage acceptable to the City.

**Section 7-7. Aircraft Charter and Air Taxi**

An unscheduled air charter or air taxi Operator engages in the business of providing air transportation (persons or property) to the general public for hire, on an unscheduled basis, under Federal Aviation Regulations.

**Minimum Standards**

- a. **Aircraft.** The Operator shall provide, either owned or under written lease, the type, class, size and number of aircraft intended to be used by Operator, and which meet the requirements of the air taxi commercial operator certificate held by the Operator, including instrument operations.

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- b. **Personnel.** The Operator shall have available during designated business hours trained personnel in such numbers as are required to meet the minimum standards set forth in this category in an efficient manner but never less than one person who is an FAA certified commercial pilot and otherwise appropriately rated to permit the flight activity offered by Operator.
  - c. **Other Requirements.** Except as otherwise provided in any agreement between the Operator and the Authority, an Operator conducting aircraft charter and/or air taxi service shall make available:
    - 1. Passenger lounge, rest rooms, and telephone facilities.
    - 2. Aircraft that meet exclusive use requirements as defined in FAA Regulations.
    - 3. At least one pilot available during on demand business hours, fully current under FAA Regulations and in compliance with all laws and procedures.
    - 4. Auto parking for customers and employees.

#### Section 7-8. Aircraft Management Services

An aircraft management services operator means a person performing one of more of the following services in the management of another person's aircraft: pilot, staffing, records management, and other aircraft-related services detailed in any other sections contained herein. Aircraft management also encompasses the exercise of the privilege of FAR Part 91.501 on behalf of the owner (including fractional ownership such as time sharing, interchange agreements, and joint ownership) and brokerage of a qualified aircraft through an FAR Part 135 operator to the general public. Aircraft Management Services as defined in this Section 9-8. does not include the control of or operation of aircraft under FAR Part 135.

Part 91.501 Activities Include:

- a. Ferry or Training Flights
- b. Aerial work operations including photography, surveys, or pipeline patrol, excluding fire fighting
- c. Demonstration flights for prospective customers at no charge other than those allowed in FAR Part 91.501(d)

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- d. Personal transportation for the operator and guests, at no charge
  - e. Carriage of company officials and guests, at no charge
  - f. Carriage of company officials under a time-share, interchange or joint ownership agreement
  - g. Carriage of property incidental to the business of the owner, when no charge is assessed other than those allowed in FAR Part 91.501(d)
  - h. Carriage of an athletic team, sports group, choral group, or similar group with a common purpose when no charge is assessed
  - i. Carriage of persons in the furtherance of business other than transportation by air, at no charge

### **Minimum Standards**

The Aircraft Management Services operator will insure that pilots are appropriately licensed and certified for the managed aircraft.

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## Article 8. Independent Operators

An Independent Operator is an individual or entity that provides commercial aeronautical services but does not operate out of owned or leased property on the Airport. This category may include independent flight instructors providing instruction in the owner's aircraft and aircraft detailers or washers.

Each Independent Operator is required to obtain an annual Airport Operating Activity Permit from the City, and must provide copies of a City of Santa Barbara Business License. Each Independent Operator shall carry and maintain at its sole cost and expense throughout the term of its permit or agreement with the City the required types of insurance policies that meets (or exceeds) the specifications contained in the permit or agreement. The Independent Operator, if an entity, shall provide the Airport and keep current, the names, addresses, and contacts of all personnel responsible for the operation and management of the Independent Operator.

### Section 8.1. Minimum Standards- Independent Flight Instruction

- a. **Personnel.** The Independent Flight Instructor shall have the proper FAA certificates to conduct flight instruction.
- b. **Other Requirements.** Prior to conducting business in specific areas of the Airport, the Independent Flight Instructor shall provide the City with written evidence of permission to operate from the premises of a Lessee. For a City-managed T-hangar or Tie-down, the Independent Flight Instructor shall provide the City with written evidence of a request for services from a Licensee.

Ground School may only occur in the premises of a Lessee authorized by the Airport to provide flight instruction *or* outside of the AOA.

### Section 8.2. Minimum Standards- Independent Aircraft Detailer or Washer

- a. Aircraft detailing and washing shall be conducted only in designated areas.
- b. Independent Aircraft Detailer or Washer must contain all water and associated discharge from washing activities. All such effluent shall be recycled or removed from the Airport, and meet all applicable Airport, County, State, and federal clean water regulations.
- c. Prior to conducting business in specific areas of the Airport, the Independent Aircraft Detailer or Washer shall provide the City with written evidence of permission to operate from the premises of a Lessee. For a City-managed T-hangar for Tie-down, the

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Independent Aircraft Detailer or Washer shall provide the City with written evidence of a request for services from a Licensee.

*Section 8.3. Temporary Independent Operator*

The Airport recognizes that aircraft owners and operators may, from time to time, have specialized aviation flight instruction or aircraft detailer or washer requirements. When these services are required, but not available at the Airport through an existing Commercial Operator due to the specialized nature and/or existing Commercial Operators are unable to provide the services within a reasonable timeframe, the Airport may allow the aircraft owner or operator to solicit and utilize a qualified and experienced entity to provide the services.

The aircraft owner or operator must initialize the process by informing the Airport Director of the need for the specialized services, the timeframe for provision of the services, and the Independent Operator to perform such services. The Temporary Independent Operator should obtain an Airport Operating Activity Permit for a specific period of time (typically no more than 30 days), and limit the service provided to the entity, area, and time period identified in the Permit.

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## Article 9. Specialized Commercial Flying Services

A specialized commercial flying services Operator engages in air transportation for hire for the purpose of providing the use of aircraft for the activities listed below:

- Non-stop sightseeing flights that begin and end at the Airport
- Crop dusting, seeding, spraying, and bird chasing
- Banner towing and aerial advertising
- Fire fighting
- Any other operations not specifically addressed by FAA Regulations, and not otherwise addressed in this document

### Minimum Standards

- Permit, License or Lease.** The Operator shall obtain from the City, or an authorized Leaseholder, a permit, license or lease to conduct the operations of it's specialized commercial flying service(s).
- Facilities.** The Operator must procure facilities sufficient to accommodate all activities and operations proposed by the Operator. The minimum areas in each instance shall be subject to the approval of the Director. In the case of crop dusting or aerial application, the Operator shall make suitable arrangements and have such space available for safe loading, unloading, storage and containment of chemical materials.
- Aircraft.** All Operators shall demonstrate that they have the availability of aircraft suitably equipped for the particular type of operation they intend to perform.
- Personnel.** The Operator shall have in it's employ, and make available during designated business hours, trained personnel in such numbers as may be required to meet the minimum standards herein set forth in an efficient manner.
- Point of Contact.** The Operator must provide, by means of an office or a telephone, a point of contact for the public desiring to utilize Operator's services.



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## Article 10. Non-Commercial Activities

### Section 10-1. Flying Clubs

- a. **Definition.** FAA defines a flying club as a nonprofit or not-for-profit entity (e.g., corporation, association, or partnership) organized for the express purpose of providing its members with aircraft for their personal use and enjoyment only.
- b. **General.** The ownership of the club aircraft must be vested in the name of the flying club or owned by all its members. The property rights of the members of the club shall be equal; no part of the net earnings of the club will inure to the benefit of any individual in any form, including salaries, bonuses, etc. The flying club may not derive greater revenue from the use of its aircraft than the amount needed for the operation, maintenance and replacement of its aircraft.
- c. **Policies.**
  - 1. All flying clubs desiring to base their aircraft and operate at the Airport must comply with the applicable provisions of airport specific standards or requirements. However, flying clubs will not be subject to commercial FBO requirements provided the flying club fulfills the conditions contained in the stated Airport standards or requirements satisfactorily.
  - 2. Flying clubs may not offer or conduct charter, air taxi, or aircraft rental operations. They may conduct aircraft flight instruction for regular members only, and only members of the flying club may operate the aircraft.
  - 3. A flying club may permit its aircraft to be used for flight instruction in a club-owned aircraft as long as both the instructor providing instruction and person receiving instruction are members of the club owning the aircraft, or when the instruction is given by a Commercial Operator who provides flight training and the person receiving the training is a member of the flying club. In either circumstance, a flight instructor may receive monetary compensation for instruction or may be compensated by credit against payment of dues or flight time; however that individual may not receive both compensation and waived or discounted dues or flight time concurrently.
  - 4. A qualified mechanic who is a registered member and part owner of the aircraft owned and operated by a flying club may perform maintenance work on aircraft owned by the club. The mechanic may receive monetary compensation for

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such maintenance work or may be compensated by credit against payment of dues or flight time; however that individual may not receive both compensation and waived or discounted dues or flight time concurrently. For maintenance other than preventive maintenance, a flying club shall comply with Sections 7.2(a), 7.2(c)1, 7.2(c)3, and 7.2(c)6 of the Minimum Standards.

5. All flying clubs and their members are prohibited from leasing or selling any goods or services whatsoever to any person or firm other than a member of such club at the airport, except that said flying club may sell or exchange its capital equipment.
  6. A flying club at any airport shall comply with all federal, state, and local laws, ordinances, regulations and the rules and regulations of the Airport.
  7. The flying club, with its initial application, and annually thereafter, shall furnish the City a copy of its charter and by-laws, articles of association, partnership agreement or other documentation supporting its existence; a roster, or list of members, including names of officers and directors; evidence of insurance; number and type of aircraft; evidence that ownership of the club aircraft is vested in the name of the flying club or owned by all its members; and operating rules of the club. The books and other records of the club shall be available for review at any reasonable time by the City and Airport Director.
  8. Flying Clubs may not hold themselves out to the public as fixed based operators, a specialized aviation service operation, maintenance facility or a flight school and are prohibited from advertisements as such or be required to comply with the appropriate Airport minimum standards.
  9. Flying Clubs may not indicate in any form of marketing and/or communications that they are a flight school, and Flying Clubs must not indicate in any form of marketing and/or communications that they are a business where people can learn to fly.
  10. Flying club shall carry and maintain at its sole cost and expense throughout the term of its lease, permit, or agreement with the City the required types of insurance policies that meets (or exceeds) the specifications contained in the lease, permit, or agreement.
- d. **Violations.** A flying club that violates the requirements for a flying club – or that permits one or more members to do so – may be required to terminate all operations as a flying club at the Airport. In the event the club fails to comply with these conditions, the City will notify the club in writing of such violations. The club shall have

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fourteen days to correct such violations. If the club fails to correct the violations, the City may demand the club's removal from the Airport.