

Request for Proposals

**COMMERCIAL
AERONAUTICAL LAND FOR LEASE
(HANGAR DEVELOPMENT)**



**Felts Field Airport
Spokane, Washington**

**Pre-Proposal Tele-Conference To Be Held On
Tuesday, April 21, 2020 at 10:00 a.m.
via
Secured Zoom Conference**

*If you would like to attend this voluntary pre-proposal virtual conference, please email your request by 8:00 a.m. on Tuesday, April 21, 2020 to:

cboatman@spokaneairports.net

You will be provided, via email, a password and login information for the secured meeting.

Issued By:

Spokane Airport Board
9000 W. Airport Drive, Suite 204
Spokane, WA 99224

April 8, 2020



INTRODUCTION AND GENERAL INFORMATION

The Spokane Airport Board (hereinafter “Board”) is issuing this Request for Proposals (“RFP”) for qualified parties (“Proposers”) interested in leasing property for the development of a hangar for commercial aeronautical activity at Felts Field Airport.

This document outlines the prerequisites, selection process and documentation necessary to submit a proposal for the lease of the designated property. Negligence or omission on the part of the Proposer in preparing any portion of the proposal confers no right to withdraw or make changes, additions, or deletions to the proposal after the proposal submission deadline.

0.0 GENERAL REQUIREMENTS

0.1. **Sealed Proposals:** Sealed proposals, one (1) original (un-bound, marked “ORIGINAL”), five (5) copies and one (1) copy in acrobat/pdf format, shall be submitted **by 2:00 p.m. on Thursday, May 28, 2020, and delivered to:**

Spokane International Airport
“Request for Proposals – Commercial Aeronautical Land for Lease – Bldg. 14 Site.”
9000 West Airport Drive, Suite 204
Spokane, Washington 99224

Any proposal received after 2:00 p.m., Thursday, May 28, 2020, shall be deemed late and non-responsive and shall be returned unopened to the Proposer.

All proposals will be date and time stamped upon receipt by Airport staff. All documents must be submitted in a sealed envelope that is clearly marked: “Request for Proposals – Commercial Aeronautical Land for Lease – Bldg. 14 Site”. It will be the sole responsibility of Proposers to ensure proposals are delivered to Spokane International Airport by the appointed date and time. The Board will not be liable for delays in delivery of proposals due to handling by the U.S. Postal Service, courier services, overnight carriers, or any other type of delivery service. Late proposals will be returned to the Proposer unopened. All responsive proposals become the property of the Board and must be provided without cost to the Board.

There will be no “formal” proposal opening for this RFP. Proposals will be opened and evaluated, after the published proposal.

Further, each Proposer agrees that all information, data, documentation and material submitted or provided by the Proposer shall become the property of the Board and will not be returned to the Proposer. All information, data, documentation and material submitted shall be considered public information and will be made available for inspection in accordance with Chapter 42.56 RCW. Any proprietary information, data, documentation and material that the Proposer wishes to remain confidential (to the extent allowed under the laws of the State of Washington) should be clearly identified as such in the proposal and the Proposer must provide justification for such a request.

The Board reserves the right to reject any and all proposals, to waive minor informalities and irregularities in the proposal submission process, to request additional information and data from any or all proposers, to supplement, amend or otherwise modify the RFP prior to the closing date and



time, to cancel this request with or without the substitution of another RFP, to reissue the RFP, or to accept a proposal which is considered to be in the best interest of the Board.

Upon selection of a successful Proposer (hereafter referred to as “Operator”), the Agreement to be executed shall be in the form of the attached Sample Commercial Aeronautical Lease and Operating Agreement (Exhibit C) within five (5) business days of notification of Award of Agreement. This RFP, any addenda thereto and the successful Proposer’s proposal shall be incorporated in and become a part of the final Commercial Aeronautical Lease and Operating Agreement (hereinafter “Agreement”). Failure to execute the Agreement within the allotted time frame, without reasonable justification as determined solely by the Airport, shall amount to a forfeiture of Award of Agreement, and the next highest ranking Proposer may be awarded the Lease.

By submittal of a proposal pursuant to this RFP, the Proposer certifies that no fee or commission, or any other thing of value, has been paid or agreed to be paid to any employee, agent, representative or official in order to procure the Agreement described in this RFP.

By submitting a proposal, each Proposer agrees that the proposal represents a firm offer to the Board and that such offer shall remain open for acceptance until the Agreement is executed by the Board or for a period of no less than ninety (90) days from the date submitted, whichever occurs first.

Written proposals must include sufficient information to evaluate the following criteria:

- Proposer’s commitment to complete construction within the specified timeline
- Evidence of financial stability
- Proposer’s use of property – proposed Commercial Aeronautical Activity
- Ability to satisfactorily comply with the Minimum Standards for Commercial Aeronautical Activities and Aircraft Fueling on Felts Field Airport (Minimum Standards) (Exhibit D) and the Felts Field Covenants, Conditions & Restrictions (CC&R’s) (Exhibit E)
- Proposed fee(s) as provided by Proposer
- Ability of Proposer to meet Airport’s minimum insurance requirements

0.2 Withdrawal of Proposal: No proposal may be withdrawn after it has been submitted to the Board unless the Proposer makes a request for withdrawal in writing and the request is received by the Board prior to the proposal submission deadline (2:00 p.m., Thursday, May 28, 2020). No proposal may be withdrawn after the proposal submission deadline (2:00 p.m., Thursday, May 28, 2020).

0.3 Equal Employment Opportunity: Spokane Airport is an Equal Employment Opportunity (EEO) organization, which does not discriminate on the basis of race, religion, color, sex, age, marital status, national origin, sexual orientation, or the presence of any sensory, mental or physical disability in consideration of a contract award. The successful Proposer will be required to comply with all federal, state, and local laws and regulations.

0.4 Prohibition Against Lobbying: The Proposer shall not lobby, either on an individual or collective basis, the Board (its associated City and County employees, or outside advisors) or any federal, state, or local elected or public officials or staff regarding this RFP or its written proposal.



Proposers, the Proposer’s acquaintances, friends, family, outside advisors, agents, or other representatives shall not contact the Board (its associated City and County employees, or outside advisors) or any federal, state, or local elected or public officials or Airport staff to arrange meetings, visits, or presentations to influence the outcome of the selection process. Violation of this provision, by or on behalf of a Proposer, intentionally or unintentionally, will result in disqualification of the Proposer and/or rejection of a written proposal.

0.5 Solicitation Schedule: The following schedule has been established for this selection process:

<u>Scheduled Item</u>	<u>Scheduled Date</u>
Advertised	Wednesday, April 8, 2020; Sunday, April 12, 2020; Wednesday, April 15, 2020; Sunday, April 19, 2020; Wednesday, April 22, 2020; Sunday, April 26, 2020; Wednesday, April 29, 2020
RFP posted on Airport website (www.spokaneairports.net)	Wednesday, April 8, 2020
Tele-con Pre-Proposal Meeting	Tuesday, April 21, 2020 (10:00 a.m.)
Question/clarification deadline	Thursday, April 30, 2020 (2:00 p.m.)
Final addenda (if any) posted on Airport website	Wednesday, May 6, 2020 (2:00 p.m.)
Response deadline	Thursday, May 28, 2020, (2:00 p.m.) Main Terminal, Suite 204, Administration
Recommendation to the Board Finance Committee	Wednesday, June 10, 2020
Successful Proposer’s Execution of Agreement	Monday, June 15, 2020 (12:00 noon)
Agreement Approved by Board	Thursday, June 18, 2020

0.6 Pre-Proposal Conference The Airport will conduct a Pre-Proposal Virtual Conference on Tuesday, April 21, 2020 at 10:00 a.m. Attendance is not mandatory. The objective of the pre-proposal meeting is to explain the details of the solicitation documents to interested Proposers and to clarify the technical and procurement aspects of the solicitation documents. All questions shall be



submitted to the Airport no later than Thursday, April 30, 2020 at 2:00 p.m. A final addendum will be issued as detailed herein.

Pre-Proposal Conference information:

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Tuesday, April 21, 2020 at 10:00 a.m.
via
Secured Zoom Conference**

*If you would like to attend this voluntary pre-proposal virtual conference, please email your request by 8:00 a.m. on Tuesday, April 21, 2020 to:
cboatman@spokaneairports.net

You will be provided, via email, a password and login information for the secured meeting.

0.7 Questions, Inquiries and Airport Contact: The Board is committed to providing all interested parties with accurate and consistent information in order to ensure that no Proposer obtains an undue competitive advantage. To this end, from the date of this RFP through award of the Agreement, the sole Airport Contact for this RFP is:

Casey Boatman, Manager of Properties & Contracts
9000 West Airport Drive, Suite 204
Spokane, Washington 99224
(509) 455-6473
E-mail: cboatman@spokaneairports.net

All questions from Proposers must be submitted in writing, electronically, to cboatman@spokaneairports.net no later than 2:00 pm., Thursday, April 30, 2020. Any contact with any person besides the Airport Contact for this RFP is grounds for immediate disqualification as described in Section 5. DISQUALIFICATION OF PROPOSER and/or REJECTION OF WRITTEN PROPOSAL.

Oral communications and emails from the Board, its staff, agents, employees or outside advisor, or any other person associated with this RFP shall not be binding on the Board and shall in no way modify any provision of the RFP. Only formally issued addenda shall modify the terms of this RFP.

Any addenda issued for this RFP will be published at the following website address: <http://business.spokaneairports.net/rfp>. Proposers are responsible for checking the website prior to submission of proposals for any addenda. If you are unable to download the addenda, you may contact the Airport Contact noted in this Section (0.7 Questions, Inquiries and Airport Contact). It will be the sole responsibility of Proposers to ensure questions are submitted in a timely manner. Addendums to this RFP (if any), to provide clarification of written questions submitted by Proposer's, shall be posted on the Airport's website no later than 2:00 p.m., Wednesday, May 6, 2020 (Final Addenda). Receipt of addenda (if any) must be acknowledged on the Proposal Form that must be submitted with the proposal (see Exhibit B – Proposal Form).



The Board is seeking qualified applicants to lease specific property at Felts Field Airport, Spokane, Washington for the development of an aircraft hangar for the purpose of operating a commercial aeronautical activity. The Lessee will be responsible to construct a hangar on the specified property.

It is the Board's intent that construction shall be completed no later than June, 2021.

1.0 GENERAL CONDITIONS

1.1 The available property is shown on Exhibit A, attached hereto. The property is comprised of Thirteen Thousand Three Hundred Thirty Three (13,333) square feet of land and Twelve Thousand Four Hundred Seventy Six (12,476) square feet of ramp. The site is delivered in "as is" condition, including but not limited to, existing utility easements, subsurface conditions or hazardous materials and subject to FAA review or approval.

1.2 To maximize the highest and best use of the parcel, Proposer shall be required to construct a facility that shall be comprised of a MINIMUM of Twelve Thousand square feet (12,000) of hangar space. The remaining land space can be incorporated into the facility design as the Proposer best sees fit, which may include reserved parking for the hangar. Taxilane A will accommodate Aircraft Design Group II type aircraft. The hangar height shall not exceed Fifty Three (53) feet so that it does not negatively impact line of site from the FAA control tower.

1.3 FAA Regulation Part 77 requires submission of Form FAA 7460-1 "Notice Of Proposed Construction Or Alteration" to the FAA for any construction or alteration that impacts airport operations. The successful Proposer shall be responsible for completing and submitting FAA 7460-1 to the FAA for this development project.

1.4 Construction on the site must conform to the Airport's Minimum Standards (Exhibit D), CC&Rs (Exhibit E), local municipal building codes, fire codes and FAA standards and design criteria.

1.5 The subject property is part of and incorporated into a designated Historical District which shall require architectural features and construction elements to be compatible with historical structures in the district; and

1.6 Proposer shall be required to install asphalt and/or concrete adjacent to the hangar to tie in with existing asphalt and/or concrete. Proposer shall ensure that all applicable site development and drainage requirements are met.

1.7 Water, electric and natural gas utilities are in close proximity to the site. Proposer is responsible for field verifying all utilities prior to construction. Proposer shall be responsible for ensuring service with all required utility providers during construction at their sole expense. All utilities shall be separately metered at the point of connection and all subsequent utility charges shall be the responsibility of the Proposer. In the event the Board is billed for any utility services provided to the leased property, the Proposer shall be responsible for said payment of charges and expenses associated with such utility service.



1.8 All construction documents shall be subject to review and approval by the Airport's Chief Executive Officer (CEO).

1.9 Proposer shall be responsible for securing all federal, state and local permits, licenses and approvals necessary to develop and operate the proposed construction and subsequent operation.

1.10 Proposer is responsible to ensure that Airfield perimeter security is maintained throughout construction and permanent perimeter fencing must be installed upon completion of construction. The successful Proposer must coordinate with Airport staff to create a security plan that outlines security measures during construction.

1.11 Proposer is responsible for ensuring contractor(s) do not impede access to tenants and aircraft adjacent to the site.

2.0 ANTICIPATED TERM, RENTS AND FEES

2.1 The initial term of the Agreement to be executed shall not exceed thirty (30) years. Subsequent renewal option(s) shall be considered based on Proposer's use of the subject property, and options shall be executed upon mutual written consent of Proposer and the Board. The Agreement with renewal option(s) shall not exceed fifty (50) years.

2.2 Rents and Fees:

a. Minimum Rents: The minimum rents the Board shall consider for the property shall be:

Land Rent: \$0.38 per square foot per annum.

Ramp Rent: \$0.30 per square foot per annum.

Nothing herein prevents a Proposer from offering higher rents to enhance the Proposer's position.

Land and Ramp Rent: To comply with Grant Assurance requirements of the Federal Aviation Administration, the Board is required to receive Fair Market Rent for the lease of Airport property.

a. Land and Ramp Rent: The land and ramp rent is subject to adjustment based on the Consumer Price Index at the end of the tenth (10th) year and every other five (5) years thereafter during the initial term and each exercised option. Land and Ramp rent shall also be adjusted at the end of the fifth (5th) year and every five (5) years thereafter during the initial term and each exercised option by an appraisal to determine the Fair Market Rent of the land and ramp.

b. Leasehold Excise Taxes: In addition to land and ramp rent, the Board collects leasehold excise taxes on behalf of the State of Washington in the amount of 12.84%, which may be adjusted at any time by the State. Any improvements made by a Lessee on the Lessee's leased property are owned by the Lessee. As such, the Lessee is responsible for reporting those improvements to the state and paying any required taxes.



c. Fuel Flowage Fee: The Board collects a per gallon fuel user fee for all fuel distributed at the Airport for aviation purposes. This fee is collected (from tenants) by the fuel companies delivering fuel to the Airport. The fuel companies then pay the fee to the Board.

d. Landing Fee: The Board collects a landing fee from all commercial operators who operate aircraft with a weight in excess of 12,500 pounds.

e. Other Fees: Land use, site, and building permit fees will apply to the proposed development and Proposers will need to pay permitting, impact, and mitigation fees as part of the development process as deemed necessary by the permitting authority. Other fees that may apply include pollution fees, sewer tap-in fees and a stormwater fee. The proposer will be responsible for all maintenance and repair, insurance, utilities, and taxes associated with the use and occupancy of the subject property and any and all cost and expenses relating to the proposed activity at the Airport.

f. Alternative Rent Proposal: The Board may entertain a proposal with higher rents than indicated above. Should the proposer feel that they could meet their financial plans and provide the Board with a greater per square foot land and ramp rent for the subject property, the Board would consider such proposals over other proposals of equal stature except for the proposed rate offer.

No offers will be accepted for rents lower than those stipulated above.

3.0 EVALUATION OF SUBMISSIONS

3.1 Written proposals will be evaluated based upon the criteria as outlined in Section 7 (the weighting or value associated with each element has been identified following the criteria to give Proposers an idea of the relative importance of each element to the Board).

3.2 An evaluation committee (“Committee”) will consist of Board representatives including senior level staff members. The Board reserves the right to request additional information and clarification of any information submitted, including any omission from the original proposal. All proposals will be treated equally with regard to this item.

3.3 Evaluation of Proposal and the ability of the Proposer to complete construction in a timely manner.

3.4 The final selection and approval of the successful Proposer will be made by the Board in accordance with its competitive selection process. The Committee will evaluate proposals on the basis of the guidelines set forth in this RFP and will present its findings to the Board Finance Committee.

3.5 Negligence or omission on the part of the Proposer in preparing any portion of the proposal confers no right to withdraw or make changes, additions, or deletions to the proposal after the proposal submission deadline.

3.6 The Board reserves the right to modify the solicitation schedule during the RFP process. Any changes to the solicitation schedule will be posted on the Airport’s website



3.7 The Proposer may include any additional or supplemental information, data, documentation, or material that may be useful in helping the Board make its decision.

4.0 ADMINISTRATIVE REQUIREMENTS

4.1 Cost of the Proposal: The Board shall not, under any circumstances, be responsible for any costs or expenses associated with the proposal submitted including, but not limited to, research, investigation, development, preparation, duplication, production, collation, packaging, delivery, transmittal, or presentation of the proposal or any other related information, data, documentation, and material. All costs and expenses incurred by the Proposer in connection with the proposal submitted shall be the sole responsibility of (borne solely by) the Proposer.

4.2 Public Disclosure

a. Property of Airport: Proposals submitted to the Board shall become the property of the Board and shall not be returned to the Proposer.

b. Proposals are Public Records: Pursuant to Chapter 42.56 RCW, proposals submitted under this RFP shall be considered public records and with limited exceptions will be available for inspection and copying by the public. Except to the extent protected by state and/or federal laws, proposals shall be considered public documents and available for review and copying by the public after the award of an Agreement is made by the Board.

c. Public Records Exemption: Any proprietary information included in the proposal that the Proposer wishes to remain confidential (to the extent allowed under the laws of the State of Washington) should be clearly identified as “Confidential” in the proposal. In addition, the Proposer must provide the legal basis for the exemption to the Board.

d. Proposals Not Marked as Confidential: If a proposal does not clearly identify the confidential portions, the Board will not notify the Proposer that its proposal will be made available for inspection and copying.

e. Process for Disclosing Information: If a request is made for disclosure of material or any portion marked “Confidential” by the Proposer, the Board will determine whether the material should be made available under the law. If the Board determines that the material is not exempt and may be disclosed, the Board will notify the Proposer of the request and allow the Proposer ten (10) business days to take appropriate action pursuant to RCW 42.56.540. If the Proposer fails or neglects to take such action within said period, the Board may release the portions of the proposal deemed subject to disclosure.

f. Indemnification by Proposer: To the extent that the Board withholds from disclosure all or any portion of Proposer’s documents at Proposer’s request, Proposer shall agree to fully indemnify, defend and hold harmless the Board, the City and County of Spokane, their elected officials, agents and employees, from all damages, penalties, attorneys’ fees and costs related to withholding information from public disclosure.



g. No Claim Against Airport: By submitting a proposal, the Proposer consents to the process outlined in this RFP and shall have no claim against the Board because of actions taken.

4.3 Basic Eligibility: The successful Proposer must not be debarred, suspended, or otherwise ineligible to contract with the Board.

4.4 Non-Discrimination: All Proposers will be afforded the full opportunity to submit proposals in response to this RFP. The Board is an Equal Employment Opportunity (EEO) organization which does not discriminate against any prospective firm on the basis of race, religion, color, sex, age, national origin, sexual orientation, or presence of any sensory, mental, or physical disability in the consideration of contract award. Successful proposer will be required to comply with all EEO, federal, state, and local laws and regulations.

4.5 Insurance /Indemnity & Waiver of Damages:

A. Insurance: Prior to execution of the Agreement, the successful Proposer will be required to provide acceptable evidence of insurance coverage consistent with the insurance requirements outlined in the Agreement (Exhibit C) and the Minimum Standards (Exhibit D).

B. Indemnity & Waiver of Damages: The successful Proposer will hold the Board, the City and County of Spokane, their elected and appointed officials, agents and employees, harmless from and against all suits, claims, demands, damages, actions and/or causes of action of any kind or nature in any way arising from Proposer's performance under the Agreement and will pay all expenses in defending any claims made against the Board, the City and County of Spokane, their elected and appointed officials, agents and employees, as a result of Proposer's performance under the Agreement, in accordance with Article 19 of the Agreement.

4.6 Binding Offer: A Proposer's proposal will remain valid for a period of 90 days following the proposal deadline and will be considered a binding offer to enter into the Agreement. The submission of a proposal shall be taken as prima facie evidence that the Proposer has familiarized itself with the contents of this RFP.

4.7 Compliance: Proposer shall comply with all Board, local, State and federal directives, orders, policies and laws as applicable to this RFP and subsequent Agreement.

4.8 Collusion: More than one proposal from the same Proposer under the same or different names will not be considered. Reasonable grounds for believing that a Proposer is submitting more than one proposal will cause the rejection of all proposals in which Proposer is involved. Those proposals will be rejected if there is reason for believing that collusion exists among Proposers, and no participant in such collusion will be considered in any future proposals for the next six months following the date of the proposal submission.

4.9 Final Selection: Upon final selection of a successful Proposer, the Board will provide to the Proposer two originals of the Agreement for execution. The Proposer agrees to deliver two duly executed original Agreements to the Board no later than 12:00 Noon, Monday, June 15, 2020.



5.0 DISQUALIFICATION OF PROPOSER and/or REJECTION OF WRITTEN PROPOSAL

A Proposer may be disqualified and/or a written proposal may be rejected by the Board for any of the following reasons:

- Submission of more than one (1) written proposal by an individual, firm, or corporation under the same or different names.
- Evidence of collusion among Proposers.
- Proposer (or the proposed operation), for any reason, does not fully meet the qualifications and requirements of the Airport's Minimum Standards and CC&R's and the standards of this RFP established by the Board.
- Proposer's proposed activities and/or improvements will create a safety hazard at, on, or in the vicinity of (or could be detrimental to) the Airport.
- The acceptance of the written proposal will require that the Board expend funds and/or supply labor and/or materials in connection with the proposed activities and/or improvements that the Board is unwilling and/or unable to spend and/or will result in a financial loss or hardship to the Board.
- The Proposer has intentionally or unintentionally provided inaccurate or false information, data, documentation, or material or misrepresented or failed to disclose (omitted) any material fact in the written proposal and/or in supporting information, data, documentation, or material.
- The Proposer (or an officer, director, agent, representative, shareholder, or employee of the Proposer) has a record of materially violating federal, state, or local regulatory measures (including those established by the FAA, the State of Washington, the City, the County or any other airport owner/operator).
- The Proposer (or an officer, director, agent, representative, shareholder, or employee of the Proposer) has defaulted, failed to perform or breached any agreement or sublease at the Airport or at any other airport.
- The Proposer has not demonstrated that it possesses adequate financial responsibility or that it is reasonably capable of undertaking the proposed activity and/or improvements.
- The Proposer cannot demonstrate its ability to obtain insurance (in the type and amounts) required by the Board for the proposed activity and/or improvements.
- The Proposer (or an officer or director of the Proposer) has been convicted of a felony or a crime involving moral turpitude.
- The Proposer seeks terms and conditions which are inconsistent with the RFP and/or the policies and practices of the Board.
- The Proposer's interests and/or the proposed activity, use, or improvement is inconsistent with the Airport's Master Plan, Airport Layout Plan, Land Use Plan; mission (purpose), vision, values, goals, or objectives; the best interests of the general public and/or the Board, City or County; or any Airport Grant Assurances.
- The subject property is not appropriate or not adequate for the proposed activity.



- The proposed activity, use, or improvement will result in congestion of aircraft, vehicles, or equipment; will result in undue interference with aircraft operations or the operations of any tenant; will prevent free ingress and egress to existing tenant areas; or, will deprive an existing tenant of the full and unrestricted use of its leased premises.
- The Proposer or any representative of the Proposer has lobbied, either on an individual or collective basis, the Board (its associated City or County employees, or outside advisors) or any federal, state, or local elected or public official or staff (support) personnel regarding this RFP or its written proposal.

6.0 PROPOSAL SUBMISSION REQUIREMENTS

6.1 Written proposals must be complete, accurate, and free from ambiguity, obscurity, alterations, or irregularities of any kind. The Proposal Form (Exhibit B) must be printed, properly signed in ink by the Proposer or an authorized representative of the Proposer, and inserted into the written proposal. In case of conflict between words and numerals, the words, unless obviously incorrect, shall control or prevail. Proposers are cautioned to verify and confirm all aspects of the written proposal prior to submittal. Negligence or omission on the part of the Proposer or any party preparing any portion of the written proposal confers no right to withdraw or make changes, additions, or deletions to the written proposal after the proposal submission deadline.

Written proposals must conform to the requirements stipulated in the RFP. By submitting a written proposal, each Proposer agrees that the proposal represents a firm offer to the Board and that such offer shall remain open for acceptance until the Agreement is executed by the Board or for a period of no less than ninety (90) days from the date submitted, whichever occurs first.

6.2 Written proposal content: Written proposals must be organized so that each element (identified below) is addressed (precisely) in the order indicated herein (sequentially). Proposers must answer all questions completely and accurately and furnish all required information, data, documentation, and material. Failure to do so may result in disqualification of the Proposer and/or rejection of a proposal.

Proposals must be typewritten on one side of 8 1/2” by 11” paper using a minimum 12 point type size. Tabs must be utilized to separate each section of the proposal and page numbers must be identified.

If bound, proposals must be bound on the long (left) side of the paper. Proposals that contain erasures or alterations may be rejected.

Proposers must provide (and proposals will be evaluated based upon) the following items:

1. Cover Letter: Each Proposer must submit a cover letter identifying the name, address, email and phone number of proposing individual or entity. The original written proposal must be signed in ink by the individual or an authorized representative of the proposing entity who can make contractual commitments and/or sign agreements on behalf of the Proposer.

2. Executive Summary: Each written proposal must contain an executive summary that summarizes the key elements of the proposal and gives a brief description of the proposed construction and related activities. In addition, a statement that explains why the Board should select



the Proposer (i.e., why the Proposer would be the best selection) must be included in the executive summary.

3. Qualifications and Experience: Each written proposal must provide a description of the Proposer's ability to finalize construction of the proposed hangar in a timely manner and to meet all financial obligations associated with the construction.
4. Development Plan: The written proposal must address the following:
 - a. Highest and best use of space in relation to proposed type of Commercial Aeronautical Activity.
 - b. Proposed size of hangar and type of construction
 - c. Type of aircraft to be stored in hangar
 - d. Proposed construction schedule
 - e. Security plan during construction
 - f. Evidence of the ability to obtain insurance coverages in the amounts required in the Agreement and/or Minimum Standards.
 - g. For proposed commercial aeronautical activity, provide copies of all applicable (required) licenses, permits, and operating certificates (federal, state, and local).
5. Lease Terms:
Proposed lease terms (Initial Term and Renewal Option(s)).
6. Land/Ramp Rent:
Total proposed rents (per square foot per annum) for initial five year period (whole number only) for both the Land and Ramp space.
7. Financial Plan: The written proposal must address the following:
 - a. Provide a statement of financial capacity from a qualified financial institution or other reputable source (that can be readily verified through normal channels) that identifies the source and the amount of funds available to provide working capital to initiate and complete the proposed construction.
 - b. Proposer shall provide a three (3) year historical income (profit and loss) statement and a three (3) year historical balance sheet including all footnotes prepared in accordance with generally accepted accounting principles by an independent CPA.

If the written proposal is being made by a subsidiary of a parent company or corporation, such subsidiary may submit the required financial information for the parent company, provided such parent company will be bound jointly with the subsidiary in the proposal and, if the subsidiary is awarded the Agreement, the parent company must acknowledge its joint obligations with its subsidiary and the proposal must be accompanied by a certified copy of a resolution by the Board of Directors of the parent company authorizing such joint obligations.

 - c. Acknowledgement of acceptance of the terms and conditions of the Agreement.
 - d. Failure to accurately complete and submit the required Proposal Form (Exhibit B) and attach all the required information, data, documentation, and material will be grounds for disqualification of the Proposer and/or rejection of a written proposal.



Additional Information

The Proposer may include any additional or supplemental information, data, documentation, or material that may be useful in helping the Board make its decision.

Additional or Supplemental Information, Data, Documentation and Material

The Board reserves the right to request additional or supplemental information, data, documentation, or material or clarification from Proposers, to conduct such investigations as the Board considers appropriate with respect to the qualifications, experience, capabilities, or reputation of any Proposer or the information, data, documentation, or material contained in any written proposal. The Board reserves the right to make no decision, to reject all written proposals for any reason and/or to waive any minor irregularities or conditions or to follow up on details or issues.

After Board approval of the Agreement, all information, data, documentation, and material submitted shall be considered public information and will be made available for inspection in accordance with the laws of the State of Washington. Any proprietary information, data, documentation, and material that the Proposer wishes to remain confidential (to the extent allowed under the laws of the State of Washington) should be clearly identified in the written proposal. In addition, the Proposer must provide justification for such a request.

Award of Lease and Operating Agreement

The decision of the Board and the award of the Agreement will be final. All Proposers will be notified by email whether or not they have been selected. Upon the Board’s written notice of the award, the Board shall provide the successful Proposer with an Agreement for the property.

The successful Proposer shall execute and deliver said Agreement within five (5) business days of notification of Award of Agreement. Failure to execute the Agreement within the allotted time frame, without reasonable justification as determined solely by the Airport, shall amount to a forfeiture of Award of Agreement, and the next highest ranking Proposer shall be awarded the Agreement. Proposer shall provide all other required information, data, documentation and material to the Board (including, but not limited to, proof of insurance) and perform all other related obligations. In the event of a conflict between the terms of the Agreement and the provisions of this RFP or the written proposal, the terms of the Agreement shall govern. The Board reserves the right to cancel the award without liability at any time before the Agreement has been executed by all parties.

7.0 SELECTION CRITERIA

Written proposals will be evaluated based upon the following criteria (the weighting or value associated with each element has been identified following the criteria to give Proposers an idea of the relative importance of each element to the Board):

#	Element	Value
1.	Qualifications and Experience	20%
2.	Development Plan	30%
3.	Lease Terms	10%
4.	Land/Ramp Rent	30%
5.	Financial Plan	10%



8.0 ABOUT FELTS FIELD AIRPORT

Spokane International Airport, Felts Field Airport and the Airport Business Park (Spokane Airport) are jointly owned by Spokane County and the City of Spokane. The city and county operate the airports under provisions of RCW 14.08 which establishes the operation of airports by more than one municipality under joint agreement. The operating authority of Spokane Airport is the Spokane Airport Board, consisting of seven appointees from the two governmental bodies.

Felts Field Airport is a 400 acre active General Aviation airport with over 176 based aircraft and 65 tenants. The Airport has a Fixed Base Operator and avionics services available. The Airport has two paved runways and a turf landing strip as well as the ability to accommodate water landings on the adjacent Spokane River.

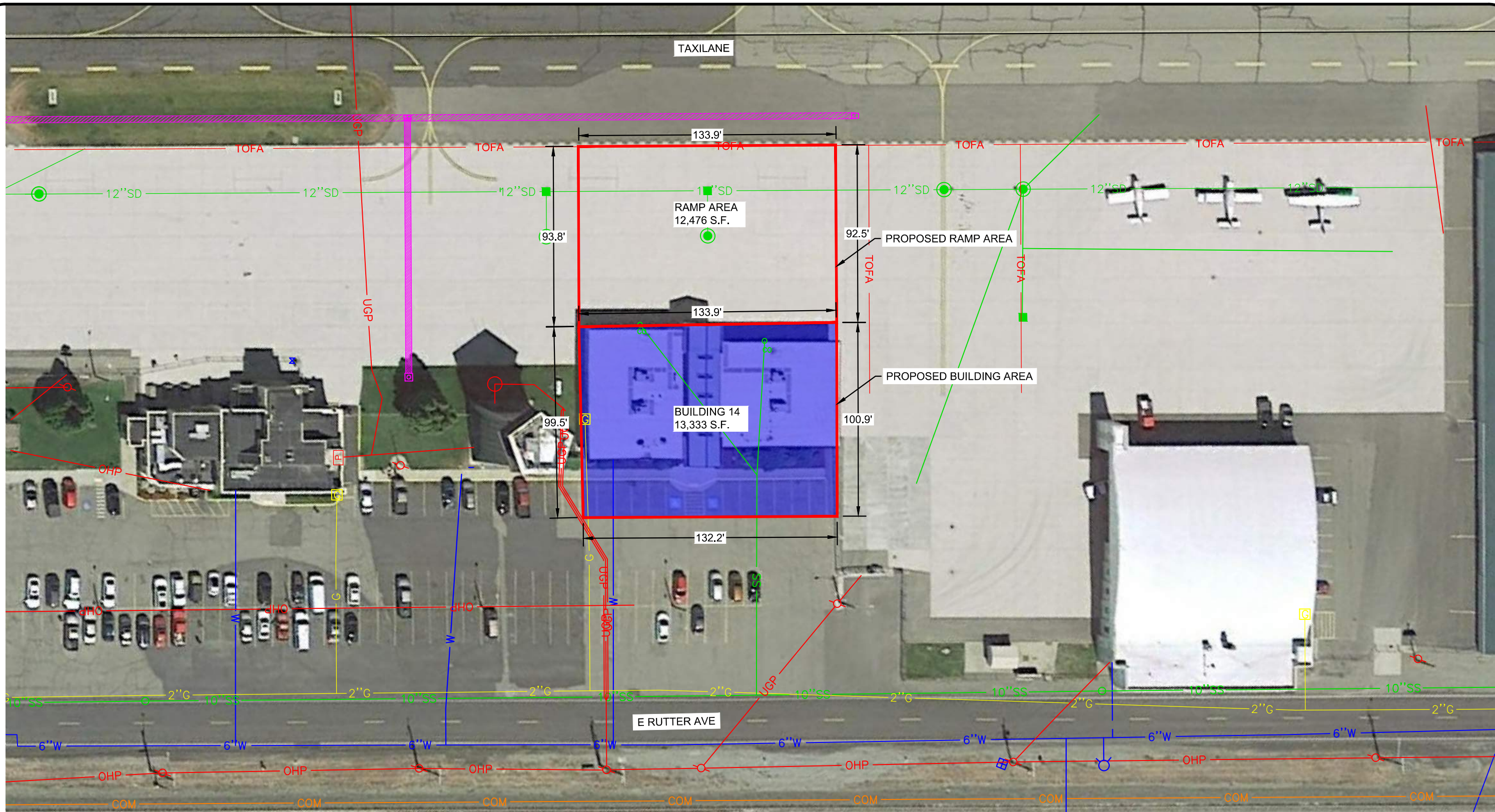
Spokane Airport is financially independent and self-sufficient based on the revenue generated from leases and fees. In 2018, its aviation operations totaled 59,236.



Request for Proposals – Commercial Aeronautical Land for Lease

**EXHIBIT A
(SITE PLAN)**

April 8, 2020



LEGEND

— 6" W —	DOMESTIC WATER
— 10" SS —	SANITARY SEWER
— OHP —	UNDERGROUND POWER
— 2" G —	NATURAL GAS
— COM —	TELEPHONE/COMMUNICATIONS
— —	PROPOSED LEASE BOUNDARY
— OFA —	TAXILANE OBJECT FREE AREA

- NOTE:**
1. MAXIMUM HEIGHT OF HANGAR SHALL NOT TO EXCEED 53 FEET.
 2. BUILDING FOOTPRINT AND TAXILANE OFA'S ARE BASED ON AERIAL IMAGERY AND ARE APPROXIMATE. THIS EXHIBIT SHOULD ONLY BE USED FOR PLANNING PROPOSES.

FELTS FIELD AIRPORT BUILDING 14 DEVELOPMENT

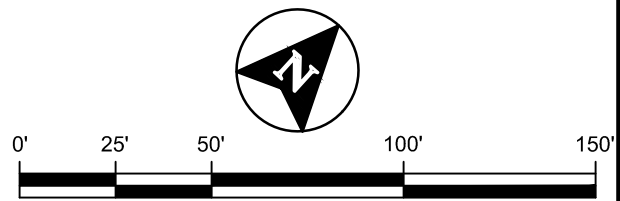




EXHIBIT A

DATE: 03/06/2020

SHEET 1 OF 1

9000 West Airport Dr., Ste. 204
Spokane, WA 99224



**EXHIBIT B
(PROPOSAL FORM)**

Name: _____

Address: _____

Date: _____

Proposer is bound by its written proposal for a period of ninety (90) days following the date of proposal opening and may not withdraw its offer during this period. It is understood by the Proposer that the Spokane Airport Board reserves the right to reject any and all written proposals.

Proposer asserts that they have thoroughly read, understand and acknowledge all aspects of this Request for Proposal and understand that they are bound by all aspects and provisions of this Request for Proposal and its contents.

The successful Proposer hereby agrees to execute the Agreement no later than 10:00 a.m. Monday, June 15, 2020 with the Spokane Airport Board under the terms and conditions as set forth in the Request for Proposal dated April 8, 2020.

Proposer

Title:



EXHIBIT C
(SAMPLE LEASE and OPERATING AGREEMENT)

Attached is a Sample Agreement. The final Agreement shall be subject to the successful Proposer's proposal and use of property.

FELTS FIELD COMMERCIAL
COMMERCIAL AERONAUTICAL
LEASE AND OPERATING AGREEMENT
BETWEEN
SPOKANE AIRPORT
AND

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FELTS FIELD
COMMERCIAL AERONAUTICAL
LEASE AND OPERATING AGREEMENT

THIS AGREEMENT, made and entered into this ____ day of _____, 2020, by and between SPOKANE AIRPORT, by and through its AIRPORT BOARD, created pursuant to the provisions of Section 14.08.200 of the Revised Code of Washington, as a joint operation of the City and County of Spokane, municipal corporations of the State of Washington, hereinafter referred to as "Airport," and _____, a _____ organized and incorporated in the State of _____, hereinafter referred to as "Operator;"

WITNESSETH:

WHEREAS, the Airport Board is the administrator and operator of the FELTS FIELD AIRPORT, hereinafter referred to as "Felts Field," located in the City and County of Spokane, State of Washington, and is authorized to grant leases for real property and premises and operates the same for the promotion, accommodation and development of air commerce, general aviation and transportation; and

WHEREAS, the parties hereto desire to enter into a Commercial Aeronautical Lease and Operating Agreement, hereinafter referred to as "Agreement", granting the Operator the use, together with others, of a portion of Felts Field and its appurtenances and the lease of certain Premises hereinafter demised as outlined in the Request for Proposals dated April 8, 2020, and as agreed to in the Proposal submitted by Operator, both of which are attached hereto and made a part of this Agreement; and

WHEREAS, the parties hereto understand the Premises which are the subject of this Agreement are part of and incorporated into a designated Historical District which shall require architectural features and construction elements to be compatible with historical structures in the district; and

NOW, THEREFORE, in consideration of the Premises provided herein, the rights and privileges and the mutual covenants and agreements hereinafter contained and other valuable considerations, the parties hereto agree, for themselves, their successors and assigns, as follows, effective _____, 2020:

1. TERM

A. The term of this Agreement shall be _____ (___) years commencing _____, 2020 unless sooner terminated or canceled as herein provided.

B. Upon mutual written consent of the Operator and the Airport, Operator shall have the option to renew this Agreement for _____ consecutive _____ (___) year renewal option(s) upon advance written notice to the Airport, ninety (90) days prior to the expiration of this Agreement. The right of Operator to exercise said renewal option(s) shall be conditioned upon it not being in default under any terms, covenants, or conditions of this Agreement or any

Amendments thereto. Operator's right to extend the term shall be further conditioned upon determination by the Airport that the use of the Premises as specified is the highest and best aeronautical use based on current and long range plans of the Airport. In the event of cancellation of this Agreement, any unexercised right to extend this Agreement shall be null and void.

C. It is agreed by the parties hereto, that the Agreement for the Premises demised herein, shall be subject to cancellation by the Airport upon thirty (30) days' notice if Operator does not comply with the construction schedule set forth in Article 15 – CONSTRUCTION, MAINTENANCE AND REPAIR OF OPERATOR'S LEASEHOLD IMPROVEMENTS. However, the Agreement shall not be subject to cancellation if said failure to comply with the construction schedule set forth in Article 15 is the result of delay caused by the inability to timely acquire permits from any governmental entities, upon diligent and timely completed application therefore. The construction shall not, however, extend more than a period of six (6) months beyond the specified schedule of construction set forth herein. Thereafter the Agreement shall automatically terminate without further action of the parties. The Premises shall be relinquished by Operator and returned to the Airport in a condition equal to that which existed at the commencement of this Agreement.

D. The construction shall be accomplished no later than twelve (12) months after commencement of this Agreement. It is the intention of the Operator and the Airport to have construction completed as outlined in Article 15 – CONSTRUCTION, MAINTENANCE AND REPAIR OF OPERATOR'S LEASEHOLD IMPROVEMENTS.

2. PREMISES

The Airport hereby leases to Operator Thirteen Thousand Three Hundred Thirty Three (13,333) square feet of land and Twelve Thousand Four Hundred Seventy Six (12,476) square feet of ramp hereinafter referred to as "Premises" more particularly set forth on Exhibit A, attached hereto and made a part hereof. As necessary, Airport shall provide a revised Exhibit A which shall become a part of this Agreement. The square footage of the Premises and rent therefore shall be adjusted to correspond to the revised Exhibit A.

3. USE OF PREMISES

A. Operator shall use the Premises demised herein for the purpose of constructing a _____ in support of its commercial aeronautical activity _____ business. Operator shall use the Premises for the construction of a building, aircraft and vehicle parking areas to operate in accordance with the Minimum Standards for Commercial Aeronautical Activities and Fueling at Felts Field Airport (Minimum Standards), the Covenants, Conditions and Restrictions (CCR's) incorporated by way of reference at Felts Field as applicable and attached hereto and made a part hereof which may from time to time be amended and for no other purpose without the prior written consent of the Airport. There shall be no fuel tanks or dispensing equipment installed or located on the Premises. Notwithstanding the fact that said facilities constructed on the Premises are leasehold improvements, title to and ownership of the facilities shall remain with the Operator during the initial _____ years of this Agreement, including any additional exercised renewal option(s) as provided for in this Agreement.

B. Operator, its agents, representatives, employees, officers, directors, customers, and invitees, shall be the primary users of the ramp areas of the Premises as outlined in Article 2 – PREMISES demised herein and designated as “Preferential Premises”. Operator agrees to accommodate use of such ramp areas by other Felts Field users that are permitted by the Airport. Such users shall be defined as “Secondary Users” of the Preferential Premises. It is understood that Operator’s operations take precedence over any other operations from Secondary Users.

1. In the event the Preferential Premises demised herein are needed for loading, unloading or parking of an aircraft of a Secondary User (hereinafter referred to as “Secondary Use”), Operator shall accommodate or provide for accommodation of such Secondary Use when feasible. If such accommodation necessitates relocation of Operator’s aircraft, such relocation shall be to a location designated by the Airport. Operator shall have the right to assess charges to Secondary User for use of the ramp.

C. Operator, its agents, employees, suppliers, and others doing business with Operator shall have the right of ingress and egress to and from the Premises and the public use areas and facilities used in connection therewith, over designated Felts Field property and roadways, subject to rules and regulations governing the use of Felts Field and as the same may be promulgated by the Airport from time to time. No commercial activities shall be conducted on the Premises except those authorized in Paragraph A of this Article 3.

D. Subject to and in accordance with all applicable laws and ordinances and such reasonable rules and regulations as may be adopted by the Airport for the regulation thereof, Operator may, together with others, use Felts Field and its appurtenances together with all public use areas/facilities for the purpose of conducting its _____ business. The privileges granted hereby shall be non-exclusive and include without limiting the generality thereof:

1. The use of Felts Field and its appurtenances for the purpose of landing, taking-off, loading and unloading, taxiing and parking of its aircraft or support equipment.
2. The sale of Operator’s business at Felts Field.

4. INSPECTIONS

The Premises and improvements shall be subject to annual inspections for aesthetics and use of Premises as outlined in the CC&R’s. The Premises and improvements shall be subject to structural and roof inspections every ten (10) years, which shall include any and all option periods, and shall be at Operator’s expense.

A. The inspections shall be conducted by a qualified structural engineer. Initial inspections shall also be conducted by members of Airport staff and selected Lessees as outlined in the CC&R’s for the purpose of inspecting the Lessee’s allowed use of Premises as specified in Article 3 – USE OF PREMISES, and results submitted to the Airport within thirty (30) days following completion of inspections. In the event of any dispute arising as a result of structural and/or roof inspections, a second inspection shall be obtained and the inspector shall be mutually selected and funded by the Airport and Operator. The results of the second inspection report shall be considered final and binding to both parties. Inspection reports are subject to the review and approval of the Airport.

B. Pursuant to the completion of the structural inspections and submission of reports, should the Airport determine that repairs to the Premises are necessary, said repairs shall be completed no later than six (6) months from the date of notification to the Operator of the results of the inspection report, unless otherwise determined by Airport to be of an immediate safety concern. The Premises and improvements thereon shall be subject to subsequent annual inspections for aesthetics and use of Premises as outlined in the CC&R's.

C. In the event of any dispute arising from the results of annual inspections for aesthetics and Agreement compliance, or the structural or roof inspections every ten (10) years, said dispute shall be resolved in good faith by the Committee as outlined in the CC&R's and the results communicated in writing to the Operator within ninety (90) days of determination. Should good faith efforts fail then the Airport reserves the right to make a final determination as to the results and necessary remedial action as to appropriate aesthetics of the Premises and improvements thereon and allowable uses consistent with the terms and conditions of this Agreement.

5. RENTS AND FEES

A. Payment of rent shall commence upon the effective date as outlined in Article 1 – TERM, Paragraph A. Upon commencement of rent payments, said rent is due and owing in advance, by the first of the month and no later than the tenth (10th) of each month, and payable in twelve (12) equal monthly payments. The rental rates shall be as follows:

1. The sum of _____ per square foot per annum for Thirteen Thousand Three Hundred Thirty Three (13,333) square feet of unimproved land.

2. The sum of _____ per square foot per annum for Twelve Thousand Four Hundred Seventy Six (12,476) square feet of ramp.

B. Charges as may now be or may be established in the future, may be imposed upon the Operator in the same manner as all other users, in accordance with rules, regulations and resolutions adopted by the Airport.

C. Said rents are subject to Washington State Leasehold and other applicable taxes which shall be collected by the Airport.

D. Charges shall be imposed upon Operator for parking of aircraft on non-leased ramp at such reasonable rates as established by the Airport from time to time.

6. ADJUSTMENT OF RENTAL RATES

A. The rent for the Premises for the initial term shall be adjusted at the end of the tenth (10th) year and every other five (5) year period thereafter as stated in Article 1 – TERM herein by the percentage change in the "Revised Consumer Price Index" for the previous adjustment period. "Consumer Price Index" is defined as the "Pacific Cities and U.S. Average" specified for "All Items," "All Urban Consumers", related to West-B/C published by the Bureau of Labor Statistics, U.S. Department of Labor, subject to modifications, amplifications and changes of methods in making and computing the same as shall be or may be made from time to

time. The most recently published CPI that is available shall be used. If the base year of said CPI is changed from the base year used at the inception of this Agreement (that is the year 1996 = 100) then the CPI number used herein shall be converted from any subject base to the base used at the inception of this Agreement by such conversion factor as shall be supplied by the Bureau of Labor Statistics upon request. In the event that the CPI reporting system is changed during the term of this Agreement or any extensions thereto whereby the percent of increase or decrease from the period ending in June, of the adjustment year is not published then the most current Index published and available prior to the effective date of the rent adjustment shall be used. In the event during the term of this Agreement the Consumer Price Index is no longer published, the Airport shall use a comparable source or index as is available. In no event shall the rent be less than that for the previous adjustment period.

B. Notwithstanding Paragraph 6A. above, the rent for the Premises shall be adjusted at the end of the fifth (5th) year and every ten (10) years thereafter based upon the then current Fair Market Rental Rate determined by an appraisal. The appraisal shall be done by a licensed MAI appraiser to determine the current Fair Market Value of the Premises. The appraiser selected shall have a minimum of five (5) years commercial and industrial property appraisal experience, including experience in appraising other similar airport properties. In the event the Operator cannot agree on the rent to be charged for the ensuing adjustment period based on the Airport's appraisal, the Operator may retain an appraisal at its sole cost. The rent for the adjustment period shall be the average of the figures provided by the two (2) appraisals, unless the difference between the two is greater than ten percent (10%). In such event, a third appraisal selected mutually by the parties, shall be retained and the cost of the third appraisal shall be shared equally between the Airport and Lessee. The two (2) closest appraisals of the three (3) shall be averaged and that value shall be the rent for the affected period. In no event shall the rent be less than that for the previous adjustment period.

7. ADJUSTMENT OF RENT AT THE RENEWAL OPTION(S)

A. In the event Operator exercises its option(s) to renew this Agreement as set forth in ARTICLE 1 – TERM, Paragraph B, the initial rent for said renewal period(s) shall be adjusted as outlined above in Article 6, - ADJUSTMENT OF RENTAL RATES, Paragraph B.

B. The rent shall additionally be adjusted every other five year period throughout the renewal option as outlined above in Article 6, –ADJUSTMENT OF RENTAL RATES, Paragraph A.

8. FAILURE TO PAY RENT

A. It shall be the duty of the Operator to pay all rents, fees, taxes and charges when due. In the event Operator fails to pay rental, fees, charges or billings as required under this provision of this Agreement after the payments become due as described in Article 5 - RENT AND FEES, interest at a maximum legal rate shall be assessed until fully paid. The implementation of this provision shall not preclude Airport from terminating this Agreement for default in the payment of rentals, fees or charges, or from enforcing any other provisions contained herein.

B. Failure to pay the amounts due or comply with any other of the Operator's financial obligations to the Airport under this Agreement shall entitle the Airport to re-enter and take possession of the Premises upon giving Operator ten (10) days advance written notice of intent to do so, if said monetary default has not been remedied within said ten (10) day period. However, the Airport may extend the time period to correct the default if, in its sole opinion, due diligence is shown by Operator in curing the default.

C. The Airport's agents or employees shall not be liable for any civil or criminal claim or cause of action because of entering the Premises and any improvements thereon at reasonable times and in a reasonable manner to carry out the provisions of this Article.

9. ADDITIONAL RIGHTS AND OBLIGATIONS OF OPERATOR

Operator hereby covenants and agrees:

A. Operator shall be responsible for the cost of and for initiating and securing Federal Aviation Administration approval of Form 7460-1, Notice of Proposed Construction or Alteration prior to commencing construction of this project. The Operator shall also be responsible for the cost of and for submitting a SEPA Checklist to the Airport. The Airport shall assist in the process of initiating and securing Federal Aviation Administration approval of Form 7460-1, Notice of Proposed Construction or Alteration and in processing the SEPA Checklist.

B. Operator shall observe and comply with any and all applicable Airport, federal, state and local laws, statutes, ordinances, regulations and standards and shall abide by and be subject to all rules and regulations which are now, or may from time to time, be promulgated by the Airport concerning management, operation or use of Felts Field.

C. Operator shall be responsible for all its expenses in connection with its operation at Felts Field, and the rights and privileges herein granted, including without limitation by reason of enumeration, taxes, permit fees, license fees and assessments lawfully levied or assessed upon the Operator by the City, County and State, and that it will secure all such permits and licenses as may be lawfully required.

D. In the conduct of its business at Felts Field, the Operator, its employees, agents and servants shall obey all applicable rules, regulations and ordinances and laws, including the Minimum Standards, and others which are now, or may from time to time be promulgated by the Airport.

E. Operator agrees parking of approved company vehicles, aircraft and equipment by the Operator, its agents, servants, employees or licensees, shall be restricted to those areas leased by Operator, and shall not obstruct any aircraft movement areas. Parking of personal automobiles is prohibited on ramps and all areas of the Airport Operations Area "hereinafter referred to as AOA".

F. Operator shall exercise due and reasonable caution to prevent fire and accidents on the aeronautical areas used by the Operator. Should Operator fail to remove or abate a fire or other hazard caused by the Operator, its agents, employees, patrons or suppliers after direction to do so, Airport may remove the hazard and charge the cost thereof to the Operator.

G. Operator shall abide by all security restrictions and regulations set forth by the Airport or any agency having jurisdiction at Felts Field.

H. Operator shall not make any additional alterations, changes in or additions to the Premises or improvements thereon without the prior written consent of the Airport. Any approved alterations or improvements shall conform in all respects to the applicable statutes, ordinances, rules and regulations of all applicable governmental agencies.

I. Operator shall keep and maintain the Premises in good condition, order and repair during the time of occupancy of Premises, and to surrender the same upon the termination of this Agreement in the condition in which they are required to be kept, reasonable wear and tear and damage by casualty not caused by Operator's negligence excepted.

J. Operator agrees for itself, its agents and employees that it will not perform any acts or carry on any practices which would result in the necessity to repair or replace Airport property, normal wear and tear excluded, or be a nuisance or menace to other users of Felts Field.

K. Operator's equipment, including aircraft, used by the Operator at Felts Field shall be maintained at Operator's sole expense, in good, safe and operative order, and in a clean and neat condition.

L. Personnel performing services at Felts Field shall be neat, clean and courteous. Operator shall not permit its agents, servants or employees to conduct business or otherwise act in a loud, noisy, boisterous, offensive or objectionable manner.

M. To the extent of its capabilities, Operator agrees to cooperate with the Airport and any other operator in dealing with aircraft or related emergencies at Felts Field. Operator further agrees to provide the Airport with its current emergency procedures.

N. Operator and its agents shall promptly remove any of its disabled aircraft from any part of Felts Field, including without limitation, runways, taxiways, aprons and aircraft parking position and place any such aircraft inside a hangar on its leased Premises. No disabled aircraft shall be stored outside of the hangar. Should Operator fail to remove any of its disabled aircraft promptly, the Airport may, but shall not be obligated to, cause the removal and Operator shall reimburse the Airport for all costs of such removal. Operator hereby releases the Airport from any and all claims for damages to the disabled aircraft or otherwise from or in any way connected with such removal by the Airport. This section shall be subject to the jurisdiction, rules and regulations of the National Transportation Safety Board or its successor agency.

O. Pursuant to RCW 47.68.250, as amended, it is the responsibility of the Operator of hangar or tie down space to register their aircraft within their leasehold with the Washington State Department of Transportation. Upon request of Airport, Operator will deliver aircraft registrations to the Airport from the aircraft owner(s) utilizing such hangar or tie down space.

P. Operator shall adequately clear and protect Felts Field operations by removing, lowering, relocating, hazards on their Premises including shading or adjusting lighting to prevent glare, installation of obstruction lighting as instructed by the Airport. Operator shall not install

any permanent or temporary improvements or equipment that would be defined as an aeronautical obstruction in violation of FAR Part 77 or TERPS.

10. HAZARDOUS MATERIALS

A. Airport warrants and represents that to the best of its knowledge that no release, leak, discharge, spill, disposal, or emission of Hazardous Substances has occurred in, on, or under the Premises, and that the Premises are free of Hazardous Substances as of the date hereof in compliance with all applicable Airport, Federal, State and local laws, regulations and ordinances.

B. The Airport shall indemnify, defend and hold the Operator harmless from any and all costs due to Hazardous Substances that Operator establishes flowed, leached, diffused, migrated, or percolated into, onto, or under the Premises from adjacent properties after the term of the Agreement commences.

C. Operator agrees to indemnify, defend and hold harmless the Airport from any and all claims, damages, from or in connection with the presence of Hazardous Substances in or on the Premises, unless the Hazardous Substances are present as a result of the negligence, willful misconduct, or other acts of the Airport, its agents, employees, contractors or invitees. Without limitation of the foregoing this indemnification shall include any and all costs incurred due to any investigation of the site or any cleanup, removal, or restoration mandated by a federal, state, or local agency or political subdivision.

D. For the purposes of this Article, the term "Hazardous Substances" shall be interpreted broadly to include but not be limited to substances designated as hazardous under the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq., the Federal Water Pollution Control Act, 33 U.S.C. 1251, et seq., or the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. 9601, et seq. or as may be amended, the Model Toxics Control Act (M.T.C.A.), R.C.W. 70.105D, et seq., and any applicable federal, state, or local law or regulation.

11. HAZARDOUS SUBSTANCES STORAGE

A. The Operator is solely responsible for taking all steps and actions to remove or remediate any Hazardous Substances or any other environmental contamination on or under the Premises that are a result of the Operator's use or occupancy of the Premises. The Operator is responsible for the protection of public health and safety and the environment from actual or potential harm and is obligated to ensure that the Premises are in compliance with all Environmental Laws. If any remediation work is required, Operator, at its sole expense, shall perform all work required and provide to the Airport for approval, a written plan of action for completing said remediation work.

B. Hazardous Substances

1. Except for any Hazardous Substances used in the operation and maintenance of the Premises in the conduct of its business, used in commercially reasonable quantities and in compliance with Environmental Laws, Operator shall not engage in or allow the

generation, use, manufacture, treatment, transportation, or storage of any Hazardous Substance in, on, under, or adjacent to the Premises, except by written permission of the Airport.

2. Operator shall not engage in or allow the unlawful release of any Hazardous Substance in, on, under or adjacent to Operator's Premises (including air, surface water and ground water on, in, under or adjacent to the property). Operator shall at all times be in compliance with Environmental Laws (and shall cause its employees, agents and contractors to be) with respect to the Premises or any hazardous substance and shall handle all Hazardous Substances in compliance with good industry standards and management practices.

3. Operator shall promptly notify the Airport and any and all adjacent property tenants, in writing, if Operator has or acquires notice or knowledge that any hazardous substance has been or is threatened to be released, discharged or disposed of, on, in, under or from the Premises. Operator shall immediately take such action as is necessary to report to governmental agencies as required by Environmental Laws and to detain the spread of and remove, to the satisfaction of any governmental agency having jurisdiction, any Hazardous Substances released, discharged or disposed of as the result of or in any way connected with the conduct of Operator's business, and which is now or is hereafter determined to be unlawful or subject to governmentally imposed remedial requirements.

4. Operator shall at all times maintain an employee or consultant familiar with applicable laws and charged with responsibility for Operator's compliance with all applicable laws relating to Hazardous Substances.

12. COMPLIANCE WITH LAWS, RULES AND REGULATIONS

Operator covenants and agrees that it will comply with all Airport, federal, state and local laws, ordinances, and regulations, and further covenants and agrees it will abide by all applicable rules and regulations that are now in effect or hereinafter adopted by the Airport. Incorporated into this Agreement by way of reference are the Minimum Standards as applicable.

13. SECURITY

A. Operator recognizes its obligations for security on Felts Field and agrees to employ such measures as are necessary to prevent or deter the unauthorized access of persons or vehicles into the secure area of Felts Field. Operator shall comply with Airport security policies and as such policies may be amended from time to time. Operator shall pay any forfeitures or fines levied upon it, Felts Field or the Airport through enforcement of any applicable federal, state or local regulation, due to the acts or omissions of Operator, agents, suppliers, invitees or guests and for any attorney fees or related costs paid by the Airport as a result of any such violation.

B. Operator shall abide by rules and regulations adopted by the Airport in carrying out the Airport's obligations under Aviation Security Regulations and Directives for the proper identification of persons and vehicles entering the aircraft operations area and other security measures as the Airport deems necessary from time to time. Operator shall be responsible for providing access to its employees/agents. Said access shall be controlled through Operator approved access control cards issued to approved users. The Operator shall complete the Felts

Field Access Card Application Form, available from the Airport. With the Access card system, the cost of any additional cards requested, above the amount allocated to Operator, shall be the responsibility of the Operator. The cost may be amended by the Airport from time to time. The Operator shall deliver to the Airport, in writing, the names of all employees/agents under this Agreement. The Operator shall be responsible for notifying the Airport to ensure cards are disabled as needed.

C. Operator's employees/agents shall be responsible for ensuring that no other parties utilize Felts Field gates by "piggy backing" or in any other way utilizing said employee/agent's access card.

14. ADDITIONAL RIGHTS AND OBLIGATIONS OF AIRPORT

A. Except as herein provided, the Airport agrees that it will, with reasonable diligence and in a manner consistent with that of a reasonably prudent operator of an airport of comparable size, develop, operate, maintain and keep in good repair and order Felts Field and all common use and public appurtenances, facilities and equipment provided by the Airport as the same relates to Operator's rights granted under this Agreement. The Airport agrees that it will operate Felts Field in a manner consistent with standards established by the Federal Aviation Administration, or any successor federal agency exercising similar powers for airports of comparable size and in accordance with rules and regulations of the Federal Aviation Administration and any other governmental agency having jurisdiction thereof.

B. The Airport shall have the right to adopt and enforce reasonable rules and regulations with respect to the use of Felts Field, which Operator agrees to observe and obey.

C. Airport covenants that upon paying the rent and performing the covenants and conditions herein contained, Operator shall peacefully and quietly have, hold and enjoy the Premises demised herein.

15. CONSTRUCTION, MAINTENANCE AND REPAIR OF OPERATOR'S LEASEHOLD IMPROVEMENTS

A. Operator shall construct or install, at its own expense, any equipment, improvements and facilities, and any additions thereto, on all or any part of the Premises, under the conditions as hereinafter set forth. Operator shall complete such construction in accordance with the following construction schedule. In the event Operator fails to comply with such schedule, the Agreement shall be subject to cancellation as set forth in Article 1 – TERM.

Hangar Size	Building Permit Acquisition	Completion of Construction
_____ (S.F.)	_____	_____

Construction or improvements shall consist of _____ hangar consisting of _____ s.f. as shown on Exhibit A. In the event Operator proposes any changes to the size of the hangar to be constructed, such proposal must be submitted to the Airport for approval prior to the building permit acquisition date set forth herein. All maintenance of the structure including electrical,

plumbing and roof shall be the responsibility of Operator. Operator shall be responsible for all costs associated with the construction including, but not limited to the building or structure, grading and paving of vehicle and aircraft parking area, landscaping, lighting and provision of or extension and connecting of all utilities to the building. Operator shall keep and maintain all such improvements and facilities and any additions thereto constructed or installed by it in good condition. In the event another party constructs facilities in the area and desires to utilize the utility runs constructed by Operator within the past ten (10) years, the Airport shall require such party to pay Operator a proportionate share of Operator's cost of extending the utilities and roadway pavements during Operator's construction of its facility. Repayment to Operator shall start at 50% of the first year of construction and decrease annually by one-tenth (1/10th) over the ten (10) year period. In the event Operator utilizes utility runs constructed by another party, Operator shall pay its proportionate share of the cost of such utility runs.

B. Operator is responsible to ensure that Airfield perimeter security is maintained throughout construction and must install Airport approved security fencing upon completion of construction.

C. In the event another party must cross Operator's Premises for the installation of utility runs or connections, such access across, through or under Operator's Premises shall be granted by Operator with no limitations that would deny another party the right to have utilities installed on that party's leasehold Premises.

D. No improvements, structures, alterations, or additions shall be made in, to or upon the Operator's Premises without the prior written consent of the Airport, and all such improvements, structures, alterations, additions and work shall be in accordance with any conditions relating thereto then stated in writing by the Airport.

E. At the time of requesting approval by the Airport, the Operator shall submit the preliminary plans for such improvements in both hard copy format and electronically. Upon approval of said preliminary plans, the Operator shall prepare and obtain the Airport's approval of working drawings and specifications which shall be true and correct representations of the preliminary plans so approved. All construction shall conform to approved working drawings and specifications and when such work is commenced, it shall be completed with reasonable dispatch. No substantial change, addition or alteration shall be made in said working plans or specifications or in the construction called therefore without first obtaining the Airport's written approval. Upon completion of said improvements, the Operator shall furnish the Airport, at no charge, one (1) complete set of working drawings and one (1) set on electronic media of the improvements as constructed.

F. All improvements constructed by the Operator pursuant to this Article shall conform in all respects to the applicable statutes, ordinances, building codes, rules and regulations of all applicable governmental agencies as may have jurisdiction.

G. Operator shall meet the applicable Airport, County or City requirements to properly dispose of storm water runoff generated on Premises.

H. Operator shall have the right at any time during the term of this Agreement or upon termination and within thirty (30) days thereafter, to remove all trade fixtures and

equipment at its own expense subject to any valid lien the Airport may have thereon for unpaid rents, fees or charges. Any and all property not removed by the Operator within said thirty day period shall thereupon become a part of the realty on which it is located and title thereto shall vest in the Airport. All Airport property damaged by or as a result of the removal of the Operator's property shall be restored to a condition satisfactory to the Airport by the Operator at its expense to the condition existing prior to such damage.

16. DAMAGE OR DESTRUCTION

A. In the event the construction in accordance with Article 15 – CONSTRUCTION, MAINTENANCE AND REPAIR OF OPERATOR'S LEASEHOLD IMPROVEMENTS herein, or improvements thereto, are partially or totally damaged by fire or other casualty, the Operator shall be required to repair or replace the same at its own expense. The new improvements shall be at least the same size, design and quality as that which existed prior to any damage or destruction. Both parties agree, however, that any insurance proceeds shall be first applied to the cost of repair or replacement of improvement.

B. Operator may elect not to repair or replace said construction or improvements. Operator shall advise the Airport of its intent within thirty (30) days of the damage or destruction. If Operator elects not to repair or replace the improvements this Agreement shall be terminated. In such event, Airport may either accept ownership of the improvements or require Operator to remove the improvements and restore the building site affected by such damage or destruction to a condition satisfactory to the Airport. The insurance proceeds shall be used for such restoration and the balance divided between the Airport and Operator as their interests bear in accordance with Article 17 - DEPRECIATION OF IMPROVEMENTS. Airport shall notify Operator of its intent within thirty (30) days of receipt of Operator's notification. If the Airport elects to have Operator remove the improvements, Operator shall have thirty (30) days to do so.

C. Other Airport Property. In the event of damage or destruction of Airport property caused by the Operator, its agents, employees, aircraft or other equipment, Operator agrees to repair, reconstruct, or replace the affected property to the condition which existed prior to such damage or destruction, to the extent that same is not covered by insurance required under this Agreement. Operator further agrees to cause such repair, reconstruction or replacement of affected space with due diligence.

17. DEPRECIATION OF IMPROVEMENTS

As soon as practicable following completion of the construction as set forth in Article 15 - CONSTRUCTION, MAINTENANCE AND REPAIR OF OPERATOR'S LEASEHOLD IMPROVEMENTS, herein, but no later than sixty (60) days after completion, Operator shall submit to the Airport an itemized statement of the total cost of the construction, certified by an officer of Operator showing the actual cost of said construction and shall produce copies of all invoices or other records in connection therewith, if requested by the Airport. Said statements shall list all expenditures by category, as follows:

Category #1 – Trade Fixtures: equipment, fixtures, furnishings, signs.

Category #2 – Fixed Improvements: structural, mechanical, electrical, site development, wall coverings, floor coverings, partitions, walls, heating and cooling modifications/installations, landscaping, pavement.

Architectural, engineering, real estate broker and developer fees will be added at value rather than cost as some or all of said fees were waived. Such fees shall in no event exceed twenty-five percent (25%) of the total expenditure included in Category #2 of this depreciation schedule. The total expenditure shall be referred to as Construction Capital Investment. Said itemized statement shall, unless disputed in writing by the Airport within ninety (90) days next following receipt thereof from Operator, constitute prima facie evidence of the costs shown therein. In the event of any cancellation or termination of this Agreement for cause other than the destruction of the Premises or a breach or default by Operator hereunder Airport shall pay to Operator cash price equal to Operator's actual cost for Category #2, as set forth above, less depreciation to the nearest complete month of the term then elapsed under this Agreement, less the actual cost of repairing any damage caused the Premises by reason of removal of trade fixtures. For the purposes of this Agreement, depreciation for Category #2 shall be based upon a straight line method over _____ (____) years which shall begin to run upon completion of construction/date of beneficial occupancy of facilities, however, no later than six (6) months from the date of Agreement commencement. The amount so depreciated shall vest in the Airport.

18. OWNERSHIP OF IMPROVEMENTS

In the event this Agreement is terminated due to default by Operator or upon expiration of the initial term of this Agreement or any mutually agreed to renewal option(s), Airport may at its sole option, either accept ownership of the improvements constructed or installed on the Premises (Category #2) or require Operator to remove all improvements within ninety (90) days of such cancellation or expiration. Airport shall notify Operator of its intent within sixty (60) days of the cancellation or expiration.

19. INDEMNITY AND WAIVER OF DAMAGES

A. The Operator shall indemnify, hold harmless and defend the Airport, the City and County of Spokane, their elected and appointed officials, agents, employees and representatives from and against any and all claims and actions, demands, damages, civil penalties, charges, judgements, losses, liabilities of any character or kind and other legal actions and proceedings of whatever nature, including reasonable attorney's fees (including fees to establish the right to indemnification) resulting from, arising out of, related to, or caused by Operator's conduct of business or from any activity or other things done, permitted, or suffered by Operator in, or about the Premises and/or Felts Field or other act or failure to act, excluding only claims or actions arising out of the sole negligence of the Airport, the City and County of Spokane, their elected and appointed officials, agents and employees, provided that the Airport shall give the Operator prompt and reasonable notice of any such claim or actions made or filed against it.

B. Operator hereby agrees to release and hold harmless the Airport, the City and County of Spokane, its elected and appointed officials, agents and employees, from any damages to the Operator caused by noise, vibrations, fumes, dust, fuel particles and all other effects that may be caused by the operation of aircraft landing at or taking off from, or operating at or on

Felts Field; and the Operator does hereby fully waive, remise and release any right or cause of action which it may now have or which it may have in the future against the Airport, its successors and assigns, due to such noise, vibrations, fumes, dust, fuel particles, and all other effects that may be caused or may have been caused by the operation at or on Felts Field. The above exception shall not limit a cause of action against other persons or entities, including licensees, concessionaires or aircraft operators.

C. Operator further agrees to hold the Airport, the City and County of Spokane, their agents, officials and employees free and harmless for any claims arising out of the damage, destruction or loss of any or all of Operator's equipment excluding any claims arising out of the sole negligence of the Airport, the City and County of Spokane, their elected officials, agents and employees.

20. INSURANCE

A. Operator shall, at its expense, maintain insurance in full force and effect during the term of this Agreement in such amounts as to meet the minimum limits of liability specified below, and insurance shall be placed with companies or underwriters authorized to do business in the State of Washington and carry a Best's rating no lower than A-. Failure to obtain and maintain such insurance shall constitute a default under this Agreement. The insurance policy(ies) shall be the standard comprehensive insurance and automobile liability, with aircraft exclusions deleted to cover all operations of the Operator and shall include, but not by way of limitation, bodily injury; property damage; automobile including owned, non-owned, leased and hired; aircraft; and contractual coverage including the obligations pursuant to Article 19 – INDEMNITY AND WAIVER OF DAMAGES, herein. The Airport, the City and County of Spokane, their elected and appointed officials, agents and employees shall be named as additional insureds with respect to Operator's use of Felts Field and the Premises which are the subject of this Agreement. The Operator's insurance shall be primary and non-contributory with any insurance maintained by the additional insured.

B. Operator shall promptly upon execution of this Agreement, furnish to the Airport appropriate certificates of insurance and additional insured endorsements evidencing coverage affected and to be maintained for the term of this Agreement. The coverage shall not be less than One Million Dollars (\$1,000,000), combined single limit with an annual aggregate coverage of Two Million Dollars (\$2,000,000) or as required in the Minimum Standards. Operator shall also maintain Hangarkeepers Liability Insurance in the event they store non-owned aircraft on said Premises. The automobile liability coverage shall not be less than One Million Dollars (\$1,000,000) for owned, non-owned and hired automobiles. The Operator's insurance policies shall be endorsed so that the insurance carrier will provide the Airport with at least thirty (30) days notification prior to cancellation or material change. Such notice of cancellation or material change shall be mailed to the Airport by certified mail. Where any policy(ies) has (have) normal expirations during the term of this Agreement, written evidence or renewal shall be furnished to the Airport at least thirty (30) days prior to such expiration. The Operator's insurance identified in this Article shall include a waiver of subrogation in favor of the additional insured. Upon written request by the Airport, Operator shall permit the Airport to inspect the originals of all applicable policies. This Article 20 – INSURANCE shall be subject to periodic adjustment by the Airport.

C. Fire and Peril Coverage Insurance

Upon completion of construction, Operator shall procure and maintain policies of insurance at its own expense, insuring the Premises and improvements thereon against all perils of direct physical loss excluding earthquake and flood. The insurance coverage shall be for not less than one hundred percent (100%) full replacement value of said Premises and improvements with an agreed amount clause and a reasonable and customary deductible on said Premises and improvements. Such amount is subject to final approval by the Airport. The Operator shall furnish to the Airport evidence that such coverage has been procured and is being maintained in full force and effect.

21. INDEMNIFICATION AND INSURANCE DURING CONSTRUCTION AND RENOVATION

A. Operator agrees to indemnify and hold the Airport, the City and County of Spokane, their elected and appointed officials, agents and employees, free and harmless from any and all claims, suits, loss damage or injury to persons or property that might occur during the construction or renovation of the Premises.

B. Operator further agrees that it shall not allow or permit any agent, independent contractor or subcontractor to commence work on the Premises until all insurance certificates from such agents, independent contractor or subcontractor hereunder have been approved and are in the Airport's possession. The approval of insurance by the Airport shall not relieve or decrease the liability of the Operator for its agents, independent contractors or subcontractors. Upon written request by Operator, the Airport may waive the provisions of this Article if, in the Airport's opinion, contractors' activities are included under Operator's insurance coverage. This insurance shall protect the contractor, Operator and the Airport, the City and County of Spokane, their elected and appointed officials, agents and employees, as additional insured, against liability, claims or costs thereof, for bodily injury or property damage resulting from the performance of the construction contract, to the extent Operator has assumed liability herein, within the following limits:

1. Public Liability and Property Damage:
Not less than One Million Dollars (\$1,000,000) combined single limit for bodily injury, death or property damage resulting from any one occurrence.
2. Contractor's Protective Liability and Property Damage:
Same limits as set forth in Paragraph 1 of this Section.
3. Automobile Public Liability and Property Damage:
Not less than One Million Dollars (\$1,000,000) combined single limit.

22. WAIVER OF SUBROGATION

A. The Airport and Operator each waive any rights it may have against the other on account of any loss or damage occasioned to Airport or Operator, as the case may be, their respective property, the Premises or its contents or to other portions of Felts Field arising from

any liability, loss, damage or injury caused by fire or other casualty for which property insurance is carried or required to be carried pursuant to this Agreement. Each of the parties hereto, on behalf of their respective insurance companies insuring the property of either Airport or Operator against any such loss, to the extent of any recovery under such insurance, waives any right of subrogation that it may have against the other. Each waiver shall be expressly included in, and shall comply with the requirements of the respective insurance policies. Should either or both of the respective insurance companies assess a charge for such waiver, each party shall pay only for the charges assessed by its respective insurer.

B. Operator further expressly waives any and all claims against the Airport, the City and County of Spokane, their agents and employees of whatever nature, for any and all loss or damage sustained by the Operator, except loss or damage caused by the sole negligence of the Airport, its agents or employees, including interruption of the Operator's business operations, by reason of any defect, deficiency, failure or impairment of the Premises, or any utility service to or in the Premises, including, but not limited to, the water supply system, electrical wires leading to or inside the Premises, gas, electric or telephone service, or any other failure which may occur during the term of this Agreement from any cause.

23. MAINTENANCE AND UTILITIES

A. Upon completion of construction, Operator shall have complete responsibility for and take good care of the Premises and the interior and exterior of all buildings erected thereon, including all utilities, fixtures and painting, and keep the same and all parts thereof, including the roof and all walls and foundation, together with any and all alterations, additions, and improvements therein or thereto, in good order and condition, suffering no waste or injury, and shall at the Operator's expense, promptly make all needed repairs and replacements including casualty losses in and to any building or structure or equipment now or hereafter erected or installed upon the demised Premises, including walkways, water, sewer, and gas connections, pipes and mains, and all other fixtures, machinery and equipment now or hereafter belonging to or connected with said Premises or used in their operation. All such repairs and replacements shall be of high quality sufficient for the proper maintenance and operation of the demised Premises and subject to the provisions of Article 15 – CONSTRUCTION, MAINTENANCE AND REPAIR OF OPERATOR'S LEASEHOLD IMPROVEMENTS.

B. Airport shall provide snow removal to the best of its ability on public areas of Felts Field. Operator shall be responsible for snow removal and ice control on the demised Premises.

C. The Operator shall provide at its own expense such janitorial and cleaning services and supplies as may be necessary or required in the operation and maintenance of its Premises. The Operator also agrees to keep and maintain the interior of its Premises in a clean, neat and sanitary condition, and attractive in appearance.

D. Operator shall maintain and make necessary repairs, structural or otherwise, to the interior of all of its Premises and the fixtures or equipment therein and appurtenances thereto, including, without limitation, fire extinguisher, fire suppressants, the interior windows, doors and entrances, floor coverings, interior walls and ceiling, the interior surface, the surfaces of interior columns exclusive of structural deficiencies, any columns erected by Operator, partitions and

lighting within its Premises and serving Operator. This maintenance shall be such that the original theme will be maintained in accordance with original approved plans.

E. Operator shall keep and maintain in good condition all service lines, electrical equipment and plumbing fixtures located at or on its Premises.

F. All repairs made by the Operator or on its behalf shall be of high quality in both materials and workmanship. All repairs will be made in conformity with the rules and regulations prescribed from time to time by Federal, State or local authority having jurisdiction over the work in or to the Operator's Premises.

G. Upon providing notice, if possible, the Airport or its duly appointed representatives shall have the right to enter the Operator's Premises to:

1. Inspect the Premises during the Operator's regular business hours or at any time in case of emergency to determine whether the Operator has complied with and is complying with the terms and conditions of this Agreement and other enumerated and health/operational standards. The Airport may, at its discretion, require the Operator to effect repairs at the Operator's own cost.

2. Perform any and all things which the Operator is obligated to perform and has failed after reasonable written notice to perform, including: maintenance, repairs and replacements to the Operator's Premises or to respond to any public health or safety emergency.

3. Undertake the maintenance, repair or replacements requested by the Airport if the Operator refuses or neglects to make any repairs necessitated by the negligent acts or omissions of the Operator, its employees, agents, servants or licensees. The Airport shall have the right to make such repairs on behalf of and for the Operator if Operator has not commenced such repairs within five (5) days after written notice by Airport. Such work shall be paid by the Operator within ten (10) days following demand by Airport for said payment at the Airport's standard rates plus administrative costs.

H. The Operator shall provide, in a timely manner, for the adequate sanitary handling and removal of all trash, garbage and other refuse caused as a result of the Operator's operations in a manner and area designated by the Airport. The Operator agrees to provide and use suitable closed receptacles for all garbage, trash and other refuse in its Premises. Piling of boxes, cartons, barrels or similar items shall not be permitted in any non-leased area or on leased Premises. In the event Airport installs a central/common use trash collection facility, Operator shall pay its proportionate share of the cost of using such a facility if the Operator uses the facility.

I. The Operator shall pay for all utilities consumed within the Premises. The Operator shall maintain separate utility meters.

J. Inside storage of materials and equipment is required. Outside storage is not permitted.

24. ADVERTISING AND SIGNS

A. Operator shall have the right, at its own expense to install and maintain signs for the purpose of identification and advertising. Prior to installation of such signage, the Operator shall submit plans and obtain approval of the Airport. The right to install identification signs or other advertising devices for information to its customers shall be at a location, in the number and type, size and design approved in writing by the Airport. In the event the signs are removed and not replaced, Operator shall repair the area to its normal appearance. To the extent that Operator uses any electronic medium for identification and/or advertising which includes any reference to Operator's relationship with Felts Field, Airport shall have the right to review and approve the same.

B. Operator shall not install any exterior lighting, fixtures, shades or awnings or any exterior decorations or paintings, or build any fences or make any change to the exterior portions of the Premises without Airport's consent.

25. TAXES

Operator agrees to pay all lawful taxes and assessments during the term hereof or any extension as provided for herein, which may be levied or charged by the Federal, State, County, City or other tax-levying body upon the Premises herein or upon any taxable interest acquired by the Operator in this Agreement, including leasehold excise tax, or any taxable possessory right which the Operator may have in or to the Premises or facilities hereby leased or the improvements thereon, by reason of its occupancy thereof, or otherwise, as well as all taxes on taxable property, real or personal, owned by the Operator in or about the Premises. Nothing herein shall prevent the Operator from protesting through due process, any taxes levied. Upon any termination of this Agreement, all taxes levied or a lien upon any of said property or taxable interest therein shall be paid in full without proration by the Operator forthwith, or as soon as a statement thereof has been issued by the tax collector if termination occurs during the interval between the attachment of the lien and issuance of statement.

26. AIRPORT'S RIGHT TO ENTER PREMISES

Upon providing notice, if possible, the Airport reserves the right to inspect the Premises and improvements at any reasonable time throughout the term of this Agreement. When, for any reason, an entry is deemed necessary, and Operator is not present to permit such entry, the Airport, its agents and employees, shall be permitted to enter the Premises and improvements. The Airport's agents or employees shall not be liable for any civil or criminal claim or cause of action for damage because of entering the Premises or improvements at reasonable times and in a reasonable manner. Unless an emergency condition exists which makes reasonable notice impractical, Airport shall seek to give Operator not less than twenty-four (24) hours' notice prior to such entry.

27. GOVERNMENT RESERVATIONS AND RESTRICTIONS

The Premises being leased and rights granted by this Agreement shall be subject to all enforced reservations and restrictions, including but not limited to, the following:

A. It is understood and agreed to by Operator that nothing herein contained shall be construed to grant or authorize the granting of any exclusive right forbidden by the Airport Development Act, 49 U.S.C. 47101, et. seq., and Section 308 of the Federal Aviation Act of 1958 and as amended.

B. During time of war or national emergency, the Airport shall have the right to lease the landing area or any part thereof to the United States Government for military or naval use and, if such lease is executed, the provisions of this Agreement insofar as they are inconsistent with the provisions of the agreement or lease with the Government, shall be suspended.

C. This Agreement shall be subject to the terms of any sponsor's assurances and agreements now required or imposed in the future, between the Airport and the Federal Aviation Administration or any successor federal agency.

D. This Agreement shall be subordinate to the provisions of any existing or future agreement between the United States Government and the Airport relative to the use, operation or maintenance of Felts Field, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of Felts Field, by the provisions of the Airport Improvement Program, and as the program may be amended, or any other federal act, deed, grant agreement or program affecting the operation, maintenance of Felts Field now or in the future; provided however, that the Airport shall, to the extent permitted by law, use its best efforts to cause any such agreements to include provisions protecting and preserving the rights of Operator in and to the Premises and improvements thereon.

28. AGREEMENT SUBORDINATE TO BOND ORDINANCE

This Agreement and all rights of the Operator hereunder are expressly subordinated and subject to the lien and provisions of any pledge or assignment made by the Airport, the City of Spokane or County of Spokane to secure any bonds authorized by law to be issued for the development or improvement of the Airport, and the Airport and the Operator agree that the holders of the said Bonds shall possess, enjoy and may exercise all rights of the Airport hereunder to the extent such possession, enjoyment and exercise are necessary to ensure compliance by Operator and the Airport with the term and provisions of the bond covenants.

29. AIRPORT'S RIGHTS OF CANCELLATION

In addition to any terms and conditions as specified in this Agreement and all other remedies available to the Airport, this Agreement shall be subject to cancellation by the Airport should any one or more of the following occur:

A. If the Operator shall file a voluntary petition in bankruptcy, or proceedings in bankruptcy shall be instituted against the Operator and the Operator is thereafter adjudicated a bankrupt pursuant to such proceedings, or if a court shall take jurisdiction of the Operator and its assets pursuant to proceedings brought under the provisions of any Federal Reorganization or Bankruptcy Act, or if a Receiver for the Operator's assets is appointed, or if the Operator shall be divested of its rights, powers and privileges under this Agreement by other operation of law and such proceeding is not dismissed within sixty (60) days of filing.

B. If the Operator shall fail to perform, keep and observe any of the applicable covenants and conditions contained in this Agreement, provided that upon the happening of any contingency recited in this Article, the Operator shall be given written notice to correct or cure such default, failure to perform or breach. In the case of default, the Airport shall notify any lenders holding an interest in the leasehold improvements in accordance with any consent form executed by the Airport. If, within thirty (30) days from the date of such notice, the default, breach, or complaint shall not have been corrected in a manner satisfactory to the Airport, then and in such event the Airport shall have the right to declare this Agreement terminated. The Airport does, however, reserve the right to extend the time period to correct the default, if, in its sole discretion, due diligence is shown by the Operator in curing the default.

C. If under any of the foregoing provisions of this Article the Airport shall have the right to reenter and take possession of the Premises, the Airport may enter and eject the Operator and those claiming through or under it and remove its property and effects, (using reasonable force, if necessary), without being guilty of any manner of trespass; without any liability therefore, without prejudice to any remedies of the Airport in the event of default by the Operator; and without liability for any interruption of the conduct of the affairs of Operator or those claiming through or under it.

30. OPERATOR'S RIGHTS OF CANCELLATION

In addition to all other remedies available to the Operator, this Agreement shall be subject to cancellation by Operator should any one or more of the following occur:

- A. The permanent abandonment of Felts Field.
- B. The issuance of any order, rule or regulation by the Federal Aviation Administration or its successor federal agency or the issuance by any court of competent jurisdiction of an injunction, materially restricting for a period of at least ninety (90) days, the use of Felts Field for air transportation.
- C. The breach by the Airport of any covenants, terms or conditions of this Agreement to be kept, performed and observed by the Airport and the failure to remedy such breach for a period of sixty (60) days after written notice from Operator of the existence of such breach.
- D. The assumption of the United States Government, or any authorized agent of the same, of the operation, control or use of Felts Field and its facilities in such manner as to substantially restrict the Operator from conducting its business or activity, if such restriction be continued for a period of ninety (90) continuous days or more.
- E. The occurrence of any event or events beyond the reasonable control of Operator, including, but not limited to, any act of God or other supervening event which precludes the Operator from the use of the property for the purposes enumerated herein, or from the use of airport facilities.

31. ASSIGNMENT AND SUBLETTING

A. Operator shall not in any manner, directly or indirectly, by operation of law or otherwise, assign, sublet, transfer or encumber any of Operator's rights in and to this Agreement, or to the fixed improvements, or any interest therein, nor license or permit the use of the rights herein granted in whole or in part, without the prior written consent of the Airport. This prohibition includes, without limitation, any subletting or assignment which would otherwise occur by operation of law, merger, consolidation, reorganization, transfer or other change of Operator's corporate, partnership or proprietary structure. Notwithstanding the above and provided that the Operator shall be in full conformance with the terms of this Agreement, including the payment of all fees, rents and charges, and other obligations, Operator shall have the right to assign the Agreement and leasehold improvements to a limited liability corporation, a corporation with which it may merge or consolidate, or to any parent or subsidiary of Operator's or subsidiary of Operator's parent, or to a purchaser of substantially all of Operator's assets, if the assignor executes an agreement acceptable to the Airport with an assignee which is acceptable to the Airport and which has the financial ability to perform and assume all of Operator's obligations hereunder.

B. Operator shall also have the right, upon prior approval by the Airport, to assign its leasehold interest in this Agreement as collateral for financing purposes. Any such assignment or other security instrument which Operator may execute in favor of a lender shall be subject to and subordinate to the rights of the Airport pursuant to this Agreement.

32. LEGAL CLAIMS AND ATTORNEY FEES

A. Each party hereto shall promptly report to the other any claim or suit against it arising out of or in connection with the Operator's operation at Felts Field. The Airport and Operator shall each have the right to compromise and defend the same to the extent of its own interest; provided the defense of the same has not been tendered and accepted by the other party. The Operator is an independent contractor in every respect, and not the agent of the Airport.

B. In the event either party requires the services of an attorney in connection with enforcing the terms of this Agreement or in the event suit is brought for the recovery of any rent, fees or other sum or charges otherwise payable by Operator, this Agreement or the breach of any covenant or condition of this Agreement, or for the restitution of the Premises to the Airport and/or eviction of Operator during the term of this Agreement, or after the expiration thereof, the prevailing party will be entitled to reasonable attorneys' fees, consultants' fees, witness fees and other costs, both at trial and on appeal. For purposes of calculating attorneys' fees, legal services rendered on behalf of the Airport by public attorneys shall be computed at hourly rates charged by attorneys of comparable experience in private practice in Spokane, Washington.

33. APPROVAL OR DIRECTION BY AIRPORT

Wherever consent, approval or direction by the Airport is required under this Agreement, such consent, approval or direction by the Airport shall be effective if given by the Airport's Chief Executive Officer or his designee in the manner set forth in this Agreement.

34. PERFORMANCE BY AIRPORT

If the Operator should fail to do anything required to be done under the terms and conditions of this Agreement, except for the payment of rents, fees or charges, the Airport may, at its sole option and after giving written notice to the Operator, perform such act on behalf of the Operator. Upon notification to the Operator of the cost thereof by the Airport, the Operator shall promptly pay the Airport the amount due.

35. LIENS OR ENCUMBRANCES

Operator agrees that it shall pay, or cause to be paid, all costs and expenses for work done, materials delivered and professional services provided to the Premises for improvements done at Operator's request, during the leasehold term for improvement to the Premises. Operator shall keep the Premises free and clear of all mechanic's or materialmen's liens or any other liens on account of any work done on the Premises at Operator's request. Operator agrees to and shall indemnify, defend and hold the City of Spokane, County of Spokane, and the Airport free from and harmless against all liability, loss, damage, cost, attorney's fees and all other expenses on account of claims of lien of laborers or materialmen, or others, for work performed or materials or supplies furnished to Operator for use on the Premises. Airport may require lien releases as a condition of approval.

36. FEDERAL NONDISCRIMINATION

A. Operator understands and acknowledges that the Airport has given to the United States of America, acting by and through the FAA, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act 1964 and by 49 CFR Part 21 as a condition precedent to the Government making grants in aid to the Airport for certain Airport programs and activities, and that Airport is required under those regulations to include in every agreement pursuant to which any person or persons, other than Airport, operates or has the right to operate any facility on Felts Field providing services to the public, the following covenant, to which Operator agrees:

B. Operator, in its operation at and use of Felts Field, covenants that:

1. No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities;

2. In the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination;

3. It shall use the Premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as that regulation may be amended; and

4. Operator further agrees promptly to provide the Airport, upon written request by the Airport, such information the Airport is required to obtain from Operator to show compliance with applicable nondiscrimination laws.

37. PRIOR AND COLLATERAL AGREEMENTS

This Agreement shall constitute the entire Agreement between the parties and no other stipulation, agreement or understanding, written or oral, expressed or implied of the parties hereto or of their agents, relating to the Agreement and use of the Premises demised herein, shall limit or modify its terms. This Agreement shall, as of the commencement date hereof, cancel and supersede all prior agreements, written or oral, expressed or implied, between the parties for the rights granted herein. This Agreement shall not be subject to modification or change except by written instrument duly signed.

38. SUBMISSION OF AGREEMENT

The submission of this document for examination and negotiation does not constitute an offer to lease, or a reservation of or option for leasing the Premises. This document shall become effective and binding only upon execution and delivery hereof by the Airport and Operator. No act or omission of any officer, employee or agent of the Airport shall alter, change or modify any of the provisions hereof.

39. RELATIONSHIP OF THE AIRPORT AND OPERATOR

Nothing contained herein shall be deemed or construed as creating the relationship of principal and agent, partnership, or joint venture partners, and no provision contained in this Agreement nor any acts of Operator and the Airport shall be deemed to create any relationship other than that of Operator and the Airport.

40. SEVERABILITY

If any term or provision of this Agreement shall to any extent be held invalid or unenforceable, the remaining terms and provisions of this Agreement shall not be affected thereby, but each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

41. NON-WAIVER OF BREACH

The waiving of any of the covenants of this Agreement by either party shall be limited to the particular instance and shall not be deemed to waive any other breach of such covenants. The consent by the Airport to any act by Operator requiring Airport's consent shall not be deemed to waive consent to any subsequent similar act by Operator.

42. SURVIVAL OF INDEMNITIES

All indemnities provided in this Agreement shall survive the expiration or any earlier termination of this Agreement. In any litigation or proceeding within the scope of any indemnity

provided in this Agreement, Operator shall, at the Airport's option, defend the Airport at Operator's expense by counsel satisfactory to the Airport.

43. DEFAULT

If Operator should, after notice, fail to remedy any default (A) in the payment of any sum due under this Agreement for ten (10) days or (B) in the keeping of any other term, covenant or condition herein with all reasonable dispatch, not exceeding thirty (30) days, then at its option, in addition to and not exclusive of any other remedy, Airport may have by operation of law, without any further demand or notice, enter the Premises and evict all persons therefrom, using all necessary force to do so, and either (AA) declare this Agreement at an end, in which event Operator shall immediately pay Airport a sum of money equal to the amount, if any, by which the then cash value of the rent reserved hereunder for the balance of the term of this Agreement exceeds the then cash reasonable rental value of the Premises for the balance of said term, or (BB) without terminating this Agreement, may re-let the Premises for the balance of said term, or any part thereof, as the agent and for the account of Operator, upon such terms and conditions as the Airport may deem advisable. In the event the Airport re-lets the Premises, the Operator shall be obligated to pay, in addition to the deficiencies in the lease rent and the re-letting rent amount, all necessary renovation and alteration costs and expenses, reasonable attorney's fees, and real estate commissions. Said necessary renovations and alterations, reasonable attorneys' fees, and real estate commissions paid shall be deemed additional rent due and owing by the Operator. The Airport shall apply all rents collected upon re-letting toward payment of all sums due or to become due to the Airport. Thereafter, if the rents collected upon re-letting are insufficient to pay the original rental rate and the additional rent due and owing as described above, the Airport may, at any time during the Agreement, but in no event later than six years, bring an action in the Superior Court of the County of Spokane for any deficiencies due and owing to the Airport as a results of Operator's default under the terms and conditions of this Agreement.

44. APPLICABLE LAW; VENUE; WAIVER OF TRIAL BY JURY

This Agreement, and the rights and obligations of the parties hereto, shall be construed and enforced in accordance with the laws of the State of Washington. Jurisdiction and venue for any action on or related to the terms of this Agreement shall be exclusively in either the United States District Court for the Eastern District of Washington at Spokane or the Spokane County Superior Court for the State of Washington, and the parties irrevocably consent to the personal jurisdiction of such courts over themselves for the purposes of determining such action and waive any right to assert a claim for inconvenient forum. In any action on or related to the terms of this Agreement, the parties (for themselves and their successors and assigns) hereby waive any right to trial by jury and expressly consent to trial of any such action before the court.

45. NOTICES

All payments, demands and notices required herein shall be deemed to be properly served by personal delivery, or if sent by express courier service or certified mail, to the address furnished by the parties hereto, until thereafter changed by the parties in writing, notices shall be addressed as follows:

AIRPORT: Properties & Contracts Director
Spokane Airport
9000 W. Airport Drive, Suite 204
Spokane, WA 99224

OPERATOR: _____

The date of service of such notice shall be upon personal delivery, one (1) day after such notice is deposited with reliable overnight courier or three (3) days after such notice is deposited in a Post Office of the U.S. Post Office Department.

46. TIME OF ESSENCE

It is mutually agreed that time is of the essence in the performance of all covenants and conditions to be kept and performed under the terms of this Agreement.

47. SURRENDER OF POSSESSION; DISPOSITION OF BUILDINGS AND IMPROVEMENTS

In the event this Agreement is terminated due to default by Operator or upon expiration of the initial term of this Agreement and any exercised renewal option(s) Operator shall upon transfer of ownership of the improvements constructed or installed on the Premises to the Airport, remove all of its property defined as trade fixtures or personal property from the Premises and surrender the entire possession of its rights to the Airport. The Airport, at its option, reserves the right to enter into a new Agreement for the building and land, or reject ownership and require that all buildings and improvements, including footings, foundation walls and slabs, with the exception of taxiways, be removed within ninety (90) days of the termination date; provided, however, that Operator shall be granted a three (3) month extension, without penalty, upon showing good cause for delaying the removal of the building and improvements. Airport shall notify Operator of its intent within sixty (60) days of the cancellation or expiration.

48. HOLDOVER POSSESSION OF PREMISES BY OPERATOR

Any holding over at the expiration or termination of the term of this Agreement, for any reason and with or without the consent of the Airport, shall constitute a tenancy from month to month. The month to month tenancy shall be subject to all other terms and conditions of this Agreement, with the exception of rates, charges and fees, which amounts shall be determined solely by the Airport. Receipt by the Airport of rates, charges and fees during such month to month tenancy shall not constitute a renewal of the Agreement.

49. PARAGRAPH HEADINGS

Paragraph headings contained herein are for convenience in reference only, and are not intended to define or limit the scope of any provisions of this Agreement.

IN TESTIMONY WHEREOF, witness the signature of the parties hereto the day and year first above written.

SPOKANE AIRPORT BOARD:

APPROVED AS TO FORM:

By: Lawrence J. Krauter
Chief Executive Officer
Date: _____

Brian M. Werst
General Counsel
Date: _____

OPERATOR

Title: _____
Date: _____

SAMPLE



Request for Proposals – Commercial Aeronautical Land for Leas

EXHIBIT D
(MINIMUM STANDARDS)

Attached are the current “Minimum Standards for Commercial Aeronautical Activities and Aircraft Fueling on Felts Field Airport” as adopted by the Spokane Airport Board on September 22, 2010.

April 8, 2020

Minimum Standards For
Commercial Aeronautical Activities
And Aircraft Fueling
On
Felts Field Airport

Adopted and Approved by the
Airport Board
September 22, 2010

SPOKANE, WASHINGTON

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and Aircraft Fueling on Felts Field Airport

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SECTION A – Introduction

1. Purpose

The purpose of establishing the Minimum Standards incorporated in this document is to provide guidance for commercial service providers operating on the airport. The establishment of these Minimum Standards is designed to ensure reasonable and nondiscriminatory rules and regulations for airport operators. These Standards are based on guidance material provided by the Federal Aviation Administration (FAA).

2. Authority

Spokane County and the City of Spokane jointly created the Spokane Airport Board, in accordance with Chapter 14.08 of the Revised Code of Washington (RCW) through an Interlocal Agreement, and as amended by Joint Resolution 90-1040. The Airport Board is vested with the authority for the operation and regulation of Spokane Airports, to include construction, enlargement, improvement, maintenance, and equipment. The Airport Board, exercising powers on behalf of and with the approval of Spokane County and the City of Spokane, has full authority to adopt and amend all needed rules, regulations and ordinances for the management, government and use of any property under its control. (*RCW 14.08.120; 14.08.200*)

The authority granted to the Airport Board, includes establishing procedures authorizing airport personnel to take reasonable measures for remedies. (*RCW 14.08.122*)

3. Related Publications

- A. Federal Aviation Administration Order 5190.6B
Airport Compliance Requirements
- B. FAA Advisory Circular 150/5190-7:
Minimum Standards for Commercial Aeronautical Activities
- C. FAA Advisory Circular 150/5190-6:
Exclusive Rights at Federally Obligated Airports.
- D. Chapter 14.08, Revised Code of Washington:
Municipal Airports -1945 Act.

4. Contents

The Minimum Standards set forth operational requirements and minimum services that commercial aeronautical operators must meet and provide. Minimum leasing requirements are tailored to be both reasonable and relevant to ensure operators can provide high quality aeronautical services on the airport.

5. **Definitions**

A. **Aeronautical Activity**

An activity which involves, makes possible, or is required for the operation of aircraft, or which contributes to or is required for the safety of such operations (*FAA Order 5190.6B*). Types of aeronautical activities are described in Section B.

B. **Airport**

Generally an airport is an area of land or water which is used, or intended to be used for the landing and takeoff of aircraft, and any appurtenant areas which are used, or intended to be used for new or existing airport buildings, other airport facilities or right-of-way(s), including any heliport (*FAA Order 5190.6B*). For the purpose of these Standards, the term "airport" refers to Felts Field Airport, Spokane, Washington.

C. **Airport Board**

The Airport Board is the Spokane Airport Board (which may be referred to as the "Board"), a governing body created by joint agreement by and between Spokane County and the City of Spokane. The Airport Board consists of seven members appointed by the Spokane County Commissioners and the Spokane City Council. The Airport Board is the operating authority of Spokane Airports, pursuant to RCW 14.08, Section 14.08.200.

D. **FAA**

The Federal Aviation Administration: An agency within the United States Department of Transportation.

E. **FAR**

Federal Aviation Regulation: The sections of Federal law governing Airports and aeronautical activity contained in Title 14 of the USC, Parts 1 to 99.

F. **FBO**

Fixed Base Operator: A company that is required to provide a combination of commercial aeronautical services to the public including the public sale of aviation fuels.

G. **Lease or Operating Agreement**

A required contractual agreement between the Airport Board and a Lessee or Operator, providing terms and conditions for the right to conduct a commercial aeronautical or aviation related activity on the airport.

H. **Lessee**

An individual, corporation or partnership granted the right to lease and use airport property for a specific purpose and is responsible for performance under the terms and conditions of a Lease Agreement.

I. **Minimum Standards**

The minimum requirements that must be met by a business engaged in on-airport aeronautical activities for the right to conduct those activities. The terms Minimum Standards or "Standards" may be used alternately to refer to the Minimum Standards for Commercial Aeronautical Activities and Aircraft Fueling on Felts Field Airport.

J. Operator

An individual or company engaged in a commercial aeronautical activity on the airport and who may be a Lessee of the Airport Board or a sub-lessee of an approved Lessee. As used in Sections B and C, the term will apply to the particular activity described in each subsection.

K. Rules and Regulations

Specific procedures and requirements for the conduct of activities on the airport and for the use of airport facilities. When adopted by the Airport Board, such rules and regulations shall be applicable to the conduct of all activity on the airport and will provide for necessary remedies when the Minimum Standards or rules and regulations are violated.

L. SSO

Special Service Operator: Provides a specific, specialized type of commercial service to the aviation public. These service providers are distinguished from an FBO which customarily provides several services at the same place of business, to include fueling operations.

6. Background

The owner of a public airport developed or improved with funds administered by the FAA assumes the obligation to make the airport's facilities and services available on fair and reasonable terms without unjust discrimination. Where federal funds have been expended on an airport, the opportunity to engage in an aeronautical activity should be made available to any person, firm or corporation meeting standards established by the owner which are relevant to the proposed activity, reasonable and in the public interest. The owner of a public airport can restrict the commercial use of the airport, or solicitation of business thereon, based on nondiscriminatory standards.

7. Use of Standards

The establishment of these Standards is in the public interest. Minimum Standards are developed and implemented for the purpose of safeguarding the public interest and are intended to preserve the stability of established businesses and discourage unqualified operators. This protects established aeronautical businesses and the public by preventing the establishment of unsafe, irresponsible and inadequate operator's or service(s).

8. Need to be Reasonable and Relevant

It is not the intent of the Airport Board to adopt Standards that could serve to create or preserve a monopoly. The Standards have been evaluated by the Board and subjected to public review to ensure reasonableness, relevancy and fairness. In the event a dispute should arise regarding minimum leasing or operating requirements, current FAA design standards will be used whenever possible to determine what is reasonable and relevant to the type of aeronautical activity.

9. Combination of Activities

A basic need at an airport is the provision of essential line services. Essential services include the sale of aviation fuel and oil, facilities for tie-down or other storage of aircraft, ramp services and some capability for minor flight line repairs. It is reasonable and appropriate to require that any operator, prior to offering any essential service(s), shall meet the Standards for each category as they are outlined in Section B, Types of Commercial Aeronautical Activities, or in Section C, Aircraft Fuel Services (*AC 150/5190-71*)

10. Elements (AC 150/5190-7)

There are minimum leasing requirements outlined in these Standards, associated with specific proposed aeronautical activities. Per FAA guidance, elements which should be incorporated into the Standards shall include:

- A. Arrangement for suitable spaces, structures or facilities.
- B. Provision for adequate fixtures and equipment.
- C. Requirement to maintain adequate staff with skills, licenses and certificates appropriate to the activities proposed.
- D. Operation during specified hours.
- E. Conformance to safety, health and sanitary codes.
- F. Requirement to show evidence of financial stability and credit rating.
- G. Provision of stated indemnity and insurance.

11. Land Use Identification Plan

Proposed commercial aeronautical activities shall conform as closely as possible to the approved Airport Layout Plan (ALP).

12. Types of Commercial Activities

Listed below are types of commercial aeronautical activities covered in these Standards (*AC 150/5190-7*). Specific minimum requirements to conduct aeronautical activities on the airport will be found in Section B.

- Fuel and Oil Sales
- Flight Training
- Aircraft Charter and Taxi
- Aircraft, Engine and Accessory Maintenance
- Avionics Sales, Repair and Service
- Aerial Applicators
- Aerial Advertising
- Aircraft Rental and Sales
- Hangar Development

13. Conformance with Terms of the Agreement

All aeronautical operators shall conform with the terms and conditions of any written agreement that allows them to operate on the Airport. Such terms and conditions shall include, but not be limited to, Use of Premise and Lessee/Operator's Rights and Obligations.

14. Application

The owner of a public airport has the right to increase the Standards from time to time to improve the quality of service to the public. (*AC 150/5190-7*). The Airport Board reserves the right to amend the Standards in the future. Any Amendments to the Standards so approved shall be applicable to all affected aeronautical activities without discrimination.

15. Review of Standards

The Board shall hold periodic public meetings for the purpose of reviewing these Standards to determine adequacy and relevancy. Such reviews shall be held at the request of one or more of the affected commercial operators on the airport.

SECTION B – Types of Commercial Aeronautical Activities

The primary commercial aeronautical activities permitted on the airport are listed in this section. Other aviation related services not listed may be considered on a case-by-case basis by the Airport Board. Each category for commercial aeronautical services contained in this section will outline the minimum services that must be provided by a prospective or existing operator and will also include the minimum facility requirements. Requirements for obtaining contractual agreements and related insurance requirements are contained in Section D of this document.

1. FBO

A Fixed Base Operator (FBO) is authorized to engage in public sales of aviation fuels and at least one other aviation related activity as outlined below. The Airport Board grants this privilege to individuals or companies that can provide evidence of sufficient financial resources to provide quality service to the public. Required services may be provided by (sub-lessees) within the FBO's leased premises on the airport, if approved by the Airport Board.

A. Minimum Services Required

In conjunction with the privilege to sell aviation fuel products, the operator shall:

1. Provide for sale and into-plane dispensing of aircraft fuel, depending on current popular demand, which is currently Jet-A and 100LL, together with a selection of aviation lubricants to meet current market demand.
2. Provide at least one (1) metered, properly filtered Jet-A or multi-grade aircraft fuel dispensing truck capable of meeting current customer demands.
3. Provide for fueling and into-plane delivery of aircraft fuels 24 hours per day of which twelve (12) hours may be "on call." The operator shall provide card-activated or other automated dispensing equipment for after-hour use by its customers.
4. Operator shall use existing Airport owned underground storage tanks (if available) or provide permanent above ground fuel storage on the airport. The storage shall be no less than 10,000 gallons for each grade of aviation fuel sold and will be installed in accordance with applicable codes and environmental requirements at a location which must be approved by the Airport Board.
5. Adequate ground support equipment for normal servicing of customers' aircraft, including tow bars, starting assistance, battery charging, tire inflation, aircraft cleaning, waste removal and passenger steps.
6. Properly trained, first class line service personnel for general aviation aircraft operators, including Ramp assistance for Itinerant aircraft parking.
7. In addition to the services required above, the Operator shall provide at least one (1) of the following services:

- Aircraft tie-down and storage during business hours and available after hours
- Aircraft repair and maintenance
- Avionics sales and service
- Flight training
- Aircraft charter and/or rental
- Pilot supplies, aircraft parts and accessory sales

B. Minimum Facility Requirements

(Minimum space requirement may be leased directly from the Airport Board or sub-leased on the airport, provided it is for the exclusive use of the operator):

The operator shall construct or lease a minimum of two of the following:

1. Hangar facility or facilities for storage and/or aircraft repair and maintenance which shall include conveniently located, clean, heated and air conditioned lounges and restrooms for passengers and air crews, including a waiting area, telephone and an area for flight planning.
2. Paved aircraft parking with tie-downs.
3. Adequate off-street vehicle parking that conforms in all respects to County and or City Code requirements.
4. Sufficient space to accommodate required fuel storage and fuel truck parking in accordance with applicable fire and building codes.
5. An operator shall also ensure that there is adequate space for safe collection and disposal of trash, waste or other materials.

C. Card Lock Self-Fuel Systems

1. Current consumer expectations include provisions for automated aviation fuel dispensing systems, such as credit card activated fuel pumps (card lock or similar technology). An operator proposing to install card lock or similar fuel dispensing system shall comply with all applicable code requirements. Attendance and ground equipment requirements of an automated dispensing system shall conform in all respects to municipal or state code requirements.

2. Commercial fuel dispensing systems which are the primary source of business revenue may be operated provided the facility includes storage capacity of 10,000 gallons of fuel. The commercial fueler shall be responsible for providing fuel flowage reports, payment of fees and all other required documentation to the Board when due. An operator proposing a self-fueling facility shall comply with the leasing, Minimum Aircraft Fueling Services and the Aviation Fuel Sales insurance requirements contained in these Standards. Attendance and ground equipment requirements for an automated dispensing system shall comply with municipal or state code requirements.

D. Minimum Insurance Requirements

See Appendix A

2. Airframe and Engine Repair and Maintenance

A. Stand Alone Commercial Operator/Affiliated with another Commercial Operator

1. Minimum Services Required

- a) An operator engaging in aircraft airframe and powerplant repair and maintenance shall be required to provide service during normal weekday business hours.
- b) The operator will provide aircraft maintenance in accordance with applicable Federal Aviation Administration regulations.
- c) At least one (1) FAA –licensed airframe and powerplant mechanic available.
- d) The operator may sell aircraft parts, accessories and pilot supplies.
- e) The operator has the option to offer avionics repair and service provided it has properly trained and licensed technicians to provide such service.

2. Minimum Facility Requirements

Minimum overall leasing requirements for airframe and powerplant repair and maintenance shall include the following which the operator must provide: *(minimum space requirement may be leased directly from the Airport Board or sub-leased on the airport, provided it is for the exclusive use of the operator):*

The operator shall construct or lease the following:

- a) Hangar and shop space providing adequate room to accommodate aircraft for maintenance or repair. An operator shall also meet all County/City code requirements for the provision of on-site paved vehicle parking and restroom facilities on the operator's premises for employees and customers. Operator shall also meet all code requirements for environmental issues such as washing and cleaning aircraft.
- b) Outside aircraft storage space with paved tie-downs adequate for parking customers' aircraft before and after repair or maintenance.

3. Insurance Requirements

See Appendix A

B. Independent Operator – Not Affiliated with Another Commercial Operation

1. Minimum Services Required

- a) An operator engaging in aircraft airframe and powerplant repair and maintenance shall be required to provide a Washington State Unified Business Identifier (UBI), subject to taxes as required by law.
- b) The operator will provide aircraft maintenance in accordance with applicable Federal Aviation Administration regulations.
- c) The operator shall have required FAA license for work being performed.

2. Minimum Facility Requirements

There are no minimum Facility requirements for operators however all

maintenance work done by an operator must be done within an enclosed hangar. Operators must enter into a Use Agreement with the Airport and pay an annual permit fee of \$400.00 payable upon signing a Use Agreement. An operator must also obtain their own Airport issued Access Control card.

3. Insurance Requirements

See Appendix A

3. Aircraft Charter or Air Taxi Service

An operator providing aircraft charter, aerial sightseeing or taxi service on the airport will be required to provide permanent on-airport facilities to conduct such activities. The facilities must have convenient public access.

A. Minimum Services Required

1. Adequate aircraft properly equipped in accordance with applicable Federal Aviation Regulations for the particular service provided.

2. For air charter service, at least one (1) FAA licensed commercial pilot or required crew qualified to provide said service in accordance with FAR Part 135 and other applicable regulations.

B. Minimum Facility Requirements

The operator shall lease office space on the airport and provide the following (*minimum space requirement may be leased directly from the Airport Board or sub-leased on the airport, provided it is for the exclusive use of the operator*):

1. Sufficient hangar or paved apron space with tie-downs for aircraft.

2. Office space on the airport, including on-site paved vehicle parking, air conditioned waiting area, telephone and restroom facility as required by County and City codes.

C. Minimum Insurance Requirements

See Appendix A

4. Aircraft Rental and/or Sales

An operator conducting aircraft rental or sales on the airport will be required to provide permanent facilities on the airport to conduct such activities. The facilities must have convenient public access. Minimum hours of operation for the operator will be normal business hours during weekdays and at least partial hours on weekends during suitable flying conditions.

A. Minimum Services Required

1. Adequate certificated airworthy aircraft properly equipped in accordance

with applicable Federal Aviation regulations for the type service provided.

2. For aircraft rental or sales, at least one (1) FAA licensed commercial or instructor pilot capable of providing adequate check-out of the operator's aircraft.

3. For aircraft rental or sales, applicable check lists and operating manuals for all aircraft rented or sold.

B. Minimum Facility Requirements

The operator shall lease office space on the airport and provide the following (*minimum space requirement may be leased directly from the Airport Board or sub-leased on the airport, provided it is for the exclusive use of the operator*):

1. For aircraft rental, leasing and/or sales, adequate hangar space or sufficient paved apron space with tie-downs for the operator's and its customers' aircraft.

2. Office space on the airport, including on-site paved vehicle parking, air conditioned waiting area, restroom facility and public telephone.

C. Minimum Insurance Requirements

See Appendix A

5. Flight Training

An operator desiring to conduct flight training or pilot ground school activities on or from the airport is subject to the requirements of these Standards. For flight training the operator shall provide:

A. Minimum Services Required

1. At least one (1) FAA-certificated flight instructor.

2. Continuing ability to meet FAA certification requirements for the kind(s) of flight training offered, in accordance with applicable Federal Aviation regulations.

3. Adequate visual aids, audio or video equipment necessary for flight instruction or ground school operations.

4. For flight training and ground school operations, a certificated ground school instructor providing regularly scheduled ground school instruction sufficient to enable students to pass FAA written examinations for private and commercial pilot ratings.

B. Minimum Facility Requirements

Minimum overall leasing requirement for flight training and ground school operations on the airport shall include the following which the operator must provide: *Minimum space requirement may be leased directly from the Airport Board or sub-leased on the airport, provided it is for the exclusive use of the operator.*

1. Classroom space together with seating facilities to accommodate students.

2. Sufficient hangar or paved apron space with tie-downs for aircraft.

3. Office space on the airport, including on-site paved vehicle parking, air

conditioned waiting area, telephone and restroom facility as required by County and City codes.

C. Minimum Insurance Requirements

See Appendix A

6. Avionics Sales, Repair and Service

The sales, repair and service of aircraft communications and navigation radio equipment and related products may be conducted by an FBO or an independent avionics company, provided that it provides the following:

A. Minimum Services Required

1. The operator shall be properly licensed in accordance with applicable Federal Aviation regulations for aircraft radio and navigation equipment repairs.

2. At least one (1) qualified repair technician during normal business hours five (5) days per week, with the capability to support current state-of-the-art avionics equipment.

B. Minimum Facility Requirements

Minimum overall leasing requirement for avionics sales, repair and service shall include the following which the operator shall provide: *(minimum space requirement may be leased directly from the Airport Board or sub-leased on the airport, provided it is for the exclusive use of the operator)*:

1. Hangar and shop space providing adequate room to accommodate aircraft for maintenance or repair. Operator shall also meet all County/City code requirements for the provision of on-site paved vehicle parking and restroom facilities on the operator's premises for employees and customers. Operator shall also meet all code requirements for environmental issues such as washing and cleaning aircraft.

2. Outside aircraft storage space with paved tie-downs adequate for parking customers' aircraft before and after repair or maintenance.

C. Minimum Insurance Requirements

See Appendix A

7. Hangar Development

The Board encourages development of aircraft storage hangars on the airport and will provide property for lease to qualified developers when possible. All hangars constructed on the airport shall be permanent structures complying with Airport Development Standards established by the Board. Placement of temporary structures or portable shelters for aircraft on the airport is not permitted.

A. Minimum Services Required

1. Hangar development on the airport shall be for the purpose of commercially renting units or the sale of individual units within a hangar structure for the storage of aircraft. In all cases, there shall be a single Lessee responsible for the performance of and compliance with the terms and conditions of the Lease Agreement. The Lessee may either be an individual, corporation or legal partnership.

2. The Lessee shall provide all necessary paving and utilities required to operate an aircraft storage business.

B. Minimum Facility Requirements

1. Each hangar structure shall be capable of accommodating no less than four (4) aircraft per building.

2. Minimum space requirements shall include sufficient area to accommodate parked aircraft in transition outside the building and vehicles operated by the building occupants, without adversely affecting the movement of other aircraft on the airport.

C. Minimum Insurance Requirements

See Appendix A

8. Air Cargo

Operators of air cargo, air freight or small package aircraft, whether based on the airport or not, are required to obtain a Landing Use Agreement with the Airport Board prior to commencing operations.

A. Minimum Services Requirement

Air cargo services may be "for hire" or contracted with a freight forwarding company off the airport. Contracted operators are not required to provide minimum service. Air cargo services for public hire shall:

1. Provide receiving service during normal business hours, at least five days per week.

2. Provide for a pick up or package drop box for customers.

B. Minimum Facility Requirements

Minimum overall leasing requirement for operators providing public air cargo service shall include the following: *(minimum space requirement may be leased directly from the Airport Board or sub-leased on the airport, provided it is for the exclusive use of the operator):*

1. Office area sufficient for the receiving and processing of air cargo packages, including on-site paved vehicle parking and restroom facilities for employees and customers.

2. Hangar space or paved aircraft parking apron space adequate for loading and unloading of air cargo shipments to and from associated ground vehicles.

3. There are no minimum leasing requirements for contracted air cargo operators.

C. Minimum Insurance Requirements

See Appendix A

9. Aerial Applicators

Aerial application of agricultural chemicals and pesticides requires special handling of toxic products which are not compatible with the environment in the proximity of the airport. Because of potential hazards to public safety, and the airport's relation to the aquifer, this type of aeronautical activity is prohibited at Felts Field Airport.

10. Aerial Advertising

A. Authorized Advertising

Aerial advertising may be conducted by an incumbent aeronautical operator on the airport or an independent operator provided that:

1. Aerial advertising activity will not adversely impact the safety and utility of the airport.

2. Prior to conducting aerial operations from the airport, the operator must obtain written permission from the Airport, for pick-up and drop of any banners or similar devices on the airport. In the event advertising devices are to be picked-up or dropped on an active runway or taxiway, the operator will notify Airport Operations to issue the appropriate NOTAM for the affected area.

B. Agreement Required

An independent aerial advertising operator is required to obtain an Operating Agreement from the Airport Board prior to commencing operations on the airport. Other requirements for this activity are found in Section D of this document.

C. Minimum Insurance Requirements

See Appendix A

11. Flying Clubs

The Board recognizes flying clubs that are an affiliate of a commercial aeronautical provider on the airport. Private Flying Clubs are not regulated under these Minimum Standards. They must conform in all respects to the associated Lease or Operating Agreement.

1. Affiliated Flying Club

a) An affiliated flying club is part of a commercial aeronautical operation on the airport which has an agreement with the Board to engage in certain commercial

aeronautical activities. Typically, the affiliated club is a function of a fixed base operator. The affiliated club shall offer its privileges only to individual members of the club and the members do not necessarily share in direct operating costs of the club.

b) The affiliated club may offer flight instruction, aircraft rental, charter services and ground school to club members provided the Board has approved the affiliated operator to engage in such activities in accordance with applicable Minimum Standards. Flight training and ground school instruction for members of the affiliated club shall be provided by employees of the affiliated commercial operator and shall meet the minimum pilot/aircraft certification requirements contained herein for the activities in which the club is engaged.

A. Minimum Facility Requirements

A Flying club shall lease adequate hangar or ramp and operational space to support their operations and aircraft and an affiliated club must be documented as an approved activity in the affiliated operator's agreement.

B. Minimum Insurance Requirements

See Appendix A

12. Other Special Services

Other types of commercial aeronautical activities not covered in these Standards may be considered on a case-by-case basis by the Airport Board. Upon application, the Board will consider each proposal on its individual merits, as it pertains to aeronautical use of airport property. As applicable, the Board shall endeavor to apply reasonable and relevant requirements to permit the proposed activity for the benefit of the public.

SECTION C – Aircraft Fueling

In addition to the requirements set forth in Section B for the commercial sale of aviation fuels, all fueling activity is subject to compliance with safety and other requirements contained below. The Spokane Airport Board recognizes the necessity of protecting the public health, safety and interest at the airport. The Board recognizes the need to protect the environment and the aquifer and therefore any proposed fuel storage tanks must have prior written Board approval and shall be above ground tanks. Aircraft fueling activities at the airport will be conducted in conformance with policies and procedures approved by the Board. The Board requires payment of fuel flowage fees from all aircraft operators fueling and or providing fuel for aircraft on the airport. Nothing contained in these Standards shall imply that the Board will waive the fuel flowage fees.

1. Fueling Safety

All fuel servicing conducted on the airport shall comply with the International Fire Code, current edition, as adopted by state and local jurisdiction, and other nationally recognized standards for aircraft fuel servicing. Fueling operations shall comply in all respects with code requirements and all fueling operations require Pollution Liability coverage in the amount required by the State of Washington or One Million Dollars (\$1,000,000), whichever amount is greater.

2. Self-Fueling

In accordance with the Federal Aviation Act of 1958 and as may be amended, the Board allows aircraft owners to fuel their own aircraft, subject to requirements set forth in these Standards. Three categories of fueling/self-fueling activities are described in the Standards, including corporate, individual, and fueling co-ops. **See Appendix A for Minimum Insurance requirements.**

A. Approved Storage

Storage of fuel by aircraft owners conducting Self-fueling of their privately-owned, non-commercial aircraft, must be in an approved container, meeting all applicable fire codes, federal, state and local laws, statutes, ordinances, rules and regulations.

B. Corporate Self-Fueling

Corporate aircraft operators are those companies that operate their own aircraft, incidental to the corporation's regular conduct of business. Those corporate operators electing to self-fuel may provide their own storage and dispensing equipment on the airport provided such equipment is approved by the Board prior to installation. The corporate self-fueler shall be responsible for having its supplier provide fuel flowage reports to the Board upon delivery. Storage of fuel on the operator's leased premises shall be in a single storage tank for each type of aviation fuel, with a minimum storage capacity of 1,000 gallons per tank.

C. Fueling Co-Op

There is currently one approved Fueling Co-Op located on Felts Field Airport and its right to operate as a Co-Op shall continue as long as it meets the requirements below.

1. The co-op organization will conform to the standards of the International Fire Code.
2. The co-op shall be responsible for having its fuel supplier provide a monthly accounting of fuel delivered and furnish copies of fuel delivery receipts, together with remittance of fuel flowage fees to the Airport Accounting office.
3. Minimum storage capacity is 5,000 gallons per grade of fuel.

3. Automobile Gasolines

A. Supplemental Type Certificates (STC's)

FAA policy permits the use of specified automobile motor fuels for use in specific aircraft engines through the issuance of supplemental type certificates (STCs).

1. Those operators who are users of automobile gasolines in aircraft on the airport are subject to compliance with the provisions of the Minimum Standards and applicable rules and regulations adopted by the Airport Board.
2. Standards for automotive fuel handling and storage are the same as those for aviation fuel, as applicable to the type of aeronautical activity. Operators storing automobile fuels on the airport shall certify to the Airport Board that adequate measures have been taken to safely conduct such activity.

B. Compliance with Codes

1. Equipment used for placing automobile fuels for use in aircraft on the airport shall be approved for dispensing petroleum fuels. The operator shall certify that such equipment is approved by those entities having jurisdiction (i.e, City Of Spokane Fire Department).
2. All fuel servicing will be conducted in compliance with applicable FAA, International Fire Code, U.S. Environmental Protection Agency and Washington State Department of Ecology regulations.

4. Responsibility

The company, operator or individual conducting fueling operations is at all times responsible for preventing the spillage or immediate reporting and cleanup of their spillage of fuels and other chemicals on airport surfaces. Whenever any spillage of fuels, oil or chemicals occurs on the airport, it shall be the responsibility of any person observing such spillage to immediately notify the governmental agency having jurisdiction (i.e. City of Spokane Fire Department) and Airport Police Dispatch at 509-455-6429.

SECTION D – Lease /Contractual Requirements

1. Contract Required

Any person desiring to engage in any business or commercial activity or in the sale of any commodity or service on the airport must have specific authorization to do so by lease, concession, operating or use agreement with the Spokane Airport Board.

2. Application to the Airport Board

Application for an agreement to lease airport property and/or for authorization to conduct any aeronautical activity or business on the airport shall be submitted to:

**Properties & Contracts Manager
Spokane Airports
9000 W. Airport Dr., Suite 204
Spokane, WA 99224**

Each application must be signed and submitted by a party owning interest in the business; an individual who will be managing the business; a member of a partnership; or a director or officer in the applying corporation. Minimum information required in each application is described in Paragraph 3, below.

Applicant shall submit all information and material necessary or as requested by the Board to establish applicant's qualifications and compliance with applicable rules, regulations and these Standards. To receive Board consideration, all applications to conduct commercial aeronautical activities or development on the airport must include the minimum information required on the following pages.

3. Minimum Application Information

Each application must be submitted in writing and contain the following:

A. Application to the Board

1. Name and address of the applicant.
2. Type of organizational structure (individual, corporation, limited partnership, etc.).
3. Description of the proposed activity with a proposal for use of airport land and/or building(s) or other facilities, including proposed uses of any hazardous materials.
4. Photo copies of licenses, permits or other documents required by appropriate regulatory agencies for the conduct of applicant's proposed activity, including disclosure of revocation or denial of any license by FAA or any applicable regulatory agency. Applicant must possess or show evidence of application for a license to do business in Spokane.
5. Names and qualifications of persons involved with the conduct of proposed activity.

6. Financial statement (May be required at the discretion of the Board):
 - For a corporation: an audited financial statement.
 - For an individual: previous two year's IRS tax statement.
7. Description of tools, equipment services and inventory as applicable for the proposed activity.
8. Proposed commencement date and anticipated term for conducting the applicant's activity.
9. Estimated costs of any structures or facilities to be constructed on the airport.
10. Acknowledgment of and commitment to provide insurance as required and outlined in Appendix A of this document.

B. Board Review of Application

In reviewing an application, the following areas will be evaluated and may be used to justify the denial of the application:

1. Not Qualified. The applicant does not meet qualifications, standards or requirements established in these Standards.
2. Safety Hazard. Applicant's proposed activities or construction will create a safety hazard.
3. Airport Expense. Approval of the application would require expenditure of airport funds, labor or materials which would exceed benefits to the airport.
4. Availability. Adequate or appropriate space is not available on the airport to accommodate applicant's proposed activities.
5. Master Plan Compliance. The proposed activity or development does not conform to the Airport Master Plan or the Airport Layout Plan.
6. Congestion. Applicant's proposed activity or use of airport property may result in restriction of public use of airport facilities or competitive operations.
7. Misrepresentation. Submission of false information or failure to make full disclosure on the application as required above.
8. History of Revocation or Denial. Applicant has a history of a permit or contract being revoked or denied by an airport for non-compliance or non-performance with agreement(s) similar to that requested in the application.
9. Default. Applicant has materially defaulted in the performance of a lease or other contractual agreement with the Board.
10. Insufficient Finances. Applicant does not indicate it has adequate financial ability to conduct proposed activity.
11. Violations. History of conviction of a crime or violation of any ordinance which would indicate applicant would be an undesirable operator on the airport.
12. Environment. Applicant's proposed activities would present a threat to the environment or a hazard to public health, safety and welfare.

C. Public Interest

In considering every application for establishing commercial aeronautical activities or proposed development, the Board will consider whether or not the proposal will be in the public interest.

4. Lease or Other Contractual Agreement with the Board

A. Basic Contract Elements

1. Term. Each agreement shall have a specified length of term based on a mutually-agreed effective date. Depending on the nature of the agreement, the term may be month-to-month, year-to-year or a specified number of months and/or years, with an established termination date. Length of term of the agreement shall conform to the provisions of RCW 14.08, Board policy and Federal Aviation Administration Order 5190.6B, Airport Compliance Requirements.

2. Premises. Description of leased premises as applicable.

3. Use of Premises. Describes permitted use(s) of leased airport premises whether leased exclusively by the applicant or sub-leased from another operator.

4. Rights Granted. Defines each of the commercial aeronautical services or other activity authorized by the Board in accordance with these Standards and other Board policy.

5. Rents and/or Fees. This section specifies rents and/or fees to be paid to the Board with associated due dates. Rents and fees shall be assessed to airport operators on fair and reasonable terms, without unjust discrimination, and are designed to enable the airport to be self-sustaining.

6. Adjustment of Rents and Fees. Sets a mutually-agreed date rents and fees shall be subject to readjustment in accordance with Washington law, Board policy and Federal Aviation Administration Order 5190.6B, Airport Compliance Requirements.

7. Failure to Pay Rents and Fees. Provides for Board's legal rights and remedies if applicant fails to pay rents and/or fees specified in the agreement.

8. Financial Conditions. Authorizes the Board, at the Board's discretion, to inspect an operator's or Lessee's financial records of the business as they pertain to the agreement with the Board. Will also contain, at the Board's discretion, a provision for applicant to provide a deposit, performance bond or letter of credit during the term of the agreement.

9. Ownership of Leasehold Improvements ("Reversion" of Building). Will specify provision for a lessee-owned building or other leasehold improvements to be removed from the leased premises by the Lessee or vest in (or "revert" to) the Airport Board upon expiration of the agreement. Fuel tanks, dispensing equipment or related fueling equipment are considered personal property and must be removed at the expiration of the agreement.

10. Insurance Requirements and Indemnification. Each agreement will contain minimum insurance requirements based on the nature of the applicant's proposed activity. There is also a requirement for the applicant to indemnify The Board, the City and County of Spokane, their elected and appointed officials, agents and employees free and harmless from claims arising from an operators' or Lessee's operation of aircraft, or any liability arising in connection with conduct of the proposed activity on the airport.

a. The required liability insurance will be kept in full force and effect during the term of the agreement. Failure to maintain required insurance in effect shall be cause for termination of the agreement.

b. The policy shall be comprehensive general insurance with combined single limit coverage for bodily injury, death or property damage in any one occurrence. See Appendix A for the required liability limits.

c. The Board shall reserve the right to review and modify specific minimum insurance requirements from time to time.

d. Provisions for insurance coverage will also specify fire, casualty and comprehensive insurance requirements as applicable.

11. Taxes. Applicant will be responsible for payment of all applicable federal, state and local taxes.

NOTE: Prior to commencing any operation on the airport or occupying any airport premises, the applicant must obtain and furnish to the Board, evidence of all insurance required for the proposed activity on the airport.

B. Included in Terms and Conditions

In addition to the foregoing elements, the following provisions will be included in the agreement:

1. The Minimum Standards are incorporated into the agreement by specific reference.

2. Applicant must comply with the standards for each specific activity approved by the Board.

3. Any structure or facility constructed or modified on the airport shall conform to all applicable building codes and fire codes and regulations or any other regulations of appropriate federal state or local agencies.

4. That the Board shall reserve the right to promulgate and/or amend the Minimum Standards or rules and regulations affecting conduct of activities on the airport.

5. The performance of the lease or any other agreement is guaranteed as may be required by the Board.

6. The fuel flowage fee shall be paid on all fuels delivered onto the airport for use in aircraft.

7. Controlling interest in the applicant's business or development on the airport shall not be sold or otherwise transferred or assigned without the prior written consent of the Board.

8. Any lease, contract or agreement between applicant and the Board shall be terminated if applicant fails to perform under the terms and conditions of the agreement or fails to comply with these Standards or any rules and regulations of the Board as may be modified, after due notice is served in writing.

C. Reference Table

Lease, contract or agreement insurance requirements are identified on the matrix in Appendix-A.

5. Lease of Airport Land and/or Facilities

These guidelines describe Board policies concerning the leasing of airport-owned land and facilities. An applicant proposing to construct buildings, pavements or other facilities on the airport shall conform to the requirements set forth in the Airport Development Standards as adopted by the Board and as may be amended.

A. Demonstrated Need

A Lessee or operator will be required to demonstrate a need for use and lease of airport-owned land, buildings and facilities. Airport property will not be leased for the sole purpose of subleasing to others. Failure to demonstrate sufficient need shall be cause to reduce the affected leasehold accordingly.

B. Maintenance and Repair

All maintenance and repair costs on airport-owned buildings or facilities, except as may be specifically excluded in the agreement, will be borne by the Lessee or operator. The Lessee is responsible for all maintenance and repair costs on Lessee's own buildings and facilities.

C. Sub-Leasing and Assignment

The Lessee or operator must obtain prior written consent from the Board prior to sub-leasing or assigning any airport property.

D. Utilities

All utility costs are to be paid directly by the Lessee or operator.

E. Pavements

All paving shall be permanent and compatible with similar pavements on the Airport and shall comply with the Airport Development Standards and as they may be amended.

All proposals to add pavements to the airport must have Board approval. Pavements on exclusive leased premises, whether constructed by the Lessee or the Board, shall be maintained by the Lessee.

F. Building Construction

NOTE: Prior to commencing construction on the airport, a set of detailed plans and specifications must be furnished to the Board for approval, as provided for in the Airport Development Standards.

1. All building construction will be permanent and comply with all code requirements for the type and use of the structure. Buildings will also conform to the standards established by the Board as outlined in the Airport Development Standards and as they may be amended.

2. Landscaping of facilities on the airport will be required. The applicant must provide a plan for landscaping the leased premises for Board approval prior to making any alterations to airport property. Minimum landscaping required includes reseeding any areas disturbed during construction. The leased premises will be kept clean and aesthetically pleasing during the term of the agreement and shall conform to the Rutter Avenue Landscaping Plans, if applicable.

H. Other Facilities

1. Improvements made to leased Airport property, other than tenant owned buildings, fuel tanks and fuel delivery systems, become property of the Board upon completion of construction and will be maintained by the Lessee or operator during the term of the agreement.

2. Installation of above ground fuel storage tanks and fuel delivery systems will be considered by the Board on a case-by-case basis depending on availability of space, environmental considerations and benefit to the public. Fuel storage tanks and delivery components are considered to be personal property and not a permanent installation on the airport. The owner of said personal property shall be responsible for the prompt removal of the personal property upon expiration of the agreement.


6. General Information

At the Board's sole option, said Lessee or its heirs, successors or assignees may negotiate a new lease agreement with the Board. Any such new lease agreement will be subject to terms, rents and conditions in effect at that time.

The Spokane Airport Board hereby adopts these Minimum Standards For Commercial Aeronautical Activities and Aircraft Fueling on Felts Field Airport on this 22 day of September, 2010.

SPOKANE AIRPORT BOARD

INTERIM SPOKANE AIRPORT DIRECTOR


Title: Secretary


Ryland P. Davis

Appendix A –Insurance Requirements

Aeronautical Activity	Insurance Requirements
Fixed Base Operator	<p>Comprehensive general liability insurance with minimum of \$1,000,000 combined single limit, per occurrence, including products liability and completed operations. Automobile liability -\$1,000,000, any auto. Fire, casualty and comprehensive coverage on Lessee-owned buildings equal to the replacement cost of the buildings. Hangarkeepers policy equal to the total value of the aircraft in your care, control and custody. Pollution coverage for fueling operations and tanks equal to \$1,000,000 or state requirements, whichever is higher.</p>
Stand alone/Affiliated Operator Airframe and Engine Repair and Maintenance	<p>Comprehensive general liability insurance with minimum of \$1,000,000 combined single limit coverage per occurrence, including products liability and completed operations. Automobile liability -\$1,000,000, any auto. Fire, casualty and comprehensive coverage on Lessee-owned buildings equal to the replacement cost of the buildings. Hangar Keepers; equal to the total value of the aircraft in your care, control and custody.</p>
Independent Operator Airframe and Engine Repair and Maintenance	<p>Comprehensive general liability insurance with minimum of \$1,000,000 combined single limit coverage per occurrence, including products liability and completed operations. Automobile liability -\$1,000,000, scheduled autos.</p>
Aircraft Charter, Rental and/or Sales	<p>Comprehensive general liability insurance with minimum of \$1,000,000 combined single limit coverage per occurrence. Automobile liability -\$1,000,000, any auto. Fire, casualty and comprehensive coverage on Lessee -owned buildings equal to the replacement cost of the building. Hangar Keepers Liability if aircraft under care, custody or control such as consignment aircraft sales.</p>
Flight Training	<p>Comprehensive general liability insurance with minimum of \$1,000,000 combined single limit coverage per occurrence. Automobile liability -\$1,000,000, any auto. Fire, casualty and comprehensive coverage on Lessee -owned buildings equal to replacement cost of building. Hangar Keepers Liability if aircraft under care, custody or control such as consignment aircraft sales. (if applicable).</p>
Avionics Sales, Repair and Service	<p>Comprehensive general liability insurance with minimum of \$1,000,000 combined single limit coverage per occurrence, including products liability and completed operations. Automobile liability -\$1,000,000, any auto. Fire, casualty and comprehensive coverage on Lessee -owned buildings equal to replacement cost of buildings. Hangar Keepers insurance equal to value of aircraft in care, control and custody.</p>

Minimum Standards for Commercial Aeronautical Activities and Aircraft Fueling on Felts Field Airport

Aeronautical Activity	Insurance Requirements
Hangar Development	<p>For commercial hangar developers and for the declarant or master tenant association Lessee for a condominium hangar, comprehensive general liability insurance with minimum of \$1,000,000 combined single limit coverage per occurrence. Automobile liability -\$1,000,000, any auto. Fire, casualty and comprehensive coverage on Lessee -owned buildings equal to replacement cost. Hangar Keepers insurance equal to value of aircraft in care, control and custody.</p>
Air Cargo	<p>Comprehensive general liability insurance with minimum of \$5,000,000 combined single limit coverage per occurrence. Automobile liability -\$1,000,000, any auto. Fire, casualty and comprehensive coverage on Lessee -owned buildings equal to replacement cost.</p>
Aerial Applicators	Not Applicable
Aerial Advertising	<p>Comprehensive general liability insurance with minimum of \$1,000,000 combined single limit coverage. Automobile liability -\$1,000,000, any auto. Fire, casualty and comprehensive coverage on Lessee -owned buildings equal to replacement cost of buildings.</p>
Affiliated Flying Club	<p>For an affiliated club, operator's insurance shall include comprehensive general liability insurance with minimum of \$1,000,000 combined single limit coverage. Automobile coverage equal to operator's primary operator's insurance (\$1,000,000)</p>
Self-Fueling Operations	<p>In addition to insurance required for the applicable authorized activity, self-fueling operations require Pollution Liability insurance to cover all costs for clean-up equal to \$1,000,000 or state requirements, whichever is higher. Automotive liability coverage if using vehicles on the airport.</p>

- **Any operator that has storage of or control of any non-owned aircraft must have Hangarkeeper's liability insurance.**
- **Any operator conducting fueling operations shall have Pollution Liability insurance to cover all costs for clean-up equal to \$1,000,000 or state requirements, whichever is higher.**

SPOKANE AIRPORTS

Spokane Felts Field Airport

(SFF)

**9000 W. Airport Drive
Suite 204
Spokane, WA 99224-8700**



Request for Proposals – Commercial Aeronautical Land for Lease

EXHIBIT E
(FELTS FIELD COVENANTS, CONDITIONS & RESTRICTIONS (CC & R's))

Attached are the current Covenants, Conditions & Restrictions as adopted by the Spokane Airport Board on June 29, 2017.

April 8, 2020

Felts Field Airport

COVENANTS, CONDITIONS AND
RESTRICTIONS

CC&Rs

FOR AIRCRAFT STORAGE
HANGARS AND USE OF PROPERTY
AT FELTS FIELD AIRPORT

Felts Field Airport

**COVENANTS, CONDITIONS AND RESTRICTIONS
(CC&Rs)**

For Aircraft Storage Hangars
and Use of Property
at Felts Field Airport

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FELTS FIELD AIRPORT COVENANTS, CONDITIONS AND RESTRICTIONS

PART 1 - GENERAL

- A. The purpose of developing these Covenants, Conditions and Restrictions (“CC&Rs”) with development guidelines is to encourage specific uses of Felts Field Airport (“Airport”) property and provide guidance for activities or development in specific areas. It is further intended that this document shall provide guidance to control the height, size and location of structures and buildings on parcels, and assure conformance with the CC&Rs.

Permitted activities should be compatible with surrounding uses, should not create potential hazards, and should not cause adverse environmental impacts. All activities and development on Airport property shall be consistent with the Airport Layout Plan (“ALP”)

B. DEVELOPMENT CONTROL

Airport staff will review each submitted proposal or application prior to the Airport entering into a lease for Airport property. Whenever possible, Airport staff will participate in pre-development conferences for the proposed development.

Airport staff will, to the extent possible, assist prospective developers and make recommendations to the Airport concerning each lease application. The Airport shall from time to time, adopt performance standards for the implementation of these CC&Rs, compatible with the designs of other buildings and structures at the Airport.

C. AIRPORT AREAS

Permitted uses and development will be divided into two (2) categories on the Airport and certain standards are found in this document. The categories are:

1. Storage Hangars - This category includes non-commercial aircraft storage hangars:

These structures are for the purpose of storing aircraft. Permitted uses include amateur aircraft construction, owner-performed maintenance and other non-commercial activities. No commercial aeronautical activities are permitted in this category.

2. FBO and Corporate - This category includes commercial aviation business and corporate aircraft facilities, including the terminal and support facilities and other commercial aviation business.

Approved uses are those that have been reviewed and approved by Airport staff and have the written approval of the Airport CEO or designee.

D. DEFINITIONS

Accessory Building - A building which is incidental and subordinate to the principal building.

Administrative Uses - The office support services, management and general administrative functions performed for the same company rather than for the public or other business firms.

Building - Any structure built for the support, shelter or enclosure of persons, aircraft or property, including portable structures.

Building Height - The vertical distances from grade (average ground level) to the highest point of the structure.

Building Setback Lines - An imaginary line specifying the closest point on a lot from the lot boundary that a building structure may be located.

Establishment - An establishment is an economic unit located at a single physical location where business is conducted or where service or operations are performed.

Facility --As used in this document, the term refers to a hangar or other building, structure or other appurtenance that supports the operation of an aeronautical activity on the Airport.

Grantor - The Spokane Airport Board.

Parcel - A defined piece of Airport property as set forth by description in a lease agreement.

Premises - A portion of Airport property including a parcel of land, a tenant-owned or Airport-owned building or both land and building, as set forth in a lease agreement.

Sign/Mural - Any structure, device or contrivance (illuminated or non-illuminated) erected or used for identification, information, advertising or vehicular control.

Site - A lot or parcel of land on the Airport designated for buildings or specific uses.

Vehicle Access Roads/Streets - Areas dedicated for vehicular access to building sites or lots.

Structure - That which is built or constructed, an edifice or building of any kind, or any piece of work artificially built up or composed of parts joined together in some definite manner.

Support Uses - Uses that are subordinate and provide a service to or function as a part of permitted uses.

E. INSPECTIONS

1. Inspections, as provided for below and as required in the lease agreement between the affected lessee and the Airport, shall be conducted by a qualified structural engineer, mutually agreed to by both parties; Airport staff and selected lessees ("the Committee"), for the purpose of inspecting the lessee's allowed use of premises as specified in the lease agreement for the premises.

2. The premises and improvements thereon shall be subject to annual inspections for aesthetics and use of premises by the committee. Premises and improvements shall be subject to structural inspections every ten (10) years after commencement date of the affected lease, and shall be at the lessee's expense. Pursuant to the completion of inspections and submission of reports, should the Airport CEO, or designee, determine that repairs to the premises are necessary, said repairs shall be completed no later than 6 months from the date of the completion of the inspection. In the event of any dispute arising as the result of structural inspections a second inspection shall be obtained and the company shall be mutually selected by the Airport CEO, or designee, and lessee. The results of the second inspection report shall be considered final and binding to both parties.
3. Inspection reports are subject to the review and approval of the Airport CEO, or designee. In the event of any dispute arising from the result of annual inspections for aesthetics and use of premises, said dispute shall be resolved in good faith by the committee and the results communicated in writing to the lessee within 90 days of determination. Should good faith efforts fail then the Airport CEO reserves the right to make a final determination as to the results and necessary remedial action as to appropriate aesthetics of the premises and improvements thereon and allowable uses authorized in the Airport lease agreement.

F. REVIEW OF CC&Rs

The Airport may hold periodic public meetings for the purpose of reviewing these CC&Rs to determine adequacy and relevancy.

PART 2 - AIRPORT DEVELOPMENT STANDARDS

A. PURPOSE

The purpose of Airport Development Standards ("standards") is to provide a documented basis for directing and evaluating the planning, engineering, and architectural design of ramp, hangar(s) and other facilities to be constructed on the Airport. These standards apply to a proponent (applicant), requesting approval for development on Airport property.

B. PLAN REVIEW

Airport Staff shall review all plans and specifications for construction of ramps, hangars, other buildings or facilities submitted pursuant to these Standards and shall submit a written recommendation to the Airport CEO. The Airport CEO shall review and approve, reject or require modifications to the plans and specifications submitted.

C. APPLICABILITY

No ramp, hangars, other buildings or facilities shall be built or modified until plans and specifications for the construction of the same are submitted and approved by the Airport CEO.

D. STANDARD FOR REVIEW

For any development proposal, the potential impact to adjacent Airport facilities will be taken into consideration. Airport facilities include runways and related approaches, taxiways, taxilanes, ramp areas, and existing buildings. No building proposal can be approved until an airspace study is completed by the Federal Aviation Administration. Airport staff will assist the proposer with submittal of FAA Form 7460-1 to the Federal Aviation Administration (hereinafter referred to as "FAA").

In reviewing the plans and specifications, the following criteria apply:

1. There shall be no interference with the operation of aircraft on adjacent ramps, hangars, taxiways, taxilanes or runways.
2. There shall be access for aircraft to the hangar.
3. A hangar shall, at a minimum, be sized for the type of aircraft and proposed use in accordance with the Minimum Standards for Commercial Aeronautical Activities and Aircraft Fueling on Felts Field Airport (hereinafter "Minimum Standards"). Access to the hangar shall be in conformance with the posted limitations of the taxilanes.
4. There shall be no lighting or reflections which will adversely affect air traffic control (ATC), or the operation of aircraft on or approaching the Airport. Appropriate action shall be taken to protect instrument and visual operations at the Airport. Steps shall be taken to clear and protect Airport operations by removing, lowering, relocating, and marking all lighting hazards including shading or adjusting lighting to prevent glare and installation of obstruction lighting as instructed by the Airport. Proposer shall not install any permanent or temporary improvements or equipment that would be defined as an aeronautical obstruction in violation of FAR Part 77 or TERPs.
5. No noise, odors, vibration, smoke, dust, fumes or gases which adversely impact other activities on the Airport shall be generated on the proposed development.
6. There shall be no adverse impact on the safety of aircraft operations or other activities on or adjacent to the Airport. No development will visually or electronically interfere with the operation of ATC or navigational aids on or approaching the Airport.
7. Any proposed development shall be consistent with the approved ALP.
8. There shall be adherence to Airport design standards (Advisory Circular 150/5300-13 or equivalent) published by the FAA, which shall prevail in the event of any dispute between the standards contained herein or the FAA standards, concerning location or height of structures or other facilities.

E. MINIMUM REQUIREMENTS

New facilities constructed on the Airport shall conform to these minimum requirements in order to obtain Airport approval:

1. **Pavements.** Asphalt pavements shall conform to WSDOT Commercial Mix or FAA P-401/403 specification, as may be amended, or equal and shall be installed by a licensed paving contractor.
 - a. Flexible pavements shall have minimum four inch (4") compacted crushed rock base course laid over a compacted sub base. The wearing course thickness shall be no less than two inches (2") of hot-mix asphalt.
 - b. All new pavements shall join existing pavements with a sawn transition joint without surface irregularities.
 - c. Pavement constructed by lessees outside leased areas becomes the property of the Airport upon completion. The Airport shall be responsible for maintenance of such pavement. Pavement constructed within leased areas remains the responsibility of the lessee for maintenance and snow removal.
2. **Buildings.** Hangars and other buildings shall be permanent, fully enclosed structures constructed of attractive, permanent materials capable of providing a minimum useful life of at least 25 years.
 - a. Structural components shall conform to all local building code requirements in effect at the time of construction.
 - b. All hangar exterior finishes shall be painted or coated high quality steel or the equivalent and shall be at least 26 gauge thickness. Building exteriors shall be colored to provide attractive appearance and produce minimum reflective surfaces and glare.
 - c. All hangars and other buildings shall have concrete floors which accommodate the type aircraft to be stored in the building. Floors shall be capable of containing oils, fuel or other chemical spills or drips. If the building is to be used for washing aircraft or other equipment, runoff shall be collected and disposed of in accordance with applicable local code requirements.

F. PLANS AND SPECIFICATIONS REQUIREMENTS

The applicant shall submit to Airport Staff, two (2) copies of any proposed plans and specifications for the construction or modification of facilities. Such plans and specifications shall include at least the following:

1. A site plan indicating the location and extent of the following:
 - a. The size, location, dimensions and floor plan of the hangar or other buildings to be constructed.
 - b. The size and dimension of the ramp area and vehicle parking.
 - c. Location and setback of the hangar and other buildings from ramps, adjacent taxiways, taxilanes, roads, lease lines or Airport boundaries.

- d. Ramp, hangar and vehicle parking access.
 - e. Total areas (square footage) of ramp, hangar or other buildings, including vehicle parking. A detailed description will be provided by the applicant.
 - f. Location of all trees, shrubbery and other landscaping.
 - g. Building elevation plans, including any overhangs.
 - h. Exterior lighting, directions of area illumination and designation of glass and other reflective surfaces.
 - i. Utility and easement locations.
 - j. Location and height of all fences and gates.
 - k. Location of loading areas and pedestrian pathways.
 - l. All exterior contours and types of surfaces and construction materials of all buildings and pavements.
2. Engineering/architectural plans and information to show:
- a. Geographic location(s) of structure(s) with existing and future ground and building elevations (ref. NAD-1983 datum).
 - b. Grading and drainage plans with existing and future flows, required facilities and erosion control measures.
 - c. Pavement cross sections.
 - d. Construction plans for proposed building(s).
 - e. Other applicable engineering/architectural plans for the proposed development.
 - f. Upon Airport written approval of the proposed development and prior to construction, all plans and specifications, stamped by an engineer or architect licensed to practice in the state of Washington, shall be filed at the Airport administration office.

G. PERMITS AND CERTIFICATIONS

The applicant shall obtain at its own cost, all necessary permits, certifications and licenses required by local, state and federal agencies. The applicant will certify it has obtained said permits and that it complies with these standards, the Minimum Standards and rules and regulations established by the Airport. The applicant shall supply financial statements and letters of credit as may be required by the Airport.

H. FEES

1. As a condition of the application process, a non-refundable fee of \$1,000.00 shall be submitted with each development proposal, payable to Spokane Airport. This fee will be used to offset costs incurred by the Airport during the review process and prior to approval of the proposed development and associated lease or operating agreement. If no action is taken by the applicant after receiving Airport approval for the proposed development within six (6) months from filing the development application, said application shall expire. If applicant has not entered into a lease agreement and does not proceed with the approved development within three (3) months of receiving Airport approval, said approval shall be withdrawn.
2. The applicant may receive one extension to its application for up to three (3) months, by requesting such extension in writing. An additional non-refundable \$500.00 fee will be required unless applicant can establish that the proposed development was delayed by others not under the applicant's control.

I. PROCEDURE

Upon receiving the specified fees, the Airport CEO, or designee, shall respond to the proposal within thirty (30) business days.

1. The proposal must be submitted in writing and shall contain the items required above.
2. The response of the Airport CEO shall approve, approve with stipulations, or deny the proposed development based on the development standards outlined above.
3. Action taken hereunder shall be in writing. If the Airport CEO denies the proposed development, the basis for such denial shall be specified in reasonable detail. A notification shall be sent to the applicant by courier service and/or email or similar means to confirm delivery of such notification.

J. ACTION

The determination of the Airport CEO shall be final. Request for appeal shall be filed with the Airport CEO, in writing, within ten (10) business days after the Airport CEO's decision is received via courier service and/or email by the applicant.

K. APPROVED PLANS AND SPECIFICATIONS

The applicant shall submit to the Airport CEO, or designee, two (2) copies of the approved plans and specifications showing the following:

1. All required changes and/or amendments thereto.
2. All required approvals by applicable building and utility authorities.

L. REQUIRED DOCUMENTATION

Prior to construction of any ramp, taxiway, taxilane, driveway, hangar or other type of building or facility, the applicant shall provide the following to Airport Staff:

1. A copy of building permits, as applicable, and other required licenses or permits necessary under local, state, federal laws, statutes, orders or regulations.
2. Proof of insurance from the applicant's contractor as follows:
 - a. Worker's CompensationAs required by law.
 - b. Employer's Liability Minimum\$1,000,000 per occurrence.
 - c. Commercial General Liability
for Bodily Injury and Property DamageMinimum \$1,000,000 Combined
Single Limit.

The liability policies shall contain agreement by the insurer to insure and indemnify the contractor and subcontractor(s) against any and all claims, actions, judgments or demands for damages arising on account of construction of the applicant's development. The contractor's and subcontractor(s) liability insurance policies shall name Spokane Airport, Spokane Airport Board, the City and County of Spokane, their elected and appointed officials, agents and employees as additional insureds.

3. Where applicable, the contractor's liability insurance shall include coverage for blasting, collapse of or structural damage to any building or facility and damage to underground property such as utilities or other similar property.
4. Provide waiver of subrogation of all policies.
5. At the completion of construction of the development, the applicant shall submit a lien waiver from the contractor and two (2) complete set of "as-built" record drawings of the development; one (1) set on electronic media of the improvements as constructed and a copy of the Certificate of Occupancy issued by the applicable approving agency.

PART 3 – PERFORMANCE GUIDELINES

All parcels or buildings shall be used and occupied in conformance with these guidelines and will be used or occupied so as not to create any dangerous, injurious, noxious or otherwise objectionable conditions.

A. FIRE

All activities and storage of flammable and/or explosive material shall require the provision of safety and firefighting devices in accordance with Federal, State, and Local regulations. The appropriate fire district and agencies shall be notified of all such activities or storage.

B. FLAMMABLE AND/OR EXPLOSIVE MATERIALS

The storage and handling of flammable and/or explosive materials not normally associated with the operation of aircraft or amateur construction of aircraft shall not be permitted without the express written permission of Airport Staff and other authorities having jurisdiction. An applicant shall obtain written approval seventy-two (72) hours prior to using such materials at the Airport.

C. VIBRATION

No vibration shall be produced which is transmitted through the ground and is discernible without the aid of instruments at any point beyond the leased premises nor shall any vibration produced exceed 0.002g peak measured at or beyond the leased premises using either seismic or electronic vibration measuring equipment.

D. NOISE

All noise shall be controlled so as not to be objectionable due to intermittence, high frequency or shrillness. In no event shall the sound pressure level of noise radiated from a building or site (except for the operation of motor vehicles, aircraft, or other transportation related activities) exceed the decibel levels in the designated octave bands as follows:

Octave Band Cycles	Maximum permitted sound level Decibels re 0.0002 dynes/cm ² :
0 - 300	75
300- 1200	55
1200- 4800	45
4800 & Above	35

The sound pressure level shall be measured with a sound level meter and an octave band analyzer (American Standard Sound Level Meters) for measurement of sound.

E. EMISSIONS

Emissions of any kind will not be discharged from any source which exceeds applicable Federal Regulations and State of Washington Department of Ecology Standards. No business or operation shall discharge from any building or site any toxic materials; odors or waste which are detrimental to the public health, or airborne particulate matter.

F. ODORS

Any condition or operation which results in the creation of odors of such intensity and character as to be detrimental to the health and welfare of the public or which interferes unreasonably with the comfort of the public shall be removed, stopped or modified to remove the odor.

G. HEAT AND GLARE

No direct or sky-reflected glare shall be emitted at the leased premises (except for lighting or parking area or signs otherwise permitted by this section).

H. RADIOACTIVE AND HAZARDOUS MATERIALS

The storage and handling of radioactive and/or hazardous material shall not be permitted without the express written permission of Airport Staff and other authorities having jurisdiction. Handling and disposal of radioactive and/or hazardous materials shall be in conformance with the regulations of Federal, State, and Local agencies and the U.S. Department of Energy. Lessee agrees to indemnify the Spokane Airport, Spokane Airport Board; and the City and County of Spokane from all cleanup responsibilities resulting from the use, handling, and storage of any radioactive and/or hazardous material discharges.

I. LIQUID WASTE DISPOSAL

All waste discharges at any point into public or private sewage disposal systems will be in accordance with federal, state and local regulations and with the approval of the appropriate local government with jurisdiction over sewerage.

J. STORM WATER RUNOFF

All storm water runoff resulting from constructed impervious surfaces will be contained within the property lines of each tract or parcel. Grass and/or landscaped areas will be designated to accommodate excessive storm water runoff. Compliance with applicable federal, state and local regulations is required.

K. SOLID WASTE

Each applicant, lessee, tenant or occupant is responsible for the removal of refuse, trash or other non-toxic materials from each site. The removal and disposal of said materials will be the responsibility of the applicant, lessee, tenant or occupant and in accordance with applicable City and County regulations and will be removed on a weekly schedule unless otherwise directed by Airport CEO or designee.

L. NUISANCES

No portion of the property shall be used in such a manner as to create a nuisance to adjacent sites. For the purpose of this article a nuisance is described as but not limited to any activity or use that is unpleasant, obnoxious, or otherwise interferes with the use and enjoyment of adjacent sites.

M. DUST CONTROL

All ground surface areas not covered by structures or vehicular service uses shall be landscaped in accordance with the landscaping provisions of these CC&Rs. All land surface areas, parking lots, roofs, etc., shall be maintained in good condition free of noxious weeds, dust, trash, and other debris.

N. MARKING AND LIGHTING

Notwithstanding the provisions of the nonconforming uses prescribed for height limitations, the owner, and all future owners, of any existing nonconforming structure or obstacle hereby waives the right to object to the installation, operation, and maintenance thereon of such markers and

lights as shall be deemed necessary by the Federal Aviation Administration to indicate to the operators of aircraft the presence of obstructions. Such markers and lights shall be installed at the expense of the lessee or tenant.

O. EXTERIOR LIGHTING

1. Exterior lighting used to illuminate buildings, parking areas, drives, or landscape features, will be diffused as much as possible to be contained on the site.
2. Light standards will be uniform and will not exceed 30 feet in height.
3. Exterior lighting will comply with the requirements of the Federal Aviation Administration.

Note: Whenever possible, Airport staff will assist prospective developers or builders to comply with the above issues.

P. ELECTROMAGNETIC RADIATION

For the purpose of these performance guidelines, electromagnetic interference shall be defined as electromagnetic disturbances which are generated by the use of electrical equipment, other than planned and intentional sources of electromagnetic energy, which interfere with the proper operation of electromagnetic receptors of quality and proper design. It shall be unlawful to operate or to cause to be operated any source of electromagnetic interference, the radiation or transmission which does not comply with the current regulations of the Federal Communications Commission, and any federal, state, or local regulations.

Q. TOPOGRAPHIC, HYDROLOGIC, AND GEOLOGIC HAZARDS

Any configuration of the surface of the land, including its natural and man-made features will not, in any way, interfere with the safe, efficient operation of the Airport.

R. UTILITIES

Each applicant, lessee, tenant or occupant is responsible for payment of all charges and expenses associated with water, sewer, electrical, telephonic, or any other utility service related to leased area.

PART 4- SITE DEVELOPMENT GUIDELINES

A. Two (2) types of set-back requirements are considered in these CC&Rs. For aeronautical purposes, current FAA airport design standards are used to provide necessary set-backs from aircraft movement areas. For building set-backs from vehicle access roads/streets, where applicable, local building code standards shall be used.

1. Minimum building setback shall be no less than the following:
 - a. Thirty-seven and one half (37.5) feet from the centerline of any taxiway or taxilane unless otherwise identified by FAA through an approved Modification of Airport

Standards. Where applicable, current FAA airport design standards will determine minimum distances from aircraft movement areas and parking surfaces.

2. Set-back distance from a lease line may be reduced where the proposed development is adjacent to another contiguous leasehold. In such cases, applicable building code requirements will determine minimum spacing.

B. HEIGHT RESTRICTIONS

Local municipalities have established various height zones for the Airport Overlay Zones. Specific height limitations for each permitted use or establishment will conform to the requirements of the Airport, in accordance with the Airport Overlay Zones and regulations of the Department of Transportation, Federal Aviation Administration (F.A.R. Part 77). Notwithstanding any other provisions of this document, no permitted use or establishment will in any way endanger or interfere with the landing, takeoff, or maneuvering of aircraft intending to use the Airport.

Note: Whenever possible, Airport staff will assist prospective developers or builders to comply with the above issues.

C. SIGNS

1. All signs shall be installed in accordance with applicable federal, state, local and Airport. All designs and plans for signs, graphics, or murals shall be submitted to the Airport CEO, or designee, for architectural, design, and operational review prior to construction. The Airport CEO, or designee, shall approve or disapprove all signs, graphics, or murals which are to be erected in the Airfield Areas. No sign, graphic, or mural shall be installed, erected, or maintained in the Airfield Areas except in conformity with the following:
 - a. All signs attached to a building shall be single-faced and surface-mounted. All signs, graphics, and murals shall be parallel to the wall on which it is mounted.
 - b. All signs, graphics or murals shall at all times be maintained in a presentable condition.
 - c. Signs, graphics, or murals visible from the exterior of any storage hangar structure shall not be lighted, and no signs or any other contrivance shall be devised or constructed so as to rotate, gyrate, blink, or move in any animated fashion.
 - d. A sign advertising the sale or lease of the building, or portion thereof, shall be permitted. Signs shall not exceed a maximum area of twelve (12) square feet and signage locations are subject to Airport CEO, or designee, approval.

D. STORAGE AREAS

Outdoor storage is permitted only in FBO or Corporate areas. All outdoor storage should be visually screened from access streets, freeways, and adjacent property. Said screening should form a complete opaque screen a minimum of six (6) feet in vertical height.

E. REFUSE COLLECTION AREA

All outdoor refuse collection areas should be visually screened from streets, access streets and adjacent property by a complete opaque screen. No refuse collection areas should be permitted between a frontage street and the building line.

F. TELEPHONE AND ELECTRICAL SERVICE

All "on-site" electrical lines (excluding lines in excess of 12 KV) and telephone lines should be placed underground. Transformer or terminal equipment should be visually screened from view from streets and adjacent properties

G. DRAINAGE

1. Each plan submitted for approval should incorporate storm water runoff facilities to mitigate the potential for groundwater degradation. Each site plan will incorporate areas to allow infiltration of the storm water through grassed areas. Alternative systems which meet or exceed contaminant removal levels of grassed areas may be used.
2. All storm water runoff resulting from constructed impervious surfaces will be contained within the property lines of each tract or parcel. Grass and/or landscaped areas will be designated to accommodate excessive storm water runoff. Compliance with applicable federal, state, and local regulations is required. The applicant is responsible to comply with the requirements of standards for non-residential development within the Spokane Aquifer Sensitive Area. Each plan submitted must meet applicable regulations.
3. All storm water run-off from ramps and parking areas shall receive primary treatment and disposal through grassy swales, in compliance with federal, state, and local regulations. Engineered site plans shall have acreage to provide primary treatment for the first one-half (1/2) inch of storm water run-off generated from paved or impervious ramps and parking surfaces.

PART 5 – BUILDING REGULATIONS**A. ZONING ORDINANCES**

Except as provided for herein or by interlocal agreement, applicable local municipalities building and zoning ordinances shall apply.

B. FINAL APPROVAL BY AIRPORT

Final approval of the compatibility of any proposed construction on the Airport shall remain with the Airport CEO. Construction shall not commence before the Airport CEO, has granted final approval.

PART 6 - TYPE OF CONSTRUCTION

A. BUILDING MATERIALS

Types of materials shall comply with PART 2, Development Standards, Section E., Paragraph 2, herein. Siding materials, if used, shall be kept neatly painted. Any variations from the development standards outlined herein shall require advance written authorization from the Airport CEO, or designee.

Architectural Treatment - Building walls should be the dominant architectural element; roofs should be secondary. Building colors shall be muted, predominantly in earth tone shades. Colors for roofing materials shall not create glare towards moving aircraft and ATC operations.

B. PERMANENT BUILDINGS

All hangars or other buildings shall be fully enclosed, permanent structures.

C. ACCESSORY BUILDINGS, ENCLOSURES AND FENCES

Accessory buildings, enclosures, and fences shall enhance the design of and be of the same quality of materials as the buildings they serve.

D. BUILDING CODES AND ORDINANCES

Unless provided for herein, all buildings shall conform to applicable local building codes and ordinances.

E. APPROVAL BY AIRPORT CEO

The type of building construction proposed shall be subject to the written approval of the Airport CEO, or designee. Request for appeal shall be filed with the Airport CEO, in writing, within ten (10) business days after the Airport CEO's decision is received via courier service and/or email by the applicant.

PART 7 - HANGAR USES AND RESTRICTIONS

A. Hangars located on Airport property must be used for an aeronautical purpose, or be available for use for an aeronautical purpose, unless otherwise approved by the Airport CEO. Use for an aeronautical purpose includes the following:

1. Storage of active aircraft.
2. Final assembly of aircraft under construction.
3. Non-commercial construction of amateur-built or kit-built aircraft.
4. Maintenance, repair, or refurbishment of aircraft, but not the indefinite storage of non-operational aircraft.

5. Storage of aircraft handling equipment (e.g. towbars, glider tow equipment, workbenches, and tools and materials used in the servicing, maintenance, repair or outfitting of aircraft).

Provided the hangar is used primarily for aeronautical purposes, non-aeronautical items may be stored in the hangar provided such items do not interfere with the aeronautical use of the hangar.

B. The following uses, actions or items are specifically prohibited in a hangar:

1. Storage of combustible or other hazardous materials except as outlined under requirements of Part 3, Section B, above.
2. Storage or presence of any item(s) that impedes the movement of the aircraft in and out of the hangar or impedes access to aircraft or other aeronautical contents of the hangar.
3. Storage or presence of any item(s) that displaces the aeronautical contents of the hangar; provided, however, a vehicle parked at the hangar while the vehicle owner is using the aircraft will not be considered to displace the aircraft.
4. Storage or presence of any item(s) that are used for the conduct of a non-aeronautical business or municipal agency function from the hangar (including storage of inventory).
5. Any source of power or electricity to the hangar that is not permanent wiring, including but not limited to extension cords.
6. Alteration of the structure without first obtaining written permission from the Airport CEO, or designee.
7. Fueling inside the hangar.
8. Operating the aircraft engine inside the hangar.
9. Use of the hangar for a residence. The FAA differentiates between a typical pilot resting facility or aircrew quarters versus a hangar residence or hangar home. The former are designed to be used for overnight and/or resting periods for aircrew, and not as a permanent or even temporary residence.
10. Subleasing the hangar without first obtaining written permission from the Airport CEO, or designee.
11. Conducting any business or commercial activities in the hangar, such as charter, rental, instructional services or any other business related purpose whether aviation or non-aviation related without first obtaining written permission from the Airport CEO, or designee.
12. Discharging or releasing in or around the hangar any flammable, combustible liquids, petroleum waste, paint products, chemicals or hazardous wastes or products upon sidewalks, streets, drainage areas, sewer or the ground.
13. The discharge of a firearm on Airport property.

14. Any storage, use, action or the presence of any item in violation of these CC&Rs, the Minimum Standards or rules and regulations established by the Airport, lease provisions, building codes, or applicable federal, state or local law.

C. PARKING

Each storage hangar operator should provide off-street parking to accommodate all parking needs for the site without obstructing Airport taxiways, taxilanes and fire lanes.

D. LANDSCAPING

Generally, landscaping is not required for storage hangar sites. However, undeveloped areas that are owned or are under lease agreement, shall be maintained in a weed-free condition by the lessee. As a minimum, dry land grasses shall be planted on unpaved leased areas.

The Spokane Airport Board hereby adopts these Felts Field Airport Covenants, Conditions and Restrictions for Aircraft Storage Hangars and Use of Property at Felts Field Airport on this 29th day of June, 2017.

SPOKANE AIRPORT BOARD



Lawrence J. Krauter
Chief Executive Officer