

Kankakee Valley Airport Authority Minimum Standards



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Board of Commissioners

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Section I- Preface

All airport sponsors of federally obligated airports are responsible for establishing airport rules and regulations for the safe operation of the airport and Minimum Standards establishing criteria for those wishing to provide aeronautical services to the public on these airports. For those entities meeting the Minimum Standards the airport sponsors will negotiate a lease with them to provide specific services in a leased area with stated facilities at an agreed upon set of rates and charges.

Minimum Standards establish a template for safe tenant operations, minimize exposure to claims of discrimination or unfair treatment of providers of aeronautical services, address environmental liability issues, reduce liability issues, and reduce accident exposure. Minimum Standards set the format for which an airport manager can measure requests for business activity on the airport and allow those providers of aeronautical services to make sound business decisions concerning the future of their business.

This document lists the Minimum Standards for all persons or entities which provide aeronautical services at the Greater Kankakee Airport. It was developed to provide guidance and protection for all parties concerned.

The details for construction of structures and other facilities are not included in these Minimum Standards. In accordance with the continuing aesthetic and environmental improvement of the Greater Kankakee Airport, the Kankakee Valley Airport Authority Board of Commissioners ("KVAA") shall review and approve all site plans, new construction, remodeling projects, and color schemes proposed by a Lessee prior to such improvement by the Lessee. Construction proposed by a prospective Lessee must be in accordance with the building codes adopted by the City of Kankakee, as may be amended from time to time by the City of Kankakee.

Section II– Introduction and Background Information

KVAA has deemed that it is in the best interest of the community, and the airport, that several aeronautical services are provided at the Greater Kankakee Airport (the "Airport" or "Greater Kankakee Airport"). These services have been provided by various businesses from time to time through commercial lease agreements between KVAA and the service providers. All persons or entities who provide aeronautical/commercial services at the Airport are subject to and required to comply with the Minimum Standards.

In preparing and adopting the Minimum Standards for Airport Aeronautical Services, KVAA has promulgated standards which will encourage development of reasonable and adequate services and facilities required by the airport user and encourage development of the Airport and its activity.

Provider of Aeronautical Service shall be defined as any person or business entity who shall have entered into a written lease or agreement with KVAA, or who has entered into a sublease agreement with a fixed base operator, with the approval of such sublease by KVAA, for the use of any area upon which a building exists or may be erected to provide any aeronautical service. All providers of aeronautical services shall comply with all rules, regulations, and the Minimum Standards for Aeronautical Services, as adopted by KVAA. No person or business entity shall provide aeronautical services at the Airport without a written lease or written approval of KVAA or a sublease with a fixed base operator approved by KVAA.

Recognizing the need for very small operators to conduct limited services, KVAA will consider applications from limited service providers to conduct such services. Application requirements are listed on page 12 of this document.

1. General Requirements

Building space requirements may be provided in one building, attached buildings, or in separate buildings. All Lessee personnel are required to hold the proper FAA certificates and ratings for the services being provided, and shall maintain certificates and ratings as required by FAA rules and regulations. All Lessees offering any of the services or combinations thereof shall do so under written lease or agreement with KVAA.

KVAA shall determine that an applicant desiring to provide any aeronautical service is fit, willing, and able to provide such services, and that the physical space and facilities required by these standards is available to the applicant. Any sublease of space by a fixed base operator to any provider of aeronautical services shall require approval by KVAA and shall comply with all rules, regulations, and Minimum Standards adopted by KVAA.

All activities contained within the Minimum Standards are presumed to be acceptable activities and will be permitted unless for reasons identified during the application and approval process. As a result and whenever the Minimum Standards indicates action on the part of KVAA, the coordination and negotiation of all pertinent information will be supplied through KVAA. All construction and property leases, excluding hangars, shall require the approval of the lease by KVAA.

2. Grant Assurances

The Federal Aviation Administration (FAA) rules and regulations provide that it is the prerogative of an airport sponsor to impose rules and regulations for the operation and use of its airport and Minimum Standards to establish the threshold entry criteria for those wishing to engage in providing aeronautical services to the public on the airport. Two of the assurances given by the airport sponsor in exchange for Federal funding to assist in airport development address the obligation of establishing Minimum Standards. These grant assurances are:

Grant Assurance 22(a) – It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds, and classes of aeronautical activities, including commercial aeronautical activities offering service to the public at the airport.

Grant Assurance 22(h) – The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.

3. Advisory Circular 150/5190-5

Advisory Circular (AC) 150/5190-5 gives guidance to airport sponsors in developing Minimum Standards. This document is available through the FAA. A brief summary of this document follows.

AC 150/5190-5 defines aeronautical activity as any 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.

Aeronautical activities commonly conducted include, but are not limited to, charter operations, pilot training, aircraft rental and sightseeing, skydiving, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and service, sale of aviation petroleum products, repair and maintenance of aircraft, sale of aircraft parts, gliders, powered parachute operators, ultralight, aircraft operations, and any other activities which can be appropriately regarded as an aeronautical activity.

Non-aeronautical activities include, but are not limited to, ground transportation (taxis, car rentals, and limousines), restaurants, advertising, vending, model aircraft, businesses located in industrial areas, and agriculture.

Section III – Preamble and Policy

KVAA, being the airport sponsor and in a position of responsibility for the administration of the Greater Kankakee Airport does hereby establish the following Policy for the Minimum Standards.

These Minimum Standards are intended to be the threshold entry requirements for those wishing to provide aeronautical services to the public and to insure that those who have undertaken the effort to provide commodities and services as approved are not exposed to unfair or irresponsible competition. These Minimum Standards were developed taking into consideration the aviation role, existing facilities, services offered, and future development at the Airport, and to promote fair competition. The Uniform application of these Minimum Standards, containing the minimum levels of service that must be offered by the prospective service provider, related primarily to the public interest and discourages substandard entrepreneurs, thereby protecting both the established aeronautical activities and the Greater Kankakee Airport patrons.

Although lease terms and covenants may vary, the basic provisions contained herein are applicable to all individuals, entities, and corporations proposing to conduct an aeronautical activity on the Greater Kankakee Airport. No exclusive right to conduct any aeronautical activity will be granted by KVAA to any commercial enterprise. The standards as herein set forth or as may be reviewed and revised in the future shall at no time be construed to be less than applicable Federal Aviation Administration Regulations now or then in effect.

The Kankakee Valley Airport Authority reserves the right to be the sole fuel vendor at the Greater Kankakee Airport.

Section IV - Definitions

Aeronautical Activity – Any activity conducted at the Airport which involves, makes possible, or is required for the operation of aircraft, or which contributes to or is required for the safety of such operations.

Aeronautical Service – Any service which involves, makes possible, or is required for the operation of aircraft, or which contributes to or is required for the safety of aircraft operations commonly conducted on the airport by a person who has a lease from the airport operator to provide such service, including, but not limited to air taxi and charter operations, pilot training, aircraft renting and sightseeing, aerial photography, crop dusting, aerial advertising, aerial surveying, air carrier operations, skydiving, ultralight operations, aircraft sales and services, sale of aviation petroleum products, repair and maintenance of aircraft, or sale of aircraft parts and aircraft storage.

Aircraft – Any contrivance now known or hereafter invented, used or designed for navigation of or flight in the air.

Airport – The Greater Kankakee Airport, and all of the property, buildings, facilities, and improvements within the exterior boundaries of the Airport as it now exists on the Airport layout Plan or as it may hereinafter be extended, enlarged, or modified.

Aviation Operator – Any person or organization engaged in business of an aviation nature under authority of a lease or permit from KVAA.

Board of Commissioners – The official body of individuals, appointed by the County, City of Kankakee, and Villages of Bradley and Bourbonnais, responsible for policy, control, and overall management of the Greater Kankakee Airport.

FAA – The Federal Aviation Administration.

FAR – Federal aviation regulations.

FBO – Fixed based operator. An individual or firm operating at the Airport and providing general aircraft services such as maintenance, storage, and flight instruction.

Flying Club – A non-commercial organization established to promote flying, develop skills in aeronautics, including pilotage, navigation, and awareness and appreciation of aviation requirements and techniques.

Fuels – As defined in an operator's lease agreement.

Fueling Operations – The dispensing of aviation fuel into aircraft.

Fuel Vendor – An entity engaged in selling or dispensing aviation fuel to aircraft other than that owned or leased by the entity.

Independent Operators – A commercial operator offering a single aeronautical service but without established place of business on the Airport. KVAA may or may not allow this type of serving to exist on the Airport.

Landside – All buildings and surfaces on the Airport used by surface vehicular and pedestrian traffic.

Manager – The Airport Manager or his/her designee.

Minimum Standards – The qualification or criteria established by KVAA as the minimum requirements that must be met by businesses engaged in Airport aeronautical activities for the right to conduct those activities.

NFPA – The National Fire Protection Association.

NOTAM – Notice to Airman as published by the FAA.

Operation of Aircraft or Aircraft Operation – Any use or movement of aircraft.

Person – An individual, corporation, government or governmental subdivision, partnership, association, or any other legal entity.

Ramp Privilege – The driving of a vehicle upon an aircraft parking ramp on the airside of the airport to deliver persons, cargo, or equipment to an aircraft as a matter of convenience or necessity.

Self Fueling Operator – A person who dispenses aviation fuel to aircraft owned by such person, or leased from others and operated by such person and holds a Non-Commercial Fueling Permit.

Sponsor – The Kankakee Valley Airport Authority and Board of Commissioners.

Through-the-Fence Operation – An arrangement with KVAA to permit access to the public landing area by independent operators offering an aeronautical activity or access based on land adjacent to, but not part of, the Airport.

UNICOM – A non-governmental communication facility which provides airport advisory information.

Section V – Minimum Standards for All FBOs

The following shall apply to all aeronautical service providers wishing to become an FBO at the Greater Kankakee Airport. Where inconsistencies exist between the Minimum Standards required for each aeronautical service proposed, the more stringent standard will take precedence and will become the minimum standard the aeronautical service provider must meet.

1. General Requirements

KVAA, from time to time, may determine the need for services at the Airport. If such service is not being furnished by any operator, KVAA then reserves the right to arrange for such a service on the Airport. This may be accomplished through an existing or new tenant.

An individual, entity, or corporation desiring to conduct business or operation on the Airport shall, in so far as possible, be granted leases and operational privileges. Leases shall be for a term to be mutually agreed upon between the parties with due consideration for the financial investment and the need to amortize improvements to the leasehold.

A person shall have such business background and shall have demonstrated his business capability to the satisfaction of, and in such manner as to meet with the approval of KVAA.

Any prospective FBO seeking to conduct aeronautical activity at the airport should demonstrate that they have adequate resources to realize the business objectives agreed to by KVAA and the applicant.

The prospective FBO shall lease from KVAA sufficient lease areas to accommodate the required aeronautical activity and suitable buildings in which to conduct proposed activities. Areas required are ground space to provide for outside display and storage of aircraft, building space that provides floor space for aircraft storage, and sufficient office space. The FBO shall also provide, on the leased area, paved adequate parking for the FBO's customers and employees.

The prospective FBO shall have this premises open and services available as determined in the negotiated lease and/or shall make provision for someone to be in attendance in the office at all times during the required operating hours.

All prospective FBOs shall demonstrate to KVAA satisfactory evidence of its ability to acquire insurance coverage as stipulated for each particular type of operations. An FBO should make its own analysis to determine if more is needed. However, such policies of insurance shall be maintained in full force and effect during all terms of existing leases, agreements or business licenses or renewals or extensions thereof with a 30-calendar day notice of cancellation to KVAA. Such policies shall not be for less than the amounts listed in Section VII; however, in all cases, amounts of policies must meet the statutory requirements of applicable governmental agencies and be approved in writing by KVAA.

Any FBO, person, party, firm, entity or corporation operating on the Airport must comply with all federal, state, and local rules, regulations, and requirements.

KVAA has adopted as policy that no FBO or other leaseholder may sublease any part of their leasehold to another, without the expressed written consent from KVAA as specifically allowed through a negotiated lease. Each request to sublet all or part of a leasehold will be reviewed and approved or denied on a case-by-case basis.

No signs shall be erected or displayed nor any advertising displayed on the leased premise or on the Airport without first obtaining written permission from the Airport Manager.

A. Rental Rates and Charges

1. KVAA shall establish rentals and fees applicable to Airport property and services and shall make amendments thereto from time to time, as KVAA deems necessary. Inherent in the process of establishing fair and equitable Airport rates and charges, is the premise that each Operator will be required to pay appropriate rents and fees for the privilege of developing and operating airport properties and that each user of the aircraft operating area be required to pay appropriate rents and fees for that privilege.
2. It is the intent of the Authority to recover all capital costs incurred by the Authority, as well as operating/maintenance expenses for all Authority-owned public use facilities. Standard rates and charges, sometimes referred to as a flat or fixed rental, will be incorporated into all agreements involving space rental.
3. To insure compliance with Federal requirements and to sustain the infusion of Federal funding for capital improvements, all FBOs and tenants making the same or similar use of the Airport, as well as utilizing the same or similar facilities, will be subject to uniform rates and charges, to the greatest extent that provisions of existing leases will allow. Tenants will be assessed a rental rate that is fair and equitable, subject to such factors as location, size/shape, condition, and intended use. Rental rates will be established on the basis of costs and expenses incurred in the development and operation of the facility plus comparison for competitive purposes with similar rentals on the open market. Occupants engaged in the sale of goods and services shall be required to pay 2% of gross sales which will be considered a part of overall rental considerations. All operators will be required to pay a ground rental for the acreage leases, including areas for structures, aircraft parking, auto parking, and landscaping.
4. All payments required to be made by any lessee to KVAA must be paid in a timely manner. The Authority may charge lessee interest on late payments.

B. Direction and Flow of Traffic

The Authority reserves and retains the right to designate the point or points at which auto vehicular traffic and aircraft traffic may enter and leave any site, and may establish directional control where and as it deems appropriate or necessary.

C. Fuel Storage

All fuel storage facilities shall be approved by KVAA, be located within EPA approved containment vessels, and at a location insuring safe and efficient fuel truck circulation patterns for both distribution of fuel to the end users, and for bulk delivery to the storage facility. Such facilities shall be properly shielded, vented, and otherwise protected to insure against fire, explosion, and pollution of the air or water in accordance with requirements of all governmental agencies having jurisdiction hereof.

D. Maintenance and Operational Obligations

1. All agreements will contain specific requirements for operator insurance coverage.
2. Each Lessee will be obligated to provide for total security within the leased site.
3. Each Lessee will be required to provide total and continuous maintenance of all buildings, grounds, and appurtenances thereto for the duration of the lease to assure first class appearance and operating conditions at all times.
4. All agreements will, as required and applicable, include provisions that govern the hours of operation, type of operation, extent of services, and quality of performance.
5. Each Lessee of lease premises will be required to incur complete and total costs of utilities and waste services. In all cases, on-site meters will be required and prompt payment for services is required to assure uninterrupted service.
6. The cost of all on-site utility/service connections and distribution will be borne by the Lessee.

E. Application and Qualification

Demonstration of intent to conduct a business operation at the Airport shall be by confidential application to the Airport Manager. The written application shall contain at a minimum:

1. The proposed nature of the business. A business plan may be used to express the proposed nature of the business. (See a business plan outline in Appendix 1.)
2. The signatures of all parties whose names are being submitted as owning an interest in the business or will appear on leases or other documents as being a partner, director, or corporate officer, and those who will be managing the business.
3. The current and pro forma financial statements prepared or certified by a Certified Public Accountant.
4. A listing of assets owned, or being purchases, or leased which will be used in the business on the Airport.

5. A current credit report for each party owning or having a financial interest in the business and a credit report on the business itself covering all geographical areas in which it has done business in the ten-year period immediately prior to such application.
6. An agreement to provide a bond or suitable guarantee of adequate funds to KVAA to be used to defray any expenses and fees normally paid by the Lessee between the estimated time the Lessee may default and a new lease is executed and another Lessee takes over.
7. A written authorization from the FAA, any aviation or aeronautics Boards, administrators (including, but not limited to, airport administrators), and departments of all states in which the applicant has engaged in aviation business to release information in their files relating to the applicant or its operation. The applicant will execute such forms, releases, or discharges as may be required by those agencies.
8. Preliminary plans, specifications, and dates for any improvements which the applicant intends to make on the Airport as part of the activity for which approval is sought. Applicant must comply with appropriate Review Procedures and the KVAA Board of Commissioner's requirements.
9. Proof (copy of insurance company letter of intent) of liability coverage for the business operation, flight operations, itinerant aircraft and operators, and premises insurance.
10. Such other information that may be required.
11. For sales and transfers of operations that are a "going concern" (already established and in operation), KVAA may not require any or all items listed above depending on the circumstance.

F. Action on Application

All applications will be reviewed and acted upon within 90 days from the receipt of the application. Applications may be denied for one or more of the following reasons:

1. The applicant does not meet qualifications, standards, and requirements established by these Minimum Standards. Line items in these Minimum Standards may be waived in an effort to promote startup businesses for services not currently provided on the Airport at the discretion of KVAA. Once this objective is accomplished, reinstatement of the line items will be proper and acceptable. At no time will line items that are waived be in conflict with Line Item #3 of this section.
2. The applicant's proposed operations or construction will create a safety hazard on the Airport.

3. The granting of the application will require the expenditure of local funds, labor or materials on the facilities described in or related to the application or the operation will result in a financial loss to the Authority.
4. There is no appropriate or adequate available space or building on the Airport to accommodate the entire activity of the applicant.
5. The proposed operation, Airport development, or construction does not comply with the approved Airport Layout Plan.
6. The development or use of the area requested will result in a congestion of aircraft or buildings, or will result in unduly interfering with the operations of any present fixed base operator or tenant on the Airport, such as problems in connection with aircraft traffic or service, or preventing free access and egress to the existing facilities, or will result in depriving, without the proper economic study, an existing fixed base operator of portions of its lease areas in which it is operating.
7. Any party applying, or interested in the business, has supplied false information, or has misrepresented any material fact in the application or in supporting documents, or has failed to make full disclosure on the application.
8. Any party applying, or having an interest in the business, has a record of violating the Rules, or the Rules and Regulations of any other airport, Civil Air Regulations, Federal Aviation Regulations, or any other Rules and Regulations applicable to this or any other airport.
9. Any party applying, or having an interest in the business, has defaulted in the performance of any lease or other agreement with the KVAA or representatives or any lease or other agreement at any other airport.
10. Any party applying, or having an interest in the business, is not sufficiently credit worthy and responsible in the judgment of the Authority to provide and maintain the business to which the application relates and to promptly pay amounts due under the FBO or SASO lease.
11. The applicant does not have the finances necessary to conduct the proposed operation for a minimum period of six months.
12. The applicant has committed any crime, or violated any local ordinance rule or regulation, which adversely reflects on its ability to conduct the planned operation applied for.

G. Fixed Base Operator (FBO)

KVAA have established through lease agreements that certain businesses on the Airport are leasing property for the sole purpose of carrying out the business of a fixed base operator. The following minimum standard is based on the services required of these operations.

Minimum Standards

1. The Minimum Standards for each of the following services are promulgated in this document and shall be complied with for each of the required services, with the exception that standards established in this standard shall take precedent in the event of a conflict or question (i.e. leasehold space requirements)
2. An FBO must provide flight training, aircraft storage, and aircraft airframe and engine maintenance.
3. An FBO may provide aerial application, car rental, and aircraft sales.
4. The leasehold for an FBO shall contain a minimum land area of one acre to provide space for buildings, storage of aircraft, and employee and customer parking. Size will vary due to unequal depth of the available property that exists on the airport.
5. The FBO shall lease or construct a building that will provide 1,000 square feet of properly lighted and heated space for office and public lounge, flight planning, and public restrooms.
6. The FBO shall lease or construct a building or buildings that will provide 5,000 square feet of hangar space for aircraft storage and aircraft maintenance, of which an adequate amount shall be heated to accommodate the commercial demands of the FBO.

H. Aircraft Maintenance (AM)

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

Minimum Standards

1. The AM shall provide sufficient equipment, supplies, manuals, and availability of parts equivalent to that required for certification by the FAA.
2. The AM shall have in his employ, and on duty during the appropriate business hours, trained personnel in such numbers as are required to meet the Minimum Standards set forth in this category of services in an efficient manner, but never less than one person currently certificated by the FAA with ratings appropriate to the work being performed and who holds an airframe and powerplant rating. An individual with an aircraft inspector rating shall also be in employ. Normal business hours shall include a provision for emergency after-hour or weekend on-call procedures.
3. The leasehold shall contain an area of space for all buildings and temporary, parking of aircraft, employee and customer parking.
4. The AM shall lease existing facilities or construct a building sufficient to provide 2,000 square feet of shop space meeting local and state industrial code requirements, and lease or construct a building with an area of 1,000 square feet of properly lighted and heated space for office space, customer lounge, and public restrooms.

I. Flight Training (FT)

A FT operator engages in instructing pilots in dual and solo flight training, in fixed and/or rotary wing aircraft, and provides such related ground school instruction as is necessary preparatory to taking a written examination and flight check ride for the category or categories of pilots' certificates and ratings involved. This standard shall not restrict nor prevent free-lance flight instruction on the Airport properly certified by individuals offering flight instruction in non-owned aircraft or flying club aircraft.

Minimum Standards

1. The FT shall have available for use in flight training, either owned or under written lease to FT, properly certificated aircraft, one aircraft, of which must be at least a two-place aircraft, and one of which must be equipped for and capable of use in instrument flight instructions (if that instruction is offered). This may be one in the same aircraft.
2. The FT shall have available at least one flight instructor who has been properly certificated by the FAA to provide the type of training offered.
3. The leasehold shall contain an area of land to provide space for Lessee's buildings, aircraft tiedown, and vehicular parking.
4. The Lessee must lease or construct a building having 1,000 square feet or properly lighted and heated floor space to provide classroom, briefing room, pilot lounge, restrooms, and office space.

J. Skydiving Operator (SO)

A Skydiving Operator engages in the transportation of persons for skydiving, instruction in skydiving, and/or rental and sales of skydiving equipment.

Minimum Standards

1. The SO shall have available for skydiving, either owned or under written lease to the SO, at least one properly certified aircraft.
2. The SO operations shall meet or exceed the Basic Safety Requirements (BSR) of the United States Parachute Association (USPA), FAR 105, and related FAA Advisory Circulars and FAA safety standards. All jump plane pilots must hold a FAA commercial pilot certificate appropriately rated for the aircraft being operated. Copies of said FAA commercial pilot certificates must be on file with the Airport before any jump plane flights.
3. The SO shall carry the minimum insurance coverage and limits in accordance to Section VI – Minimum Insurance Policy Limits.
4. Landing of the jumper or jumpers cannot be on the Airport proper unless authorized by the Airport Manager. A designated landing zone must be established. Landing of the jumper or jumpers is prohibited outside of the designated landing zone is prohibited, and will be cause for termination of the lease.
5. The leasehold shall contain a minimum land area of one acre to provide space for buildings, storage of aircraft, and employee and customer parking.
6. The leasehold shall lease or construct a building that will provide 1,000 square feet of properly lighted and heated space for office, public lounge, and public restrooms.
7. The leasehold shall lease or construct a building or buildings that will provide adequate square feet of hangar storage and aircraft maintenance to accommodate the commercial demands of the SO.

K. Aircraft Charter and Air Taxi Operator (ACAT)

An unscheduled, or scheduled air charter or air taxi engages in the business of providing air transportation (person or property) to the general public for hire, on an unscheduled or scheduled basis under 14 CFR Part 135 of the Federal Aviation Regulations.

Minimum Standards

1. The ACAT shall provide, either owned or under written lease type, class, size, and number of aircraft intended to be used by the ACAT, not less than one multi-engine aircraft or one single engine aircraft, which must meet the requirements of the air taxi commercial ACAT certificate held by the ACAT. The aircraft shall be certified for instrument operations. The aircraft may be used for, and in place of, aircraft intended for instruction and/or rental.
2. All aircraft used to meet the standards shall be listed on the Operators Specification issued to the ACAT by the FAA.
3. All aircraft used to meet these standards shall be based at the Airport except for normal operations and maintenance. If an aircraft based at the Airport is listed in the Operations Specification of an air charter with an office at a site other than the Airport, and the ACAT wishes to conduct business at the Airport, such air charter will be considered based at the Airport and must be in compliance with these Minimum Standards.
4. The ACAT shall have in his employ and on duty during the appropriate business hours trained personnel in such numbers as are required to meet the Minimum Standards set forth in this category in an efficient manner but never less than one person who is an FAA certified commercial pilot and otherwise appropriately rated to permit flight activity offered by the ACAT. Appropriate business hours shall include a provision for emergency after-hour or weekend on-call procedures.
5. The leasehold shall contain an area of land for buildings, aircraft parking, and vehicular parking.
6. The leasehold shall lease or construct a building providing aircraft storage, office and customer lounge, and public restrooms.
7. Aircraft shall be owned or leased by agreement in writing and meet all the relevant requirements of Part 135 of the FAA Regulations.

L. Aircraft Storage Operator (ASO)

An Aircraft Storage Operator engages in the business of renting conventional hangars or multiple T-hangars for the temporary storage of aircraft. This requirement shall not be construed to indicate that private hangar owners subleasing a portion of their hangar would be obligated to meet these Aircraft Storage Minimum Standards.

Minimum Standards

1. The conventional hangar ASO shall have facilities available for the tenant's aircraft removal and storage on a continuous basis.
2. The ASO shall demonstrate that it can provide sufficient personnel trained to meet all requirements for the storage of aircraft with appropriate equipment.
3. The leasehold shall contain an area of land for building and aircraft parking.
4. The leasehold shall construct or lease a hangar building providing a minimum of 2,500 square feet of properly lighted and heated floor space for aircraft storage.

M. Air Ambulance Operator (AAO)

An Air Ambulance Operator operates on an as needed basis transporting patients from one care facility to another. Generally an Air Ambulance will operate under 14 CFR Part 135.

Minimum Standards

1. The AAO shall provide, either owned or under written lease, type, class, size, and number of aircraft intended to be used by the AAO, not less than one multi engine aircraft or one helicopter, which must meet the requirements of the air ambulance commercial AAO.
2. The AAO shall have in his/her employ, and on duty appropriate business hours, trained personnel in such numbers as may be required to meet the Minimum Standards herein set forth in an efficient manner, but never less than one person who is an FAA certified commercial pilot and otherwise appropriately rated to permit the flight activity offered by the AAO.
3. Use of multi engine aircraft or helicopter to provide any service other than air ambulance is prohibited unless a separate written agreement has been entered into with KVAA, or the activity is addressed as an allowed operation under a written lease. All Minimum Standards for operation other than Air Ambulance must be met under the provision allowing for the service.

N. Multiple Services Operator (MSO)

A Multiple Services Operator engages in any two or more of the aeronautical services for which Minimum Standards have been herein provided.

Minimum Standards

1. The MSO shall comply with the aircraft requirements, including the equipment thereon for each aeronautical service to be performed except that multiple uses can be made of all aircraft owned or under lease by the MSO except aircraft used for crop dusting, aerial application, or other commercial use of chemicals.
2. The MSO shall provide the facilities, equipment, and services required to meet the Minimum Standards as herein provided for all aeronautical services the MSO is performing.
3. The MSO shall obtain, as a minimum, that insurance coverage which is equal to individual insurance requirements of all aeronautical services being performed by the MSO.
4. The MSO shall have in his employ, and on duty during the appropriate business hours, trained personnel in such numbers as are required to meet the Minimum Standards for each aeronautical service the MSO is performing as herein provided. Multiple responsibilities may be assigned to meet the personnel requirements for each aeronautical service being performed by the MSO, provided that any service requested must have personnel available to perform the service at the time of request.
5. The leasehold for multiple activities shall contain adequate square feet of land to provide space for specific use area requirements established for the services to be offered (specific use spaces need not be additive where combination use can be reasonably and feasibly established). Adequacy of space to be determined by the types of activities to be offered.
6. All equipment, specifically required for each activity, must be provided.

O. Ultralight Operator (UO)

An Ultralight Operator includes any tenant who uses or provides flights or training to the public or ultralight aeronautical aircraft.

Minimum Standards

1. The UO shall provide, either owned or under written lease, type, class, size, and number of ultralights intended to be used by the UO. Any ultralight shall be certified as airworthy.
2. The UO shall have in his/her employ, and on duty appropriate business hours, trained personnel in such numbers as may be required to meet the Minimum Standards herein set forth in an efficient manner, but never less than one person who is an FAA certified commercial ultralight pilot and otherwise appropriately rated to permit the flight activity offered by the UO.
3. Ultralights may take off and land in areas designated by the Airport Manager.

P. FBO Subleasing from Another Commercial FBO

KVAA has adopted as policy that no tenant, FBO, or other leaseholder may sublease any part of their leasehold to another without the prior written consent of KVAA.

Q. Transient or Temporary Service Providers (TSP)

Any aeronautical service provider that wishes to engage in any commercial aeronautical service on a temporary basis not to exceed 15 days, shall comply with the following standard.

Minimum Standards

1. The TSP shall provide a written request to the Airport Manager to operate a business at the Airport. The written request must be submitted a minimum of 7 days prior to commencement of operations and must provide at minimum:
 - a. Name of company and principals,
 - b. Company address and phone numbers,
 - c. Brief description of the service to be provided including a schedule of the fees to be charged
2. The TSP shall provide appropriate insurance coverage for the enterprise engaged in. KVAA shall be listed as additional insured. A copy of the insurance coverage must be provided to the Airport Manager.
3. The TSP must receive written approval from the Airport Manager prior to the start of operations on the Airport. Space rentals may apply.

Section VI– Minimum Insurance Policy Limits

All FBOs and aviation tenants ("Operator") shall maintain insurance in the types and limits outlined below which protects them and the Authority.

1. Each Operator shall deliver to the Airport Manager copies of all certificates of insurance for required insurance, any policy amendments and policy renewals, and any additional information related to required insurance. Each policy shall require the insurer to provide to the Authority at least 30 days prior written notice of termination or cancellation.
2. Each Operator shall submit to the appropriate insurer timely notices and claims of all losses insured under any required insurance policy, pursue such claims diligently and comply with all terms and conditions of required insurance policies. Each Operator shall promptly give the Airport Manger a copy of all notices and claims of loss and any documentation or correspondence related to such losses. Each Operator shall make all policies for required insurance, policy amendments and other related insurance documents available for inspection and photocopying by the Airport Manager upon reasonable notice.
3. Each Operator shall maintain the following insurance policies as required insurance under these Rules:
 - a. All Operators required under Illinois law to have Workers Compensation Insurance are required to maintain Workers Compensation and Employers Liability Insurance. This insurance will pay the Lessee's obligation under Workers Compensation Law of Illinois. Employers liability coverage shall provide limits of at least \$100,000 each accident for bodily injury and \$100,000 each employee for disease. The total policy limit for disease shall be at least \$500,000.
 - b. General Liability Insurance. This insurance must be written on an "occurrence" basis, responding to claims arising out of any occurrences which may take place during the policy period. The general liability form shall provide limits of at least the following with no deductible:
 - i. \$1,000,000 each occurrence for bodily injury & property damage;
\$1,000,000 each incident for personal and advertising injury;
\$1,000,000 product-completed operations subject to a sub-limit of \$100,000 per person.
 - ii. The insurance policy shall provide for contingent liability for KVAA on any claim or loss, and KVAA shall be named as additional insured under Operator's policy of insurance, as KVAA's interest may appear. The Operator shall instruct the insurer to notify KVAA in writing by certified mail at least 30 days prior to

cancellation or refusal to renew any policy. The Operator shall file certificates of all insurance required with KVAA.

- iii. Insurance against fire, windstorm, or other casualty, including all standard extended coverage available, on all of the Operator's personal property, together with such medical payments coverage as the Operator may desire. In connection therewith, the Operator holds KVAA harmless against loss or damage to the Operator's person or property by reason of any casualty other than the gross negligence of KVAA.
 - c. Business Automobile Liability Coverage. Business automobile liability insurance shall apply to any automobile, including all owned, hired, and non-owned vehicle, to a combined single limit of at least \$1,000,000 each accident.
 - d. Aircraft Liability Insurance. This insurance shall provide aircraft liability, including temporary substitute aircraft and non-owned aircraft liability, to a combined single limit of at least \$500,000 limited to \$100,000 each passenger per occurrence. Coverage shall apply to bodily injury or death and mental anguish, including passenger injuries and property damage.
4. Any Person providing an aeronautical service to the public at the Airport under the supervision of, or pursuant to an arrangement with, and an Operator shall not be required to obtain the insurance described above if the insurance policy or policies of the Operator cover that Person to the same extent and in the same amount as the applicable insurance policy described above for the Operator.
5. Each Operator agrees to indemnify and hold KVAA and each of its commissioners, officers, officials, representative, agents, employees, successors or assigns harmless from all claims and liabilities (including, without limitation, legal fees) arising out of the use of the Airport.

Section VII– Flying Clubs

1. All flying clubs desiring to base their aircraft and operate on the Airport must comply with the applicable provisions of these Minimum Standards. To qualify under this section, a flying club may not offer or provide any aeronautical services to the public. However, they shall be exempt from the regular Commercial Activity requirements upon satisfactory fulfillment of the conditions contained herein.
2. Each club must be an Illinois not-for-profit corporation. Each member must be a bona fide owner of the aircraft or a stockholder in the corporation. The club may not derive greater revenue from the use of its aircraft than the amount necessary for the actual use of operation, maintenance, and replacement of its aircraft. The club will file and keep current with the Airport Manager a complete list of the club's membership and investment share held by each member. At any time the Airport Manager has reason to believe a club aircraft is being so operated that it falls under the commercial activity classification, he/she shall so notify the club and if they fail to remedy these conditions, they shall be reclassified and must comply with the requirements for any other commercial activity.
3. The Club's aircraft will not be used by other than bona fide members for rental and by no one for commercial operations. Student instruction can be given in club aircraft to club members provided such instruction is given by a lessee based on the Airport who provides flight training or by an instructor who shall not receive remuneration in any manner for such service. Maintenance of club aircraft shall be done by a lessee based on the Airport who provides aircraft maintenance or by a mechanic who shall not receive remuneration in any manner for such service.
4. In the event that the club fails to comply with these conditions, the Airport Manager will notify the club in writing of such violation(s). If the club fails to correct the violation(s) within (15) days thereafter, the manager may recommend to KVAA any action deemed advisable including cancellation of lease.
5. The flying club must furnish satisfactory evidence of insurance indicating Single Limit Aircraft Liability Coverage for bodily injury and property damage.

Section VIII– Revisions

The Kankakee Valley Airport Authority reserves the right, to at any time without notice, revise, modify, change, or waive any or all of the foregoing Minimum Leasing Standards and Requirements.

Appendix 1 – Business Plan Minimum Requirements

1. All services that will be offered.
2. Amount of land desired to lease.
3. Building space that will be constructed or lease.
4. Number of aircraft that will be provided.
5. Equipment and special tooling to be provided.
6. Number of persons to be employed.
7. Short resume for each of the owners and financial backers.
8. Short resume for the manager of the business (if different from 7 above) including this person's experience and background in managing a business of this nature.
9. Periods (days and hours) of proposed operation.
10. Amounts and types of insurance coverage to be maintained.
11. Evidence of the projections for the first year and the succeeding 4 years.
12. Methods to be used to attract new business (advertising and incentives).
13. Amenities to be provided to attract business.
14. Plans for physical expansion, if business should warrant such expansion.

ADOPTED BY THE BOARD OF COMMISSIONERS OF THE KANKAKEE VALLEY
AIRPORT AUTHORITY ON MARCH 9, 2015.

Chairman