

ATTACHMENT A – FAA APPROVAL LETTER



U.S. Department
of Transportation
**Federal Aviation
Administration**

Oklahoma Airport Field Unit
FAA Building, Wiley Post Airport
5909 Philip J. Rhoads Ave.
Bethany, Oklahoma 73008
Telephone 405-798-2090

January 9, 2008

Mark Kranenburg, Director
Will Rogers World Airport
7100 Terminal Drive, Box 937
Oklahoma City, OK 73159-0937

Dear Mr. Kranenburg:

This is response to your letter dated November 21, 2007 concerning the Strategic Development Program and Land Use Plan being developed for Will Rogers World Airport.

The FAA concurs with the program concepts and principles of the development and land use plan to support the airport as outlined in your letter.

Suggest you plan to accomplish an environmental assessment for the proposed development plan in order to satisfy the National Environmental Policy Act (NEPA) in order for the FAA to be able to approve the development on the ALP. Please keep us informed of the progress during the process of developing the plan.

David Hellen
Program Manager, OK AFU



**The City of
OKLAHOMA CITY**

Department of Airports

November 16, 2007

Mr. Edward Agnew
Manager, Arkansas/Oklahoma Airports Development Office
Fort Worth, Texas 76193-0630

Re: Oklahoma City Will Rogers World Airport
Strategic Development Program

Dear Mr. Agnew,

The Oklahoma City Airport Trust ("Trust") has undertaken a Strategic Development Program for the City of Oklahoma City Will Rogers World Airport ("Airport"). The Trust is in the process of developing a comprehensive Land Use Plan ("Land Use Plan") for a specific Development Area of the Airport ("Development Area") as shown on the attached maps.

The Land Use Plan consultant team (Jacobs Consultancy) is working directly with the Master Plan Update consultant team (Barnard Dunkelberg & Co) in the coordination of the Master Plan and the Land-Use-Plan. The Development Area, as shown on the current Airport Layout Plan ("ALP") has been identified as property outside the forecasted need for additional terminal and runway infrastructure at the Airport. As a consequence, the Trust is pursuing aeronautical development in this Development Area to generate non-airline related revenues to enhance the overall revenues of the Airport, thereby promoting the growth of air service and ensuring the Airport remains self sustaining.

The Trust is requesting the Federal Aviation Administration's (FAA) concurrence and support of the Strategic Development Program, and specifically the approval of the Land Use Plan for the Development Area. With the FAA's approval, the Master Plan update and the future ALP will reflect the Development Area as AIP eligible "airport development land" needed in connection with the operation and maintenance of the Airport. In addition, with the FAA's approval of the Land Use Plan for the Development Area, the need to update the ALP for every qualifying development transaction will be avoided.

While the development of the conceptual layouts and specific leasing program for the Land Use Plan is currently underway, the Trust has identified the following general categories of land development for the Development Area:

1. Direct Aviation development designated as aeronautical use, including taxiways, taxilanes, ramp, access infrastructure, base infrastructure and other facilities or amenities for passenger air service, air cargo, general aviation, aircraft maintenance, aircraft manufacturing and other direct aviation facilities requiring access to the airfield.
2. Direct Aviation support development which may or may not require direct access to the airfield designated as aeronautical use, including facilities for companies providing logistics, materials, cargo, passengers and other ancillary support for Direct Aviation uses, including passenger, cargo and warehousing/distribution operations; and providing such services for Direct Aviation users, including the passengers, employees, agents and contractors, guests, and the tenants of the Airport.
3. Indirect Aviation, Concurrent Commercial development designated as aeronautical use, including offices, industrial facilities, retail, and similar facilities within those areas of the Development Area which do not currently have airfield access, and are not currently needed for Direct Aviation uses. The primary purpose for these areas is to ensure an adequate noise buffer and to retain the property for future Direct Aviation uses if required. In addition, Indirect Aviation, Concurrent Commercial development is desired to generate non-airline related revenues to enhance the overall revenues of the Airport, and ensure the Airport remains self sustaining thereby promoting the growth of air service and to provide goods and services for the Direct Aviation uses and users, the passengers, employees, agents and contractors, guests, and the tenants of the Airport.
4. Non-Aeronautical, Concurrent Commercial development use, including offices, industrial facilities, retail, and similar facilities within those areas of the Development Area are not anticipated to have airfield access, and are not currently needed for Direct Aviation or Indirect Aviation uses. The primary purpose for these areas is to ensure an adequate noise buffer, and ensure land development and uses compatible to Direct Aviation uses. In addition, as a

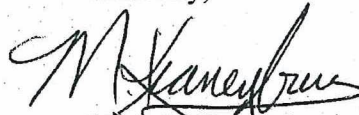
component of the strategic business plan for the Airport, Non-Aeronautical Concurrent Commercial development is desired to generate non-airline related revenues to enhance the overall revenues of the Airport, thereby promoting the growth of air service, and ensure the Airport remains self sustaining. The non-airline related revenues will be used to develop required infrastructure for the Development Area and as a source of repayment for infrastructure funding incurred by the Trust for land development under the Land Use Plan.

The Trust will provide to the FAA all specific concept plans and leasing programs developed for the Land Use Plan. Any deviation from the above described general categories of land development for the Development Area will be presented to the FAA for independent consideration. The Development of any property in the Development Area, including Indirect Aviation, Concurrent Commercial development does not have the effect of releasing the property from any term, condition, reservation, restriction or covenant of any applicable compliance agreement.

Furthermore, the Trust will continue to coordinate with the FAA for airspace analysis, environmental requirements, compatible land use reviews, and other obligations under the Grant Agreement Assurances. All revenue generated by facility development in the Development Area will be applied to the development, operations and maintenance of Airport facilities.

We hope the foregoing information provides adequate descriptions regarding the Strategic Development Program related to the Development Area, and the resulting Land Use Plan. We are requesting the FAA's concurrence and approval of the Strategic Development Program related to the Development Area. We would appreciate a written response from your office indicating support for the program principles outlined in this letter. Should the FAA require any additional information or have any questions regarding this request, please do not hesitate to contact me at 405/680-3200, or mark.kranenburg@okc.gov

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Kranenburg', with a stylized flourish at the end.

Mark D. Kranenburg
Director of Airports

Attachments

cc: James E. Thompson

ATTACHMENT B – AIRLINE LETTER OF SUPPORT



Delta Air Lines, Inc.

Post Office Box 20706
Atlanta, Georgia 30320-6001

1030 Delta Boulevard
Department 877
Atlanta, Georgia 30354
Phone (404)
Fax (404)
Email address

January 16, 2008

Mark Kranenburg
Director of Airports
Will Rogers World Airport
7100 Terminal Drive, Box 937
Oklahoma City, OK 73159-0937

Dear Mark:

As Chairman of the Airlines Airport Affairs Committee (AAAC) representing the airlines who service Will Rogers World Airport, the committee is appreciative of the Airport's Strategic Development Program and its' objective of pursuing aeronautical and commercial development to generate non-airline related revenues to enhance the overall revenues of the airport, thereby promoting the growth of air service and ensuring the Airport remains self sustaining.

In our discussions we have commented several times on how impressed the airlines are with the low cost of providing air service at the airport and in your Strategic Development Program directed at keeping it that way.

The AAAC expects to be partners in this program and welcome the opportunity in participating in its' development, progress, and efforts in obtaining the objective of the airport stated above.

With this letter, please find that the AAAC concurs with the program concepts and principles of the Strategic Development Program as outlined in your letter to the FAA dated November 16, 2007.

Sincerely,

Mike Anastas
Chairman AAAC
Delta Air Lines, Inc.

Cc; AAAC

ATTACHMENT C – AIRPORT LAYOUT PLAN

ATTACHMENT D – GENERAL AVIATION MARKET RENTS STUDY

Attachment D

MARKET RENTS STUDY FOR GENERAL AVIATION LEASES

This section provides a comparison of improved and unimproved general aviation lease arrangements between Will Rogers World Airport (the Airport) and other selected comparable airports, such that guidance can be provided to Airport management as to appropriate rates and charges levels for general aviation facilities leases at the Airport. The leases are principally for fixed base operators (FBO) and may also include hangar developments and other general aviation facilities. General aviation lease rates vary at airports for a number of different reasons, including, but not limited to, demand for general aviation services at the Airport, the regional economy and population, number of based aircraft and Airport rate-setting policy.

The selection of appropriate comparable general aviation airports is intended to understand the differences between FBO improved lease rates and terms, and the reasons for those differences. At certain airports, there are no recent improved general aviation leases; however where related lease data are available, we have included that information in this report.

COMPARABLE AIRPORTS

We have selected the following airports for the purposes of examining improved lease terms for their most recent and relevant FBO agreement:

1. Will Rogers World Airport, Oklahoma City, Oklahoma
2. Wiley Post Airport, Oklahoma City, Oklahoma
3. Albuquerque International Sunport, New Mexico
4. Colorado Springs Airport, Colorado
5. Dallas Love Field Airport, Texas
6. El Paso International Airport, Texas
7. Kansas City International Airport, Missouri
8. Little Rock National Airport, Arkansas
9. Dane County Regional Airport, Madison, Wisconsin
10. Memphis International Airport, Tennessee
11. Eppley Airfield, Omaha, Nebraska
12. Phoenix Sky Harbor International Airport, Arizona

13. Salt Lake City International Airport, Utah
14. San Antonio International Airport, Texas
15. Tucson International Airport, Arizona
16. Tulsa International Airport, Oklahoma
17. Wichita Mid-Continent Airport, Kansas

Key Airport Characteristics

The following sections summarize key comparative information, including airport characteristics, and information on the different types of FBO lease and other land lease information. Table 1 summarizes key airport characteristics, including airfield characteristics and activity levels. The airports surveyed were selected because they shared some of following qualities with the Airport:

- Regional location, focusing on the western and midwestern United States
- Metropolitan area size, a useful indicator of economic activity
- Similar airport type, consisting principally of air carrier airports with general aviation activity
- Other factors, including general consideration as to similarity of the overall general aviation market

Table 1

SELECTED COMPARATIVE AIRPORTS
Comparative General Aviation Lease Rate Study

	Airport	Code	Metropolitan area	State	Based fixed-wing aircraft		Annual general aviation operations	Number of privately-run FBOs	MSA population	Miles from city
					Jets	Total				
1	Will Rogers World	OKC	Oklahoma City	OK	21	54	18,082	1	1,206,142	6
2	Wiley Post	PWA	Oklahoma City	OK	45	460	51,629	2	1,206,142	7
3	Albuquerque International	ABQ	Albuquerque	NM	42	330	39,612	2	845,913	3
4	Colorado Springs	COS	Colorado Springs	CO	35	296	35,709	2	617,714	6
5	Dallas Love Field	DAL	Dallas	TX	586	637	78,649	6	6,300,006	5
6	El Paso International	ELP	El Paso	TX	24	295	26,272	2	742,062	4
7	Kansas City International	MCI	Kansas City	KS	0	0	55,781	1	2,002,047	15
8	Little Rock National	LIT	Little Rock	AR	34	154	49,699	2	675,069	2
9	Dane County Regional	MSN	Madison	WI	20	250	36,460	1	561,505	5
10	Memphis International	MEM	Memphis	TN	34	85	25,288	2	1,285,732	3
11	Eppley Airfield	OMA	Omaha	NE	45	141	28,243	2	837,925	3
12	Phoenix Sky Harbor International	PHX	Phoenix	AZ	28	117	30,913	2	4,281,899	3
13	Salt Lake City International	SLC	Salt Lake City	UT	49	415	60,027	2	1,115,692	3
14	San Antonio International	SAT	San Antonio	TX	78	263	87,783	4	2,031,445	7
15	Tucson International	TUS	Tucson	AZ	83	405	68,192	6	1,012,018	6
16	Tulsa International	TUL	Tulsa	OK	52	167	30,614	5	916,079	5
17	Wichita Mid-Continent	ICT	Wichita	KS	69	221	67,935	3	603,716	5

Sources: Based fixed-wing aircraft and annual general aviation operations: FAA Terminal Area Forecast for year 2008, accessed April 2009.

Number of FBOs and miles from city: Airnav.com, accessed April, 2009.

Metropolitan statistical area (MSA) population: U.S. Census Bureau 2008 estimate.

Lease Comparison

The lease comparison is summarized in Table 2, and accounts for the different factors that affect aeronautical demand for general aviation at various airports, which affects the level at which lease rates could be set. It was assumed that rates would be higher in a high-demand environment, unless mitigated by site constraints or policy decisions to accommodate an FBO at lower rates. The following factors were accounted for in the development of Table 2 and are discussed in the following pages:

- Unimproved ground rental rate
- If applicable, any improved rental rates on the site or other fees
- Lease start date, term and escalation clauses
- Airport policy objectives (e.g., revenue maximization or encouraging FBO development)
- Methodology for establishing the rate, such as appraisal or market comparison

1. Will Rogers World Airport

Will Rogers World Airport leases improved land to AAR Aircraft Services Oklahoma, Inc., which operates the sole on-Airport FBO, as well as providing aircraft maintenance, repair and overhaul (MRO) services. In the current lease, the Airport charges a ground rental rate of \$0.08 per square foot (psf) plus a ramp maintenance fee of \$0.06 p.s.f. for the ramp area. Hangar space is leased at a rate of \$3.61 p.s.f., which consists of (1) a hangar rent based on 4.0% of the appraised hangar value and (2) a building maintenance rent. A fuel flowage fee of \$0.08 per gallon is also charged.

The lease was signed in 1995 and a new draft lease is being developed in 2009, with a ground rental rate of \$0.10 per square foot (psf), a ramp maintenance fee of \$0.08 psf for the ramp area, and a parking lot maintenance fee of \$0.26 psf for the parking area. In the draft lease, hangar space is leased at a rate of \$3.64 psf; however this is below a recent appraised hangar rental rate of \$5.14 p.s.f. The draft lease has a 20-year term with no extensions specified and includes the following rate escalation clauses:

- Ground rent, ramp maintenance is to be escalated at \$0.01 p.s.f. starting in January 2011 and every three years thereafter.

Table 2
RATES AND CHARGES SUMMARY
 Selected Comparative Airports
 May 2009

	Airport	Unimproved lease rate (per sq. ft. per year)	Improved lease rate (per sq. ft. per year)		Fuel flowage fee	Percentage of gross revenues
			Building	Land		
1	Will Rogers World (a)	\$0.10	\$3.64	\$0.18	\$0.08	--
2	Wiley Post	0.10	0.85	0.19	0.08	--
3	Albuquerque International	0.09	--	--	0.05	5.0% (b)
4	Colorado Springs	0.12-0.15	(c)	(c)	0.06	--
5	Dallas Love Field	0.32	2.24	0.46	0.07	--
6	El Paso International	0.20 (d)	3.81-8.03	(d)	0.08	15.0% (e)
7	Kansas City International	0.20 (single blended rate for all sites)			0.08	--
8	Little Rock National	0.05-0.10	1.00	--	0.07	1.0
9	Dane County Regional	0.65	--	--	0.08	2.0
10	Memphis International	0.19	2.31-3.69	0.20-0.31	0.06	--
11	Eppley Airfield	0.39	2.48 (improved blended rate)		0.07	--
12	Phoenix Sky Harbor International	0.34 (f)	6.75 (g)	--	0.09	2.0 (f)
13	Salt Lake City International	0.20-0.25	5.0% of gross revenues		0.06	5.0
14	San Antonio International	0.24-0.35	8.00	0.20	0.08	--
15	Tucson International	0.30	--	--	0.10	--
16	Tulsa International	0.26	3.81-8.03	--	0.10	--
17	Wichita Mid-Continent	0.30	(c)	(c)	0.12	--

Sources: Stated airports.

Notes:

- a. Per draft lease unsigned as of May 2009.
- b. Into-plane fuel services sales at one FBO only.
- c. Based on value of capital improvement.
- d. Based on 8.0% of market value of land or improvement.
- e. Ramp revenues only.
- f. Lease rate revenue is also set as a minimum annual guarantee. Gross revenue percentage fees are only charged when higher than lease rate revenues.
- g. Hangar rate for Phoenix Deer Valley Airport, which is also operated by the City of Phoenix Aviation Department.

- Building rent is to be escalated at 2.0% annually through 2019 and then reassessed every five years based on 4.0% of appraised building value, with 2.0% annual escalation until each 5-yearly reassessment.
- Building maintenance rent is to be escalated at 2.0% annually through 2019 and then reassessed every five years based on 2.0% of appraised building value.
- Ramp and parking lot maintenance rental to be revised from time to time per Minimum Standards.

2. Wiley Post Airport

Wiley Post Airport leases improved land to the ServiCenter FBO. The Airport charges a ground rental rate of \$0.10 p.s.f., a \$0.09 p.s.f. ramp maintenance fee, a \$0.85 p.s.f. building rental and building maintenance rental fee, and a fuel flowage fee of \$0.06 per gallon. The lease was signed in 2007 and has a 10-year term with the option by mutual agreement to renew for two further five-year terms. The building rental and building maintenance rental rates are escalated 2.0% annually and the fuel flowage fee may be re-established by Airport management.

3. Albuquerque International Sunport

Albuquerque International Sunport leases unimproved space to the Atlantic Aviation and Cutter Aviation FBOs. The Airport charges an unimproved ground rental rate of \$0.085 p.s.f. and a fuel flowage fee of \$0.08 per gallon. The leases were signed in 1984 and 1980, respectively, with 25-year durations, and are due to be renegotiated in 2009. Airport management believe that the lease rates are below current market levels and intend to increase the unimproved lease rate to market levels, which in their view would be a rate higher than \$0.20 p.s.f., plus a fuel flowage fee of about \$0.09 per gallon and a capital expenditure requirement.

4. Colorado Springs Airport

Colorado Springs Airport leases unimproved space to its FBOs at a rate of between \$0.12 - \$0.15 p.s.f., and charges a fuel flowage fee of \$0.06 per gallon. The Airport bases improved ground rental rates on the value of the tenant's capital improvements, in addition to the underlying unimproved lease rate. FBO lease terms are usually about 20 years, dependent on the level of capital investment. Escalation is usually done every 5 years based on the CPI for that period. The Airport believes that the rates are consistent with the market, based on recent appraisals but accounting for Airport policy of charging lower rates to encourage FBO development.

5. Dallas Love Field Airport

Dallas Love Field Airport leases unimproved non-terminal space (which includes FBOs and general aviation hangars) at a rate of \$0.32 p.s.f., and charges a fuel flowage fee of \$0.07 per gallon. Improved land is leased at \$0.46 p.s.f. and hangars lease at \$2.24 p.s.f. The Dallas Aviation System takes a market-based rate-setting approach and aims to ensure that revenues cover costs and permit establishment of reserve funds. In May 2008, the Dallas Aviation System conducted appraisals that suggested unimproved and improved land ground rental rates should be increased to \$0.40 psf and \$0.65 p.s.f., respectively, and hangar leases increased to \$3.50 psf.

6. El Paso International Airport

El Paso International Airport principally leases unimproved land, basing its lease rates on an 8% rate of return of appraised land value. The most recent unimproved lease (2003) has a ground rental rate of \$0.20 p.s.f., 15% of ramp revenues, and charges a fuel flowage fee of \$0.08 per gallon. Airport management indicated that any new unimproved leases would have a ground rental rate of as much as \$0.44 psf. Ground rental rate escalations are based on appraisals occurring every five years, with increases capped at no more than 20%. The most recent lease duration is 30 years plus up to two five-year extensions.

7. Kansas City International Airport

Kansas City International Airport has adopted a single \$0.20 p.s.f. “blended” ground rental rate for both unimproved and improved land, and charges a fuel flowage fee of \$0.08 per gallon. Leases are escalated annually based on CPI capped at up to 3.0% annually. The most recent FBO lease was signed in January 2006 with a 30-year term and no extensions intended.

8. Little Rock National Airport

Little Rock National Airport leases unimproved land at rates that range between \$0.05 and \$0.10 p.s.f., in addition to charging 1.0% of gross revenues (on all business transactions except fuel and aircraft sales) and a fuel flowage fee of \$0.07 per gallon. The tenant pays the greater of the current ground rent or the fuel flowage fee. Hangars are leased at \$1.00 psf. Lease rates are escalated at 50% of CPI every two years. The most recent lease was signed in 2004 with an 18-year duration for which an extension is negotiable.

9. Dane County Regional Airport, Madison

Dane County Regional Airport leases unimproved land at a rate of \$0.65 p.s.f. (which includes provision of sewage facilities), in addition to charging 2.0% of gross revenues (which also have a Minimum Annual Guarantee (MAG) established) and a fuel flowage fee of \$0.08 per gallon. Some leases are escalated at CPI or periodically re-appraised. Two leases were recently signed with a 10-year duration.

10. Memphis International Airport

Memphis International Airport leases unimproved space at a rate of \$0.19 p.s.f., and charges a fuel flowage fee of \$0.06 per gallon. Improved land leases at between \$0.20 and \$0.31 p.s.f. and hangars lease at \$2.31 psf.

11. Eppley Airfield, Omaha

Eppley Airfield leases unimproved space at a rate of \$0.39 p.s.f., and charges a fuel flowage fee of \$0.07 per gallon. Improved land (apron, hangar and buildings) leases at an average rate of \$2.48 psf. The current FBO lease has a 20-year term and lease rates are escalated using CPI (about 3% on average).

12. Phoenix Sky Harbor International Airport

Phoenix Sky Harbor International Airport leases unimproved land to the Cutter Aviation and Swift Aviation Group FBOs, with the most recent lease (Swift Aviation) at a ground rental rate of \$0.34 p.s.f. plus a fuel flowage fee of \$0.09 per gallon. 2.0% of total revenues are also paid above and beyond the ground rental rate payment, which also acts as a MAG. The original ground rental rate at the time of lease initiation in 2003 was \$0.23 p.s.f. and was escalated to the current level after four years. No other escalations are intended, however it is expected that revenues would increase as a result of increased percentage of gross revenue fees. The lease term is 25 years. At other airports operated by the City of Phoenix Aviation Department, improved hangar rental rates are up to \$6.75 psf.

13. Salt Lake City International Airport

Salt Lake City International Airport leases unimproved space at a rate of between \$0.20 - \$0.25 p.s.f., and charges a fuel flowage fee of \$0.06 per gallon. Improved land and building areas are charged 5% of gross revenues, with a MAG established. Lease durations range between 10 and 30 years with rate escalations every five years by a range of approaches agreed upon with the lessee.

14. San Antonio International Airport

San Antonio International Airport leases unimproved space at a rate of between \$0.24 - \$0.35 p.s.f., and charges a fuel flowage fee of \$0.075 per gallon. Improved land leases at \$0.20 psf and hangars lease at \$8.00 psf. A significant number of leases were renewed in 2008 and lease durations are usually 5-10 years with rate escalations every five years by the producer price index (PPI).

15. Tucson International Airport

Tucson International Airport leases unimproved space at a rate of \$0.30 p.s.f. and charges a fuel flowage fee of \$0.10 per gallon. Airport management indicated that any new unimproved leases would have a higher ground rental rate of about \$0.40

psf. The lease was signed in 2000 with duration of 30 years plus up to three five-year extensions. The ground rental rate is escalated at CPI.

16. Tulsa International Airport

Tulsa International Airport leases unimproved land at a ground rental rate of \$0.26 p.s.f. and charges a fuel flowage fee of \$0.10 per gallon. The ground rental rate is escalated at IDPI. The lease was signed in 2001 with duration of 20 years plus a five-year extension. A recent appraisal indicated that the various hangars at the airport could be leased at between \$3.81 - \$8.03 psf.

17. Wichita International Airport

Wichita International Airport leases unimproved space at a rate of \$0.30 p.s.f. and charges a fuel flowage fee of \$0.12 per gallon. Building and hangar rates are usually set by appraisal. The Airport escalates its FBO lease rates by 10% every five years. Lease terms are usually between 25 and 40 years to give lessees sufficient time to recoup investments.

Conclusions

Of the 17 airports surveyed, all but Kansas City had unimproved leases or ground rents. Unimproved ground rental rates principally ranged from \$0.10 p.s.f. to \$0.39 psf and the median was \$0.22 psf. It should be noted that the definitions of unimproved land may vary by airport, from land that is graded with road access and utilities provided; to land that may have some minor improvements such as ramp development. Improved ground rental rates ranged from \$0.19 psf to \$0.46 psf., with improved ground generally being apron and other parking areas. Hangar rental rates principally ranged from \$1.00 psf to \$8.00 psf, with the age and quality of facilities being a material factor affecting ground rental rates.

Points of note include:

- Certain airports – such as Dallas Love Field and San Antonio International airports – were able to charge above average rates owing to the nature of their market. In general, it is recommended that Airport management set rates dependent upon underlying demand; airports located in larger metropolitan areas or leisure destinations are attractive to corporate aviation activity, for example.
- Certain airports indicated that they had rates in place that were below what they assessed as the current market level. For example, El Paso and Tucson International airports have unimproved ground rental rates of \$0.20 and \$0.30, respectively, and expect that rates for new leases would increase to \$0.44 and \$0.40, respectively.

Given the relatively limited sample of improved ground rental rates, other relevant data were collected:

- Recent analysis of improved hangar ground rental rates at airports surrounding the Dallas/Fort Worth area indicated a range of rates of between about \$0.12 and \$0.80 psf for improved land area (i.e. surrounding ramp, parking, landscaping and ancillary area). Hangar building rates ranged between about \$1.55 and \$6.00 psf dependent on the size of hangar and at the high end included rates charged direct to aircraft operators as opposed to a single lease for the entire facility
- The most recent AAAE Rates & Charges Survey (2004) based on 53 airport respondents nationwide, showed improved land lease rates as below.

Improved rate per square foot	
High	\$1.15
Average	\$0.21
Low	\$0.03

All airports surveyed (17) charged fuel flowage fees, usually charged in combination with a ground lease. The fuel flowage fees principally ranged between \$0.05 and \$0.12 per gallon and had a median fee of \$0.08 per gallon. No airports charged a percentage fee of total cost of fuel. This approach is uncommon in the FBO industry and has the effect of increasing Airport fuel revenues as fuel costs increase, in addition to increasing revenues according to the number of gallons sold. The more common fixed fuel flowage fee allows the airport to benefit from sales volume

increases while providing a predictable per-gallon cost level to the FBO. A per gallon fixed fee is much simpler to report and audit, requiring only gallons pumped data, as opposed to a percentage of fuel cost approach which also requires the FBO to report its average fuel cost for specific periods (e.g. monthly).

A minority (6) of the airports surveyed also charged a percentage of total gross or other FBO revenues, principally ranging between 1.0% and 5.0%. Of these, Albuquerque International Sunport charged 5.0% of into-plane fueling services revenue. El Paso International Airport charged 15% of ramp fees and Phoenix Sky Harbor International Airport charged only that amount of a 2.0% percentage of total revenues that is above and beyond its ground rental revenues.

Based on the range of rate indicators shown above, the following range of rates is considered reasonable, as summarized in Table 3:

- An unimproved ground rental rate of about \$0.25 psf, slightly higher than the median of the unimproved lease rates shown in Table 2.
- An improved ground rental rate (i.e. surrounding ramp, parking, landscaping and ancillary area) of about \$0.40 per square foot
- Building space ground rental rate of about \$6.00 per square foot for hangar space (inclusive of office and support spaces)
- Fuel flowage fee of \$0.10

<p style="text-align: center;">Table 3</p> <p style="text-align: center;">SUMMARY OF RECOMMENDED KEY LEASE TERMS</p> <p style="text-align: center;">Will Rogers World Airport</p>		
Lease element	Recommend range	Survey comparison
Unimproved rate	\$0.25 / sq. ft.	Range: \$0.085 – 0.49
Improved rate	\$0.40 / sq. ft.	Range: \$0.20 – 0.46
Building rate	\$6.00 / sq. ft.	Range: \$1.00 – 8.00
Fuel flowage fee	\$0.10	Range: \$0.05 – 0.12
Percent of gross	5%-15% for certain fees	20% - 50% for certain fees
Source: Jacobs Consultancy, May 2009.		

Other Issues

Based on the benchmarking survey and industry standard rates and charges data in this report, Airport management have flexibility to negotiate FBO lease rates; a

significant factor in this negotiation will be Airport management's overall goals and objectives at specific periods in the future, which could fall into the following categories:

- **Maximize revenue** – charge whatever the market will bear, influenced by the current demand outlook. Certain airports surveyed took this approach. For example, Morristown Airport in New Jersey has very strong corporate demand and their approach is to set their lease rates at the highest comparative level. If the Airport wants to cater to the corporate market, they could set higher rates and charges in the expectation that light general aviation traffic would use other regional airports such as University of Oklahoma and Wiley Post airports. Federal Aviation Administration grant assurances also encourage airports to achieve break-even budgets.
- **Maximize traffic** – use the low to median level of the rates and charges range. This approach is particularly appropriate if the Airport is able to attract corporate jet activity and benefit from fuel flowage fees.
- **Pure market comparison** – uses the median of the regional range and use an escalation clause.
- **Balance of charges** – the Airport could lower certain fees and raise others to maximize revenues while supporting FBO growth. If the FBO is considered to have strong revenue growth potential, the airport could lower the land lease rate and maximize activity-based revenues (e.g. higher fuel flowage fees, or use of a percent of gross fees). Additionally, if an FBO has a diversified range of businesses, such as maintenance, completions, charter, in addition to fuel sales, a total gross revenue approach rather than a traditional land lease plus fuel flowage approach provides a revenue source for the Airport that would grow with FBO activity.

Additional approaches that may be considered for specific FBO lease rate negotiations would be to obtain an appraisal for a specific FBO; this could be used as an additional data point to the comparative rate approach covered in this report. Additional points are:

- In general, we recommend that leases have a maximum term of 20 years – certainly no more than 30, even with reversion clauses.
- Whichever system is employed (e.g. percent of retail price, or fixed price per gallon), the Airport should maintain as much flexibility as possible to raise and lower fees and retain the right to adjust rates based on market conditions.
- In negotiating with the FBO, the airport needs to look at their total financial picture and set clear financial goals, and also decide what

portion of their revenue needs to come from the land lease or other sources.

ATTACHMENT E – AIR CARGO STUDY

ATTACHMENT E

AIR CARGO FACILITY DEVELOPMENT/RENTS STUDY

Industry Background

The airport business is especially challenging in these economic conditions. Passenger airlines resist price increases for their needed facilities, and often they are unable to pay the operating rates and charges needed to cover airport infrastructure upkeep and expansion costs. Airport authorities are increasingly seeking new sources of revenue and air cargo has become a common target. More airports are seeking experienced third-party developers and investors to develop underutilized land or infrastructure, as well as to renovate existing air cargo facilities.

While this is a savvy strategy and the initial prospects might provoke optimism, a successful air cargo facility investment over the long term is hard to achieve. Success depends upon a number of design, operational, financial and marketplace issues, plus the ongoing commitment of the airport. The current market condition complicates the near- and mid-term planning horizon. The downward pressure on air cargo services and facility construction has never been stronger in North America. Increasing fuel prices, security policies, costly operating and design regulations, fleet modernization, trade imbalances, and capital market seizures are but a few of the drivers making things difficult.

Air cargo thrives on efficiency. And without new investment in infrastructure, the industry can't meet the challenge of reducing costs and improving service levels. Air cargo facilities have served as a critical intermodal link in the global supply chain for high value and expedited products. This flow of goods has traditionally moved in readily identifiable paths that have been difficult to dislodge or relocate. In response, shippers, forwarders, airlines, developers and airports have made enormous investments.

Air Cargo Facilities – Land and Infrastructure Development

Cargo facilities were originally designed based on the predominant type of air cargo service occurring at the major airports—belly freight on passenger aircraft. As a result, air cargo facilities were placed within or close proximity to passenger terminals without considering that substantial growth in air cargo facility expansion may be necessary in the future. Most facilities were not planned in a comprehensive manner to support air cargo as a primary activity; rather, they were planned and constructed within the pretext that air cargo operations occurred adjunct to air passenger service.

Rapid expansion throughout the air cargo industry, coupled with the emerging importance of all-cargo carriers, such as FedEx and UPS, prompted the need to rethink air cargo facilities planning and make specific accommodations for consolidated air cargo facilities in airport layout plans (ALPs). The emergence of the importance of air cargo as a substantial revenue generating activity of carriers spawned the need to strategically plan air cargo facilities at major airports. In short, the strategic planning and development of air cargo infrastructure became an economic development necessity for major airports seeking to maintain their competitiveness, if not expand their prominence and desirability. To do otherwise could result in missed opportunities to retain market share among major commercial airports.

On-Airport (Airside and Non-Airside) vs. Off-Airport Facilities

In deciding where to locate their facilities, freight operators inevitably must weigh the benefit of airfield proximity against the usual rent premium attached to that proximity/access—assuming that on-airport space is even available. For clarity, on-airport property may either be airside (contiguous access to the aircraft ramp) or non-airside (lacking contiguous ramp access but still on airport property).

Airside facilities are most efficient for integrated operators (UPS and FedEx) and all-cargo airlines that may need quick handling of cargo next to their aircraft parking positions. While paying relatively more expensive rent, these operators seek to either gain value (in time) or reduce total operating costs by performing more functions at their on-airport site than would be possible elsewhere. Often, integrators will lease enough space on-airport to handle the most time-sensitive freight (a higher-revenue service) while locating other facilities off-airport for deferred freight handling.

In certain situations, freight operators may also seize opportunities to locate on airport property near—but not contiguous to—the aircraft parking ramp. Non-airside property is typically less expensive and may be more suitable for freight companies—such as freight forwarders—that consistently utilize aircraft space from multiple carriers but operate none or little of their own.

A third option—usually cheaper and more flexible—is locating off-airport. These facilities are often near the airport but forwarders have been moving further from the airports due to a combination of space unavailability, escalating rents, and industrial gentrification—community restrictions on construction of new freight buildings. Off-airport facilities bear their own costs—additional handling to prepare and transport freight from the airport to the warehouse. In addition, gateway operations—plane-to-plane transfers—are especially vulnerable when delays occur. However, off-airport sites offer rent savings, as well as frequently the ability to

develop larger, more flexible facilities than would be practical on expensive airport property.

Development Strategies for Cargo Facilities

Airport operators can accomplish development of on-airport facilities through one of three alternatives. Some airports have traditionally favored first-party development in which the operator constructs and manages the facilities themselves. Alternatively, the tenant may be allowed to develop their own facilities, typically leasing the land from the airport while owning the improvement for a sufficient period (often 25 to 30 years) to capitalize their investment. An example of this second-party development is the UPS national hub at Louisville. In third-party development, the operator would allow a private real estate company to develop the property, leasing the land from the airport and owning the improvement much like the second-party example. Various hybrids exist but these three alternatives provide the primary strategies. Each alternative has its strengths and weaknesses.

First-Party Development

Many airport operators prefer the control offered by developing and managing the facilities themselves as in first-party development. Given the adequate investment resources and natural ease of attracting cargo tenants to major gateways, this strategy has been appropriate for larger cargo airports like Los Angeles International Airport but perhaps less so at Oklahoma City.

Second-Party Development

For large tenants—such as UPS and FedEx—that can financially support their own construction and must develop stand-alone facilities of a relatively larger scale, second-party development may be more appropriate. Los Angeles International Airport is a gateway/hub for a number of freight carriers that can support such ambitious construction. For smaller operators, leasing a portion of a multi-tenant facility may be more appropriate. In some cases, second-party development may evolve into something less defined. With attention to long-term expansion needs, tenant/operators may occasionally build larger facilities than they immediately require and seek to sub-lease a portion of their facilities to other operators. In such a situation, the operator must make a policy decision (if the property lease has not already addressed the subject satisfactorily) because the second-party tenant is possibly attempting to lease this space in competition with other multi-tenant properties on-airport—possibly owned by the airport or a third-party developer.

Third-Party Development

Relatively rare 10 years ago, third-party development has gained favor as a means of bringing outside investment to airports, as well as providing private sector marketing prowess. With airport revenue struggling, many airport operators are much more amenable to the idea of using other investors to pay for new construction; however, given the current economic conditions, very little immediate need is obvious.

Another obvious appeal of third-party development is that airport operators have not always been as effective at the marketing of properties as their private sector counterparts. Given that larger third-party developers typically operate facilities in many cities, these operators are also presumed to have more access and existing relationships with expansion prospects than would the average airport properties division. At Los Angeles International Airport for example, such marketing assistance would probably not be as critical because the airport's superior gateway status suffices to render proactive marketing and awareness-building irrelevant. At other airports, like Oklahoma City, the relationships with international cargo carriers and freight forwarders may not already exist—third party developers can make material difference in business development.

For airport operators considering third-party development, Kansas City provides successful examples of several different approaches—single-tenant/multi-tenant and new construction/renovation. Kansas City also provides examples of the benefits of maintaining competition between private third-party developers (currently three different developers for a total of four terminals) while keeping the Aviation Department from competing against its own lease-holders by excluding itself from first-party development.

An alternative to third-party development that retains the marketing benefits is the use of private real estate companies under a management contract. By this arrangement, the airport operator would construct/renovate the cargo facilities and retain ownership of both the land (required by the FAA) and the building but would utilize a private company to market the property—either for a fixed fee or for a share of the new rents generated.

Calculating Rents for Cargo Facilities

In the past, airlines typically undertook development of a cargo facility under a long-term ground use agreement with the airport as part of a larger mandate for facilities. Today, development lead times have expanded to include the myriad concerns of not only users and airports, but also consultants, regulators and capital markets. Such delays have added to the cost and risk of the facilities.

This is even more important now that airlines are changing their approach to facility procurement from long-term fixed investment considerations to variable cost parameters. They have outsourced primary services such as ground handling and warehouse handling at the majority of stations.

Most airlines now prefer to have real estate assets off their balance sheet and want greater flexibility in facility lease terms. They're prepared to sacrifice some design criteria in exchange for reductions in rent and term in their space leases.

Debt markets have grown less accommodating over virtually every asset and business class and aviation has been near the bottom. As availability of balance sheets from strong lenders becomes scarcer, the cost of available capital becomes more expensive. The tax-exempt municipal bond market, the primary source of capital for the construction of air cargo facilities in the United States, is now almost unavailable. As Wall Street struggles with the impact of the sub-prime loan crisis, air cargo debt rates have jumped over 50 percent.

In recent years, this key operative document has become less considerate of the economic risk taken on by the ground lessee. In addition to the payment of base rent, ground lease charges have often expanded to include participation rent, subleasing fees, financing fees, transfer fees and other indirect charges. Base rent increases are often based on local market comparables not related to air cargo facilities, but rather to surrounding industrial land values.

Conclusion

The inclusion of 3rd party developers for on-airport facility development will likely be a strategic approach as airport operators deal with the fiscal challenges of the current economic climate. When dealing with these strategic partners, the recommended approach is to establish the base rents through the utilization of fair market value appraisal considering FAA regulations, and with the understanding that consideration be given for the premium of airfield and other exclusive infrastructure access.

Examples of Cargo Facility Development Agreements

1. X Development Program and Permitted Uses

1. X.1 Development Program

The Replacement Cargo Facility (the “Cargo Facility”) will establish the design, development, and operation standards for future cargo facilities; therefore, the Proposer should refer to *Section 1.5.1 –Building/Urban Design Guidelines* for a more detailed description of setback requirements and building design guidelines. The Facility shall accommodate, at a minimum, the following program and operational elements that the Authority deems essential. The Proposer is not limited by this list and is encouraged to identify and plan for additional elements as appropriate. The Authority shall accept proposals that include concept plans for:

- (1) **Cargo Facility:** a state-of-the-industry Cargo Facility with a foot print of approximately 44,000 SF that includes:
 - **Warehouse space:** suitable for the efficient handling and “throughput” transfer of air cargo to trucks for transport to an off-airport sorting and processing site;
 - **Retail space:** a suitable space of approximately 3,000 SF for UPS’s customer service and retail center; and,
 - **Mezzanine/Office space:** Approximately 10% of the Cargo Facility square footage is anticipated as (mezzanine) office space including restroom and locker rooms for staff. The Proposer may consider adding another level to the Cargo Facility if a feasible use can be demonstrated.
 - **GSE Bay(s):** The Facility also may include an appropriately designed GSE area if GSE activity is a desired activity within the development. GSE operations and storage shall not occur on the airside apron or in the Cargo Facility.
- (2) **Parking and Ground Transportation Plan:** Truck docking and circulation and employee and customer parking activities shall be accommodated within the Site’s landside area and the successful Proposer shall prepare a circulation plan that identifies access and entry points to and from the Site, landside (trucks, customer and employee parking, delivery vehicles, etc.) and airside (tugs) circulation routes within the Site.
- (3) **Airside Apron Area Plan:** suitable for common-use aircraft parking, a vehicle service road and other appropriate airside operations especially those related to safe and efficient airside air cargo activity. The existing airside apron area adjacent to the Wing contains two common-use aircraft parking positions (NC-13 and NC-14) and storage space for GSE equipment used in the cargo operation.

The proposed development would incorporate NC-13 as one of the two parking positions that can be incorporated into the development. GSE operations currently within the Facility’s development envelop also shall be relocated to a Massport-approved facility.

- The successful Proposer shall be required to reconstruct the airside pavement area that shall total approximately 46,000 SF. This apron area shall be constructed to a standard suitable for parking one wide-body aircraft. The reconstructed apron shall include a concrete aircraft parking apron that shall extend approximately 225 feet from the Facility's airside facade to the taxilane and shall extend approximately 206-feet wide to accommodate a range of large wide-body cargo aircraft and various ground service vehicles. NOTE: the apron area adjacent to the cargo facility shall be non-exclusive and shall be made available for use by other aircraft not associated with cargo operations and shall be under Massport control
- (4) **Equipment Storage Plan and Operations Plan:** The successful Proposer shall submit an operations plan that describes the movement, storage and/or staging of airside and landside vehicles, including tugs, and equipment needed for efficient cargo handling operations at the Site. The site plan should identify the preferred location for storing anticipated equipment and materials.
- (5) **Security Program:** The successful Proposer shall maintain airfield perimeter security throughout construction as well as after completion. The successful Proposer shall submit for approval a perimeter security plan that outlines security measures during construction and post-construction per the Authority's security standards. Such standards shall include card access and CCTV equipment (specified by the Authority's designated vendor) and all costs associated with the installation of the system will be the sole responsibility of the Proposer.
- Particular attention must be made for access to and from the Airside Operations Area ("AOA") for which the security system must be controlled through the Authority's access control system. With regard to perimeter security, the Proposer will be required to incorporate a temporary (through construction) and permanent security barrier (post construction) in accordance with Authority's security standards.
- (6) **Public Streetscape Plan:** a continuation of the landscape, sidewalk, and lighting standards that the Authority has established for Prescott Street (Refer to Attachment 6 – Prescott Street Buffer and *Section 1.5.1 – Building/Urban Design Guidelines*).

1. X Financial Proposal

The desired rent model for the operation and lease of the Facility is comprised of an annual base rent and if applicable, a Subtenant Fee and Percentage Payments. The components are defined as follows:

1. X.1 Annual Ground Rent:

The Proposer shall propose an initial annual ground base rent ("Ground Rent") that the Proposer guarantees to pay to the Authority for the Site. The Proposer shall state the Ground Rent as an annual per square foot rent rate. The Ground Rent shall be adjusted on October 1 of each year of the term by the greater of 4% and the percentage change in the Consumer Price Index ("CPI"), as further defined in the Draft Lease Agreement. The Ground Rent shall commence upon the earlier of (i) September 1, 2008, or (ii) the date on which successful Proposer receives Temporary or Permanent Certificate of Occupancy.

1.11.2 Subtenant Fee:

Any proposal contemplating sub tenancy shall include a letter of intent with such subtenant. The proponent will be responsible for the management of the entire site for the term of the lease agreement. The successful Proposer shall pay to the Authority a minimum of 10% of monies derived from subtenant/licensee agreements related to the subleased portion of the Facility. The Draft Lease shall contain terms and conditions regarding subleasing including, without limitation, the requirement that all subleasing shall be subject to the prior written consent of the Authority which may be withheld in the Authority's sole discretion.

1.11.3 Percentage Payments (if applicable):

In the event that the successful Proposer provides services or operations at the Facility that require the successful Proposer to enter into a Aviation Service Company Operating Agreement ("ASC") or a Commercial Services Operating Agreement (CSO"), the successful Proposer shall pay the Authority the following percentage payments in addition to the Ground Rent in accordance with the ASC or the CSO:

Percentage Payments: For each calendar month or portion thereof during the Term, the successful Proposer shall pay to the Authority a monthly fee equal to a minimum of five percent (5%) of its Adjusted Gross Revenues (the "Percentage Payments") as defined in the ASC and CSO. The five percent fee may be increased or modified by the Members of the Authority (the "Board").

ATTACHMENT F – MINIMUM STANDARDS

OKLAHOMA CITY
DEPARTMENT OF AIRPORTS

MINIMUM STANDARDS FOR AERONAUTICAL ACTIVITIES

AND

LEASING OF LAND AND FACILITIES

AT

OKLAHOMA CITY AIRPORTS

Approved April 22, 2009

MINIMUM STANDARDS
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INTRODUCTION

The Oklahoma City Airport Trust, recognizing the necessity of protecting the public health, safety, and interest in the Oklahoma City-owned Airports, and in order to foster, encourage, and insure the economic growth and orderly development of Aeronautical Activities, hereby promulgates and adopts the following procedures and minimum standards for the use of any land and/or facility on said Airports. The Minimum Standards and Requirements are set forth below as a minimum for a person or persons, partnership, company, trust, or corporation based upon and/or engaging in one or more Aeronautical Activities at the Airport. These standards are not intended to be all inclusive, as the Operator of an Aeronautical Activity on the Airport shall be subject to additional federal, state, and local laws, codes, ordinances, lease provisions, and other similar regulatory measures, including Airport Rules and Regulations, pertaining to all such activities.

SECTION I DEFINITIONS

Aeronautical Activity - Shall mean any activity whether or not conducted on or off Airport property 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 and shall include, but not by way of limitation, all activities commonly conducted on airports, such as charter operations, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, flying clubs, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other included activities, repair and maintenance of aircraft, repair of aircraft parts and accessories, sale of aircraft parts and accessories, radio communication and navigation equipment, and any other activity which, because of its direct relationship to the operation of aircraft, can appropriately be regarded as an Aeronautical Activity.

Aircraft Charter – An Aeronautical Activity in which a person or company is engaged in the business of providing air transportation (person or property) to the general public for hire, either on a charter basis or as an air taxi.

Aircraft Radio and Avionics Sales and Service – An Aeronautical Activity in which a person is engaged in the business of selling, repairing, and servicing aircraft radios, aircraft avionics, and associated aircraft instruments.

Aircraft Rental or Leasing – An Aeronautical Activity in which any person rents or leases aircraft or offers to rent or lease aircraft for hire or compensation.

Airport - Shall mean Will Rogers World Airport, Wiley Post Airport, and Clarence E. Page Airport or future City-owned airports, located on City, County, and State lands and operated by the Oklahoma City Airport Trust.

City - The City of Oklahoma City.

City Council - The duly elected City Council members of Oklahoma City.

Corporate Hangar – A hangar constructed exclusively to store the owner's/corporation's aircraft, and which is intended for the sole use of the corporate owner/lessee. The use of the aircraft is adjunct to their primary business and not the major source of income.

Director of Airports – The Chief Administrator of Airports of the City of Oklahoma City.

Executive Hangar - A commercial Aeronautical Activity hangar/building that is generally clear spanned and capable of housing large twin engine and small jet aircraft.

FAA - Federal Aviation Administration.

Fixed Base Operator (FBO) – An Aeronautical Activity in which at a minimum offers public fueling and lubrication of aircraft, line service, parking of aircraft, storage of aircraft, repair/

maintenance of aircraft, and repair/maintenance of avionics. In addition, the following services may be offered if approved by the Oklahoma City Airport Trust: Sale of ground and flight instruction, aircraft charter services, aircraft rental, aircraft sales and/or sales of parts and accessories, and other activities not listed herein that may be approved by the Trust.

Flight Training - An Aeronautical Activity in which a person is engaged in giving or offering to give flight instruction leading to a pilot's certificate or rating for hire or compensation, or advertising, representing, or holding himself out as giving or offering to give such instruction.

Master Plan or Layout Plan - Means the currently approved scaled dimensional layout of the entire Airport properties, indicating current and proposed usage for each identifiable segment as approved by the City Council and amended from time to time.

Minimum Standards (Standards) - The qualifications established herein, as amended from time to time by the City Council upon recommendation of the Oklahoma City Airport Trust, setting forth the minimum requirements to be met as a condition for the right to conduct Aeronautical or Other Activities on the Airports.

National Fire Protection Association (NFPA) - A set of industry accepted codes that establish standards pertaining to the construction of a building's electrical wiring and fire prevention/protection.

Other Activity - Shall mean any other activity, commercial or otherwise, not directly relating to aviation.

Person - Shall mean any person, firm, general or limited partnership, corporation, trust, or association making application for, leasing or using land or facilities at the Airports.

Rules and Regulations - Rules and regulations as may be promulgated from time to time by the Director of Airports to protect the public health, safety, interest, and welfare on City-owned Airports and to augment the City Ordinances of Oklahoma City pertaining to Airports.

Specialized Aviation Service Operation (SASO) - An Aeronautical Activity in which a person engages in one or more of the following including, but not limited to: Aircraft charter and taxi, aircraft engine and airframe maintenance, aircraft sales, aircraft repair services (radio, painting, upholstery, propellers, instruments, accessories), aerial photography, flight training and aircraft rental, and other similar activities.

T-Hangar - An enclosed hangar with multiple units consisting of T-shaped configured partitions residing in the mid section of the hangar dividing it into two separate halves.

TSA – Transportation Security Administration.

Trust - Shall mean the Oklahoma City Airport Trust.

SECTION II

STANDARD REQUIREMENTS FOR AERONAUTICAL ACTIVITIES

A. General Provisions

Every applicant for permission to conduct aeronautical or other activities at the Airport shall satisfy the Oklahoma City Airport Trust through its authorized representative, the Director of Airports, that they meet the following requirements:

1. Applicant has a history of management and personal ability in conducting the same or similar or comparable type of service or activity in a good workmanlike manner.
2. Applicant has the financial responsibility and capability to provide facilities and services proposed.
3. Applicant has or can reasonably secure necessary certificates from the FAA or other authority where the same are required for the activity proposed.
4. Applicant has furnished or can furnish suitable indemnity insurance or bond to protect and hold the City and the Trust harmless from any liability in connection with the conduct of the activity proposed. The applicant will furnish insurance in the amounts as stated in **Attachment I**.

In considering every application for establishing aeronautical or other activities, the Trust shall give due consideration to whether or not such proposed activity would be wasteful or uneconomical duplication of facilities and, therefore, detrimental to the public interest.

B. Application

Any person wishing to acquire the use of land or establish or use any facility on the Airport for an aeronautical or any other activity shall be furnished a copy of these Minimum Standards, as amended from time to time, and shall thereupon make application in writing, filed with the Director of Airports, setting forth in detail the following:

1. The name and address of the applicant.
2. The proposed land use, facility, and/or activity sought.
3. The names and the qualifications of the personnel to be involved in conducting such activity.
4. The financial responsibility (income statement and balance sheet) and ability of the applicant and operator to carry out the activity sought.

5. The tools, equipment, services, and inventory, if any, proposed to be furnished in connection with such activity.
6. The requested or proposed date for commencement of the activity and the term of conducting the same.
7. The estimated cost of any structure or facility to be furnished, the proposed specifications for same, and the means or method of financing such construction or acquisition of facilities.
8. The specific types and amounts of insurance proposed in accordance with minimum requirements for the activity.

C. Lease & Contract Clauses

Upon the approval of any such application as submitted or modified, the Trust shall cause to be prepared a suitable lease or contract agreement setting forth the terms and conditions of the land and/or facility use. It is the intent of the Trust/City to require Airport tenants, including Fixed Base Operators, to provide certain services through a lease agreement. The lease agreement will be based on the "net" lease concept. More specifically, the total cost of amortizing the investment and maintenance will be borne by the operator. In every instance the lease agreement shall be conditioned upon or contain language assuring:

1. The Minimum Standards are incorporated into said lease or contract agreement by reference and there shall be original and continued compliance with the Standards required for each particular aeronautical or other activity approved.
2. Any structure or facility to be constructed or placed upon said Airport shall be constructed in a manner to conform to all safety regulations of the State of Oklahoma and the City of Oklahoma City, and shall be in compliance with the requirements of current building codes and fire regulations of the City of Oklahoma City; and any construction once commenced will be diligently prosecuted to completion.
3. The right shall be reserved in the Trust to modify or add to the "Minimum Standards for Operation of Aeronautical Activities at the Airport and Leasing of Land and Facilities at Oklahoma City Airports," and that any lease, contract, or agreement entered into with an applicant shall be terminated or cancelled in the event of failure to comply with any modification or amendments to Standards after notice thereof shall have been given.
4. No person shall be granted an exclusive right to conduct any Aeronautical Activity upon the Airport; provided that no person shall be permitted to use any land or conduct any Aeronautical or any Other Activity or solicit business in connection therewith unless such Aeronautical or Other Activity is

conducted in accordance with the standards herein established, and as hereinafter amended from time to time upon the recommendation of the Trust with the approval of the City Council, and after the issuance of the proper permits and licenses.

5. Operators, in their operation and use of the Airport, will not, on the grounds of race, color, age, sex, or national origin, discriminate or permit discrimination against any person or group of persons in any manner prohibited by Part 21 of the Department of Transportation Regulations.
6. All operations on Airport property will be consistent with local, state, and federal standards and policies regarding noise abatement procedures. The Oklahoma City Airport Trust, with the approval of the City Council, has caused to be developed an "Airport Master Plan." The plan indicates the Trust's and City Council's intentions to provide essential support services by allocating space for various Aeronautical Activities. Activities not in accordance with the Airport Master Plan will not be permitted.
7. Airport security shall be maintained at all times in accordance with all applicable federal, state, local requirements and standards or directives established by the Department of Airports, the FAA, and/or TSA.

D. Ground Lease Policy

Land will be leased in accordance with the Airport Master Plan, and as deemed as appropriate by the Trust. Total cost of amortizing the investment, as well as maintenance, shall be borne by the lessee. Proposed hangars must meet the minimum investment requirement, and title is to vest in the City at the end of the lease term, free and clear of all liens and encumbrances including mortgage liens. A copy of a sample general lease agreement is available upon request for review and study. The following lease terms and conditions outline this policy.

E. Lease for New Construction

1. Rentals

a. Ground Rental

Ground rental shall be charged on per square foot basis commensurate with current Airport and/or Market lease rates.

- (i) Currently the ground lease rate is \$0.10 per sq. ft. for aviation use property.
- (ii) Ground lease rate for non-aviation use must be at fair market value as determined by market study or appraisal.

- (iii) Ground lease payments will begin on the first day of the month after the approval of the lease agreement by the City Council.

b. Facility Maintenance Inspection and or Fees

- (i) The Trust may require as a condition of the lease agreement a professional inspection and report of the roof and mechanical systems every 5 years.

2. Hangar Amortization

- a. Financing may be available for Executive or Corporate Hangars from The Oklahoma City Airport Trust at a rate of 1% above the rate the Trust is required to pay for funds for 20 years.
- b. T- Hangars as defined in section VII subset B may be amortized over 15 years.
- c. Small corporate hangars, less than 10,000 square feet constructed at Clarence E. Page maybe amortized for 5 years.
- d. Executive, Corporate, or T-Hangars financed by the operator shall in no case have a lease term longer than the time shown for amortization.
- e. Operator shall be responsible for any taxes on personal, real, or other property leased by or owned by the operator that is levied by any agency or unit of government.

3. Construction

- a. All plans and specifications for new construction or alteration shall be approved in writing prior to construction as it relates to the following but not limited to: Receipt and approval of an FAA 7460-1, Notice of Proposed Construction or Alteration Application, architectural conformity, location of building lines, proper hangar clearances, and other specifications that may apply to conform to Airport standards.
- b. All building areas will be as shown on the appropriate Airport leasing plot.
- c. Improvements or alterations to the leased premises become the property of the City upon completion. The Lessee is responsible for all maintenance costs.

- d. Within 30 days of completion of construction or alteration, the Lessee will submit a complete set of "as-built" plans on mylar film with a detailed cost breakdown.
- e. All buildings and construction shall obtain and meet all applicable city, state, and federal permits, building codes, fire codes, and specifications, as well as any other specific requirements established by the Director of Airports.
- f. All utilities, including electrical, telephone, gas lines, or regulators, will be underground; and the Lessee shall bear the expense of relocating utilities on the leased property. Plans and specifications for the construction of utilities, including those constructed by the utility companies, shall require prior written approval by the Director of Airports.

4. Maintenance

- a. Maintenance of pavements constructed by the Trust/City will be performed by the Trust/City. The Lessee will maintain all other facilities and pavements unless otherwise agreed upon by the Lessee and the Director of Airports.
- b. Landscaping of facilities is required. Each Lessee will be required to provide a plan for landscaping his area to be approved by the Director of Airports and maintained by the Lessee in a neat, clean, and aesthetically pleasing manner.

F. Lease of Existing Facilities

The Airport, from time to time, has facilities become available that have been previously amortized and may choose to lease those structures.

1. Ground Rental

Ground rental for leased premises shall be charged on per square foot basis commensurate with current Airport and/or Market lease rates.

- a. Currently the ground lease rate is \$0.10 per sq. ft. for aviation use property.
- b. Ground lease rate for non-aviation use must be at fair market value as determined by market study or appraisal.

2. Building Rental

- a. Building rental for those facilities previously amortized or no longer within the contractual bounds of an above-described amortization

agreement shall be based on a percentage of not less than 4% per annum of the "Appraised Actual Cash Value" as determined by an appraisal. Each subsequent year there shall be a 2% increase in the previous years annual rental. The term of such agreements shall be five (5) years and may provide for an option of an additional five-year term. The appraised amount shall be the basis of the rental calculations during that period. The initial term and option may be negotiable; however, the basis of the rental calculations shall be determined from the five-year appraised amount.

- b. T-hangar rental for those facilities previously amortized or no longer within the contractual bounds of an above described amortization agreement shall be based on a percentage of not less than six percent (6%) per annum of the "Appraised Actual Cash Value" as determined by an appraisal. The term of such agreements shall be five (5) years and may provide for an option of an additional five-year term. The appraisal procedure shall be as described above.

3. Facilities Maintenance Rental

- a. Building maintenance (structural maintenance) shall be charged at the rate calculated as follows:
 - (i) Two percent (2%) of the appraised actual cash value.
 - (ii) All building maintenance on Trust-owned or financed facilities is the responsibility of the Lessee, except for structural, exterior and roof repairs.
- b. Facility Maintenance Inspection and or Fees
 - (i) The Trust may require as a condition of the lease agreement a professional inspection and report of the roof and mechanical systems every 5 years.
- c. Ramp (apron) maintenance rental shall be twenty percent (20%) of the average cost of the replacement of the ramp or apron divided by the anticipated life of fifteen (15) years for asphalt and twenty (20) years for concrete on a square footage basis, to be calculated as follows:
 - (i)
$$\frac{\text{Replacement Cost}_{\text{as Determined Annually for Asphalt Per Square Foot}}}{15 \text{ years}} \times .20 = \text{Rate Per Square Foot}$$

- (ii) Replacement Cost as
Determined Annually for
Concrete Per Square Foot X .20 = Rate Per Square Foot
20 years

SECTION III.

STANDARDS FOR FIXED BASE OPERATIONS (FBO)

In addition to meeting the requirements of Section II, every person conducting the following activities shall meet the additional requirements as hereinafter set out:

A. Fixed Base Operator (FBO)

Persons conducting commercial aviation fueling, oil sales, and services to the public on the Airport shall be required to provide:

1. Aviation fuel and jet fuel.
2. An adequate inventory of at least two brands of generally accepted grades of aviation engine oil and lubricants.
3. At least two (2) above ground 10,000-gallon fuel storage tanks, one for each fuel type. Under ground storage tanks are not allowed on any of Oklahoma City's Airports.
4. Proper mobile fuel dispensing equipment to service all types of aircraft.
5. A per gallon fuel flowage fee to the Trust/City on fuel delivered into FBO tanks and or trucks. Fuel flowage fees will be established annually by the Director of Airports.
6. Properly trained line personnel on duty at least eight hours of every calendar day, seven days a week, and on call by readily accessible means at other hours during the day or night.
7. Proper equipment and FAA certified personnel for repairing and servicing aircraft, aircraft engines, airframe and aircraft avionics.
8. Suitable hangar storage facilities, hard surfaced aircraft parking, and tie-downs.
9. Conveniently located heated and air conditioned lounge or waiting rooms for passengers and airplane crews for itinerant aircraft, together with sanitary restrooms and public telephones.
10. Adequate towing equipment and parking and tie-down areas to safely and efficiently move aircraft and store them in all reasonably expected weather conditions.
11. Adequate grounding facilities at fueling locations to eliminate the hazards of static electricity, and approved types of fire extinguishers or other equipment commensurate with the hazards involved in refueling and servicing aircraft.

12. Adequate and sanitary handling and disposal, away from the Airport, of all trash, waste, and other materials including, but not limited to, used oil, solvents, and other waste. The piling or storage of crates, boxes, barrels, and other containers will not be permitted within the leased premises.
13. Proper equipment for repairing and inflating aircraft tires, servicing oleo struts, changing engine oil, washing aircraft and aircraft windows and windshields, and recharging or energizing discharged aircraft batteries and starters.
14. Optional Services permitted by FBO: Each service below shall meet all applicable requirements as found herein and outlined in Standards for Specialized Aviation Service Operations (SASO).
 - a. Aircraft Charter.
 - b. Aircraft Sales.
 - c. Aircraft Flight Training.
 - d. Aircraft Rental

SECTION IV FACILITY REQUIREMENTS (FBO)

A. Land and Improvements

1. The minimum ground lease for a Fixed Based Operator (FBO) shall be:
 - a. Commercial Service Airport 350,000 Sq. Ft.
 - b. Reliever Airport 300,000 Sq. Ft.
 - c. Non-Reliever/General Aviation Airport 250,000 Sq. Ft.
2. The minimum facilities constructed shall be:
 - a. Executive Hangar:
 1. Commercial Service Airport 25,000 Sq. Ft.
 2. Reliever Airport 20,000 Sq. Ft.
 3. Non-Reliever/GA Airport 18,000 Sq. Ft.
 - b. Paved Apron:
 1. Commercial Service Airport 125,000 Sq. Ft.
 2. Reliever Airport 100,000 Sq. Ft.
 3. Non-Reliever/GA Airport 75,000 Sq. Ft.
 - c. Auto Parking: **Sq. Ft. as listed or per City Code, whichever is greater.**
 1. Commercial Service Airport 50,000 Sq. Ft. (or per City Code)
 2. Reliever Airport 45,000 Sq. Ft. (or per City Code)
 3. Non-Reliever/GA Airport 35,000 Sq. Ft. (or per City Code)
 - d. Office Space:
Adequate to house office, pilots' lounge, restroom facilities, and appropriate shop areas.
 - e. T-hangars:
T-hangars shall be constructed with at least ten (10) individually partitioned spaces containing doors, and will be in accordance with all applicable codes established by the City of Oklahoma City.
3. All paving and other construction shall be permanent and fire resistant and shall be kept compatible with the design, material, and landscaping of the basic structures of the Airport as outlined.

4. Detailed plans and specifications of all construction and architectural design shall require the written approval of the Director of Airports before any construction takes place.
5. Landscaping shall require approval of the Director of Airports.

SECTION V

STANDARDS FOR SPECIALIZED AVIATION SERVICE OPERATIONS (SASO).

The City/Trust recognizes that SASO's do not wish to offer a full line of services most generally offered by a Fixed Base Operator. Specialized operations and other similar activities are encouraged to be tenants of Fixed Base Operators. If suitable facilities cannot be obtained in that manner, hangar, shop, and/or office facilities may be permitted in specific areas as plotted on the Airport Master Plan.

A. Aircraft Charter and Taxi Service

Persons conducting an aircraft charter and/or air taxi service shall be required to provide:

1. Passenger lounge, restroom, and telephone facilities as required of an operator for fuel and oil sales.
2. All applicable security requirements for charter and taxi service promulgated by the FAA, TSA, or Airport.
3. Adequate table, desk, or counter for checking in passengers, handling ticketing or fare collection, and handling of luggage.
4. FAA Air Carrier Operating Certificate, utilizing FAA certificated aircraft with properly certificated and qualified operating crew, but at no point any less than two, one of which shall be located at the Airport and ready for departure during at least eight hours of each day during daylight operations. Stand-by units and crew will be available within one hour's notice at all other times.

B. Aircraft Engine, Airframe, & Accessory Sales & Maintenance

Persons operating aircraft engine, airframe, and accessory maintenance facilities for hire to the public shall provide:

1. Sufficient hangar space to house any aircraft upon which such service is being performed.
2. Suitable inside and outside storage space for aircraft awaiting repair or maintenance, or delivery after repair and maintenance has been completed, other than major repairs or alterations of less than 24 hours duration.
3. Adequate shop space to house equipment and machine tools, jacks, lifts, and testing equipment to perform top overhauls as required for FAA certification and repair of parts not needing replacement on all single engine land and light multi-engine land general aviation aircraft.

4. At least one FAA certificated airframe and power plant mechanic available during eight hours of the day, five days per week.

C. Aircraft Radio & Avionics Sales and Service

Persons operating aircraft radio & avionics sales and service facilities for hire to the public shall provide:

1. Sufficient hangar space to house any aircraft upon which such service is being performed.
2. Suitable inside and outside storage space for aircraft awaiting repair or maintenance, or delivery after repair and maintenance has been completed.
3. Adequate shop space to house equipment, supplies and parts to perform maintenance and repair to radio and avionics equipment.
4. At least one FAA certificated and licensed radio and/or instrument technician, that is available during eight hours of the day, five days per week.

D. Aircraft Rental

Persons conducting aircraft rental activity shall provide:

1. Suitable office space for consummating rentals and the keeping of the proper records in connection therewith.
2. Two airworthy aircraft suitably maintained and certificated.
3. Adequate facilities for servicing and repairing the aircraft or satisfactory arrangements with other operators licensed by the Trust on the Airport for such service and repair.
4. At least during eight hours of the working day, a properly certificated pilot available and capable of checking out rental aircraft.
5. Proper checklists and operating manuals on all aircraft rented.

E. Aircraft Sales

All persons conducting aircraft sales activities shall provide:

1. Suitable office, lounge, and public space for consummating sales.
2. For new aircraft sales, at least one demonstrator model of such aircraft.

3. The minimum stock of readily expendable spare parts, or adequate arrangements for securing spare parts, required for the type of aircraft and models sold.
4. Current up-to-date specifications and price lists for types and models of new aircraft sold, and adequate parts catalogue and service manual on the aircraft.
5. At least during eight hours of the working day, a properly certificated pilot available and capable of demonstrating new or used aircraft for sale.

F. Flight Training

All persons conducting aircraft flight training activities shall provide:

1. At least one full-time (eight hours per day, six days per week) properly certificated flight instructor for single engine land airplanes.
2. At least two dual control equipped single engine land aircraft properly equipped and maintained for flight instruction and at least one of which must be equipped for and capable of use for instrument flight instruction, and such additional types of aircraft as may be required to give flight instruction of the kind advertised.
3. Adequate office and classroom space for at least 10 students with proper restroom and seating facilities.
4. Adequate mock-ups, pictures, slides, filmstrips, or other visual aids necessary to provide proper ground school instruction.
5. Properly certificated ground school instructor providing regularly scheduled ground school instructions sufficient to enable students to pass the FAA written examinations for private pilot and commercial ratings.
6. Continuing ability to meet certification requirements of the FAA for the flight training proposed.
7. Adequate facilities for storing, parking, servicing, and repairing all its aircraft, or satisfactory arrangements with other operators licensed or otherwise permitted by the Trust on the Airport for such services.
8. Adequate public liability and property damage insurance sufficient to protect the operator and the City and Trust from legal liabilities involved.

G. Crop Dusting & Spraying

Persons seeking to conduct crop dusting or spraying of agricultural chemicals shall be required to satisfy the Trust that:

1. Operator shall inform the Director of Airports and the appropriate control tower, prior to operations, of the date and area to be sprayed or dusted.
2. Suitable arrangements have been provided for the safe storage and containment of noxious chemical materials including a minimum of a 1,000 sq. ft. of segregated chemical storage area protected from public access that meets all applicable fire codes; no poisonous or inflammable materials shall be kept or stored in close proximity to other facility installations at the Airport.
3. The operator shall have available properly certificated aircraft suitably equipped for the agricultural operation undertaken.
4. The operator shall make suitable arrangements for servicing, repairing, storing, and parking its aircraft with adequate safeguards against spillage on runways and taxiways or pollution or disbursement of chemicals by wind to other operational areas on the Airport.
5. Adequate public liability and property damage insurance sufficient to protect the operator and the City and the Trust from legal liabilities involved is provided.

SECTION VI FACILITY REQUIREMENTS (SASO)

A. Land and Improvements

1. Facilities shall be constructed by the SASO upon review and approval of the proponent's application and financial capability in accordance with Section II. Facilities shall meet the general requirements in Sections II, V, and VI as applicable.
2. The minimum ground lease shall be:
 - a. Commercial Service Airport 55,000 Sq. Ft.
 - b. Reliever Airport 45,000 Sq. Ft.
 - c. Non-Reliever/GA Airport 35,000 Sq. Ft.
3. The minimum facilities constructed shall be:
 - a. Hangar:
 1. Commercial Service Airport 12,500 Sq. Ft.
 2. Reliever Airport 10,000 Sq. Ft.
 3. Non-Reliever/GA Airport 8,000 Sq. Ft.
 - b. Paved Apron:
 1. Commercial Service Airport 15,000 Sq. Ft.
 2. Reliever Airport 10,000 Sq. Ft.
 3. Non-Reliever/GA Airport 5,000 Sq. Ft.
 - c. Auto Parking: **Sq. Ft. as listed or per City Code, whichever is greater.**
 1. Commercial Service Airport 8,000 Sq. Ft. (or per City Code)
 2. Reliever Airport 5,000 Sq. Ft. (or per City Code)
 3. Non-Reliever/GA Airport 3,000 Sq. Ft. (or per City Code)
4. The facilities shall be constructed to permit the addition of segments or modules if needed and as required for the expansion of the applicant's business, as determined by the City/Trust.
5. The lease terms and conditions shall permit the applicant to engage only in those specific commercial aeronautical activities as he or she so indicates in the application. Changes in the nature of his/her commercial pursuits, which necessitate additional facilities or the enlargement of the original facilities, will require formal application to the City/Trust and appropriate lease amendments in compliance with the applicable Minimum Standards.
6. Any person conducting a combination of the specialized operations listed above shall not be required to duplicate the requirements, where the requirements of one activity is sufficient to meet the requirements of a

separate activity, and where one facility can be sufficient to meet both requirements.

7. Subletting space is prohibited, except with prior written approval from the Airport Trust.
8. All applications for facilities for specialized operations or combinations thereof shall be subject to all other applicable provisions of the Minimum Standards for Commercial Aeronautical Activities for the Oklahoma City Municipal Airports.

SECTION VII MISCELLANEOUS OPERATIONS

A. Corporate Hangars

The Trust recognizes the need for individual corporations to construct their own hangars to accommodate the corporation's aviation department and or operations. Corporations will be encouraged to obtain hangar facilities from the Fixed Base Operators. If suitable facilities are unavailable, such buildings will be permitted in specific areas as designated by the Department of Airports' Master Plan; and the following conditions must be met:

1. Facilities will be constructed by the Lessee, and all plans and specifications shall be approved in writing by the Director of Airports prior to construction.
2. Ground rentals shall be charged on a per square foot basis commensurate with current Airport lease rates and policies.
3. Subletting space is prohibited, except with prior written approval from the Airport Trust.
4. Owners of corporate hangars may construct and operate their own fuel facilities (See Non-Commercial Aircraft Fueling).
5. Taxiway improvements to the site will be borne by the tenant unless the area under consideration is to be developed by the City as a part of a capital improvement program.
6. Section II, part D of Minimum Standards "Lease for New Construction" shall apply.
7. The minimum facility requirements for Corporate Hangars shall be:

a.	Ground Lease	20,000 Sq. Ft
b.	Hangar and Office	10,000 Sq. Ft
c.	Aircraft Parking	5,000 Sq. Ft
d.	Auto Parking	1,500 Sq. Ft (or per City Code)

B. T-Hangars

The Trust provides an area for private T-hangar development at **Wiley Post Airport** with a minimum ground lease of **100,000** square feet. Hangar development must occupy 75% of the ground lease, and each T-hangar unit must have a minimum of ten (10) individually partitioned spaces, fully enclosed and which shall meet all provisions in Section II, part D.

In addition, the Trust provides an area at **Clarence E. Page Airport** to accommodate privately owned hangars. This area consists of lots 70' x 90' which

will be leased to an individual for an initial term of 5 years and upon which a privately owned hangar can be built.

Persons wishing to lease ground for T-hangars must meet the following requirements:

1. Submit a written application to lease space (not to exceed 10 lots at Clarence E. Page Airport and 500,000 sq. ft. at Wiley Post Airport) to the Director of Airports and obtain building criteria and minimum specifications for permitted T-hangars.
2. Submit detailed construction plans and specifications for approval by Director of Airports prior to construction. Such approval shall include architectural conformity, wind load characteristics, location of building lines, clearance, and other specifications.
3. Ground rentals shall be charged on a per square foot basis commensurate with current Airport lease rates and shall be escalated every five years.
4. No commercial activity or enterprise shall be conducted by an individual owner, or his assignee, from the hangar(s).
5. No fueling of any kind shall be permitted in or in conjunction with the hangar operation.
6. Owner must provide adequate public liability and property damage insurance sufficient to protect the owner and the Trust and the City from any legal liabilities involved.

C. Non-Commercial Aircraft Fueling

The Oklahoma City Department of Airports has adopted a separate policy and guidelines to address non-commercial aircraft fueling. It is Departmental Policy No. 08-01 and titled Aircraft Self Fueling Policy at the Oklahoma City Airports. Persons may obtain a copy of the policy upon request.

1. An entity may not be formed for the express purpose of providing fuel services under this standard.
2. The Department will only approve above ground storage tanks, underground storage tanks are not allowed.

SECTION VIII

OTHER OPERATIONS

Any other operations, commercial or otherwise in nature, whether directly or not directly relating to aviation, shall be subject to review under the terms and conditions set forth in Sections II, III, IV, and V. Rental rates and charges may be determined by the Trust upon recommendation of the Director of Airports. Each application shall be considered on its own merits, and the Trust reserves the right to reject any application with or without cause.

SECTION IX

AMENDMENT OF STANDARDS

The Trust shall review the Standards for conducting Aeronautical or Other Activities at least every two years and shall recommend such revisions or amendments as shall be deemed necessary under the use circumstances surrounding the Airport to properly protect the health, safety, and interest of the City and the public. Upon approval of any such amendments, the operators of Aeronautical Activities secured hereunder shall be required, within a reasonable time frame, to conform to such amended Standards.

SECTION X NOTICES

Notices of other applications for like or similar Aeronautical Activities or of intent to amend the Standards as established herein shall be sent, first class mail, postage prepaid, to all holders of a Fixed Base Operator's lease or permit for the conduct of an Aeronautical Activity on the Airport.

Any other operations, commercial or otherwise in nature, whether directly or not directly relating to aviation shall be subject to review under the terms and conditions set forth in Sections II, III, IV, and V. Rental rates and charges may be determined by the Trust upon recommendation of the Director of Airports. Each application shall be considered on its own merits, and the Trust reserves the right to reject any application with or without cause.

ATTACHMENT I

OKLAHOMA CITY DEPARTMENT OF AIRPORTS SCHEDULE OF MINIMUM INSURANCE REQUIREMENTS

A. COMMERCIAL AVIATION OPERATORS

1. Aircraft Liability

Combined Single Limit
Bodily Injury & Property Damage \$1,000,000 each occ.

2. Commercial General Public Liability and Property Damage

Combined Single Limit
Bodily Injury & Property Damage *\$1,000,000 each occ.

*Insurance against all legal liability for injuries to persons or property with liability limits of not less than those established from time to time in the Governmental Tort Claims Act, 51 OS. Section 151 et seq.

4. Hangar Keeper's Liability \$ 500,000 each occ.

5. Products Liability \$ 500,000 each occ.

ATTACHMENT II

OKLAHOMA CITY DEPARTMENT OF AIRPORTS APPLICATION FOR COMMERCIAL AERONAUTICAL ACTIVITIES AND LEASE

All persons who desire to establish a commercial aeronautical operation must first make application with the Oklahoma City Airport Trust by providing the information requested on this form to the Director of Airports.

Space has been provided for a response to each question. In many cases, it may be necessary to attach additional information. If so, please indicate as "See Attached." Care should be taken in preparing this application, as any incomplete, incorrect, or false information may result in delays of approval or rejection. It should be noted that additional information not contained on the application form may be required by the Trust if deemed necessary as part of the approval process.

All personal financial information, credit reports or other financial data obtained by or submitted pursuant to said application with the Oklahoma City Airport Trust will be kept confidential as required by the Oklahoma Open Records Act, Title 51, OS Sec. 24A.1 et. seq.

1. Name of Business (corporation, partnership, limited liability company, etc):

Address:

Telephone:

Fax:

E-mail:

Principal Owners or Authorized Representative to execute agreements and title:

2. Describe specifically the type and nature of the proposed Commercial Aeronautical Activity:

3. Proposed date for commencement of operations:

4. Hours of proposed operations:

5. If applicable, provide percent of intended sales or services (a) to aircraft/customers based at the Airports and (b) to aircraft/customers based elsewhere that will visit or fly into Oklahoma City's Airports.

6. Provide a forecast of personnel to be employed at the Airport.

7. Provide a description of past experience in the field of aviation services for which this application is being made.

8. Describe the key personnel and/or their positions for the proposed operation.

9. Describe amount, size, and location of land to be leased and any utilities requested from the Oklahoma City Airport Trust.

10. List aircraft tail number(s) and type of aircraft to be utilized in the proposed operation.

11. List types and amounts of insurance coverage to be maintained for the proposed operation.

12. Attach a copy of a current financial statement. The prospective operator must provide a statement providing evidence to the Trust of his/her financial responsibility and that the operator can carry out activity sought.

13. Attach any additional information necessary to support the approval of the proposed operation.

14. Prior to an official lease agreement being executed with the Oklahoma City Airport Trust, the applicant must file a 7460-1 "Notice of Proposed Construction or Alteration" with the FAA and submit FAA's response to the Department of Airports. If any impacts to the Airport or its operations are indicated, they must be alleviated to the satisfaction of the Director of Airports prior to the commencement of any lease, construction, or operations.

15. The applicant(s) hereby acknowledge and understand that the following documents must be received by the Department of Airports in order for a lease agreement to be executed by the Oklahoma City Airport Trust.

Official land survey indicating metes and bounds.

Official site plan signed by the applicant depicting the building, building coordinates and all improvements.

Official response from FAA regarding a completed 7460-1 "Notice of Proposed Construction or Alteration."

16. The applicant(s) hereby acknowledge that any agreement with the Oklahoma City Airport Trust must receive approval by the Trust and the Council of the City of Oklahoma City prior to its becoming effective. Any expenditures or commitments made by the applicant(s) prior to the approval of an agreement by all parties is at the sole risk of the applicant(s).

The applicant(s) hereby respectfully requests that the Oklahoma City Airport Trust consider the foregoing application by _____ for permission to perform the specified Aeronautical Activities at the Oklahoma City Airports.

By: _____ Title _____ Date _____.

Signature _____

By: _____ Title _____ Date _____

Signature _____