

Section 3 – MINIMUM STANDARDS

1.0 STATEMENT OF PURPOSE

- 1.1 The Laconia Airport Authority (LAA), a separate body politic, is required and empowered by the Federal Aviation Administration (FAA) and by New Hampshire Statutes to establish regulations governing commercial activities at Laconia Municipal Airport (Airport) in such a manner that these regulations do not discriminate between existing or potential enterprises.
- 1.2 The LAA is adopting what are called “Minimum Standards” to define the standards for the conduct of Commercial and Noncommercial General Aviation at the Airport. The standards are required to promote and ensure the safety of all Airport activities supplied to the traveling public.
- 1.3 A fair and reasonable opportunity shall be accorded all applicants, without discrimination, to qualify and or compete for available airport facilities and for the furnishing of selected aviation services, subject, however, to standards as established by the LAA and set forth herein.
- 1.4 Minimum Standards embodies the privileges, restrictions and responsibilities associated with each category of activity and sets forth the minimum requirements for documentation, facilities, land area, improvements, services, equipment, personnel, operating requirements and hours of operation.
- 1.5 In setting such standards, the mission of the LAA is to establish, maintain and operate a municipal airport for the benefit and convenience of the traveling public.
- 1.6 The general aviation goals of the LAA are to:
 - 1.6.1 Ensure that general aviation activities at the Airport are conducted in a safe, fair and equitable manner in accordance with LAA, Local, State and Federal requirements.
 - 1.6.2 Promote first-class general aviation services and facilities.
 - 1.6.3 Assist private entrepreneurs in the promotion of business interests at the Airport.
- 1.7 The standards outlined in this document are the Minimum Standards that must be met by Commercial Operators as a condition of their right to lease premises on the Airport and to conduct their stated commercial activities on the Airport and by noncommercial operators as a condition of their right to lease premises on the Airport.
- 1.8 The Minimum Standards are deemed to be incorporated in all contracts, leases or other agreements entered into by the Authority with commercial, fixed base or noncommercial operators, regardless of whether they are specifically mentioned or not. The Minimum Standards will be specifically referred to in all contracts and leases.

2.0 DEFINITIONS

- 2.1 Aeronautical/Aviation Related Activity, (used interchangeably throughout this document): any activity that involves, makes possible, or is required for the operation of aircraft or that contributes to or is required for the safety of such operations, including, but not limited to:
- 2.1.1 Air taxi and charter operations, scheduled and nonscheduled air carrier services, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, aircraft sales and services, aircraft storage, sale of aviation fuel and oil products, repair and maintenance of aircraft, sale of aircraft parts, parachute or ultralight activities, and any other activities that, because of their direct relationship to the operation of aircraft, can appropriately be regarded as aeronautical activities.
- 2.2 Aircraft: a device that is used, or intended to be used, for flight in the air, and for which a federal registration certificate and number is assigned.
- 2.3 Airport: the entirety of the Laconia Municipal Airport.
- 2.4 Apron: a paved area suitable for aircraft parking.
- 2.5 Authority: the Laconia Airport Authority.
- 2.6 Building: the main portion of each structure; all projections or extensions there from; any additions or changes thereto; and all garages, outside platforms and docks, carports, canopies, eaves and porches. Paving, ground cover, signs and landscaping shall not be included.
- 2.7 Contract: a written agreement between the LAA and an Entity in which the LAA grants rights and privileges to an Entity to conduct business on the Airport and the Entity obligates itself to perform said business in accordance with the Minimum Standards. This contract is in writing and is enforceable under law.
- 2.8 Entity: any person, proprietorship, association, firm, joint venture, partnership, limited liability corporation, corporation, other business organization, or any combination of the same.
- 2.9 Equipment: all machinery, together with the necessary supplies, tools, and apparatus necessary to the proper conduct of the activity being performed.
- 2.10 Exclusive right: a power, privilege, or other right excluding or debarring another from enjoying or exercising a like power, privilege or right. The granting of an Exclusive Right to conduct a commercial aeronautical activity on an airport developed or improved with Federal funds is expressly prohibited.
- 2.11 FAA: the Federal Aviation Administration.
- 2.12 General Aviation: that portion of civil aviation, which encompasses all facets of aviation except air carriers holding a certificate of public convenience and necessity from the FAA and large aircraft commercial operators.

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- 2.13 Improvements: all buildings, structures, and facilities including paving, ground cover, fences, signs and landscaping constructed, installed or placed on, under or above any leased area by or with the concurrence of a Lessee and the LAA.
- 2.14 LAA: the Laconia Airport Authority.
- 2.15 Lease: an agreement between the LAA/City of Laconia and an Entity in which the LAA/City of Laconia subleases real property to the Entity for the purpose of conducting the Entity's general aviation activities, which agreement is defined in writing and enforceable under law.
- 2.16 Lessee: an Entity having a valid lease with the LAA/City of Laconia.
- 2.17 Leased Premises: the entirety of the ground or building area leased to an Entity including any buildings, improvements and fixed and removable structures identified as the premises in the lease.
- 2.18 Lessor: the LAA and the City of Laconia
- 2.19 Line Service: routine day-to-day servicing necessary for the safe operation of an Aircraft.
- 2.20 Operator: one of the following categories:
- 2.20.1 Commercial Operator: an Entity engaged in an activity that involves, or makes possible, the offering for sale or lease of one or more general aviation services or products for the purpose of obtaining earnings, income, compensation, or profit, whether or not such objective is accomplished. A Commercial Operator is not a Fixed Base Operator.
 - 2.20.2 Fixed Base Operator (FBO): an Entity engaged in an activity that involves, or makes possible, the offering for sale or lease of one or more general aviation services or products for the purpose of obtaining earnings, income, compensation, or profit, whether or not such objective is accomplished and is required to offer for sale to the public a certain range of basic and essential general aviation services and products. Additionally, a Fixed Base Operator may be permitted to provide for sale other specialized general aviation services.
 - 2.20.3 Noncommercial Operator: an Entity or governmental agency, which maintains a facility or provides a General Aviation service solely for its own benefit, and not for the benefit of the public. Such Noncommercial Operators are specifically prohibited from offering aviation products or services for sale or lease to others.
- 2.21 Storage of Aircraft: the providing of an indoor or outdoor location in which aircraft are kept.
- 2.22 Sublease: a lease on the Airport granted to an Entity by a Lessee with the approval of the LAA/City of Laconia for the use of all or part of the property leased from LAA/City of Laconia by the Lessee and incorporating all the terms of the primary lease.

3.0 APPLICATION PROCEDURE

3.1 Any Entity wishing to establish a commercial or noncommercial General Aviation activity on the Airport shall be furnished a copy of these Minimum Standards. Additionally, a written application to the LAA is required, which shall include the following information and, thereafter, such additional information as the LAA may request.

3.1.1 The Entity's name and legal address.

3.1.2 The name(s) and address(es) of the owner(s)/member(s) and officer(s)/manager(s).

3.1.3 A description of the land or building space to be leased including a site plan, if required, prepared in accordance with the Town of Gilford's Site Plan Regulations and the FAA.

3.1.4 A detailed description of the scope and level of the intended operation.

3.1.5 A financial statement prepared in accordance with Generally Accepted Accounting Principles, from a certified public accountant, or from such other source that may be acceptable to the LAA as to the Entity's financial capability. Such information will be deemed by the provider to be confidential and will be held in strict confidence and not disclosed by the LAA.

3.1.6 A Pro-forma Financial Statement and Business Plan with a projection of first year operating income and expense, prepared in accordance with accepted accounting practices. The prospective Operator must also demonstrate the financial capability to initiate and maintain operations and for the construction of improvements and appurtenances that may be required by the LAA or any governmental agency. Such information will be deemed by the provider to be confidential and will be held in strict confidence and not disclosed by the LAA.

3.1.7 The prospective Operator shall also furnish the LAA with a statement of past experience in the specified aviation services. Such experience shall not be less than the minimums established for each of the respective individual aviation functions involved.

4.0 GENERAL REQUIREMENTS

4.1 Requirements for a Lease or Sublease: An Operator shall have a valid Lease or Sublease prior to the commencement of facility construction or operations.

4.2 Requirements for a Written Agreement: Prior to the commencement of operations, the prospective Operator will enter into a written Contract with the LAA, which Contract will recite the terms and conditions under which the Operator will operate its business at the Airport, including, but not limited to, the term of agreement; the rentals, fees, and charges; the rights, privileges, and obligations of the respective parties; and other relevant covenants. It should be understood, therefore, that neither the conditions herein contained nor those set

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forth in these Minimum Standards represent a complete recitation of the provisions to be included in the Contract. Such Contract provisions, however, will not change or modify the Minimum Standards or be inconsistent therewith except as may be allowed pursuant to Section 4.7.3.

- 4.3 Performance Bond: If requested by the LAA, the prospective Operator shall, concurrent with the execution by the Operator of the aforesaid Contract, furnish an acceptable performance bond or cash deposit to the LAA, in an amount satisfactory to the LAA.
- 4.4 Hold Harmless Requirement: The Operator shall indemnify, defend, and save harmless the Lessor, its authorized agents, officers, representatives and employees from any loss, cost or damage from and against any and all actions, penalties, liabilities, claims, demands, damages, or losses whatsoever arising directly or indirectly out of acts or omissions of the Operator, its agents, employees, servants, guests, members, business visitors, tenants, sub-lessees, partners or affiliates, and shall pay all expenses in defending any claims made against the LAA by reason of the Operator's tenancy and activities on the Airport. A hold harmless provision shall be included in all written agreements, including the Contract, between the LAA and the Operator.
- 4.5 Insurance: Each Operator shall procure and maintain, during the term of each Operator's agreements with the LAA, insurance in accordance with the provisions of this section, and shall provide insurance coverage of the types and limits specified herein:
- 4.5.1 Workers' Compensation: Each FBO and Commercial Operator shall secure and maintain Workers Compensation insurance in compliance with all applicable NH State laws and regulations. Where the Operator does not employ individuals, and is exempt from Workers compensation laws in the State of NH, the Operator shall furnish a letter to the LAA attesting to its exempt status. Where independent contractors are utilized in the course of operations of the Operator, each such contractor shall provide an exemption letter, and each such contractor shall be subject to all other Operator insurance requirements as set forth in these Standards.
- 4.5.2 Airport Liability: Each FBO and Commercial Operator shall secure and maintain an Airport Liability policy covering the premises operations of the Operator, in accordance with the following:
- 4.5.2.1 General Liability: \$2,000,000 aggregate, \$1,000,000 per occurrence
- 4.5.2.2 Products Liability: \$2,000,000 aggregate, \$1,000,000 per occurrence
- 4.5.2.3 Completed Operations: \$2,000,000 aggregate, \$1,000,000 per occurrence
- 4.5.3 Premises Liability: \$2,000,000 aggregate, \$1,000,000 per occurrence. Premises Liability shall only be required when the Operator owns and/or leases, land and/or buildings, at the Laconia Airport.

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- 4.5.4 Hangarkeepers Liability: \$300,000 each loss, \$200,000 each plane. Hangarkeepers Liability shall only be required of Commercial Operator's and/or FBO's that hangar, transport, and/or secure aircraft for the purpose of safekeeping or servicing aircraft not owned by the Operator
- 4.5.5 Aircraft Insurance: For each aircraft owned and/or operated by a Commercial Operator and/or FBO, insurance in an amount not less than \$1,000,000 per occurrence for property damage and bodily injury, with a per passenger sublimit not less than \$100,000. Insurance certificates shall list each tail number as a scheduled aircraft on the certificate.
- 4.5.6 Property Insurance coverage on the broadest coverage suitable forms, for 100% of the value of all improvements on Laconia Airport Property that are leased, owned, or under construction by, the Operator.
- 4.5.7 Commercial Auto Liability Insurance in and amount not less than \$1,000,000 aggregate, \$500,000 per occurrence. Commercial Auto Liability shall only be required when the Operator may reasonably be expected to use aprons, taxiways or runways for commercial vehicle movement.
- 4.5.8 Certificates of Insurance: Copies of certificates are to be submitted to the LAA at each year, and may also be requested at the discretion of the LAA. The LAA, the City of Laconia, the Town of Gilford, and the County of Belknap are to be named as Additional Insured on each certificate. Additional Insured coverage shall apply as primary insurance with respect to any other insurance afforded to the LAA. The LAA reserves the right to update these levels as required and different requirements may be included as part of any Lease or Operating Agreement. Each Certificate of Insurance shall provide that the insurer must give the LAA at least 30 days' prior written notice of cancellation and termination (10 days' for non-payment of premium) of the Operator's coverage hereunder. Not less than two weeks prior to the expiration, cancellation or termination of any such policy, the Operator shall supply the LAA with a new and replacement Certificate of Insurance and Additional Insured endorsement as proof of renewal of said original policy. Said new and replacement endorsements shall be similarly endorsed in favor of the LAA as set forth above. The LAA reserves the right to request a complete copy of said insurance policy(s) in order to review and confirm coverage meets or exceeds the minimum requirements.
- 4.5.9 Affiliated Corporations: Where an Operator operates affiliated entities, each such entity shall be named on the certificate of insurance as applicable to the operations undertaken by the affiliate entity.
- 4.5.10 Insurance not Available: In certain instances, the required insurance may not be available for purchase. A written letter from an Insurance Carrier stating unavailability must be submitted to the LAA, in which case, the LAA may, upon vote of the LAA, permit alternative 3rd party financial security in place of the required insurance. Such 3rd party financial security, if permitted by the LAA, shall be in the form of an Irrevocable Letter of Credit

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or similar financial instrument, in an amount equivalent to the required insurance that is unavailable.

4.6 Compliance with Laws, Etc.: The Operator shall at all times be in compliance with all Federal, State, Local and Airport laws, ordinances, codes and other regulatory measures applicable to the specific type of activity conducted by the Operator. The Operator shall procure and maintain during the term of the agreements all licenses, permits, and other similar authorizations required for the conduct of the Operator's business operations by any regulatory agency including the LAA.

4.7 Miscellaneous:

4.7.1 The prospective Operator may select one or a combination of the aviation related activities covered by the Minimum Standards. Where more than one commercial aeronautical activity is proposed, the minimum requirements will vary, depending upon the nature of the individual services in such combination. Minimum Standards for Operators who plan to provide combinations of services will be discussed with the prospective Operator at the time of its application or otherwise during Lease and Contract negotiations.

4.7.2 The pertinent Minimum Standards and Requirements for any commercial Operator will be predicated upon the nature of the Operator's initial description of the scope and level of the intended operation. If at a later date the business is expanded to encompass new and additional types of services under an appropriate Contract, then the Minimum Standards established for these additional services shall immediately apply.

4.7.3 These Minimum Standards will govern all commercial activities on the Airport unless determined in writing by the LAA, on a case-by-case basis, that an exemption is justified to best serve the public interest.

4.7.4 The prospective Operator is required to be registered to do business in the State of New Hampshire with the Secretary of State prior to execution of the Lease and Contract.

4.7.5 Operators currently on the Airport as of the adoption date of these Minimum Standards must enter into a contract within 3 months and come into compliance with the Minimum Standards within 6 months.

5.0 REQUIREMENTS

5.1 The Minimum Standards for commercial activities here outlined are not intended to be all-inclusive, as the Operator of a commercial venture based on the Airport will be subject to applicable laws, codes, ordinances and other similar regulatory measures, including the LAA's Operating Standards pertaining to all such activities.

5.2 A Contract, properly executed by the LAA and the Operator is a prerequisite to tenancy on the Airport and the commencement of any operations thereon. The

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Contract provisions, however, will be compatible with the Minimum Standards and will not change or modify the Standards themselves.

5.3 Minimum Standards for different levels of operation follow:

5.3.1 **Commercial Operator**

5.3.1.1 Services Permitted – privileges which may be exercised by a Commercial Operator include, but are not necessarily limited to:

5.3.1.1.1 Sale of new or used aircraft.

5.3.1.1.2 Aircraft engine and airframe overhaul and repair; maintenance, repair and servicing of general aviation aircraft.

5.3.1.1.3 Avionics and instrument repair.

5.3.1.1.4 Non-scheduled aircraft charter

5.3.1.1.5 Operation of a specialized commercial flying service.

5.3.1.1.6 Storage for general aviation aircraft.

5.3.1.2 Services not Permitted:

5.3.1.2.1 Ramp services.

5.3.1.2.2 Sale of aviation fuels, oils and lubricants.

5.3.1.2.3 Aircraft deicing.

5.3.1.3 Facilities Required:

5.3.1.3.1 Hangar, ramp, office and public service facilities, prior experience and hours of operation; all as agreed to by the LAA. Employee and customer parking must be approved by the LAA and be as required by the Town of Gilford.

5.3.2 **Fixed Base Operator**

5.3.2.1 Minimum Services Required:

5.3.2.1.1 Tie-down and hangar storage for general aviation aircraft, both itinerant and those based at the Airport.

5.3.2.1.2 Ramp service with an employee on staff, available and qualified per the current version of NFPA 407 and IFC Chapter 11.

5.3.2.1.3 Maintenance, repair and servicing of general aviation aircraft, engines and parts.

5.3.2.1.4 Sale of aviation fuels, oils and lubricants of kinds customarily sold to general aviation aircraft users.

5.3.2.1.5 A supply of the necessary aircraft parts and accessories to maintain, repair and service general aviation aircraft.

5.3.2.1.6 Operation of the Aviation Advisory Radio Station (UNICOM).

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5.3.2.2 Services Permitted – privileges which can be exercised by an FBO include, but are not necessarily limited to:

5.3.2.2.1 Sale of new or used aircraft.

5.3.2.2.2 Non-scheduled aircraft charter operations.

5.3.2.2.3 Operation of a specialized commercial flying service.

5.3.2.2.4 Operation of a specialized aircraft repair service.

5.3.2.2.5 Flight Training.

5.3.2.2.6 Aircraft rental business.

5.3.2.3 Services not Permitted:

5.3.2.3.1 Aircraft deicing.

5.3.2.4 Facilities Required:

5.3.2.4.1 One hangar of not less than 4,000 square feet.

5.3.2.4.2 Two fuel tanks, each of a minimum of 12,000 gallons, for 100 LL and Jet A with the necessary and appropriate fuel trucks, metered and filter equipped.

5.3.2.4.3 An office, either in the hangar or terminal, with access to a pilots' lounge and weather briefing services, public waiting room, telephone, sanitary rest rooms.

5.3.2.4.4 A paved ramp area with hangar access.

5.3.2.4.5 Enough tie-down area to accommodate 6 aircraft.

5.3.2.4.6 Employee and customer parking must be approved by the LAA and be as required by the Town of Gilford.

5.3.2.5 Prior Experience:

5.3.2.5.1 A minimum of three years satisfactory prior experience in fixed base operations and/or such other related business as may be determined to be acceptable by the LAA.

5.3.2.6 Hours:

5.3.2.6.1 Staffed on-site by an employee during all times that the general aviation public could reasonably expect services to be available subject to review and approval by the LAA. An FBO shall provide means for on call staff during off hours.

5.3.2.6.2 Hours, at a minimum, shall be:

November 1 – April 30: 8 AM to 5 PM

May 1 – October 31: 7 AM to 7 PM

5.3.3 Noncommercial Operator

5.3.3.1 Activities that may be Permitted:

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5.3.3.1.1 Condominium or other association hangar facilities.

5.3.3.1.2 Parking on the leased premises of any aircraft in the control of the Noncommercial Operator.

5.3.3.1.3 Maintenance and servicing of the above aircraft including the right to self-service as interpreted by the FAA.

5.3.3.1.4 Construction and maintenance of a hangar.

5.3.3.1.5 Flying clubs.

5.3.3.1.6 Storage for general aviation aircraft.

5.3.3.1.7 Leasing of hanger space to 3rd parties provided that no ramp services are provided by the Operator.

5.3.3.2 Activities not Permitted:

5.3.3.2.1 Any commercial activity.

5.3.3.2.2 No maintenance whatsoever on any aircraft not under the ownership/control of the Noncommercial Operator.

<p><i>Adopted 10/20/05 Effective 6/01/2006, Affirmed 2-08 Amended 1/28/10</i></p>
