

**GRAND PRAIRIE MUNICIPAL AIRPORT
COMMERCIAL LEASE AGREEMENT**

STATE OF TEXAS §
 §
COUNTY OF TARRANT §

THIS AGREEMENT is made and entered into by and between the City of Grand Prairie, a home rule municipal corporation, situated in Tarrant County, Texas, hereinafter called "Lessor", and Aviator Air, LLC, hereinafter referred to as "Lessee".

WITNESSETH:

That for and in consideration of the prompt and timely payment of the rentals set out herein and the true and faithful performance by Lessee of all of its promises, covenants and obligations hereunder, Lessor hereby demises and leases unto Lessee, and Lessee hereby accepts for the term, and subject to the provisions hereof, the following described real property (hereinafter referred to as "premises"), located at the Grand Prairie Municipal Airport (hereinafter referred to as "airport") in Grand Prairie, Tarrant County, Texas, and being more particularly described as:

Hangar Location 3 South

Hangar	2,500 sq. ft.
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Hangar Location 4 South (FBO Hangar and Offices)

Hangar	8,000 sq. ft.
Hangar Offices	4,000 sq. ft.

Ramp/Apron Parking Areas

S1-S10 & S38-S47

Office Areas – Airport Terminal Building

Suite 101	531 sq. ft.
Suite 103	127 sq. ft.

Such areas leased hereunder are further depicted in Exhibit A, attached hereto and incorporated herein by reference for all purposes incident to this lease.

This lease shall be further subject to the terms, promises, agreements, and conditions set

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forth in this Agreement.

TERM

The term of this Lease shall be for a period of five (5) years beginning October 1, 2018 and ending September 30, 2023. Lessee shall have a right of first refusal to negotiate two (2) subsequent lease terms of five (5) years each with Lessor upon the expiration of the initial term.

2. RENT

Rental rates for the first year of the lease agreement shall be as follows:

<u>Hangar Location 3 South</u>				
Hangar	2,500	sq. ft.	\$0.21 per sq. ft. per year	\$525.00 Annual
<u>Hangar Location 4 South</u>				
Hangar	8,000	sq. ft.	\$0.21 per sq. ft. per year	\$1,680.00 Annual
Hangar Offices	4,000	sq. ft.	\$0.21 per sq. ft. per year	\$840.00 Annual
<u>Ramp/Apron Parking Areas</u>				
S1-S10 & S38-S47	20 Tiedowns		\$360 per Tiedown per year	\$7,200 Annual
<u>Office Areas – Airport Terminal Building</u>				
Suite 101	531	sq. ft.	\$20.00 per sq. ft. per year	\$10,620.00 Annual
Suite 103	127	sq. ft.	\$20.00 per sq. ft. per year	<u>\$2,540.00 Annual</u>
Total Annual				\$23,405.00 Annual

In addition, Lessee shall pay Twenty Dollars (\$20.00) per month for trash removal subject to Section 11 of this Agreement. Should Lessee elect to advertise on the electronic message board the charge shall be Fifty-Five Dollars (\$55) per month.

The above rental rates for this lease will be in accordance with the Schedule of Rates and Charges approved by the City Council of the City of Grand Prairie (hereinafter called "City Council") for Grand Prairie Municipal Airport. The Rent and Fees due under this lease are subject to adjustment on October 1st each year, and Lessee agrees to pay the rents and fees unless Lessee provides the City with a notice of termination of this lease within thirty (30) days after the new rents and fees are established by the Grand Prairie City Council.

The first and last monthly rental payments shall be due in advance on the date of execution

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of this lease. Successive monthly rental payments are due on or before the first day of each month. A payment shall be considered past due if, after the tenth (10th) day of the month in which the payment was due, Lessor has not received full payment at the City of Grand Prairie, Revenue Management Division. Payments submitted via United States Postal Service or any similar type messenger services are not considered paid on the date posted by said service; but rather, when actually received in the offices of the Revenue Management Division.

In addition to the monthly rental payments, Lessee agrees to pay a late charge of ten percent (10%) of the monthly rental for each month or portion of one month that any monthly rental has not been paid on or before the tenth (10th) day of said month, and a separate computation and payment of such late charge shall be made on the outstanding balance that is past due, so that if two (2) monthly rental payments are more than ten (10) days past due, the late charges shall accrue on the outstanding balance and so on.

In the event Lessee holds over after the expiration of this lease, such holding over will be construed as a tenancy from month-to-month, at a rental amount equal to the rental amount set for the premises according to the Schedule of Rates and Charges then in effect during the holdover period. Said holdover tenancy will be subject to all other terms and conditions of this lease.

3. MAINTENANCE, REPAIRS, UTILITIES – LOCATIONS 3 SOUTH & 4 SOUTH

Lessee agrees and covenants that it will pay for all utilities used by it on the premises, including all costs necessary for the installation of meters, any deposits or other prerequisites for such utility service. Lessee further covenants and agrees that Lessee shall pay all costs and expenses for any extension, installation, maintenance or repair of any and all utilities serving the premises, including but not limited to water, sanitary sewer, electric, gas and telephone utilities.

All heating equipment and electrically operated equipment which may be used on the premises shall be of such kind and character to comply with all applicable Codes of the City of Grand Prairie.

Lessee agrees and covenants that Lessee will, at Lessee's own expense, make all repairs necessary to keep the premises from deteriorating in value or condition and restore and maintain the premises, with the exception of normal wear and tear and aging consistent with normal usage and passage of time, and to repair damages to any part of the premises caused by the negligence or misconduct of Lessee, its agents, servants, employees, contractors, subcontractors, licensees, patrons, invitees or trespassers. Lessee shall repair and maintain all hangar modifications, windows, pedestrian doors, hangar doors, fixtures and installations within and upon the premises. Lessee

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agrees to make all repairs necessary to bring the premises into compliance with all provisions of the Americans with Disabilities Act of 1990, as amended.

Lessor shall have the right and privilege, through its officers, agents, servants and employees, to make inspections of the premises, and thereafter to make recommendations to Lessee of any repairs that, in Lessor's opinion, are necessary to be performed by Lessee upon the premises in accordance with the foregoing. Lessee agrees and covenants that it shall begin such repairs within thirty (30) days of the date that such recommendations are made. Such repairs shall be made in an expeditious and workmanlike manner. In the event that Lessee shall fail to undertake such recommended repairs within the time provided, it is understood and agreed that Lessor may, within its discretion, make such repairs as it deems necessary on behalf of Lessee and for the performance of Lessee's obligations hereunder, and in such event, the cost of such repairs shall be the payment obligation of Lessee to pay same upon the date of its next monthly rental payment after completion of such repairs.

4. RIGHTS AND PRIVILEGES OF LESSEE

Lessor hereby grants to Lessee the following general rights and privileges, in common with others, all of which shall be subject to the terms, conditions and covenants hereinafter set forth and all of which shall be non-exclusive on the airport:

- a. the use in common with the public generally of all public airport facilities and improvements which are now or may hereafter be connected with or provided, to be used by Lessee for commercial or non-commercial aviation activities, and all activities in connection with or incidental to said business or operation, as herein defined. For the purpose of this lease, "public airport facilities" shall include but not be limited to all necessary public aprons, public automobile parking areas, public roadways, public sidewalks, and public terminal facilities. Lessee shall pay all applicable fees and charges for the use of said public facilities, now in force or hereinafter levied.
- b. The right of ingress to and egress from the leased premises over and across public roadways serving the airport for Lessee, its agents, employees, servants, patrons, invitees, patrons, subcontractors and licensees.

5. RIGHTS AND PRIVILEGES OF LESSEE - FIXED BASE OPERATOR

Lessor hereby grants to Lessee the non-exclusive right to operate a Fixed Base Operation

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(FBO). Lessee may provide any of the following services consistent with a Fixed Base Operation, provided, however, that Lessee must, at a minimum, provide at least three of these services:

- a. The retail sale of aviation fuels and associated line service;
 - 1) FBO shall provide fueling and into-plane delivery of aviation fuels seven (7) days a week, from at least 8:00 a.m. to 7:00 p.m., with the exceptions of periods during which lightning is in the vicinity of the airport.
 - 2) FBO shall monitor Unicom on 122.8 MHz with the appropriate VHF aviation radio equipment that is properly installed to allow two-way radio communications to aircraft within at least 30 nautical miles of the Airport.
 - 3) FBO shall provide two mobile fuel trucks capable of safe and efficient servicing of all types of general aviation aircraft, one designated for 100 low lead aviation gasoline and one for Jet-A fuel. Mobile dispensing fuel trucks shall have a minimum four hundred (400) gallon capacity for 100 low lead aviation gasoline and the Jet-A fuel truck shall have a minimum capacity of eight hundred (800) gallons. Said fuel trucks shall be maintained in accordance with the manufacture's specifications.
 - 4) FBO shall provide adequate tiedown facilities and equipment, including ropes, chains, or other types of restraining devices, and wheel chocks.
 - 5) FBO shall provide adequate aircraft towing equipment to safely and efficiently move aircraft, as necessary. Said aircraft towing equipment shall be maintained in accordance with the manufacture's specifications.
 - 6) FBO shall provide safe, proper and approved equipment for repairing and inflating aircraft tires, servicing struts, filling aviator's breathing oxygen bottles, providing a Ground Power Unit (GPU) to all types of general aviation aircraft, washing aircraft and aircraft windows, and recharging or energizing aircraft batteries and/or starters.
- b. Aircraft airframe and power plant repair and maintenance;
 - 1) FBO shall provide at least one FAA certificated Airframe and Power Plant Mechanic for a minimum of eight (8) hours per day, five (5) days per week. Service can be provided on weekends with prior appointment.
 - 2) FBO shall provide suitable tractors, tow bars, jacks, dollies, and other equipment, supplies, and parts equivalent to that required for certification by the Federal Aviation Administration as an Approved Repair Station.
- c. Flight instruction

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- 1) FBO shall maintain a minimum of three (3) single engine type aircraft, at least one (1) of which shall be equipped and capable for use in Instrument Flight Rule conditions.
 - 2) FBO shall have in its employment sufficient flight and ground instructors who have been properly certificated by the FAA, to provide the type of training offered. A copy of each Certified Flight Instructor certificate or license shall be provided to the Airport Director upon request.
 - 3) FBO shall maintain its premises open for flight training a minimum of five (5) hours daily, and additionally available to meet the public demand for this category of service.
 - 4) FBO shall provide, at a minimum, the office, classroom, and briefing room space required by Federal Aviation Regulation (FAR) Part 141, with adequate mockups, pictures, slides, film strips and other visual aids to support flight training activity.
- d. Aircraft sales (new and/or used) and/or aircraft rental;
- 1) FBO shall have available for rental, either owned or under written leaseback to Operator (a copy of such leaseback agreement shall be provided to the Airport Director) not less than two (2) single-engine aircraft, at least one (1) of which must be a four-place aircraft, and one (1) of which shall be capable of flight under Instrument Flight Rules (IFR), and all must be FAA certificated and currently airworthy.
 - 2) FBO shall provide suitable office space for consummating sales and record keeping in connection therewith.
 - 3) FBO shall have at least two (2) FAA certificated and airworthy aircraft, of which at least one (1) can be used for demonstration purposes.
 - 4) FBO shall provide a FAA certificated pilot, capable of demonstrating new aircraft for sale and/or providing instruction for the rental of aircraft, at least eight (8) hours each work day.
 - 5) FBO shall maintain current, up-to-date specifications, price lists, check lists, and operations manuals for all types and models of aircraft sold or rented.
- e. Air taxi and/or aircraft charter operations;
- 1) FBO shall provide a counter area for the proper check-in of passengers and baggage adjacent to its lounge facilities.
 - 2) FBO may, at his/her discretion, conduct charter and air taxi, either owned or

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under written leaseback to operator (a copy of such leaseback agreement shall be provided to the Airport Director) either one (1) jet or turboprop aircraft or not less than two (2) reciprocating engine aircraft which must meet the requirement of the Air Taxi Commercial Certificate held by the Operator, including Instrument Flight Rule operations.

- 3) FBO may, at his/her discretion, employ a sufficient number of qualified Commercial or Airline Transport pilots to accommodate the operations.
- f. Avionics, instrument, or propeller repair;
- 1) FBO shall maintain adequate tools, equipment, and devices necessary to provide the maintenance services offered.
 - 2) FBO shall maintain an adequate supply of spare parts and accessories necessary to provide the services offered.
- g. Aircraft Storage
- 1) FBO shall provide additional hangar space for a minimum of four (4) single engine aircraft. Maintenance hangar floor space may be considered aircraft storage space for this requirement.

Said rights above shall be subject to such rules, regulations, and laws, as amended, which now or may hereafter have application at the airport. Further, nothing in this lease shall be construed to grant Lessee a permanent right in any particular public airport facility should Lessor deem it advantageous to the operation of the airport to close or relocate any such facility.

6. RIGHTS, RESERVATIONS AND OBLIGATIONS OF LESSOR

- a. It is understood and agreed that all fixtures and items permanently attached to any structures on the premises, and all additions and alterations made thereon, shall become the property of Lessor at the conclusion of the primary term. At no time during the term of the lease may Lessee remove any such fixtures and items permanently attached to structure on the premises once such fixtures and items are permanently attached to such structures.
- b. Lessor, through its authorized representatives, shall have the full and unrestricted right to enter the premises herein leased for the purpose of doing any and all things which may be deemed necessary for the proper conduct and operation of the airport.
- c. Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against obstruction, together with the right to prevent Lessee from erecting or permitting to be erected any building or other structure which, in the

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opinion of the Lessor, would limit the usefulness of the airport or constitute a hazard to aircraft or diminish the capability of existing or future navigation and/or navigational aids used on the airport.

d. Lessor reserves the right to temporarily close the airport or any of the facilities thereon for maintenance, improvement, safety or security of the airport or the public, or for other cause deemed necessary by Lessor, without being liable to Lessee for any damages caused by disruption of Lessee's business operations or for any other reason.

e. This lease shall be subordinate to the provisions of any existing or future agreement between Lessor and the United States, relative to the operation or maintenance of the airport, the execution of which has been or may be required as a condition to the expenditure of federal funds for the development, maintenance, and repair of the airport infrastructure.

f. During time of war or national emergency, Lessor shall have the right to lease the landing area or any part thereof to the United States Government for military or naval use, and, if such lease is executed, the provisions of this instrument, insofar as they are inconsistent with the provisions of the lease to the Government, shall be suspended. Nothing contained in this lease shall prevent Lessee from pursuing any rights which Lessee may have for reimbursement from the United States Government for the taking of any part of Lessee's leasehold or for any loss or damage caused to Lessee by the United States Government.

g. Lessor further covenants and agrees that during the term of this lease, it will operate and maintain the airport and its public airport facilities as a public airport consistent with and pursuant to the Sponsor's Assurances given by Lessor to the United States Government through the Federal Airport Act.

7. INSPECTION AND PREMISES ACCEPTANCE

Lessor, through its officers, agents, servants or employees, shall have the full reasonable right to enter the premises during normal business hours, except in the event of an emergency, for the purpose of doing any and all things which Lessor is authorized or required to do under the terms of this lease, or for the purpose of performing its governmental functions under federal, state or local rules, regulations and laws, including but not limited to necessary and proper inspections under Lessor's applicable Health, Mechanical, Building, Electrical, Plumbing, and Fire Codes, or other health, safety and general welfare regulations of Lessor. Lessor shall provide Lessee with

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advance notice of inspection as is reasonable under the circumstances.

Lessee will permit the Fire Marshal of the City of Grand Prairie, or his/her agents, to make inspection of the premises at any time, and Lessee will comply with all recommendations made to Lessee by the Fire Marshal, or his/her agents, to bring the premises into compliance with the City of Grand Prairie Fire Code and Building Code provisions regarding fire safety, as such provisions exist or may hereafter be amended. Lessee shall further maintain in proper condition, accessible fire extinguishers in a number and a type approved by Fire Underwriters for the particular hazard involved.

Lessee agrees and covenants that Lessee has inspected the premises and is fully advised of its own rights without reliance upon any representation made by Lessor concerning the condition of the premises and accepts same in their present condition as satisfactory for all purposes of this lease.

8. CONCESSIONS PROHIBITED

It is specifically agreed and stipulated that the following concessions normally available for public use and the establishment thereof are prohibited under this lease, unless specifically approved by the Airport Director, to wit:

- a. Food sales;
- b. Barber and valet service; and
- c. Alcoholic beverage sales.

9. CONSTRUCTION AND IMPROVEMENTS

Lessee, at its sole cost and expense, may perform renovations, improvements, or maintenance on existing structures, or perform renovations, improvements, or maintenance to any structure or portion thereof constructed at any time during the term of this lease, which renovations, improvements, or maintenance are hereinafter referred to as "discretionary improvements" for the purpose of carrying out the activities provided for herein.

If Lessee chooses to make discretionary improvements or modifications mandated by City Code, all plans and specifications must receive the written, prior approval of Lessor, which approval shall not be unreasonably withheld. All discretionary improvements, modifications mandated by City Code and any other facilities (including landscaping) shall be constructed in accordance with plans and specifications approved by Lessor, and shall be subject to Lessor's

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inspection. No construction, modification or installation may be undertaken until this approval is secured. All plans, specifications and work shall conform to all local, state and federal rules, regulations, and laws, including the City of Grand Prairie Airport Minimum Standards ("Min Standards") (Exhibit B) and the City of Grand Prairie Airport Rules and Regulations ("Rules & Regs") (Exhibit C), now in force or hereafter prescribed. Notwithstanding the permissive nature of Lessee's discretionary improvements, Lessee agrees to make all discretionary improvements and alterations necessary to make the premises comply with all applicable provisions of the Americans with Disabilities Act of 1990, as amended. Any modifications mandated by City Code which Lessee agrees to perform, whether paid for in full or in part by Lessee, shall also conform with said Act.

Prior to commencement of any construction of discretionary improvements in excess of Twenty-five Thousand dollars (\$25,000.00) on the premises, Lessee or its contractor, at the sole expense of Lessee and/or its contractor, shall obtain surety performance and payment bonds in accordance with Chapter 2253 of the Texas Government Code, as amended, to cover the cost of the discretionary improvements, which bonds shall be executed and delivered to Lessor for review and acceptance. Should Lessee elect to serve as its own contractor, the bonds shall be payable to Lessor. Where Lessee contracts with a contractor to perform part or all of the construction, Lessee shall require its contractor to obtain said bonds which shall be payable to both Lessor and Lessee as dual obligees. The bonds shall guarantee the faithful performance of necessary construction and completion of improvements, in accordance with final plans and detailed specifications as approved by Lessor, and shall guarantee payment of all wages for labor and services engaged and of all bills for materials, supplies and equipment used in the performance of said construction contract.

Bonds shall be standard payment or performance bonds provided by a licensed surety company. A cash deposit or certificate of deposit may be furnished by Lessee in lieu of the bonds. Certificates of deposit shall be from a financial institution in the Dallas-Fort Worth metropolitan area which is insured by the Federal Deposit Insurance Corporation. Cash deposits shall be made in the treasury of the City of Grand Prairie. The City of Grand Prairie shall not pay interest on any cash deposit made in the treasury of the City. The amount of the cash deposit or certificate of deposit shall be equal to 125% of the construction contract. In the event of construction or contractor payment default, Lessor shall be entitled to draw down the full amount of Lessee's cash deposit in Lessor's treasury, which amount serves as security for Lessee's failure to complete construction and/or Lessee's failure to pay Lessee's contractor. For payment purposes when not in default, Lessee may be allowed a dollar for dollar decrease in its cash deposit account

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or a reduction of Lessor's claim upon Lessee's certificate of deposit to the extent of payment to contractor in the following manner: where Lessee owes payment to contractor for work and/or services performed, Lessor may reimburse Lessee upon Lessor's receipt and verification of contractor's invoice, contractor's acknowledgement of payment, and contractor's release of Lessee to the extent of Lessee's payment to contractor.

Prior to the commencement of work, Lessee agrees to submit to Lessor estimates for discretionary improvements which will be subject to the sole approval of the Airport Director to acceptability of such discretionary improvements and their eligibility if any, for rental credits. Such approval shall not be unreasonably withheld. Rental credits may be granted for any mandated City Code modifications upon agreement by both parties as to the cost of such modifications. Any modifications made by Lessee that are not in compliance with City Code shall be brought into compliance by Lessee at Lessee's sole cost with no rental credits granted. Upon completion of modifications mandated by City Code and after inspection and acceptance of same by Lessor, Lessee will receive a credit against rental owed under this lease for eighty percent (80%) of the total amount of approved expenditures made by Lessee for all modifications mandated by City. Lessee will provide paid invoices, canceled checks or other documentation as required by Lessor to verify Lessor's expenditures. Upon verification, Lessee will receive credit on a monthly basis for an amount not to exceed fifty percent (50%) of each monthly rental payment amount, until the full amount of verified expenditures has been credited. No rental credit shall extend beyond the lease term or renewal period in which they were granted.

Lessee agrees and covenants that Lessee will not make or suffer any waste of the premises, nor will it suffer any holes to be drilled or made in the brick, plaster or cement work, nor make any material structural alterations or additions to the premises except as may be approved in advance, in writing, by the Airport Director or his/her designee.

In the event of fire or other casualty which damages or destroys all or any part of the leased premises, Lessor and Lessee may elect to rebuild. Where Lessor elects to rebuild, Lessor will so notify Lessee within thirty (30) days of the date of the damaging event and will endeavor to rebuild the premises to substantially its former condition within one hundred eighty (180) days of the notice, and rent shall be proportionally reduced during the rebuilding based upon the square footage affected as verified by Lessor. Lessee shall have the right to elect to rebuild all or part of said premises at Lessee's expense within a reasonable time, in which event this lease shall continue in force as to the portion so rebuilt, and rent shall be proportionally reduced during the rebuilding based upon the entire square footage affected as verified by Lessor. All plans and specifications for rebuilding must receive the written, prior approval of Lessor and shall be constructed in accordance

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with plans and specifications approved by Lessor and shall be subject to his/her inspection; no construction for rebuilding may be undertaken until this approval is secured. All plans, specifications and work shall conform to all local, state and federal rules, regulations, and laws, including the City of Grand Prairie Airport Minimum Standards (the "Minimum Standards"), now in force or hereafter prescribed. Lessee agrees to rebuild the premises to comply with all applicable provisions of the Americans with Disabilities Act of 1990, as amended. Where such rebuilding exceeds \$25,000, Lessee shall be subject to all requirements of Section 9 of this Agreement.

10. SIGNS

No signs, posters, or other similar devices shall be placed on the exterior of the hangar on any portion of the premises without the prior written consent of Lessor. Lessee shall, at its sole expense, be responsible for creation, installation and maintenance of all such signs, posters, or other similar devices. Lessee agrees to pay Lessor for any damages, injury or repairs resulting from the installation, maintenance or repair of any such signs, posters, or other similar devices. Any signs, posters, or other similar devices placed on the premises shall be maintained at all times in a safe, neat, sightly and good physical condition. Any such sign, poster, or other similar device shall be removed from the premises immediately upon receipt of instructions for the removal of same from Lessor.

11. TRASH AND CITY CODE COMPLIANCE

Lessee agrees to maintain the leased premises in a clean and sanitary condition at all times and agrees to comply with all applicable requirements and orders imposed by Lessor relating to the handling and disposal of trash. Lessee shall provide and use suitable covered metal receptacles for all such garbage, trash and other refuse, as approved by Lessor. The piling of boxes, cartons, barrels or other similar items in an unsightly or unsafe manner is prohibited.

12. USE OF PREMISES

During the term of this lease or any renewal thereof, the premises are to be used by Lessee exclusively for the commercial aviation activities which are hereby defined as those activities which involve the sale of aviation services for profit to the general public, including but not limited to the following:

- a. Loading and unloading of aircraft in any lawful activity incident to the conduct of

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any service or operation set out in this section;

b. Maintenance, repair and storage of aircraft, which shall include overhauling, rebuilding, repairing, inspection and licensing of same;

c. Purchase and sale of aircraft, aircraft parts and accessories, and aviation equipment of all descriptions as a retailer, wholesaler or dealer;

d. Location, construction, erection, maintenance and removal of improvements, in any lawful manner, upon or in the premises for the purpose of carrying out any of the activities provided for herein, subject to the conditions herein set forth.

In addition, with the express consent of Lessor, Lessee may conduct incidental activities on the premises reasonably related to the purpose of this lease, limited to the sale of confections, water and soft drinks.

Lessee agrees that neither it, nor any of its officers, employees, subcontractors, licensees or invitees, will park or allow any non-aviation related motor vehicles to be parked on the premises. All aviation-related or business-related motor vehicles brought onto the premises in connection with Lessee's business will be parked only in areas designated as motor vehicle parking areas.

Lessee covenants and agrees that it shall not make any unlawful use of, nor shall it permit the unlawful use of the leased premises by any person(s) and that such unlawful use shall result in the removal from said premises of any person(s) using same by Lessee, its officers, agents, servants or employees. Lessee's unlawful use of the premises shall constitute an immediate breach of this lease.

13. INSURANCE

Lessee shall procure and maintain at all times in full force and effect a policy or policies of insurance as specified herein, naming the City of Grand Prairie as an additional insured and covering all public risks related to the leasing, use, occupancy, maintenance, existence or location of the leased premises, Fixed Base Operation, and Fueling Agreement. Lessee shall obtain an insurance policy with coverages as follows:

- Commercial general aviation liability policy with coverages for premises, operations, and product liability - \$1,000,000 CSL
- Hangarkeepers Legal Liability - Value of Aircraft in Care, Custody, and Control;
- Products/Completed Operations - \$1,000,000
- Aircraft Liability with coverages for bodily injury and property damage, including passengers - \$1,000,000 CSL
- Motor Vehicle Liability - \$500,000 CSL

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Said limits may be revised upward at Lessor's option, and Lessee will so revise such amounts within thirty (30) days following notice to Lessee of such requirements.

Lessee shall maintain said insurance with insurance underwriters authorized to do business in the State of Texas and satisfactory to Lessor. Lessee shall furnish Lessor with a certificate of insurance as proof that such coverage has been procured and is being maintained within ten (10) days after execution of this lease and annually thereafter during the term of this lease or any renewal thereof. Certificate shall contain a Waiver of Subrogation in favor of City and shall name the City as an additional insured and the policy shall have a thirty (30) days' notice in favor of the City prior to any cancellation or substantial change in coverage.

It is furthered agreed that Lessee shall not do or permit to be done anything upon any portion of the premises or bring or keep anything thereon which will in any way conflict with the conditions of any insurance policy upon the premises, or in any way increase the rate of fire insurance upon the premises, or which will in any way obstruct or interfere with the rights of other tenants at the airport.

14. INDEPENDENT CONTRACTOR

It is expressly understood and agreed that Lessee shall operate hereunder as an independent contractor as to all rights and privileges granted herein, and not as an agent, representative or employee of Lessor; that Lessee shall have exclusive control of and the exclusive right to control the details of its operations and activities on the premises and shall be solely responsible for the acts and omissions of its officers, agents, servants, employees, contractors, subcontractors, licensees and invitees; that the doctrine of *respondeat superior* shall not apply as between Lessor and Lessee, its officers, employees, contractors and subcontractors; and that nothing herein shall be construed as creating a partnership or joint enterprise between Lessor and Lessee.

Lessor does not guarantee police protection to Lessee and its property, and Lessor shall not be responsible for injury or harm to any person or any property belonging to Lessee, its officers, agents, servants, employees, patrons, contractors, subcontractors, licensees or invitees, which may be stolen, destroyed or in any way damaged, and Lessee hereby indemnifies and holds harmless Lessor, its officers, agents, servants and employees from and against any and all such claims. Lessor is only obligated to provide security adequate to satisfy any Federal Aviation Administration Regulation as may now be in effect or later enacted into effect.

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15. INDEMNIFICATION

Lessee covenants and agrees to and does hereby indemnify, hold harmless and defend Lessor, its officers, agents, servants and employees, from and against any and all claims or suits for property damage or loss, including damage or loss to Lessee's business and Lessee's resulting lost profits, and/or personal injury, including death, to any and all persons, of whatsoever kind or character, whether real or asserted, arising out of or in connection with the leasing, maintenance, use, occupancy, existence or location of the premises, whether or not caused in whole or in part, by the alleged negligence of the officers, agents, servants, employees, contractors, subcontractors, licensees or invitees of Lessor; and Lessee hereby assumes all liability and responsibility of Lessor, its officers, agents, servants and employees, for such claims and suits. Lessee shall likewise assume all responsibility and agrees to pay Lessor for any and all injury or damage to Lessor's property, arising out of or in connection with any and all acts or omissions of Lessee, its officers, agents, servants, employees, contractors, subcontractors, licensees or invitees.

Lessor shall in no way, nor under any circumstances, be responsible for any property belonging to Lessee, its officers, agents, servants, employees, contractors, subcontractors, licensees and invitees which may be stolen, destroyed or in any way damaged, and Lessee hereby indemnifies and holds harmless Lessor, its officers, agents, servants and employees from and against any and all such claims.

16. TERMINATION

Any breach, default or failure by Lessee to perform any of the duties or obligations assumed by Lessee hereunder or to faithfully keep and perform any of the terms, conditions and provisions hereof shall be cause for termination of this lease by Lessor in the manner set forth in this section. Lessor shall deliver to Lessee prior written notice of its intention to so terminate this lease, including in such a reasonable description of the breach, default or failure. If the breach is a failure to pay rentals due under this lease and Lessee shall fail or refuse to cure, adjust or correct same to the satisfaction of Lessor within ten (10) days following notice or, in the case of a breach other than a failure to pay rent, except as otherwise provided herein, within thirty (30) days following notice and Lessee shall fail or refuse to cure, adjust or correct same to the satisfaction of Lessor, then in such event Lessor shall have the right, without further notice to Lessee and without being deemed guilty of trespass and without any liability whatsoever on the part of Lessor, to declare this lease

COMMERCIAL LEASE AGREEMENT

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terminated and enter upon and take full possession of the premises, by force or otherwise, and without legal process, to expel, oust and remove any and all parties who may occupy any part of said premises and any and all fixtures and equipment not belonging to Lessor that may be found within or upon said premises without being liable for damages therefore. In the event of termination of this lease by Lessor in accordance with the provisions of this lease, all rights, powers, and privileges of Lessee hereunder shall cease and terminate, and Lessee shall have ninety (90) days to vacate the premises, provided that rental payments are maintained on a current basis during said ninety (90) day period and Lessee makes no claims of any kind whatsoever against Lessor, its officers, agents, servants, employees, or representatives by reason of such termination or any act incident thereto. Any failure by Lessor to so terminate this lease or the acceptance by Lessor of rentals for any period of time after such breach, default or failure by Lessee shall not be determined to be a waiver by Lessor of any rights to terminate this lease for any subsequent breach, default, or failure.

Upon termination of this lease, whether for breach, default or any failure by Lessee, or the end of the initial term or any renewal term of this lease, Lessee agrees to peaceably return the demised premises and all appurtenances or improvements thereon in good order and repair, vacant, unencumbered, and in good, tenantable condition. Lessee agrees to repair all damages at its sole cost and expense.

Any abandonment or non-use of the premises for any reason for any period of time exceeding five (5) calendar days shall be grounds for immediate termination of this lease by Lessor, and all rights, power and privileges of Lessee hereunder shall cease. Lessor shall have the right, without notice to Lessee and without being deemed guilty of trespass and without any liability whatsoever on the part of Lessor, to take immediate possession of the premises, with or without force, without legal process, and remove any and all fixtures and equipment not belonging to Lessor that may be found on any part of said premises without being liable for damages therefore. Any failure by Lessor to terminate this lease for abandonment or non-use by Lessee shall not be determined to be a waiver by Lessor of any rights to terminate this lease immediately for any subsequent abandonment or non-use.

Lessor agrees and covenants that in the event the premises, or any part thereof, shall at any time, during the term of this lease or any renewal thereof, be damaged or destroyed by fire or other casualty so as to render same unfit for use and occupancy, and Lessor elects not to rebuild same during the term hereof, then this lease may be terminated by Lessor in its entirety or only as to such portion of the premises as have been rendered unfit for use and occupancy, in which event the rental shall be proportionately reduced based upon the square footage affected as verified by Lessor.

COMMERCIAL LEASE AGREEMENT

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17. NOTICES

Notices required pursuant to this provisions of this lease shall be conclusively determined to have been delivered when (1) hand delivered to Lessee, its agents, employees, servants or representatives or (2) when deposited in the United States Mail, postage prepaid, return receipt requested, addressed as follows:

LESSOR:

City of Grand Prairie
Airport Director
3116 S. Great Southwest Parkway
Grand Prairie, Texas 75052-7238

LESSEE:

Aviator Air, LLC
Chad Ferrell
3116 S. Great Southwest Parkway
Grand Prairie, Texas 75052-7238

18. ASSIGNMENT

Lessee shall not assign, sell, convey, sublet or transfer all or any part of its rights, privileges, duties, or interests under this lease without first obtaining the written consent of Lessor, which consent will not be unduly withheld. Any attempted assignment without Lessor's prior written consent shall be void. All of the terms, covenants and agreements herein contained shall be binding and shall inure to the benefit of successors of the respective parties hereto.

19. LIENS BY LESSEE

Lessee covenants and agrees that it shall have no power to do any act or make any contract that may create or be the foundation for any lien upon the property or interest in the property of Lessor, and if any such purported lien is created or filed, Lessee, at its sole cost and expense, shall liquidate and discharge same within thirty (30) days next after the filing thereof; should Lessee fail to discharge same, such failure shall constitute an immediate breach of this lease for which no further opportunity to cure shall be granted, and Lessee's ninety (90) days to vacate the premises shall begin on said 31st day.

20. BANKRUPTCY

Lessee agrees and covenants that, in the event that any proceedings in bankruptcy or insolvency shall be instituted against Lessee, whether voluntary or involuntary, Lessor may, at its option, declare this lease forfeited and terminated, and upon such declaration, Lessee agrees to give and deliver immediate possession of the premises to Lessor.

COMMERCIAL LEASE AGREEMENT

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21. TAXES AND ASSESSMENTS

Lessee agrees to pay any federal, state or local taxes or assessments which may be lawfully levied against Lessee due to (1) Lessee's occupancy or (2) Lessee's use of the premises, or any improvements or property placed therein or thereon by Lessee as a result of Lessee's occupancy.

22. ATTORNEYS' FEES

In any action brought by Lessor for enforcement of the obligations of Lessee, Lessor shall be entitled to recover interest and reasonable attorneys' fees.

23. NONDISCRIMINATION

The granting of this lease is conditioned upon the following covenants:

- a. Lessee covenants and agrees to comply with all federal, state, and local rules, regulations and laws, including all ordinances of the City of Grand Prairie, all rules and regulations of Lessor, all rules and regulations established by the Airport Director for the operation of the airport, and all rules and regulations adopted by the City Council of the City of Grand Prairie pertaining to the conduct of airports owned or operated by the City, as such rules, regulations and laws exist or may hereafter be amended or adopted. It is understood and agreed that if Lessor calls the attention of Lessee to any such violation on the part of Lessee, or any of its officers, agents, employees, contractors, subcontractors, licensees or invitees, Lessee shall immediately desist from and correct such violation.
- b. Lessee, its personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

- 1) no person on the grounds of race, color, sex, creed, age, disability or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said public airport facilities;
- 2) in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, sex, creed, age, disability or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and

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(3) Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Non-Discrimination in Federally Assisted Programs of the Department of Transportation, as said regulations may be amended.

- c. Lessee shall furnish its accommodations and/or services on a fair, equal, and not unjustly discriminatory basis to all users thereof and shall charge fair, reasonable, and not unjustly discriminatory prices for each unit of service; provided, however, that Lessee may be allowed to make reasonable and non-discriminatory discounts, rebates or other similar price reductions to volume users.

26. LICENSES AND PERMITS

Lessee shall, at its sole expense, be responsible for obtaining and keeping in effect all licenses and permits necessary for the operation of its business on the premises.

27. GOVERNMENTAL POWERS

It is understood and agreed that by execution of this lease, the City of Grand Prairie does not waive or surrender any of its governmental powers.

28 NON-WAIVER

The failure of Lessor to insist upon the performance of any term or provision of this lease or to exercise any right herein conferred shall not be construed as a waiver or relinquishment to any extent of Lessor's right to assert or rely upon any such term or right on any future occasion.

29. ENTIRETY OF AGREEMENT

This written instrument constitutes the entire agreement by the parties hereto concerning the premises, and any prior or contemporaneous, oral or written agreement which purports to vary from the terms hereof shall be void.

30. LEGAL CONSTRUCTION

In case any one or more of the provisions contained in this lease shall for any reason be held

COMMERCIAL LEASE AGREEMENT

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to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of the lease, and this lease shall be construed as if such invalid, illegal, or unenforceable provision had not been included in the lease.

31. FORCE MAJEURE

Neither Lessor nor Lessee shall be required to perform any term, condition, or covenant in this lease so long as such performance is delayed or prevented by force majeure, which shall mean acts of God, strikes, lockouts, material or labor restrictions by any governmental authority, civil riot, floods, and any other cause not reasonably within the control of Lessor or Lessee and which, by the exercise of due diligence, Lessor or Lessee is unable, wholly or in part, to prevent or overcome.

32. EXECUTION TIME LIMITS

This lease shall be executed by Lessee within thirty (30) days of the time it is presented to Lessee by Lessor. If it is not executed within this thirty (30) day period, it will be null and void, and any holdover tenancy or tenancy-at-will under an existing occupancy will immediately terminate; provided, however, that if Lessee is already occupying the premises, Lessee will be liable for lease payments during such time of occupancy.

33. CHARITABLE IMMUNITY OR EXEMPTION

If Lessee, as a charitable association, corporation, entity or individual enterprise, has or claims an immunity or exemption (statutory or otherwise) from and against liability for damage or injury to property or persons, Lessee hereby expressly waives its rights to plead defensively such immunity or exemption as against Lessor.

34. GOVERNING LAW; VENUE

This Agreement and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas. This Agreement is performable in Tarrant County, Texas, and exclusive venue for any action arising out of this Agreement shall be in Tarrant County, Texas.

COMMERCIAL LEASE AGREEMENT

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CITY OF GRAND PRAIRIE, TEXAS

Deputy City Manager

APPROVED AS TO FORM:

City Attorney

ATTEST:

City Secretary

AVIATOR AIR, LLC.



Chad Ferrell, President

STATE OF TEXAS §

§

COUNTY OF DALLAS §

Before Me, a Notary Public, on this day personally appeared _____, known by me to be the person and whose name is subscribed to the foregoing instrument and acknowledges to me that the same was the act of the said City of Grand Prairie, and that he has executed the same as was the same act of said City of Grand Prairie, Texas.

Given under my hand and seal of office this ____ day of _____, A.D. 2018.

Notary Public, State of Texas

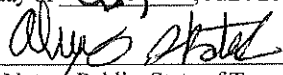
STATE OF TEXAS §

§

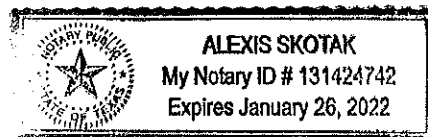
COUNTY OF DALLAS §

Before Me, a Notary Public, on this day personally appeared Chad Ferrell, President, Aviator Air, LLC, and known by me to be the person and whose name is subscribed to the foregoing instrument and acknowledges to me that the same was the act of the said Aviator Air, LLC.

Given under my hand and seal of office this 30th day of July, A.D. 2018.



Notary Public, State of Texas



COMMERCIAL LEASE AGREEMENT

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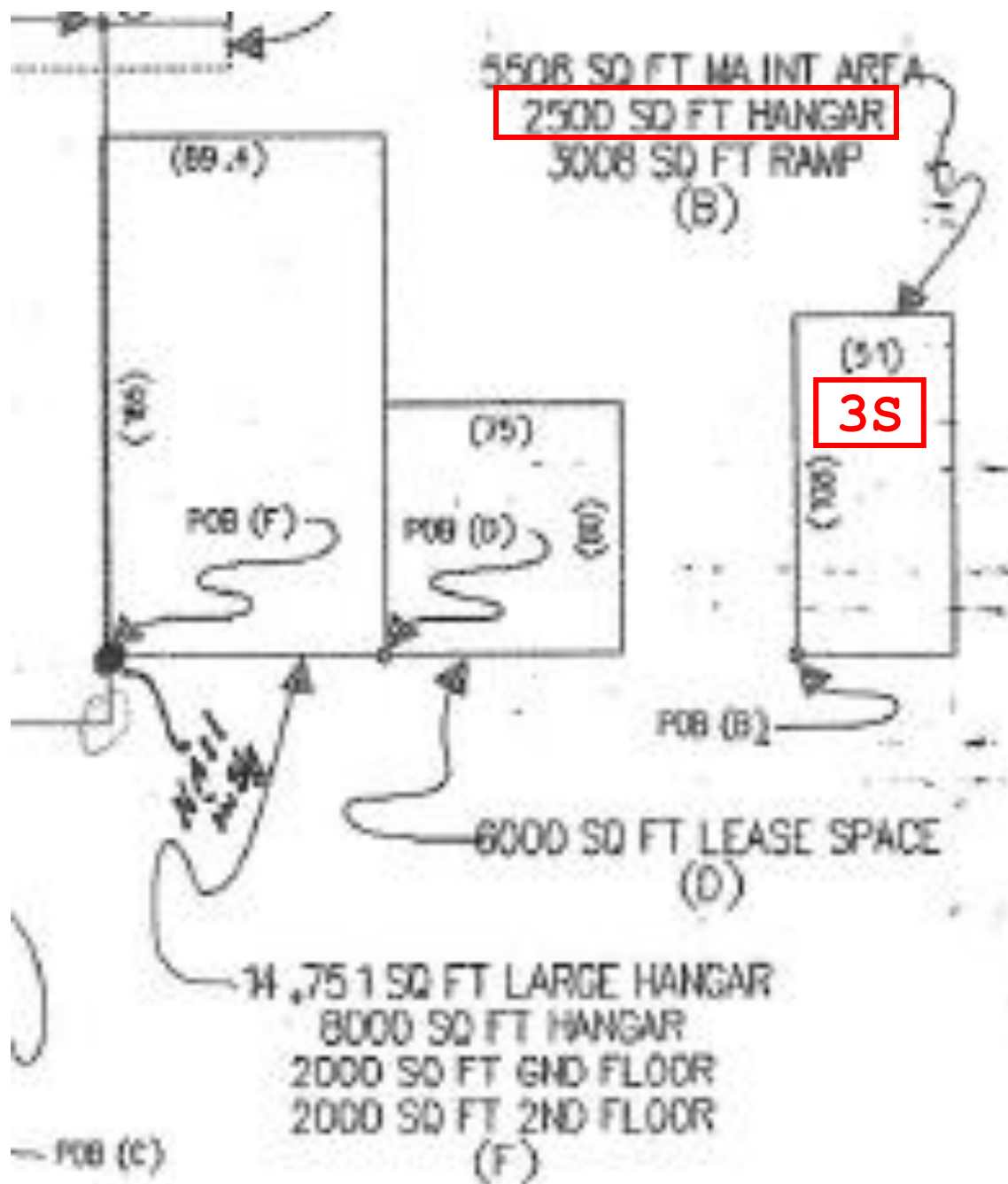
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Lessee

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Grand Prairie Municipal Airport

Ramp lease assignments

as of 181001

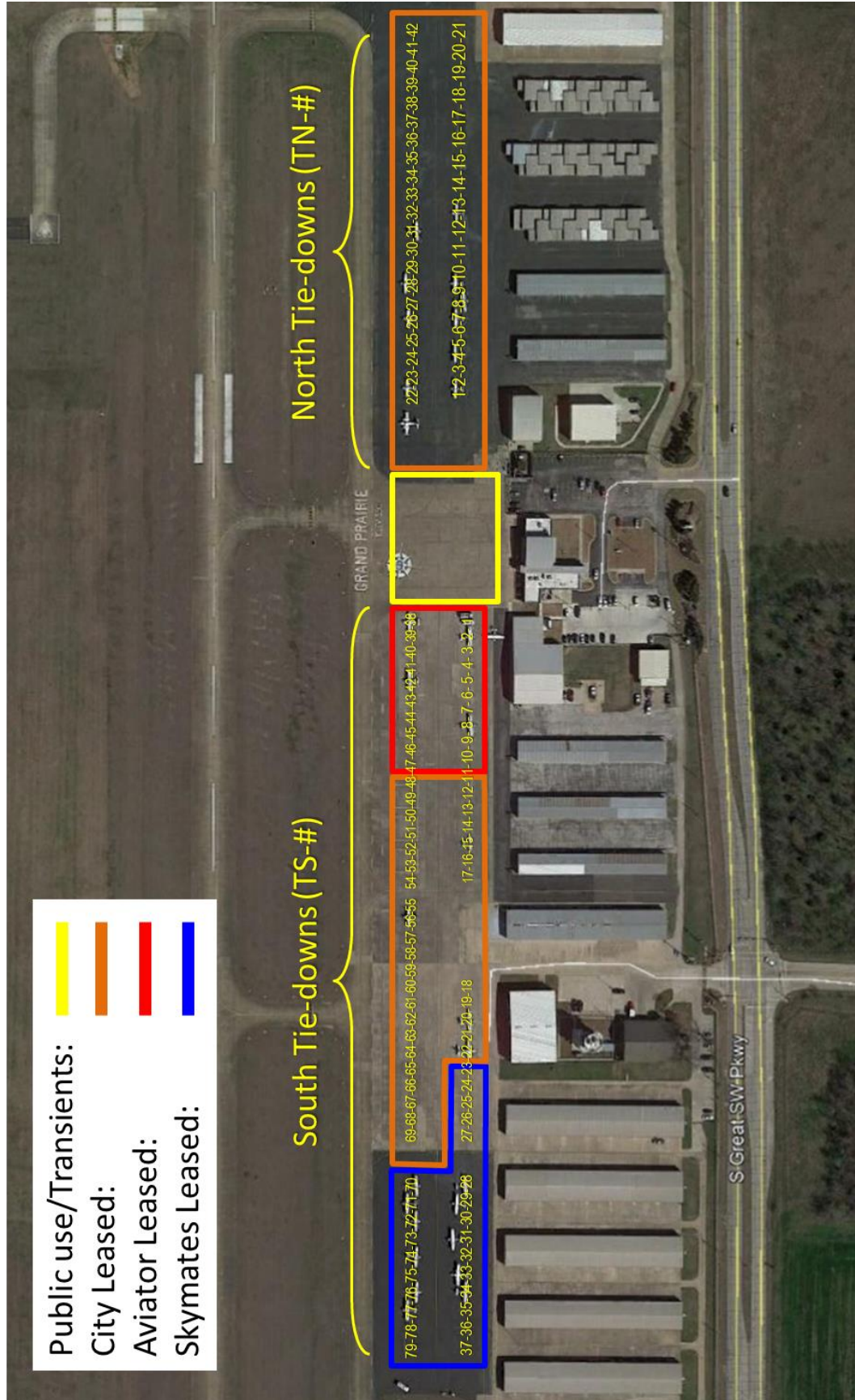


Exhibit 'B'

**GRAND PRAIRIE MUNICIPAL AIRPORT
GRAND PRAIRIE, TEXAS**

**MINIMUM STANDARD REQUIREMENTS
FOR
AIRPORT AERONAUTICAL SERVICES**

**Adopted by the City Council of the
City of Grand Prairie**

April 19, 2011

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Section 1 – Policy Statement

The City Council of Grand Prairie, Texas being in a position of responsibility for the administration of the Grand Prairie Municipal Airport, hereinafter called the "Airport", does hereby establish the following Minimum Standards policy:

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

Final decisions regarding application of these standards rests with the Grand Prairie City Council, with recommendations provided by the Airport Advisory Committee and City staff.

Section 2 – Definitions

Aeronautical Activity - means any activity conducted at airports 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. These activities include, but are not limited to, air taxi and charter operations, pilot training, aircraft renting, sightseeing, aerial photography, aerial advertising, aerial surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products, repair and maintenance of aircraft and aircraft parts, sale of aircraft parts, and aircraft storage.

Aeronautical Service means any service that involves, makes possible or is required for the operation of aircraft, or that contributes to or is required for the safety of aircraft operations commonly conducted on the airport by a person who has a lease from the airport owner to provide such service.

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

Airport means the Grand Prairie Municipal Airport, and all of the property, buildings, facilities and improvements within the exterior boundaries of such airport as it now exists on the Airport Layout Plan or Exhibit A or as it may hereinafter be extended, enlarged or modified.

Airport Director means the Airport Director or his/her designee.

Airport Tenant means any person, firm or corporation leasing property from the City. This may include FBOs, Corporate, and Commercial Operators.

Authority – City of Grand Prairie, Texas

Commercial Operator means any person, firm or corporation performing aeronautical services at the airport who is not an FBO.

Corporate Tenant means a duly licensed corporation or other business entity whose main place of business is located off the airport property but requires airport facilities for storage of company aircraft and a base of operations for the company flight department.

Entity means a person, firm, corporation or partnership.

FAA means the Federal Aviation Administration.

FAR means Federal Aviation Regulation.

FBO (Fixed Base Operator) means an aviation business duly licensed and authorized by written agreement with the airport owner to provide three or more aeronautical activities, one of which must be public service fuel sales, at the airport under strict compliance with such agreement and pursuant to these regulations and standards.

Flying Club means a non-commercial organization established to promote flying, develop skills in aeronautics, including pilotage, navigation, and awareness and appreciation of aviation requirements and techniques. See the Airport Rules and Regulations for requirements.

Fuel: As defined in an operator's lease agreement.

Fueling Operations means the dispensing of aviation fuel into aircraft.

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

Fueling Operations Agreement means a contract between the City with a person or entity who dispenses aviation fuel at the Airport (see Airport Rules and Regulations for requirements and procedure). There are two types: (1) Public Fueling Agreement; and (2) Non Public Fueling Agreement.

Independent Contractor in this context refers to entities whose place of business is located off the airport property, performing aeronautical services for individual airport tenants and/or operators of transient aircraft.

Landside means all buildings and surfaces on the airport used by surface vehicular and pedestrian traffic.

Large Aircraft is an aircraft of more than 12,500 pounds maximum certified takeoff weight or turboprop and turbojet aircraft.

Lessor - the City of Grand Prairie owns, controls and operates the Grand Prairie Municipal Airport and shall hereinafter be referred to as the "Lessor."

Minimum Standards means the standards that are established by the airport owner as the minimum requirements to be met as a condition for the right to conduct an aeronautical activity on the airport.

NFPA means the National Fire Protection Association.

NOTAM means a Notice to Airmen published by the FAA.

Owner - means the City of Grand Prairie, Texas or other entity providing a combination of aeronautical services to or for aviation users at the Airport.

Person means an individual, corporation, government or governmental subdivision, partnership, association, or any other legal entity.

Public Fueler means an operator that provides fueling services to aircraft owned by others. See Airport Rules and Regulations for requirements and procedure.

Ramp Privilege means the driving of an automobile or other vehicle upon an aircraft parking ramp on the airside of the airport to deliver persons, cargo or equipment to an aircraft as a matter of convenience or necessity. See Airport Rules and Regulations for requirements and procedure.

Self-fueling operator means a person who dispenses aviation fuel to aircraft owned by such person, or leased from others and operated by such person. See Airport Rules and Regulations for requirements and procedure.

Small Aircraft is an aircraft of 12,500 pounds or less maximum certified take-off weight.

UNICOM means a non-governmental communication facility that provides airport advisory information.

Section 3 – Application and Qualifications

Demonstration of intent to conduct a business operation at the Airport shall be by application to the Airport Director. Where formal approval by the Grand Prairie City Council is required, the written application shall contain at the minimum:

1. The proposed nature of the business. A business plan may be used to express the proposed nature of the business. (See Appendix B, "Minimum Requirements for a Business Plan".)
2. The signatures of all parties whose names are being submitted as owning an interest in the business or will appear on leases or other documents as being a partner, director, or corporate officer, and those who will be managing the business.
3. A current financial statement prepared or certified by a Certified Public Accountant.
4. A listing of assets owned, leased or being purchased that will be used in the business on the Airport.
5. A current credit report for each party owning or having a financial interest in the business and a credit report on the business itself covering all geographical areas in which it has done business in the ten-year period immediately prior to such application.
6. An agreement to provide a suitable guarantee of adequate funds to the Airport Director to be used to defray any expenses and fees normally paid by the Lessee between the estimated time the Lessee may default and a new lease is executed and another Lessee takes over.
7. A written authorization for the FAA, any aviation or aeronautics commissions, administrators, and departments of all states in which the applicant has engaged in aviation business to release information in their files relating to the applicant or its operation. The applicant will execute such forms, releases, or discharges as may be required by those agencies.
8. Preliminary plans, specifications and dates for any improvements that the applicant intends to make on the Airport as part of the activity for which approval is sought. Applicant must comply with appropriate Building Code and Airport Director Plan Review Procedures and other applicable development code requirements.
10. Proof of liability coverage or insurance company letter of intent in the amounts established by the Grand Prairie City Council for each activity to be conducted on the airport.
11. Such other information as the Airport Director may require.

Section 4 – Action on Application

All compliant applications will be reviewed and acted upon by the Airport Director within forty-five (45) days from the receipt of the application. Applications may be denied for one or more of the following reasons:

1. The applicant does not meet qualifications, standards and requirements established by these Minimum Standards.
2. The applicant's proposed operations or construction will create a safety hazard on the Airport.
3. The granting of the application will require the expenditure of local funds, labor or materials on the facilities described in or related to the application, or the operation will result in a financial loss to the City of Grand Prairie.
4. There is no appropriate or adequate available space or building on the Airport to accommodate the entire activity of the applicant.
5. The proposed operation, Airport development or construction does not comply with the approved Airport Master Development Plan.
6. The development or use of the area requested will result in a congestion of aircraft or buildings, or will result in undue interference with the operations of any present operator on the Airport, such as problems in connection with aircraft traffic or service, or preventing free access and egress to any existing operators' area, or will result in depriving, without the proper economic study, an existing operator of portions of its leased area in which it is operating.
7. Any party applying, or interested in the business, has supplied false information, or has misrepresented any material fact in the application or in supporting documents, or has failed to make full disclosure on the application.
8. Any party applying, or having an interest in the business, has a record of violating the Rules, or the Rules and Regulations of any other Airport, Civil Air Regulations, Federal Aviation Regulations, or any other Rules and Regulations applicable to this or any other Airport.
9. Any party applying, or having an interest in the business, has defaulted in the performance of any lease or other agreement with the City or any lease or other agreement at any other airport.
10. Any party applying, or having an interest in the business, is not sufficiently credit worthy and responsible, in the judgment of the Airport Director, to provide and maintain the business to which the application relates and to promptly pay amounts due under the lease.
11. The applicant does not have the finances necessary to conduct the proposed operation for a minimum period of six months.
12. The applicant has committed any felony, or violated any local ordinance rule or regulation, that adversely reflects on its ability to conduct the operation applied for.

Exhibit B

13. The City Council of Grand Prairie denies approval of the lease or operation.

Section 5 – Minimum Standards for All FBOs and Commercial Operators

The following shall apply to all prospective aeronautical service providers wishing to become FBOs or Commercial Operators at the Airport:

1. Leases shall be for a term to be mutually agreed upon between the parties with due consideration for the financial investment and the need to amortize improvements to the leasehold.
2. A person shall have such business background and shall have demonstrated his business capability to the satisfaction of, and in such manner as to meet with the approval of the Airport Director.
3. Any prospective FBO or commercial operator seeking to conduct aeronautical activity at the Airport should demonstrate that they have adequate resources to realize the business objectives agreed to by the Airport Director and the applicant.
4. The prospective FBO shall lease from the Owner an area of not less than 2,600 square feet of ground space to provide for outside display and storage of aircraft. The prospective FBO shall also lease from the owner a sufficient area of land to erect a building with at least 2,600 square feet of floor space and to provide paved parking for the FBO's customers and employees. Space in the building shall be provided for aircraft storage and for properly lighted, heated, and air conditioned office and lounge space, with telephone and restrooms available to customers.

Prospective commercial operators that do not meet the requirements for an FBO shall lease an area of land to erect a building with at least 2,600 square feet of floor space or lease an existing building with no less than 937 square feet of floor space with properly lighted, heated, and air conditioned office space with public parking, telephone, and restroom facilities available for customer use.

5. All prospective FBOs and commercial operators shall demonstrate to the Airport Director's satisfaction, evidence of its ability to acquire insurance coverage as stipulated for each particular type of operation. An FBO or commercial operator should make its own analysis to determine if more is needed. However, such policies of insurance shall be maintained in full force and effect during all terms of existing leases, agreements or business licenses or renewals or extensions thereof with a 30-calendar day notice of cancellation to the Airport Director. Such policies shall not be for less than the amounts listed at **APPENDIX A**; however, in all cases, amounts of policies must meet the statutory requirements of applicable governmental agencies and be approved in writing by the Airport Director. NOTE: Minimums listed herein are established by the Grand Prairie City Council and may be revised periodically.
6. Independent contractors, or, airport tenants and operators of transient aircraft performing aeronautical activities incidental to businesses located off the airport, shall not be considered to be FBOs or Commercial

Exhibit B

Operators for the purposes of Minimum Standard Requirements for Airport Aeronautical Services.

Section 6 – Aircraft Sales Operator

Statement of Concept

1. New Aircraft Sales Operator: A new aircraft sales operator engages in the sale of new aircraft through franchises or licensed dealerships (if required by local, county or state authority) or distributorship (either on a retail or wholesale basis) of an aircraft manufacturer or used aircraft; and provides such repair, services, and parts as necessary to meet any guarantee or warranty on aircraft sold.
2. Used Aircraft Sales Operator: A used aircraft sales operator engages in the purchasing and selling of used aircraft. This may be accomplished through various methods including matching potential purchasers with an aircraft (brokering), assisting a customer in the purchase or sale of an aircraft, or purchasing used aircraft and marketing them to potential purchasers. These entities may also provide such repair, services, and parts as necessary to support the operation of aircraft sold. Some of the requirements for the sale of new aircraft may not be appropriate to the sale of used aircraft because of each aircraft's unique operational purpose.

Minimum Standards

1. The Aircraft Sales Operator shall provide necessary and satisfactory arrangements for repair and servicing of aircraft, but only for the duration of any sales guarantee or warranty period. The Aircraft Sales Operator who is engaged in the business of selling new aircraft shall have available a representative example of the product(s), as required by the manufacturer.
2. The aircraft sales operator shall have in his employ, and on duty during the appropriate business hours, trained personnel in such numbers as are required. The aircraft sales operator shall also maintain, during all business hours, a responsible person in charge to supervise the operations in the leased area with the authorization to represent and act for and on behalf of the aircraft sales operator, and to provide appropriately rated pilots for aircraft demonstrations and make and model training in aircraft sold.
3. At least one aircraft storage space (tiedowns or hangars) shall be leased from the owner for each aircraft in inventory.

Section 7 – Airframe, Engine, and Accessory Maintenance and Repair Operator

Exhibit B

Statement of Concept

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

Minimum Standards

1. The airframe, engine, and accessory maintenance and repair operator shall provide sufficient equipment, supplies, manuals and availability of parts equivalent to that required for certification by the FAA.
2. The airframe, engine, and accessory maintenance and repair operator shall have in his employ, and on duty during the appropriate business hours, trained personnel in such numbers as are required to meet the Minimum Standards set forth in this category of services in an efficient manner, but never less than one person currently certificated by the FAA with ratings appropriate to the work being performed and who holds an airframe, power plant or an aircraft inspector rating.
3. At least two aircraft storage spaces (tiedowns or hangars) shall be leased from the owner.

Section 8 – Aircraft Lease and Rental Operator

Statement of Concept

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

Minimum Standards

1. The aircraft lease or rental operator shall have available for rental, either owned or under written lease to the aircraft lease or rental operator, a certified and currently airworthy aircraft.
2. The aircraft lease or rental operator shall make available during business hours an appropriately rated and current FAA certified flight instructor for aircraft check flights as required.
3. At least one tiedown or adequate hangar space shall be leased from the owner for each owned or leased aircraft.

Section 9 – Flight Training Operator

Statement of Concept

Exhibit B

A flight training operator engages in instructing pilots in fixed and/or rotary wing aircraft, and provides dual flight instruction and related ground school instruction as necessary preparatory to taking written examinations and flight tests appropriate to the pilot certificates and ratings sought by the applicant.

Minimum Standards

1. The flight training operator shall have available for use in flight training, either owned or under written lease to flight training operator, a certified and currently airworthy aircraft, which must be a two-place aircraft suitable for private pilot training.
2. The flight training operator shall employ at least one FAA certified flight instructor to provide the type of training offered.
3. At least one tiedown or adequate hangar space shall be leased from the owner for each owned or leased aircraft.

Section 10 – Public Aircraft Fuel and Oil Sales Operator

Statement of Concept

A public aircraft fuel and oil service operator provides aviation fuels, lubricants and other services supporting itinerant aircraft operations and operations of aircraft based on the airport.

Minimum Standards

Except as otherwise provided in any agreement between the public aircraft fuel and oil service operator and the Authority, an public aircraft fuel and oil service operator conducting aviation fuel and oil sales or service to the public on the Airport shall be required to provide the following services and equipment:

1. Appropriate grades of aviation fuel.
 - a. 100 LL
 - b. Jet A
2. An adequate inventory of generally accepted grades of aviation engine oil and lubricants.
3. Fuel dispensing equipment, meeting all applicable Federal, State, and Authority requirements for each type of fuel dispensed.
4. Proper equipment for aircraft towing, inflating aircraft tires, washing aircraft windscreens, and recharging aircraft batteries.

Exhibit B

5. The safe storage and handling of fuel in conformance with all Federal, State, County requirements and fire codes pertaining to safe storage and handling of fuel.

6. The lawful and sanitary handling and timely disposal, away from the Airport, of all solid waste, regulated waste, and other materials including, but not limited to, used oil, solvents, and other regulated waste. The piling and storage of crates, boxes, barrels, and other containers will not be permitted within the leased premises.

7. Adequate grounding wires will be installed, continuously inspected and maintained on all fueling equipment, to reduce the hazards of static electricity.

8. An adequate supply of properly located fire extinguishers and other precautions and/or equipment required by applicable fire codes.

9. Unless provided by the airport owner, the public aircraft fuel and oil service operator shall have a fixed fuel storage system that shall contain safety fixtures and filtration systems to ensure airline-type quality. The system shall be required to have at least 10,000 gallons of storage for each type of fuel the public aircraft fuel and oil service operator is required to provide. The storage system must include adequate fuel spill prevention features and containment capabilities, together with an approved fuel Spill Prevention Countermeasures and Control Plan (SPCC), as applicable.

10. The public aircraft fuel and oil service operator shall have his premises open and services available at least 8 hours per day, 7 days a week, and shall make provision for an office attendant to be on duty at all times during the required operating hours, unless otherwise negotiated with the Airport Director.

11. A designated parking space for each fueling vehicle shall be leased from the owner.

Section 11 – Avionics, Instruments or Propeller Repair Station Operator

Statement of Concept

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

Minimum Standards

1. The avionics, instrument, or propeller repair station operator shall have in his employ and on duty during the appropriate business hours, trained personnel in such numbers as are required to meet the

Exhibit B

Minimum Standards set forth in this category in an efficient manner but never less than one person who is an FAA rated radio, instrument or propeller repairman.

2. At least one aircraft storage space (tiedowns or hangars) shall be leased from the owner.

Section 12 – Aircraft Charter and Air Taxi Operator

Statement of Concept

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

Minimum Standards

1. The air charter or air taxi operator shall provide, either owned or under written lease, the type, class, size and number of aircraft intended to be used by the air charter or air taxi operator , The aircraft charter and air taxi operator shall provide at least one single-engine four-place aircraft that meets the requirements of the commercial air taxi certificate held by the air charter or air taxi operator.
2. The air charter or air taxi operator shall have in his employ and on duty during the appropriate business hours trained personnel in such numbers as are required to meet the Minimum Standards in an efficient manner but never less than one person who is an FAA certified commercial pilot and otherwise appropriately rated to permit the flight activity offered by air charter or air taxi operator.
3. At least one tiedown or adequate hangar space shall be leased from the owner for each owned or leased aircraft.

Section 13 – Aircraft Storage Operator

Statement of Concept

An aircraft storage operator engages in the rental of conventional hangars (excluding T-hangars) for the storage of aircraft

Minimum Standards

1. The aircraft storage operator shall have his facilities available for the tenant's aircraft removal

Exhibit B

and storage on a continuous basis.

2. The aircraft storage operator shall demonstrate that it can provide sufficient personnel trained to meet all requirements for the storage of aircraft with appropriate equipment.

Section 14 – Specialized Commercial Flying Services Operator

Statement of Concept

1. Specialized commercial flying services operator engages in air transportation for hire for the purpose of providing the use of aircraft for the following activities:

- a. Non-stop sightseeing flights that begin and end at the same airport.
- b. Aerial advertising (excluding banner towing.)
- c. Aerial photography or survey.
- d. Power line or pipe line patrol.
- e. Fire fighting.
- f. Any other operations specifically excluded from Part 135 of the Federal Aviation Regulations.

Minimum Standards

1. All Specialized commercial flying services Operator shall demonstrate that they have the availability of aircraft suitably equipped for the particular type of operation they intend to perform.

2. The Specialized commercial flying services Operator shall have in his employ, and on duty during appropriate business hours, trained personnel in such numbers as may be required to meet the Minimum Standards herein set forth in an efficient manner.

Section 15 – Multiple Services Operator

Statement of Concept

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

Minimum Standards

Exhibit B

1. The multiple services operator shall comply with the aircraft requirements, including the equipment thereon for each aeronautical service to be performed except that multiple uses can be made of all aircraft owned or under lease by said operator.
2. The multiple services operator shall provide the facilities, equipment and services required to meet the Minimum Standards as herein provided for all aeronautical service said operator is performing.
3. The multiple services operator shall obtain, as a minimum, insurance coverage that is equal to the greater requirement for all individual aeronautical services being performed by said operator .
4. The multiple services operator shall have in his employ, and on duty during the appropriate business hours, trained personnel in such numbers as are required to meet the Minimum Standards for each aeronautical service said operator is performing as herein provided. Multiple responsibilities may be assigned to meet the personnel requirements for each aeronautical service being performed by said operator .
5. The multiple services operator providing three (3) or more services, shall lease from owner a sufficient number of aircraft tie-down spaces to meet the combined needs of the operations proposed.
6. The multiple services operator providing three (3) or more services, shall provide a flight planning/pilot lounge area with appropriate seating, work areas, and communication facilities necessary for complete flight planning separate from other public areas.

Section 16 – Flying Clubs

See requirements for Flying Clubs in Airport Rules and Regulations.

Section 17 – Subleasing from an FBO or other Corporate or Commercial Operator

Prior to finalizing an agreement, the lessee and sub-lessee shall obtain the written approval of the Airport Director for the business proposed. Said sublease shall define the type of business and service to be offered by the sub-lessee.

The sub-lessee shall meet all of the Minimum Standards established by the Owner for the categories of services to be furnished. The Minimum Standards may be met in combination between lessee and sub-lessee. The sublease agreement shall specifically define those services to be provided by the lessee to the sub-lessee that shall be used to meet the standards.

Section 18 – Environmental

Any FBO, person, party, firm or corporation operating on this airport must comply with all federal, state and local environmental requirements.

APPROVED AND ADOPTED THIS 19TH DAY OF APRIL, 2011

**Charles V. England, Mayor
City of Grand Prairie, TX**

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See requirements for Flying Clubs in Airport Rules and Regulations.

Section 17 – Subleasing from an FBO or other Corporate or Commercial Operator

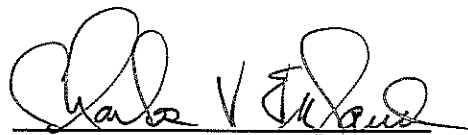
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APPROVED AND ADOPTED THIS 19TH DAY OF APRIL, 2011

A handwritten signature in black ink, appearing to read "Charles V. England", written over a horizontal line.

**Charles V. England, Mayor
City of Grand Prairie, TX**

APPENDIX A

Schedule of Minimum Insurance Requirements

A. FIXED BASE OPERATOR

1. Commercial general aviation liability policy with coverages for premises, operations, and product liability. \$1,000,000 CSL
2. Hangar Keeper's Liability –Value of Aircraft in care, custody and control

B. AIRFRAME AND POWERPLANT REPAIR, AVIONICS, INSTRUMENTS, OR PROPELLER REPAIR

1. Commercial general aviation liability policy with coverages for premises, operations, and product liability. \$1,000,000 CSL
2. Hangar Keeper's Liability –Value of Aircraft in care, custody and control

C. AIR TAXI AND/OR AIRCRAFT CHARTER

1. Commercial general aviation liability policy with coverages for premises and operations. \$1,000,000 CSL
2. Aircraft liability with coverage for bodily injury and property damage, including passengers. \$1,000,000 CSL

D. AIRCRAFT RENTAL, FLIGHT TRAINING, COMMERCIAL FLYING CLUB

1. Commercial general aviation liability policy with coverages for premises and operations. \$1,000,000 CSL
2. Aircraft liability with coverage for bodily injury and property damage, including passengers. \$1,000,000 CSL

E. SPECIALIZED COMMERCIAL AERONAUTICAL ACTIVITIES, AIRCRAFT SALES

1. Commercial general aviation liability policy with coverages for premises and operations. \$1,000,000 CSL
2. Aircraft liability, if aircraft used in operation. \$1,000,000 CSL

F. EXEMPT FLYING CLUBS

- | | |
|---|-----------------|
| 1. Commercial general aviation liability policy with coverages for premises and operations. | \$1,000,000 CSL |
|---|-----------------|

G. AIRCRAFT HANGAR OPERATOR

- | | |
|--|-----------------|
| 1. General Liability Policy | \$1,000,000 CSL |
| 2. Hangar Keeper's Liability –Value of Aircraft in care, custody and control | |

SPECIAL INSTRUCTIONS

1. Any operator fueling aircraft shall have a minimum \$1,000,000 CSL general liability policy with the coverage specified in the Grand Prairie Municipal Airport Rules and Regulations.
2. Any Operator using **service** vehicles on the Airport premises in support of its operations shall maintain additional coverage of Motor Vehicle Liability in the amount of \$500,000 CSL.

Note: CSL = Combined Single Limit

APPENDIX B

Minimum Requirements for a Business Plan

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

Exhibit 'C'

GRAND PRAIRIE MUNICIPAL AIRPORT RULES AND REGULATIONS

The following rules and regulations shall be observed in the use, operation, and conduct of the Grand Prairie Municipal Airport:

Section 1. Use of Airport Restricted.

No person, firm, association, corporation, or entity, incorporated or otherwise, shall use the Airport as a home for any commercial aviation activity, or use the airport for any commercial activity, unless approved by a written lease with approval from the City Council or in accordance with the rules and regulations.

Section 2. General Rules and Regulations.

Rule 1. FEDERAL AIR TRAFFIC RULES of the Federal Aviation Administration for aircraft operated anywhere in the United States, and presently or hereafter effective, are hereby referred to, adopted, and made a part hereof as though fully set forth and incorporated herein.

Rule 2. SAFEGUARD OF PERSONS AND PROPERTY. The Airport Director shall at all times have the authority to take such necessary and legal actions to safeguard any person, aircraft, equipment, or property at the Airport.

Rule 3. HANGARS

a. T-Hangars. T-hangars currently constructed and owned by the City may be rented to private individuals, companies or corporations on a monthly basis for the storage of aircraft and required aircraft support items. T-Hangars will be rented at rates approved by the City Council as a part of the budget process, dependent upon age and location of the structure. Hangar rent will be paid by the first day of the month, the first month's rent paid in advance. Hangars will not be modified from their original state unless authorized by the Airport Director. The Airport Director will be authorized to enter into any leases or contracts substantially meeting the general terms and conditions of the attached contracts.

b. Airworthy Aircraft. All T-hangar tenants are required to store an airworthy aircraft in their leased facility. Tenants in a continuous state of repair or restoration of an aircraft will be required to present signed log books indicating actions taken during the preceding quarter to repair or restore the aircraft. Log books will be presented to the Airport Director the first week of January, April, July and October for review. At the discretion of the Airport Director, the tenant shall be required to either vacate their leased facility or pay an increased rate in accordance with FAA regulations. The increased rate

AIRPORT RULES AND REGULATIONS

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shall be based on the rate that would be charged for a storage facility of a similar size at a commercial storage rental facility within 30 miles of the airport.

c. Commercial Hangars. Commercial hangars currently constructed and owned by the City may be rented to companies or corporations on an annual basis for the purpose of conducting commercial, aviation related activities. Commercial hangars will be rented at the greater of:

- 1) rates approved by the City Council as a part of the budget process, or
- 2) the rental rate proposed by interested parties submitting proposals to lease the hangar.

Rentals will be paid by the first day of the month, the first month's rent paid in advance. Hangars will not be modified from their original state unless authorized by the Airport Director. The Airport Director will be authorized to enter into any leases or contracts substantially meeting the general terms and conditions of the attached contracts.

Rule 4. LEASE OF UNIMPROVED AIRPORT PROPERTY. The City may lease property within the building area or other portions of the Airport for the private construction of hangars, buildings, lean-tos, aprons, taxiways, and auto parking lots in accordance with the approved Airport Master Plan/Airport Layout Plan.

Rule 5. LEASE PROVISIONS AND RESTRICTIONS. The following provisions/restrictions shall apply to all leased Airport property:

- a.** The City may allow the lease of Airport property for a period not to exceed thirty (30) years in any one lease contract.
- b.** No leases will exceed periods of thirty (30) years.
- c.** The City may allow for the long-term lease of property on the Airport with the provision that upon completion, title to all structures, buildings, or hangars erected on the leased property shall revert to the City.
- d.** Any private structure or hangar not in use for aviation purposes for a period in excess of three (3) months, or not available for rent or sublease for aviation purposes, unless so authorized by the City, must be removed after due notice is given in writing. If not removed, the City will consider such structures or hangars abandoned and possession and control will pass to the City.
- e.** Leased land from which any building, hangar, or structure is removed after due notice will be cleaned and returned to good condition by the owner of said building, hangar, or structure. Portable and temporary building will not be allowed on airport grounds, unless they are necessary for construction projects.
- f.** Leased property on the Airport may be not subleased by the lessee.
- g.** No structures may be erected beyond the building restriction line (BRL) or in conflict with the approved Airport Master Plan/Airport Layout Plan.

AIRPORT RULES AND REGULATIONS

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h. All construction must be authorized by the City Council and must be a compatible standard capable of withstanding winds of 70 mph, with doors open or closed.

i. All structures must comply with all Uniform Building Codes and Airport zoning and land-use ordinances.

j. All leased property and all buildings or structures erected on the leased property will be utilized for aviation related activity only, unless specifically otherwise approved by the Airport Director.

Storage of non-aviation vehicles or equipment in a private hangar, or conducting non-aviation business in any structure is prohibited unless approved by the Airport Director. In no circumstances, whether approved or not, will the City be liable for damage or destruction of any vehicles or equipment.

The airport must comply with all of the federal and state funding provisions contained in the Federal Aviation Administration Grant Assurance. These assurances require airport facilities be used only for aviation purposes. The airport must insure that the tenants continue to use the premises for allowed purposes. Any instance of noncompliance on the part of airport tenants may be considered a breach of the lease agreement and grounds for cancellation.

Rule 6. LIEN FOR CHARGES. To enforce the payment of any charge made for repairs, improvements, storage, or care of any property, made or furnished by the City of Grand Prairie or its agents, in connection with the operation of said Grand Prairie Municipal Airport, the City of Grand Prairie shall have a lien upon such personal property, which shall be enforceable as provided by law.

Lessee acknowledges that the rent represents the amount owed for storage of an aircraft and/or aviation related property at the Airport, that unpaid rent for such storage gives rise to a possessory lien in favor of Lessor on the aircraft, and that if the rent remains unpaid, Lessor may further file such lien and take action to sell the aircraft as set out in the Texas Property Code and other applicable laws.

Rule 7. LIEN POSSESSORY RIGHTS. To the extent provided by law, the Airport Director may retain possession of any personal property located on the Airport until all reasonable, customary, and usual compensations shall have been paid in full.

Rule 8. UNAUTHORIZED SIGNS AND STRUCTURES. No signs, equipment, portable buildings, house trailers, poles, or towers of any kind may be erected, installed, or relocated on the Airport property without specific authorization from the Airport Director. All signs must comply with all other City ordinances and regulations, and if required, the proposed owner of the sign must have appropriate approval of other City departments or Boards and Commissions.

AIRPORT RULES AND REGULATIONS

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Rule 9. SURREPTITIOUS ACTIVITIES. Any person observing suspicious, unauthorized, or criminal acts on the Airport property is encouraged to report such activities immediately to the Airport Director.

Rule 10. WRECKED/DISABLED AIRCRAFT. Every aircraft owner, pilot, or their agent(s), shall be responsible for notifying the FAA and for the prompt removal from the operational areas of the Airport of any disabled or wrecked aircraft. In the event the aircraft owner shall fail to arrange for the prompt removal of said aircraft, the City may, within its discretion, have the aircraft removed as it deems necessary on behalf of the aircraft owner and for the performance of the aircraft owner's obligations hereunder, and in such event, the cost of such removal shall be the payment obligation of the aircraft owner.

Rule 11. REPAIRS TO AIRCRAFT. All aircraft repairs performed outside the confines of hangars shall be made at the place(s) designated by the Airport Director for such purpose.

Rule 12. AIRCRAFT WASHING. Aircraft may only be washed at the airport wash rack to comply with the Grand Prairie Municipal Airport's Storm Water Pollution Prevention Plan (SWPPP).

Rule 13. DAMAGE TO AIRPORT. Any person, corporate or individual, and the owner of any aircraft causing damage of any kind to the Grand Prairie Municipal Airport, whether through violation of these rules or through vandalism or any act of negligence, shall be liable to pay for the damages to the City of Grand Prairie.

Rule 14. INJURY TO PERSONS. Persons entering upon Airport grounds do so at their own risk and with no liability incurring to the Airport authority/sponsor for any injury or damage to personal property.

Rule 15. LICENSED PILOTS. Only properly registered aircraft and persons holding current airman and medical certificates recognized¹ by the FAA shall be authorized to operate aircraft upon the Airport grounds. This limitation shall not apply to students in training under licensed instructors, nor to public aircraft of the Federal Government, or of a state, territory, or political subdivision thereof, nor to aircraft licensed by a foreign government with which the United States has a reciprocal agreement covering the operation of such licensed aircraft.

Rule 16. INTOXICANTS, DRUGS, AND NARCOTICS. No person under the

¹ Amended by the City of Grand Prairie City Council June 6, 2006. Prior version: "Only properly registered aircraft and persons holding current airman and medical certificates issued by the FAA..."

AIRPORT RULES AND REGULATIONS

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influence of any intoxicant, drug, or narcotic shall operate any aircraft, vehicle, or equipment on Grand Prairie Municipal Airport; provided however, such prohibition shall not apply to a passenger when accompanied in an aircraft by a nurse or medical caretaker apart from the pilot.

Rule 17. FOREIGN OBJECT DAMAGE. All persons are encouraged to pick-up and properly dispose of trash and objects, including bottles, cans, scrap, or any other object that could cause damage to an aircraft or injury to persons.

Section 3. Ground Operations.

Rule 18. GROUND TRAFFIC. All vehicular traffic shall be confined to avenues of passage designated and provided for that purpose by the Airport Director and shall not be operated at a speed in excess of 10 miles per hour. Private vehicles shall not operate on the runway(s) or taxiway(s) unless specifically authorized by the Airport Director. Furthermore, private vehicle should make use of the service roads on the east side of the hangar buildings when proceeding to individual hangars or business locations on the Airport. The ramp area is restricted to aircraft, fuel trucks, and Airport maintenance vehicles only, except for tenants proceeding to assigned tie-downs occupied by their owned aircraft. Tenants and visitors conducting business with one of the established commercial operators of the Airport shall make use of parking lot areas that have been provided for this purpose.

Rule 19. AIRCRAFT MOVEMENT AREA. The Aircraft Movement Area is defined as Taxiways A, B, C and D, Runway 17/35, the Helipad, and the autorotation area west of Runway 17/35. All aircraft, vehicles, and pedestrians must be in contact with the Air Traffic Control Tower prior to entry into these areas and remain in contact with the Air Traffic Control Tower for the duration of their presence in the Aircraft Movement Area.

Rule 20. FUELING OF AIRCRAFT. The following shall apply to all fueling activity on the Airport property:

a. Aircraft shall not be fueled when an engine is running or while in a hangar or other enclosed place, except that helicopters on a fast-turn-around may be fueled with the aircraft engine idling, at the discretion of the Fixed Base Operator and the pilot. There cannot be any passengers inside the helicopter during "hot" refueling.

b. All aircraft shall be positively grounded when being serviced with fuel. Aircraft being serviced by a fuel truck shall be grounded to the fuel truck and the fuel truck shall be positively grounded.

c. To comply with local and state fire laws, aircraft must be **completely** outside and clear of hangars or other enclosed spaces when being refueled.

d. Aircraft fuel trucks shall be equipped, operated, and maintained in accordance with National Fire Protection Association, Inc., NFPA Manual 407, "Aircraft Fuel

AIRPORT RULES AND REGULATIONS

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Servicing".

e. Persons and or aviation businesses wishing to supply and dispense aviation fuel for their own private use must first obtain authorization from the Airport Director.

f. Fueling of aircraft or fuel trucks is **prohibited** during thunderstorm activity at or within five (5) to ten (10) statute miles of the airport.

g. Fuel trucks are **prohibited** from all grassy areas of the Airport.

h. Public sale of automobile gasoline for use in aircraft shall not be permitted on the Airport without approval by the Airport Director. Aircraft authorized by the FAA to use auto gas may be privately fueled by their owner only after compliance with established rules adopted by the Airport Director.

i. Aviation or automobile fuels shall not be stored within any hangar, except that which is contained in aircraft fuel tanks or other approved containers, in quantities established by the Fire Marshall.

Rule 21. GROUND SAFETY.

a. All fire lanes are to be kept clear.

b. All taxiways and taxilanes are to be kept clear.

c. The use of bicycles, motor scooters, and motorcycles on the airport is restricted to licensed drivers only. These modes of transportation are **NOT** allowed past the west end of the hangar row with the exception of loading or unloading of aircraft.

d. Playing on ramp, taxiways, or runway is **prohibited**.

e. Double parking at hangars is **prohibited**.

Rule 22. CENTER RAMP. The concrete center ramp area, located to the west of and in front of the Terminal Building is **NOT** to be used for **ANY** of the following activities:

a. Refueling of **ANY** based flight school aircraft.

b. Parking of **ANY** based flight school aircraft.

c. Run-up of **ANY** aircraft.

d. Overnight parking of **ANY** based aircraft.

Rule 23. TIEDOWN/PARKING OF AIRCRAFT.

a. All aircraft not hangared shall be tied down and secured at night or during inclement weather.

b. All aircraft owners or their agent(s) are responsible for the tiedown ropes or chains and security of their aircraft at all times, particularly during inclement weather.

c. Transient aircraft must be tied down at the Airport if parked for more than 4 hours or at anytime after sunset. Transient aircraft shall pay a posted rate per night for

AIRPORT RULES AND REGULATIONS

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overnight parking on City tiedowns. Aircraft owner must furnish ropes/chains used for tiedowns.

d. Unoccupied aircraft shall **NOT** be parked or tied down within two hundred (200) feet of the centerline of a VFR runway, two hundred-fifty (250) feet of the centerline of a nonprecision runway, three hundred-fifty feet of the centerline of a precision runway. All aircraft not hangared shall be parked in the areas designated by the Airport Director.

e. All aircraft shall be parked in such a manner as to **NOT** hinder the normal movement of other aircraft and vehicular traffic, unless otherwise specifically authorized by the Airport Director.

f. It is the responsibility of the pilot, when leaving an aircraft unattended, to ensure that the brakes are set or that the aircraft is properly chocked and/or tied down.

Rule 24. RUNNING AIRCRAFT ENGINES.

a. If not equipped with adequate brakes, the aircraft's engine(s) shall not be started until and unless the wheels have been set with blocks attached to ropes or other suitable means for removing the blocks.

b. No aircraft engine shall be propped, started, or left running without a qualified person at the controls of the aircraft.

c. No mounted aircraft engine shall be started or run inside **ANY** hangar or building.

d. No aircraft engine shall be started, run, or warmed up until and unless the aircraft is positioned so that the propeller stream/jet blast will not cause damage to property or injury to persons.

Rule 25. TAXIING AIRCRAFT.

a. Persons taxiing aircraft shall ensure that there will be no danger of collision with any person or object.

b. Aircraft shall be taxied at a safe and prudent speed.

c. Aircraft not equipped with adequate brakes shall **NOT** be taxied near buildings or parked aircraft unless an attendant is at a wing of the aircraft to assist the pilot.

d. Aircraft taxiing from the ramp shall yield to other aircraft on the main taxiway area.

e. Taxiing aircraft into or out of hangars by engine power is **prohibited**.

f. Aircraft being taxied shall be operated by aircraft mechanics, licensed pilots, or students receiving instruction from a certified flight instructor.

Rule 26. DAMAGE TO AIRPORT LIGHTING. Any person damaging any airport

AIRPORT RULES AND REGULATIONS

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light or light fixture by operation of any aircraft or other manner shall immediately report such damage to the Airport Director. Persons causing damage to runway/taxiway lights, VASI, REIL, or other essential operating lighting apparatus, as a result of negligence or willful acts, shall be liable for replacement cost of the lights and/or fixtures.

Rule 27. LOADING/UNLOADING AIRCRAFT. Pilots are encouraged to shut down engines(s) when loading/unloading aircraft or enplaning/deplaning an aircraft.

Section 4. Landing and Take-off Rules.

Rule 28. AUTHORITY TO SUSPEND OPERATIONS. The Airport Director may suspend or restrict any or all operations at the Grand Prairie Municipal Airport without regard to weather conditions, whenever such action is deemed necessary in the interest of safety.

Rule 29. RUNWAY USE. When prevailing winds are calm or at up to a ninety (90) degree cross wind, all take-offs and landings will be conducted on Runway 17.

Rule 30. TAKE-OFFS FROM TAXIWAYS. No fixed-wing take-offs or landings shall be made on the apron, parking ramp, or taxiway except by special permission of the Airport Director.

Rule 31. TAKE-OFF CLIMB. A standard take-off pattern is used at Grand Prairie Municipal Airport. On departure, all aircraft shall climb straight ahead to 900 feet MSL, clear the Airport boundary and then execute a 90-degree turn into the traffic pattern. To leave the pattern, the aircraft shall climb to 1400 feet MSL before executing a 45-degree climbing turn out of the traffic pattern. During tower operating hours, the tower personnel may dictate how aircraft may leave and enter the pattern.

Rule 32. VFR TRAFFIC FLOW. All aircraft landing on Runway 17 shall fly a standard left-hand traffic pattern at an altitude of 1400 feet MSL. When landing on Runway 35, all aircraft shall use a right hand traffic pattern at 1400 feet MSL. Pattern entry shall be made at an angle of 45 degrees to the active runway. Tower personnel may change the procedure to enter the traffic pattern due to traffic considerations.

Rule 33. NOISE ABATEMENT. Except when in the Airport traffic pattern, aircraft should be operated over the City of Grand Prairie at an altitude no less than 1000 above the ground. Aircraft engines should not be accelerated or decelerated while over populated areas in such a manner as to disturb persons on the ground.

Rule 34. STRAIGHT-IN APPROACHES. Straight-in approaches shall **NOT** be used unless authorized by the Airport Director, or unless two-way radio contact with the Air Traffic

AIRPORT RULES AND REGULATIONS

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Control Tower or Airport UNICOM has been established prior to the aircraft reaching five (5) miles from the Airport.

Rule 35. STOP AND GO APPROACHES. Stop and go maneuvers on the runways of Grand Prairie Municipal Airport are **prohibited** when the Grand Prairie Control Tower is closed.

Rule 36. STUDENT TRAINING AND FAMILIARIZATION.

a. Flight Instructors shall keep themselves informed of all rules and regulations in effect at the Airport and shall be responsible for informing their students of said rules and regulations.

b. By notice posted at the Airport Director's office, the Airport Director may designate limited areas of the Airport and local areas for practice flying and training of students.

Rule 37. FLYING CLUBS. Flying clubs desiring to base their aircraft and operate on the airport must comply with the applicable provisions of the **Minimum Standards** and these rules and regulations. They shall be exempt from the regular Fixed Base Operator and/or Commercial Operator requirements upon satisfactory fulfillment of the conditions contained herein.

a. The club shall be a nonprofit entity (corporation, association or partnership) organized for the express purpose of providing its members with aircraft for their personal use and enjoyment only. The ownership of the aircraft must be vested in the name of the flying club (or owned proportionately by all of its members).

b. Flying clubs may not offer or conduct charter, air taxi, or rentals of aircraft operations. They may not conduct aircraft flight instruction except for regular members, and only members of the flying club may act as pilot in command of the aircraft except when receiving dual instruction

c. All flying clubs and their members are prohibited from leasing or selling any goods or services whatsoever to any person or firm other than a member of such club at the airport except that said flying club may sell or exchange its capital equipment.

d. A flying club shall abide by and comply with all Federal, State and local laws, ordinances, regulations, and **Rules and Regulations** of the airport.

e. Flying clubs, with its permit request, shall furnish the Airport Director with:

- 1) a copy of its charter and by-laws, articles of association, partnership agreement and other documentation supporting its existence;
- 2) a roster, or list of members, including names of officers and directors, and investment share held by each member to be revised on a semi-annual basis;

- 3) evidence of insurance in the form of a Certificate of Insurance as set out in the **Minimum Standards** under Exempt Flying Clubs;
- 4) number and type of aircraft;
- 5) evidence that ownership is vested in the club;
- 6) operating rules of the club.

f. The club's books shall be subject to audit by the City of Grand Prairie and/or its auditors to ensure of the non-profitability of the club and to determine its compliance with other provisions of these **Rules and Regulations**.

COMMERCIAL FLYING CLUB. Commercial flying clubs are described as those entities engaged in the ownership or lease of aircraft and providing flying services for its members and others but which do not meet the rigid requirements established for not-for-profit clubs. Commercial flying clubs shall have at least one tiedown or adequate hangar space leased from the airport owner or FBO for each owned or leased aircraft.

Proof of purchase of insurance coverage shall be furnished to the City of Grand Prairie in the limits established in the **Minimum Standards** as detailed under Exempt Flying Clubs.

Rule 38. SPECIAL PROCEDURES. The Airport Director may, in the interest of safety, designate special traffic procedures for certain operations, such as air shows, agricultural operations, blimp operations, ultralights, etc.

Section 5. Fire Regulations.

Rule 39. FIRE REGULATIONS.

a. Every person using the Airport or its facilities, in any manner, shall exercise care and caution to prevent fire.

b. Smoking or any open flame within fifty (50) feet of any aircraft, fuel truck, or fuel storage tank is **prohibited**.

c. Compressed or inflammable gas shall **NOT** be kept or stored upon the Airport, except in places designated by the Airport Director.

d. No flammable substances shall be used in cleaning motors or other parts of an aircraft inside a hangar or other building without adequate ventilation.

e. No person shall smoke, ignite a match or lighter in any building, except in offices, waiting rooms, or buildings where specifically designated.

f. Hangar entrances shall be kept clear at all times.

g. The floors in all buildings shall be kept clean and free from oil. Volatile, flammable substances shall **NOT** be used for cleaning floors.

h. Where aircraft fueling is performed by a fuel truck, an adequate number of

suitable grounding connections shall be provided on the apron or servicing ramp.

i. At least two (2) 20 lb. portable fire extinguishers shall be available within fifty (50) feet of the fuel pumps where open hose discharge capacity of the pump is not more than 200 gallons per minute.

j. All aviation fuel nozzles will have "dead man" controls which will shut off the fuel flow when the nozzle hand control is released. Automatic fuel cut-off nozzles **MAY NOT** be substituted for "dead man" controls for fueling.

k. At least one (1) fire extinguisher with a 2A, 10BC, rating shall be installed in each hangar to comply with the City Code of Ordinances. Extinguishers shall be mounted not less than five (5) inches from the floor of the hangar, and not more than five (5) feet from the hangar floor. Fire extinguishers should be inspected and tagged by an authorized agency yearly.

l. The City has the right to inspect all facilities with proper notice to ensure that fire extinguishers are properly mounted and that the hangar houses an airworthy aircraft.

Section 6. KNOWLEDGE OF RULES IMPLIED.

By publication of these rules and regulations, as required by law, all persons based at Grand Prairie Municipal Airport will be deemed to have knowledge of its contents. The Airport Director shall have copies of these rules and regulations available at all times in the Airport Director's office.

Section 7. CONFLICT IN RULES.

If and where there is conflict in these rules and procedures and the Federal Aviation Rules (FARs), the FARs will prevail.

Section 8. PENALTY FOR VIOLATION.

a. Any person operating or handling an aircraft in violation of any of these rules, or refusing to comply therewith, may, at once, be ejected from the Airport, or may, for any period of time not to exceed thirty (30) days, be denied use of the Airport by the Airport Director and, upon public hearing by the City Council, may be deprived of the further use of the Airport and its facilities for such period of time as may be deemed appropriate.

b. Any violation of these rules and regulations shall be a misdemeanor, punishable by fine in a sum not to exceed two hundred dollars (\$200) and any such violation is subject to citation and punishment in Municipal Court. This action is cumulative of all other penalties for violation of federal, state, and local laws, rules, regulations, and ordinances.

Section 9. MAINTENANCE, UPDATE, AND DISTRIBUTION OF RULES AND REGULATION DOCUMENT

a. Maintenance and Update – The Airport Director will ensure that the **Rules and Regulations** document is kept current and will submit proposed revisions to the Airport Advisory Committee and City Council as needed dependent upon the urgency of the subject matter to be revised. The Airport Advisory Committee will make recommendation to City Council as set out in the **City of Grand Prairie Code of Ordinances**.

Each time a revision is made to the **Rules and Regulations**, the date of the adoption of the revision will be reflected on a master copy of the document to be kept in the office of the Airport Director.

b. Distribution – a copy of the most current publication of the **Rules and Regulations** will be provided to each new tenant upon the signing of the lease. Tenants renewing leases will also be provided a copy of the most current publication. A copy will be available upon request to the Airport Director or his designee. A copy of the most current publication will be available at the Airport's Web Site – www.grandprairieairport.org. Copies will be provided to other interested parties, upon request at the City's rate for reproduction of printed material.

By the nature of the activity, the following parties will be provided with a copy of the revised document immediately after adoption and issuance of it.

Distribution list:

- Air Traffic Control Tower Manager
- Manager of each fixed base operation (FBO)
- Manager of each flight school
- City Secretary, City of Grand Prairie
- Members of the Airport Advisory Committee

Section 10. SAVING CLAUSE.

Should any part of these rules and regulations be held invalid, no other part shall necessarily be affected thereby.

READ, PASSED, AND ADOPTED, the _____ day of _____, 2017.

(s) _____
Mayor

City of Grand Prairie, Texas

ATTEST:

(s) _____
City Secretary

APPROVED BEFORE ADOPTION:

(s) _____
City Attorney

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READ, PASSED, AND ADOPTED, the 8th day of August, 2017.

(s)

Mayor

City of Grand Prairie, Texas

ATTEST:

(s)

City Secretary

APPROVED BEFORE ADOPTION:

(s)

City Attorney