



PORT COMMISSION MEETING

DECEMBER 13, 2023, 8:30 A.M.
100 E STREET
COLUMBIA CITY, OR 97018

The Port Commission Meeting will be in person. In accordance with state law, the meeting will be accessible via telephone or Zoom. Members of the public may attend the meeting electronically by:

<https://us02web.zoom.us/j/84629677901>

Call-In (253) 215-8782 Meeting ID: 846 2967 7901 Passcode: 449433

- I. CALL MEETING TO ORDER (President, Robert Keyser)**
 - A. Flag Salute**
 - B. Roll Call**
- II. ADDITIONS TO AGENDA**
- III. CONSENT AGENDA (Items marked with an asterisk are adopted by a single motion unless a Commissioner requests otherwise.)**
 - A.* Approval of Minutes: November 29, 2023** [pg. 3](#)
 - B.* Financial Reports: November 2023** [pg. 7](#)
 - C.* Approval of November Check Register (A) and electronic payments in the total amount of \$ 888,515.50.**
- IV. COMMENTS FROM THE PUBLIC**
(Limited to 2 min. per person unless prior authorization is obtained)
- V. OLD BUSINESS**
 - A. Columbia Pacific Bio-Refinery Quarterly Update** **Dan Lockett (Zoom)**
 - B. Marina Update** **Miriam House**
 - C. Airport Update** **Amy Bynum**
 - D. Lignetics/Neighbors Update** **Sean P. Clark**
- VI. NEW BUSINESS**
 - A. Sale of New Hangar Building** [pg. 15](#) **Sean P. Clark**
- VII. EXECUTIVE DIRECTOR'S REPORT**
- VIII. COMMISSIONER REPORTS**

IX. EXECUTIVE SESSION

The Board will hold an Executive Session to deliberate with persons designated to negotiate real property transactions under ORS 192.660 (2)(e) and to consider exempt public records, including written legal advice from Port General Counsel, which is privileged under ORS 40.225, exempt from disclosure under ORS 192.355(9)(a), pursuant to ORS 192.660(2)(f), and to consult with Port General Counsel regarding pending litigation or litigation likely to be filed under ORS 192.660(2)(h).

X. ADJOURNMENT

Next Regularly Scheduled Meetings

Dec. 27 Commission Work Session (TBD)
Jan. 10 at 8:30 a.m. Commission Mtg.
Jan. 24 at 6:00 p.m. Commission Work Session:
Strategic Business Plan Update with WSP

Upcoming Events

Dec. 21 at 5:00 p.m. Port Holiday Party
Jan. 29 at 11:30 a.m. Agricultural Info Comm. Mtg
Jan. 29 at 5:00 p.m. Airport Advisory Comm. Mtg

Agenda times and order of items listed are estimated and are subject to change without notice. This facility is ADA-accessible. If you need special accommodation, please contact the Port office at (503) 397-2888 or TTY (800) 735-1232, at least 48 hours before the meeting.

<p>Pursuant to ORS 192.640 (1) the Port of Columbia County Commission reserves the right to consider and discuss, in either Open Session or Executive Session, additional subjects which may arise after the agenda is published.</p>



COMMISSION WORK SESSION MINUTES

NOVEMBER 29, 2023

495 E. COLUMBIA RIVER HWY
CLATSKANIE, OREGON 97016

****MEETING HELD AT CLATSKANIE PUD****

The Port of Columbia County held a Commission Work Session at 6:00 p.m. on Wednesday, November 29, 2023, at the Clatskanie PUD and via Zoom video conferencing with the following present:

<u>Commissioners</u>		<u>Staff</u>	
Robert Keyser	President	Sean P. Clark	Executive Director
Brian Fawcett	Vice President	Amy Bynum	Real Estate & Bus. Dev. Mgr.
Nancy Ward	2nd Vice President	Robert Salisbury	Port General Counsel
Chip Bubl	Secretary (Zoom)	Bob Gadotti (Zoom)	Executive Finance Mgr. (Ret.)
		Guy Glenn, Jr.	Executive Finance Mgr.
		Elliot Levin	N. County Ops. & Terminal Mgr.
<u>Guests</u>		Christa Burns	Administrative Asst. II
Jasmine Lillich	Clatskanie Farmer's Market	Gina Sisco	External Affairs Mgr.
Tom Gordon	(Zoom)	Susan Tolleshaug (Zoom)	Administrative Asst.
Natasha Parvey	NXT Clean Fuels (Zoom)	Elizabeth Millager (Zoom)	Operations Coordinator
Brien Flanagan	Schwabe Williamson & Wyatt		
Chris Iverson	Hagan Hamilton Insurance		
Dan Serres	Columbia Riverkeepers (Zoom)		
Alta Lynch	Scappoose Resident		
Ralph Culpepper	Scappoose Resident		
Betsy Johnson	Scappoose Resident		
Brenda Vassau	Clatskanie Resident		
Darrell	(Zoom)		

President Robert Keyser called the Port of Columbia County Commission Work Session to order at 6:00 p.m. Commissioners Robert Keyser, Nancy Ward and Brian Fawcett were present. Chip Bubl attended via Zoom.

Additions To Agenda

Robert Keyser asked the Commission if there were any additions to the agenda. There were none. Mr. Keyser moved the Executive Director's Report and Commissioner Reports before the Executive Session.

Consent Agenda

Mr. Keyser asked for a motion to approve the consent agenda. Nancy Ward moved; Brian Fawcett seconded a motion to adopt consent agenda item A: Approval of Minutes: October 11, 2023 Minutes and November 8, 2023. The motion carried unanimously.

Comments From the Public

There were no public comments at this time. The Commission will open public comments and questions after the Port Westward Dock Update.

New Business

Port Westward Dock Update

North County Operations & Terminal Manager, Elliot Levin, presented a PowerPoint on the Port Westward Dock Update. Mr. Levin informed the Commission that on November 12, 2023, at 6:45 a.m. the Port's Maintenance Supervisor was notified by the United States Coast Guard that a tug and barge had collided with the Port Westward dock. The tug-assisted barge was not affiliated with Port Westward. Mr. Levin contacted Port Executive Director, Sean Clark. The Port and Columbia Pacific Bio-Refinery (CPBR) responded immediately and made all notifications per the facility Oil Spill Response Plan. The US Coast Guard, Oregon Department of Environmental Quality (DEQ), Washington Department of Ecology and other agencies were all onsite by Sunday afternoon. An Incident Command System (ICS) was established, and Operation Briefings were held twice daily until the renewable diesel and pipelines were successfully stabilized and removed from the site on November 20, 2023.

Mr. Levin displayed pictures of the dock showing the infrastructure damage, including severely damaged pipelines and electrical conduit, which left the dock without firewater protection and electricity. Two out of the three sets of new piles placed during the 2021 dock improvement work were damaged. In addition, PGE's deactivated cargo line and PGE's water discharge line that disposes of industrial water for the Beaver plant were damaged. As a result of the damage, Port tenant CPBR is unable to load ships.

The Port appointed CPBR as Incident Commander. Safety measures were taken to secure the area and make access for pipeline evacuation and removal by the vacuum truck and spud barge. Mr. Levin reported the damaged pipelines were emptied and removed safely, there were no injuries, and the fast response led to an overall successful operation. The debris removal permit will be issued on November 30, and that will be the focus for this coming week. In the following week, there will be a dock assessment and underwater inspection for the downstream approach and adjacent area of Berth 2. Mr. Levin explained that when the downstream approach is replaced, it will have steel piles which will reduce the number of piles used to support the structure. Each pile will be placed 220 feet below the substrate in accordance with the new seismic law that went into effect on September 14, 2023. A new pipe bridge is planned in order to get CPBR back up and running. The new bridge will hold the product line, water line, and discharge line.

Mr. Levin then opened the discussion to questions and comments. Mr. Keyser said the presentation was very thorough and informative. In response to the question of when CPBR would be operational again, Mr. Levin replied that the goal is to have the berth operational during February 2024. Betsy Johnson asked about the in-water work window and whether the holidays will affect scheduling and staffing. Mr. Levin advised that the in-water window closes at the end of February. Betsy Johnson also asked who will respond to emergency calls during the holiday. Mr. Levin responded that he will be on call and available to respond to incidents if necessary. Mr. Keyser ensured the schedule would not be driven by a lack of Port staff, only by the opportunity for contractors. Port General Counsel, Robert Salisbury added that the schedule will also be driven by the results of the assessment. Mr. Clark said the goal is to get the old dock out of the water so the contractors can start driving piles. Ms. Johnson asked how cooperative the agencies have been and Mr. Levin said their response time was good. Mr. Salisbury added

that after the meeting Ms. Johnson helped get set up on Friday, the DSL permit was there on Tuesday. Brien Flanagan with Schwabe, Williamson & Wyatt agreed considering the tight schedule and permitting process. Brian Fawcett asked, given the emergency nature, if the in-water window ending in February still applies. Mr. Clark responded the Port could file for an extension and Mr. Flanagan confirmed it could, depending on the conditions and progress of the work. Ms. Johnson asked how the Port will select the contractor to build the pipe bridge. Mr. Levin responded that the Port will collaborate with CPBR. Brian Fawcett commended Port staff, CPBR and other partners for responding so quickly. Mr. Clark thanked the Commission and Port staff for the team effort and thanked Ms. Johnson for helping get the calls with all the state agencies lined up.

Resolution 2023-30

APPROVING A DOCK REIMBURSEMENT AGREEMENT WITH COLUMBIA PACIFIC BIO-REFINERY

Port General Counsel Robert Salisbury, along with Mr. Flanagan and Port Insurance Agent Chris Iverson led a discussion on the resolution. Mr. Salisbury explained the Dock Reimbursement Agreement between the Port and CPBR. Robert Keyser stated after his consultation with Commissioners, Mr. Clark, and Port staff, he issued a memo to Mr. Clark to make the highest priority of the Port the safe restoration of service for CPBR and to pause all capital projects through the Port. Mr. Iverson gave an overview of the insurance policies and encouraged the Port to confer with the claims adjuster. Mr. Salisbury informed the Commission they should expect to see a Project Manager Agreement at the next Commission meeting on December 13, 2023. Chip Bubl commented on the insurance process and responsibility of ownership. Ms. Ward cautioned the Port not to be obligated for costs that may not be covered by insurance. Mr. Fawcett asked Mr. Iverson if he foresees any issues with the insurance covering debris removal or inspections, and Mr. Iverson replied he does not see any issues. Mr. Keyser asked if there were any further questions specific to the resolution. There were none.

Brian Fawcett moved; Nancy Ward seconded a motion to approve Resolution 2023-30, approving a dock reimbursement agreement with Columbia Pacific Bio-Refinery. Motion carried unanimously.

Executive Director's Report

Provided and read by Sean Clark. The Report is on file at the Port Office.

Commissioner Reports

Chip Bubl did not have any questions, but said the presentation was very helpful.

Brian Fawcett thanked everyone for coming to the Clatskanie Public Utility's District (CPUD) to attend the Port Commission Work Session. Mr. Fawcett mentioned a recent news article about the removal of power generating dams in the Northwest, which has an impact on the Port because it affects the ability to move goods on the river. He would like to see the Port of Columbia County have a voice in this discussion.

Nancy Ward reported the Agricultural Information Committee Meeting on November 27 was productive and there is strong local demand in the animal butchering industry, which she would like to see the Port help bring to fruition. Ms. Ward would like to build a working team to support a new type of industry in Columbia County, and this industry would bring the possibility of two new facilities. Betsy Johnson provided information to the Commission on a meat processing bill recently passed by Senator Brock Smith. Ms. Ward will bring a progress report to the next Commission meeting.

Robert Keyser stated the Commission will meet as often as necessary, and he would like to see a second meeting in December to provide financial and project updates. Mr. Keyser suggested an earlier start time of 5:00 p.m. for the December 27 work session, and the Commission was in favor. Gina Cisco, External Affairs Manager for the Port mentioned putting the next Strategic Business Plan Update on an Agenda in January 2024, and the Commission agreed. Mr. Keyser then announced that the Commission will go into Executive Session.

Executive Session

The Board held an Executive Session to deliberate with persons designated to negotiate real property transactions under ORS 192.660(2)(e), to consider exempt public records, including written legal advice from Port General Counsel, which is privileged under ORS 40.225, exempt from disclosure under ORS 192.355(9)(a), pursuant to ORS 192.660(2)(f), and to consult with Port General Counsel regarding pending litigation or litigation likely to be filed under ORS 192.660(2)(h).

**THERE BEING NO FURTHER BUSINESS BEFORE THE COMMISSION THE MEETING
ADJOURNED AT 9:10 P.M.**

President

December 13, 2023

Date Adopted by Commission

Secretary



Finance Update November 2023

STAFF REPORT

DATE: December 4, 2023
TO: Port Commission Board
FROM: Guy Glenn
Executive Finance Manager
RE: Finance Update as of November 30, 2023

Discussion:

This agenda item is a preliminary report of the Port's current financials as of November 30, 2023.

Cash and Investments: \$10,196,716

YTD Revenues Collected: \$3,208,338, which is 39.3% of the annual budget of \$8,169,368.

YTD Expenses: \$2,511,018, which is 15.4% of the annual budget of \$16,263,413. The annual expense budget includes \$3,062,743 of contingency that will not be utilized.

November 2023 checks and electronic payments issued totaled \$888,515.50.

November Highlights:

2022-2023 Audit in process – waiting for draft report. November expenses included two larger payments totaling \$402,323: These payments were for the annual property taxes (Columbia County Tax Collector) and the deferred interest payment on the New Hangar Building (Business Oregon). The Port Westward O&M budget process is underway; a meeting was held on Nov. 30th. Property taxes were paid and port tenants were invoiced for their respective portions.

Income Statement							
For the period ending							
November 30, 2023							
			Current	Yr To Date	Annual	%	Prior YTD
			Actual	Actual	Budget	Remaining	Actual
Resources							
Property Taxes			6	1,267	10,000	87.3%	1,836
Licenses and Permits			47,844	231,943	607,905	61.8%	229,068
Rents and Reimbursements			602,700	2,341,418	5,539,770	57.7%	2,338,180
Terminal Services			27,891	302,602	718,925	57.9%	143,223
Bayport RVPark			7,880	53,161	161,757	67.1%	66,126
Parking Fees			898	18,127	35,191	48.5%	18,430
Launch Fees			666	21,077	59,264	64.4%	18,016
Other Marina Fees			155	1,065	6,556	83.8%	1,401
Grants			-	22,250	400,000	94.4%	47,035
Loan Proceeds			-	-	400,000	100.0%	483,186
Interest Earnings			40,581	187,958	200,000	6.0%	65,438
InterGovernmental Income			-	-	-	0.0%	-
Contributions			-	-	-	0.0%	-
Miscellaneous Income			4,400	27,470	30,000	8.4%	9,008
						0.0%	
Total Resources			733,020	3,208,338	8,169,368	60.7%	3,420,947
						0.0%	
						0.0%	
Requirements						0.0%	
						0.0%	
Personnel Services			198,955	956,485	2,824,265	66.1%	817,530
Materials and Services			203,588	791,677	2,295,741	65.5%	945,250
Capital Outlay			136,429	393,364	7,295,000	94.6%	189,453
Debt Service			342,691	369,492	785,664	53.0%	297,222
Contingency			-	-	3,062,743	100.0%	-
						0.0%	
Total Requirements			881,663	2,511,018	16,263,413	84.6%	2,249,454
						0.0%	
Ending Fund Balance			(148,643)	697,320		0.0%	
						0.0%	

**Port of Columbia County
Vendor Check Register Report - A**

Chk No.	Vendor ID	Vendor Name	Date	Check Amount	Voided
44479	ACEH001	Ace Hardware - St Helens	11/7/2023	\$210.15	No
44480	ACEH002	Ace Hardware - Scappoose	11/7/2023	\$36.97	No
44481	ATTM001	AT&T Mobility	11/7/2023	\$1,118.47	No
44482	BEMI001	Bemis Printing & Graphics	11/7/2023	\$270.00	No
44483	CENT002	Century West Engineering	11/7/2023	\$41,321.80	No
44484	CINT002	Cintas Corporation No 3	11/7/2023	\$532.52	No
44485	CITY001	City of Columbia City	11/7/2023	\$252.92	No
44486	CITY003	City of St. Helens	11/7/2023	\$235.90	No
44487	CITY005	City of Clatskanie	11/7/2023	\$86.56	No
44488	COLU009	Columbia County	11/7/2023	\$1,193.77	No
44489	COLU011	Columbia County Dept.of Community Justice Adult Division	11/7/2023	\$1,125.00	No
44490	COLU025	Columbia River Receptions & Events, Inc	11/7/2023	\$325.00	No
44491	COMC001	Comcast	11/7/2023	\$89.85	No
44492	CONN001	Connecta Satellite Solutions LLC	11/7/2023	\$44.78	No
44493	COTT001	Sydell Cotton	11/7/2023	\$50.00	No
44494	DJC	DAILY JOURNAL OF COMMERCE OR	11/7/2023	\$447.70	No
44495	FPRE001	F. Preston	11/7/2023	\$2,800.00	No
44496	LAWR001	Lawrence Oil Company	11/7/2023	\$121.25	No
44497	LOOPN001	LoopNet	11/7/2023	\$738.00	No
44498	MYSY001	My System Shield LLC	11/7/2023	\$2,350.00	No
44499	OREG004	Oregon Department of State Lands	11/7/2023	\$3,725.72	No
44500	OTAK001	Otak Inc	11/7/2023	\$3,556.00	No
44501	QUIL001	Staples Inc dba	11/7/2023	\$258.25	No
44502	SCOT001	Brittany Scott	11/7/2023	\$50.00	No
44503	SDIS001	SDIS	11/7/2023	\$973.60	No
44504	SHRE001	Shred Northwest, Inc	11/7/2023	\$60.00	No
44505	SOLU001	Solutions Yes, LLC	11/7/2023	\$114.50	No
44506	SONI001	Sound Security, Inc	11/7/2023	\$1,503.96	No
44507	SPER001	Larry Sperberg	11/7/2023	\$249.00	No
44508	STEW001	Stewardship Solutions, Inc	11/7/2023	\$360.00	No
44509	TOLL001	Lacey Tolles	11/7/2023	\$70.81	No
44510	TRAP001	Patrick B. Trapp	11/7/2023	\$400.00	No
44511	VOYA001	Voya - State of Oregon	11/7/2023	\$4,090.00	No
44512	WILC001	Wilson Oil Inc dba	11/7/2023	\$571.01	No
44513	COLU017	Columbia County Tax Collector	11/8/2023	\$168,215.48	No
44514	ROLY001	Rolyan Buys - Performance Health	11/8/2023	\$1,355.98	No
44515	WARD001	Nancy Ward	11/8/2023	\$195.19	No
44516	AIRS001	Airside Solutions	11/16/2023	\$709.40	No
44517	ALEX001	Alexin Analytical Laboratories	11/16/2023	\$320.00	No
44518	BUSI001	Business Oregon	11/16/2023	\$329,088.87	No
44519	CENT001	CenturyLink	11/16/2023	\$246.40	No
44520	CHAR001	Charter Communications	11/16/2023	\$217.04	No

**Port of Columbia County
Vendor Check Register Report - A**

44521	CINT002	Cintas Corporation No 3	11/16/2023	\$57.15	No
44522	CLAT002	Clatskanie PUD	11/16/2023	\$888.84	No
44523	COLU026	Columbia County Transfer Station	11/16/2023	\$115.27	No
44524	COUN001	Country Media	11/16/2023	\$505.30	No
44525	CULV001	Kimberlee Culver	11/16/2023	\$100.00	No
44526	HUDS001	Hudson Garbage Service	11/16/2023	\$1,012.60	No
44527	HUDS002	Hudson Portable Toilet Service	11/16/2023	\$252.00	No
44528	KERN001	Kern & Thompson LLC	11/16/2023	\$5,000.00	No
44529	KINN001	Kinnear Specialties Inc.	11/16/2023	\$91.56	No
44530	KOLD001	Culligan	11/16/2023	\$111.05	No
44531	LOWE001	Lower Columbia Engineering	11/16/2023	\$19,969.00	Yes
44532	MOSC001	Moscato Okoneski & Associates, Inc.	11/16/2023	\$3,800.00	No
44533	NORW001	Norwest Engineering, Inc	11/16/2023	\$825.00	No
44534	NUIS001	John A. Norvell dba	11/16/2023	\$215.00	No
44535	NWNA001	NW Natural Gas Company dba	11/16/2023	\$165.29	No
44536	OREI001	O'Reilly Auto Enterprises LLC	11/16/2023	\$73.60	No
44537	PACI005	Pacific Office Automation	11/16/2023	\$357.00	No
44538	PORT002	Portland General Electric	11/16/2023	\$8,548.41	No
44539	QUIL001	Staples Inc dba	11/16/2023	\$424.35	No
44540	SDAO001	SDAO	11/16/2023	\$20,534.00	No
44541	SDIS001	SDIS	11/16/2023	\$216.00	No
44542	SHRE001	Shred Northwest, Inc	11/16/2023	\$60.00	No
44543	SONI001	Sound Security, Inc	11/16/2023	\$7.52	No
44544	VANC001	Vancouver Bolt and Supply Inc.	11/16/2023	\$558.42	No
44545	VOYA001	Voya - State of Oregon	11/16/2023	\$4,165.00	No
44546	WAST002	Waste Management of OR, Inc.	11/16/2023	\$33.45	No
44547	ZIPL001	Ziply Fiber	11/16/2023	\$123.78	No
44548	WARD001	Nancy Ward	11/16/2023	\$150.00	No
44549	KEYS001	Robert Keyser	11/16/2023	\$150.00	No
44550	BANK001	BMO Financial Group	11/16/2023	\$6,435.48	No
44551	BUBL001	Chip Bubl	11/16/2023	\$150.00	No
44552	BUSI001	Business Oregon	11/16/2023	\$13,601.70	No
44553	FAWC001	Brian Fawcett	11/16/2023	\$150.00	No
44554	KEYS001	Robert Keyser	11/16/2023	\$150.00	No
44555	SORB001	Nick Sorber	11/16/2023	\$150.00	No
44556	WARD001	Nancy Ward	11/16/2023	\$150.00	No
44557	AIRS001	Airside Solutions	11/21/2023	\$166.76	No
44558	AMBI001	Ambient IT Solutions	11/21/2023	\$743.75	No
44559	CENT001	CenturyLink	11/21/2023	\$101.31	No
44560	CENT002	Century West Engineering	11/21/2023	\$40,474.37	No
44561	CENT003	CenturyLink	11/21/2023	\$54.14	No
44562	CINT002	Cintas Corporation No 3	11/21/2023	\$57.15	No
44563	COMC001	Comcast	11/21/2023	\$2,232.04	No
44564	NAIO001	NAIOP	11/21/2023	\$390.00	No

**Port of Columbia County
Vendor Check Register Report - A**

44565	NORW001	Norwest Engineering, Inc	11/21/2023	\$45,528.45	No
44566	OEDA	Oregon Economic Development Association	11/21/2023	\$900.00	No
44567	ORGE007	Outdoor Advertising Sign PRG ODOT	11/21/2023	\$25.00	No
44568	OSBP001	OSB Professional Liability Fund	11/21/2023	\$3,500.00	No
44569	PORT002	Portland General Electric	11/21/2023	\$6,492.76	No
44570	SISC001	Gina Sisco	11/21/2023	\$158.38	No
44571	SUPP002	SupplyWorks	11/21/2023	\$61.10	No
44572	WILC001	Wilson Oil Inc dba	11/21/2023	\$362.29	No

94

\$739,063.35

Electronic Withdrawals

WDL000005761	ADP001	ADP Payroll	11/1/2023	\$65,145.50	No
WDL000005775	ADP001	ADP Payroll	11/26/2023	\$68,390.35	No
WDL000005774		PERS	11/13/2023	\$18,856.91	
WDL000005811	ADP001	ADP Payroll	11/30/2023	\$93,299.06	No
WDL000005765		Cardinal Services C Burns	11/3/2023	\$2,239.00	No
WDL000005813		PERS	11/29/2023	\$8,633.36	No
WDL000005736		Regence/InstaMed - Health Ins	11/1/2023	\$26,423.82	No

SubTotal \$149,452.15

Total \$888,515.50

Ca: BS

PORT OF COLUMBIA COUNTY
Request for Reimbursement and Commissioner Stipend

It is the policy of the Port of Columbia County to reimburse commissioners for legitimate expenses made or costs incurred by commissioners in the course of conducting Port business. All requests for reimbursement must include receipts or other adequate documentation. Vehicle reimbursement may be made for the use of a personal vehicle for official business only.

Commissioner Robert KeyserDate of Request 11-15-2023

Date	Description	Meeting Stipend	Expense or Mileage Reimbursement				Total
			Miles Driven	2023 Rate	Mileage	Meals and Other	
07.06.2023	Meetings		0	0.6550		\$ -	#VALUE!
07.07.2023	Port issues, calls	\$ -	0	0.6550	\$ -		\$ -
07.10.2023	Port issues, calls	\$ -	0	0.6550	\$ -		\$ -
07.12.2023	Commission meeting	\$ -	60	0.6550	\$ 39.30		\$ 39.30
08.03.2023	Port issues, calls	\$ -	0	0.6550	\$ -		\$ -
08.07.2023	Meeting with Port Director	\$ -	0	0.6550	\$ -		\$ -
08.09.2023	Meetings Scappoose	\$ -	80	0.6550	\$ 52.40		\$ 52.40
08.10.2023	Port issues, calls	\$ -	0	0.6550	\$ -		\$ -
8/15/232	Port issues, calls	\$ -	0	0.6550	\$ -		\$ -
08.16.2023	Meeting with developer Vancouver	\$ -	120	0.6550	\$ 78.60		\$ 78.60
08.17.2023	Meeting with Bus Oregon Astoria		70	0.6550	\$ 45.85		\$ 45.85
08.25.2023	Meeting with developer Scappoose		80	0.6550	\$ 52.40		\$ 52.40
08.28.2023	Port issues, calls		0	0.6550	\$ -		\$ -
09.01.2023	Port issues, calls		0	0.6550	\$ -		\$ -
09.07.2023	Port issues, calls		0	0.6550	\$ -		\$ -
09.12.2023	Port issues, calls		0	0.6550	\$ -		\$ -
9/13/23	Commission meeting C City		60	0.6550	\$ 39.30		\$ 39.30
TOTAL REQUESTED REIMBURSEMENT		\$ 850.00			\$ 307.85	\$ -	#VALUE!

Reviewed By:



I certify that the expenses sought to be reimbursed were incurred in the course of official PORT business and were paid by me from my own funds. I affirm the accuracy of this information.

Signature

600-6705-01-014 = 307.85

POSTED

October 23

Copy to Sydell ✓

PORT OF COLUMBIA COUNTY
Request for Reimbursement and Commissioner Stipend

It is the policy of the Port of Columbia County to reimburse commissioners for legitimate expenses made or costs incurred by commissioners in the course of conducting Port business. All requests for reimbursement must include receipts or other adequate documentation. Vehicle reimbursement may be made for the use of a personal vehicle for official business only.

Commissioner WardDate of Request 11.02.2023

Date	Description	Meeting Stipend	Expense or Mileage Reimbursement				Total
			Miles Driven	2023 Rate	Mileage	Meals and Other	
10.08.2023	Agenda Packet & meeting prep	\$ 50.00					
10.10.2023	City/County Dinner Meeting	\$ 50.00	58	0.6550	\$ 37.99		\$ 37.99
10.11.2023	Board Meeting	\$ 50.00	26	0.6550	\$ 17.03		\$ 17.03
10.11.2023	PNWA Conference - Vancouver, WA	\$	52	0.6550	\$ 34.06		\$ 34.06
10.12.2023	PNWA Conference - Vancouver, WA	\$ 50.00	52	0.6550	\$ 34.06		\$ 34.06
10.20.2023	Ag Meeting (cancelled after arrival)	\$	84	0.6550	\$ 55.02		\$ 55.02
10.25.2023	Board Meeting	\$ 50.00	26	0.6550	\$ 17.03		\$ 17.03
Oct	Misc phone calls	\$ 50.00		0.6550	\$ -		\$ -
				0.6550	\$ -		\$ -
				0.6550	\$ -		\$ -
				0.6550	\$ -		\$ -
				0.6550	\$ -		\$ -
				0.6550	\$ -		\$ -
				0.6550	\$ -		\$ -
				0.6550	\$ -		\$ -
				0.6550	\$ -		\$ -
TOTAL REQUESTED REIMBURSEMENT		\$ 300.00			\$ 195.19	\$ -	\$ 195.19

Reviewed By:

JSS. ✓

I certify that the expenses sought to be reimbursed were incurred in the course of official PORT business and were paid by me from my own funds. I affirm the accuracy of this information.

Nancy Ward
 Signature

600-6705-01-011

POSTED

Form RR-C (Rev. 01-2020)

September 2023

**PORT OF COLUMBIA COUNTY
Request for Reimbursement and Commissioner Stipend**

It is the policy of the Port of Columbia County to reimburse commissioners for legitimate expenses made or costs incurred by commissioners in the course of conducting Port business. All requests for reimbursement must include receipts or other adequate documentation. Vehicle reimbursement may be made for the use of a personal vehicle for official business only.

Commissioner Ward

Date of Request 10.08.2023

Date	Description	Meeting Stipend	Expense or Mileage Reimbursement				Total
			Miles Driven	2023 Rate	Mileage	Meals and Other	
09.06.2023	Oregon Aero tour	\$ 50.00	10	0.6550	\$ 6.55		\$ 6.55
09.08.2023	Andrew Nelmi - lunch		24	0.6550	\$ 15.72	\$ 46.00	\$ 61.72
09.10.2023	Agenda Packet & meeting prep	\$ 50.00		0.6550	\$ -		\$ -
09.13.2023	Board Meeting	\$ 50.00	26	0.6550	\$ 17.03		\$ 17.03
09.21.2023	Scappoose ED & PNWA monthly	\$ 50.00	6	0.6550	\$ 3.93		\$ 3.93
09.23.2023	Ag Committee - Clatskanie	\$ 50.00	84	0.6550	\$ 55.02		\$ 55.02
09.27.2023	Project Meeting / Amy & Nick	\$ 50.00	8	0.6550	\$ 5.24		\$ 5.24
September	Misc phone calls	\$ 50.00		0.6550	\$ -		\$ -
				0.6550	\$ -		\$ -
				0.6550	\$ -		\$ -
				0.6550	\$ -		\$ -
				0.6550	\$ -		\$ -
				0.6550	\$ -		\$ -
				0.6550	\$ -		\$ -
				0.6550	\$ -		\$ -
TOTAL REQUESTED REIMBURSEMENT		\$ 350.00			\$ 103.49	\$ 46.00	\$ 149.49

Reviewed By:
WJW

I certify that the expenses sought to be reimbursed were incurred in the course of official PORT business and were paid by me from my own funds. I affirm the accuracy of this information.

POSTED

Nancy Ward
Signature

600-6705-01-011 103.49
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149.49



STAFF REPORT

Sale of New Hangar Building

DATE: December 13, 2023
TO: Port Commission
FROM: Sean P. Clark, Executive Director
RE: **Sale of New Hangar Building for \$2,600,000**

Discussion

Recent negotiations resulted in a Purchase and Sale Agreement for property located at the Scappoose Airport, 34090 Skyway Drive, otherwise known as the New Hangar Building.

The purchase price is \$2,600,000, which will be deposited with the Port when both parties sign this agreement. All costs and fees will be split 50/50 between the parties. The property will be transferred "AS IS." The sale will be contingent upon Commission approval of the sale and also a Ground Lease. This means that final approval of the sale by Resolution of the Port Commission will occur at a later meeting.

Port staff recommends the Commission approve the sale under the general terms and conditions outlined in the attached Purchase and Sale Agreement.

Recommendation

Authorize the Executive Director to sign the attached Purchase and Sale Agreement, a Resolution will follow at a later Port meeting when the Commission approves the sale and Ground Lease.

PURCHASE AND SALE AGREEMENT

34090 SKYWAY DRIVE, SCAPPOOSE, OREGON

This **Purchase and Sale Agreement** ("Agreement") effective this _day of December, 2023 (the "Effective Date") is by and between the Port of Columbia County, an Oregon municipal corporation ("Seller") and Freeman Holdings Group, LLC ("Purchaser"). Seller owns a corporate hangar building located at 34090 Skyway Drive, Scappoose, Oregon 97056 at the Scappoose Airport as depicted on **Exhibit A** attached hereto ("the Property"). Purchaser and Seller engaged in mutually beneficial negotiations the result of which was that Purchaser offered to purchase the Property, and Seller has accepted Purchaser's offer ("the Sale"), subject to certain terms and conditions, which are generally outlined below, as follows:

1. **PURCHASE PRICE.** The purchase price for the Property ("Purchase Price") shall be Two Million Six Hundred Thousand (\$2,600,000) to be paid from Purchaser to Seller. The Purchase Price is due immediately upon Purchaser's signature on this Agreement and is fully refundable to Purchaser if closing on the Property does not occur. No further activity will take place regarding the Sale until such time that Purchaser deposits the Purchase Price with Seller.
2. **EARNEST MONEY DEPOSIT.** No Earnest money shall be collected for this transaction.
3. **CONTINGENCIES.** Seller's obligation to sell the Property is conditioned upon approval of this Agreement by a majority vote in a public meeting by the Port of Columbia County Commission ("the Port Commission"). The Port Commission is a five-member local government that governs all activities of Seller. If the Port Commission does not approve this transaction in its sole and absolute discretion, this Agreement will be rendered null and void without further liability or cause of action available to either party and the Purchase Price will be returned to Purchaser. A copy of non-binding Ground Lease Terms is attached as **Exhibit B** as an example of the terms that will be included in a final Ground Lease Agreement ("Ground Lease"). The Ground Lease must be signed by both Seller and Purchaser before any Closing and approved by the Port Commission, or this Agreement is rendered null and void without further liability or cause of action available to either party.
4. **CLOSING.** Closing shall occur as soon as possible (the "Closing Date") unless otherwise extended by mutual agreement of the parties.
5. **CLOSING COSTS AND LIENS.** Purchaser and Seller shall each pay one-half (1/2) of all costs and fees related to this Agreement.
6. **NO COMMISSIONS.** No commission shall be paid to any broker in connection with this transaction.
7. **REPRESENTATIONS.**
 - 7.1 **Purchaser takes Property "AS IS."** Purchaser represents that it accepts and executes this Agreement based on their own examination and personal knowledge of the Property; that except for as provided in this Agreement, Seller has made no representations, warranties, or other agreements concerning matters relating to the Property; that Seller has made no agreement or promise to alter, repair, or improve the Property; and that Purchaser takes the Property "AS IS." Purchaser specifically acknowledges that Purchaser takes the Property with all ongoing water seal issues of any kind whatsoever, including but not limited to the ongoing water seal issues with JH Kelly as the

general contractor, which will be the sole responsibility of the Purchaser. Purchaser further acknowledges and agrees that, in accepting the Property "AS IS," Purchaser has been made fully aware to Purchaser's satisfaction that Purchaser will be solely responsible for all ongoing repairs, including but not limited to the ongoing water seal issues referenced herein.

- 7.2 **Purchaser's Compliance with FAA.** Purchaser represents that the Property use is aeronautical and will comply with Federal Aviation Administration (FAA) Order 5190.6B – FAA Airport Compliance Manual attached as **Exhibit C**. Further, the Purchaser represents that future activity on the Property will adhere to the Scappoose Airport Minimum Standards attached as **Exhibit D**. The provisions referenced in **Exhibits C and D** will become a mandatory part of the Ground Lease.
- 7.3 **Seller: No Warranties.** Seller represents that it has legal authority to convey the Property but makes no other warranties, either express or implied, as to the condition or suitability of the Property for any particular purpose.
8. **TAXES/PRORATIONS.** There shall not be any proration of taxes, as Seller is a tax-exempt entity, and the Property is not liable for Columbia County property taxes.
9. **UTILITIES.** Seller shall pay all utility bills accrued to date and payment shall be handled outside of escrow.
10. **POSSESSION.** Purchaser is entitled to possession on the Closing Date, unless otherwise agreed to between the parties.
11. **BINDING EFFECT/ASSIGNMENT RESTRICTED.** This Agreement is binding on and will inure to the benefit of Seller, Purchaser, and their respective heirs, legal representatives, successors, and assigns.
12. **ENTIRE AGREEMENT.** This Agreement sets forth the entire understanding of the parties with respect to the purchase and sale of the Property. This Agreement may not be modified or amended except by a written agreement signed and executed by both parties. The parties were represented by legal counsel and/or had the opportunity to be represented by legal counsel. This contract was negotiated between the parties and is voluntarily executed. A signature received by facsimile or email scan has the effect of an original signature.
13. **NOTICES.** All notices and communications in connection with this contract must be given in writing and transmitted by first class mail and/or email to Purchaser and to Seller at the address provided by each party below. Notices given in accordance with this paragraph are deemed given upon the date of receipt or the date of mailing, with proof of mailing. Either party may, by written notice, designate a different address for purposes of this contract. For email delivery purposes, receipt is only confirmed with a reply by the recipient acknowledging receipt of the message.
14. **APPLICABLE LAW.** This Agreement is construed, applied and enforced in accordance with the laws of the State of Oregon. Venue is Columbia County Circuit Court, St. Helens, Oregon.
15. **WAIVER BY PURCHASER.** If Purchaser, with knowledge of (i) a default in any of the covenants, agreements or obligations to be performed by Seller under this Agreement and/or (ii) any breach of or inaccuracy in any representation or warranty of Seller made in this Agreement, nonetheless elects to proceed to Closing, then, upon the consummation of the Closing, Purchaser shall be deemed to have waived any such default and/or breach or inaccuracy and shall have no claim against Seller with respect thereto.
16. **SEVERABILITY.** Should any term, provision, or portion of this contract at any time be in conflict with any law, ruling or regulation, or be unenforceable, then such provision will

continue in effect only to the extent that it remains valid. In the event that any provision of this contract becomes less than fully operative, the remaining portion of that provision and all other provisions of this contract will nevertheless remain in full force and effect.

THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

17. INTENT TO BE BOUND. This Agreement sets forth the essential terms of the transaction contemplated between the Seller and Purchaser, and all parties hereto intend to be bound by this Agreement.

18. ENTIRE AGREEMENT. This Agreement, including the Exhibits hereto, contains all the terms, conditions, and obligations of the Parties with respect to the matters contemplated in this Agreement, and supersedes and replaces any and all other agreements and representations whether oral or in writing relative to the subject matter of this Agreement. This Agreement may be amended only by a written instrument executed by the Parties.

19. INTERPRETATION. Both Parties acknowledge that they have each been represented by counsel and this Agreement and every provision hereof has been freely and fairly negotiated. All provisions of this Agreement will be interpreted according to their fair meaning and will not be strictly construed against any Party.

20. ATTORNEY'S FEES. If either Party incurs attorney fees, costs, or other legal expenses to enforce the provisions of this Agreement against the other party, all such fees, costs and expenses shall be recoverable by the prevailing party.

21. DOCUMENT EXECUTION. This Agreement may be executed in identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts, have been signed by each party and delivered to the other party. In the event that any signature is delivered by facsimile transmission or by an e-mail which contains an electronic file of an executed signature page, such signature page shall be deemed to

constitute an original instrument, with the same force and effect as execution and delivery of an original and shall create a valid and binding obligation of the party executing the Agreement.

AGREED AND ACCEPTED BY THE UNDERSIGNED AS OF THE EFFECTIVE DATE:

SELLER:

PORT OF COLUMBIA COUNTY

By: _____

Name: **Sean P. Clark**

Title: Executive Director

PO Box 190

Columbia City, OR 97018

clark@columbiacounty.org

With a copy to:

Robert Salisbury, Port General Counsel

PO Box 190

Columbia City, OR 97018

salisbury@portofcolumbiacounty.org

PURCHASER:

FREEMAN HOLDINGS GROUP, LLC

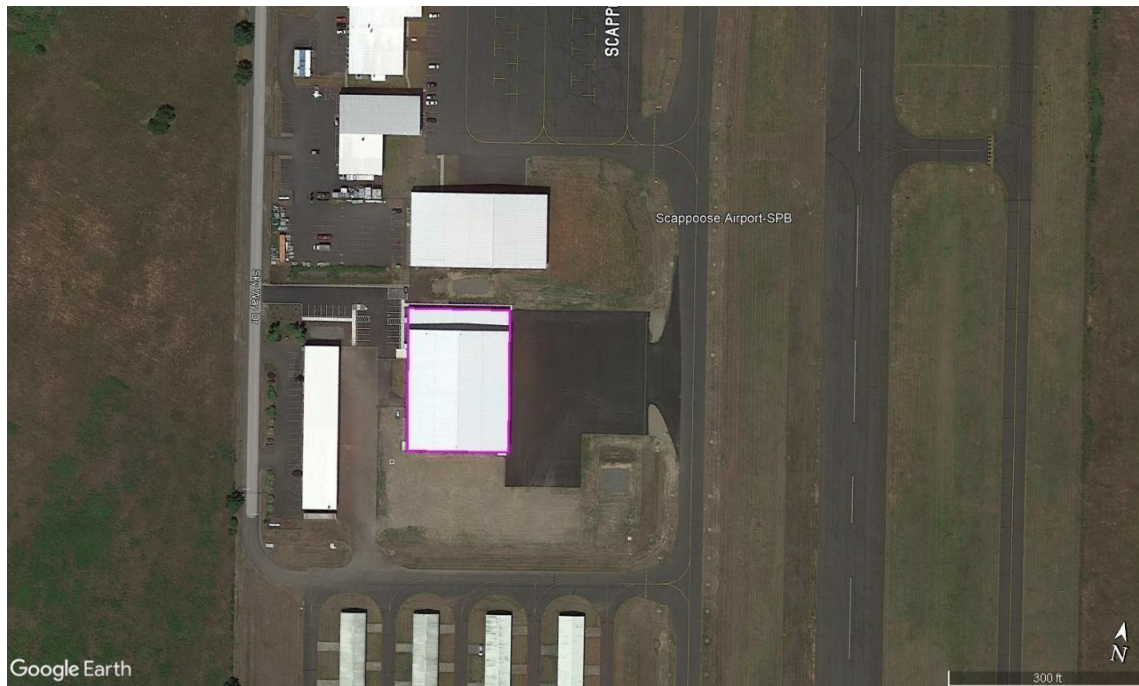
By: _____

Name: **Francis B. Freeman Jr.**

Title: Executor

DRAFT

Exhibit A





Ground Lease Terms Summary

This is a summary of proposed terms for a ground lease to be agreed upon by the Port of Columbia County ("Seller") and Freeman Holdings LCC ("Purchaser"). After reviewing and discussing this document, the approving authority at both organizations is authorizing good faith negotiations to proceed with the agreed-upon descriptions.

Background:

Purchaser intends to enter a Purchase and Sale Agreement for the corporate hangar at 34090 Skyway Drive, Scappoose Oregon. The purchase and sale of the building are contingent upon a negotiated and executed ground lease based on the lease terms described below.

Description of Transaction:

- Description of Premises: 31,500 sq ft of office and corporate hangar space.
- Use of Premises & Subordination: Generally, the premises will be used for aircraft repair and installation, storage, sales, aircraft maintenance, office and administrative, and other activities directly related to the conduct of an aerospace business. More specifics are to be provided by Purchaser on the intended use. Any use will be subordinate to FAA grant assurances and compliant with the Scappoose Airport Minimum Standards.
- Term: 40-year term with no renewals. Full reversion of ownership of the building back to the Port at the end of the lease term.
- Assignment & Subletting: Port has final approval of any requests to sublet or assign the ground lease.
- Maintenance Agreement: A separate maintenance agreement will be referred to in the lease and negotiated for the airport apron and the tenant parking lot.

Descriptions of Financials:

- Rent: \$0.40 psf per month. Proposed Basic Rent Total \$1,050 per month.
- Rent Adjustment: On each July 1st of every fifth year, the lease rate may be adjusted for current market rate value with a 5% cap.
- Security Deposit: Equal to one year's worth of rent plus property insurance.

Chapter 12: Review of Aeronautical Lease Agreements

12.1. Introduction. This chapter discusses procedures for reviewing lease agreements between the sponsor and aeronautical users. As part of the compliance program, the FAA airports district office (ADO) or regional airports division may review such agreements, advising sponsors of their federal obligations, and ensuring that the terms of the lease do not violate a sponsor's federal obligations.

12.2. Background. The operation of a federally obligated airport involves complex relationships between the sponsor and its aeronautical tenants. In most instances, the sponsor will turn to private enterprise to provide the aeronautical services that make the airport attractive and self-sustaining.

a. Rights Granted by Contract. Airport lease agreements usually reflect a grant of three basic rights or privileges:

- (1). The right for the licensee or tenant to use the airfield and public airport facilities in common with others so authorized.
- (2). The right to occupy as a tenant and to use certain designated premises exclusively.
- (3). The commercial privilege to offer goods and services to airport users.

b. Consideration for Rights Granted. The basic federal obligation of the sponsor is to make public landing and aircraft parking areas available to the public. However, the sponsor may impose a fee to recover the costs of providing these facilities. (Refer to [chapter 18 of this Order, Airport Rates and Charges](#), for a further discussion on rates and charges.) Frequently, the sponsor recovers its airfield costs indirectly from rents or fuel flowage fees that it charges its commercial tenants. The sponsor's substantial capital investment and operating expense necessitates assessing airport fees to recover these costs.

c. Operator/Manager Agreements. Sometimes a sponsor may, for various reasons, rely on commercial tenants to carry out certain sponsor federal obligations. For instance, a sponsor may (i) contract with a commercial tenant to perform all or part of its airfield maintenance, or (ii) delegate to the tenant responsibility for collecting landing fees, publishing notices to airmen, or (iii) contract for airport management. When this occurs, the FAA highly recommends that the sponsor and tenant enter into separate agreements: one agreement for the right to operate an aeronautical business on the airport, and a separate management agreement if the tenant provides management services on behalf of the sponsor.

12.3. Review of Agreements.

a. Scope of FAA Interest in Leases. The FAA does not review all leases, and there is no requirement for a sponsor to obtain FAA approval before entering into a lease. However, when

the ADO or regional airports division does review a lease agreement, the review should include the following issues:

- (1). Determine if a lease has the effect of granting or denying rights that are contrary to federal statute, sponsor federal obligations, or FAA policy. For example, does the lease grant options or rights of first refusal that preclude the use of airport property by other aeronautical tenants?
- (2). Ensure the sponsor has not entered into a contract that would surrender its capability to control the airport.
- (3). Identify terms and conditions that could prevent the airport from realizing the full benefits for which it was developed.
- (4). Identify potential restrictions that could prevent the sponsor from meeting its grant and other obligations to the federal government. For example, does the lease grant the use of aeronautical land for a nonaeronautical use?

b. Form of Lease or Agreement. The type of document or written instrument used to grant airport privileges is the sole responsibility of the sponsor. In reviewing such documents, the FAA office should concentrate on determining the nature of the rights granted and whether granting those rights may be in violation of the sponsor's federal obligations. The most important articles of a lease to review include:

- (1). **Premises.** What is being leased – land or facilities or both? Does the lease include only the land and/or facilities that the aeronautical tenant can reasonably use or has the tenant been granted options or rights of first refusal for other airport property and/or facilities that it will not immediately require? Do options or rights of first refusal grant the tenant an exclusive right by allowing the tenant to control a majority or all of the aeronautical property on the airport that can be developed?
- (2). **Rights and Obligations.** Does the lease grant the tenant an explicit or implied exclusive right to conduct a business or activity at the airport? Does the lease state the purpose of the lease, such as “the noncommercial storage of the owner's aircraft?” Does the lease require any use to be approved by the airport sponsor? This will prevent future improper nonaeronautical uses of airport property.
- (3). **Term.** Does the term exceed a period of years that is reasonably necessary to amortize a tenant's investment? Does the lease provide for multiple options to the term with no increased compensation to the sponsor? Most tenant ground leases of 30 to 35 years are sufficient to retire a tenant's initial financing and provide a reasonable return for the tenant's development of major facilities. Leases that exceed 50 years may be considered a disposal of the property in that the term of the lease will likely exceed the useful life of the structures erected on the property. FAA offices should not consent to proposed lease terms that exceed 50 years.

(4). Payment of Fees to the Sponsor. Does the lease assess the tenant rent for leasing airport property and/or facilities and a concession fee if the tenant provides products and/or services to aeronautical users? Does the lease provide for the periodic adjustment of rent? Has the rental of airport land and/or facilities been assessed on a reasonable basis (*e.g.*, by an appraisal)?

(5). Title. Does the title to tenant facilities vest in the sponsor at the expiration of the lease? Do any lease extension or option provisions provide for added facility rent once the title of facilities vests in the sponsor?

(6). Subordination. Is the lease subordinate to the sponsor's federal obligations? Subordination may enable the sponsor to correct tenant activity through the terms of its lease that otherwise would put the sponsor in violation of its federal obligations.

(7). Assignment and Subletting. Has the sponsor maintained the right to approve in advance an assignment (sale of the lease) or sublease by the tenant? For example, could the sponsor intervene if (a) a dominant fixed-base operator (FBO) ¹ decides to acquire all other competing FBOs on the airfield or (b) an aeronautical tenant decides to lease aeronautical space to a nonaeronautical tenant?

12.4. FAA Opinion on Review. Since the FAA's interest in a lease is confined to the lease's impact on the sponsor's federal obligations, the sponsor should not construe the acceptance of the lease as an endorsement of the entire document. When the ADO or regional airports division reviews a lease and determines it does not appear to violate any federal compliance obligations, that office will advise the sponsor that FAA has no objection to the agreement. The FAA does not approve leases, nor does it endorse or become a party to tenant lease agreements.

12.5. Agreements Covering Aeronautical Services to the Public. In reviewing airport leases and agreements, the ADO or regional airports division should give special consideration to those arrangements that convey to aeronautical tenants the right to offer services and commodities to the public. In particular, ensure that (a) the sponsor maintains a fee and rental structure in the lease agreements with its tenants that will make the airport as self-sustaining as possible and that (b) the facilities of the airport are made available to the public on reasonable terms without unjust discrimination. Any lease or agreement granting the right to serve the public on the airport should be subordinate to the sponsor's federal obligations. That is, the lease should provide that it will be interpreted to preserve its compliance with the federal obligations. This will enable the sponsor to preserve its rights and powers and to maintain sufficient control over the airport to guarantee aeronautical users are treated fairly.

a. Required Nondiscrimination Provision. [Grant Assurance 22.b, *Economic Nondiscrimination*](#), requires the airport sponsor to include specific provisions in any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted. The intent of this provision is to ensure aeronautical service providers engage in reasonable and

¹ A Fixed-Base Operator (FBO) is a commercial entity providing aeronautical services such as fueling, maintenance, storage, ground and flight instruction, etc., to the public.

nondiscriminatory practices and to provide the airport sponsor with authority to correct unreasonable and discriminatory practices by tenants should they occur. When reviewing lease agreements, ADOs and regional airports divisions should ensure that the agreement contains the required provision and, if it is missing, instruct the airport sponsor to insert the provision in the agreement.

b. Nonaeronautical Service to the Public. Although the grant assurances and property deed restrictions are not generally applicable to nonaeronautical leases and agreements (as compared to aeronautical agreements), the lease of premises or an agreement granting rights to offer nonaeronautical services to the public must incorporate specific language prohibiting unfair practices regarding civil rights assurances as outlined in 49 CFR Parts 23 and 26.

12.6. Agreements Involving an Entire Airport.

a. Contracts to Perform Airport Maintenance or Administrative Functions. The important point in such arrangements is that the sponsor may delegate or contract with an agent of its choice to perform any element of airport maintenance or operation. However, such arrangements in no way relieve the sponsor of its federal obligations. The sponsor has the ultimate responsibility for the management and operation of the airport in accordance with federal obligations and cannot abrogate these responsibilities. When the sponsor elects to rely upon one of its commercial operators or tenants to carry out airport maintenance or operating responsibilities, there is the potential for a conflict of interest and the potential for a violation of the sponsor's federal obligations.

Any agreement conferring such responsibilities on a tenant must contain adequate safeguards to preserve the sponsor's control over the actions of its agent. The agent's contract should be separate and apart from any other lease or contract with the sponsor that grants property or commercial rights on the airport.

b. Total Delegation of Airport Administration. In certain cases, the ADO or regional airports division may be asked to give consideration to entrusting the operation of a publicly owned airport to a management corporation. Whether the document establishing this kind of a relationship is identified as a lease, concession agreement, management contract, or otherwise, it has the effect of placing a third party in a position of substantial control over a public airport that may be subject to a grant agreement or other federal obligation. The ADO or regional airports division should review these agreements carefully to ensure that the rights of the sponsor and other tenants are protected. See paragraph 6.13, *Airport Management Agreements*, in [chapter 6 of this Order, Rights and Powers and Good Title](#), for a discussion of the requirements applicable to such agreements.

c. Resident Agent. The FAA will, at all times, look to the sponsor to ensure the actions of its management corporation contractor conform to the sponsor's federal obligations. The FAA will consider a management corporation with a lease of the entire airport, or a tenant operator authorized to perform any of the sponsor's management responsibilities, as a resident agent of the airport sponsor and not as a responsible principal.

12.7. Agreements Granting "Through-the-Fence" Access. There are times when the sponsor will enter into an agreement that permits access to the airfield by aircraft based on land adjacent

to, but not a part of, the airport property. This type of an arrangement has frequently been referred to as a “through-the-fence” operation even though a perimeter fence may not be visible. “Through-the-fence” arrangements can place an encumbrance upon the airport property and reduce the airport’s ability to meet its federal obligations. As a general principle, the FAA does not support agreements that grant access to the public landing area by aircraft stored and serviced offsite on adjacent property. Thus this type of agreement is to be avoided since these agreements can create situations that could lead to violations of the airport’s federal obligations. (“Through-the-fence” access to the airfield from private property also may be inconsistent with Transportation Security Administration security requirements.)

Under no circumstances is the FAA to support any “through-the-fence” agreement associated with residential use since that action will be inconsistent with the federal obligation to ensure compatible land use adjacent to the airport.

The federal obligation to make an airport available for the use and benefit of the public does not impose any requirement to permit access by aircraft from adjacent property.

a. Rights and Obligations of Airport Sponsor. The federal obligation to make an airport available for the use and benefit of the public does not impose any requirement to permit access by aircraft from adjacent property. The existence of such an arrangement could conflict with the sponsor’s federal obligations unless the sponsor retains the legal right to require the off-site property owner or occupant to conform in all respects to the requirements of any existing or proposed grant agreement. For example, in any “through-the-fence” agreement, the airport sponsor must retain the ability to take action should a safety or security concern require fencing around the airport. In some cases, airport sponsors have been unable to install actual fencing to mitigate wildlife hazards due to pre-existing “through-the-fence” agreements.

b. Economic Discrimination Considerations. The sponsor is entitled to seek recovery of capital and operating costs of providing a public use airfield. The development of aeronautical enterprises on land off airport and not controlled by the sponsor can result in an economic competitive advantage for the “through-the-fence” operator to the detriment of on-airport tenants. To equalize this imbalance, the sponsor should obtain from any off-base enterprise or entity a fair return for its use of the airfield by assessing access fees from those entities having “through-the-fence” access. For example, if the airport sponsor charges \$100 per month for a single-engine aircraft tie-down on the airport to pay for the costs of airport operation, then any other single-engine aircraft operator using the airport “through-the-fence” should be charged no less than a similar fee. The same is true for the ground lease on a privately owned hangar and the fees charged to “through-the-fence” operators with a hangar off the airport. The airport sponsor must not discriminate against those aeronautical users within the airport. NOTE: “Through-the-fence” operators are not protected by the grant assurances. The airport sponsor may assess any level of fee it deems appropriate for “through-the-fence” operators so long as that fee is not less than the comparable fee paid by on-airport tenants.

c. Safety Considerations. Arrangements that permit aircraft to gain access to the airfield from off-site properties complicate the control of vehicular and aircraft traffic. In some cases, they

may create unsafe conditions. The sponsor may need to incorporate special safety operational requirements in its “through-the-fence” agreements. (For example, a safety requirement may be needed to prevent aircraft and vehicles from sharing a taxiway.) When required, [FAA Flight Standards](#) should be consulted on safety and operational matters. In all cases, in any “through-the-fence” agreement, the airport sponsor must retain the ability to intervene if a safety concern arises and take all the necessary actions.

d. Off-Airport Aeronautical Businesses. As a general principle, the ADO or regional airports division should not support sponsor requests to enter into any agreement that grants “through-the-fence” access to the airfield for aeronautical businesses that would compete with an on-airport aeronautical service provider such as an FBO. Exceptions may be granted on a case-by-case basis where operating restrictions ensure safety and equitable compensation for use of the airport and subordinate the agreement to the grant assurances and grant agreement. Examples of “through-the-fence” uses that would not compete with an on-airport business include:

- (1). At the sponsor’s option, if a bona fide airport tenant has already leased a site from the sponsor and has negotiated airfield use privileges but also desires to move aircraft to and from a hangar or manufacturing plant on adjacent off-airport property, the tenant may gain access through an area provided by the sponsor.
- (2). Although not encouraged by the FAA, if an individual or corporation actually residing or doing business on an adjacent tract of land proposes to gain access to the airfield solely for aircraft use without offering any aeronautical services to the public, the sponsor may agree to grant this access. Airports commonly face this situation when an industrial airpark or manufacturing facility is developed in conjunction with the airport.

Under no circumstances is the FAA to support any “through-the-fence” agreement associated with residential use since that action will be inconsistent with the federal obligation to ensure compatible land use adjacent to the airport.

e. FAA Determinations. The FAA regional airports division will determine whether arrangements granting access to the airfield from off-site locations are consistent with applicable federal law and policy. If the FAA regional airports division determines that such an agreement lessens the public benefit for which the airport was developed, the FAA regional airports division will notify the sponsor that the airport may be in violation of its federal obligations if it grants such “through-the-fence” access. If necessary, the FAA headquarters Airport Compliance Division (ACO-100) will be able to provide assistance in such cases.

f. Reasonable Access is Not Required. It is important to remember that users having access to the airport under a “through-the-fence” agreement are *not* protected by the sponsor’s federal obligations to the FAA. This is because the federal obligation to make the airport available for public use on reasonable terms and without unjust discrimination to all types, kinds, and classes of aeronautical activities without granting an exclusive right does not impose any requirement to

permit access by aircraft from adjacent property. In fact, the airport sponsor may simply deny “through-the-fence” access if it so chooses. The airport may also charge any fee it sees fit to those outside the airport.

Since federal obligations do not require that access be granted under these circumstances, the FAA will not normally entertain complaints from entities operating from adjacent property with a “through-the-fence” access agreement. The FAA should not support or agree to requests to enter into any agreement that grants access to the airfield for the establishment of a residential airpark since this would raise a compliance issue under [Grant Assurance 21, Compatible Land Use](#).

The FAA will not support any agreement that grants access to a public airfield by aircraft stored and serviced on adjacent nonairport property, and strongly recommends that airport owners and aeronautical users refrain from entering into such an agreement. A “through-the-fence” access agreement may result in the violation of a number of the sponsor’s federal obligations. Among other things, “through-the-fence” agreements can have the effect of:

- (1). Placing contractual and legal encumbrances or conditions upon the airport property, in violation of [Grant Assurance 5, Preserving Rights and Powers](#);
- (2). Limiting the airport’s ability to ensure safe operations in both movement and non-movement areas, in violation of [Grant Assurance 19, Operation and Maintenance](#);
- (3). Creating unjustly discriminatory conditions for on-airport commercial tenants and other users by granting access to off-airport competitors or users in violation of [Grant Assurance 22, Economic Nondiscrimination](#);
- (4). Effectively granting an exclusive right to the “through-the-fence” operator in violation of [Grant Assurance 23, Exclusive Rights](#), if the operator conducts a commercial business and no on-airport operator is able to compete because the terms given to the “through-the-fence” operator are so much more favorable;
- (5). Affecting the airport’s ability to be self-sustaining, in violation of [Grant Assurance 24, Fee and Rental Structure](#), because the airport may not be in a position to charge “through-the-fence” operators adequately for the use of the airfield;
- (6). Weakening the airport’s ability to remove and mitigate hazards and incompatible land uses, in violation of [Grant Assurance 20, Hazard Removal and Mitigation](#), and [Grant Assurance 21, Compatible Land Use](#).
- (7). Making it more difficult for an airport sponsor to implement future security requirements that may be imposed on airports.

g. While FAA does not support “through-the-fence” access, should a sponsor choose to proceed, it should do so only under the following conditions:

(1). FAA Review. Seek FAA review to ensure that its decision will not result in a violation of its federal obligations, either now or in the future. It has been the FAA’s experience that airport sponsors find it difficult to correct grant assurance violations that result from “through-the-fence” access. The inability to correct such violations could result in an airport losing its eligibility to receive Airport Improvement Program (AIP) grant funds.

(2). Access Agreement Provisions. Sponsors should consider the following provisions in preparing an access agreement to grant a right of “through-the-fence” access:

(a). The access agreement should be a written legal document with an expiration date and signed by the sponsor and the “through-the-fence” operator. It may be recorded. Airports should never grant deeded access to the airport.

(b). The right of access should be explicit and apply only to the “through-the-fence” operation (*i.e.*, right to taxi its aircraft to and from the airfield).

(c). The “through-the-fence” operator shall not have a right to grant or sell access through its property so other parties may gain access to the airfield from adjacent parcels of land. Only the airport sponsor may grant access to the airfield, which should be consistent with Transportation Security Administration (TSA) requirements.

(d). The access agreement should have a clause making it subordinate to the sponsor’s grant assurances and federal obligations. Should any provision of the access agreement violate the sponsor’s grant assurances or federal obligations, the sponsor shall have the unilateral right to amend or terminate the access agreement to remain in compliance with its grant assurances and federal obligations.

(e). The “through-the-fence” operator shall not have a right to assign its access agreement without the express prior written approval of the sponsor. The sponsor should have the right to amend the terms of the access agreement to reflect a change in value to the off-airport property at the time of the approved sale if the “through-the-fence” access is to continue.

(f). The fee to gain access to the airfield should reflect the airport fees charged to similarly situated on-airport tenants and aeronautical users. For example, landing fees, ground rent, or tie-down fees paid to the sponsor by comparable on-airport aeronautical users or tenants to recover the capital and operating costs of the airport should be reflected in the access fee assessed the “through-the-fence” operator, including periodic adjustments. In addition, if the “through-the-fence” operator is granted the right to conduct a commercial business catering to aeronautical users either on or off the airport, the sponsor shall assess, at a minimum, the same concession terms and fees to the “through-the-fence” operator as assessed to all similarly situated on-airport commercial operators. As previously stated, the FAA does not support granting “through-the-fence” access to aeronautical commercial operators that compete with on-airport operators.

(g). The access agreement should contain termination and insurance articles to benefit the

sponsor.

(h). The expiration date of the access agreement should not extend beyond a reasonable period from the sponsor's perspective. It should not depend upon the full depreciation of the "through-the-fence" operator's off-airport investment (*i.e.*, 30 years), as would be the case had the investment been made inside the airport. In any case, it should not exceed the appraised useful life of the off-airport facilities. Should the access agreement be renegotiated at its expiration, the new access fee should reflect an economic rent for the depreciated off-airport aeronautical facilities (*i.e.*, hangar, ramp, etc.) comparable to what would be charged by the sponsor for similar on-airport facilities. That is, when on-airport facilities are fully amortized and title now vests with the airport instead of the tenant, the airport may charge higher economic rent for the lease of its facility. The access fee for a depreciated off-airport facility should be adjusted in a similar fashion notwithstanding that title still vests with the off-airport operator. However, there is no limitation on what the airport sponsor may charge for "through-the-fence" access.

h. Access Not Permitted. No exception will be made to permit "through-the-fence" access for certain purposes.

(1). The FAA will not approve any "through-the-fence" access for residential airpark purposes since that use is an incompatible land use. Refer to [chapter 20 of this Order, *Compatible Land Use and Airspace Protection*](#), for additional details concerning the FAA's position on residential airparks. The FAA will not approve a release of airport land for "through-the-fence" access to the airport by aircraft. Airport land may only be released if the land no longer has an airport purpose; if the land would be used for the parking and operation of aircraft, it would not qualify for a release. A release of airport land for an aeronautical use would simply serve to reduce the sponsor's control over the use and its ability to recover airport costs from the user.

12.8. through 12.12. reserved.

Response to Request for Residential “Through-the-Fence” – Page 1

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

Office of Associate Administrator
for Airports

800 Independence Ave., SW,
Washington, DC 20591

AUG 29 2005

Mr. Hal Shevers
Chairman
Clermont County-Sporty's Airport
Batavia, OH 45103

Dear Mr. Shevers:

Thank you for your letter of July 18. In your letter, you suggested the Federal Aviation Administration promote developing residential airparks as a means to improve airport security and reduce the closure rate of general aviation airports. Residential airparks developed next to an airport usually rely on “through-the-fence” agreements to gain access to the airfield.

First, I would like to make clear that the FAA does not oppose residential airparks at private use airports. Private use airports are operated for the benefit of the private owners, and the owners are free to make any use of airport land they like. A public airport receiving Federal financial support is different, however, because it is operated for the benefit of the general public. Also, it is obligated to meet certain requirements under FAA grant agreements and Federal law. Allowing residential development on or next to the airport conflicts with several of those requirements.

An airpark is a residential use and is therefore an incompatible use of land on or immediately adjacent to a public airport. The fact there is aircraft parking collocated with the house does not change the fact that this is a residential use. Since 1982, the FAA has emphasized the importance of avoiding the encroachment of residential development on public airports, and the Agency has spent more than \$300 million in Airport Improvement Program (AIP) funds to address land use incompatibility issues. A substantial part of that amount was used to buy land and houses and to relocate the residents. Encouraging residential airparks on or near a federally obligated airport, as you suggest, would be inconsistent with this effort and commitment of resources.

Allowing an incompatible land use such as residential development on or next to a federally obligated airport is inconsistent with 49 USC §47104(a) (10) and associated FAA Grant Assurance 21, *Compatible Land Use*. This is because a federally obligated airport must ensure, to the best of its ability, compatible land use both off and on an airport. We would ask how an airport could be successful in preventing incompatible residential development before local zoning authorities if the airport operator promotes residential airparks on or next to the airport.

Additionally, residential airparks, if not located on airport property itself, require through-the-fence access. While not prohibited, the FAA discourages through-the-fence operations because

Response to Request for Residential “Through-the-Fence” – Page 2

they make it more difficult for an airport operator to maintain control of airport operations and allocate airport costs to all users.

A through-the-fence access to the airfield from private property also may be inconsistent with security guidance issued by the Transportation Security Administration (TSA). TSA created guidelines for general aviation airports: Information Publication (IP) A-001, *Security Guidelines for General Aviation Airports*. The TSA guidelines, drafted in cooperation with several user organizations including the Aircraft Owners and Pilots Associations (AOPA), recommend better control of the airport perimeter with fencing and tighter access controls. Accordingly, we do not agree with your view that a residential airpark and the associated through-the-fence access points can be said to improve airport security. In fact, multiple through-the-fence access points to the airfield could hinder rather than help an airport operator maintain perimeter security.

Finally, we find your statement that general aviation airports have been closing at an alarming rate to be misleading, because it is simply untrue with respect to *federally* obligated airports. In fact, the FAA has consistently denied airport closure requests. Of approximately 3,300 airports in the United States with Federal obligations, the number of closures approved by the FAA in the last 20 years has been minimal. The closures that have occurred generally relate to replacement by a new airport or the expiration of Federal obligations. AOPA has recognized our efforts. In its latest correspondence to the FAA on the *Revised Flight Plan 2006-2010*, AOPA stated, “the FAA is doing an excellent job of protecting airports across the country by holding communities accountable for keeping the airport open and available to all users.”

For the above reasons, we are not able to support your proposal to promote the development of residential airparks at federally obligated airports.

I trust that this information is helpful.

Sincerely,

**Original signed by:
Woodie Woodward**

Woodie Woodward
Associate Administrator
for Airports

Sample Response to Request Release for "Through-the-Fence" Purposes - Page 1



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

San Francisco Airports District Office
831 Mitten Road, Room 210
Burlingame, California 94010-1303

March 28, 2003

Mr. Sam Scheider
Airport Manager
Madera Municipal Airport
205 West 4th Street
Madera, California 93637

Dear Mr. Scheider:

Madera Municipal Airport
Release Determination

This is in regard to a request by the City of Madera (City) for the release of 1.332 acres of land at Madera Municipal Airport from its federal obligations. The proposed release would allow the land to be sold to a buyer who intends to develop the property with, among other things, aircraft storage hangars. As part of the proposed sale, the city has agreed to grant the buyer a through-the-fence permit that will authorize exclusive access to the airport from the private property. Upon review of all available information regarding this request, the Federal Aviation Administration (FAA) finds it cannot approve the City's request. This decision is a result of our review and analysis of the following factors:

We have determined that the release proposed by the City does not meet the criteria set by law or by FAA policy. First, the use of the land once it is released incorporates an aviation-related function. Therefore, the purpose of the release demonstrates that the land is still needed for airport purposes. By law, the FAA cannot approve such a release.

Second, the City also proposes to grant the buyer through-the-fence access to the airport from the private property. This proposal does not comply with the FAA policy that advocates against through-the-fence arrangements whereby airport owners enter into an agreement with a private property owner to grant access to the airport by aircraft normally stored and serviced on the adjacent non-airport property. Based on the terms of the City's release proposal, the City is asking the FAA to approve a through-the-fence agreement that the FAA, by policy, recommends be avoided. (See FAA Order 5190.6A, Section 6-6) Since the Madera proposal relies on through-the-fence access, approving the release would conflict with current FAA policy. Although there are some exceptions to this policy, those exceptions are not intended for

Sample Response to Request Release for "Through-the-Fence" Purposes - Page 2

-2-

apply to cases where through-the-fence access was the result of an FAA-approved release of federal surplus property.

In addition, the proposed use of the parcel would not qualify for an exemption to the policy. The City's through-the-fence request is not incidental to an existing land use arrangement adjacent to the airport. The city wishes to create through-the-fence access to permit the released land to be used for an aviation-related purpose. The FAA policy rests on the likelihood that through-the-fence access for the purpose of providing aviation services to the public will create conditions that result in the violation of the sponsor's federal obligations. Therefore, based on the policy, the release cannot be approved.

Suitable alternatives to a land release exist. The FAA supports a proposal that would consider offering a private developer a ground lease upon which tenant improvements would be made. We recognize that the City stated in its release request that the airport is not willing to make the investment necessary to finance the project. However, we must assume that the developer is prepared to make an investment if the land were released. Therefore, why not just make an investment in airport land under the terms of a favorable lease agreement? The leasing option would not only establish a long-term revenue stream for the airport, but would also allow the airport to retain ownership of the property and avoid through-the-fence access.

In conclusion, although our determination may not have been timely, the FAA cannot approve the City's release request or waive the regulatory requirements to permit a release or through-the-fence access. We trust that the City will conclude that there are suitable alternatives other than a release to satisfy the airport's development needs and to serve the City's public airport interests.

If you have any questions, please contact Racior R. Cavole, Airports Compliance Specialist, at (650) 876-2804.

Sincerely,

**ORIGINAL SIGNED BY
ANDREW M. RICHARDS**

Andrew M. Richards, Manager
San Francisco Airports District Office

MINIMUM STANDARDS

**For
Fixed Based Operators
And
Airport Tenants**

**SCAPPOOSE INDUSTRIAL
AIRPARK**

**Port of St. Helens
Oregon**

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SECTION 1: PURPOSE

1.1 Basis for Minimum Standards

1.1.1 The Port of St. Helens, a municipal corporation in the State of Oregon, is the owner of the Scappoose Industrial Airpark, and shall hereinafter be referred to as the PORT.

1.1.2 The Scappoose Industrial Airpark, hereinafter referred to as the AIRPORT, has been identified by the Oregon State Aviation Plan as a Category II airport which has been developed and improved with Federal Aviation Administration Airport Improvements Program (AIP) funds.

1.1.3 The adoption of minimum standards for commercial aeronautical activities at a Category II airport is intended to help ensure compliance with federal law, which prohibits the granting of exclusive rights to use an airport that has received federal funding through AIP funds. The FAA does not require the adoption of minimum standards, but recommends adoption to ensure that an airport is managed in compliance with federal law. The PORT intends to comply with federal law and in particular with FAA Advisory Circulars 150/5190-6 (Exclusive Rights at Federally Obligated Airports, dated January 4, 2007), and 150/5190-7 (Minimum Standards for Commercial Aeronautical Activities, dated August 4, 2006).

1.1.4 The following minimum standards and requirements for commercial aeronautical activities have been established in the public interest for the safe, efficient, and legal operation of the AIRPORT; to preclude the granting of an exclusive right to conduct an aeronautical activity in violation of Section 308(a) of the Federal Aviation Act of 1958; to conform to Title VI of the Civil Rights Act of 194 and Part 21 of the Department of Transportation Regulations; and to assure to all lessees the availability of airport property on fair and reasonable terms and without unjust discrimination.

1.1.5 In addition, the implementation of minimum standards will assist the PORT in the management of the AIRPORT by:

- Establishing uniform requirements and their application to all prospective operators.
- Maintaining compliance with federal grant assurances.
- Maintaining the orderly and efficient development of the AIRPORT and its commercial aeronautical services.
- Establishing a consistent level of entry into aeronautical service.
- Ensuring adequate services and facilities by Fixed Base Operators (FBOs) to meet the needs of AIRPORT users.

1.1.6 Minimum standards are also intended to help meet broader goals of the PORT and the State of Oregon. These include developing aviation as an integral part of Oregon's transportation network; creating and implementing strategies to protect and improve Oregon's aviation system; encouraging aviation-related economic development; supporting aviation safety and education; and increasing commercial air service and general aviation in Oregon.

1.1.7 The PORT also has the following, more specific objectives:

- That any person who uses or accesses AIRPORT property or facilities for commercial activity shall compensate the PORT at fair market value (fair market rent) for such uses and privileges.
- That no person receives a competitive advantage through free or less-than-fair market value (in providing rent) to utilize AIRPORT facilities, when other comparable commercial operators are compensating the PORT at fair market value for the same use; unless the PORT, in its discretion, elects to negotiate a lower rent amount (or other benefit) for that lessee/operator, in exchange for an as-determined desirable public benefit.
- That AIRPORT public areas, roads, taxiways, runways and aprons remain available and open for public aeronautical use.

1.1.8 Minimum standards are adopted to provide the threshold entry requirements for those persons desiring to provide commercial aeronautical services to the public at the AIRPORT. The standards are established based upon the conditions at the AIRPORT, the existing and planned facilities at the AIRPORT, and the current and future aviation role of the PORT. The prospective commercial aeronautical operator shall agree to offer the described minimum level of services in order to obtain an agreement, permit or lease to operate at the AIRPORT. All operators are encouraged to exceed the "minimum" in terms of quality of facilities and services.

1.2 Commercial Activity Authorization

1.2.1 "Commercial Activity" is defined as the conduct of any aspect of a business, concession, operation, or agency in order to provide goods or services to any person for compensation or hire. An activity is considered a commercial activity regardless of whether the business is nonprofit, charitable, or tax-exempt.

1.2.2 The "terms and conditions" established for commercial activities may be applied to any grant of the privilege of using or improving the airport, including to those who use the airport with a "through the fence" agreement from private property adjacent to the AIRPORT. When the PORT determines that a person is engaged or proposes to engage in commercial activity, PORT may grant that person permission to do so, may

issue that a person a permit with restrictions or conditions, may require the person to enter into a lease or agreement with the PORT, or may deny such permission.

1.2.3 The PORT will consider the following criteria in determining whether a commercial aeronautical activity will be authorized to conduct business:

- The terms and conditions in place for any existing commercial operators at the airport providing comparable services.
- The impact of the new commercial activity on public safety and convenience. The PORT will impose any conditions and restrictions necessary to ensure safety in the air and on the ground, and to preserve unobstructed traffic patterns and runway approaches.
- The amount of space at the airport, the customary uses of the airport, and the compatibility of the new commercial activity with present and planned development at the airport.
- The degree to which the new commercial activity complies with federal, state and local laws and regulations, including land use regulations.
- Whether the new commercial activity is conducted for profit or not-for-profit, and the degree to which it promotes aviation, safety or education.

SECTION 2: REQUIREMENTS

2.1 Definitions

2.1.1 Fixed Base Operator (FBO): any person, firm, or corporation performing any of the functions or furnishing any of the services at the AIRPORT hereafter set forth as Fixed Base Operations.

2.1.2 Airport Tenant (Tenant): any person, firm, or corporation leasing or licensing property at the AIRPORT who is not an FBO. An Airport Tenant may hangar its aircraft on leased or licensed property subject to the provisions of the appropriate attached category below. Except for those who fall under Category “G” below, an Airport Tenant may also be considered a Commercial Tenant, and will be subject to the terms of paragraph 1.2, and this section 2.

2.1.3 Lease: Any agreement, including a license, which authorizes the use of Port property.

2.2 Eligibility Requirements

2.2.1 Any person, firm, or corporation capable of meeting the minimum standards set forth herein (as applicable) for any of the stated categories (as defined below) is eligible to become an FBO or Tenant at the AIRPORT, subject to the execution of a written lease containing such terms and conditions as may be determined by the PORT.

2.2.2 An FBO or Tenant shall not engage in any business or activity at the AIRPORT other than that authorized under their particular category or categories. Any FBO desiring to extend its operation into more than one category or to discontinue operations in a category, shall first apply in writing to the PORT for permission to do so, setting forth in detail the reasons and conditions for the request. The PORT shall then grant or deny the request on such terms and conditions as the PORT deems to be prudent and proper under the circumstances and is in the best interests of the public as determined by the Port.

2.3 Lease Requirements

2.3.1 It is the intent of the PORT that all leases written and executed by the PORT with FBOs or Tenants shall make reference to and include this Minimum Standard document, as an enforceable provision of such lease.

2.3.2 The PORT will not accept an original request to lease land area at the AIRPORT unless the potential FBO or Tenant puts forth a written proposal which defines the scope of operations proposed, including the following:

- The services to be offered
- The amount of land desired to be leased
- The building space to be constructed or leased
- The number of aircraft to be provided
- The number of persons to be employed
- The hours of proposed operation
- The amount and types of insurance coverage to be maintained
- Evidence of financial capability to perform and provide the above services and facilities

2.3.2 Leases to FBOs and Tenants shall be limited to no more than twenty (20) years. Upon request, the PORT may agree to extend the lease for up to two additional ten-year terms, after satisfactory re-negotiation of the terms and conditions of the lease between the PORT and the Lessee. During the term of any lease, the rental rate shall be re-established annually, based upon the change, if any, in the Consumer Price Index for All Urban Consumers, Portland, as published by the United States Bureau of Labor Statistics, (NOTE: The rental rate shall not decrease below that of the prior period.)

2.3.4 All contracts and leases between an FBO or Tenant and the PORT shall be

subordinate to the right of the PORT during time of war or national emergency to lease the landing area or any part thereof to the United States Government for military use, and, if any such lease is executed, the provisions of any contracts or leases between such operators and the PORT, insofar as they are inconsistent with the provisions of the lease to the government, shall be suspended.

2.4 Financial Requirements

2.4.1 All FBOs and Tenants at the AIRPORT shall be financially sound and professional business enterprises, with adequately staffed and equipped facilities, including suitable office facilities, and who observe normal or specifically required business hours as appropriate to the type of business.

2.4.2 The rates or charges for any and all activities, products and services of such business shall be determined by the FBO or Tenant, subject to the requirement that all such rates or charges shall be reasonable and be equally and fairly applied to all users of the services.

2.4.3 All FBOs and Tenants shall, pursuant to their lease and at their own expense, promptly pay when due all taxes and assessments against the land, buildings or other structures placed on the premises by them, as well as all taxes and assessments against the personal property used by them in their operations.

2.4.4 All FBOs and Tenants shall, pursuant to their lease and at their own expense, provide and pay for all lights, gas, electricity, telephone, internet connectivity, water, sewer and garbage collection services (as applicable), used or incurred anywhere in or about the leased premises, and shall pay such charges promptly when due.

2.5 Insurance Requirements

2.5.1 All FBOs and Tenants shall protect, hold harmless, indemnify and defend the public generally, the customers or clients of such FBOs, and the PORT from any and all lawful damages, claims, or liability resulting from their conduct. They shall carry comprehensive general liability insurance with a company authorized to do business in the State of Oregon with initial limits of not less than \$1,000,000 for each occurrence and a \$2,000,000 aggregate for bodily injury and/or property damage. The policy shall also include contractual liability coverage for the indemnity provided under the lease. The insurance shall be in a form sufficient to protect the PORT and FBO or Tenant against claims of third persons for personal injury, death or property damage arising from the use, occupancy or condition of the premises or improvements on the premises.

2.5.2 The PORT may, by written notice to the FBO or Tenant, require that the limits of such insurance be raised, and the FBO or Tenant shall have the option either to increase the limits of insurance within six months of the date of the notice or terminate the lease.

2.6 Facility and Service Requirements

2.6.1 Each FBO or Tenant shall provide its own buildings, personnel and equipment, and other requirements as herein stated, upon land leased from the PORT, unless other provisions have been made and agreed upon.

2.6.2 All construction required of such FBOs or Tenants shall be in accordance with design and construction standards required or established by the PORT for the facility or activity involved. Title to any and all buildings and appurtenances, which may be built on PORT property, shall revert to the PORT, when and if the subject FBO vacates the lease for any reason. All FBOs shall be required to furnish the PORT payment and performance bonds commensurate with any construction required under standards herein fixed, or under any contract or lease by and between such FBO and the PORT.

2.6.3 In the event the PORT constructs the physical plant facilities (hangars, etc.) for use by any FBO or Tenant under the provisions of any lease or other contract, such lease or contract shall be on such terms and conditions as to guarantee a full return of the investment within the term of this lease or twenty (20) years, whichever is less, plus interest and reasonable rental for use during such period.

2.6.4 FBOs at the AIRPORT shall provide a suitable lounge/waiting room, and restroom facilities, for their customers, and shall make telephone service and internet access conveniently and readily available for customer use.

2.6.5 The FBO or Tenant shall remove from the airport or otherwise dispose of all garbage, debris, and other waste, including hazardous materials (whether solid or liquid) arising out of its occupancy of the premises or out of its operations in accordance with all local, state, and federal regulations. Lessees shall keep and maintain their premises in a neat and orderly manner. Towards that end, Lessees shall also attempt to minimize outdoor (uncovered) storage of all materials, equipment and vehicles, to the extent practical. Lessee shall keep the grass cut and the buildings painted, where specified by the terms of the lease. Any garbage, debris, or waste which may be temporarily stored in the open shall be kept in suitable garbage or waste receptacles, equipped with tight fitting covers, and will be of a design to safely and properly contain whatever may be placed in them. The Lessee shall use extreme care when removing all such waste.

2.6.6 An FBO shall, at all times during the continuance of the term of the lease and any renewal or extension thereof, conduct, operate and maintain for the benefit of the public, the Fixed Base Operation provided for and described therein, and all aspects and parts and services thereof as defined and set forth, and will make all such services available to the public. It will devote its best efforts for the accomplishment of such purposes and shall at all times make charges to patrons and customers for all merchandise or materials and services furnished or rendered, but will refrain from imposing or levying excessive or otherwise unreasonable charges fees for any facilities or services. Notwithstanding anything contained in a lease that may be or appear to the contrary, it is expressly

understood and agreed that the rights granted hereunder are non-exclusive and the PORT reserves the right to grant similar privileges to another operator or operators on other parcels of the airport when, in its sole discretion, the PORT feels it is in the best interests of the PORT.

2.7 Sublease of Premises

2.7.1 No FBO or Tenant shall sublease or sublet any premises leased by them from the PORT or assign any such lease without the prior written approval of the PORT, and any such subletting or assignment shall be subject to all of the minimum standards herein set forth.

2.7.2 In the event the FBO or Tenant sublets any portion of its lease, the sub lessee must agree to assume the full obligations of the lease as set out herein and must agree to fully cooperate with the PORT in maintaining compliance with these standards. The sub lessee shall immediately comply with any reasonable request or direction from the PORT as it relates to the enforcement of these standards.

2.7.3 In the event that the FBO, Tenant, or sub lessee fails to comply fully with these standards or fails to comply with the reasonable request or direction of the PORT as it relates to these standards, said FBO, Tenant, or sub lessee shall be in default. Said FBO or Tenant is responsible for the performance of the sub lessee.

2.8 General

2.8.1 All FBOs and Tenants shall abide by and comply with all federal, state, county and city laws and ordinances, the rules and regulations of the PORT, and the rules and regulations of the Federal Aviation Administration (FAA), as applicable.

2.8.2 All FBO and Tenants shall have the right, in common with others so authorized, to use common areas of the airport, including runways, taxiways, aprons, floodlights, landing lights, signals and other conveniences, for the takeoff, flying and landing of aircraft operated in conjunction with their business activities.

2.8.3 The PORT reserves the right, with or without advance notice, to take any actions it considers necessary to protect the aerial approaches to the airport against obstructions, together with the right to prevent any FBO or Tenant from erecting or permitting to be erected, any building, sign, or other structure on the airport which, in the opinion of the PORT, would limit the usefulness of the airport or constitute a hazard to aircraft.

2.8.4 The PORT reserves the right to further develop or improve any and all areas of the AIRPORT as it sees fit, regardless of the desires or views of any FBO or Tenant and without interference or hindrance from any FBO or Tenant.

2.8.5 All operations conducted at the AIRPORT shall be conducted in the safest manner possible and for the maximum benefit of the flying public and the citizens of the surrounding area.

SECTION 3: FBO / TENANT CATEGORIES

3.1 CATEGORY A: FLIGHT INSTRUCTION AND AIRCRAFT RENTAL

Requirements:

3.1.1 Have available a minimum of one instructor pilot with appropriate and current Federal Aviation Administration credentials and certificates.

3.1.2 Provide and at all times maintain a minimum of two (2) aircraft owned or leased by this FBO which are properly equipped and FAA-certified for flight instruction and rental.

3.1.3 Lease from the PORT under terms agreeable to the PORT for its exclusive use land on which shall be located all required improvements and provide classroom and/or office space, to include restrooms, telephone, and adequate parking for customers.

3.1.4 Demonstrate the continuing ability to meet requirements for certification of flight instructor personnel and aircraft by the FAA.

3.1.5 Assure that personnel operating rental equipment obtained from the subject FBO have appropriate and current FAA credentials and certificates.

3.2 CATEGORY B: AIRCRAFT CHARTER AND TAXI

Requirements:

3.2.1 Have available a minimum of one (1) pilot with current FAA credentials and certificates.

3.2.2 Lease from the PORT under terms agreeable to the PORT for its exclusive use land and/or buildings for passenger shelter, restrooms, telephone, etc.

3.2.3 Provide satisfactory arrangements for the checking in of passengers, handling of luggage, ticketing, and ground transportation, etc.

3.2.4 Provide and at all times maintain a minimum of one (1) currently certified and airworthy aircraft owned or leased by and under the exclusive control of this FBO, properly certificated for air charter or air taxi service.

3.3 CATEGORY C: CROP DUSTING AND SPRAYING

Requirements:

3.3.1 Insure suitable equipment, facilities, trained personnel, and procedures for the safe loading, unloading, storage and containment of any hazardous chemical materials. Should any spillage of such materials occur, the PORT shall be notified immediately, and prompt and thorough cleanup shall be completed by the operator or their designated contractor in accordance with federal, state, and local regulations, at no cost to the Port.

3.3.2 Furnish a minimum of one (1) aircraft with pilot. The aircraft will be suitably equipped for agricultural operations with adequate safeguard against spillage of chemical spray mixtures or materials on runways and taxiways or dispersal by wind force to other operational areas of the airport. The pilot shall have appropriate and current FAA credentials and certificates.

3.3.3 Maintain a valid pesticide applicator's license and a valid commercial spray license, and provide copies of current licenses to the PORT.

3.4 CATEGORY D: AIRCRAFT/ENGINE/PROPELLER/ACCESSORY MAINTENANCE

Requirements:

3.4.1 Lease from the PORT under terms agreeable to the PORT for its exclusive use suitable land on which shall be located all required improvements, including hangar, shop, and storage space.

3.4.2 Furnish facilities and equipment for airframe and power plant repairs with at least one (1) duly FAA-certified A & P Mechanic and such other personnel as may be necessary. Such airframe and power plant repair shall include facilities for both major and minor repair of aircraft and engines used in private aviation in this area.

3.4.3 An FBO or Tenant in this category may engage in the buying and selling of new and used aircraft, aircraft parts and equipment.

3.5 CATEGORY E: RADIOS/INSTRUMENTS/ELECTRONICS MAINTENANCE

Requirements:

3.5.1 Lease from the PORT under terms agreeable to the PORT for its exclusive use suitable land on which shall be located all required improvements, including shop and storage space.

3.5.2 Have available on a full-time basis FAA-certified technicians in the field of aircraft electronics and/or aircraft instruments with a proper Federal Communications Commission (FCC) license to conduct complete aircraft transmitter, receiver and antenna repair.

3.5.3 Provide satisfactory arrangements for access to and storage of aircraft being worked upon.

3.6 CATEGORY F: AVIATION PETROLEUM PRODUCTS AND RAMP SERVICES

Requirements:

3.6.1 Provide and maintain a minimum of 5,000 gallon tank storage capacity for each grade of aviation fuel usually required for aircraft using the airport; such storage tanks shall be installed in accordance with all federal, state, and local rules and regulations.

3.6.2 Maintain separate pumping equipment for each grade of fuel meeting all applicable safety requirements, with reliable metering devices subject to independent inspection, and with a pumping efficiency capable of servicing all aircraft normally using the airport.

3.6.3 Provide and maintain metered filter-equipped dispensers fixed or mobile for dispensing each grade of aviation fuel usually required for aircraft using the airport. Mobile dispensing truck(s) shall have a minimum of 300 gallon capacity for each grade of fuel.

3.6.4 There shall be no fueling directly from a common carrier transport truck except into storage tanks.

3.6.5 Lease from the PORT under terms agreeable to the PORT for its exclusive use land on which shall be located all required improvements for aircraft parking and tie-down areas, with adequate tie-down facilities for a minimum of ten (10) aircraft. Demonstrate capability to efficiently and safely conduct or move aircraft to such areas and park them in compliance with all state and local regulations.

3.6.6 Be required to install at all fueling locations adequate grounding rods to reduce the hazards of static electricity, maintain adequate fire extinguishers, and follow all applicable federal, state and local regulations.

3.6.7 Insure suitable equipment, facilities, trained personnel, and procedures for the safe loading, unloading, storage and containment of any hazardous chemical materials. Should any spillage of such materials occur, the PORT shall be notified immediately, and prompt and thorough cleanup shall be completed by the operator or their designated contractor in accordance with federal, state, and local

regulations, at no cost to the Port.

3.6.8 Construct or have available a building conveniently located and comfortably heated with waiting room for passengers and crew of transient aircraft while being fueled, as well as a restroom and public telephone.

3.6.9 An FBO or Tenant in this category may engage in the buying and selling of new and used aircraft, aircraft parts and equipment.

3.7 CATEGORY G: OTHER AIRPORT TENANT (NON-COMMERCIAL) OR HANGAR TENANT/LICENSEE

Requirements:

3.7.1 Lease or license from the PORT under terms agreeable to the PORT for its exclusive use land, a building, and/or a hangar which shall be improved in accordance with applicable standards pertaining to the AIRPORT.

3.7.2 On that land, or in that building or hangar, be prohibited from engaging in any of the activities of FBOs or Commercial Tenants as defined by Categories "A" through "F", unless specifically approved by the PORT in the lease or license agreement between the PORT and the Tenant.

3.7.3 Be responsible for assuring that aircraft owned by the Tenant, or operated from the property leased or licensed by the Tenant, are operated by personnel who hold appropriate and current FAA credentials and certificates.

3.7.4 In addition, Hangar Tenants shall:

- Store no gasoline, explosives or flammables in the hangar, except as specifically authorized in Tenant's license agreement with the Port.
- Close the hangar doors promptly after pulling the aircraft in or taking it out of the hangar.
- Not use the hangar for repairing or overhauling any aircraft or equipment except in accordance with Federal Air Regulation Part 43.
- Not spray paint, weld or permit open flames in hangar.
- Not use any high wattage electrical equipment or machinery in or about the hangar or modify existing wiring, or install additional outlets, fixtures, or the like.
- Report to the Port or its representative any defects in the hangar which the Licensee feels requires maintenance.
- Keep the hangar clean and free of debris and not place any debris on the airport premises.
- Not attach any hoisting or holding mechanism to any part of the hangar or pass any such mechanism over the struts or braces therein. For purposes of

this agreement, a hoisting mechanism shall be deemed to include, but shall not be limited to, a chainfall, block and tackle, or other hoisting device.

- Not paint, remove, deface, modify, bend, drill out or otherwise alter or modify any part of the hangar without the prior written permission of the Port.
- Obey all rules, regulations, laws, ordinances, and directives of any legally constituted authority now in force or hereafter promulgated with respect to the use of the Scappoose Industrial Airpark or the hangar, including those related to industrial hygiene, environmental protection and hazardous waste.
- Not lock the hangar or permit the same to be locked with any lock other than the lock supplied by the Port (padlock number ____).
- Not park or leave aircraft (a) on the taxiway or (b) on the pavement adjacent to the hangar door in a manner which unduly interferes with or obstructs access to adjacent hangars.
- Not service aircraft with fuel while inside the hangar.
- Provide and install a metal drip pan under each engine.
- Turn off electricity when not in use.
- Use cabin heaters only when approved by the authorized Fire Marshal of the local fire district or any other proper authority. All untended heaters must be 40 watts or less and light bulbs, if used, must be encased.
- Not cause or permit any hazardous or toxic substances, materials or wastes, as defined or identified under federal, state or local law, ordinance or regulation, to be brought upon, kept or used in or about the airport premises or hangar.

This Section 3.7 will be attached to, and form a part of, the standard Port of St. Helens Scappoose Industrial Airpark Hangar Tenant License, as amended.

3.8 CATEGORY H: FLYING CLUBS

The following requirements pertain to all flying clubs desiring to base their aircraft on the airport and requesting an exemption from the minimum standards:

3.8.1 The club's aircraft shall not be used for rental by non-members, and by no one for commercial operations as defined by Categories "A" through "F". Student instruction can be given in club aircraft to club members only.

3.8.2 In the event that the club fails to comply with these conditions, the PORT shall notify the club in writing of such violations. If the club fails to correct the violations within fifteen (15) days, the PORT may take any action deemed advisable by the PORT including, but not limited to, exclusion from the AIRPORT or revocation of the lease.

3.8.3 Each aircraft owned by the flying club must carry comprehensive general liability insurance in a company authorized to do business in the State of Oregon with initial

limits of not less than \$1,000,000 for each occurrence and a \$2,000,000 aggregate for bodily injury and/or property damage. It shall also include contractual liability coverage for the indemnity provided under the lease. The insurance shall be in a form sufficient to protect, hold harmless, indemnify and defend the PORT and the flying club against claims of third persons for personal injury, death or property damage arising from the use, occupancy or condition of the aircraft or improvements on the premises, and shall be evidenced by certificates furnished to the PORT naming the PORT as additional insured and bearing endorsements requiring ten days written notice to the PORT prior to any change or cancellation of the policy.

3.9 CATEGORY I: FBO NOT ON THE PROPERTY OF THE PORT

Policies and requirements:

3.9.1 No adjoining property owner may use the AIRPORT as a matter of right, but must obtain an Airport Use Permit from the PORT. A Permit allows ingress/egress and constitutes agreement with the Rules, Regulations, and Procedures to be followed regarding access to the AIRPORT from adjacent property (known as “Through-the-Fence” activities), as established by PORT Resolution No. 2005-003 (and any subsequent amendments thereto). A copy of this resolution is attached as Exhibit “A” for reference. A summary of key points:

- Permits are granted for a period of not more than fifteen (15) years, with periodic review for compliance with terms, conditions, rules and regulations. Approval provides the privilege of ingress/egress, not a right, and does not run in perpetuity nor run with the land involved. Rights granted with permit approval are personal and may not be transferred or assigned without permission from the PORT.
- Application must be made using a form available from the PORT, with a written explanation of intended use, including justification for access, number of aircraft expected and probable frequency of access. A detailed facility/construction diagram shall also be developed and provided.
- The proposal will be reviewed by the Scappoose Industrial Airpark Advisory Board and the Board of Commissioners of the PORT. Detailed procedures, review and approval criteria, as well as reasons for permit revocation, can be found in the attached resolution.

3.9.2 The fees applicable to all persons, firms, corporations or other entities who desire to use or be served by the AIRPORT runway/taxiway system, or who desire direct aircraft access to the AIRPORT runway/taxiway system, and who are granted a Permit for such “Through-the-Fence” activities, are outlined in PORT Resolution No. 2006-05 (and any subsequent amendments thereto). A copy of this Resolution is attached as Exhibit “B” for reference, and details monthly fee requirements as well as the permit application fee. This resolution and the fee schedule may be amended by subsequent revisions.

3.9.3 All “Through-the-Fence” operators are also subject to the AIRPORT’s Rules and Regulations, as enacted by the PORT. A copy of these Rules and Regulations is attached as Exhibit “C” for reference.

3.10 CATEGORY J: BANNER TOWING OPERATIONS

Policies and requirements:

3.10.1 No banner towing operations shall occur at the AIRPORT unless a Banner Towing Operation Application has been submitted to, and is accepted by, the PORT.

3.10.2 Banner tow operators will complete and sign a Banner Towing Operation Application that outlines the following:

- Nature, scope and anticipated timeline of proposed banner towing activities
- Aircraft type and registration number
- Registered owner of aircraft
- Banner tow operator’s Pilot License Ratings
- Current Certificate of Waiver or Authorization (FAA Form 7711-1)
- Current general liability insurance certificate
 - Note: Banner tow operators shall provide a minimum certificate of general liability insurance in the amount of \$1,000,000 (combined single limit, each occurrence) and \$2,000,000 aggregate, with the PORT named as additional insured.

3.10.3 An accepted Banner Towing Operation Application shall be valid until the earliest of the following: a) the expiration of the banner tow operator’s FAA Certificate of Waiver of Authorization; or b) the expiration of the banner tow operator’s Certificate of Insurance. Note: Towing in order for the FAA to observe proficiency to obtain Certificate of Waiver is allowed.

3.10.4 Banner towing operations will be conducted only from the banner tow operating area shown on the attached drawing as Exhibit “D”.

3.10.5 Banner tow operators and ground crews will be knowledgeable of and abide by all applicable Federal Aviation Regulations (FARs), and the Rules and Regulations for the AIRPORT.

3.10.6 Banner tow operators will notify the PORT at (503) 397-2888, Monday through Friday (8:00 AM – 5:00 PM) or leave a message on voice mail after hours at least twenty-four hours prior to an operation and supply the following:

- Date(s) and Time(s)

- Aircraft I.D.
- Number of operations scheduled

3.10.7 Banner towing operations, when authorized are NON-EXCLUSIVE. It is the responsibility of the banner tow operators to coordinate use of the area with other operators.

3.10.8 Banner tow operators will have a ground support crew to effect a safe operation in the banner towing operations area and will provide two-way radio communications with AIRPORT UNICOM 122.8. Only one vehicle will be allowed in the banner towing operating area at one time. Ground support vehicles will enter and exit the banner towing operating area via the access gate.

3.10.9 Ground support vehicles will be marked and lighted according to FAA regulation.

3.10.10 No multiple operations (drop-off and pick-up on the same pass) will be allowed. Drop-off and pick-up will take place in the banner towing operating area.

3.10.11 Ground crews and support vehicles must remain in the designated banner towing operating area a minimum of 30' off the edge of the runway during actual pick-up/drop-off activities. All pick-up poles will be removed immediately upon completion of banner towing operations.

3.10.12 All incidents shall be reported to the PORT office immediately, including, but not limited to, the following:

- Interference with other aircraft
- Unintentional dropping of banners, hooks, or other objects

3.10.13 The PORT reserves the right to suspend the banner towing operations of any banner tow operator at any time that the PORT determines that continuing banner towing operations poses a threat to public safety.