

**AGENDA
AND
STAFF MEMO**

HEBER CITY CORPORATION
75 North Main Street
Heber City, Utah
Airport Advisory Board Meeting
Wednesday, December 11, 2013

4:00 p.m.
Regular Meeting

Public notice is hereby given that the monthly meeting of the Heber City Airport Advisory Board will be at in the Heber City Office Building, 75 North Main, South door, in the Conference Room upstairs. The following items will be discussed:

Agenda:

Approval of Minutes

November 13, 2013, Regular Minutes

- Item 1 Airport Manager Report
- Item 2 Kirk Nielsen, Jviation – Continuation of Review of Draft Lease/Rates and Charges Policy Including the Review of FAA and Open House Comments
- Item 3 Review Request for Specialized Aviation Service Operator (SASO) permit from Daniel McNulty for Skydive the Wasatch
- Item 4 Review of Email from the FAA regarding Airport Improvement Projects and update of the Five Year Capital Improvement Plan

Other Items as Needed

Times are approximate and may vary if needed.

Those interested in the above items are encouraged to attend. Order of items may vary if needed. In compliance with the Americans with Disabilities Act, those needing special accommodations during this meeting or who are non-English speaking should contact Karen Tozier or the Heber City Planning and Zoning Department (435-654-4830) at least eight hours prior to the meeting.

Posted on December 5, 2013 in the Wasatch County Community Development Building, Wasatch County Library, Heber City Hall, the Heber City Website at www.ci.heber.ut.us and on the Utah Public Notice Website at <http://pmn.utah.gov>. Notice provided to the Wasatch Wave on December 5, 2013.
Karen Tozier, Administrative Secretary

Memo

To: Airport Advisory Board
From: Mark K. Anderson
CC: Mayor & Council
Date: December 5, 2013
Re: December 11, 2013 - Agenda Items

4:00 P.M.

Airport Manager Report: Enclosed is the monthly Airport Manager's report that has been prepared by Terry Loboschefsky for the month of November. Terry will review the document with the Board and answer any questions that the Board might have regarding airport operations.

Kirk Nielsen, Jviation – Continuation of Review of Draft Lease/Rates and Charges Policy Including the Review of FAA and Open House Comments: Enclosed is the most recent version of the Lease Rates and Charges document. Karen Tozier identified several grammatical changes that Kirk has incorporated. The Board should review the comments that were received from the Marc Miller, FAA Compliance Specialist, Beth Schneider and those attending the open house and make any changes they deem appropriate.

The most significant issue is to clearly state what type of leases are being offered in the policy. Although this has been a highly controversial issue with the Board, reversionary leases are most common and our consultant is recommending that this practice be continued. Also, the Guidebook for Developing and Leasing Airport Property put out by the Airport Cooperative Research Program provided by Cole Miller of JUB Engineering, exclusively recommends reversionary leases. The last eight hangars have been sold on a reversionary basis and we have one or two other persons that appear to be ready to purchase a hangar under the current lease terms once a hangar becomes available.

The following is an excerpt from the Lease Rates and Study Analysis prepared by Jviation that is the companion document to the Policy.

- *Hangar Ownership: The number of hangars owned by Heber City Airport is much less than most of the airports surveyed. This hinders the amount of control the airport has on the hangars and ultimately land use. As demand increases for hangar space and development, it will become critical for the airport to have more control over each hangar. As such, it is recommended that the practice of using reversionary clauses in the leases be continued.*

Review Request for Specialized Aviation Service Operator (SASO) permit from Daniel McNulty for Skydive the Wasatch: Daniel McNulty is seeking approval to operate a skydiving business at the airport under the name of Skydive the Wasatch. Enclosed is his application and a copy of a PowerPoint presentation that he has prepared for review by the Board. Mr. McNulty is currently in Afghanistan, but will be available by phone to answer any questions the Board may have.

Comments from Terry Loboschefskey, Airport Manager are as follows:

1. *With the proper protocol and communications, the jumping portion should not adversely impact the airport traffic patterns. Primarily because the jumpers are airborne for brief periods, it might be best if jumpers under canopy do not fly over the hangars in general.*
2. *Tandem jumps are done with experienced personnel and should pose no problems landing in the SE field behind hangar row. Students, however, are unpredictable and may find this LZ quite challenging. The SW field (the old dump area) would be best from many perspectives and possibly even provide an uncongested LZ. This area would, of course, require grading and fencing access.*
3. *Jumpers, experienced or otherwise, landing between the RW and the highway pose many problems, including personnel crossing the RW or the RW approach.*
4. *Parking outside the gate behind Hangar One and using the man gate may impose congestion problems. This not only applies to the participants but spectators as well. It might be better to consider the east gate off of Daniels Road. It has very little traffic and much more space. Provisions would have to be made to provide pedestrian accesspossibly another man gate. (Option see item #2)*

I asked Wes Greenhalgh, Building Official, to evaluate whether or not the hangar meets the building and fire codes to be used for commercial activities. This is his initial response:

The use of hangers for anything outside storage of aircraft, can create a cause for concern from a building code perspective. However, minimal incidental uses may exist from time to time. If the individual requesting approval is not building rooms in the hanger over and above the approved ones currently there, I don't see an issue at least at present.

If he is proposing to divide off some of the space then a permit and evaluation of occupancy use will need to happen.

I acknowledge that the City allowed Ken Heidorn to operate Aerial Ads out of this hangar, but no customers visited the hangar and additional parking was not required. Also, I have forwarded the PowerPoint to Dennis Corsi at Armstrong Consulting to see if he had any operational concerns with what is being proposed. I expect to provide his response prior to or at the meeting.

In thinking about this issue, I have a couple of additional concerns with the proposed location for student landing area which are as follows:

- The student landing area conflicts with the current grass landing strip that is used in emergency situations by gliders
- The student landing area is also within the transitional surface which has a 7 to 1 slope from the edge of the runway

- As skydivers transition from the holding area to the landing area there may be a potential conflict with planes using the standard approach to land on Runway 22

Skydiving activities are not specifically mentioned in the Minimum Standards. A copy of Section 8 from the Minimum Standards and insurance requirements are included in the packet. Section 8 appears to best fit the application.

The fees that the City imposes on SASO's are based on gross sales. The annual fee is imposed per the following schedule:

Special Service Operator Fee (Gross Sales)

\$1 –\$ 25,000	\$220.00
\$25,000 - \$50,000	\$495.00
\$50,000 - \$100,000	\$825.00
\$100,000 - \$150,000	\$1,100.00
\$150,000 - \$250,000	\$1,320.00
\$250,000 - \$400,000	\$1,787.50
\$400,000 +	\$2,200.00

The Board should determine if Daniel's application meets the Minimum Standards. They may request additional information or make a recommendation for approval or denial.

Review of Email from the FAA regarding Airport Improvement Projects and update of the Five Year Capital Improvement Plan (CIP): At the last meeting, the Board reviewed the AIP that was sent to the City by the FAA and UDOT Aeronautics. A few days after the meeting, I was on a conference call with the FAA and made mention of the changes that had been made to the document and noted that the Environmental Assessment and projects beyond 2019 had been removed. Kristin Brownson, FAA Engineer for the State of Utah, indicated that those projects still were listed on her CIP and indicated she would look into the matter. As a result, I received the enclosed email from John Sweeney which indicates that the wrong spreadsheet was sent to us for review.

As a result, the Board should review the new CIP and determine if any changes should be recommended. Consistent with the Board's last review, at minimum I would recommend that the 2016 project of Construct Heliport/Helipad be modified to read Construct Helipad/Apron.

MINUTES

1
2
3 HEBER CITY CORPORATION
4 75 North Main Street – Council Chambers
5 Heber City, Utah
6 Airport Advisory Board Meeting
7 Wednesday, November 13, 2013
8

9 **4:00 p.m. - Regular Meeting in the Conference Room**
10

Members Present: Nadim AbuHaidar Airport Advisory Board
Dave Hansen Airport Advisory Board
Jeff Mabbutt Airport Advisory Board
Kari McFee Airport Advisory Board
Mel McQuarrie Airport Advisory Board
Tom Melville Airport Advisory Board
Erik Rowland Airport Advisory Board

Staff: Mark Anderson City Manager
Terry Loboschefskey Airport Manager
Karen Tozier Airport Advisory Board Secretary

11
12 Others Present: Greg Grani, Paul Boyer, Kirk Nielsen, Hilary Fletcher – Jviation, , Cole Miller –
13 JUB Engineers, Don Craig, Dan McNulty, Gary Diehl, Ron Blue, Barry Hancock, Dale Stewart,
14 Earl Polenz, Jon Olch, Stephen Kennedy, Mike Stewart, Susan Stewart, Lonnie Woodard, Carl
15 Penner and others whose names were not legible.

16
17 Chairman Rowland convened the meeting at 4:00 p.m. with a quorum present and welcomed
18 those present.

19
20 **Approval of Minutes**

21
22 **October 15, 2013, Regular Minutes**

23
24 Board Member Melville moved that we approve the minutes. Boardmember AbuHaidar
25 seconded the motion. Voting Aye: Board Members AbuHaidair, Hansen, Mabbutt, McFee,
26 McQuarrie, Melville, and Rowland. Voting Nay: None. The motion passed unanimously.

27
28 **Item 1 Airport Manager Report**

29
30 Terry Loboschefskey reviewed information from his report. He indicated that core drilling was
31 performed on November 11th and 12th and that 17 holes were drilled in the runway and three
32 holes were drilled in the apron. The data is being entered; that operation is completed.

33
34 They have been receiving false lightning detections from the AWOS. Loboschefskey noted that
35 this problem will go away sometimes for months and then crop up again. A new lightning
36 detector costs approximately \$10,000 so he will be monitoring this and hopefully this situation

37 will rectify itself. It was noted that the lightning detector can be disabled and this would
38 probably be the first option.

39
40 The City dumpster had not yet been approved; this topic will be revisited. Loboschefskey noted
41 that furniture is now in the pilot's lounge. Noting there was not enough time for discussion
42 topics; Loboschefskey listed the discussion topics and asked those present to think about these
43 issues for future discussion.

- 44
- 45 • New hangar construction
- 46 • Goal of putting together a formal emergency protocol policy and certification manual for
47 everyone in responsible positions
- 48 • Possibility of security lights behind hangar row and the maintenance hangar
- 49 • Based aircraft/hangar inspection needs to be initiated, possibility as an early spring
50 project.

51

52 **Item 2** **Review Request for Specialized Aviation Service Operator (SASO) permit**
53 **from Barry Hancock / World Wide Warbirds/Utah Warbird Adventures**

54

55 Barry Hancock presented information on his business, World Wide Warbirds which has been
56 operating out of California since 2005; and is looking for a permanent location. He indicated he
57 had purchased Hangar One with the intent of running World Wide Warbirds and Utah Warbird
58 Adventures out of the hangar. World Wide Warbirds will no longer do restorations and will
59 simply operate by brokering aircraft, provide transition training, consulting, and some parts
60 support. They do not have any in-house maintenance per se and currently there is only one
61 aircraft they represent now which is under contract. Utah Warbird Adventures is a T6 sight-
62 seeing ride business that has been incorporated in the state of Utah as an LLC. They are in the
63 process of working through the FAA to receive approval as a Part 91 ride business. Mr.
64 Hancock indicated he had submitted the SASO Application last week for the Board's review and
65 based on reviewing the SASO categories it appears as though based on the things they propose to
66 do here that it would be best to be issued a permit as a special operator and noted that Chapter 8
67 addresses permitting of special operators.

68

69 Chairman Rowland asked for Mark Anderson's questions and comments and then questions and
70 comments from the Board Members. There was a question on whether there should be two
71 SASOs because there are two different businesses involved. Hancock thought that the
72 specialized operator would cover anything that either business would be doing but was not
73 opposed to getting two SASOs if that was what necessary. Anderson thought if there were two
74 different businesses that would be doing their own business they would need their own
75 insurance, etc. and they would look at each business on their own merits. He stated that the
76 Board would need to decide if they feel differently. Anderson referenced Board Member
77 AbuHaidar's comments that had been sent out regarding whether this should be evaluated under
78 Chapter 8 or under Chapters 5 and 7 which are more specific operations that talk about aircraft
79 sales and flight training, etc. This is probably some discussion that the Board ought to have.

80

81 The information from the application was discussed. Some more information was needed for
82 evaluation; the size of the hangar in square feet and the size of the maintenance, operations, and
83 administrative areas. Barry Hancock replied that there is 3,000 square feet of dedicated hangar
84 space, another 350 square feet of administrative space, 400 square feet of exclusive customer
85 space, an additional 500 square feet of shared space and approximately 600 square feet of space

86 available for maintenance activities. Hours of operation for both businesses would be scheduled
87 in advance through his offices in Utah County with the exception of some walk-up rides
88 probably Friday afternoon and Saturday. He would be the only employee other than those
89 contracted out of house; to fly when he is not available.
90

91 One key question that the Board needed to determine was whether or not there ought to be two
92 different applications considered based on the two different businesses involved and if so which
93 Chapter or Chapters of the Minimum Standards this needed to be analyzed under to meet the
94 facilities, insurance, license, and certifications.
95

96 Discussion from the Board looking at the minimum standards in determining whether the
97 submittal meets the requirements. Boardmember AbuHaidar spoke on the categories this would
98 fit under. Hancock indicated the flight training they do is transition training for L39's. Board
99 Member AbuHaidar's recommendation was that these activities should be addressed specifically
100 as they are listed under the minimum standards and not as a broad category. AbuHaidar's
101 recommendation would be that Hancock re-apply addressing these categories clearly; Section 5
102 for flight training and Section 7 for airplane sales. Hancock referred to Chapter 8 where these
103 same activities were listed. AbuHaidar thought these activities were addressed more robustly in
104 Chapters 5 and 7.
105

106 Discussion from the Board on interpreting this as more than one business and addressing as such.
107 Board Member AbuHaidar thought if there are (two) separate entities then there should probably
108 be two businesses. It had already been established that there was more than one entity; World
109 Wide Warbirds and Utah Warbird Adventures. There was discussion and consensus between the
110 Board Members that each entity, each separate business, however many there are, needed to be
111 applied for, properly insured, and licensed separately. The Board also discussed and determined
112 that if there is a section of the minimum standards that specifically addresses an activity such as
113 aircraft sales, flight training, maintenance, etc., that the pertinent section pertaining to that
114 activity is applicable and that the application submittals be made as such. Anderson asked that
115 when Hancock re-submitted to include copies of the certifications required for each type of
116 operation.
117

118 Discussion on maintenance of aircraft. Hancock indicated if there was something that required
119 certified maintenance he would call someone with the proper qualifications to perform that
120 maintenance to do this maintenance on site. This sparked conversation regarding proper
121 certification and permitting of a maintenance operator through the fence which Chapter 10 of the
122 Minimum Standards addresses. This would pertain to a contractor who is not based at the
123 Airport.
124

125 Board Member McQuarrie stated I'd say a motion to, if he is putting these as an application then
126 I'd just say motion to deny and come back but with a recommendation, to come back with more
127 information. Chairman Rowland stated I have a motion to decline the application but with the
128 recommendation to work with the City Manager and come back with more specific applications
129 of the applicants. Board Member AbuHaidar seconded the motion. Voting Aye: Board
130 Members AbuHaidair, Hansen, Mabbutt, McFee, McQuarrie, Melville, and Rowland. Voting
131 Nay: None. The motion passed unanimously.
132

133 **Item 3** **Review of Letter from the FAA regarding Airport Improvement Projects**
134 **and update Five Year Capital Improvement Plan**
135

136 Mark Anderson introduced information on this item. Every year the FAA sends this information
137 which indicates what is funded for the next five years based upon what the City has submitted to
138 them. Anderson noted the changes: In 2019 the project has been changed from an
139 Environmental Assessment to Runway Rehabilitation. In 2016 the AIP says construct
140 heliport/helipad and the City has said they are okay with expanding the apron area but does not
141 really want to designate the apron area as helipads only but as additional apron space that could
142 be dual use. This has also been designated in the update of the terminal area drawing. The
143 suggestion was to modify the language to say construct helipad/apron expansion.
144

145 Anderson also noted that in speaking with the City's consultant's one of the things the City is
146 getting requests for is for maintenance of the taxi lanes. UDOT Aeronautics is no longer willing
147 to assist financially with this. The City can only use entitlement monies in any given year to
148 help fund that. He indicated there is a need to start talking about where to get funds to maintain
149 the taxi lanes in front of the hangars.
150

151 Board Member AbuHaidar proposed a motion to recommend accepting this proposal with that
152 slight language change to the apron, whatever that means, the helipad, and pass it on. Board
153 Member McQuarrie seconded the motion. Voting Aye: Board Members AbuHaidair, Hansen,
154 Mabbutt, McFee, McQuarrie, Melville, and Rowland. Voting Nay: None. The motion passed
155 unanimously.
156

157 **Item 4** **Discuss FAA/Marc Miller's and Other Comments on the Draft Lease/Rates**
158 **and Charges Policy Document**
159

160 This item was not addressed due to lack of time with the open house beginning.
161

162 Board Member McFee moved to adjourn the meeting to move to the open house. Board Member
163 Hansen seconded the motion. Voting Aye: Board Members AbuHaidair, Hansen, Mabbutt,
164 McFee, McQuarrie, Melville, and Rowland. Voting Nay: None. The motion passed
165 unanimously. The meeting adjourned at 4:39 p.m.

ITEM 1

Heber City Airport – Russ McDonald Field

Airport Manager's Report For November 2013

1. Existing Grants/Projects

- The 2013 Airport Development Plan (ADP) Runway 4/22 & Apron Rehabilitation Project *design* phase is well underway. Core drilling of surfaces was completed 11/12/13. Final engineering phase being done by Armstrong Consultants (ACI).

2. Upcoming Projects

- 2013 Runway 4/22 & Apron Rehabilitation Project: the *construction phase* grant funding from the FAA will not be released as anticipated. Notification of funding release won't be until Feb 2014 at the earliest. Implementation will be delayed until either fall of 2014 or spring of 2015. A pre-construction phone conference was held 11/18/13 involved Heber City, ACI, UDOT and the FAA. Timing of funding acquisition and RFP releases were discussed as well as design criteria of turnouts.

3. Airport Condition

- Runway lights operational – one light for RW4 approach has been temporarily fixed – HBE has been contacted
- Taxiway lights, other than those previously identified, are operational
- Segmented circle – repainting of structures to be done spring 2014
- PAPI Lights operational-PAPI was out-of-service 11/20 for one day; FAA repaired
- Rotating beacon operational
- Windsock & lights operational –windsock to be replaced
- Snowbox (snow removal) attachment for the front loader has been fabricated; not yet received.
- Anticipating core drilling results (ACI). Need official PCN (Pavement Classification Number).
- 3 snow removal operations have occurred to date.

4. Discussion Topics

- AWOS- sporadic false lightning detection has occurred. Detector temporarily disabled. Decision on repair/replacement or abandonment may be necessary. Repair/replacement is **very** expensive.
- SASO application for skydiving operations on Airport Advisory Board agenda.
- Possibility of installing security lights behind hangar row.
- New hangar construction: policies concerning construction approaches (i.e. Individuals, City, developers). There are several interested parties currently exploring new hangar construction options.
- A formal Emergency Protocol policy needs to be reviewed/generated/published (contact list/phone tree, access to airport, etc.).
- A based aircraft/hangar inspection project needs to be initiated; possibly as an early spring project.

ITEM 2

Heber City Municipal - Russ McDonald Field

Lease/Rates and Charges Policy

December 5, 2013

Prepared by Jviation Inc.

Table of Contents

1. INTRODUCTION3

 1.1. Statement of Policy3

 1.2. Definitions3

 1.3. Existing Agreements5

 1.4. Rights Reserved5

2. APPLICATION REQUIREMENTS6

 2.1. Application6

 2.2. Approval Process6

 2.3. Competitive Proposal Process7

 2.4. Grounds for Denial9

 2.5. Demonstrating Immediate Need10

 2.6. Public Disclosure10

3. AGREEMENTS11

 3.1. General11

 3.2. Use of Leased Premises11

 3.2.1. Aeronautical Use (Commercial)11

 3.2.2. Aeronautical Use (Non-Commercial)11

 3.2.3. Non-Aeronautical Use11

 3.2.4. Restrictions12

 3.3. Subleasing12

 3.3.1. Subleasing Privileges Permitted in the Commercial Lease Agreement12

 3.3.2. Subleasing Privileges Not Permitted in the Commercial Lease Agreement12

 3.3.3. Sublessee Obligations13

 3.3.4. Sublessee Stipulations13

 3.4. Transfer of Interest13

 3.4.1. Assignment13

 3.4.2. Change in Majority Ownership14

 3.5. Term14

 3.5.3. Lease Extensions14

 3.5.4. Investment Term Adjustment14

 3.6. Improvements16

 3.7. Responsibilities16

 3.7.1. Heber City16

 3.7.2. Lessee16

 3.8. Condemnation16

 3.9. Relocation17

4.	RATES AND CHARGES	17
4.1.	General.....	17
4.2.	Mechanisms to Set Rates	18
4.2.3.	Competitive Proposal Process	18
4.3.	Variation in Rates.....	18
4.4.	Adjustment of Rents.....	18
4.4.2.	Escalation Clauses	18
4.5.	Establishment and Adjustment of Fees	19
4.6.	Payment of Rents, Fees, or Other Charges.....	19
4.7.	Bookkeeping and Records.....	19
4.8.	Exclusive Rights	19
5.	APPENDIX	20
5.1.	Appendix A: Commercial Lease Flow Chart	20
5.2.	Appendix B: Establishment of Fair Market Value	21
5.3.	Appendix C: Appraiser Qualifications	21
5.4.	Appendix D: Dispute Resolution	21

1. INTRODUCTION

1.1. Statement of Policy

- 1.1.1.** This Leasing Policy (Policy) for Heber City Municipal – Russ McDonald Field is intended to provide guidance and parameters for leasing Airport property and be a guide for City staff on Airport leasing issues. Leasing issues may include establishing and adjusting rents, fees, and other charges associated with occupancy and use. In addition, this Policy is intended to provide potential and current tenants and businesses an understanding of the policies and processes used for Airport Leases.
- 1.1.2.** Entities wishing to occupy or use Airport land and/or improvements at the Airport shall be given a reasonable opportunity to compete, without unjust discrimination, for the occupancy or use of available land or improvements subject to the stipulations specified within this Policy.
- 1.1.3.** No entity shall occupy or use Airport land and/or improvements at the Airport, or conduct a Commercial Aeronautical Activity, unless the entity has been authorized by the City for such occupancy, use, or activity.

1.2. Definitions

- 1.2.1.** The following words, terms and phrases, when used in this Policy, shall have the meanings ascribed to them in this section, except when the context clearly indicates a different meaning:

Aeronautical - anything which involves, makes possible, or is required for the flight of aircraft, or the storage or presence of aircraft on the airport, or which contributes to, or is required for the safety of aircraft in flight.

Aeronautical Activity – any activity that involves, makes possible, or is required for the operation of aircraft or that contributes to or is required for the safety of such operations. Activities within this definition, commonly conducted on airports, include, but are not limited to, the following: general and corporate aviation, air taxi and charter operations, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, aircraft sales and service, aircraft storage, sale of aviation petroleum products, repair and maintenance of aircraft, sale of aircraft parts, parachute or ultralight activities, and any other activities that, because of their direct relationship to the operation of aircraft, can appropriately be regarded as aeronautical activities.

Agreement – An arrangement between two or more parties

Aircraft - a device that is used, or intended to be used, for flight in the air and subject to regulation by the Federal Aviation Administration.

Airport - Heber City Municipal - Russ McDonald Field and all of the property, buildings, facilities and improvements within boundaries of the Airport as depicted in Exhibit A in the Airport Layout Plan.

Airport Layout Plan (ALP) - The FAA and City-approved layout of the airport property, indicating current and proposed usage for each identifiable segment, as may be amended from time to time.

Board – The Heber City Airport Advisory Board (HCAAB)

City – Heber City, Utah

Commercial Aeronautical Activity - the conduct of any aspect of a business, concession, operation, or agency in order to provide goods and services to any person for compensation, consideration or hire. An activity is considered a commercial activity regardless of whether the business is non-profit, charitable, or tax-exempt.

Commercial Tenant - a person, fixed base operator, firm, corporation or other entity, meeting the Airport’s “Minimum Standards”, having been approved by the City to conduct commercial aeronautical services or activities at the Airport for compensation or hire.

Exclusive Right – a right reserved exclusively by a particular person or group.

Fair Market Value – The amount in the competitive market a well-informed and willing lessor, who desires but is not required to lease, would accept and which a well-informed lessee, who desires but is not required to lease, would pay for the use of airport property, after due consideration of all the elements reasonably affecting value.

Independent Operator – A person or entity that conducts Aeronautical Activities, retaining total and free control over the means or methods used in conducting activities on the Airport but is based on land either adjacent to and/or located other than on the Airport, and whereby such land is not part of the Airport. *This type of operator is not authorized to provide services at the Airport.*

Lessee - any person or entity with a lease to occupy space at the Airport.

Minimum Standards - the qualifications or criteria, which have been established by the Airport owner as the minimum requirements that shall be met by all businesses offering commercial aeronautical activities and for the right to conduct those activities.

Non-Reversionary Lease - a lease wherein the ownership of improvements made by the tenant are retained by the tenant at the end of the lease period.

Operator - any individual, firm, partnership, corporation (including registered non-profit corporations), company, association, joint-stock association, or governmental entity which is engaged in the sale of products and/or services on the Airport.

Person - any individual, firm, partnership, corporation (including registered non-profit corporations), company, association, joint-stock association, or governmental entity. It includes a trustee, receiver, assignee, employee, agent, or similar representative of any of them.

Reversionary Lease – a lease which contains a provision which states all structures and improvements made by the tenant on the leased property shall pass title and ownership to the lessor at the end of the lease period.

Rules and Regulations – the stipulations specified in this Policy and other airport guiding documents that relate to the occupancy or use of the operations, land and/or improvements at the Airport.

Specialized Aviation Service Operation (SASO) – a single-service provider or special Fixed Based Operator (FBO) performing less than full services. Typically only one service is offered such as aircraft sales, flight training, aircraft maintenance, or avionics services.

Sub lessee - any person with a sublease to occupy space at the Airport.

Tenant – a person or entity occupying Airport leased land or property.

Through-The-Fence Operation (TTF) – through-the-fence operations are those activities permitted by an airport sponsor through an agreement that gives access to the public landing area by independent entities or operators offering an aeronautical activity or to owners of aircraft based on land adjacent to, but not a part of, airport property. The obligation to make an airport available for the use and benefit of the public does not impose any requirement for the Airport Sponsor to permit ground access by aircraft from adjacent property. *TTF operations are not authorized at the Airport.*

1.3. Existing Agreements

- 1.3.1. If there are any inconsistencies between the Heber City Municipal - Russ McDonald Field's Leasing Policy and existing property leases, the existing lease shall prevail. New leases issued or extensions granted to existing leases should be treated uniformly and follow the guidance outlined in this Policy.

1.4. Rights Reserved

- 1.4.1. The Airport Advisory Board reserves the right to revise, adjust, or otherwise modify this Policy to reflect changes in the legal, economic, and operational environment of the Airport's or City's operational requirements.

2. APPLICATION REQUIREMENTS

2.1. Application

- 2.1.1.** Any person or entity desiring to occupy or use land and/or improvements at the Airport through an Agreement with Heber City Corporation shall submit a written application to the Airport Manager.
- 2.1.2.** The Applicant shall submit a completed application to include all information requested on the application form and, if requested by the City, shall submit any additional related information to properly evaluate the application.
- 2.1.3.** A transfer fee shall be submitted with an application on a reassignment of a lease or a majority change of ownership of a hangar. A 1% transfer fee based upon the taxable value of the hangar or \$100.00, whichever is greater, shall be paid to the City.
 - 2.1.3.1.** The sale of a new hangar is not subject to the transfer fee.

2.2. Approval Process

- 2.2.1.** A complete application and all accompanying and requested information shall be submitted to the Airport Manager for review. If the Applicant is changing the use of a hangar or desires to conduct a commercial venture the application will go before the Airport Advisory Board for review. The Airport Advisory Board will determine if the Commercial operator meets the Airport's Minimum Standards. After the Airport Advisory Board approves the Commercial Tenant, the Board will submit the application to the City Council for approval.
 - 2.2.1.1.** The Airport Manager has the authority to approve non-commercial applications which involve the sale and/or transfer of hangar ownership.
 - 2.2.1.2.** Incomplete applications that do not provide adequate information to make a knowledgeable assessment shall be rejected.
 - 2.2.1.3.** Applications that do not comply with this Policy and other City guiding documents shall be rejected.
 - 2.2.1.4.** Applications that are inconsistent with the Master Plan, the Airport Layout Plan, other plans associated with the Airport, and/or are deemed not in the best interest of the Airport shall be rejected.
 - 2.2.1.5.** If two qualified Applicants submit an application for the same land and/or improvement, the Airport Advisory Board shall determine whether to negotiate with both entities or issue an RFP. The competitive RFP process is described in this Policy under Section 2.3 and shall be followed.
- 2.2.2.** Within 60 days of receiving the application, the Airport Manager shall notify the Applicant of the status of the application. If the application was approved, the Airport Manager shall provide the terms and conditions for occupancy or use of the land and/or improvements at the Airport. If the application was denied, the Airport Advisory Board shall provide reasons for the denial.

- 2.2.3.** Within 30 days of receiving notification of the application status, the application shall indicate if the terms and conditions provided by the Airport Advisory Board are acceptable to the Applicant.
- 2.2.4.** If the Applicant finds the terms and conditions unacceptable, the Applicant shall present terms and conditions acceptable to the Applicant to the Airport Advisory Board.
 - 2.2.4.1.** If the Airport Advisory Board and the Applicant are unable to reach an agreement by negotiation, the City shall not be obligated to lease airport land and/or improvements to the Applicant.
- 2.2.5.** Once an agreement has been made between the Airport Advisory Board and the Applicant regarding the terms and conditions of the Agreement, the Applicant shall pay an earnest money deposit in the amount of ten percent (10%) of the total annual rents, fees, and other charges proposed to the City and submit a letter of acceptance of the terms and conditions of the Agreement. The letter shall be submitted to the City within 30 days of reaching an agreement.
 - 2.2.5.1.** The terms and conditions should address, but not be limited to, the identification of the land and/or improvements to be leased or developed, the proposed investment, the length of the term, and the rents, fees, and other charges that shall be paid.
 - 2.2.5.2.** Once the earnest money deposit and written letter of acceptance have been accepted by the City, the same land and/or improvements may not be negotiated with any other party, nor can a Request for Proposal (RFP) be issued.
- 2.2.6.** Upon receiving the letter of acceptance from the Applicant, the City shall prepare the leasing documents and send them to the Applicant for review.
- 2.2.7.** If the Lease Agreement is not signed and returned to the City within 45 days of being issued, the earnest money shall be returned to the Applicant and the application and written agreement shall be null and void.

2.3. Competitive Proposal Process

- 2.3.1.** The Airport Advisory Board may issue a Request for Proposal (RFP) seeking competitive proposals for entities who wish to occupy or use available land or improvements.
- 2.3.2.** If an RFP is issued, the Airport Advisory Board shall advertise the opportunity in local and industry publications in accordance with established practices and legal requirements. The advertisement shall:
 - 2.3.2.1.** Provide a description of the land and/or improvements that are available for use and the products, services, and/or facilities that are required, permitted, and/or desired.
 - 2.3.2.2.** Indicate if the proposals will be evaluated on qualifications.
 - 2.3.2.3.** Provide instructions for obtaining the RFP document.
 - 2.3.2.4.** Identify the date, time, and place for submitting sealed proposals.

- 2.3.2.5.** State the Airport Advisory Board's right to reject any and all proposals.
- 2.3.3.** The Airport Advisory Board may also, but is not obligated to, mail the RFP directly to parties that have expressed interest, may be interested, or that the Airport Advisory Board may wish to attract.
- 2.3.4.** The RFP documents shall (as appropriate):
 - 2.3.4.1.** Provide a summary of the Airport, the market, and the opportunity (products, services, and/or facilities required and/or desired);
 - 2.3.4.2.** Identify the location of the land and/or improvements;
 - 2.3.4.3.** Define the time frame for occupancy or use of the land and/or improvements;
 - 2.3.4.4.** Outline the submission and selection process, proposer's responsibilities, and schedule for the process;
 - 2.3.4.5.** Provide instructions regarding the content and format of the proposal;
 - 2.3.4.6.** Provide all required forms, statements, and affidavits;
 - 2.3.4.7.** Provide a draft of the Agreement;
 - 2.3.4.8.** Indicate the evaluation and/or selection criteria that will be utilized by the Airport Advisory Board;
 - 2.3.4.9.** Indicate if proposals will be evaluated based upon the qualifications and experience of the proposer and the proposed products, services, and/or facilities;
 - 2.3.4.10.** Indicate that the proposer's financial plan including all proposed rents, fees, or other charges shall be provided to the Airport Advisory Board under separate cover;
 - 2.3.4.11.** Identify the base rent for the land and/or improvements;
 - 2.3.4.12.** Identify the fees and charges for engaging in Aeronautical Activities at the Airport;
 - 2.3.4.13.** Identify the grounds for denial or disqualification and withdrawal;
 - 2.3.4.14.** Indicate the place, date, and time for submission of proposals;
 - 2.3.4.15.** Indicate the place, date, and time the pre-proposal conference will be held;
 - 2.3.4.16.** Require that a proposal bond or guarantee in the amount equal to ten percent (10%) of the total rents, fees, or other charges proposed to be paid to the City in the first year of the proposed Agreement be submitted with the proposal.
 - 2.3.4.17.** Require the prospective Proposer complete all proposal forms, statements, and affidavits.
- 2.3.5.** The RFP process, procedures, and requirements shall be discussed at the pre-proposal conference and potential Proposer shall be given the opportunity to ask questions and express concerns to the Airport Advisory Board.
 - 2.3.5.1.** The RFP document shall be available to potential Proposers at least two weeks prior to the date of the pre-proposal conference.

2.3.5.2. Questions and answers exchanged during the pre-proposal conference shall be documented and distributed to all entities that have received an RFP.

2.3.6. The Airport Advisory Board will receive and open the proposals at the designated place, date, and time.

2.3.6.1. The contents of the proposal will be protected.

2.3.6.2. Proposals received after the advertised deadline will not be considered and will be returned unopened.

2.3.7. The Airport Advisory Board will then review, evaluate, and rank the proposals.

2.3.7.1. The Airport Advisory Board may require interviews with prospective Parties.

2.3.8. The Airport Advisory Board has the right to reject and all proposals, to advertise for new proposals, and to modify the proposal process.

2.3.8.1. The Airport Advisory Board shall be under no obligation to make any award or to make an award to the proposer specifying the highest compensation to the Airport Advisory Board.

2.3.9. Upon completion of the review and evaluation of the proposals, the Airport Advisory Board shall select the proposal that best suits the desires of the Airport Advisory Board. The Airport Advisory Board will then negotiate the Agreement with the selected potential Proposer utilizing the process beginning in Section 2.3 of this Policy. If an Agreement cannot be reached, in the sole discretion of the Airport Advisory Board, the Airport Advisory Board may negotiate with any other prospected Proposer or reject all proposals.

2.3.10. The Airport Advisory Board will recommend to the City Council the selected potential Proposer. The City Council will vote to accept or reject the agreement with the Proposer.

2.4. Grounds for Denial

2.4.1. The Airport Advisory Board may reject any application or proposal for any one or more of the following reasons:

2.4.1.1. The entity, for any reason, does not meet the qualifications and requirements set forth by the Airport Advisory Board.

2.4.1.2. The entity’s proposed activities and/or improvements will create a safety hazard at the Airport.

2.4.1.3. The Airport Advisory Board would be required to expend funds and/or materials in connection with the proposed activities and/or improvements that the Board is unwilling or unable to spend and/or will result in a financial hardship or loss for the Airport.

2.4.1.4. Appropriate, adequate, or available land and/or improvements are not available to accommodate the proposed activity nor is availability expected in a reasonable time frame.

- 2.4.1.5. The proposed activity and/or improvements do not comply with the most recent Airport Master Plan or Airport Layout Plan in effect at that time will be in effect within the time frame proposed by the Applicant.
- 2.4.1.6. The development or use of the land will result in congestion of aircraft, interfere with activities of an existing Operator on the Airport (as found by the Board) and/or prevent adequate access to the leased premises of an existing lessee.
- 2.4.1.7. The entity has intentionally or unintentionally withheld information in the application, proposal, and/or in supporting documentation.
- 2.4.1.8. The entity did not make full disclosure in the application, proposal, and/or in supporting documentation.
- 2.4.1.9. The entity or an officer, director, agent, representative, shareholder, or employee of the entity has a record of violating the regulations of Heber City, the Airport, or any other airport, the FAA, or any other regulation related to the Airport and/or the entity's proposed activity.
- 2.4.1.10. The entity or an officer, director, agent, representative, shareholder, or employee of the entity has defaulted on any agreement or sublease at the Airport or at any other airport.
- 2.4.1.11. The entity has failed to demonstrate adequate financial responsibility or the ability to undertake the proposed activity.
- 2.4.1.12. The entity cannot provide adequate applicable insurance or performance bond for the amounts required by Heber City for the proposed activity.
- 2.4.1.13. The entity, officer, director or Applicant has been convicted of a felony.
- 2.4.1.14. The entity's proposed activity is or could be detrimental to the Airport.
- 2.4.1.15. The entity desires terms and conditions that are inconsistent with the Airport's policies or Request for Proposal issued by the Airport Advisory Board.
- 2.4.1.16. The entity's proposed activity or use of the land and/or improvements is inconsistent with the Airport's purpose, vision, values, goals, or objectives.

2.5. Demonstrating Immediate Need

- 2.5.1. Entities seeking to occupy or use land and/or improvements at the Airport must demonstrate that the entire land and/or improvements will be utilized immediately.

2.6. Public Disclosure

- 2.6.1. Applicants should be aware that Heber City, as a government entity, is subject to Utah Code, Title 63G, Chapter 2 (Government Record Access and Management Act), which allows the public to examine documents and observe public meetings of a government agency.

3. AGREEMENTS

3.1. General

- 3.1.1.** A Party, prior to occupying or using land and/or improvements, is required to enter into an Agreement with the Airport Advisory Board reciting the terms and conditions under which the Party shall occupy or use the land and/or improvements at the Airport.
- 3.1.2.** This Policy does not include every provision included in the Agreement nor are the provisions included in the Agreement meant to modify this Policy.
- 3.1.3.** This Agreement shall convey one or more of the following activities: (1) use of the Airport in common with others in agreement to do so; (2) occupancy and/or exclusive use of designated land and/or improvements at the Airport; and/or (3) opportunity to provide products, services, and/or facilities at the Airport.

3.2. Use of Leased Premises

3.2.1. Aeronautical Use (Commercial)

- 3.2.1.1.** The Agreement will specify the aviation products, services, and facilities that shall be provided by the Operator (with and without Airport Advisory Board permission). The products, services, and facilities to be provided by the Operator shall meet the requirements defined in the Minimum Standards. Failure to meet the Minimum Standards and obtain a permit from Heber City before providing additional products, services, and/or facilities shall be considered a breach to the Agreement.

3.2.2. Aeronautical Use (Non-Commercial)

- 3.2.2.1.** The Agreement shall state premises leased by non-commercial operators shall not use Airport land and/or improvements for commercial activities. Non-Commercial leaseholders who engage in Commercial Aeronautical Activities shall be considered in breach of the Agreement.

3.2.3. Non-Aeronautical Use

- 3.2.3.1.** Although not generally favored, non-aeronautical use of land and/or improvements that does not interfere with the primary aviation use of such land and/or improvements is permitted if the Airport Advisory Board finds the use to be beneficial to the development of the Airport.
 - 3.2.3.1.1.** If non-aeronautical use of the land and/or improvements is proposed, the Airport Advisory Board must determine that the land and/or improvements will not be needed for aeronautical activities and/or development, during the term of the proposed Agreement.
 - 3.2.3.1.2.** The use of Airport land and/or improvements for non-aeronautical activities shall be subject to the prior written approval of the FAA.
 - 3.2.3.1.3.** A non-aeronautical lease shall not exceed a term of five years.

3.2.4. Restrictions

- 3.2.4.1.** Airport land and/or improvements shall not be occupied or used for any purpose contrary to: (1) the best interest of the Airport; (2) the safe, effective operation of the Airport, to include the health, safety and general welfare of the public, aircraft, and other personal property at the Airport; (3) the financial self-sufficiency of the Airport; (4) future Airport development; and (5) Federal Aviation Administration's Grant Assurances.

3.3. Subleasing

3.3.1. Subleasing Privileges Permitted in the Commercial Lease Agreement

- 3.3.1.1.** An Operator may enter into an Agreement with the Airport Advisory Board allowing subleasing of space for Airport parking (tie-down and/or hangar space) and/or subleasing of office, shop, or other designated areas subject to prior written approval of the Airport Advisory Board.
- 3.3.1.2.** If the Airport Advisory Board permits subleasing in the Agreement with the Operator, an approved sublease form consistent with the Agreement between the Operator and the Airport Advisory Board may be used by the Operator to assist in the consent process.
- 3.3.1.2.1.** The sublease shall be submitted to the Airport Advisory Board for review and approval.
- 3.3.1.2.2.** The Operator shall not be required to pay Heber City any portion of revenue or profit related to subleasing activities.
- 3.3.1.2.3.** The sublease agreement must be submitted to the Airport Advisory Board for review and approval within 10 business days of execution of Sublessee. Sublease business terms shall be submitted with the sublease agreement to the Airport Advisory Board.
- 3.3.1.2.4.** Sublessee may not occupy the premises without Airport Advisory Board approval of sublease agreement.

3.3.2. Subleasing Privileges Not Permitted in the Commercial Lease Agreement

- 3.3.2.1.** If subleasing is not permitted in the Agreement between the Operator and the Airport Advisory Board, the Operator must obtain written approval of the Airport Advisory Board prior to subleasing any land and/or improvements. Any activity inconsistent with the Airport Master Plan, Airport Layout Plan, and other plans associated with the Airport, and/or is considered to not be in the best interest of the Airport will not be approved by the Airport Advisory Board.
- 3.3.2.2.** The sublease agreement shall be submitted to the Airport Advisory Board for review and approval. The sublease may be rejected for any of the reasons identified in Section 2.4 (Grounds for Denial).
- 3.3.2.3.** If an Operator subleases without advance written approval of the Airport Advisory Board, the Operator shall pay Heber City fifty percent (50%) of the

sublease revenue in addition to all rents and fees paid to the City for the same subleased land and/or improvements.

3.3.2.3.1. The Airport Advisory Board may audit the Operator's financial records to determine the amount that shall be paid to the City.

3.3.2.4. The Operator shall reimburse the Airport Advisory Board for reasonable attorney's fees and expenses incurred by the Airport Advisory Board related to subleasing that is not permitted by the Agreement.

3.3.2.5. A sublessee may not occupy the premises without prior written approval by the Airport Advisory Board.

3.3.3. Sublessee Obligations

3.3.3.1. Sublessee shall comply with all regulations defined in this Policy and all other directives issued by Heber City; maintain all required insurances and coverages as defined in the Minimum Standards; and pay all required fees.

3.3.3.2. A sublessee desiring to engage in Commercial Aeronautical Activities at the Airport must obtain a Commercial Activity Permit, as outlined in the Airport's Minimum Standards, prior to any Commercial Activities.

3.3.4. Sublessee Stipulations

3.3.4.1. Unless stated otherwise, all sublease agreements shall be subject to all terms and conditions of the Agreement between the Operator and the Airport Advisory Board.

3.3.4.2. Subleasing land and/or improvements without written approval by the Airport Advisory Board shall be considered a breach in the Agreement between the Operator and the Airport Advisory Board.

3.3.4.3. Any sublease agreement made contrary to this Policy and without written approval by the Airport Advisory Board is considered null and void.

3.3.4.4. Sublease of land and/or an improvement for non-aeronautical activities is subject to prior written approval of the FAA.

3.4. Transfer of Interest

3.4.1. Assignment

3.4.1.1. A Party shall not assign an Agreement, any part or interest of an Agreement, or any rights or obligations the Party has under an Agreement without prior written approval by the Airport Manager.

3.4.1.1.1. If a Party desires such an assignment, the Party shall make application as identified in Section 2 and request written approval from the Airport Manager.

3.4.1.1.2. The City may deny such request for any reason identified in Section 2.4 (Grounds for Denial).

3.4.1.1.3. If written approval of the assignment is granted by the City the Party shall reimburse all attorney fees and expenses incurred by the City related to the assignment.

3.4.1.1.4. The Assignee shall comply with all regulations defined in this Policy and all other directives issued by Heber City; maintain all required insurances and coverages as defined in the Minimum Standards; and pay all required fees.

3.4.1.2. Any assignment made without prior written approval by the City shall be considered null and void and a breach to the Agreement.

3.4.2. Change in Majority Ownership

3.4.2.1. The City shall provide prior written approval to any change in the majority ownership of a Party or operating entity.

3.4.2.1.1. If any Party desires to change the majority ownership of the operating entity, an application and transfer fee must be submitted to the City.

3.4.2.1.2. The City may deny such request for any reason identified in Section 2.4 (Grounds for Denial).

3.4.2.1.3. If written approval of the change in majority ownership is granted by the City, the Party shall reimburse all attorney fees and expenses incurred by the City related to the change in majority ownership.

3.4.2.2. Any change in majority ownership made without prior written approval by the City shall be considered null and void and a breach to the Agreement.

3.5. Term

3.5.1. The initial term of all Agreements shall be for no less than twenty (20) years unless otherwise recommended by the Airport Advisory Board and approved by the City Council.

3.5.2. The City is not obligated to automatically grant a term of any duration once the initial term has expired.

3.5.3. Lease Extensions

3.5.3.1. The term of the Agreements may be extended twice for five (5) years if the land is not needed for airport development and if the premises are structurally sound and capable of safe and legal occupancy for the remaining term.

3.5.3.2. Any renewal options related to a lease shall be subject to the same conditions set forth in the original base term. The City maintains the right to adjust any and all rates and charges in effect at the commencement of each lease extension.

3.5.4. Investment Term Adjustment

3.5.4.1. Heber City encourages tenant construction as a component of facility development. When a tenant makes approved capital improvements to the

facility which increases structural integrity or the facility’s market value, the tenant’s investment in those improvements will be considered toward an increased lease term.

3.5.4.1.1. The Investment Term Adjustment is available only to Airport Tenants who have reversionary leases.

3.5.4.1.2. The term adjustment is to provide tenants adequate time to depreciate investments in existing hangars and buildings on the Airport.

3.5.4.1.3. The lease terms are proportionately longer for greater investments. The lease term adjustment shall not exceed the useful life of the facility.

3.5.4.1.3.1. No lease shall exceed 40 years at any given time.

3.5.4.2. Extensions may be offered for capital improvements which increase the value of the hangar.

3.5.4.2.1. The minimum lease term adjustment shall be one year. After the first year the lease term shall be adjusted in six month increments. The final calculation shall be rounded down to the nearest six month increment.

3.5.4.2.2. Only improvements completed in a one year span can be added together for a lease term adjustment.

3.5.4.3. Lease Term Adjustment Table

Hangar Size (sq ft)	Capital Improvement amounts for lease term adjustments (Dollars per year)
2000 - 2999	\$10,000
3000 - 3999	\$10,500
4000 - 4999	\$11,250
5000 - 5999	\$12,000
6000 - 7999	\$12,750
8000+	\$13,750

3.5.4.4. The Lease Term Adjustment table will be updated annually based upon CPI.

3.5.4.5. Process

3.5.4.5.1. When intending to improve a facility at the Airport, a Tenant shall submit a written request to the Airport Manager. The request shall include sufficient detail outlining the purpose of the facility, improvements to be made and the anticipated cost.

- 3.5.4.5.2.** Only after conceptual approval by the Airport Manger and Airport Advisory Board, the improvements can proceed as outlined in the request.
- 3.5.4.5.3.** Upon completion of the improvements, the Tenant will submit a statement of actual costs certified by the Tenant's financial officer or by a certified public accountant.
- 3.5.4.5.4.** The Airport Manager will prepare an agreement which shall amend the lease terms based upon actual construction costs.

3.6. Improvements

- 3.6.1.** All improvements made by a Tenant must comply with all applicable regulatory measures including all those stipulated by the City.
- 3.6.2.** Unless otherwise specified in the Agreement, the ownership of all permanent improvements shall revert to Heber City upon the end of the term of the Agreement.

3.7. Responsibilities

3.7.1. Heber City

- 3.7.1.1.** Unless otherwise stated in the Agreement, Heber City is responsible for maintenance of all public Airport infrastructure and common areas to include runways, taxiways, public apron areas, roadways, nav aids, and associated land areas.

3.7.2. Lessee

- 3.7.2.1.** Unless otherwise stated in the Agreement, the Lessee shall be responsible for all maintenance of land and/or improvements on the leased premises. The responsibilities of the Lessee include all structural components, all exterior and interior maintenance, landscaping, janitorial, trash removal, snow removal, and sweeping.
- 3.7.2.2.** The Lessee shall be responsible for all utilities, separately metered, shall maintain all insurance coverages as defined in the Minimum Standards, and shall remain current on all taxes and/or assessments charged by any applicable government entity or agency including personal property, income and other business tax.
- 3.7.2.3.** The failure of a Lessee to maintain the land and/or improvements and/or pay all utilities, insurance, and taxes shall be considered a breach in the Agreement.

3.8. Condemnation

- 3.8.1.** The Airport Advisory Board shall engage an appraiser, in the event of a full condemnation action, to determine the fair market value of the leasehold interest held by the Lessee.

- 3.8.2.** The Agreement shall terminate on the date of the physical taking (as if the date of the taking were the date originally fixed in the Agreement for the expiration term). Upon termination of the Agreement, the Airport Advisory Board shall pay the Lessee the appraised fair market value minus any fees due to the City.
- 3.8.3.** In the event of a partial condemnation, the Agreement shall not terminate. The rents due to the City during the unexpired portion of the Agreement shall be reduced proportionally based upon the square footage of the leased premises.
- 3.8.4.** In the event of a full or partial condemnation by an Agency other than Heber City, the City and the Lessee shall each be entitled to receive or retain separate awards or a portion of lump sum awards as may be allocated to each party based upon the respective interest held by each party in any condemnation proceeding.
- 3.8.5.** Condemnation shall follow all applicable regulatory measures (including those imposed by the FAA) for condemnation proceedings and any appraisal report shall meet the requirements of such regulatory measures. If there is any inconsistency between this Policy and such regulatory measures, the regulatory measures shall prevail.

3.9. Relocation

- 3.9.1.** In the event relocation is found to be necessary (e.g. to correct Part 77 variations, ensure use consistent with the Airport Layout Plan, to facilitate future development of the Airport), the City shall provide the Lessee with land and/or improvements that are comparable to the land and/or improvements currently being occupied and/or used by the Lessee.
 - 3.9.1.1.** Such land and/or improvements shall be leased to the Lessee at the same rent and under the same terms and conditions as stipulated in the existing Agreement.
- 3.9.2.** If comparable improvements are not available, the City shall buyout the Lessee's interest in any improvements that have been made by the Lessee. The amount to be paid shall be determined by an appraiser.
- 3.9.3.** The City shall pay all reasonable relocation costs and expenses associated with moving the Tenant.
- 3.9.4.** Relocation shall follow all applicable federal and state measures for relocation proceedings and any appraisal report shall meet the requirements of such regulatory measures. If there is any inconsistency between this Policy and such regulatory measures, then the regulatory measures shall prevail.

4. RATES AND CHARGES

4.1. General

- 4.1.1.** It is the intent of this section to give guidance on setting rates and charges for Airport Leases which are in line with the current market. In addition, the City is required to

maintain a rent and fee structure which makes the Airport as self-sustaining as possible while preserving and improving the Airport.

4.1.2. Without unjustly discriminating, it is the policy of the Airport Advisory Board to pursue terms and conditions that provide an equitable return for the Airport and to encourage private investment. All Agreements adequately compensate the Airport for the use of leased premises to a Tenant.

4.1.3. All Parties at the Airport shall be subject to the same rates, fees, and other charges as applicable to other Tenants utilizing the same or similar land and/or improvements for the same use or purpose.

4.1.3.1. Parties may not lease land and/or improvements that have the same attributes, uses and/or values; therefore, the Airport Advisory Board may charge different rates to similar users of the Airport as long as the rates are not unjustly discriminatory.

4.1.3.2. It is recognized that Agreements reached through negotiation or a competitive process may produce rents, fees, or other charges that may be higher than those paid by similar parties and/or users.

4.2. Mechanisms to Set Rates

4.2.1. The Airport Advisory Board will not engage in unjust economic discrimination among tenants, nor will it impose discriminatory terms. The base land and/or improvement lease rate for each leasehold will be determined based on fair market values. Building base lease rates will be determined by market comparison, supply and demand or current appraisal of the facility by a firm chosen by the Airport Advisory Board.

4.2.2. As new ground and building leases are entered into, or leases are amended, the Airport Advisory Board reserves the right to update lease rates to current values.

4.2.3. Competitive Proposal Process

4.2.3.1. Rents can be adjusted and/or established through a competitive proposal process.

4.3. Variation in Rates

4.3.1. The Airport Advisory Board may set different rates for different tenants based on rational factors that shall include but not be limited to: the value of property to be leased, the amount of use projected of common facilities, the type of use being made and the degree of competition for the facility to be leased.

4.4. Adjustment of Rents

4.4.1. All rents shall be adjusted on an annual basis throughout the term of the Agreement.

4.4.2. Escalation Clauses

- 4.4.2.1. Rates will be adjusted during the life of a lease. Adjustments may be based on one of three types; annual adjustment linked to the CPI, an adjustment based on re-evaluation of property or some other measure as specified in the agreement or as negotiated.

4.5. Establishment and Adjustment of Fees

- 4.5.1. Fees for the occupancy and use of land and/or improvements shall be established by Heber City to assist in covering the costs associated with the development, operation, and maintenance of the Airport.
- 4.5.2. Fees may include, but are not limited to, fuel flowage fees, transient aircraft fees, and/or permit fees.
- 4.5.3. Fees may be adjusted by the Airport Advisory Board on an annual basis based upon the Airport's fiscal year budget for the Airport.
- 4.5.4. The Airport Advisory Board reserves the right to use other means and/or establish and/or charge additional rents, fees, or other charges for the use and/or occupancy of the Airport land and/or improvements.

4.6. Payment of Rents, Fees, or Other Charges

- 4.6.1. Tenants must be current to the City in all payments of rents, fees, and other charges under any and all Agreements in order to occupy or use the land and/or improvements.
- 4.6.2. Failure to remain current in the payment of all rents, fees, and other charges to the City will be grounds for termination of the Agreement between the Lessee and the City.
- 4.6.3. The City may enforce the payment of rent, fees, and other charges under the Agreement by any legal means available to the City as provided by Utah law.
- 4.6.4. All rents, fees, and other charges assessed by the City not paid within 10 days of being due shall incur a ten percent (10%) late fee.

4.7. Bookkeeping and Records

- 4.7.1. The Lessee shall keep records of amounts due to the City for rents, fees, or other charges related to the occupancy and/or use of the Airport land and/or improvements and/or engaging in activities at the Airport. The City shall be entitled to access such records upon 30 days notice. The City/Airport Advisory Board reserves the right to audit such records.

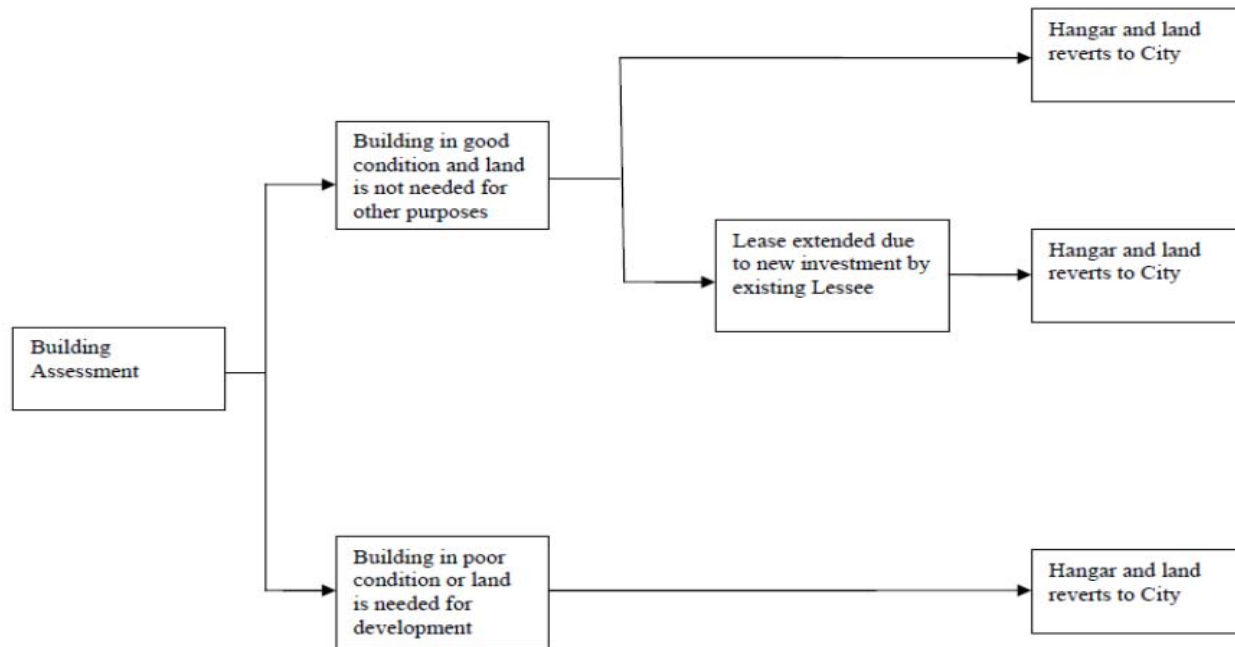
4.8. Exclusive Rights

- 4.8.1. There shall be no granting of the exclusive right to provide or engage in any aeronautical activity at the Airport; and no lease, sublease, operating permit or other agreement that is or shall be in effect at the Airport that creates such a right.

5. APPENDIX

5.1. Appendix A: Commercial Lease Flow Chart

COMMERCIAL LEASE



5.2. Appendix B: Establishment of Fair Market Value

- 5.2.1.** The Airport Advisory Board shall engage an appraiser who meets the qualifications defined in Section 5.3 of this Policy to conduct appraisals of airport land and/or improvements to determine fair market value.
 - 5.2.1.1.** The appraiser shall use current appraisal methods that are found to be appropriate by the Airport Advisory Board for the appraisal of Airport land and/or improvements.
 - 5.2.1.2.** The appraiser shall use appropriate and justifiable rate of return for airport land and/or improvements.
 - 5.2.1.3.** Airport land and/or improvements shall be appraised assuming the highest and best aviation use of the property. It shall also be assumed that the property will continue to be part of the Airport and will have access to the infrastructure and amenities of the Airport.
 - 5.2.1.4.** The appraisal shall meet the Uniform Standards of Professional Appraiser Practice (USPAP).

5.3. Appendix C: Appraiser Qualifications

- 5.3.1.** Appraisals shall be performed by an appraiser who shall be a member of the Appraisal Institute (MAI) or similarly designated and equally qualified appraiser who shall be certified by a recognized appraisal organization.
- 5.3.2.** The appraiser shall hold a State Certified General Real Estate Appraiser License issued by the State of Utah.
- 5.3.3.** Any appraiser selected to appraise Airport land and/or improvements shall have working knowledge of the aviation industry including airport, air carriers, and general aviation as appropriate. The appraiser shall also demonstrate familiarity with FAA rules, regulations, and policies pertaining to valuing airport properties.
- 5.3.4.** The selected appraiser must have performed a minimum of five (5) aeronautical property appraisals within the last five years and shall provide the Airport Advisory Board a list of locations and types of appraisals performed. Appraisals of non-aeronautical properties do not satisfy this requirement.

5.4. Appendix D: Dispute Resolution

- 5.4.1.** A Lessee may engage a second consultant (appraiser) that meets the qualifications set forth in this Policy if the Lessee disagrees with the Fair Market Rent (value) found by consultant (appraiser) hired by the Airport Advisory Board.
 - 5.4.1.1.** All fees and expenses associated with the second consultant (appraiser) shall be paid for by the Lessee.

- 5.4.2.** If the two appraisals show a variance of less than ten percent (10%) the average of the two appraisals shall be used.
- 5.4.3.** If the variance between the two appraisals is more than ten percent (10%) and an Agreement cannot be reached between the Airport Advisory Board and the Lessee, the first and second appraisers shall mutually agree on a third appraiser (that meets the qualification standards) to make the final determination.
 - 5.4.3.1.** If the first and second appraisers cannot decide on a third appraiser the Airport Advisory Board shall appoint a third appraiser (who meets the qualification standards) to make the final determination.
- 5.4.4.** The third appraiser shall review the results of the first and second appraisals and may request additional information, clarification, or justification from the first and second appraisers.
 - 5.4.4.1.** The third appraiser has the right to gather, analyze, and consider additional data as deemed appropriate to make a final determination. The decision of the third appraiser shall be accepted by the Airport Advisory Board and the Lessee and shall be legally binding upon both parties.
- 5.4.5.** All fees and expenses associated with the work of the third appraiser shall be paid for equally by the Airport Advisory Board and the Lessee.
- 5.4.6.** During any period of disagreement between the Airport Advisory Board and the Lessee regarding rent adjustment, the Lessee shall be responsible for the payment of the adjusted rent recommend by the first appraiser. Once the disagreement is resolved, the difference between rent paid and the final rent determination shall be paid to the Airport Advisory Board or refunded to the Lessee.

Heber City Municipal - Russ McDonald Field
75 North Main Street, Heber City, UT 84032
Phone (435) 654-4854/Fax (435) 657-2543

AIRPORT LEASE/OPERATING PERMIT APPLICATION FORM

Please read the Airport Leasing Policies prior to filling out this application.

Applicant Name: _____

Contact Person: _____

Phone: _____ Email: _____

Mailing Address: _____

Lease Area Location, if known: _____

Type of Lease:

- Ground
- Building
- Operating Permit (for subleasing)
- Commercial
- Non Commercial

If Operating Permit Application, name of Business from whom subleasing: _____

Provide a detailed description (purpose of use) of the intended commercial aeronautical activities:

Describe the means and methods to accomplish the intended activities:

(Attach additional sheets as necessary)

Development of Property:

Beginning Date: _____ Completion Date: _____

Value of Construction: _____

Use Complies With:

- Airport Master Plan
- Building Codes
- Permitted Land Use

Applicant Signature (if sublease, signature of lessee)

Date

Airport Manager Signature

Date

LEASE RATES AND CHARGES POLICY

Open House
Heber City Hall
November 13, 2013

Attendees

Community Members: Thomas Meecham, Lon Woodward, Mike Stewart, Susan Stewart, Jon Olch, Ron Blue, Dale Stewart, Gary Diehl, Don Craig, Robert Werra

Board Members: Nadim AbuHaidar, David Hansen, Jeff Mabbutt, Mel McQuarrie, Kari McFee, Tom Melville, and Chairman Erik Rowland.

Mark Anderson, Heber City Manager, Terry Loboschefskey, Airport Manager, Kirk Nielsen, Jviation and Hilary Fletcher, Jviation were also in attendance.

Open House

Informational panels were set up for public viewing and comment during the Open House.

HEBER CITY AIRPORT/
RUSS MCDONALD FIELD

LEASING OBSERVATIONS AND RECOMMENDATIONS

	SURVEY QUESTION	AVERAGE/MOST COMMON	HEBER CITY	OBSERVATION
HANGAR INFORMATION	No. Hangars	61	67	
	No. Sponsor owned Hangars	29	3	
	Hangar Built in 2012	1	0	
	Hangar Built 2009-2011	5	9	
LEASE INFORMATION	Ground Lease Type	Varies	Improved and Unimproved	NA
	Lease Amount per sq. ft./yr.	\$0.24	\$0.30/\$0.15	In-line with Market
	% Gross Revenue	15%	NA	NA
LEASE TERMS	Initial Term	19 years	20 years	In-line with Market
	Extensions available	Yes – 5 years	Yes – 2, 5 year extensions	In-line with Market
ESCALATION CLAUSES	Y/N	Yes	Yes	In-line with Market
	Basis	CPI	CPI	In-line with Market
	Frequency	Annual	Annual	In-line with Market
	Reversionary Lease (Y/N)	Yes	Yes	In-line with Market

JVIATION

LEASE RATES AND CHARGES POLICY

HEBER CITY AIRPORT/
RUSS MCDONALD FIELD

RATES AND CHARGES

- » The City is required to maintain a rent and fee structure which makes the airport as self-sustaining as possible while preserving and improving the airport
- » The Airport Board will not engage in discriminatory practices among tenants
 - Base rates for buildings and land will be based on market comparison, supply and demand or current appraisal
- » All rents will be adjusted on an annual basis throughout the term of the Agreement and may be based on:
 - Annual adjustment based on CPI; or
 - Another measure as specified in the Agreement
- » Fees may include, but not limited to, fuel flowage fees, transient aircraft fees and/or permit fees

JVIATION®

HEBER CITY AIRPORT/
RUSS MCDONALD FIELD

SALE/LEASE APPLICATIONS

- » Any person or entity desiring to occupy or use land and/or improvements shall submit a written application and any applicable fee to the Airport Manager.
- » Any change in use or commercial venture application must meet the Airport's minimum standards and be approved by the Airport Board and the City Council.
- » Non-commercial use applications involving sale and/or transfer of hangar ownership may be approved by the Airport Manager.
- » Applications must:
 - Be deemed complete
 - Comply with Airport Leasing Policy and other City guiding documents
 - Be consistent with the Airport Master Plan, Airport Layout Plan and other associated Airport plans
- » In the event that more than one qualified application is received for the same land and/or improvement, the Airport Board retains the discretion to negotiate with both entities or issue a competitive Request for Proposals.

JVIATION®

LEASE RATES AND CHARGES POLICY

HEBER CITY AIRPORT/
RUSS MCDONALD FIELD

USES OF LEASED PREMISES

- » **Aeronautical Use (Commercial)**
 - Aviation products, services and facilities are permitted and must meet the requirements of the Airport's Minimum Standards
- » **Aeronautical Use (Non-Commercial)**
 - Non-commercial operators shall not use Airport land and/or improvements for any commercial activities
- » **Non-Aeronautical Use**
 - Such use cannot interfere with primary aviation use
 - The Airport Board must find the use to be beneficial and the Lessee must have written approval from the FAA

- » Any assignment and/or change in majority ownership must be approved by the Airport Manager. Subleasing must comply with Leasing Policy terms and conditions.
- » The initial Agreement term shall be for no less than twenty (20) years unless otherwise recommended by the Airport Board and approved by City Council. Lease terms may be extended twice for five (5) years.
- » Capital improvements by tenant will be considered toward an increased lease term.
 - The hangar is located in an area not needed for future development
 - The lease is reversionary

JVIATION

HEBER CITY AIRPORT/
RUSS MCDONALD FIELD

AIRPORTS CONSIDERED FOR COMPARISON

AIRPORT	DISTANCE	OWNERSHIP/USE	AIRPORT TYPE	NUMBER OF BASED AIRCRAFT	OPERATIONS	COMPARABLE CRITERIA
Heber City Municipal		City	GA	85	19,468 (2011)	Resort Town
South Valley Regional	50 miles	City	GA	165	75,000 (2011)	Competitor
Provo Municipal	30 miles	City	CS	104	172,014 (2011)	Competitor
Driggs-Reed Memorial	285 miles	City	GA	81	7,600 (2006)	Resort Town
Aspen-Pitkin County	340 miles	County	CS	77	36,900 (2013)	Resort Town
Grand Junction Regional	270 miles	City	CS	99	50,987 (2013)	Similar Size
Friedman Memorial (Hailey)	320 miles	City	CS	147	44,237 (2012)	Resort Town
Garfield County Regional (Rifle)	280 miles	County	GA	52	8,129 (2011)	Resort Town
Montrose Regional	330 miles	County	CS	81	26,460 (2012)	Resort Town
Tampa Valley (Hayden)	270 miles	County	CS	4	9,677 (2011)	Resort Town
Eagle County Regional	330 miles	County	CS	78	36,401 (2012)	Resort Town

Source: U.S. Department of Transportation Federal Aviation Administration, Airport Master Record, Accessed 2013



SUMMARY OF KEY FINDINGS

	SURVEY QUESTION	AVERAGE/MOST COMMON	HEBER CITY
HANGAR INFORMATION	No. Hangars	61	67
	No. Sponsor owned Hangars	29	3
	Hangars Built in 2012	1	0
	Hangars Built 2009-2011	5	9
	Waiting list	Varies	No
LEASE INFORMATION	Ground Lease Type	Varies	Improved and Unimproved
	Lease Amount per sq. ft./yr.	\$0.24	\$0.30/\$0.15
LEASE TERMS	Initial Term	19 years	20 years
	Extensions available	Yes - 5 years	Yes - 2, 5 year extensions
ESCALATION CLAUSES	Y/N	Yes	Yes
	Basis	CPI	CPI
	Frequency	Annual	Annual
	Reversionary Lease (Y/N)	Yes	Yes

JVIATION

LEASE RATES AND CHARGES POLICY

Chairman Erik Rowland invited several attendees to speak to the issues. Presentations were made by Paul Boyer and Doug Werra. Chairman Rowland addressed concerns raised by the attendees, specifically to the issue of the renewal process for existing leases. Mr. Rowland noted that this item was not included in the current policy document and would be taken up by the Board in the near future. Discussion ensued on this topic as well as the issue of reversionary and non-reversionary leases. Chairman Rowland responded to several questions raised by attendees. The following comments were noted:

- ✦ Renegotiate leases at fair market value
- ✦ Remove section 3.5.5
- ✦ All leases at the airport should be non-reversionary
- ✦ 75 X 75 new hangar should be retroactive as non-reversionary
- ✦ Reversionary clause in existing leases is toxic
- ✦ What will happen to existing leases?
- ✦ City should not be in the hangar business
- ✦ Addison example: increased the hangar rate and diminished business
- ✦ Need good management practices and policies
- ✦ Renews with existing tenant unless performance issues with City, County, etc.

Recommendations

To enhance relationships with the GA pilot community, the following recommendations are provided for consideration by the Board:

1. It is recommended that the Board consider forming a Working Group to further review the policy document and to provide a recommendation to the Board with regard the renewal of existing leases. The Working Group should include:
 - ✦ 2 representatives of the GA pilot community
 - ✦ 2 sitting Board members
 - ✦ 2 community members (preferably with real estate and/or business experience)
2. The Working Group should be tasked with the following objectives:
 - ✦ Conduct a review of the policy analysis and policy document and provide recommendations that balances the needs of the Airport, the City and the pilot community;
 - ✦ Provide constructive options for renewal terms of existing leases; and
 - ✦ Provide constructive options for the use of non-reversionary and reversionary leases.
3. The Working Group should be charged with submitting recommendations not later than 8 weeks following appointment.
4. The process should include a facilitator to ensure a constructive work environment, progression of work and adherence to the deadlines.

From: <Marc.C.Miller@faa.gov>

Date: October 18, 2013 7:46:39 AM MDT

To: Kirk Nielsen <Kirk.Nielsen@aviation.com>

Subject: Re: Heber City Leasing Policy

Good morning Kirk,

Well, better late than never I guess... sorry about the delay.... Here are a couple of comments I can offer on my review of the Heber City Lease/Rates and Charges Policy guidance you provided. Overall, I think the document is pretty well put together.

2.1.3. Is this transfer fee with the application only for new leases or is it also applied if somebody wants to take over an existing lease from another tenant?

2.2.1.4. Would the airport consider a proposal that shows a new hangar location not currently identified on the ALP/Master Plan and then update the documents after it is built, or does it have to be shown on the approved plans before hand period?

2.2.1.5. We would strongly suggest the airport goes straight to a competitive RFP process instead of negotiating. While it can be done with negotiation, the chance of the appearance of un-fair treatment is much greater.

3.2.3. We would suggest adding the term length in this section for the non-aeronautical use. Per FAA Order 5190.6b, Chapter 22.6 discusses that the FAA may only consent to Interim Use of Aeronautical Property for Other Uses (Non-Aero) for not more than 5-years.

3.3.1.1. Can a Non-Aeronautical use lease be subleased?

3.3.3.1. In the event the sublessee is not current on payments or insurance requirements, who is the airport holding responsible the sublessee or the original lease holder?

4.4.2.1. It mentions three types of adjustments, is which type at the discretion of the airport yearly or is it agreed to up front when signing the lease? It might be easier and more straight forward if only one method is used for all leases.

General: I saw throughout the guidance the mention of Reversionary and Non-Reversionary Leases. I am sure the airport has a little of both existing, but I could not tell if the airport was offering the choice going forward to new lease agreements or not?

Thanks for letting me take a look at it Kirk, give me a call if you have any questions!

Sincerely,

Marc Miller
Colorado Engineer / Compliance Specialist
Federal Aviation Administration
Denver Airports District Office
303.342.1282
303.342.1260 (fax)

File Message

Ignore X Reply Reply All Forward More Meeting

Junk Delete

Delete

Respond

Quick Steps

Airport Partners To Manager

Team E-mail Done

Reply & Delete Create New

Move

Rules OneNote

Actions

Move

Mark Unread Categorize Follow Up

Tags

Translate

Find Related Select

Editing

Zoom

Zoom

You replied to this message on 11/6/2013 2:59 PM.

From: Beth Ann Schneider <clipper73h@gmail.com>
 To: Karen Tozier
 Cc: Mark Anderson
 Subject: feedback to Airport Board

Sent: Thu 10/17/2013 9:59 AM

To: Airport Advisory Board
 From: Beth Ann and Paul Schneider (Old Hangar Row #11)
 RE: Feedback regarding hangar owner policy
 Date: October 16, 2013

Cc: Mark Anderson

We are concerned about the fact that the fate of Hangar Row seems decided – that the runway/airport will be changed and Hangar Row will be torn down. In almost every Board meeting Board member(s) talk about this as if it is a forgone conclusion. We believe that this thinking has led to Hangar Row owners being treated differently than all other hangar owners – that is, *proposed* runway/airport changes alone are determining our fate when our lease expires. We've been told many times that when our lease is up, the City will take ownership of our hangar with *no* consideration of lease renewal or extension, due to the *potential* of runway/airport changes.

The fact of the matter is the only thing that can be *definitely stated* about Hangar Row is that it will be in the safety free zone when, *and if*, the runway/airport is changed and therefore *at that time* it will need to be removed. While a tentative date has been set for runway/airport changes (affecting Hangar Row) much needs to be in place for such changes to occur – not the least of which is funding. No one really knows at this point whether or not such changes will even occur – and based on past history of attempted runway/airport changes it may never happen. For that matter *anything* could happen at our airport *anywhere* on the field which might require hangars to be removed *including hangars on the south end*. The gentleman in the last meeting made this point well – what if the City decides to build a park on the south end of the field? If our fate on Hangar Row is to be determined by the *potential* of runway/airport changes, then the fate of the rest of the hangar should be equally decided on the same premise – or not at all.

Further, the City has eminent domain of our hangar. Our contract/lease with the City states that the City can take our hangar any time it deems necessary. We are OK with this because we trust that the City will do so only if absolutely necessary. We also understand that we will be paid fair market value for our hangar in the event that this should occur. Recently we have been told that some hangar owners are subject to eminent domain by the City but others are not. If this is true, it is, of course, completely unfair. We ask that if our hangar is subject to eminent domain by the City, then all other hangars also be subject to eminent domain – or not at all.

In sum, we ask that Hangar Row owners be put on equal footing with the rest of the hangar owners in future Board discussions -- specifically regarding lease extensions and renewals, non-revisionary status, lease fees, eminent domain by the City, or anything else that may affect our future existence on Hangar Row.

Thank you for your consideration.

ITEM 3



Heber City Airport – Russ McDonald Field 36U

SPECIALIZED AVIATION SERVICE OPERATOR (SASO) APPLICATION

This application is a request to Heber City to utilize the Heber City Airport land or facilities for commercial activities, to issue a commercial aeronautical activities permit, or to issue any other permit to conduct commercial activities.

To familiarize the applicant to Heber City Airport SASO requirements, a copy of the *Heber City Airport Minimum Standards* (dated August 19, 2010) is attached to this application. Please refer to this document to ensure a complete and accurate application.

Operator/Business Name: Skydive The Wasatch LLC

Contact Name: Dan McNulty

Contact Address: 119 Steep Mountain Drive

City: Draper

State: UT

Zip: 84020

Contact Phone:

Cell: (801) 707-7049

Email Address:

daniel_mcnulty8@yahoo.com
[m](#)

PART 1 Applicant Information

Type of Operation being applied (check one)

- Fixed Base Operator (FBO)
- Aircraft Maintenance Operator, Avionics, Instruments or Aircraft Accessory overhaul/Repair Maintenance Operator
- Aircraft Rental, Flying Club, or Flight Training Operator
- Aircraft Charter or Aircraft Management Operator
- Aircraft Sales Operator
- Specialized Commercial Aeronautical Operator**
- Commercial Hot Air Balloon Operator
- Temporary Specialized Aviation Service Operator
- Commercial Hangar Developer



Heber City Airport – Russ McDonald Field 36U

- Commercial Hangar Operator
- Non-commercial Self-Service Fueling Permittee
- Commercial Activity Permit
- Other

SPECIALIZED AVIATION SERVICE OPERATOR (SASO) APPLICATION

PART 2 Applicant Proposal

Summary of services applicant shall offer:

Skydiving instruction and services for new and experienced skydivers.

Detailed description of scope of intended operation - include means and methods to be employed to accomplish contemplated services. Use additional sheet(s) as necessary:

Skydive The Wasatch's primary focus will be to provide Tandem Skydiving services to customers in the Heber/Park City/Provo area. We will also provide services for experienced skydivers. A Cessna 182 will be used to carry jumpers to a jump altitude of 9500ft AGL. (See attached PowerPoint Presentation for a detailed breakdown of skydiving operations.) Skydive the Wasatch will conduct its operations in accordance with 14 CFR Part 91.



Heber City Airport – Russ McDonald Field 36U

DRAF
T



Heber City Airport – Russ McDonald Field 36U

SPECIALIZED AVIATION SERVICE OPERATOR (SASO) APPLICATION

PART 2 Applicant Proposal (continued)

Proposed date of commencement of the activity and term: March 2014 - Indefinitely

Proposed hours of operations: Seasonally dependent. High Season (June-September) 10am - 8pm, 6 days per week.

Amount and type of insurance coverage applicant will maintain:

\$1,000,000 Commercial General Liability

\$1,000,000 Vehicular Liability

\$1,000,000 Aircraft Liability

Passenger Liability is unattainable through any insurance company for a skydiving operation.

Number of aircraft involved (if applicable): One Cessna 182

Number and qualifications of employees (if applicable):

One Manager/Operator.

Two Skydiving Instructors.

One Pilot.

One Parachute Packer.

Evidence of applicant's financial capability to perform and provide proposed services and facilities (use attachment if necessary):

Applicant owns a security company that will continue to bring in income during the startup phase. All necessary skydiving equipment has already been purchased. Aircraft will be purchased with cash.

Proposed leasing activities (check one)

- Undeveloped land



Heber City Airport – Russ McDonald Field 36U

- Developed land
- Existing hangars
- Other (explain)

SPECIALIZED AVIATION SERVICE OPERATOR (SASO) APPLICATION

PART 2 Applicant Proposal (continued)

Amount of land applicant desires to lease (if applicable):

N/A

Location of the building(s) to be leased (if applicable):

Hangar 19 on Hangar Row.

Size and location of buildings to be constructed (if applicable):

N/A



Heber City Airport – Russ McDonald Field 36U

Daniel McNulty

11-21-2013

Applicant Signature

Date

DRAF
T

C O N T R A C T
AGREEMENT, RELEASE OF LIABILITY & ASSUMPTION OF RISK

IN CONSIDERATION of being permitted to utilize the facilities and equipment of SKYDIVE THE WASATCH LLC, (and its associated entities and facilities) to engage in parachute activities, ground instruction, flying and related activities, skydiving, freefall and/or tandem jumping, hereinafter collectively referred to as "skydiving activities," as defined in this contract. I HEREBY AGREE AS FOLLOWS:

1. I understand I am not required to make a skydive, but if I desire to do so, I am not required to jump at SKYDIVE THE WASATCH LLC. I understand there are other drop zones within a 100-mile radius of Heber City, Utah. Those drop zones are listed in the phone book or can be located online. () I further understand I may take this document to my personal attorney for review. I elect not to do so. ()

2. PARTIES INCLUDED: I understand that this Agreement, Release of Liability and Assumption of Risk includes but is not limited to SKYDIVE THE WASATCH LLC, and any of its officers, board members, and shareholders, or their agents, customers, associated entities, employees, volunteers, pilots, instructors, jumpmasters, coaches, videographers, photographers, riggers, load organizers, independent contractors, the owners of the aircraft, (which shall also include but not be limited to airfoils and balloons), the owners of any land utilized for "skydiving activities", adjacent property owners, the United States Parachute Association and its members, anyone working with or for SKYDIVE THE WASATCH LLC, including independent contractors and/or any manufacturer of, owner or entity charged with the maintenance of any piece of equipment which I may use or am using or is in any way, shape or form being used in connection with my "skydiving activities" at the time of my INJURY or DEATH and anyone involved in any way, shape, form or manner in my "skydiving activities," including the person or entity who pays for my jump, and specifically including but not limited to tandem or experimental test parachute jumping to include tandem parachute jumping, hereinafter collectively referred to in this Agreement, Release of Liability and Assumption of Risk as "SKYDIVE." ()

3. This entire Contract, Release of Liability and Assumption of Risk is expanded to include all parties mentioned anywhere in the body of this document by name or by category, all vendors, manufacturers, suppliers or owners of materials or equipment used for "skydiving activities," including but not limited to the manufacturers of the equipment, its employees, directors, officers and shareholders, and all associated entities, shareholders, partners, employees, independent contractors and all other persons or entities in any way, shape or form associated with any entity mentioned, either specifically, by category or by implication, in the body of this document whom are referred to herein as "SKYDIVE." ()

4. I understand that this document is a legally binding contract between myself and the entities described herein as "SKYDIVE" and certify that I am of legal age and under no legal disability that would prevent me from entering into a binding contract. I have read, understand and intend to be bound by all of its terms. ()

5. By signing this document, I acknowledge that I have been advised, understand and accept that tandem masters, jump masters, parachute packers, load organizers, coaches, videographers, photographers, riggers, those charged with the maintenance of the parachutes and parachute equipment, those charged with the maintenance of the aircraft, and pilots are independent contractors. As independent contractors, no other entity, including but not limited to those coming under the heading of "SKYDIVE" can be held responsible for that independent contractor's actions, including but not limited to gross negligence, ordinary negligence and willful and/or wanton misconduct. I accept this limitation. ()

7. RISKS CONTEMPLATED: This Agreement is made in contemplation of all "skydiving activities," which for purposes of this agreement shall include but not be limited to all occurrences contemplated or not contemplated, foreseen and unforeseen, likely or unlikely to occur, including but not limited to instruction, parachute jumping, tandem or experimental test parachute jumping, ground instruction, flying and related activities, the exit from the aircraft, skydiving, freefall, canopy opening, time under the canopy, the landing, including but not limited to crash landings, either under canopy or not, inside or outside the aircraft, equipment malfunctions of any kind, any rescue operations or attempts by "SKYDIVE," whether on or off the designated landing area or any facilities used by "SKYDIVE", ground transportation provided to me by any entity in any way associated with "SKYDIVE" and any activity whatsoever in any way, shape, form or manner connected with my "skydiving activities" or my presence on or near the facility and grounds of "SKYDIVE", or any location which is used for my "skydiving activities". I further agree that this includes but is not limited to all recreational activities which I may engage in including, but not limited to camping, socializing, or any other recreational activities whatsoever, which are in any way associated with "SKYDIVE". This includes any activity which may or does or be claimed to cause or contribute to my INJURY or DEATH, even if caused directly or indirectly by negligence or other fault which terms shall include but not be limited to gross negligence and ordinary negligence on the part of "SKYDIVE". These risks shall be referred to for purposes of this agreement as "skydiving activities". ()

9. NEGLIGENCE: The term negligence as used anywhere in the body of this document shall include, but not be limited to gross negligence, ordinary negligence and/or willful, wanton or reckless conduct. (_____)

10. I am aware that "skydiving activities" are inherently dangerous and may result in INJURY or DEATH and agree that the unforeseen may happen and no one can delineate all risks or possibilities of error. Therefore, I specifically include in this Release, any INJURY or my DEATH resulting from any occurrence, whether foreseen or unforeseen, and whether contemplated or not contemplated which I, in any way shape or form, am in any way connected with my "skydiving activities" and/or presence on the premises used for my skydiving activities or any other place or entity connected with "SKYDIVE." even if caused by the negligence or other fault of "SKYDIVE." (_____)

11. PARTIES BOUND BY THIS AGREEMENT: It is my understanding and intention that this Agreement, Release of Liability and Assumption of Risk be binding not only on myself, but on anyone or any entity, including but not limited to my estate and my heirs and any one or any entity that may be able to or does sue because of my INJURY or DEATH. It is further my understanding and agreement that this Release is intended to and does in fact release "SKYDIVE" from any and all claims or obligations whatsoever, foreseen and unforeseen, contemplated and not contemplated, arising in any way from my participation in "skydiving activities", even if caused by the negligence or other fault of "SKYDIVE". (_____)

12. RELEASE OF LIABILITY: I hereby release and discharge "SKYDIVE" from any and all liability, claims, demands or causes of action that I or any person or entity may have for my INJURY or my DEATH or other damages arising out of my participation in "skydiving activities" even if caused by negligence or other fault of "SKYDIVE". (_____)

13. COVENANT NOT TO SUE: In exchange for good and valuable consideration, the sufficiency of which is acknowledged, I further agree that I, MY ESTATE OR ANYONE OR ANY ENTITY ACTING ON MY BEHALF OR ON BEHALF OF MY ESTATE WILL NOT SUE OR MAKE CLAIM against "SKYDIVE" for damages or other losses, including my INJURY OR DEATH, sustained as a result of my "skydiving activities" even if caused by negligence or other fault of "SKYDIVE." (_____)

14. INDEMNIFICATION AND HOLD HARMLESS: I also agree to INDEMNIFY AND HOLD "SKYDIVE" HARMLESS from all claims, judgments and costs, including but not limited to reasonable attorney's fees, and to reimburse "Skydive" for any expenses whatsoever incurred in connection with any action or lawsuit brought as a result of my participation in "skydiving activities," including but not limited to actions brought by myself or on behalf of myself or my estate, including but not limited to repayment to "SKYDIVE" of any judgments obtained against or collected from "SKYDIVE", even if "SKYDIVE" is claimed or found to be negligent or otherwise at fault. (_____)

15. ASSUMPTION OF RISK: I understand and acknowledge that "skydiving activities" are inherently dangerous and I EXPRESSLY AND VOLUNTARILY ASSUME ALL RISK OF DEATH OR PERSONAL INJURY SUSTAINED WHILE PARTICIPATING IN "SKYDIVING ACTIVITIES" WHETHER SUCH RISK IS FORESEEN OR UNFORESEEN, CONTEMPLATED OR NOT CONTEMPLATED, AND WHETHER OR NOT CAUSED BY THE NEGLIGENCE OR OTHER FAULT OF "SKYDIVE" including but not limited to equipment malfunction from whatever cause, inadequate training, any deficiencies in the landing area, rescue attempts, the weather, (including but not limited to wind conditions) bad landings, rescue attempts, or any other cause whatsoever, including but not limited to those set forth in other paragraphs of this document, even if those INJURIES or my DEATH are caused by the negligence or any fault of "SKYDIVE." (_____)

16. I hereby agree to waive and do waive any and all duty of care, whether by omission or commission, or any other duty, which may be owed or claimed to be owed to me by "SKYDIVE." (_____)

17. LIMITATION OF WARRANTY: "SKYDIVE" hereby warrants that the equipment provided by "SKYDIVE" has been previously used for "skydiving activities." THIS WARRANTY IS THE ONLY WARRANTY MADE AND IS MADE IN LIEU OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED. ADDITIONALLY, "SKYDIVE" DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. In accepting this limitation of warranty, I specifically waive any claim I may make for defect in design, manufacture, workmanship or any other defect in equipment and waive any claim I may have that an alternate design was available that would have been safer or in any way better, or that the design employed failed to comply with industry standards. I have read the above paragraph, acknowledge that I understand it and accept the limitation of warranty. (_____)

18. In the event any agent of or claimed agent, independent contractor, or employee of "SKYDIVE" is found by a court of competent jurisdiction to be guilty of willful and/or wanton conduct or misconduct, or any conduct claimed to be or deemed to be outside the scope of this contract/document, by action or law or for any other reason, I agree that that entity's

action shall be beyond the scope of his/her or/its employment and not attributable to "SKYDIVE" or any other entity, on any agency theory, or any other theory. This shall also apply to any acts which are alleged to be or are deemed to be willful and wanton on the part of any agent, employee, or any person or entity acting on behalf of or instead of any entity included in the definition of "SKYDIVE". (_____)

19. If I am making a student jump, I understand that I will be wearing a separate harness that may need to be adjusted by the jumpmaster. If my jump is a tandem jump, I understand that the jumpmaster and/or tandem master/instructor will attach my harness to his/her person and that this will put my body in close proximity to that of the tandem master/instructor. I specifically agree to this physical contact between the tandem or jump master and myself. (_____)

20. OTHER RECREATIONAL ACTIVITIES. This Agreement shall also be effective for and include any and all recreational activity(ies) which is organized, provided by or in any way associated with "SKYDIVE" or takes place on the grounds of "SKYDIVE", or the property owned by any entity in any way associated with, organized or provided by "SKYDIVE", including but not limited to camping and socializing. (_____)

21. DURATION OF RELEASE: It is my understanding and intention that this Release and Agreement be effective not only for my first jump, but for all subsequent jumps or "skydiving activities" and shall be in full force and effect from the signing of this Agreement. I further agree that any subsequent release signed by me shall include the terms of this release to the extent they are not inconsistent with the subsequent release, and that any and all inconsistencies be decided in favor of "SKYDIVE". I agree that this contract may be terminated upon (180) days written notice, sent by either party by certified mail return receipt requested. I further agree that such termination shall not affect events occurring or which have occurred prior to the effective date of the termination. (_____)

22. ENFORCEABILITY: I agree that if any portions of this Agreement, Release of Liability and Assumption of Risk are found to be against public policy or unenforceable for any reason, only that portion shall fall, but I specifically waive any unenforceability or any public policy argument that I may make or that may be made on behalf of myself, my estate or by anyone or entity who could or does sue because of my INJURY or DEATH. (_____)

23. DOCUMENT BROADLY CONSTRUED AND AMBIGUITIES CONSTRUED AGAINST ME. I am by reading, this paragraph, being made aware that the general rule is that this type of document is to be narrowly construed and ambiguities are to be decided against the person or entity preparing the document. I EXPRESSLY WAIVE that rule and I specifically agree that this document be broadly construed in favor of "SKYDIVE" and against me AND THAT ALL AMBIGUITIES BE RESOLVED IN FAVOR OF "SKYDIVE". (_____)

24. Jurisdiction and venue of any dispute. I agree that I, or any entity acting on my behalf or on behalf of my estate, will only bring a lawsuit arising out of or related to my skydiving activities in the state courts (and not federal) of Wasatch County, Utah. I agree that I, my estate or any entity acting on my behalf or on behalf of my estate, will not contest the jurisdiction or venue of the Wasatch County, Utah Courts. I further agree that by signing this document I am subjecting myself, my estate, or any entity acting on my behalf or on behalf of my estate to the personal jurisdiction of the Wasatch County, Utah Courts, and agree not to Contest the Wasatch County, Utah Court's jurisdiction. I knowingly waive the right to contest the jurisdiction and venue of the Wasatch County, Utah Courts. (_____)

25. Law to be applied. I agree that in resolving any legal claim arising out of or related to my "SKYDIVING ACTIVITIES", the court shall apply the substantive statutes, substantive common law and legal precedent of the state of Iowa. I make this agreement without reference to the "choice-of-law" rules of any state in which a claim related to my "SKYDIVING ACTIVITIES" is brought. I agree that I will not contest the application of Iowa substantive law to any claim related to this contract and/or my "SKYDIVING ACTIVITIES. I knowingly waive my right to assert that any other state or federal law should apply to any claim related to this contract. (_____)

26. I am aware that I have a right to demand a jury trial in any lawsuit that I, my estate or anyone acting on behalf of me or my estate or heirs might file against "SKYDIVE." I am also aware that it may be to my advantage to do so. I hereby irrevocably waive and give up the right to a jury trial in any lawsuit I might file, or might be filed on behalf of myself, my heirs or my estate against "SKYDIVE". I further understand "SKYDIVE" and "SKYDIVE" alone, at its option, may demand a jury trial. (_____)

27. I am being made aware by this paragraph that the Iowa Wrongful Death Act provides for the allowance of pecuniary damages for loss of society, grief, sorrow and mental anguish to the survivors. Having been made aware of this, I specifically give up and relinquish the right of my heirs or family members to pursue that type of damage in any wrongful death or other action which may be filed on my behalf or on behalf of my estate and agree to indemnify "Skydive" for any judgment which may be entered on behalf of my survivors. (_____)

28. I hereby authorize "SKYDIVE" or its assignee to take any photographs and videos as they may deem appropriate of myself and to use those photographs in such a manner, as they may deem appropriate and specifically waive any interest, proprietary or otherwise, I may have in such photographs. (_____)

29. I GIVE UP LEGAL RIGHTS: It has been explained to me, and I understand, that by signing this document I am giving up important legal rights and it is my intention to do so. (_____)

30. In the event it is found that any portion or portions of this document conflict with any one or more other portion in this document the interpretation of that portion which is most favorable to "SKYDIVE" shall control. (_____)

31. UNDERSTANDING OF AGREEMENT: I HEREBY CERTIFY THAT I HAVE READ AND UNDERSTAND THE CONTENTS OF THIS DOCUMENT AND I WISH TO BE BOUND BY ITS TERMS AND I UNDERSTAND THAT BY SIGNING THIS, I HAVE FOREVER GIVEN UP IMPORTANT LEGAL RIGHTS. EVEN THOUGH I MAY HAVE FAILED TO INITIAL SOME OR ALL OF THE PARAGRAPHS OF THIS DOCUMENT, I STILL INTEND TO BE BOUND BY ALL PARAGRAPHS. I FURTHER UNDERSTAND THAT THIS DOCUMENT CAN ONLY BE AMENDED IN WRITING, WITH THE AMENDMENT SIGNED BY THE ATTORNEY FOR SKYDIVE IOWA, INC. (WHOSE NAME, ADDRESS AND PHONE NUMBER WILL BE SUPPLIED UPON REQUEST) AND MYSELF. (_____)

32. I ELECT NOT TO ATTEMPT TO NEGOTIATE A CHANGE IN THIS AGREEMENT. (_____)

33. I hereby certify that if using my own gear, my reserve parachute has been packed by an appropriately rated FAA certified parachute rigger and will be "in-date", under the Federal Aviation Regulations, on all parachute jumps I make. Should my reserve parachute become "out-of-date", I will have it properly packed PRIOR to making any parachute jumps. (This applies to jumpers using their own personal gear.) (_____) or I am a student using rental gear (_____).

THIS WAIVER MEANS THAT IF YOU SIGN, YOU ARE BOUND BY THIS ENTIRE DOCUMENT. IT MEANS IN THE BROADEST GENERAL TERMS THAT IF YOU SUE "SKYDIVE" YOU CANNOT WIN AND, FURTHER, YOU WILL OWE "SKYDIVE" MONEY, INCLUDING BUT NOT LIMITED TO ATTORNEY'S FEES, REPAYMENT OF ANY JUDGMENT OBTAINED AND OTHER EXPENSES INCURRED BY "SKYDIVE" IN DEFENDING YOUR LAWSUIT AND YOU WILL HAVE TO REIMBURSE "SKYDIVE" FOR ANY JUDGMENT YOU MIGHT GET AGAINST "SKYDIVE" EVEN IF YOUR INJURY OR DEATH IS CAUSED BY THE NEGLIGENCE OF "SKYDIVE". I UNDERSTAND AND AGREE TO BE BOUND BY THIS PARAGRAPH AND ALL OTHERS IN THIS DOCUMENT. (_____)

I UNDERSTAND THAT WHEN I SIGN THIS DOCUMENT, I WILL BE GIVING UP ANY AND ALL RIGHTS I OR MY HEIRS MAY HAVE TO SUE ANYONE IN ANY WAY, SHAPE OR FORM ASSOCIATED WITH MY SKYDIVE, EVEN IF THE ENTITY I OR MY HEIRS INTEND TO SUE HAS CAUSED MY INJURY OR DEATH BY THEIR NEGLIGENCE OR OTHER FAULT. (_____)

I HAVE BEEN GIVEN AN OPPORTUNITY TO READ THIS DOCUMENT. I HAVE READ EVERY SINGLE WORD ON EVERY SINGLE PAGE. I UNDERSTAND ITS CONTENTS. I INTEND THAT I, AND MY HEIRS, MY FAMILY AND/OR ANYONE WHO MIGHT ACT ON MY BEHALF OR ON BEHALF OF MY ESTATE, IN ANY CAPACITY WHATSOEVER BE BOUND BY ITS TERMS. (_____)

Skydive The Wasatch

Basic Operations Guide

Overview of the Skydiving Industry

- Over 2,500,000 skydives and 500,000 tandem skydives annually in the United States.
- Currently there are over 300 active skydiving operations nationwide with the majority operating on Federally Funded Airports.
- The USPA (United States Parachute Association) has an estimated 30,000 active members.

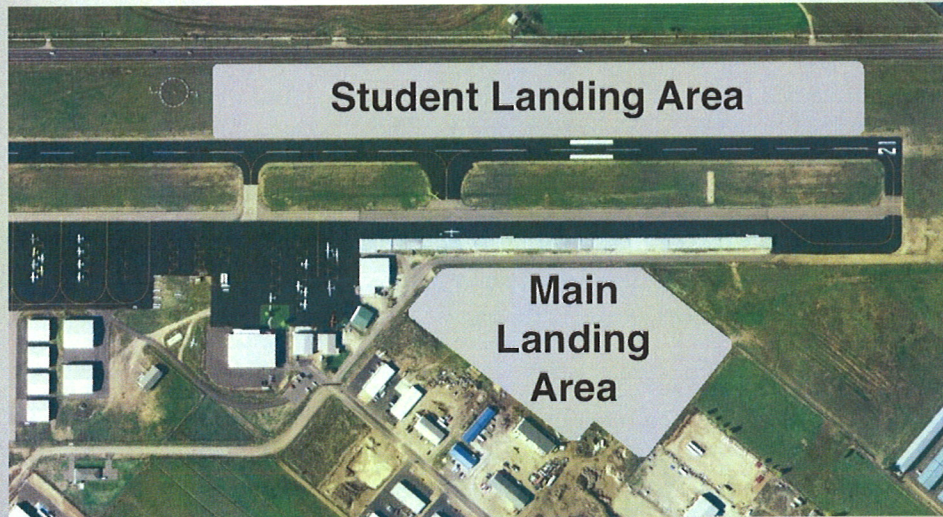
Daily Flight and Jump Operations

- Skydive The Wasatch will utilize a Cessna 182 for jump operations.
- A permanent NOTAM will be filed to alert other aircraft of skydiving activities in the area.
- Estimated 20 minute flight time to climb to a jump altitude of 9,500 ft AGL.
- Skydivers will exit aircraft at 9,500 ft AGL and freefall for approximately 40 seconds.
- Between 4,500 - 2,500 ft AGL the skydivers will deploy their parachute and remain under canopy for between 4 and 6 minutes before landing.

Landing Areas

- The proposed landing main area will be in the open field to the south of hangar row. This landing area provides over 10 acres of open space for safe landings. The long axis of the landing area faces into the prevailing winds, resulting in softer and easier landings.
- The proposed student landing area will be located in the grass area between Highway 189 and the north end of the runway. This will provide students with a very long landing area facing into the prevailing winds. If the Board is uncomfortable with skydivers landing close to the runway, students can use the main landing area instead.

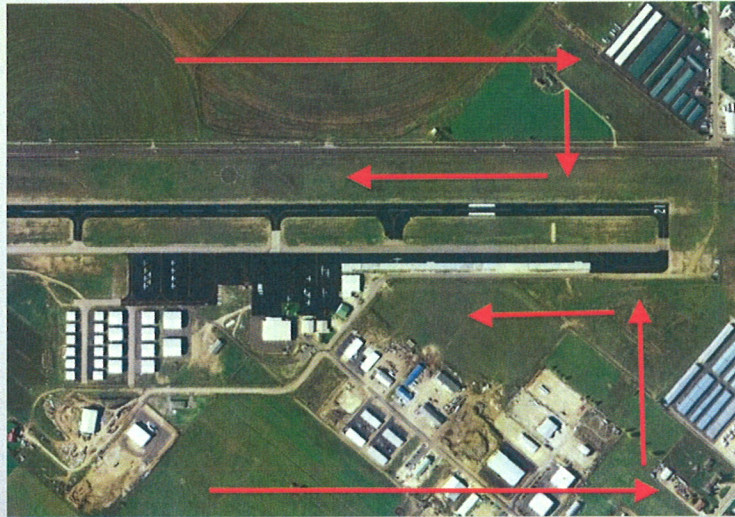
Landing Areas



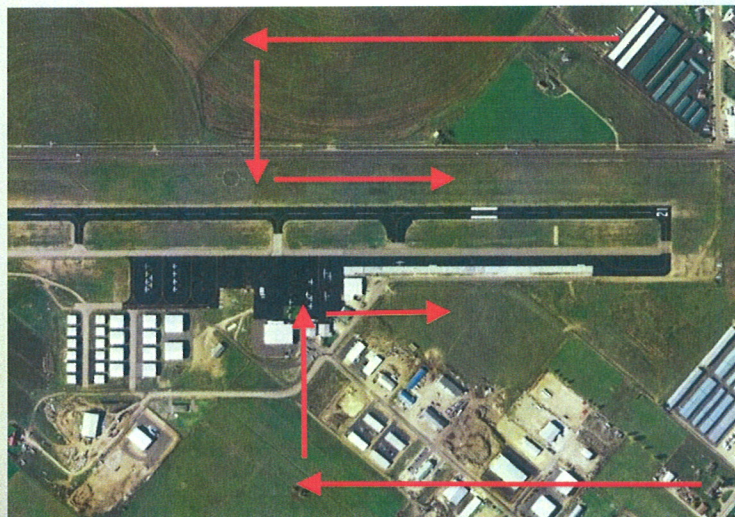
Landing Patterns

- Just like powered aircraft, parachutes utilize a downwind, base, and final leg landing pattern.
- Downwind leg typically starts at 900 ft, with base at 600 ft and final at 300 ft.
- The parachute landing pattern will be well within the aircraft landing pattern, thus preventing any traffic issues.

Landing Pattern for Winds Out of the SW



Landing Pattern for Winds out of the NE



Freefall Considerations

- Skydivers will exit the aircraft at different locations to account for wind drift while in freefall and under canopy.
- Most often, freefall will occur within 1.5 miles of the airport and at altitudes between 9500ft - 4000ft AGL.
- The pilot will give a 2 minute warning and “jumpers away” call over the radio to alert other aircraft in the area that skydivers are in the air.
- The next slide contains a diagram of where most freefall activity will occur, taking into account the prevailing westerly winds.

Freefall Area



Parachute Deployment/Holding Areas

- Skydivers prefer to open their parachute and hold upwind of their intended landing area, ideally within .5 miles of the landing area.
- The following slide contains a diagram of a theoretical skydive in its entirety. Notice how the entire sequence of events stays well clear of other air traffic.
- Altitudes for each aspect of the skydive are as follows. These altitudes help to keep parachute traffic clear of other aircraft:
 - Freefall: 9500ft - 4000ft AGL
 - Parachute Holding Area : 4000ft - 1200ft AGL
 - Landing Pattern: 1200ft - 0ft AGL



Minimum Standards

- Skydive The Wasatch will operate out of Hangar 19 on Hangar Row. The hangar has already been retrofitted by the owner (Ken Heidorn) to comply with the Minimum Standards for a SASO, including a lounge area and an ADA compliant restroom.
- Insurance will be obtained through Alexander Aviation. See attached letter from Alexander Aviation ensuring that Skydive The Wasatch will be able to meet the insurance requirements. Insurance companies are unable to provide passenger liability insurance for skydiving operations because it is extremely difficult for them to determine when a skydiver stops being a passenger and starts being a skydiver. No such policy exists in the market place.

Parking Considerations

- With the proposed business location being on Hangar Row, parking is an issue to be considered. What I am proposing is that the foot traffic gate next to the western gate be left open during business hours to allow for customers to walk to the hangar. Parking will be along the fence next to the western gate. Signs will be put in place to help alleviate any confusion. This is only one option and I am open to any other ideas that the Board may have.

Proposed Parking Area



What Does the Airport/City Gain by Hosting a Skydiving Operation

- Increased daily operations = increased FAA funding.
- Increased fuel sales, estimated 5,000 gallons of 100LL in year one.
- Tourist traffic coming from Park City. These are tourists that might not otherwise come to the Heber area.
- Visitors from Utah/Salt Lake County, once again, visitors that might not otherwise make a day trip out to Heber.

Questions or Concerns?

- This presentation was just a quick overview of the proposed skydiving operation. If you have any specific questions over the finer details, or any concerns, please contact me.
- I am currently working overseas, but can be reached by email at daniel_mcnulty8@yahoo.com



SPECIALIZED COMMERCIAL AERONAUTICAL OPERATOR (SASO)

8. SPECIALIZED COMMERCIAL AERONAUTICAL OPERATOR (SASO)

8.1. Definition

- 8.1.1. A Specialized Service Operator A person who provides aircraft accessory services, flight training, commercial flying services, aircraft sales, aircraft airframe and engine repair, aircraft manufacturing, aircraft rental or charter, or any other commercial aeronautical activities or services, glider rides and glider towing, sight seeing flights; crop dusting; seeding and spraying; banner towing and aerial advertising; and aerial photography or survey; fire fighting power line or pipe line patrol and wild life spotting or any other operations specifically excluded from FAR Part 135, except fuel sales
- 8.1.1.1. **Limited Aircraft Services and Support** - are defined as limited aircraft, engine, or accessory support (for example, washing, cleaning, painting, upholstery, propeller, etc.) or other miscellaneous activities directly related to aircraft services and support.
- 8.1.1.2. **Miscellaneous Commercial Services and Support** - are defined as operations such as but not limited to ground schools, simulator training, charter flight coordinators, aircrew management, or any other miscellaneous activities directly related to supporting or providing support services for a commercial activity.
- 8.1.2. In addition to the General Requirements set forth in Section 2, each Specialized Commercial Aeronautical Operator at the Airport shall comply with the following minimum standards set forth in this Section 8.

8.2. Leased Premises (Sublessee or Multiple Activities)

- 8.2.1. An Operator engaging in this activity as well as other activities or an authorized Sublessee engaging in this activity shall have adequate apron, facilities, and vehicle parking (all located within close proximity) to accommodate all activities of the Operator, but not less than the following:
- 8.2.1.1. *Apron/paved tiedowns shall be adequate to accommodate the total number of aircraft in Operator's fleet at the Airport.*
- 8.2.1.1.1. If Operator utilizes a hangar for the storage of Operator's fleet at the Airport, no paved tiedowns will be required.
- 8.2.1.2. *Facilities shall include customer and administrative areas that are curbside accessible. Maintenance and hangar areas are required if Operator is conducting aircraft maintenance on aircraft owned and/or operated by Operator. If Operator provides aircraft maintenance on other aircraft, Operator shall meet the minimum standards for an Aircraft Maintenance Operator.*
- 8.2.1.2.1. Customer area: Operator's customers shall have immediate access to customer lounge(s), and restrooms.
- 8.2.1.2.2. Administrative area shall be sufficient to accommodate the administrative functions associated with the activity.
- 8.2.1.2.3. Maintenance area, if required, shall be at least 500 square feet and shall include adequate space for employee work areas, shop areas, and storage.
- 8.2.1.2.4. Hangar area, if required, shall be large enough to accommodate the largest aircraft in Operator's fleet at the Airport maintained by Operator.
- 8.2.1.3. *Vehicle Parking – Per Heber City Municipal Code, Chapter 18.72 Parking Standards.*

8.3. Leased Premises (Lessee)

- 8.3.1. An Operator other than an authorized Sublessee engaging in this activity shall have adequate land, apron, facilities, and vehicle parking to accommodate all activities of the Operator and all approved Sublessee(s), but not less than the following:
- 8.3.1.1. *All required improvements including, but not limited to, apron, vehicle parking, roadway access, landscaping, and all facilities shall be located on contiguous land.*
- 8.3.1.2. *Apron/paved tiedowns shall be adequate to accommodate the total number of aircraft in Operator's fleet at the Airport but not less than the space required.*



SPECIALIZED COMMERCIAL AERONAUTICAL OPERATOR (SASO)

- 8.3.1.2.1. If Operator has a hangar, apron shall be equal to the hangar square footage or adequate to accommodate the movement of aircraft into and out of the hangar, staging, and parking of Operator's aircraft, whichever is greater.
- 8.3.1.2.2. If Operator utilizes a hangar for the storage of Operator's fleet at the Airport, no paved tiedowns will be required.
- 8.3.1.3. *Facilities shall include customer and administrative areas that are curbside accessible. Maintenance and hangar areas are required if Operator is conducting aircraft maintenance on aircraft owned and/or operated by Operator.*
 - 8.3.1.3.1. Customer and Administrative areas shall be at least 500 square feet and shall include adequate space for customer lounge(s), and restrooms and be sufficient to accommodate the administrative functions associated with the activity., whichever is greater, and shall include adequate space for employee offices, work areas and storage. Maintenance area, if required, shall be at least 500 square feet and shall include adequate space for employee work areas, shop areas, and storage.
 - 8.3.1.3.2. Hangar area, if required, shall be at least 2,500 square feet or large enough to accommodate the largest aircraft in Operator's fleet at the Airport maintained by Operator, whichever is greater.
 - 8.3.1.4. *Vehicle Parking – Per Heber City Municipal Code, Chapter 18.72 Parking Standards.*
- 8.4. **Licenses and Certifications**
 - 8.4.1. Operator shall have and provide to the Airport Manager evidence of all federal, state, and local licenses and certificates that are required to conduct the activity.
- 8.5. **Personnel**
 - 8.5.1. Operator shall provide a sufficient number of personnel to adequately and safely carry out its activity in a prompt and efficient manner to meet the reasonable demands of the public seeking such services.
 - 8.5.2.
- 8.6. **Hours of Activity**
 - 8.6.1. Operator shall be open and services shall be available during hours normally maintained by entities operating competitive businesses at the Airport.
- 8.7. **Insurance**
 - 8.7.1. Operator shall maintain, at a minimum, the coverage and limits of insurance set forth in Attachment A - Schedule of Minimum Insurance Requirements



ATTACHMENT A (MINIMUM INSURANCE REQUIREMENTS)

16. ATTACHMENT A (MINIMUM INSURANCE REQUIREMENTS)

	Fixed Base Operator	Aircraft Maintenance Operator	Aircraft Rental, Flying Club, or Flight Training Operator	Aircraft Charter or Aircraft Management Operator	Aircraft Sales Operator	Specialized Commercial Aeronautical Operator, including Commercial Hot Air Balloon Operators	Temporary Specialized Aviation Service Operator	Commercial Hangar Developer or Operator	Non-Commercial Hangar Developer/Operator	Non-Commercial Self-Service Fueling Permittee
COMMERCIAL GENERAL LIABILITY (Combined Single Limit)										
Each Occurrence	\$5,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
VEHICULAR LIABILITY (Combined Single Limit)										
Each Occurrence	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
HANGAR KEEPER'S LIABILITY (Largest Aircraft Accommodated) – if applicable										
SE Piston Group I	Each Aircraft	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000		
	Each Occurrence	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000		
ME Piston Group I	Each Aircraft	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000		
	Each Occurrence	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000		
Turboprop Group I	Each Aircraft	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000		
	Each Occurrence	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000		
Turboprop Group II	Each Aircraft	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000		
	Each Occurrence	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000		
Turbojet Group I	Each Aircraft	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000		
	Each Occurrence	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000		
Turbojet Group II	Each Aircraft	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000		
	Each Occurrence	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000		
AIRCRAFT AND PASSENGER LIABILITY (Each Occurrence)										
SE Piston/Group I						\$1,000,000/\$100,000 sub limit per person				
Commercial Hot Air Balloon						\$1,000,000/\$100,000 sub limit per person				
ME Piston/Group I						\$1,000,000/\$100,000 sub limit per person				
Turboprop Group I & II						\$5,000,000/\$250,000 sub limit per person				
Turbojet/Group I						\$5,000,000/\$250,000 sub limit per person				
Turbojet/Group II						\$10,000,000	\$10,000,000	\$10,000,000		
Students and Renters						\$100,000				
ENVIRONMENTAL LIABILITY (Combined Single Limit, Each Occurrence)										
Each Occurrence	\$1,000,000									\$1,000,000



ATTACHMENT A (MINIMUM INSURANCE REQUIREMENTS)

Commercial General Liability to include bodily injury, personal injury, and property damage for all premises, products and completed operations, unlicensed vehicles, and contractual liability.

Vehicular Liability or Business Automobile Liability to include bodily injury and property damage for all vehicles (owned, non-owned, or hired).

Hangar Keeper's Liability to include property damage for all non-owned aircraft under the care, custody, and control of the Operator.

Aircraft and Passenger Liability to include bodily injury, property damage, and passenger injury for all owned, leased, or operated aircraft.

Student and Renter Liability to include bodily injury, personal injury, and property damage (excluding aircraft hull) for students and renters of aircraft.

Environmental Liability to include bodily injury, property damage, and environmental cleanup costs.

SE = Single engine aircraft

ME = Multi engine aircraft

ITEM 4

Mark Anderson

From: John.Sweeney@faa.gov
Sent: Tuesday, November 19, 2013 8:48 AM
To: manderson@ci.heber.ut.us
Cc: mswapp@utah.gov; Kristin.Brownson@faa.gov
Subject: Heber CIP
Attachments: FY 14 36U ADP.xls

Mark,

I understand there was a little confusion regarding the CIP yesterday. I would first like to say I had made a mistake in the CIP that was sent to you, and second as I am sure Kristin mentioned on the phone, we are committed to the C-II upgrade at your facility.

The 2019 project shown as rehab runway is correct, however the description that stated "maintenance" should have said "EA for C-II". The way that our internal system codes projects can sometimes be confusing when that data is extracted into Excel.

For clarification I have attached a revised CIP/ADP and also included some years beyond the 2019 so you will be able to show your elected officials what exactly we have planned for as far as a Federal investment is concerned. Part of the reason we send out the annual CIP/APD for review and comment is to catch and address issues like this, so thank you for taking the time and reviewing the document and providing Matt and Kristin that feedback. As I mentioned before we are committed to a C-II upgrade at Heber to help make your facility as safe as possible for all of the users. A project of this magnitude will require regular communication between our offices as we proceed through the necessary steps. The first step will be the Master Plan, that will document and justify the need for the upgrade. After that is complete we will need to conduct an environmental assessment (2019 project) followed by construction. Currently the reason for the delay until 2019 on the EA is because those documents do have a shelf life and currently we do not have the financial flexibility to start this project before 2021. However we constantly are looking for ways to accelerate discretionary projects and over the next few years we will continue to look for any opportunities to move this project forward sooner.

Thanks again for your review and I apologize for the confusion. Please feel free to contact Kristin or myself for any other questions or concerns.

John Sweeney
Community Planner
FAA-Denver Airports District Office
303-342-1263
Fax-303-342-1260

Utah Division of Aeronautics
Airport Development Plan Project List

Project Description & Cost Estimate									
Scheduled/Req uested Federal Fiscal Year	Project Description	Project Identification in ALP/MP	Comments	Sponsor Priority Number	Estimated Total Cost of Project	Cost Allocation \$			Sponsor Participation
						Federal Participation	State Participation		
Federally Funded Projects									
						90.94%	4.53%		4.53%
2014	Rehabilitate Runway				\$ 5,278,205	4,800,000	\$ 239,103	\$ 239,103	\$ 239,103
2015	Update Airport Master Plan Study				\$ 164,944	150,000	\$ 7,472	\$ 7,472	\$ 7,472
2016	Construct Heliport/Helipad				\$ 164,944	150,000	\$ 7,472	\$ 7,472	\$ 7,472
2018	Acquire Land For Approaches				\$ 329,888	300,000	\$ 14,944	\$ 14,944	\$ 14,944
2019	Rehabilitate Runway		EA for C-II		\$ 164,944	150,000	\$ 7,472	\$ 7,472	\$ 7,472
2021	Rehabilitate Runway		C-II Land and Hangar		\$ 10,226,523	9,300,000	\$ 463,261	\$ 463,261	\$ 463,261
2022	Rehabilitate Runway		C-II Grading/Paving		\$ 10,061,579	9,150,000	\$ 455,790	\$ 455,790	\$ 455,790
2023	Rehabilitate Runway		C-II Paving		\$ 6,762,701	6,150,000	\$ 306,350	\$ 306,350	\$ 306,350
					\$ -		\$ -	\$ -	\$ -
Participation Totals						\$ 33,153,728	\$ 30,150,000	\$ 1,501,864	\$ 1,501,864
State Funded Projects									
							90.00%		10.00%
							\$ -	\$ -	\$ -
							\$ -	\$ -	\$ -
							\$ -	\$ -	\$ -
Participation Totals						\$ -	\$ -	\$ -	\$ -

Note: Attach additional sheets as necessary to fully describe projects or to add information needed for a full understanding of project scope, location and costs.

For Planning Purposes Only

Utah Division of Aeronautics
Airport Development Plan Project List

Airport:	Heber City Muni/Russ McDonald Field	Airport Sponsor:	Heber City	Present ARC:	B II	Future ARC:	B II	
Sponsor Contact:	Mark Anderson	Tele. Ph #	435-654-0757	E-mail:	manderson@ci.heber.ut.us	Date Submitted:	11/20/2012	
Consultant Contact:	Armstrong Consultants Inc.	Tele. Ph #	970-242-0101	E-mail:	ryan@armstrongconsultants.com	Based Aircraft	94	
Project Description & Cost Estimate								
Proposed Calendar Year to Begin Project	Project Description	Project Identification in ALP/MP	Project Location on ALP	Sponsor Priority Number	Estimated Total Cost of Project	Cost Allocation \$		
						Federal Participation	State Participation	Sponsor Participation
Federally Funded Projects						90.94%	0.00%	9.06%
2013	Rehab RW 4/22-Design Only	MP	ALP	1	\$ 329,887	\$ 300,000		\$ 29,887
2014	Rehab RW 4/22 & Apron Rehab	MP	ALP	3	\$ 4,948,318	\$ 4,500,000	\$ 224,158	\$ 224,158
2015	Master Plan Update	MP	ALP	2	\$ 164,944	\$ 150,000		\$ 14,944
2016	Construct Helicopter Parking	MP	ALP	4	\$ 164,943	\$ 150,000		\$ 14,943
2017	Bank							
2018	Acquire Land for Approaches	MP	ALP/EXT	5	\$ 329,887	\$ 300,000		\$ 29,887
2019	EA for C-11 Upgrade			6	\$ 164,943	\$ 150,000		\$ 14,944
2020	Bank							
2021	C-II Runway Upgrade			8	\$ 9,896,635	\$ 9,000,000	\$ 448,317	\$ 448,317
Participation Totals					\$ 15,999,557	\$ 14,550,000	\$ 672,475	\$ 777,080
State Funded Projects							90.00%	10.00%
							\$ -	\$ -
Participation Totals					\$ -		\$ -	\$ -
Note: Attach additional sheets as necessary to fully describe projects or to add information needed for a full understanding of project scope, location and costs.								

Reflects the Combining of the 2014 Apron Rehab State Maintenance Project with 2014 FAA AIP Project. Heber City is hopeful of a higher grant match from the State of Utah because of savings created from the elimination of the 2014 State Maintenance Project. This also allows the apron and runway to be closed concurrently to minimize airport disruption.



U.S. Department
of Transportation

**Federal Aviation
Administration**

October 29, 2013

Mr. Mark Anderson
Heber City
75 North Main St
Heber, UT 84032

Five-Year Airport Capital Improvement Plan

Dear Mr. Anderson:

The FAA and Division of Aeronautics continually evaluate the needs of Utah's airports and rely on capital improvement plans (CIP). The CIP is derived from different sources including Master Plans, Statewide Pavement Management Plans and Joint Planning Conferences. Enclosed are 5-year capital improvement plans for your airport. The FAA and Division are asking each airport sponsor to review and update their CIP.

The capital improvement plans shows federally funded and state funded projects for your airport. In most cases, the projects are not identical to the ones you forwarded to the FAA. It is important to remember that we fund a system of airports where the highest priority work in the State of Utah is funded first.

Please review the needs of your facility and update the CIP for your airport. We would ask that **all** Airport Sponsors submit an updated CIP to reflect a five-year period of projects, FY 2014-2019. At this point there should be no changes to 2014 and 2015. All CIP's should be submitted via email to john.sweeney@faa.gov and mswapp@utah.gov. CIP updates need to be received by November 22, 2013. Make sure that you include projects through FY 2019.

Keep in mind that CIP updates occur every year, but necessary changes can occur throughout the year. Due to constant change in airport needs and funding for proposed projects, you should keep your CIP up-to-date. Your CIP should be updated in conjunction with your City Counsel/County Commission, Airport Board and airport consultant.

We strongly recommend you discuss the CIP with your local officials and inform them of the level of available Federal and State funds expected over the 5-year planning period. It is important that alternative funding sources be researched for desired airport improvements, if necessary.

Thank you for your continued support and patience during the planning and funding process.

Sincerely,



John Sweeney
Utah Airports Planner
Federal Aviation Administration
Denver Airports District Office
26805 East 68th Ave., Suite 224
Denver, CO 80249-6361
Phone: (303) 342-1263
Fax: (303) 342-1260
Email: john.sweeney@faa.gov



A. Matthew Swapp, P.E.
UDOT Aeronautical Programs Engineer
Utah Department of Transportation
Division of Aeronautics
135 North 2400 West
Salt Lake City, UT 84116
Phone: (801) 870-4023
Fax: (801) 715-2276
Email: mswapp@utah.gov

Enclosures: Airport Capital Improvement Plan (State)