



City of Santa Barbara
Airport Department

DATE: September 13, 2017

TO: General Aviation Subcommittee Working Group

FROM: Hazel Johns, Airport Director

SUBJECT: Revisions to Minimum Standards of Aeronautical Activities at Santa Barbara Airport

BACKGROUND:

The Federal Aviation Administration (FAA) published a Final Policy in the Federal Register dated March 15, 2016 and effective April 4, 2016, which amended FAA Order 6190.B, FAA Airport Compliance Manual. The amendment was related to the flying clubs and Airport Commercial Minimum Standards. In response, Santa Barbara Airport (SBA) has proposed to modify the "Minimum Standard Requirements for Aeronautical Activities at the Santa Barbara Municipal Airport" ("Minimum Standards"). Meetings were held on April 18, 2017, and May 3, 2017, where proposed changes were presented and discussed. Following the meeting on May 3, 2017, Airport staff received 9 written letters from interested parties, and have been incorporated as appropriate. Another meeting of the Working Group is scheduled for September 13, 2017, 2:00 – 3:30 p.m. to further discuss the proposed changes.

AIRPORT MINIMUM STANDARDS

The FAA recommends that Airports adopt *Minimum Standards for Commercial Aeronautical Activity*.¹ Benefits of establishing minimum standards include:

- Promoting safety in all Airport activities;
- Maintaining and enhancing the availability of adequate services for all Airport users;
- Protecting Airport users from unlicensed and unauthorized products and services;
- And, promoting the orderly development of Airport property.

Minimum standards also help an Airport meet its FAA Airport Improvement Program (AIP) grant assurances. The Santa Barbara Airport typically receives \$2.7 - \$3 million in annual AIP grants. Recent AIP grant projects have included the rehabilitation of the

¹ See FAA Advisory Circular 150/5190-7: "Minimum Standards for Commercial Aeronautical Activities".

Airport Electrical System, Runway 15L-33R Pavement Rehabilitation, and Runway 15R-33L Pavement Rehabilitation.

DISCUSSION OF PROPOSED CHANGES:

The proposed changes to the Minimum Standards are included as Attachment 1. Red-lined changes were presented to the Working Group on April 18, 2017. Purple-lined changes were made based upon comments at the April 18, 2017 meeting, and distributed at the May 3, 2017 meeting. Gray-lined changes were made based upon comments at the May 3, 2017 meeting and subsequent written comments from interested parties. Attachment 2 includes a clean copy of the proposed changes.

The following chart describes the proposed changes:

Page(s)	Proposed Change	Reason for Change
6	“Fixed Place of Business”	A fixed place of business is only occupied by virtue of a lease agreement.
6	“Flying Club”	Align definition of flying club to FAA definition.
7	“Ground School”	Create a definition of ground school activities. Related to Article 8- Independent Operators.
7	“Independent Operator is not considered an Airport lessee”	Since an Independent Operator does not operate out of owned or leased property on the Airport, it is not considered a lessee.
7	“A lease agreement reflects a grant of three basic rights or privileges...”	To include a definition of lease agreement, as defined in FAA Order 5190.6B, Section 12.2A Rights Granted by Contract
7	“Lessee”	To create a definition of “lessee”, which is tied to a Lease Agreement.
7	“License Agreement”	To create a definition of “License Agreement”
8	“Licensee”	To create a definition of “Licensee”. Related to Article 8- Independent Operators.
37	“Independent Operator is not considered an Airport lessee”	Since an Independent Operator does not operate out of owned or leased property on the Airport, it is not considered a lessee.
37	“lease”	An Independent Operator does not operate through a lease.
37	“The Independent Operator, if an entity, shall provide...”	Deleted from Section 8.1.a. and included in Article 8 to be applicable to all Independent Operators.
37	“Flight Instructor shall have proper FAA certificates to conduct flight instruction.”	To clarify that an Independent Flight Instructor should have appropriate certificates for flight instruction.
37	“Prior to conducting business...”	An Independent Flight Instructor should have permission from a Lessee to operate from its

Page(s)	Proposed Change	Reason for Change
		premises, thereby allowing the Lessee to control its premises. In the case of City-managed T-hangars or Tie-downs, the Airport will need evidence of a request from services for a Licensee. In both instances, this provides the Airport with a better understanding of activities within the AOA.
37	"Ground School"	To ensure that ground school activities occur in an appropriate facility or outside the AOA. A "Lessee authorized by the Airport to provide flight instruction" currently includes flight schools and the FBOs, which are required by agreement to provide flight training.
38	"Section 8.2 Minimum Standards- Independent Aircraft Detailer or Washer..."	To create a separate category for an Independent Aircraft Detailer or Washer, which has some notable differences from an Independent Flight Instructor, including no requirement for FAA certification and environmental concerns.
38	"Prior to conducting business..."	An Independent Aircraft Detailer or Washer should have permission from a Lessee to operate from its premises, thereby allowing the Lessee to control its premises. In the case of City-managed T-hangars or Tie-downs, the Airport will need evidence of a request from services for a Licensee. In both instances, this provides the Airport with a better understanding of activities within the AOA.
38	Section 8.3 "Temporary Independent Operators"	To recognize that there may be a need from aircraft owners or operators for specialized aviation flight instruction or aircraft detailers or washers, with a limited duration.
40-44	"Flying Clubs"	<p>To align Flying Club Minimum Standards with FAA Order 5190.6B, as amended. Language from the amended order was included in the proposed Minimum Standards revisions, with a number of exceptions, described below:</p> <p>10(c)3. Additional language to allow a Commercial Operator to provide flight training to a flying club member instead of a "Lessee based on the Airport" in order to provide additional flight instruction choices for flying club members. The Airport has also proposed limits on the total number of hours of flight instruction that may</p>

Page(s)	Proposed Change	Reason for Change
		<p>receive monetary compensation, in order to ensure a distinction between flying clubs and flight schools.</p> <p>10(c)4. Additional language to ensure maintenance activities carried out by a flying club are performed in appropriate maintenance facilities. There are no limits on the monetary compensation that can be paid to a flying club member conducting maintenance on flying club aircraft.</p> <p>10(c)7. Specifies the types of documents and frequency of filing from a flying club to the Airport. Red-lined language was carried forward from the current Minimum Standards. Gray-lined items provide reporting ensure compliance with the flight instruction and maintenance policies in 10(c)3. and 10(c)4. "Evidence that ownership of the club aircraft..." modified to reflect 10(b).</p> <p>10(c)10. Per FAA Order 6190.6B, Airport may require insurance documents from a flying club. This language was carried forward from the current Minimum Standards.</p> <p>10(d). To specify a timeline for remedying violations. This language was carried forward from the current Minimum Standards.</p>

“LEVEL PLAYING FIELD”

One of the Airport’s considerations in applying minimum standards, often referred to as a “level playing field,” includes:

Ensur(ing) standards are reasonable, not unjustly discriminatory, attainable, uniformly applied and reasonably protect the investment of providers of aeronautical services to meet minimum standards from competition not making a similar investment²

The table below highlights some of the differences in the Minimum Standard requirements at the Airport for a Flight School and Independent Flight Instructor.

² Advisory Circular 150/5190-7: “Minimum Standards”, Section 1.2(d)3

Minimum Standard Requirement	Flight School	Independent Flight Instructor
Facilities	Office, classroom, auto parking. Facilities or arrangements for storing, parking, servicing, repairing aircraft.	N/A
Aircraft	Owned or lease-back	Aircraft owner's aircraft
Personnel	FAA-certificated, full-time basis.	FAA-certificated

FAA guidance suggests that a “yearly fee or percentage of gross receipts fee is a satisfactory way of monitoring³” Independent Operators. Fees are one method that can create a more level playing field between aeronautical service providers.

PROPOSED FEE CHANGES- INDEPENDENT OPERATOR

The table below shows the current and proposed fee changes for Independent Operators by activity.

Category	Current Fee	Proposed Fee
Independent Flight Instructor	\$150/annual	\$200/month
Independent Aircraft Detailer or Washer	\$150/month	\$200/month
Temporary Independent Operator	N/A	\$200/month

The current fee schedule for Independent Operators has been in place since at least 2005. The Airport would also propose the fees be increased on an annual basis by CPI, with the increase no less than 3% or greater than 8%. This is typical of most Airport leases.

The proposed fee of \$200 per month are also in line with the Ventura County Airports (Oxnard and Camarillo), which charge \$2,127 on an annual basis for Independent Operators.

AIRPORT BADGING- INDEPENDENT OPERATOR

Independent Flight Instructors will not be issued airport badges for access to the AOA. It will be the responsibility of the person receiving the flight instruction to escort the Independent Flight Instructor according to Airport Rules and Regulations.

Because Independent Aircraft Detailers or Washers typically perform their work when an aircraft owner or operator is not onsite and drive within the AOA, they will be provided an airport badge for access to the AOA, provided they meet Airport Rules and Regulations.

³ FAA Advisory Circular 150/5190-7, Section 1.3(b)

ATTACHMENTS:

- 1) Draft Minimum Standards with changes highlighted, dated September 7, 2017
- 2) Draft Minimum Standards (clean copy), dated September 7, 2017