

City of Phoenix Aviation Department
 Minimum Standards Questions/Comments and Answers
 These Questions have been modified to remove any offensive terms
 Updated January 23, 2008

Q/C-1	What is a 'Commercial Operation'? That term is not defined in the City of Phoenix Rules and Regulations, definitions, Rev. Aug. 1 2005.
A-1	<p style="color: red;">"Commercial Operation" is any operation that engages in Commercial Activity as defined in Phoenix City Code § 4-1.</p> <p style="color: red;"><i>"Commercial activity means the conduct of any aspect of a business or concession on the airport for revenue."</i></p>
Q/C-2	<p>RE: SASO II & III Minimum Standard-DVT</p> <p>Dear Mr. Barney Helmick,</p> <p>This letter is a response to the SASO II draft Minimum Standards Public Review meeting at Phoenix Sky Harbor on September 18, 2007. My comments are indicative of discussion feedback my fellow tenant neighbors have shared with me.</p> <p>I appreciate the efforts of Phoenix aviation to involve the participation of tenants in developing airport minimum standards that will work for all parties involved. This collaborative approach creates improved understanding among the tenants and clarification of common objectives.</p> <p>Following are my concerns on the individual Minimum Standards:</p> <p>Aircraft Cleaning Operator - The minimum standard identifies "minimum insurance requirements" in Attachment A of \$3 million each for Airport Premises and Vehicular Liability insurance.</p> <p>This level of insurance will extinguish the current business opportunities of small operators providing washing, waxing, detailing, etc. services for small general aviation aircraft at Deer Valley airport (DVT). These are not large well financed businesses common to the operators of large turbine aircraft operating in a commercial or "for hire" context as at Sky Harbor and Scottsdale. These are niche businesses satisfying specialized needs of the general aviation small aircraft owners which are the overall majority of DVT tenants.</p> <p>The Airport Premises insurance requirement is triple the amount specified for independent mechanics general liability (\$1 Million). The risk to the city should be no more than that for an independent mechanic and more realistically is much less due to the cosmetic nature and frequency of the work.</p> <p>I would ask that you reconsider the consequences of levying such a huge insurance burden on these niche businesses and evaluate the risk/benefit for</p>

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	<p>both the tenant and Phoenix Aviation and reduce it accordingly.</p> <p>Aircraft Charter or Aircraft Management Operator - The fixed fee structure based on aircraft gross weight would seem to penalize the larger aircraft while at the same time creating significant opportunity for the small Very Light Jet (VLJ) aircraft class. The VLJ class will be under the 12,500 pound gross weight (typically 10,000 pounds or less) and will produce much more revenue than the aircraft over 12,500 pounds creating a huge cost advantage.</p> <p>Perhaps the fee structure should be reconsidered in regards to the growing VLJ market to ensure an equitable fee structure.</p> <p>Thanks again for requesting my comments for consideration.</p> <p>With kind Regards,</p>
A-2	<ul style="list-style-type: none"> • Aircraft Cleaning Operator: We have reviewed your comments and are have agreed to change the Insurance limits on Vehicle Liability, and Airport Premises Liability for Aircraft Cleaning to \$1 million from \$3 million. • Thank you for you impute. After careful consideration we will stay with the original guidelines
Q/C-3	<p>Dear Mr. Helmick,</p> <p>The SASO as prepared by you in the draft of August 1, 2007 is a very good document. With a very few limitations it appears to be designed to encourage new services to locate at DVT for the benefit of the tenants.</p> <p>The DVPA (Deer Valley Pilots Association) would like to make the following comments regarding the current proposed SASO, draft August 1, 2007.</p> <p>Sections F, G, H and I have a paragraph requiring the operator to hold the appropriate ratings and medical certification for the particular operation. It is our understanding that ONLY the FAA may require ratings and or medical certification for any operations utilizing the national airspace. It would seem that it is not within the purview of the airport authorities to make these requirements.</p> <p>In section G the fee of \$1200 or \$3000 per year per aircraft in addition to the 2% gross receipts fee appears to be unusually high</p>

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	<p>and will result in consumer pricing that may prohibit this type of operation at DVT. If the 2% fee is not to be included with the fixed dollar amount then it needs to say that in the fee paragraph so that the lessor would know not to include that amount in the monthly rent. It would seem obvious that a lower figure would more likely result in an operator of this type choosing DVT as a location. This fee could perhaps be adjusted with the increased volume of the operator.</p> <p>Section J is targeting an operator that does not reside on the airport. Therefore the \$10 million premises liability would not apply and note 3 should be included in the attachment A for this type of operator. Approaching the requirements in this manner should make DVT a more attractive opportunity for an aircraft cleaning operator.</p>
A-3	<ul style="list-style-type: none"> • Sections F, G and H: We are only requesting that permittees are compliant with existing FAA requirements. • Section G: This Operator will not have to pay both the flat fee and the 2%. This operator is only required to pay the flat fee based on the individual aircraft and its weight category. • Section J: Check answer to question A-2
Q/C-4	
A-4	
Q/C-5	
A-5	
Q/C-6	
A-6	
Q/C-7	
A-7	