



**DULUTH
INTERNATIONAL
AIRPORT**

DULUTH INTERNATIONAL AIRPORT

Rules and Standards

Adopted June 2014



**Duluth International Airport
Rules and Standards**

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Duluth International Airport Rules and Standards

Preface

The Rules and Standards are intended to further the Duluth Airport Authority's strategic plan and vision for the Airport, which is to be the region's center of aviation, supporting economic development by growing travel, cargo and business services for our customers and communities. Recognizing its unique, dual role as both of a provider of a wide spectrum of air services and as a driver of the regional economy, the Authority envisions the future of the Airport as **the** regional center of gravity for air travel, air cargo, and aviation-related business, providing quality services and extensive benefits to travelers, businesses, and communities throughout a large and diverse region. The commercial activity at the Airport campus will be a catalyst for economic development locally and regionally – creating jobs and supporting businesses throughout the region.

Subdivision I - POLICIES AND GUIDELINES

SECTION A. -- DEFINITIONS

The following words and terms shall have meanings as indicated below, unless the context clearly requires otherwise:

- a. **Abandoned Aircraft and Abandoned Vehicle** is any aircraft or vehicle left unattended and stationary on the Airport property in an inoperable condition or under such circumstances that evidence an intention by the owner or operator to voluntarily surrender, relinquish or disclaim the aircraft or vehicle.
- b. **Aeronautical Activity** is any activity which involves, makes possible, or is required for the operation of aircraft, or which contributes to or is required for the safety of such operations.
- c. **Agreement** means a written, legally enforceable contract between the Duluth Airport Authority and any party concerning access to and use of the Duluth International Airport.
- d. **Air Charter and Air Taxi** means the Commercial Aeronautical Activity of providing air transportation of persons or property for hire on a charter basis or as an air taxi operator as defined and regulated by the Federal Aviation Administration.
- e. **Aircraft Management** means the Commercial Aeronautical Activity of providing aircraft flight dispatch, flight crews, or aircraft maintenance coordination on behalf of an aircraft owner.
- f. **Aircraft Rental** means the Commercial Aeronautical Activity of renting or leasing aircraft to the public for compensation.
- g. **Aircraft Restoration and Refurbishing** means the Commercial Aeronautical Activity of restoring, refurbishing or repainting aircraft structures, propellers, accessories, interiors, exteriors and components, after which the aircraft will continue to operate. This category of activity excludes the demolition or salvage of aircraft, after which aircraft will not continue to operate.
- h. **Aircraft Sales** means the Commercial Aeronautical Activity of the sale of new or used aircraft through brokerage, ownership, franchise, distributorship, or licensed dealership.
- i. **Airframe and Power Plant Maintenance** means the Commercial Aeronautical Activity of providing airframe and power plant services, which includes the repair, maintenance, inspection, constructing, and making of modifications and alterations to aircraft, aircraft

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engines, propellers and appliances including the removal of engines for major overhaul as defined in 14 CFR Part 43, as currently in effect or as it may hereafter be amended.

- j. **Airline Ground Handler** means a Commercial Aeronautical Operator that provides two or more ground handling services under an executed contract at the Duluth International Airport identified in Subsection III, Section E (XI) to a Signatory Airline. This category of activity does not include ground handling operations conducted by an air carrier using its own employees, which constitutes Self-Service not subject to Subdivision III (Minimum Standards).
- k. **Airport** means the Duluth International Airport and all of the area, buildings, facilities, and improvements within the interior boundaries of such Airport as it now exists or as it may hereafter be extended or enlarged and as depicted on a current Airport Layout Plan approved by the Federal Aviation Administration.
- l. **Airport Operations Area or AOA** means the area of the Duluth International Airport identified in the Airport Security Program that includes the aircraft movement areas, aircraft parking areas, loading ramps, safety areas, and any adjacent areas that are not separated by adequate security systems, measures or procedures.
- m. **Airport Police** means Persons appointed by the Executive Director in accordance with Minnesota Statute Section 360.038 to provide security functions at the Duluth International Airport.
- n. **Airport Security Program or ASP** means the written plan concerning security at the Duluth International Airport, containing the elements required by 49 C.F.R. Part 1542 and approved by the Transportation Security Administration.
- o. **Authority** means the Duluth Airport Authority of the City of Duluth created by the State of Minnesota Legislature by the Duluth Airport Authority Act of 1969.
- p. **AVGAS** means aviation gasoline, 100LL or equivalent, intended for use in piston aircraft.
- q. **Avionics Sales and Maintenance** means the Commercial Aeronautical Activity of providing for the repair and service, or installation of aircraft radios, instruments and accessories. Such operation may include the sale of new or used aircraft radios, instruments and accessories.
- r. **Commercial Aeronautical Activity** means the sale, exchange, trading, buying, merchandising, hiring, marketing, promotion, or selling of commodities, goods, services, or property, or any revenue-producing activity made available to the public in connection with Aeronautical Activities.
- s. **Commercial Aeronautical Operator** means an Entity or Person conducting a Commercial Aeronautical Activity at the Duluth International Airport pursuant to a Lease or other Agreement.
- t. **Commercial Fueling** means the fueling of aircraft by a Fixed Base Operator or the Duluth Airport Authority for compensation. Compensation may be earned for the aircraft fuel, for the fuel dispensing service, or both. Commercial Fueling includes Commercial Self-Service Fueling, but does not include self-fueling as defined in Subdivision II, Section C(VII).
- u. **Commercial Self-Service Fueling** means the fueling of aircraft by an aircraft owner or operator or their employees at a fuel storage and dispensing facility where a meter and credit card acceptance point-of-sale device is installed.

- v. **Common Use Areas** include aprons, taxilanes, taxiways and runways. All aprons and taxilanes through leased areas shall be considered common use areas unless identified for exclusive use by the Duluth Airport Authority.
- w. **Consent or Approval of Authority and of Executive Director**. Where this Agreement calls for the consent or approval of the Authority, the same shall be in the form of a resolution approved by the Authority as provided by law; where the consent or approval of the Executive Director is required, the same shall be evidence by a written document signed by the Executive Director or by a person designated by the Executive Director to sign such document.
- x. **Entity** means each Person, partnership, organization or business that has a legal and separately identifiable existence.
- y. **Escort** means the visual surveillance of or physical escorting of Persons to and from the Airport Operations Area, Movement Area or Safety Areas.
- z. **Executive Director** is the individual employed by the Duluth Airport Authority to manage the normal and daily activities and provide continuity for long range planning and development of the Duluth International Airport.
- aa. **FAA** means the Federal Aviation Administration.
- bb. **Fixed Base Operator or FBO** means an Entity conducting a Commercial Aeronautical Activity including Commercial Fueling and the other required services identified herein and may include additional, optional services as set forth in an Agreement.
- cc. **Flight Training** means the Commercial Aeronautical Activity of instructing pilots in dual and solo flight, in fixed or rotary wing aircraft, and related ground school instruction as necessary to complete an FAA written pilot's examination and flight check ride for various categories of pilots licenses and ratings. Flight training includes any portion of a flight between two or more airports or other destinations where the primary purpose is to increase or maintain pilot or crew member proficiency. Flight training also includes simulator training for pilot or crew proficiency.
- dd. **Flying Club** means a non-profit or not-for-profit Entity organized for the express purpose of providing its members with aircraft for personal use only.
- ee. **Fueler** means a Fixed Base Operator (FBO) or the Duluth Airport Authority that is permitted to store, handle and dispense fuel, whether for sale to the public at large or for purposes of self-fueling.
- ff. **Ground Support Equipment Maintenance** means the Commercial Aeronautical Activity of fueling, maintaining, servicing and repairing service and maintenance equipment used at the Airport to support Aeronautical Activities.
- gg. **Ground Vehicle** is a non-aircraft self-propelled vehicle including, but not limited to, automobiles, trucks, vans, mobile fueling vehicles, aircraft tugs, and "Follow Me" golf carts.
- hh. **Jet Fuel** means aviation fuel intended for use in turbine aircraft.
- ii. **Lease** means a contractual agreement between the Duluth Airport Authority and another party which grants a concession or otherwise authorizes the use of land or building space to conduct specified activities. A Lease is written and enforceable by law.

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- jj. **Minimum Standards** means the qualifications set forth in Subdivision III hereof, which set forth the minimum requirements to be met as a condition for the right to conduct a Commercial Aeronautical Activity on the Airport.
- kk. **MOGAS** means automotive gasoline approved for use in piston aircraft.
- ll. **Movement Area** means the runways, taxiways, and other areas of the Airport which are used for taxiing, air taxiing, takeoff, and landing of aircraft, exclusive of loading ramps and aircraft parking areas.
- mm. **Non-Aeronautical Activity** means any activity that does not involve, make possible or be required for the operation of aircraft or that contributes to or is required for the safety of such operations.
- nn. **Permit** means a written document that may be issued by the Authority for the conduct of Aeronautical Activities and Non-Aeronautical Activities at the Airport, including without limitation the self-fueling of aircraft, and may be terminated by the Authority as provided in the document and in the Rules and Standards.
- oo. **Person** means any natural person.
- pp. **Rules and Standards** means the qualifications, standards, requirements, and criteria established by the Authority as the minimum requirements to be met as a condition for the right to conduct a Commercial Aeronautical Activity at the Airport.
- qq. **Safety Areas** means the runways and taxiways and surrounding runway safety areas and taxiway safety areas at the Duluth International Airport.
- rr. **Security Information Display Area or SIDA** means the portion of the Airport identified in the Airport Security Program and in which security training, criminal history background check, and identification are required.
- ss. **Self-Service** means the act of tying-down, adjusting, repairing, refueling, cleaning, and otherwise servicing an aircraft by a Person or Entity that owns the aircraft or by a Person or Entity that has exclusive use and operational control of the aircraft pursuant to a long-term lease.
- tt. **Signatory Airline** is an air carrier conducting common carriage passenger carrying operations or all-cargo operations at the Duluth International Airport pursuant to an Agreement with the Authority for a fixed term. For purposes of the Rules and Standards, Signatory Airline includes air carriers affiliated with the Signatory Airline pursuant to an agreement.
- uu. **SPCC Plan** is a Spill Prevention, Control and Countermeasure Plan.
- vv. **Special Aeronautical Event** means air shows, air races, fly-ins, skydiving, or other similar aeronautical events requiring the general use of the Airport for other than routine Airport operations.
- ww. **Specialized Aeronautical Service Operator or SASO** means an Entity that is authorized to provide one or a combination of Commercial Aeronautical Activities that does not include Commercial Fueling.
- xx. **Specialized Flying Services** means providing specialized commercial flying services including but not limited to nonstop sightseeing tours, aerial photography or surveying, powerline or pipeline patrol, firefighting or fire patrol, air ambulance, airborne mineral

exploration, or other air transportation operations specifically excluded from 14 C.F.R. Part 135.

- yy. **Sterile Area** means the portion of the Terminal identified in the Airport Security Program that provides passenger access to boarding aircraft and to which access generally is controlled by the Transportation Security Administration or by an aircraft operator or a foreign air carrier, through the screening of persons and property. The Sterile Area begins immediately after the passenger screening checkpoints in the Terminal.
- zz. **Tenant** is any Entity that has an agreement with the Duluth Airport Authority for occupying space at the Airport.
- aaa. **Terminal** is the commercial passenger terminal located at the Duluth International Airport.
- bbb. **Through-the-Fence Operations** means the movement of aircraft between the AOA at the Duluth International Airport and land adjacent to, but not part of, the Airport property.
- ccc. **TSA** is the Transportation Security Administration.

SECTION B. -- LEGAL AUTHORITY, EFFECTIVENESS AND RESERVATION OF RIGHTS

I. Legal Authority and Purposes

- a. The Authority adopts these Rules and Standards pursuant to the Authority's power under the Duluth Airport Authority Act of 1969, Chapter 577 (May 22, 1969), which confers on the Authority the power to adopt and alter rules and regulations for the use and operation of the Duluth airports. The Rules and Standards also are adopted pursuant to the Authority's legal power as the operator, sponsor and proprietor of the Airport.
- b. The Rules and Standards are adopted and approved by the Authority to promote the safe, secure, and orderly use of the Airport.
- c. Subdivision III (Minimum Standards) specifically is adopted for the following purposes: to maintain a quality of service baseline for Airport users, protect Airport users from unlicensed and unauthorized products and services, enhance the availability of adequate services for all Airport users, promote the orderly development of Airport land, provide a clear and objective distinction between service providers that will provide a satisfactory level of service and those that will not, and prevent disputes between aeronautical service providers.
- d. All Leases and other Agreements authorizing the use of Airport property and facilities shall require compliance with the Rules and Standards.
- e. In addition to the Rules and Standards, all Entities on the Airport are subject to all applicable provisions of federal law, laws of the State of Minnesota, ordinances of St. Louis County, and the Duluth City Code, 1959, as amended.
- f. The Authority recognizes the jurisdiction of the federal government, delegated to the Federal Aviation Administration, concerning the certification and regulation of pilots, air carriers and aircraft; and concerning the navigable airspace. Nothing herein is intended to assert jurisdiction by the Authority over matters under the exclusive jurisdiction of the federal government, and the provisions hereof shall be interpreted consistent with this purpose.
- g. The invalidation of any specific provision shall not affect the validity of the remainder of the Rules and Standards.

- h. References and citations in the Rules and Standards to ordinances, laws, rules, regulations, codes, policies, standards and guidelines promulgated by the City of Duluth, County of St. Louis, State of Minnesota, the United States, and public and private bodies include any amendments as may be adopted thereto after the Authority's adoption of the Rules and Standards.

II. Effectiveness and Amendment

- a. The Rules and Standards shall be effective upon adoption.
- b. The Rules and Standards apply to all users of and Entities on any part of the Airport.
- c. The provisions of Subdivision II (Rules and Regulations) shall apply to the greatest extent permissible under any Agreement for use of the Airport, and all Agreements executed after the adoption of the Rules and Standards shall be made subject to all such Rules and Regulations and amendments to Rules and Regulations.
- d. The provisions of Subdivision III (Minimum Standards) shall apply to any new Agreement and to any material amendment to an existing Agreement authorizing a Commercial Aeronautical Activity at the Airport. It will be presumed that Subdivision III will not apply to any Agreement existing at the time of adoption of the Rules and Standards except as may be provided explicitly in the Agreement. An Entity may request an advisory opinion from the Executive Director as to the application of Subdivision III to such Entity. The Executive Director's advisory opinion may be appealed as provided in Section C(II) (Administrative Appeal).
- e. Upon the expiration of an Agreement authorizing a Commercial Aeronautical Activity, the party to the Agreement may seek an extension or renewal of the Agreement in accordance with the procedural and substantive requirements of Subdivision III (Minimum Standards) then in effect.
- f. The Authority may, at its discretion, waive all or any provision of these Rules and Standards for the benefit of government or governmental agencies conducting Aeronautical Activities at the Airport, but only upon determining that any such waiver will not derogate safety. The Authority further may waive all or any provision of these Rules and Standards in the event of a bona fide emergency, which may include for example and without limitation a natural disaster, act of terrorism, or similar occurrence. In furtherance of the foregoing, the Authority may waive application of any or all of these Rules and Standards for the Minnesota Air National Guard. Waivers and variances from the provisions of Subdivision III (Minimum Standards) shall be as provided in Subdivision III, Section A(III).
- g. The Rules and Standards cancel and supersede all previous rules and standards governing use of the Airport, including the Duluth International Airport Minimum Standards (2005).
- h. The Authority may amend the Rules and Standards to further promote and advance the purposes and policies set forth herein.

III. Reservation of Rights

- a. The Authority reserves the right to permit use of the Airport for the conduct of Aeronautical Activities and Non-Aeronautical Activities, pursuant to the Rules and Standards and applicable federal, state and local laws, ordinances, regulations, codes, and other requirements pertaining to such Aeronautical Activities and Non-Aeronautical Activities.
- b. The grant of a privilege to conduct Aeronautical Activities at the Airport by a Lease or Agreement shall not be considered in any manner as affording the Aeronautical operator

an exclusive right to conduct an Aeronautical Activity at the Airport, other than the use of premises which may be leased or subleased exclusively to it, and then only to the extent provided in a Lease or Agreement.

- c. The Authority reserves the right to decline to execute a Lease or Agreement with any Entity wishing to conduct an Aeronautical Activity or Non-Aeronautical Activity at the Airport if the Authority determines upon examination that the Entity refuses or will be unable to comply with the Rules and Standards throughout the term of the Lease or Agreement.
- d. The Authority reserves the right to plan and develop the Airport in the best interest of the Authority, Tenants and Airport users. The Authority may designate specific areas of the Airport in which specific Aeronautical Activities and Non-Aeronautical Activities may be conducted. The Authority may change these designations from time to time, and may relocate Tenants or decline to extend or renew a Lease or Agreement because of a change in designation. Relocation of existing Tenants will be subject to and conducted in the manner provided in a Lease or Agreement, by mutual agreement, or by exercise of eminent domain by the City of Duluth in the manner provided under Minnesota law and the Duluth Airport Authority Act of 1969, Chapter 577 (May 22, 1969).
- e. The Authority reserves the right to inspect facilities used for Aeronautical Activities and Non-Aeronautical Activities upon reasonable notice for the limited purpose of ensuring compliance with the Rules and Standards. The Authority further reserves the right to audit records of Entities with a Lease or Agreement to conduct Aeronautical and Non-Aeronautical Activities at the Airport for the limited purpose of ensuring proper payment of rates and charges as may be imposed hereunder and/or in a Lease or Agreement.
- f. The Authority reserves the right to install security devices on the Airport as may be deemed necessary by the Executive Director in furtherance of the Airport Security Program. The Authority shall make every attempt to balance the rights of Tenants and Airport users with the requirements of the Airport Security Program. Security devices installed within a Tenant's leased premises shall be located only along the Airport perimeter or in public use areas.
- g. Although the Authority reserves the right to engage in any and all Commercial Aeronautical Activities, as permitted by applicable law, either in competition with private Entities or by exercise of a "proprietary exclusive right", the Authority acknowledges the important role and contribution of the private sector in the conduct of Commercial Aeronautical Activities at the Airport and it prefers to have private Entities conducting Commercial Aeronautical Activities whenever possible.

SECTION C. -- ADMINISTRATION, ENFORCEMENT, PENALTIES AND APPEALS

I. Administration

- a. The Executive Director has primary responsibility for the interpretation and application of the Rules and Standards and is authorized to issue directives and interpretive guidance in conformity with the Rules and Standards. The decisions of the Executive Director hereunder are subject to appeal, as provided in Subsection II (Administrative Appeal).
- b. Authority employees, agents and consultants are authorized to assist in the application and implementation of the Rules and Standards, principally through communications with Tenants and Airport users on the content and proper interpretation of the Rules and Standards.
- c. The Rules and Standards and summaries of the Rules and Standards or portions thereof shall remain on file in the office of the Executive Director.

- d. Authority employees have the right to enter and inspect any and all facilities and structures on the Airport, upon reasonable advance notice for leased premises, for the limited purpose of ensuring compliance with the Rules and Standards.
- e. The Executive Director, Airport Police and law enforcement officers of the Duluth Police Department are authorized to issue citations, summonses, or notices to appear for violations of the Rules and Standards.
- f. Airport Police and law enforcement officers of the City of Duluth Police Department are authorized to detain and remove individuals for violation of the Rules and Standards, the Duluth City Code, or the laws of the State of Minnesota.
- g. TSA has primary responsibility for the screening of passengers and property at the Airport, and for approving the Airport Security Program pursuant to 49 C.F.R. Part 1542. TSA is not responsible for the implementation and enforcement of the Rules and Standards.

II. Administrative Appeal

- a. A Person directly and substantially affected by an action or decision of the Executive Director or his/her designee in interpreting and applying the Rules and Standards may appeal the action or decision as provided in this subsection. This right of administrative appeal shall not apply to the imposition of penalties hereunder, which may be appealed only as provided in Subsection III (Penalties).
- b. A Person may request reconsideration by the Executive Director of an action or decision hereunder. A request for reconsideration must be set forth in writing, containing a complete description of the reasons why reconsideration is proper, along with any relevant documentary evidence. The Executive Director shall provide a written response within thirty (30) days of receipt of a complete request for reconsideration.
- c. A Person may appeal the Executive Director's denial of a request for reconsideration to the Authority Board. A request for review must be made in writing and submitted to the Authority Board Chairperson. The item will be placed on the agenda of a regular or special Authority Board meeting. The Authority Board Chairperson shall establish a procedure for each appeal, including the opportunity for a verbal presentation by the appellant and/or by the Executive Director or his/her designee. No appeal shall be made to the Authority Board without first requesting reconsideration by the Executive Director pursuant to the preceding paragraph.

III. Penalties

- a. The Authority shall enforce the Rules and Standards through graduated penalties, to include one or more of the following, separately or in combination: verbal and written warnings, written notices of violation, administrative and civil penalties, revocation of licenses and permits issued by the Authority, termination of Leases and eviction, referral to the City Attorney's Office for criminal prosecution, and removal from the Airport by the Airport Police and/or City of Duluth Police Department.
- b. Notwithstanding the imposition of any penalty hereunder, nothing herein shall prohibit a Person from accessing the Airport for the purpose of flying as a ticketed passenger of a commercial air carrier.
- c. The principal means of enforcing the provisions of Subdivision III (Minimum Standards) will be through a Lease or Agreement authorizing an Entity to conduct a Commercial Aeronautical Activity.

- d. The Authority intends to promote voluntary compliance with the Rules and Standards without resort to administrative fines and penalties. When a violation of the Rules and Standards is brought to the attention of the Authority, the Executive Director or his/her designee may notify the offender in writing and advise the offender to cease the violation and/or take corrective action. The Executive Director may waive the imposition of any penalties prescribed herein upon the successful completion of corrective action by a Person who has violated the Rules and Standards.
- e. The City of Duluth may declare violations of the Rules and Standards to constitute violations of the Duluth City Code, 1959, as amended, in which event the enforcement of civil penalties and appeals from the issuance of a citation, summons or notice to appear shall be as provided in the City Code.
- f. The Authority may establish a schedule of administrative fines and penalties for violations of the Rules and Standards and to amend the schedule from time to time. The current schedule shall remain on file in the office of the Executive Director.
- g. These enforcement procedures are in addition to any remedies or penalties authorized by a Lease, Permit, or Agreement, or pursuant to law or regulation.
- h. Violation of the Rules and Standards may constitute default under a Lease or Agreement, and the Authority may pursue termination and eviction in such event. In the event of such termination, the Tenant shall peaceably vacate the Airport and surrender possession of the premises to the Authority and cease all operations based at the Airport. Should the Tenant fail to make such surrender, the Authority shall have the right, at once and without further notice to the Tenant, to enter and take full possession of the space occupied by the Tenant at the Airport by force or otherwise, and remove any and all parties, goods, and properties not belonging to the Authority found within or upon the same at the expense of the Tenant.
- i. The Authority may decline to enter into an Agreement with a Person or Entity found to have violated the Rules and Standards.
- j. In addition to all other rights and remedies provided in these Rules and Standards, the Authority shall have any and all rights and remedies at law or in equity, including the equitable remedy of injunction, to enforce the Rules and Standards, to obtain compliance herewith, and to impose administrative fines and penalties.

SECTION D. -- RATES AND CHARGES

I. General

- a. The Authority reserves the right to impose rates, fees and charges for use of the Airport for the following purposes: to compensate the Authority for its costs to operate, maintain and develop the Airport; to make the Airport as self-sustaining as possible; to compensate the Authority for the privilege of conducting commercial activities on and deriving revenue from the Airport; and to derive a reasonable rate of return from the use of Airport facilities.
- b. The Authority may impose rates and charges, including, but not limited to: landing fees; terminal fees; passenger facility charges; fuel flowage fees; rent for Authority property and facilities; parking fees; access fees; concession and privilege fees; and permit and administrative fees. The Authority will impose the same or similar rates and charges for similarly-situated Entities conducting Aeronautical Activities at the Airport.
- c. The Authority's imposition of any and all such rates, fees and charges shall not affect an Entity's obligation to pay any taxes as may be assessed by an authorized taxing jurisdiction, including without limitation possessory interest, sales and fuel taxes.

- d. The Authority reserves the right to establish, review or approve the fees charged by Entities providing products and services to the public at the Airport, and specifically reserves the right to establish by policy or Agreement limits on prices charged by Airport terminal concessions. The foregoing reservation does not apply to the fees charged by commercial airlines.

II. Adoption and Administration

- a. The Authority Board may adopt and direct publication of a schedule or schedules of rates and charges. The rates and charges may be adjusted from time to time by the adoption and publication of a new schedule. Neither the adoption nor amendment of the schedule of rates and charges shall require an amendment to the Rules and Standards.
- b. All Entities on the Airport shall be liable to pay the then-current rates, fees and charges applicable to their use of, and activities on, the Airport, except in the event that a rate or charge is established by an Agreement and such Agreement does not permit or provide for adjustment of the rates, fees and charges by the means provided herein.
- c. Non-payment of rates, fees and charges in accordance with the published schedule(s) of rates and charges or an Agreement may result in termination of the Agreement; eviction from any leased premises; the suspension or revocation of the right or privilege to conduct an Aeronautical Activity at the Airport; and/or the impoundment or lien on aircraft and property, as may be authorized pursuant to federal and Minnesota law.

SECTION E. -- LEASING POLICY

I. General

- a. The Authority will confer the right of exclusive, preferential or joint use possession of a portion of the Airport by means of a Lease. All Leases shall be for a definite period of time, shall be in writing, and shall not be effective unless and until approved by the Authority Board and signed by a Board officer.
- b. The Authority may lease improved or unimproved Airport property and facilities. The Authority may lease Airport property and facilities to, without limitation, air carriers, concessionaires, Commercial Aeronautical Operators, and other entities for the conduct of commercial and non-commercial Aeronautical Activities and Non-aeronautical Activities.
- c. The Authority shall lease property for uses consistent with the then-current Airport Layout Plan and Airport Master Plan. If a proposed use requires an amendment to the Airport Layout Plan, the Airport Layout Plan amendment must be approved by the FAA before the Lease can be effective.
- d. The Authority will lease property on a first-come-first-served basis or initiate a procurement action to determine whether any other Entity is interested in leasing the same property or facility.
- e. The Authority will lease only as much property as is necessary to enable a Tenant to accommodate demonstrated and reasonable future needs, in addition to any other contiguous Airport property that would be rendered commercially unmarketable by virtue of its size, access, configuration or other conditions.
- f. At the expiration of each Lease, the Authority reserves the option of receiving ownership of all leasehold improvements constructed on the property during the term of the Lease. Alternatively, the Authority has the option of requiring the Tenant to remove any and/or all improvements at the Tenant's cost. No Tenant shall have the right to an extension of a Lease beyond the initial, option and/or renewal terms prescribed explicitly therein.

- g. Any Entity wishing to lease property at the Airport must demonstrate sufficient financial capacity to make any required capital investment and any continuing investment and to pay rent and other rates, fees and charges throughout the term of the Lease.
- h. The Authority reserves the right to establish a waiting list for property and facilities owned and operated by the Authority, such as hangars and tie-down spaces. Upon the vacancy of any such property or facility, the Authority shall extend the opportunity to the first Entity listed on the waiting list.

II. Lease Terms

- a. The Authority may develop one or more standard form Leases that may be presented to prospective tenants for execution. The Authority reserves the right to update or revise its standard form Lease(s) at any time.
- b. Leases shall be for a term mutually agreed upon between the parties commensurate with the Entity's financial investment in the property or facility, but generally not longer than twenty (20) years.
- c. Leases exceeding five (5) year terms shall provide for escalation of rent, which may include re-appraisal.
- d. The Authority may require an initial capital investment as well as investments during the term of the Lease to ensure the proper maintenance and improvement of the property or facility.
- e. Each Lease shall require the Authority's consent to any assignment. Prior to granting its consent for the conduct of a Commercial Aeronautical Activity, the Authority may require the Tenant or prospective assignee to complete a request or submit the application information prescribed in Subdivision III (Minimum Standards).
- f. The provisions of this Subsection II (Lease Terms) shall not alter or modify the terms of a Lease or Agreement in effect at the time of initial adoption of the Rules and Standards.

SECTION F. -- DEVELOPMENT STANDARDS

I. Construction

- a. Buildings, structures, pavements, or any other improvements or additions requiring a building, grading or similar permit from a local, state or federal government agency shall not be placed, constructed, altered, or removed without the prior written approval of the Executive Director.
- b. The Executive Director may require an appropriate bond and a construction agreement to guarantee the completion of the construction consistent with the conditions and schedule required by the Authority.
- c. Plans and construction must comply with applicable FAA design standards, the Minnesota State Fire Code, and the City of Duluth Building Code, as each may be amended.
- d. Plans and construction must be consistent with the then-current and approved versions of the Airport Master Plan, Airport Layout Plan, Airport Certification Manual, Airport Security Program, and the Rules and Standards. These documents shall be available from the office of the Executive Director, with the exception of the Airport Security Program, which is Sensitive Security Information and not available for public review.

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- e. Pavements intended to accommodate aircraft movement or storage must be designed and constructed to accommodate all aircraft within a Runway Design Code specified in a Lease or Agreement.
- f. Required notices submitted pursuant to 14 C.F.R. Part 77, Objects Affecting Navigable Airspace, must be submitted through the Authority Operations Director.
- g. No facility or structure may be constructed or placed on the Airport that has been determined by the FAA to constitute an obstruction or hazard to air navigation.
- h. Windows and large areas of glass shall be oriented to avoid glint and glare which could distract pilots landing at, taking off from, or taxiing on the Airport.
- i. Facilities shall be properly lighted and include such other security controls as may be required by the Airport Security Program or by the Executive Director.
- j. Detailed plans and specifications must be reviewed and approved in writing by the Executive Director or his/her designee before construction can begin.
- k. Construction shall be in conformance with the approved plans and specifications.
- l. Tenants shall deliver to the Executive Director "as built" plans upon completion of construction.
- m. The Authority is not responsible for administrative fees and other costs for building permits and similar approvals.

II. Signage

- a. Signs must conform to applicable requirements of a Lease or other Agreement.
- b. The Executive Director is authorized to prescribe standards and guidelines for signs as may be needed for the safety and efficiency of Airport operations, to reduce the visual impact of signs, and to preserve the aesthetic qualities of the Terminal and Airport.
- c. Signs shall not be placed or constructed upon the Airport property or on any building, structure, or improvement thereon without first having obtained written approval from the Executive Director. The Executive Director will be provided a concept drawing or written proposal for review of any proposed sign.
- d. The Executive Director may refuse permission for installation or construction of a sign if inconsistent with the standards and guidelines prescribed by the Executive Director or if the Executive Director determines that the sign may impede the safety and efficiency of the Terminal or Airport, the sign would have a significant negative visual impact, or the sign would impair the aesthetic qualities of the Terminal or Airport.

III. Utilities, Landscaping and Design

- a. All buildings requiring sanitary and/or water service shall connect to the public water system. All tap fees and connection fees shall be paid by the Tenant.
- b. All electrical and telephone service shall be underground.
- c. Landscaping plans shall be approved in writing by the Executive Director to preclude growth of natural objects that would constitute an obstruction or hazard to air navigation, interfere with aircraft and Airport operations, or attract potentially hazardous wildlife.

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- d. All new construction shall be of high quality and utilize materials and finishes which will maintain their appearance with low maintenance.
- e. Office building specifications shall be approved in writing by the Executive Director prior to construction.
- f. Prior written approval must be granted by the Executive Director for exterior design, materials and colors.
- g. Prior written approval must be granted by the Executive Director for interior design, materials, finishes, fixtures, and graphics which are to be a part of the waiting areas, lounges, and other public spaces of the Terminal and an FBO facility.
- h. Pedestrian and vehicular access to buildings normally open to the public shall avoid crossing the AOA.
- i. All customer facilities and accommodations for passengers and crews of transient aircraft must include ramp or other convenient access for the disabled and sanitary restrooms available for use by the disabled.
- j. Vehicular access to aircraft storage hangars shall minimize crossing of the AOA. Automobile parking in locations which do not interfere with aircraft operations shall be provided near aircraft storage hangars. All aircraft storage hangars shall provide a personnel entrance door.
- k. Sliding doors may not be used in hangar configurations where the open door of one hangar will adversely interfere with access to another hangar.
- l. The Tenant shall provide adequate, paved and lighted parking spaces within the leased area sufficient to accommodate all activities including employee and customer parking. Parking lots shall be configured for ease of ingress and egress and parking spaces shall be clearly marked in addition to loading zones, handicapped parking, and fire lanes.
- m. The Tenant shall provide a paved aircraft apron within the leased area to accommodate all Tenant-related aircraft movement from the Tenant's building to the ramps, taxiways and runways.
- n. All construction or alteration on the Airport shall be designed so as to conform to the Americans with Disabilities Act (42 U.S.C. § 12101 *et seq.*) and/or the Air Carrier Access Act (49 U.S.C. § 41705) and implementing regulations and guidelines, as applicable. No Person shall be denied access to the Airport on the basis of handicap or disability. Any Person who believes that they were denied access or discriminated against on the basis of a handicap or disability may file a complaint with the Authority in accordance with the appeal procedures under Section C hereof.

SECTION G. -- FLYING CLUBS

I. General

- a. The requirements of this section shall be in addition to the requirements of Minnesota law, including without limitation Minnesota Administrative Rules 8800.4100 through 8800.4600.
- b. Each member of a Flying Club must be a bona fide owner of an equal share of the club's aircraft or an equal stockholder in the Flying Club.
- c. A Flying Club may not derive greater revenues from the use of its aircraft than the amount necessary for the actual operation, maintenance and replacement of its aircraft.

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- d. Each Flying Club shall file and keep current with the Executive Director a copy of all information and documents required to be submitted to the Commissioner of the Minnesota Department of Transportation pursuant to Minnesota Administrative Rule 8800.4400.
- e. Flying Club aircraft shall not be operated by other than members, and shall not be used by anyone for commercial operations, including flight instruction for compensation.
- f. A Flying Club operating at the Airport shall have the right to self-fuel Flying Club aircraft in accordance with Subdivision II (Rules and Regulations).
- g. A Flying Club operating at the Airport shall have the right to Self-Service Flying Club aircraft. Any qualified mechanic who is a registered member and part owner of the aircraft owned and operated by a Flying Club may perform maintenance work on aircraft owned by the club. The Flying Club may not become obligated to pay for such maintenance work except that such mechanics may be compensated by credit against payment of dues or flight time.
- h. A Flying Club operating at the Airport shall not be required to meet the requirements of Subdivision III (Minimum Standards) hereof, provided each of the following conditions is met:
 - 1) The Flying Club does not lease or sell any goods or services whatsoever to any Person or Entity other than a member of such club at the Airport, except that the Flying Club may sell or exchange its capital equipment.
 - 2) The Flying Club specifically does not offer or conduct retail fuel sales, charter, air taxi or aircraft rental operations.
 - 3) The Flying Club does not permit its aircraft to be used for flight instruction for any Person, including members of the club, if such Person pays or becomes obligated to pay for such instruction. Flight instructors who are also club members may not receive payment for instruction except that they may be compensated by credit against payment of dues or flight time.
- i. Insurance shall be provided and paid for by the Flying Club as provided in Appendix 1.

II. Violations

- a. If a Flying Club is determined to be in violation of the Rules and Standards, the Executive Director will notify the club in writing of such violations. If the club fails to correct these violations within fifteen days, the Executive Director is authorized to penalize noncompliance in the following manner, depending on the nature and severity of the violation:
 - 1) Terminate a self-fueling Permit or Agreement and prohibit self-servicing of Flying Club aircraft.
 - 2) Require Flying Club or club members to apply for the right to conduct a Commercial Aeronautical Activity in accordance with Subdivision III (Minimum Standards) hereof.
 - 3) Require a Flying Club to cease all operations.
 - 4) Impose such other penalties as are authorized in Section C hereof.

SECTION H. -- OTHER POLICIES

I. Special Aeronautical Events

Any Special Aeronautical Event held on the Airport by any Tenant or other Airport user, organization, civic or government entity must be conducted in accordance with an Agreement signed by the Executive Director and Special Aeronautical Event sponsor prior to the start of the Special Aeronautical Event. The Agreement shall specify the dates and times of the Special Aeronautical Event, areas of the Airport authorized for use during the Special Aeronautical Event, insurance and indemnification to be provided by the Special Aeronautical Event sponsor, means to ensure safety and security during the Special Aeronautical Event, special arrangements for ground vehicle and aircraft parking, arrangements for crowd control and pedestrian access to the AOA, and such other terms and conditions as the Executive Director may require.

II. Through-the-Fence Operations

The Authority has determined that Through-the-Fence Operations by aircraft have the potential to derogate safety and the efficient use and operation of the Airport. The Authority will not authorize an Entity to conduct an Aeronautical Activity requiring through-the-fence access by aircraft.

III. Advertising Policy

- a. The Airport and its facilities shall be used for airport purposes, as authorized in the Duluth Airport Authority Act of 1969, Chapter 577. No public forum for free expression exists or shall be established at the Airport.
- b. The Authority may permit use of portions of the Terminal and the Airport for various forms of advertising. The Authority's primary purpose in permitting advertising is to generate revenue. The Authority may permit commercial and promotional advertising that promotes the sale, rental or availability of goods, products and services; governmental advertising to advance specific governmental purposes; and public service announcements.
- c. The following types of advertising is prohibited: materials that contain false, libelous, slanderous, or deceptive statements or images; advertising that is obscene or contains obscenity; advertising that contains discriminatory, derogatory, negative or personal attacks against individuals, groups, or organizations; advertising that promotes illegal activity of any kind.
- d. Governmental advertising and public service announcements must be non-commercial, and non-partisan.
- e. The decision to permit or deny any particular advertising shall be made by the Executive Director and subject to appeal as provided in Section C(II) (Administrative Appeal).

Subdivision II - RULES AND REGULATIONS

SECTION A. -- PERSONAL CONDUCT

I. General

- a. No Person shall obstruct, impair or interfere with the safe, orderly, and efficient use of the Airport by any other Person, vehicle, or aircraft.
- b. No Person shall commit any disorderly, obscene, or indecent act on the Airport.
- c. In accordance with Minnesota law, no Person shall engage in, conduct, aid in, or abet any form of gambling on the Airport, except as may be approved in writing by the Executive Director in conformance with state law.
- d. No Person may consume alcoholic beverages in the Terminal, except in those areas designated by the Executive Director for the sale and consumption of alcohol.
- e. No Person shall operate a sound amplification system within or in the immediate vicinity of the Terminal without the written permission of the Executive Director. The foregoing restriction does not apply to the use of the public announcement system in the Terminal or the use of individual gate announcement systems by airlines, subject to amplification limits established by the Executive Director.
- f. No Person shall abandon personal property, ground vehicles, or aircraft on the Airport.

II. Refuse Disposal and Management

- a. No Person shall throw, dump, or deposit any waste, refuse, or garbage on the Airport except in designated receptacles. All waste, refuse, or garbage shall be placed and kept in proper containers until disposed of in an appropriate and timely manner.
- b. Tenants are required to keep their leased premises clean and clear of all rubbish, junk, and debris. If, after warning by the Executive Director, the area is not cleaned, the Executive Director may have the premises cleaned at Tenant's expense.
- c. No Person shall knowingly, recklessly or negligently cause debris to be left within the AOA in such manner as may pose a risk to the operation of aircraft. All Persons with access to the AOA shall keep the same clear of Foreign Object Debris (FOD) by collecting and disposing of debris in covered containers to prevent potential engine intake or damage to aircraft, or by notifying the Authority Operations Director.

III. Animals

- a. Animals are prohibited in the Terminal, except service animals, animals in transit, and animals used in law enforcement. Animals permitted to be in the Terminal must be restrained by a leash, harness or container.
- b. No Person shall enter the AOA with an animal unless the animal is restrained by a leash, harness or container at all times, except that supervised animals used in law enforcement, search and rescue, and wildlife management may be permitted in the AOA without actual physical control.
- c. The Executive Director may designate one or more pet relief areas in the immediate vicinity of the Terminal and, if so designated, all Persons shall abide by the designation.

- d. No Person shall feed or encourage the congregation of birds or other animals on the Airport.

IV. Firearms and Explosive Devices

- a. No Person other than a duly authorized federal, state or local law enforcement officer shall fire or discharge any firearm of any description on the Airport or onto the Airport. The foregoing restrictions on discharging firearms do not apply to individuals engaged in wildlife management in accordance with a wildlife hazard management plan or as authorized by the Executive Director.
- b. No passenger shall enter the passenger screening area with a firearm or other item prohibited by the TSA. Airport Police and other duly authorized law enforcement officers may detain any Person violating this provision for questioning, confiscate the firearm or prohibited item, allow the Person to voluntarily withdraw from screening, or allow the Person to check or ship the firearm or prohibited item. These actions may be in addition to any civil penalties imposed by TSA for the same conduct.
- c. No Person shall possess on the Airport any explosive device or any hoax device. The foregoing restriction on explosives does not apply to individuals engaged in wildlife management in accordance with a wildlife hazard management plan or as authorized by the Executive Director. The foregoing restriction also does not apply to the possession and use of explosive devices in connection with the design, manufacture, repair, refurbishment or operation of aircraft. For purposes of these Rules and Regulations, a hoax device shall include any object that would cause a Person to reasonably believe that the object is or contains a destructive, incendiary or explosive device.

V. Hunting

No Person shall hunt, pursue, trap, catch, injure or kill any animal on the Airport. The foregoing prohibition does not apply to individuals engaged in wildlife management in accordance with a wildlife hazard management plan or as authorized by the Executive Director.

VI. Smoking

- a. In accordance with Minnesota law, smoking is prohibited in all indoor areas of the Terminal and the Airport.
- b. Smoking further is prohibited in certain exterior areas of the Airport, including (i) within ten feet of any door to the Terminal or other building on the Airport, (ii) within fifty feet of any fuel storage facility or fuel dispensing, and (iii) in exterior areas of the AOA.
- c. The Authority may designate specific exterior areas of the Airport in which smoking is permitted. Any such designation shall provide separate exterior smoking areas for Tenants and their employees and for Airport passengers.
- d. Persons observed smoking in indoor areas or in prohibited exterior areas will be instructed by Authority employees to extinguish smoking material.

VII. Vandalism and Damage to Airport Property

No Person shall willfully destroy, injure, damage or deface in any way public property of any nature located on the Airport. Any Person causing or liable for damage of any nature shall report such damage to the office of the Executive Director and, upon demand by such office, shall reimburse the Authority for the full amount of the damage.

VIII. Residential Use

- a. No building or facility on the Airport shall be used for residential use. The foregoing prohibition shall not apply to flight crew quarters, pilot resting facilities, and similar facilities designed and used for temporary occupancy.
- b. No Person shall camp on the Airport, except as may be authorized in advance in writing by the Executive Director in connection with a Special Event.
- c. No Person shall engage in Through-the-Fence Operations by taxiing an aircraft between any location on the Airport and any off-Airport property used for residential purposes.

IX. Non-Aeronautical Property Storage

No hangar, T-hangar or similar structure on the Airport used for the storage of or use by aircraft, and exterior areas surrounding any such structure, shall be used for the storage of vehicles or property not related to the use, operation or maintenance of aircraft, without the prior written permission of the Executive Director. This prohibition shall include, without limitation, storage of automobiles, recreational vehicles, boats, personal items, and non-airworthy aircraft. The Executive Director or his/her designee shall have the right of inspection to ensure compliance with this provision. Any prohibited item shall be removed upon reasonable notice by the Executive Director, and, if not removed as ordered, shall be subject to removal by the Authority at the responsible party's expense. This prohibition shall not preclude the storage of ground vehicles on a temporary basis while the occupant is traveling in an aircraft stored in the structure.

X. Solicitation and Picketing

- a. Solicitation
 - 1) No Entity shall distribute any literature, circulars, pictures, sketches, drawings or other forms of printed or written material or engage in any form of solicitation not exclusively leased on the Airport without the prior written permission of the Executive Director, and payment of any required fees.
 - 2) Solicitation shall take place only in locations authorized in writing by the Executive Director.
 - 3) No Person shall solicit for the immediate receipt of funds on the Airport.
- b. Picketing, marching, demonstrations
 - 1) Each Entity wishing to engage in picketing, marching or demonstrating at the Airport shall first obtain a Permit from the Executive Director or his/her designee. Each Permit shall specify the area of the Airport on which picketing, marching or demonstrating shall be permitted, the date and time such activity shall be permitted, and any other reasonable conditions that the Executive Director may deem necessary for the safety of persons and property or for the efficient operation and security of the Airport.
 - 2) All authorized picketing, marching and demonstrating shall be conducted (i) in a peaceful and orderly manner; (ii) without physical harm, molestation, threat or harassment of any person; (iii) without obscenities, violence, breach of the peace, or other unlawful conduct; (iv) without obstructing the use of the Airport by others; (v) without hindrance to or interference with the proper, safe, orderly and efficient access to/from, and operation of, the Airport and activities conducted thereon; and (vi) in strict conformance with any operating procedures governing such activities

on the Airport and the direction and conditions prescribed in writing by the Executive Director.

- 3) If an Entity violates these Rules and Standards or other limitations prescribed by the Executive Director, the Entity shall be notified, afforded a hearing before the Authority Board, and, if found in violation, in addition to any other sanctions, may be denied permission to continue the permitted activity for up to 60 days.

SECTION B. -- AIRCRAFT OPERATIONS

I. General Responsibilities

- a. The operation of aircraft on the Airport shall be conducted in conformity with FAA regulations; Minnesota law; directives and orders of the airport traffic control tower; TSA regulations; and with these Rules and Standards. Persons operating aircraft are responsible for the safe operation of their aircraft and the safety of others exposed to such operation.
- b. All aircraft operating at the Airport shall display on board the aircraft a valid airworthiness certificate to the extent required and issued by the FAA or appropriate foreign government, and further shall display on the exterior of the aircraft a valid registration number as may be issued by the FAA or appropriate foreign government.
- c. Upon request of the Executive Director or designee, the aircraft operator shall produce an operator's license and airworthiness certificate, to the extent an operator's license or airworthiness certificate is required by the FAA or appropriate foreign government.
- d. No Person may operate aircraft at the Airport in a reckless or negligent manner; in disregard of the rights and safety of others; without due caution and circumspection; or at a speed or in a manner which endangers, or is likely to endanger, persons or property. No Person shall operate aircraft constructed, equipped or loaded in such a manner as to endanger, or to be likely to endanger, persons or property.
- e. In addition to any other penalties prescribed by these Rules and Standards or that may be imposed by FAA for the same conduct, the Executive Director is authorized to restrict access to the Airport by (i) any Person who has been found by the FAA to have violated applicable FAA regulations concerning the operation of aircraft, where such violation would, in the view of the Executive Director, present a real and immediate danger to the safety of persons or property on the Airport; or (ii) who has been found by the Authority to have violated the preceding provision of the Rules and Standards concerning the safe operation of aircraft on the Airport.
- f. As provided in FAA regulations and Minnesota law, no Person shall operate or have actual physical control of any aircraft while under the influence of alcohol, drugs or other controlled substances. This provision is intended to provide an additional mechanism to ensure safe aircraft operations by requiring compliance with FAA regulations, currently found at 14 C.F.R. § 91.17, and Minnesota law, currently found at Minn. Stat. 360.0752. This provision is not intended to create new or different standards than provided in FAA regulations or Minnesota law.
- g. No Person shall have in his possession while in the cockpit of any aircraft any bottle or receptacle containing any alcoholic beverage which has been opened, or the seal broken, or the contents of which have been partially removed.

- h. No Person shall land at, take off from, or taxi on the Movement Areas of the Airport in an aircraft that is not equipped with a functioning radio transmitter and receiver. In the event of inadvertent radio failure, standard light signals shall be observed.
- i. Any aircraft owner or operator causing damage to Airport property shall be fully liable to the Authority for repair of any such damage, in addition to any other penalties prescribed herein.
- j. Snow removal by the Authority shall be limited to those areas identified in the Duluth Airport Authority Snow and Ice Control Plan, on file in the office of the Executive Director. Snow removal in leased areas is the responsibility of the Tenant unless stipulated otherwise in a Lease or Agreement. Snow removal by Tenants shall not impede the ground movement of aircraft, create a hazard to air navigation, cause a risk of engine ingestion, or otherwise present a risk to Persons or property.

II. Parking, Ground Movement and Engine Run-Up

- a. No aircraft shall be parked or stored at the Airport except in areas designated by the Authority or Executive Director for such purposes. Aircraft operators are solely responsible for properly securing the aircraft while parked or stored to avoid damage to other aircraft or buildings and for maintaining the aircraft in a safe and mobile condition.
- b. No aircraft shall be left unattended on the Airport unless it is in a hangar or adequately secured.
- c. All Airport users shall have the right in common with others so authorized to use Common Use Areas of the Airport. Common Use Areas shall be kept clear and available for aircraft traffic. No one shall use any Common Use Area for parking or storing of aircraft or vehicles. Common use designations may be changed from time to time by the Authority or Executive Director.
- d. Aircraft shall not be parked so as to block movement on taxiways, public ramps, or in Common Use Areas. At the direction of the Executive Director, the operator, owner, or pilot of any illegally parked aircraft on the Airport shall move the aircraft to a legally designated parking area on the Airport. If the operator refuses to comply with such direction, the Authority, through the Executive Director, may tow said aircraft to such designated area at the owner's or operator's expense.
- e. Tenants shall park and store all aircraft and equipment used for their operations within their leased area only, unless arrangements for such parking or storage are made in writing with the Executive Director.
- f. Abandoned Aircraft are prohibited on the Airport. The Executive Director may cause Abandoned Aircraft to be removed at the sole risk and expense of the aircraft owner or operator. Aircraft in any stage of manufacture, repair or refurbishment will not be considered abandoned provided that the aircraft is under the care, custody and control of an Entity and the Entity has the present intention of completing or restoring the aircraft to an airworthy condition. The Executive Director may request evidence to demonstrate the Entity's intention to complete or restore an aircraft to an airworthy condition, such as, by way of example and without limitation, a parts receipt, sales invoice, order book, or similar document.
- g. Non-airworthy aircraft shall not be permitted within the tie-down or ramp areas. Aircraft in any stage of manufacture, repair or refurbishment may be parked within the tie-down or ramp areas provided that the aircraft is under the care, custody and control of an Entity

and the Entity has the present intention of completing or restoring the aircraft to an airworthy condition.

- h. Aircraft operators shall obey all pavement markings, signage, and lighted signals.
- i. No Person shall taxi an aircraft until he/she has ascertained by visual inspection of the area that there will be no danger of collision with any Person or object in the immediate area.
- j. Fixed wing aircraft taking off or landing at the Airport shall do so only from designated runways and in full compliance with FAA regulations.
- k. Passengers and cargo shall be enplaned/deplaned only in areas designated by the Authority or Executive Director.
- l. Run-up of jet, turboprop or piston engines shall be performed only in the areas designated for such purpose by the Authority, Executive Director or the airport traffic control tower.
- m. No Person owning, controlling or operating any aircraft shall start, operate, or allow the aircraft's engine to run, or allow the same to be started, operated, or run unless a licensed operator is in the aircraft attending the aircraft's controls. A portion of aircraft run-up for testing, maintenance and pre-flight checks may be conducted without an operator at the controls so long as the run-up occurs in a designated area, all safety precautions prescribed by FAA regulations and best industry practices are employed, and the aircraft is incapable of moving during the period an operator is not at the controls.
- n. Aircraft shall not be started within any structure on the Airport, provided that aircraft and aircraft engines may be started in structures on the Airport during research and development, manufacture and repair.
- o. No Person shall start the engine of any aircraft unless the wheels of said aircraft are then blocked or unless adequate brakes thereon have been actuated.
- p. Positioning, starting, or taxiing of aircraft shall be done in such a manner so as not to cause jet blast or prop wash that may result in injury to Persons or damage to property.
- q. No helicopter shall be operated within fifty feet of any building and shall operate only from areas designated in writing by the Authority.
- r. No Person shall operate an aircraft on pavement designed solely for ground vehicle or pedestrian traffic.

III. Aircraft Accidents

- a. The pilot of an aircraft involved in an accident on the Airport shall report the accident to the Executive Director and Aircraft Rescue and Firefighting (ARFF) immediately, in addition to any and all other notifications and reports required to be made to other federal, state and local authorities. In the event said pilot is not able to make such report to the Executive Director and ARFF, the owner of the aircraft or his agent shall make such report.
- b. In the event of an accident on the Airport, the Authority, through the Executive Director or his/her designee may, upon receipt of removal authority from the FAA Regional Operations Center or National Transportation Safety Board, direct the owner, pilot or authorized insurance company to make arrangements to have the aircraft moved and, if not completed within a reasonable period of time, move damaged aircraft from the landing areas, ramps, aprons, or other areas at the expense of the owner and without liability to the Authority for damage resulting from such moving.

- c. Airport property damaged or destroyed by accident or otherwise shall be repaired or replaced at the expense of the responsible parties.
- d. The pilot or owner of any aircraft that sustains material damage affecting the airworthiness of the aircraft while conducting operations on the Airport shall immediately notify the Executive Director.

IV. Airport Closure

- a. The Executive Director or his/her designee has the right at any time to close the Airport, or any portion thereof, to air traffic; to delay or restrict any flight or other aircraft operation; and to deny the use of the Airport or any portion thereof when necessary in the interest of safety and security, including without limitation in the event of aircraft incidents and accidents and certain airfield surface conditions. Upon approval by the FAA, the Executive Director shall have the right to temporarily close the Airport for Special Aeronautical Events. In the event the Executive Director or his/her designee believes the condition of the Airport to be unsafe for landings or take offs, he or she may issue, or cause to be issued, a Notice to Airmen closing the Airport or any portion thereof.

V. Self-Service

- a. An Entity has the right to service an aircraft that the Entity owns; aircraft that the Entity has under its exclusive use and operational control pursuant to a long-term lease or other agreement; or aircraft that are under the care, custody and control of an Entity during manufacturing and warranty work. The right to Self-Service includes the right to tie down, adjust, repair, refuel, clean and otherwise service an aircraft.
- b. Each Entity engaged in Self-Service shall have the requisite training and/or certification as may be required by the Rules and Standards and FAA regulations. Licensed pilots are permitted to perform preventive maintenance in accordance with 14 C.F.R. Part 43.
- c. The Authority does not recognize aircraft managers, co-ops or hangar associations to be the owner or lessee of an aircraft, and each such Entity is not permitted to Self-Service. Flying Clubs and fractional aircraft owners pursuant to 14 CFR Part 91 are permitted to Self-Service aircraft based at the Airport. Aircraft manufacturers are permitted to Self-Service aircraft under their care, custody and control prior to delivery to customers and during warranty work. Airlines are permitted to Self-Service aircraft that may be owned or leased by an air carrier with a separate legal identity from the airline and providing scheduled passenger service at the Airport in accordance with a contract or agreement with the airline.
- d. Self-Service may be conducted only by the aircraft owner or operator, including an employee of an Entity. The Executive Director may require evidence of employment, such as a copy of the employee's W-2 Statement.
- e. The Authority reserves the right to designate areas on the Airport where aircraft owners and operators may engage in Self-Service.

VI. Cleaning, Painting and Maintenance of Aircraft

- a. Aircraft maintenance shall be performed within hangars, provided such activity does not pose a fire or safety hazard.
- b. Aircraft painting shall be performed only in designated areas approved for that activity by the Authority.

- c. Aircraft cleaning shall be performed only in the areas and in the manner prescribed by the Authority and in compliance with the Airport Storm Water Management Plan.

VII. Limits on Aeronautical Activities

- a. The following types of aircraft and other aerial devices may not be operated on the Airport without the prior written authorization from the Executive Director:
 - 1) Ultralight aircraft.
 - 2) Unmanned aerial vehicles.
 - 3) Kites, model airplanes, tethered or non-tethered balloons, rockets and similar aerial devices.
- b. Use of any portion of the Airport as a designated drop zone for parachute jumping or skydiving shall be prohibited without the prior written approval of the Executive Director and the airport traffic control tower, and further shall require a Lease or Agreement authorizing use of the designated portion of the Airport for a drop zone.
- c. The Executive Director may seek review by the FAA upon receipt of an application to conduct one of the foregoing Aeronautical Activities or another Aeronautical Activity not then occurring on the Airport. In the event that the Executive Director grants approval to conduct an Aeronautical Activity, the Director's approval shall be in the form of a directive authorizing the applicant and other similarly-situated Entities the right to conduct the Aeronautical Activity and prescribing specific conditions on use of the Airport for the Aeronautical Activity. The authorized Aeronautical Activity shall be conducted in conformity with such directive, all applicable requirements contained in FAA regulations, and any other conditions as may be imposed by the airport traffic control tower.

SECTION C. -- FUELING AND ENVIRONMENTAL PROTECTION

I. General

- a. All aviation fuels and oils for sale on Airport property shall be dispensed only by Entities so authorized in a Lease or other Agreement. No other Entities shall sell, transport, store, dispense, or otherwise introduce fuels and oils onto Airport property without the express prior written permission of the Executive Director.
- b. For purposes of this section, "Permittee" shall refer to the owner or exclusive operator of an aircraft authorized to self-fuel pursuant to a self-fueling Permit or Agreement.

II. Aircraft Fueling Operations

- a. All fuel handling and dispensing on the Airport shall be done in compliance with the following:
 - 1) FAA Advisory Circular 150/5230-4B (Aircraft Fuel Storage, Handling and Dispensing on Airports)
 - 2) FAA Advisory Circular 00-34A (Aircraft Ground Handling and Servicing)
 - 3) National Fire Prevention Association (NFPA)'s Code No. 407 (Standard for Aircraft Fuel Servicing); and Code No. 30 (Flammable and Combustible Liquids Code)
 - 4) Air Transport Association Specification 103 (Standards for Jet Fuel Quality)

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- 5) Underwriters Laboratories 2085 (Protected Aboveground Tanks for Flammable and Combustible Liquids)
- b. Only an authorized Fueler shall be permitted to engage in the sale of aviation fuel and other petroleum products to the public at large at the Airport, including both attended and unattended retail fuel sales.
 - c. Each Fueler shall provide the Authority with a comprehensive quality control and management plan identifying quality control procedures and qualification of personnel to be used in the aircraft fueling operations.
 - d. Each Fueler will provide all applicable insurance required by the Executive Director and shall indemnify and hold harmless the Authority and the City of Duluth from occurrences resulting in environmental contamination, injury to Persons, or damage to property.
 - e. The right to Self-Service includes the right to self-fuel. In order to engage in self-fueling, the aircraft owner or operator must seek and obtain a self-fueling Permit or other Agreement from the Authority. Self-fueling shall be subject to the self-fueling Permit or Agreement and the Rules and Standards. No Person shall be required to self-fuel; the purchase of fuel from an authorized Fueler shall remain available.
 - f. The transportation of fuel onto the Airport, via truck or otherwise, for the purpose of direct aircraft fueling is prohibited. This provision shall not apply to the various fuel companies that make aviation fuel deliveries at the Airport into storage tanks approved in accordance herewith. No truck-to-truck (fuel transport truck to aircraft fuel service truck) operations may be conducted unless prior written approval has been granted by the Executive Director.
 - g. No aircraft shall be fueled while one or more of its engines are running, except under procedures approved by the FAA and consistent with proper safety procedures.
 - h. No aircraft shall be fueled or de-fueled while passengers are on board the aircraft unless a properly trained crew member is on board.
 - i. All fueling operations shall be conducted at least fifty (50) feet from any hangar or building, and fueling trucks must be pointed away from fueled aircraft and have a clear route of egress in case of emergency.
 - j. Smoking or lighting of an open flame shall be prohibited within fifty (50) feet of any fueling operation. No Person shall use any material during fueling or de-fueling of aircraft which is likely to cause a spark or be a source of ignition.
 - k. No Person shall operate any radio transmitter or receiver or switch electrical components on or off in an aircraft during fueling or de-fueling except those systems that may need to be operated by a crew member during fueling operations.
 - l. During fueling operations of any kind, dispensing equipment and receiving equipment such as fuel trucks, fuel farms, and aircraft shall be grounded at all times to neutralize electrical discharge potential.
 - m. Fueling and defueling operations shall be conducted with adequate fire extinguishers immediately available. All extinguishers shall be inspected and certified, as required by law, and all Fuelers shall be properly trained on the use of fire extinguishers.
 - n. All fuel dispensing equipment, hoses, funnels or apparatus used in fueling or defueling shall be maintained in good condition and be properly grounded in accordance with FAA and NFPA guidelines, and in compliance with the Federal Water Pollution Control Act.

- o. Fuel hoses and equipment shall be maintained in a safe, sound, and non-leaking condition.
- p. Trained personnel shall be present during the entire fueling operation of an air carrier aircraft in accordance with 14 C.F.R. Section 139.321.
- q. MOGAS shall be dispensed into aircraft on the Airport only into aircraft certified for its use and further shall be in accordance with all applicable FAA and industry guidelines as well as federal, state, and local laws and regulations relating to fuel handling and storage.

III. Training

- a. Employees of all Fuelers and agents handling aviation fuels at the Airport must be properly trained as required by 14 C.F.R. § 139.321. Separate fuel safety training programs are required for supervisors and line service personnel.
- b. At least one supervisor with each fueling agent must have completed an FAA authorized aviation fuel training course in fire safety. The individual must be trained prior to initial performance of duties, or enrolled in an authorized aviation fuel training course that will be completed within ninety (90) days of initiating duties, and receive recurrent instruction at least every twenty four (24) consecutive calendar months.
- c. All other employees who fuel aircraft, accept fuel shipments, or otherwise handle fuel must receive at least initial on-the-job training and recurrent instruction every twenty four (24) consecutive calendar months in fire safety from a trained supervisor.
- d. Line service fuel safety training may be provided by a supervisor who has completed an FAA-authorized supervisory fuel safety training course or an authorized fuel safety training program. Training for employees may also be completed through the use of an approved line service fuel safety course.
- e. Fuelers must maintain a copy of the certificate of completion for any supervisors or employees completing the required fuel safety training for twelve (12) consecutive calendar months. Certificates shall comply with the requirements of FAA Advisory Circular 150/5230-4B at Chapter 4, Section 3.
- f. Fuelers must provide the Authority a written confirmation once every twelve (12) consecutive calendar months that the training required by 14 C.F.R. § 139.321(e) has been completed.

IV. Fuel Storage

- a. No fuel storage or dispensing equipment shall be installed or used at the Airport without the prior written approval of the Authority. Only those Tenants having fuel storage rights specified in their Lease or other Agreement shall be considered eligible for fuel storage.
- b. All fuel storage or dispensing equipment shall be in compliance with FAA and NFPA requirements, shall be maintained in a safe and non-leaking condition, and shall be installed and maintained at the sole expense of the Fueler.
- c. Unless otherwise approved by the Authority, all storage tanks shall be located above ground (i.e., less than 10% of the total volume of the storage and delivery system to be underground) and made to comply with current requirements, and adapted to meet future requirements, of federal, state, and local laws and regulations relating to fuel storage, and shall be operated in accordance with FAA Advisory Circular 150/5230-4B, NFPA 407, and the National Air Transportation Association's Refueling and Quality Control Procedures for Airport Service and Support Operations, as each may be amended or superseded.

- d. Existing private storage and distribution systems shall be permitted to remain until the Agreement with the Authority to operate such facilities expires or the owner removes or abandons the facility. The owner shall not expand the product capacity or number of storage tanks in existing facilities without approval of the Authority. The Authority must approve the location, design, and construction of any new fuel storage or fuel dispensing facility. Establishment of any new fuel storage facilities at the Airport must be in accordance with current federal, state, and local environmental and safety regulations and policy.
- e. All fuel shall be stored in and dispensed from facilities located in areas designated by the Authority. Proposals for additional or new fuel storage or dispensing facility locations not shown on the FAA-approved Airport Layout Plan will not be approved until such time as a change can be submitted to and approved by the FAA. The cost of updating the Airport Layout Plan shall be borne by the Entity desiring to construct a new fuel storage or dispensing facility.
- f. New fuel storage facilities shall comply with the requirements for secondary containment as prescribed in federal and Minnesota law.
- g. Fuel storage equipment shall be provided with automatic metering, recording, and ticket printing devices or electronic conveyance system that maintain and produce accurate receipts of fuel dispensed from the facility and that are properly calibrated. Specifications for metering equipment shall be submitted to the Authority for review and approval. All approved systems will provide an accurate and reliable audit trail for administrative requirements and leak detection purposes.
- h. Distribution of fuel into aircraft shall be via mobile or stationary pumping equipment. Over the road tankers are prohibited on the AOA. Storage sites shall provide adequate access and circulation pavements to accommodate both the fuel delivery tanker and the aircraft refueling vehicles. All pavements subject to heavy tanker delivery truck traffic and fuel spill potential must be appropriately designed and constructed by the Fueler.
- i. Security for each fuel storage facility shall be provided by a minimum of an eight-foot chain link fence around the perimeter and adequate lighting as prescribed in the Airport Security Program or required by the Executive Director.
- j. Fuel storage is not permitted in aircraft storage or maintenance hangars.

V. Fuel Spills

- a. Fuelers shall prepare, maintain and implement an SPCC Plan, except to the extent the Fueler's fueling operations are covered by the Airport SPCC Plan.
- b. Cleanup methods shall be consistent with the applicable SPCC Plan and must be approved by the Executive Director or the Authority Operations Director.
- c. Fuelers shall provide adequate procedures to prevent and limit fuel spills and shall develop fuel spill contingency plans including notification and clean-up procedures.
- d. Fuelers shall maintain an adequate supply of fuel absorbent materials readily available to respond in the event of a fuel spill. Fuelers shall have, at a minimum, enough fuel absorbent materials to respond to a fuel spill of up to ten (10) gallons.
- e. Each Fueler will be fully responsible for the cost of whatever cleanup and/or monitoring is required due to fuel spillage or leakage from their facilities and equipment.

- f. In the event of a fuel spill of five (5) gallons or more, the following safety procedures shall be followed:
- 1) Fueler shall immediately notify ARFF or 911, if ARFF is not available.
 - 2) Fueler shall immediately notify the Authority Operations Director during normal working hours and the airport traffic control tower at all other times.
 - 3) Fueler shall take immediate action to begin containment and clean-up operations, which shall include the prevention of fuel from entering any storm or silt trench drain.
 - 4) Fuel delivery devices and other vehicles shall not be moved or operated in the vicinity of the spill until the spillage is removed. A fireguard shall be promptly posted at any such spillage site and shall remain until relieved by the Executive Director.
 - 5) All contaminated absorbent material shall be placed in DOT-approved metal containers and disposed of by the Fueler in compliance with all applicable federal, state and local laws.
 - 6) Where spills occur that are larger than Fueler can adequately handle, Fueler must obtain the clean-up services of an approved hazardous material contractor. ARFF will direct the recovery operations with the contractor and Fueler and the safe handling of residual fuel after recovery.
 - 7) In the event that a fuel spill exceeds five (5) gallons or makes its way into a waterway, Fueler shall report the spill to the Minnesota Duty Officer of the Minnesota Pollution Control Agency.
 - 8) Fueler shall be liable for all costs associated with the control, containment, clean-up, disposal and any damages that result from the spill or clean-up operations. If Fueler fails to promptly undertake remediation activities in response to a spill or discharge, the Authority may, but is not obligated to, perform such remediation. Any costs incurred by the Authority associated with assessment and cleanup of the spill shall be paid promptly by Fueler.
 - 9) Copies of all reports submitted to any federal, state, or local agency relating to such spill shall be provided to the Executive Director at the time submitted to such agency.

VI. Fuel Servicing Vehicles

- a. Mobile fueling vehicles and their systems shall be maintained and operated in accordance with Environmental Protection Agency (EPA), federal, state, and local regulations, codes and ordinances covering fuel dispensing on airports; FAA Advisory Circular 150/5230-4B; and NFPA 407.
- b. Each fueling vehicle shall be conspicuously marked, per NFPA 407, in letters of contrasting color, with the word "flammable" on both sides and rear of the cargo tank in letters of at least six (6) inches high, and with the wording "emergency shut off" and other appropriate operating instructions required at the emergency operating devices in letters at least two (2) inches high. Each fueling vehicle will also be conspicuously marked on both sides and rear with the type and grade of fuel it contains in appropriate color schemes.

- c. Fueling vehicles shall use only the entrance, exit, and route designated by the Authority Operations Director during the transportation and delivery of fuel to, from, and on the Airport.
- d. A fueling vehicle cargo tank shall be supported by and attached to, or be a part of, the vehicle upon which it is carried.
- e. Trained fueling personnel shall be of sufficient number to safely operate the fuel storage and dispensing systems and perform periodic checks and inspections essential to their proper functioning. All fueling facilities and fueling vehicles will be inspected on a quarterly basis by Authority staff or authorized personnel. Fuelers shall address any and all deficiencies reported in the quarterly inspection.

VII. Self-Fueling

- a. No Person shall engage in self-fueling unless and until a self-fueling Permit authorizing such activity has been obtained from the Authority. The requirement to seek and obtain a self-fueling Permit shall not apply in the event that self-fueling operations are authorized and addressed fully in a Lease or other Agreement.
- b. To obtain a self-fueling Permit, an applicant must provide evidence of ownership or lease for every aircraft for which self-fueling privileges are requested.
- c. Aircraft manufacturers are permitted to self-fuel aircraft under their care, custody and control prior to delivery to customers and during repair and warranty work. The Authority may recognize this right in a self-fueling Permit without requiring identification of individual aircraft.
- d. Applicants for a self-fueling Permit shall pay a Permit fee as may be required by the Authority.
- e. Permittees engaged in self-fueling shall provide the Executive Director with a current list of owned or leased aircraft verifying sole ownership by the owner, or that the lessee is the sole lessee of said aircraft.
- f. Permittees may not sell or otherwise transfer fuel, oil or other petroleum products to any other aeronautical user on the Airport.
- g. To obtain a self-fueling Permit, an applicant must provide evidence that it is a Tenant at the Airport pursuant to a Lease or sub-lease and, in the event the applicant is a sub-lessee, must further provide evidence that the lessee expressly has authorized the applicant to self-fuel on the leasehold.
- h. An Applicant shall procure and deliver to the Executive Director, with the application for a self-fueling Permit, a current, original Certificate of Insurance acceptable to the Executive Director showing insurance coverage for the duration of the permit for at least the amounts specified in Appendix 1.
- i. The term of a self-fueling Permit shall be no longer than the term of Permittee's lease or sublease at the Airport.
- j. Permittee may only fuel aircraft identified on the self-fueling Permit. No other aircraft may be fueled by Permittee.
- k. Permittee shall ensure that only Persons employed by Permittee are involved in self-fueling and that all employees handling fuel are trained in accordance with Subsection III above. Permittee may be required to show proof that the Person fueling an aircraft is an employee

of Permittee, such as by providing a copy of the employee's W-2 Statement. Permittee shall submit to the Executive Director evidence of training in safety procedures received by each Person who will conduct aviation self-fueling operations and shall provide to the Executive Director documentation verifying all required certifications and required recurrent training before self-fueling activities may take place.

- I. Permittee shall dispense aviation fuel only on Permittee's leasehold.
- m. Permittee shall not park fueling vehicles overnight at the Airport without prior written authorization by the Executive Director.
- n. Permittee may terminate the self-fueling Permit upon written notice to the Authority.
- o. The Authority may revoke the self-fueling Permit upon ten (10) days' written notice to the Permittee, and the Executive Director may revoke the self-fueling Permit immediately in the event of an emergency, for any of the following reasons:
 - 1) Non-compliance with the Rules and Standards
 - 2) Failure to maintain the required insurance
 - 3) Failure to pay any part of the fuel flowage fees due after such payments become due and payable to the Authority
 - 4) Failure to repair any damage to the fuel storage facility within the time specified by the Authority
 - 5) Fueling an aircraft that is not listed on the self-fueling Permit
 - 6) Aircraft fueling by individuals who are not employees of Permittee
 - 7) Discontinuation of fueling operations by Permittee for a period of one hundred eighty (180) days
 - 8) Failing to report a fuel spill as required and in the manner required by the Minnesota Pollution Control Agency
 - 9) Any violation of Minnesota environmental law or regulation concerning fuel storage and dispensing
- p. Permittee shall have the opportunity to appeal the revocation of a self-fueling Permit in accordance with Subdivision I, Section C(II) hereof. Upon revocation, Permittee may not reapply for a self-fueling Permit for a period of one year.
- q. Permittee shall agree to assume liability in connection with fuel storage, handling and dispensing, and to indemnify, hold harmless and defend the Authority and the City of Duluth, on terms prescribed by the self-fueling Permit.
- r. A self-fueling Permit is not assignable or transferable. Permittee shall not enter into any Agreement to transfer any of Permittee's privileges under the self-fueling Permit whereby other Persons share in the privileges or services authorized by the self-fueling Permit.

VIII. Commercial Self-Service Fueling Facilities

- a. The Fueler may be permitted to install and maintain a fuel storage and dispensing facility for Commercial Self-Service Fueling.

- b. The facility shall be constructed on concrete rigid pavement or flexible asphalt surface, and include above ground double wall tank(s), fueling terminal, metering system, emergency shut-off, lighting and protective enclosures, using pipe bollards or other suitable protection.
- c. The facility shall include a control device that prevents unauthorized fuel dispensing.
- d. The responsible Entity shall provide ladders to service aircraft, a properly serviced fire extinguisher, meeting NFPA 407 standards; easily recognizable markings to indicate the type of fuel; and placard instructions on the use of the facility, emergency telephone numbers and emergency procedures.

IX. Fuel Flowage Fee

- a. A fuel flowage fee at the rates established and subject to change by the Authority shall be assessed on all fueling operations on the Airport (except fuels dispensed to the Air National Guard unit on the Airport). All Fuelers shall be required to pay the then-current fuel flowage fee, as established by the Authority, for each gallon of aviation fuel dispensed, except in the event that the amount of the fuel flowage fee shall be designated in a Lease, self-fueling Permit or Agreement.
- b. Each Fueler shall submit payment to the Authority for all fuel dispensed, according to the schedule established in a Lease, Permit or Agreement. Each Fueler shall submit a statement signed by an officer or employee of the Fueler, which sets forth the total number of gallons of fuel dispensed, by category, during the relevant time period.
- c. The Authority shall have the right to increase the fuel flowage fee rate from time to time and/or to change the method by which the fuel flowage fee is calculated (e.g., price per gallon or percentage of fuel price). The Authority shall notify each Fueler in writing of the Authority's intent to increase the then prevailing fuel flowage fee rate, indicating the new rate proposed and the date such rate is scheduled to go into effect, at least thirty (30) days prior to the proposed effective date.
- d. The obligation to pay a fuel flowage fee may be in addition to any other rates and charges established by the Authority or any fuel tax imposed by an authorized taxing authority.

X. Flammable and Volatile Liquids

- a. Persons who intend to use flammable or volatile liquids on the Airport and/or fuel aircraft shall comply with the standards and requirements of the National Fire Protection Association (NFPA) 407 (Standard for Aircraft Fuel Servicing) and FAA Advisory Circular 150/5230-4B (Aircraft Fuel Storage, Handling, Training and Dispensing on Airports), as each may be amended or superseded.
- b. The procedures and precautions outlined in this subsection shall be adhered to in all cleaning, painting, and refurbishing operations using flammable and volatile fluids, including the storage of such fluids.
- c. Entities conducting aircraft fuel system maintenance shall comply with the standards and requirements of NFPA 410 (Standard on Aircraft Maintenance), as the same may be amended or superseded.
- d. No Entity shall use flammable or volatile liquids having a flash point of less than 100 degrees Fahrenheit for any purpose other than fueling.

XI. Toxic Substance Disposal

- a. Fuels, oils, dopes, paints, solvents, acids, and other hazardous materials shall not be disposed of or dumped into drains, on the ramps, catch basins, ditches (on or adjacent to the Airport), or elsewhere on the Airport. Used engine oil shall be disposed of at EPA and MPCA designated or approved off-Airport receivers or as approved by the Executive Director.
- b. Floors, walkways, and paved surface areas in buildings shall be kept free of oil solvents or other fluids that may cause injury. The use of volatile, flammable solvents for cleaning floors is prohibited. Drip pans and other appropriate fluid catchment/holding devices or utensils shall be used when necessary.
- c. Cylinders or flasks of compressed flammable gases shall be stored external to occupied buildings and hangars in facilities approved in writing by the Executive Director. Cylinders and flasks may be stored inside hangars or occupied buildings only if they are secured in a designated area approved in writing in advance by the Executive Director. Aircraft oxygen bottles and FAA approved aircraft heaters are exempt.

XII. Sanitation and Hazardous Waste Management

- a. No Entity shall use, handle, treat, store, or transport hazardous materials on or at the Airport except as reasonably necessary in the ordinary course of the Entity's authorized activities on the Airport and only if such hazardous materials are properly labeled and contained, and notice of and a copy of the Material Safety Data Sheet is provided to Authority Operations Director for each such hazardous material.
- b. No Person shall use, handle, treat, store, or transport hazardous materials at, in or on the Airport at such time or place or in such manner or condition as to create an unreasonable risk of harm to persons, property or the environment.
- c. All personnel whose duties and responsibilities involve the handling and storing of hazardous substances and materials must have received proper training, in accordance with Occupational Health and Safety Administration regulations.
- d. No Entity shall discharge, dispose or release any hazardous materials, wastes or substances on the Airport or surrounding air, lands or waters. In the event of a release, the responsible party promptly shall notify the Authority Operations Director and any federal or state agency, as applicable.
- e. All Persons shall comply fully with the Airport Storm Water Management Plan (SWMP) and any applicable National Pollutant Discharge Elimination System (NPDES) permit.
- f. The storage of waste materials and trash at the Airport is prohibited unless placed in receptacles provided for such purposes.
- g. All outdoor trash or garbage containers shall be covered. Such containers shall be located only in those areas approved for such use by the Authority Operations Director.
- h. No Person may burn refuse at the Airport, except as may be authorized in writing by the Executive Director.
- i. All operators using commercial trash receptacles shall be responsible for the cleanliness of the trash collection site.
- j. All vehicles used for hauling trash, dirt, or other refuse materials on the Airport shall be constructed so as to prevent their contents from dropping, shifting, leaking or escaping.

- k. No Entity shall dispose of any fill or building materials or any other discarded or waste materials on the Airport except as approved in writing by the Executive Director.
- l. Lubricating oils and hazardous liquids shall be disposed of in compliance with the Airport SWMP, and federal, state, and local law.
- m. No fuels, oils, dopes, paints, solvents, acids, or any other hazardous liquids shall be disposed of or dumped in drains, on ramp areas, catch basins or ditches or elsewhere on the Airport.
- n. Responsible Entities shall be liable for the cost to remediate the release of any hazardous substances on the Airport. If the responsible Entity fails to promptly undertake remediation activities in response to the release of any hazardous substance, the Authority may, but is not obligated to, perform such remediation. Any costs incurred by the Authority associated with assessment and cleanup of the release shall be paid promptly by the responsible Entity.
- o. The Authority shall have the right at any time to access any portion of the Airport for the purpose of conducting inspections, sampling and other testing to determine the nature and extent of contamination on or under the property.

SECTION D. -- GROUND VEHICLES, PEDESTRIANS AND PARKING

I. Pedestrian Access

- a. No Person may travel on exterior areas of the Airport other than on roads, sidewalks or other marked rights-of-way provided for such purpose.
- b. No Person shall prevent or restrict any other Person's passage to, from and within the Airport, except for authorized conduct of federal, state and local law enforcement officers, TSA officers, and Authority employees.
- c. No Person shall interfere with safe operation of an aircraft landing, taking off from, or operating on the Airport.
- d. No Person shall loiter on the Airport or in any building on the Airport for a period of time longer than reasonably necessary to transact such business as such Person may have on the Airport. Nothing herein will be deemed to prohibit any Person from remaining in the Terminal or at the facility of a Commercial Aeronautical Operator in the event of a delayed departure or for the purpose of meeting arriving or departing passengers. Further, nothing herein will be deemed to prohibit a customer or student of a Commercial Aeronautical Operator from remaining on the Airport in a manner and for such duration as is reasonably connected with the product or service being received.
- e. Access to the SIDA must conform to the requirements of Section E (Security). Any person who, without authority, enters the SIDA shall, in addition to other penalties, be considered to be trespassing.
- f. Pedestrians are permitted in the Movement Area and Safety Areas only if necessary for Airport operations and only if authorized by the Authority Operations Director or escorted by an authorized person.
- g. When the airport traffic control tower is in operation, pedestrians in the Movement Area and Safety Areas must:
 - 1) maintain two-way radio communications with the airport traffic control tower; or

- 2) be accompanied by an Escort who has two-way radio communications with the airport traffic control tower; or
 - 3) comply with signs, signals, and other information provided by Authority personnel to guide movement of pedestrians in the Movement Area and Safety Areas.
- h. When the airport traffic control tower is not in operation, pedestrians in the Movement Area or Safety Areas must maintain two-way radio communications with Airport Operations and comply with signs, signals and other information provided by Airport Operations.
- i. Any Tenant or contractor who fails to comply with the foregoing provisions governing pedestrian access to the AOA shall, in addition to any other penalties and at the reasonable discretion of the Executive Director, be required to undergo safety training or be removed from the Airport.

II. Ground Vehicle Operations Generally

- a. Traffic laws of the State of Minnesota and the City of Duluth shall apply to the streets, roads, and vehicular parking areas on the Airport. All traffic, informational, and warning signs shall be obeyed.
- b. The operation of any vehicle on the Airport shall be in accordance with the procedures and policies outlined in the Authority approved or administered drivers and security training programs.
- c. No Person shall operate any motor vehicle on the Airport in a manner that would endanger his or her person or property or the safety of another's person or property.
- d. No Person shall operate a motor vehicle on the Airport while under the influence of an intoxicant or controlled substance.
- e. Abandoned Vehicles are prohibited on the Airport and may be removed at the request of the Executive Director at the sole risk and expense of the vehicle owner.
- f. Airport Administration may cause vehicles in violation of the Rules and Standards to be ticketed or towed. In addition, the Executive Director may deny access to any ground vehicle if the owner or operator of the vehicle operates the vehicle in a reckless or negligent manner.

III. Ground Vehicle Parking

- a. No Person shall park or leave standing any vehicle, whether occupied or not, on the Airport except within designated parking areas or loading areas.
- b. The Executive Director shall cause signs to be placed and maintained that designate all general and reserved loading zones, reserved parking areas and public parking areas to be used by commercial passengers, employees and meeters and greeters, including, but not limited to, those areas designated for exclusive use of car rental agencies and companies operating at or from the Airport. No parking areas shall be designated in areas on and along drives and roadways or in such other areas on Airport property as deemed necessary by the Executive Director for the safe, efficient and convenient operation of the Airport. All Airport Tenant employees must park in their assigned areas.
- c. The Executive Director may remove or cause to be removed any vehicle that is illegally parked, disabled or abandoned; that impedes Airport operations or the orderly flow of traffic; or that creates a potential security threat. Any vehicle parked in areas of the public parking lot assigned for exclusive use of car rental agencies or companies and clearly

indicated as such by signs may be removed or caused to be removed by order of the Executive Director.

- d. The owner or operator of any such vehicle removed under this section shall be liable for payment of towing and storage and other applicable charges and any such vehicle shall be released to the owner or operator thereof only upon proper identification of the person making claim and payment of towing and storage and other applicable charges. Neither the Authority nor any of its agents shall be liable for damage to any vehicle resulting from the act of removal.

IV. Ground Vehicles in the AOA, Movement Area and Safety Areas

- a. Ground vehicles are permitted in the Movement Area and Safety Areas only if necessary for Airport operations and only if authorized by the Authority Operations Director.
- b. Two-way radio communication with the airport traffic control tower is required of all authorized vehicles traversing or operating in the Movement Area or Safety Areas, unless the motor vehicle is being escorted by an authorized motor vehicle maintaining two-way radio communication with the tower.
- c. When the airport traffic control tower is not in operation, operators of ground vehicles in the Movement Area and Safety Areas shall carry a radio tuned to the Airport's Universal Communication (UNICOM) or Common Traffic Advisory Frequency (CTAF), and shall make an announcement on the radio before entering runways or taxiways.
- d. When the airport traffic control tower is not in operation, all ground vehicles operating in the Movement Area and Safety Areas shall turn on their rotating beacon, after sunset and before sunrise, and display a flag, during daylight hours.
- e. No vehicle shall operate in close proximity to an aircraft so as to create a hazard or interfere with the safe operation of the aircraft.
- f. Vehicles shall park in tie-down areas only between the tie-down hooks, parallel to aircraft, and only in the spaces leased by the vehicle owner.
- g. Ground vehicles operating the AOA shall yield, in order, to aircraft, emergency vehicles and equipment, snow removal vehicles and equipment, and pedestrians.
- h. Ground vehicles shall always yield the right-of-way to aircraft.
- i. When approaching taxiing aircraft, ground vehicles shall maintain a distance of at least 100 feet from the aircraft and shall stay to the rear of the aircraft.
- j. No Person may operate a vehicle while on the AOA without a valid driver's license.
- k. Except for authorized emergency vehicles, the maximum allowable speed on the AOA is 15 miles per hour.
- l. Ground vehicles traveling to or from aircraft storage hangars shall minimize crossing of the AOA.
- m. Use of recreational vehicles of any type (including campers, recreational vehicles, trailers, bicycles, scooters, motorcycles, and ATVs) is prohibited in the AOA without prior written approval of the Executive Director.

SECTION E. -- SECURITY

I. General

- a. All Persons on the Airport shall follow security-related federal laws and regulations as may be applicable to their activities on, and use of, the Airport.
- b. All Persons on the Airport shall follow the direction of on-duty federal, state and local law enforcement officers assigned to the Airport, and of TSA officers.
- c. The Executive Director may issue directives and orders to implement the Airport Security Program. The Airport Security Program is considered sensitive security information in accordance with federal law and regulation, and no Person is entitled to demand or obtain a copy from the Executive Director.
- d. No Person shall enter a restricted area in violation of posted signs without the permission of the Executive Director.

II. Passenger and Baggage Screening

- a. No Person may enter a Sterile Area of the Airport without submitting to the screening of their person and property by the TSA. The foregoing prohibition shall not apply to authorized Airport and Authority personnel accessing the Sterile Area by a secured door constructed and maintained for that purpose.
- b. Any Person who enters the passenger screening area within the Terminal is subject to search by the TSA, regardless of whether the Person declares their intent to withdraw from the screening area.
- c. No Person may interfere with the screening of passengers and property by TSA officers.
- d. No passenger shall enter or remain in the Sterile Area having in their possession any item prohibited by the TSA or FAA.

III. Security Identification Display Area (SIDA)

- a. All Persons who are authorized to access the SIDA must obtain a SIDA badge from the Authority Operations Director prior to gaining access to the SIDA.
- b. Applicants for a new SIDA badge or the reissuance of a SIDA badge shall pay the badging fee, and any reissuance fee, as may be prescribed by the Executive Director.
- c. Any Person authorized to access the SIDA must prominently display their SIDA badge at all times while on the SIDA.
- d. It shall be unlawful and grounds for immediate confiscation, suspension and possible permanent revocation of a SIDA badge for any Person to:
 - 1) Be on the premises of the SIDA without a SIDA badge or Escort
 - 2) Permit any other person to use their badge
 - 3) Wear another Person's SIDA badge to gain access to or while on the SIDA
 - 4) Alter the SIDA badge

- e. If a SIDA badge is lost or misplaced, the badgeholder must notify the office of the Executive Director immediately and follow all administrative procedures for reissuance of the badge, including a reissuance fee which shall be set by the Executive Director.
- f. Persons who have gained authorized access to the SIDA shall ensure that the SIDA access door or gate has completely secured or locked behind them before leaving the immediate vicinity of the door or gate, to ensure that no Person gains unauthorized access through such door or gate.

IV. Tampering

- a. No Person shall willfully tamper, alter, move or otherwise affect any security device, sign, closed-circuit camera, personal identification pad, electromagnetic locking device or other such implement, or perimeter fence gate or gate tracking device.
- b. No Person may place any object within 10 feet of the Airport perimeter fence or at any location that would aid in climbing or obscuring visibility of the fence line.
- c. No Person shall willfully activate any security device or security alarm, when no threat to security or emergency condition exists.
- d. No Person shall block or damage doors, gates or card readers or leave doors or gates open that could permit access to a restricted area by unauthorized persons.

Subdivision III - MINIMUM STANDARDS

SECTION A. -- GENERAL REQUIREMENTS

I. Introduction to Minimum Standards

- a. The Minimum Standards set forth the conditions that must be satisfied in exchange for the privilege of conducting Commercial Aeronautical Activities at the Airport.
- b. No Entity shall be permitted to engage in Commercial Aeronautical Activities at the Airport without (i) an Agreement with the Authority setting forth the terms by which the Entity will conduct the Commercial Aeronautical Activity, and (ii) demonstration of ability and intention to satisfy the Minimum Standards throughout the term of the Agreement.
- c. Except as prescribed herein or pursuant to an Agreement, the standards and requirements of the Minimum Standards are minimums and may be exceeded.
- d. The Minimum Standards are in addition to Minnesota law concerning commercial operations at airports, including without limitation Minnesota Administrative Rules 8800.3100 through 8800.3950 and Minnesota Administrative Rule 8800.4800 and the specific obligations therein to secure a commercial operators license.

II. Entities Subject to the Minimum Standards

- a. The Minimum Standards shall apply to any Entity proposing to conduct a Commercial Aeronautical Activity for which Minimum Standards are prescribed herein. Commercial Aeronautical Operators subject to the Minimum Standards include Fixed Base Operators and Specialized Aviation Service Operators.
- b. The Minimum Standards prescribed herein, except Section B (Application Requirements), shall apply to the Authority, without waiver or variance, in any instance in which the Authority is conducting a Commercial Aeronautical Activity at the Airport.
- c. The Minimum Standards shall not apply to: (i) an air charter or air taxi operator accessing the Airport for the limited purpose of picking up or dropping off passengers in an aircraft that is not based at the Airport, (ii) a flight instructor accessing the Airport for the limited purpose of picking up or dropping off a student pilot or conducting flight training in an aircraft that is not based at the Airport, (iii) an aircraft manufacturer providing parts and services at the specific request of an aircraft owner or operator pursuant to a "rapid response" or similar program, and (iv) a Flying Club conforming to the requirements of Subdivision I, Section G hereof. An Entity performing one of the foregoing activities is not a Commercial Aeronautical Operator for purposes of the Minimum Standards.
- d. The Minimum Standards shall not apply to an air carrier with respect to the conduct of scheduled passenger operations at the Airport; provided that the Minimum Standards shall apply to each Airline Ground Handler.
- e. The Minimum Standards shall not apply to non-commercial Aeronautical Activities, including, for example, and without limitation private hangar storage and co-ops. Non-commercial Aeronautical Activities are subject to Subdivision I (Policies and Guidelines) and Subdivision II (Rules and Regulations) and the terms of a Lease or other Agreement.
- f. The Minimum Standards shall not apply to self-servicing and self-fueling by a Tenant, provided that the aircraft being self-serviced or self-fueled is owned by the Tenant or under the Tenant's exclusive operational control. Self-servicing and self-fueling are subject to Subdivision II (Rules and Regulations) hereof and the terms of a Lease or other Agreement.

- g. No Entity shall be permitted to conduct a Commercial Aeronautical Activity at the Airport that is not expressly addressed in the Minimum Standards without the Authority's prior written approval. In reviewing a request, the Authority will consider the nature of the Commercial Aeronautical Activity, the proposed business terms, and the compatibility of the Aeronautical Activity with then-existing Airport operations and activities. The Authority further may request review by the FAA to consider, for example, and without limitation, whether the Aeronautical Activity may be conducted safely at the Airport. The Authority may decide, in its sole discretion, to amend the Minimum Standards prior to executing an Agreement authorizing the new Commercial Aeronautical Activity to, for example and without limitation, create a new category of Commercial Aeronautical Operator with attendant requirements and standards.
- h. No Entity shall be permitted to conduct a Commercial Aeronautical Activity at the Airport in support of an Aeronautical Activity that is prohibited by the FAA, the State of Minnesota, or the Authority.

III. Waivers and Variances

- a. The Executive Director may waive all or any portion of the Minimum Standards for the benefit of any government or government agency performing public or emergency services, including, for example, and without limitation: law enforcement, disaster relief, search and rescue, fire prevention and firefighting.
- b. The Executive Director may approve a temporary waiver of the Minimum Standards upon finding that each of the following conditions is satisfied: (i) the Commercial Aeronautical Operator seeking the waiver will be the only operator on the Airport to provide a specific product, service, or facility as of the effective date of the Agreement; (ii) the operator has agreed to come into full compliance with the Minimum Standards within a prescribed schedule; (iii) the schedule is enforceable by the Authority; (iv) the temporary waiver is needed to alleviate the financial burden of initiating a new Commercial Aeronautical Activity at the Airport; and (v) the Executive Director finds that the temporary waiver will not materially interfere with the Commercial Aeronautical Operator's ability to provide high quality products, services and facilities to Airport users.
- c. The Executive Director may approve a temporary variance of the Minimum Standards upon finding that each of the following conditions is satisfied: (i) a special condition or unique circumstance exists that makes the application of the Minimum Standards unduly burdensome; (ii) the temporary variance is narrowly tailored to address the special condition or unique circumstance; (iii) the operator has agreed to come into full compliance with the Minimum Standards within a prescribed schedule; (iv) the schedule is enforceable by the Authority; (v) the temporary variance will not create an unfair competitive relationship among Commercial Aeronautical Operators at the Airport, and (vi) the Director finds that the temporary variance will not materially interfere with the Commercial Aeronautical Operator's ability to provide high quality products, services and facilities to Airport users.
- d. Any temporary waiver or temporary variance approved by the Executive Director hereunder shall apply only to the specific Commercial Aeronautical Operator and the specific circumstance and shall not serve to amend, modify, or alter the Minimum Standards.
- e. Neither the Authority nor the Executive Director shall grant the Authority a waiver or variance from applicable requirements of the Minimum Standards, in the event the Authority conducts a Commercial Aeronautical Activity at the Airport.

IV. Additive Standards and Conflicts

- a. The Minimum Standards are intended to be additive, except where otherwise provided herein, such as, for example, and without limitation, optional services by FBOs. A SASO may be required to satisfy multiple requirements hereunder to perform multiple Commercial Aeronautical Activities.
- b. In the event of conflicting Minimum Standards, the Commercial Aeronautical Operator will be required to satisfy the higher or more demanding standard.
- c. The Executive Director may permit a SASO conducting multiple Commercial Aeronautical Activities to satisfy a Minimum Standard that is less than the sum of the standards for each Commercial Aeronautical Activity, if the Executive Director finds that each of the following conditions is satisfied: (i) the off-set will not affect the Commercial Aeronautical Operator's ability to provide high quality products, services and facilities to Airport users in keeping with the policies hereof; and (ii) the off-set will not create an unfair competitive relationship among Commercial Aeronautical Operators at the Airport. An off-set granted pursuant to this provision shall not constitute a temporary waiver or temporary variance as provided in Section B(III).
- d. Aircraft manufacturing may involve multiple Commercial Aeronautical Activities. Each aircraft manufacturer subject to this Subdivision III (Minimum Standards) shall comply, at a minimum, with the requirements herein for Aircraft Sales. The conduct of ancillary services, such as warranty work on aircraft sold by the manufacturer, shall not, standing alone, trigger the obligation to comply with the requirements for Airframe and Power Plant Maintenance or other categories of SASOs.

V. Non-Tenant Operators

- a. The Authority intends for all Commercial Aeronautical Operators to lease space at the Airport in the minimum area prescribed by the Minimum Standards. The purpose of this policy is to ensure that Commercial Aeronautical Operators do not attempt to gain an unfair competitive advantage by operating without the same level of financial investment in the Airport and in their business operation as their competitors. Nevertheless, the Authority recognizes that there may be limited instances in which a Commercial Aeronautical Activity may be performed by an Entity that does not lease space at the Airport. Specifically, an Entity may be permitted to provide products and services at the Airport upon demonstrating, to the satisfaction of the Executive Director, that no Commercial Aeronautical Operator leasing space at the Airport has the requisite certificate, certified personnel, or access to equipment and parts to provide the product or perform the service. The Executive Director may approve a request from an Entity meeting these conditions provided that (i) the Entity enters into an Agreement with the Authority identifying the Commercial Aeronautical Activity that may be performed and the rates and charges assessed for the privilege of conducting the Commercial Aeronautical Activity, and (ii) the Entity satisfies all other applicable Minimum Standards prescribed herein for the Commercial Aeronautical Activity.

SECTION B. -- APPLICATION

I. Application

- a. An Entity seeking to conduct a Commercial Aeronautical Activity at the Airport must submit a written application to the Executive Director in the form prescribed by the Director, or, in the absence of a form, providing the following information and any such additional information as may be requested by the Executive Director:

- 1) **Operations Plan.** A written proposal detailing the nature of the proposed Commercial Aeronautical Activity to be conducted, space and facility requirements, and the proposed location on the Airport.
 - 2) **Financial Responsibility.** Evidence of the applicant's financial responsibility, in such form as determined reasonably necessary by the Executive Director, including for example and without limitation a letter from a recognized financial institution, copies of audited financial statements, a current credit report, SEC Form 10-K's, and/or annual reports for the previous three years.
 - 3) **Personnel.** A listing, with resumes, of key personnel to be assigned to the Airport, along with a description of their duties and responsibilities.
 - 4) **Certifications.** Copies of all licenses, certifications and permits possessed by the applicant and key personnel that are necessary or required to perform the proposed Commercial Aeronautical Activity.
 - 5) **Insurance.** Evidence of insurance, or the specific intent to obtain insurance, consistent with the insurance requirements of the Minimum Standards.
 - 6) **Fee.** The Authority reserves the right to request a deposit and/or charge a fee with the submittal of the application to indicate the good faith intentions of the applicant and/or to off-set any costs incurred by the Authority in the consideration of the application.
 - 7) **Petitions in Bankruptcy.** Identify any and all bankruptcies relating to the applicant and the applicant's principals.
 - 8) **Violations of FAA Regulations.** Disclose any and all documented violations by the applicant and/or the applicant's principals of FAA regulations.
- b. Requirements to provide documentary evidence of financial responsibility, petitions in bankruptcy, and information on violations of FAA regulations include the requirement to provide such materials and information pertaining to the Entity, its principals, and any other Entity of whom the principals of the Entity are or were principals or managers.
- c. If a limited liability Entity is formed for the sole purpose of conducting a Commercial Aeronautical Activity at the Airport, the Executive Director may request financial information or guarantees of the principals of the Entity.

II. Action on Application

- a. Upon receipt of an application, or a statement of interest, or on its own initiative, the Authority may issue a request for qualifications or proposals or otherwise select a Commercial Aeronautical Operator through a competitive solicitation.
- b. The Executive Director may deny an application upon finding any of the following:
 - 1) The Commercial Aeronautical Activity proposed by the applicant would not meet the Minimum Standards prescribed herein.
 - 2) The Executive Director has determined, upon examination of the applicant's business plan, financial plan, and information submitted to establish financial responsibility, that the applicant is unlikely to be able to continue to meet the Minimum Standards prescribed herein throughout the term of an Agreement, including the payment of rates and charges.

- 3) The applicant has supplied the Authority, or any other Person, with false or misleading information or has failed to make full disclosure in their application or supporting documents.
- 4) There is no suitable space on the Airport to accommodate the proposed Commercial Aeronautical Activity without requiring the reduction in space leased to another Entity.
- 5) The proposed Commercial Aeronautical Activity is inconsistent with the Airport Layout Plan.
- 6) The FAA has determined that any proposed development would constitute an obstruction or hazard to air navigation.
- 7) The proposed Commercial Aeronautical Activity would require the Authority to spend funds or to supply resources that the Authority is unwilling or unable to spend or supply.
- 8) The applicant, an immediate family member of the applicant, a principal of the applicant, or an Entity of which a principal of the applicant was a principal, was party to an Agreement with the Authority that was terminated for cause and/or the applicant, an immediate family member of the applicant, a principal of the applicant, or an Entity of which a principal of the applicant was a principal, previously was evicted from the Airport.
- 9) The applicant, an immediate family member of the applicant, a principal of the applicant, or an Entity, of which a principal of the applicant was previously a principal has been party to vexatious or frivolous litigation, including, without limitation, administrative litigation, against the Authority concerning Commercial Aeronautical Activities at the Airport.
- 10) The applicant, an immediate family member of the applicant, a principal of the applicant, or an Entity of which a principal of the applicant was a principal, has been debarred or evicted from another public-use airport at which the applicant conducted a Commercial Aeronautical Activity; provided, however, that the Executive Director nevertheless may approve the application upon examination of the facts and circumstances surrounding the debarment or eviction.
- 11) The Executive Director's denial of an application hereunder may be appealed as provided in Subsection I, Section C(II) (Administrative Appeal).

III. Notification of Changes

- a. Commercial Aeronautical Operators must provide the Authority with any information reflecting a material change in the information submitted in an application. This information includes, for example, and without limitation: (i) a change in ownership of the Entity, (ii) the filing of a petition in bankruptcy, (iii) addition or subtraction of principals, (iv) any felony or misdemeanor convictions that would result in loss of airport identification media, and (v) any federal fines imposed on the operator.
- b. Commercial Aeronautical Operators must submit to the Executive Director new, updated or amended FAA certificates and ratings applicable to the operator, its employees or contractors, and any revocation of any certificate or ratings, or any other penalties by FAA against the certificate holder, promptly upon the operator's receipt of same.

SECTION C. -- PERFORMANCE STANDARDS

I. Performance Standards

- a. Commercial Aeronautical Operators are to provide high quality customer service by meeting or exceeding Airport customer needs through consistent, responsive, and professional service.
- b. Commercial Aeronautical Operators are to employ the necessary number of trained staff, on-duty management and supervisors to provide for the efficient, safe and orderly operations of its business.
- c. Commercial Aeronautical Operators are to control the conduct and demeanor of their personnel, agents, subcontractors, and subtenants, as well as conduct their business operations in a safe, orderly, efficient, and proper manner so as not to unreasonably disturb or endanger any Airport customers, Tenants or other operators.
- d. All personnel employed by a Commercial Aeronautical Operator to perform duties on the Airport are required to be appropriately dressed and identifiable while on duty and to wear an Authority-issued airport security badge, as may be required by regulation or directive of TSA. The business name shall be included in the means of identification on each person whose job responsibilities include regular interaction with Airport customers.

II. Compliance with Federal, State and Local Requirements

- a. Commercial Aeronautical Operators are to comply with all federal, state and local requirements applicable to their operations.
- b. Commercial Aeronautical Operators are to conduct all activities so as to allow the Authority to remain in compliance with all federal and state statutes, regulations, orders, policies, and grant assurances applicable to the Authority in the operation, maintenance, and development of the Airport.
- c. Commercial Aeronautical Operators are to comply with the rules imposed by the Authority and the City of Duluth applicable to conduct on the Airport, including without limitation Subdivision I and Subdivision II of the Rules and Standards.
- d. Without limitation of the foregoing, Commercial Aeronautical Operators are to comply with the following requirements:
 - 1) **Security.** Commercial Aeronautical Operators are to comply with the laws, regulations, orders and directives of TSA, as each may be amended; instructions of law enforcement personnel; and the policies, orders and directives of the Authority in furtherance of the Airport Security Program.
 - 2) **Safety.** Commercial Aeronautical Operators are to comply with federal, state and local law applicable to workplace and aviation safety; and the orders and directives of the Executive Director in furtherance of a Safety Management System or similar or related program at the Airport designed and intended to enhance safety.
 - 3) **Environmental.** Commercial Aeronautical Operators are to comply with all applicable federal, state and local environmental laws; orders and directives of a federal or state agency with requisite jurisdiction over environmental conditions at the Airport; Authority environmental policies and procedures, including, for example, and without limitation, SPCC Plan, SWMP and spill response plan; and generally accepted industry environmental policies and standards.

III. Signage

- a. Each building, vehicle, and piece of mobile or vehicular equipment used on the Airport in conjunction with the Commercial Aeronautical Activity, shall bear the Commercial Aeronautical Operator's identification in the form of a company logo, sign, emblem, or other means to designate to whom the building, vehicle, or equipment belongs or is assigned.
- b. Identification shall be legible on a contrasting background and shall be visibly displayed.
- c. All Commercial Aeronautical Operator identification shall be professionally designed and affixed to vehicles.

IV. Vehicles and Equipment

- a. The specific equipment requirements contained in the Minimum Standards shall be deemed satisfied if the Commercial Aeronautical Operator owns, leases or otherwise has sufficient access to the equipment to provide the applicable aeronautical services promptly on demand without causing any flight delays or other operational impacts on aircraft at the Airport.
- b. Equipment must be maintained in safe operating condition and good appearance.
- c. Equipment must include identifying information, prominently displayed, for the Commercial Aeronautical Operator.
- d. All vehicles operating at the Airport shall comply with applicable rules and regulations governing vehicles and traffic and have required authorization, including authorization to operate in the Movement Area and Safety Areas.

V. Subcontracting, Subleasing and Assignment

- a. An Agreement may permit a Commercial Aeronautical Operator to sublease or subcontract to another Entity to conduct a Commercial Aeronautical Activity. In such event, the sublessee or subcontractor shall be responsible for complying with all applicable Minimum Standards; provided, however, that the Commercial Aeronautical Operator shall remain liable to the Authority for compliance with the Minimum Standards and the terms of an Agreement.
- b. Each Agreement shall require the Executive Director's consent and Authority Board approval to any assignment. Prior to granting his/her consent, the Executive Director may require the prospective assignee to complete an application or submit the information prescribed in Section B(I) hereof. The Executive Director may reject the request to assign the Agreement based on the factors enumerated in Section B(II) hereof.
- c. No Entity shall conduct a Commercial Aeronautical Activity as a lessee or sublessee of Airport property that is leased or designated for a non-commercial use, including, for example, and without limitation, a hangar leased for private, non-commercial use.

SECTION D. -- FIXED BASE OPERATORS

I. General Requirements

- a. A Fixed Base Operator engages in and furnishes a full range of aeronautical products, services and facilities to the public, which shall include, at a minimum, the following: aircraft fueling, to include Jet Fuel, AVGAS, aircraft propellants, and aircraft lubricants; aircraft line services; customer services, aviation charts and pilot supplies; crew lounge, passenger

lounge and concession area; aircraft de-icing and anti-icing; sanitary systems service; hangar storage and maintenance space.

- b. An FBO shall have in effect an Agreement with the Authority at all times during which FBO services are conducted on the Airport, which Agreement shall provide for the lease of space in accordance with the Minimum Standards, prescribe the specific Commercial Aeronautical Activities that may be provided by the FBO, and contain other such terms as may be included in the Authority's standard form Agreement or Agreement prepared for the specific FBO.
- c. Only Fuelers shall engage in Commercial Fueling.
- d. FBOs may subcontract, sublease, or use third-party contractors approved by the Executive Director to provide any of the required FBO services, or optional services, with the exception of aircraft fueling and aircraft line services, which services must be provided directly by the FBO and its personnel. Subcontractors, sublessees, and third-party operators shall meet all Minimum Standards applicable to such services. All subcontractors, sublessees, and third party operators must be approved by the Executive Director in writing prior to the FBO entering into any binding contracts with such subcontractors, sublessees and third-party operators.

II. Minimum Standards

- a. **Aircraft Design Group Serviceability.** Each FBO shall provide or have under an approved contract the personnel, equipment, and facilities required to service all types of aircraft normally operating at the Airport.
- b. **Minimum Leased Space.** Unless otherwise provided by the Duluth Airport Authority, all operations of the FBO shall be conducted on one area of sufficient size to accommodate all services for which it is licensed, allowing for future growth and additional services as contemplated by the Authority or the applicant at the time of application. The FBO shall provide a minimum of (i) thirty thousand (30,000) gross square feet of hangar storage/maintenance space, (ii) tie down space for at least ten (10) aircraft, (iii) hard surface ramp space of a size adequate to park and fuel several corporate aircraft simultaneously and accessible by taxiway, and (iv) heated and air conditioned lounge or waiting rooms of at least three thousand (3,000) square feet.
- c. **Hours of Operation.** Aircraft parking, tie-down services, fuel sales, and customer services shall be provided during those hours necessary to adequately meet public demand for such services. This service shall be provided a minimum of sixteen (16) hours per day, seven (7) days per week including holidays with a thirty (30) minute response call out service outside normal business hours. Other services, both required and optional, shall be available, at a minimum, to the public between the hours of 8:00 a.m. and 5:00 p.m. local time daily, five (5) days per week, excluding holidays. FBO shall provide the Executive Director with written notice of the FBO's hours of operation and any changes in hours of operation.
- d. **Staffing and Personnel Qualifications.**
 - 1) **Staffing.** During the required hours of operation, each FBO shall employ and have on duty sufficient staff to meet the Minimum Standards for each Commercial Aeronautical Activity provided. A staffing plan shall be submitted to the Executive Director for reference. Each FBO shall have at least two (2) personnel, trained and certified as required below, on site at all times during required hours of operation. Additional personnel must be available within thirty (30) minutes on call outside

normal hours of operation. A manager/supervisor must be on site or on call within thirty (30) minutes during all required hours of operation.

- 2) **Supervision.** The general manager or operations management position at an FBO overseeing the day-to-day activity must have a minimum of five (5) years continuous work experience in the general aviation industry, with at least two (2) years' experience specific to FBO or FBO operations management. FBO shall provide the Executive Director with a point-of-contact including phone numbers for personnel empowered to make decisions during emergency situations.
 - 3) **Personnel Qualifications.** All FBO aircraft fuel handling personnel shall be fully trained in the safe and proper handling dispensing, and storage of aircraft fuel. Acceptable training shall be NATA Safety 1st or an equivalent training program. The Authority shall conduct spill training in accordance with the applicable SPCC Plan. Records identifying completed training programs shall be kept on file and submitted to the Executive Director upon demand.
- e. **Insurance Requirements.** Each FBO shall maintain the types and amounts of insurance required by the Authority. These requirements are listed in Appendix 1, and may be revised by the Authority from time to time. Upon any revision of such requirements by the Authority, the FBO shall procure any insurance coverage necessary to meet the revised standards within 10 business days, and shall provide evidence of such insurance coverage to the Executive Director within that timeframe.
- f. **Required FBO Services.** Each FBO shall be required to provide, at a minimum, the following services at the Airport:
- 1) **Fuel sales and line services.**
 - (i) Properly trained line personnel on duty at least sixteen (16) hours of every calendar day, seven (7) days a week and "on-call" by readily accessible telephone at other hours during the day or night.
 - (ii) Sale of aviation fuels, oils and lubricants customarily sold to all classes of aviation including into-plane fuel service for commercial size aircraft, by uniformed employees of the FBO whose duties will not prevent them from providing such sales and services on an immediate basis.
 - (iii) Marshalling aircraft on ground to and from aircraft parking on FBO's leased premises.
 - (iv) A sufficient number of fuel service vehicles for AVGAS and Jet Fuel with adequate bonding apparatus on the trucks to eliminate the hazards of static electricity and approved types of fire extinguishers or other equipment commensurate with the hazard involved in the refueling and servicing of aircraft, including spill kits.
 - (v) Adequate towing equipment, parking, and tie-down areas to safely and efficiently move aircraft and store them in all reasonably expected weather conditions.
 - (vi) Adequate inventory of generally accepted grades of aviation engine oil and lubricants.
 - (vii) Proper equipment for repairing and inflating aircraft tires, servicing oleo struts, changing engine oil, oxygen and nitrogen service, ground power

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(GPU), washing aircraft and aircraft windows and windshields, and for recharging or energizing discharged aircraft batteries and starters.

- (viii) Fuel farms shall provide a minimum storage capacity of ten thousand (10,000) gallons of AVGAS, and one hundred thousand (100,000) gallons of Jet Fuel.
 - (ix) Minimum storage capacity of one thousand (1,000) gallons of type 1 aircraft deicing fluid.
 - (x) FBOs shall pay such charges or taxes as may be imposed by the Authority and/or an authorized taxing authority on the gallons of all fuels delivered. Fuel delivery records shall be available for review by the Authority or its authorized agent.
 - (xi) FBO shall be responsible for snow removal in all areas of the FBO's leased premises used in connection with aircraft fueling. The Executive Director may, in the exercise of his/her sole discretion, direct Authority personnel to provide assistance when requested during unusually heavy snowfall to ensure fuel is available to the public. This obligation shall not apply to snow removal in areas immediately adjacent to the Terminal used in connection with aircraft fueling for commercial service airlines.
- 2) Customer services, aviation charts, pilot supplies, etc. Customer services shall include catering arrangements, hotel reservations, arranging for ground transportation, and reasonable courtesy ground transportation.
 - 3) Flight Service Station telephone and computerized weather service.
 - 4) Crew lounge, passenger lounge, and concession area. Lounge or waiting rooms shall be heated and air conditioned with appropriate furnishings for passengers and airplane crews of itinerant aircraft, sanitary restrooms for men and women, public telephone facilities, and sufficient paved and striped parking for employees and customers.
 - 5) Aircraft deicing and anti-icing service. FBOs shall conform to the minimum standards prescribed in Subsection III, Section E(XII) for Airline Ground Handlers in the performance of aircraft deicing and anti-icing service.
 - 6) Sanitary systems service. Service shall include aircraft lavatory and potable water.
 - 7) Hangar Storage/Maintenance Space. FBOs shall satisfy the minimum leased space requirements prescribed herein and shall maintain sufficient space to accommodate reasonable demand for overnight and short-term aircraft storage.

g. **Optional FBO Services.**

- 1) Each FBO may provide Commercial Aeronautical Activities at the Airport in addition to the required FBO services, with the prior written consent of the Authority.
- 2) Optional FBO services may include Commercial Self-Service Fueling and any of the Commercial Aeronautical Activities that may be conducted by Specialized Aeronautical Service Operators in Section E hereof.
- 3) An FBO providing optional FBO services through a sublessee or subcontractor shall submit to the Executive Director a copy of the executed sublease or

subcontract, which must be approved in writing by the Authority and must comply with the standards set forth in this section, in addition to all other applicable Minimum Standards.

- 4) FBOs must satisfy the Minimum Standards for each Commercial Aeronautical Activity, as provided in Section E hereof, and specifically must demonstrate to the Executive Director's satisfaction that sufficient space is available within the FBO's leased premises to provide high quality products and services to the FBO's customers.
- 5) Commercial Self-Service Fueling.
 - (i) Fuelers may provide Commercial Self-Service Fueling equipment in addition to the required aircraft fuel equipment, with the prior written consent of the Executive Director. Commercial Self-Service Fueling equipment will be located at the Airport's designated self-fuel apron and must comply with all applicable federal, state, local laws, rules and regulations. Fuelers may provide retail Commercial Self-service Fueling at the Airport only if the Fuelers also provide attended fueling at the Airport.
 - (ii) Fuelers shall provide an AVGAS tank with a five hundred (500) gallon minimum capacity and associated pumps, metering equipment, credit card acceptance device and other equipment as may be necessary for this level of service. The tank shall be an aboveground, fire rated, heavy duty industrial strength and concrete coated tank with pumping equipment which shall meet all local fire codes and the requirements and/or regulations of the Minnesota Pollution Control Agency, Environmental Protection Agency, OSHA, NFPA and any other local, state, or national governmental agencies having jurisdiction.
 - (iii) The Commercial Self-Service Fueling facility shall be available for use twenty-four (24) hours a day, seven (7) days a week.
 - (iv) Fuelers shall inspect the facility daily and have trained personnel during normal hours of operation available to answer questions, provide other assistance, and respond to fuel spills from the facility.

SECTION E. -- MINIMUM STANDARDS FOR SPECIALIZED AERONAUTICAL SERVICE OPERATORS

I. General Requirements

- a. Compliance. SASOs shall be required to comply with the performance standards set forth in Section C and the applicable Minimum Standards as set forth in this section.
- b. Retail Fuel Sales Prohibited. SASOs shall not be permitted to engage in Commercial Fueling.
- c. Leased Space Requirements. SASOs, except SASOs engaged in Airline Ground Handling, shall lease or sublease adequate space for buildings and support facilities for all services provided; paved ground vehicle parking; paved aircraft apron; paved pedestrian walkways; and all storage facilities. The facilities shall be sufficient to meet reasonably anticipated demand for products, services and facilities associated with authorized Commercial Aeronautical Activities. The location, size and configuration of space to conduct Commercial Aeronautical Activities shall be established in a Lease or Agreement and shall take into consideration the operations plan and other application information submitted in accordance with Section B(I) of this Subdivision III and the facilities lease or

subleased to similarly-situated Commercial Aeronautical Operators at the Airport, if any. SASOs engaged in Airline Ground Handling shall secure access to the facilities identified in subsection XI of this Section E.

- d. Responsible Personnel. Each SASO shall provide the Executive Director with a point-of-contact including phone numbers for personnel empowered to make decisions for emergency situations.
- e. Insurance Requirements. Each SASO shall maintain the types and amounts of insurance required by the Authority. These requirements are listed in Appendix 1, and may be revised by the Authority from time to time. Upon any change of such requirements by the Authority, the SASO shall procure any insurance coverage necessary to meet the revised standards within ten (10) business days, and shall provide evidence of such insurance coverage to the Executive Director within that timeframe.

II. Flight Training

SASOs engaging in Flight Training shall:

- a. Maintain such certifications as may be required by the FAA and/or the State of Minnesota, including without limitation certification as may be required under 14 C.F.R. Part 141.
- b. Provide ground-based instruction on the Airport. Sufficient space must be provided on the Airport for classroom training.
- c. Not operate exclusively from a t-hangar or tie-down.
- d. Employ or subcontract with and have on duty one individual that is an FAA-certified flight instructor.
- e. Own or subcontract for or lease one or more dual-equipped, single-engine airworthy aircraft. Aircraft may be fixed or rotary wing.
- f. Include adequate mock-ups, pictures, digital media, DVDs, movies, videotapes, or other training aides necessary to provide proper and effective ground school instruction. All materials shall meet FAA requirements for the training offered.
- g. Have services available five (5) days a week, Monday through Friday, a minimum of eight (8) hours a day. Hours of operation shall reflect student needs and aircraft availability. Premises may be closed during flight training if insufficient personnel are available during that time.
- h. Not be a Flying Club. Flying Clubs shall not be authorized to conduct flight training as a Commercial Aeronautical Activity. A SASO authorized to conduct flight training may train a member of a Flying Club for compensation.
- i. Satisfy all safety and security requirements imposed on flight schools by the FAA and/or TSA, including, and without limitation, the TSA Alien Flight Student Program or successor program developed in accordance with 49 U.S.C. Section 44939.

III. Airframe and Power Plant Maintenance

SASO's engaging in Aircraft Airframe and Power Plant Maintenance shall:

- a. Employ or subcontract with and have on-duty or on-call and available to provide service at the Airport within one (1) hour of being called, a minimum of one (1) personnel. The personnel on-duty must be FAA-certified technicians who possess airframe, power plant,

or aircraft inspector rating as required in 14 C.F.R. Part 65, or the maintenance facility must be certified under 14 C.F.R. Part 145.

- b. Keep premises open and services available a minimum of eight (8) hours per day. Hours of operation must be between 6:00 a.m. and 5:00 p.m. local time, five days per week. A technician shall be available on-call twenty-four (24) hours, seven (7) days each week for emergency purposes only. If more than one maintenance facility is located on the Airport, the on-call responsibility may be rotated on a mutually agreeable schedule; a written on-call program is not effective until it has been approved in writing by the Executive Director.
- c. Provide equipment, supplies and parts required for routine aircraft airframe, power plant, inspection, tire, battery, oxygen, and other routine aircraft maintenance functions.

IV. Air Charter, Air Taxi or Aircraft Management Operations

SASO's engaging in Air Charter, Air Taxi or Aircraft Management operations shall:

- a. If flight crew services are provided, employ or subcontract with and have on duty at least one (1) person who holds a current FAA commercial pilot certificates and current Class I or II medical certificate. In addition, all flight personnel shall be properly rated for the aircraft operated. If flight dispatch services are provided, the SASO shall have dispatch capability within four (4) hours of a customer request and shall employ or subcontract with at least one (1) individual with experience and ability to provide charter quotes, schedule and dispatch support and customer service. SASO may be required, in a Lease or other Agreement, to provide additional personnel as necessary to meet reasonably anticipated customer demand.
- b. Own, subcontract, lease, or manage at least one certified and continuously airworthy instrument qualified aircraft.
- c. If air charter and/or air taxi services are provided, have and display in public view, a current 14 C.F.R. Part 135 certificate or provisional 14 C.F.R. Part 135 certificate and the aircraft identification page from the operating specifications manual of each aircraft listed on the certificate.
- d. If rotorcraft operations are conducted, have and display in public view, if applicable, a current copy of 14 C.F.R. Part 133 for rotorcraft operations detailing the external-loading requirements.
- e. If aircraft management services are provided, conduct aircraft management activities in accordance with 14 C.F.R. Part 91.
- f. If air charter and/or air taxi services are provided, provide qualified operating crew and a satisfactory number of personnel for checking in passengers, handling luggage, ticketing, and obtaining ground transportation.

V. Aircraft Rental

SASO's engaging in Aircraft Rental shall:

- a. Employ or subcontract with and have on-duty or on-call and available to provide service at the Airport within one (1) hour of being called, at least two (2) personnel having a current commercial pilot certificate with appropriate ratings, including instructor rating, for the aircraft utilized.
- b. Keep premises open and services available a minimum of eight (8) hours per day. Hours of operation shall be between 6:00 a.m. and 5:00 p.m. local time, five days a week.

- c. Have available for rental, a minimum of two (2) certified and airworthy aircraft that are owned, subcontracted, or leased and under preferential control of the SASO.

VI. Avionics Sales and Maintenance

SASO's providing Avionics Sales and Maintenance shall:

- a. Employ or subcontract with and have on-duty or on-call and available to provide service at the Airport within one (1) hour of being called, at least one (1) trained and FAA certified airframe technician and one administrative or customer service personnel.
- b. Keep premises open and services available eight (8) hours per day, hours of operation shall be between 6:00 a.m. and 5:00 p.m. local time, five (5) days a week.
- c. Hold the appropriate FAA repair station certificates for the types of equipment the SASO plans to service or install.

VII. Aircraft Storage Hangars

SASO's engaging in the business of renting and leasing hangar storage space to aircraft owners or operators solely for aircraft storage purposes shall:

- a. Require all tenants who lease space to have an executed agreement with the SASO prior to occupancy, the form of which provides adequate insurance and indemnification protection for the Authority and the City of Duluth. A copy of the standard sublease form must be approved by the Executive Director in writing prior to commencement of leasing activities. SASO must provide a listing and copies of all executed leases or subleases of all aircraft stored within the SASO or sub lessee's hangar facilities to the Executive Director upon request.
- b. Keep premises open and services available a minimum of eight (8) hours per day. Hours of operation shall be between 6:00 a.m. and 5:00 p.m. local time, seven (7) days per week.
- c. Ensure that hangar tenants perform no maintenance within the hangar other than preventive maintenance on their own aircraft, utilizing their own employees, to the extent permitted in 14 C.F.R. Part 43.
- d. Refrain from and require all tenants who lease space to refrain from the piling and storage of crates, boxes, barrels, containers, refuse, and surplus property.
- e. Provide a waste oil receptacle within the immediate vicinity of the hangar(s). This receptacle shall be capable of holding a minimum of fifty gallons, have secondary containment protection, be emptied at regular intervals, and be in compliance with all regulatory requirements, as currently in effect or as they may hereafter be amended.
- f. Have sufficient trained personnel on duty at all times to meet customer needs.
- g. Hangar cooperatives shall not provide fuel services to the members of the cooperative or to the public.

VIII. Aircraft Sales

SASO's engaging in Aircraft Sales shall:

- a. Employ or subcontract with and have on-duty or on-call and available to provide service at the Airport within one (1) hour of being called, at least one (1) qualified aircraft salesperson

and access to a demonstration pilot that has a current commercial pilot certificate with appropriate aircraft type ratings.

- b. Keep premises open and services available a minimum of eight (8) hours per day, hours of operation shall be between 7:00 a.m. and 5:00 p.m. local time, seven (7) days per week.
- c. Maintain an adequate minimum stock of readily expendable spare parts or make adequate arrangements for securing spare parts required for the types and models of aircraft sold.
- d. Maintain current specifications, price lists, parts catalogues and service manuals for the types and models of new aircraft sold.

IX. Aircraft Restoration and Refurbishing

SASO's engaging in Aircraft Restoration and Refurbishing shall:

- a. Facilities shall comply with at all times appropriate federal, state, and local regulatory measures regarding hazardous material handling and storage.
- b. SASO will maintain all appropriate federal, state, and local operating permits, manuals, and plans required for work being performed.
- c. Employ or subcontract with and have on-duty or on-call and available to provide service at the Airport within one (1) hour of being called, at least two (2) qualified personnel that have current required certificate, licenses, and ratings for the work being performed.
- d. Keep premises open and services available a minimum of eight (8) hours per day, hours of operation shall be between 7:00 a.m. and 5:00 p.m. local time, five (5) days per week.

X. Specialized Flying Services

SASO's engaging in Specialized Flying Services shall:

- a. Employ or subcontract with and have on duty sufficient personnel who hold current FAA commercial pilot certificates and medical certificates with ratings appropriate for the SASO's aircraft.
- b. Have services available within four (4) hours of request, and keep the premises open eight (8) hours per day, between the hours of 7:00 a.m. and 5:00 p.m. local time, five (5) days per week.
- c. Own, sublease, or lease at least one (1) airworthy aircraft.

XI. Airline Ground Handling

SASOs engaged in Airline Ground Handling shall comply with all federal, state and local regulations regarding Airline Ground Handling, shall provide under a contract executed for the Duluth International Airport two (2) or more of the following permitted services, and shall comply with all remaining requirements of this subsection:

- a. Permitted Services: SASOs shall provide two (2) or more of the following services within any of the following three (3) general categories of ground handling services:
 - 1) Ramp services, including aircraft start-up, moving/towing aircraft, ground power supply, deicing/anti-icing, cooling/heating with portable units, toilet servicing, potable water, demineralized water, routine maintenance, and cleaning of cockpit windows, wings, nacelles, cabin windows and aircraft interiors.

- 2) Airline services, including catering, minor servicing of cabin fittings, alteration of seat configuration, external ramp equipment, passenger steps, catering loaders, baggage handlers, cargo loaders, mail and equipment loading.
- 3) In-terminal services, including ticketing, processing, loading and unloading of passengers, baggage, cargo, property, express packages and mail.
- 4) In no event shall Airline Ground Handlers be permitted to sell or dispense fuel at the Airport without also being recognized as and satisfying all requirements of a Fixed Base Operator.
- 5) Airline Ground Handlers shall be permitted to provide ground handling services only to Signatory Airlines and their affiliates. Airline Ground Handlers may provide services to one or more Signatory Airlines.

b. Agreements

- 1) Ground handling services shall be provided in accordance with a written operating agreement with an air carrier, prepared in conformance with or containing equivalent terms as the Standard Ground Handling Agreement published by the International Air Transport Association.
- 2) Airline Ground Handlers shall have a written agreement with the Authority, which will include a terminal use agreement for SASOs conducting in-terminal services and an operating agreement for SASOs conducting ramp services.
- 3) Airline Ground Handlers shall have written authorization to use adequate land to permit the parking of vehicles and associated ground equipment and the storage of materials used in providing ground handling services. Airline Ground Handlers providing deicing and anti-icing services shall secure access to sufficient quantities of water to allow deicing fluid and water to be added to deicing equipment.
- 4) Airline Ground Handlers shall maintain an office at the Airport suitably located and adequate to conduct its business.

c. Minimum Standards

- 1) Airline Ground Handlers shall provide ground handling services in accordance with FAA Advisory Circular 00-34A, *Aircraft Ground Handling and Servicing*, as the same may be amended or superseded.
- 2) Deicing/anti-icing services shall be provided only in designated areas, using only FAA-approved fluids, and in accordance with each air carrier's FAA-approved, ground deicing/anti-icing program, prepared in accordance with Advisory Circular 120-60B, *Ground Deicing and Anti-Icing Program*, as the same may be amended or superseded.
- 3) Airline Ground Handlers shall provide sufficient numbers of staff who are qualified and fully trained to perform the respective functions, including a qualified and responsible management representative on site during operations and readily available during times when active flights are not taking place, responsible for the conduct of day-to-day operations and the handling of each flight.
- 4) Airline Ground Handlers shall have access to adequate equipment in good operating condition for providing contracted for services.

- d. Standard Operating Procedures (SOP): Airline Ground Handlers shall develop, maintain and conduct its operations in conformance with written Standard Operating Procedures which shall be submitted to and approved by the Executive Director prior to the Airline Ground Handler conducting any airline ground handling services at the Airport. The SOP shall address at least the following subjects: training, record keeping, ramp safety, emergency response procedures, and the proper application of deicing fluids, if applicable.

XII. Ground Support Equipment Maintenance

- a. Employ or subcontract with and have on-duty or on-call and available to provide service at the Airport within one (1) hour of being called, a minimum of one (1) personnel. The personnel on duty must be adequately trained and experienced to provide these services.
- b. Keep premises open and services available a minimum of eight (8) hours per day. Hours of operation must be between 8:30 a.m. and 5:00 p.m. local time, five (5) days per week. A technician shall be available on-call twenty-four (24) hours, seven (7) days each week for emergency purposes only. A written on-call program is not effective until it has been approved in writing by the Executive Director.
- c. Ground Support Equipment includes vehicles which may or may not be authorized to operate on public highways in accordance with Minnesota law. Vehicles and equipment without such authorization shall remain on Airport property or shall be lawfully transported on public highways.
- d. Provide equipment, supplies, and parts required for routine vehicle and equipment maintenance functions including adequate facilities and equipment to safely remove and replace all of the fuel and other hazardous substances from the largest capacity vehicle or piece of equipment being serviced.

APPENDIX 1 MINIMUM INSURANCE REQUIREMENTS

I. General Requirements

- a. All Entities conducting Aeronautical Activities at the Airport pursuant to a Lease, Permit or Agreement must maintain insurance policies and coverage limits that are relevant and appropriate to the activities conducted at the Airport. Entities required to maintain insurance include, without limitation, Commercial Aeronautical Operators, including FBOs and SASOs; Flying Clubs; and Entities conducting self-fueling in accordance with a Permit or Agreement.
- b. Section II below prescribes the minimum insurance types and coverage limits for certain Entities conducting Aeronautical Activities at the Airport. The precise insurance types and limits required by the Authority will be prescribed in a Lease, Permit or other Agreement and may differ from or exceed the requirements of Section II below based upon the circumstances and the risks presented by the proposed Aeronautical Activity.
- c. In prescribing insurance coverage types and limits, the Authority is not representing or guaranteeing that the types and limits are adequate to protect the Entity's interests and liabilities. It is understood that the specified amounts of insurance stated herein or in a Lease, Permit or other Agreement shall in no way limit the liability of an Entity.
- d. The Authority reserves the right to review insurance requirements during the term of a Lease, Permit or other Agreement and to make reasonable adjustments to required types of insurance coverage, limits and exclusions when deemed necessary and prudent by the Executive Director based upon changes in statutory law, court decisions, the claims history of the industry or financial considerations of the insurance company and/or the Entity.
- e. Each Entity required to maintain insurance by operation of these Rules and Standards or an Agreement will provide a Certificate of Insurance listing the Authority and the City of Duluth as additional insureds. This obligation shall not apply to any workers' compensation policy.
- f. Each Entity shall maintain the required insurance throughout the term of a Lease, Permit or other Agreement.
- g. Each insurance policy, except workers' compensation, shall cover both bodily injury and property damage.
- h. Each policy shall be primary and non-contributory.
- i. Each policy, except a workers' compensation policy, shall insure the defense and indemnity obligations assumed by the Entity under a Lease, Permit or other Agreement.
- j. It shall be the Entity's responsibility to pay any retention or deductible for the coverages required herein and in a Lease, Permit or other Agreement.
- k. Insurance shall be secured by a company authorized to conduct business in the State of Minnesota.
- l. Insurance policies must include a requirement that a 30-day notice of cancellation, material change or non-renewal will be sent to the Executive Director.
- m. In requiring Entities to maintain insurance hereunder, neither the Authority nor the City of Duluth in any way assume liability for injury and damage occurring on or in connection with the Airport, and the Authority and the City reserve the right to claim any defense or

immunity available under law, including but not limited to the maximum monetary limits on liability established by Minnesota Statutes Chapter 466.

II. Specific Requirements

- a. The following is a list of the minimum insurance coverage types and limits that are required for Entities conducting Aeronautical Activities at the Airport. The precise coverage types and limits shall be prescribed in a Lease, Permit or other Agreement.
- 1) Fixed Base Operators and Specialized Aviation Service Operators
 - (i) Commercial general liability - no less than \$1,500,000 per occurrence and \$2,000,000 aggregate
 - (ii) Automobile - no less than \$1,500,000 per occurrence and \$1,500,000 aggregate (shall include coverage for all owned, hired and non-owned vehicles)
 - (iii) Worker's compensation in accordance with the laws of the State of Minnesota
 - 2) Entities conducting fueling or deicing operations at the Airport shall maintain pollution liability coverage in an amount commensurate with the level of environmental risk presented by the operation and specified in a Lease, Permit or Agreement.
 - 3) Entities providing commercial aircraft storage shall maintain hangar-keeper's liability coverage in an amount commensurate with the value of aircraft to be stored and specified in a Lease, Permit or Agreement.
 - 4) Entities operating aircraft at the Airport, whether for commercial or non-commercial use, shall maintain aircraft passenger liability insurance of no less than \$1,000,000 per occurrence and \$100,000 for each passenger seat.