#### **METROPOLITAN AIRPORTS COMMISSION**

#### **HEARING OFFICERS' REPORT**

## PUBLIC HEARING – JULY 15, 2024 REGARDING RELIEVER AIRPORTS RATES AND CHARGES ORDINANCE

# METROPOLITAN AIRPORTS COMMISSION Hearing Officers' Report Regarding Reliever Airports Rates and Charges Ordinance Public Hearing – July 15, 2024

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#### Attachment 1

FINDINGS, CONCLUSIONS, AND ORDER

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PROPOSED RELIEVER AIRPORTS RATES AND CHARGES ORDINANCE (clean and redlined versions)

#### Attachment 3

**PUBLIC HEARING TRANSCRIPT** 

#### Attachment 4

**EXHIBITS TO PUBLIC HEARING RANSCRIPT** 

#### Attachment 5

PUBLIC HEARING AGENDA, DRAFT RATES AND CHARGES ORDINANCE, AND AIRFIELD USE AND TERMINAL 2-HUMPHREY ORDINANCE (clean and Redlined versions)

#### Attachment 6

ADMINISTRATIVE RECORD

# METROPOLITAN AIRPORTS COMMISSION Hearing Officers' Report Regarding Reliever Airports Rates and Charges Ordinance Public Hearing – July 15, 2024

#### I. <u>INTRODUCTION</u>

The proposed the Metropolitan Airports Commission (MAC) Reliever Airports Rates and Charges Ordinance (Ordinance) regulates the rates and charges at the Reliever Airports and fuel flowage fees for Reliever Airports, as well as the fuel-flowage fees paid by Fixed Based Operators at the Minneapolis-St. Paul International Airport.

#### II. PUBLIC HEARING

#### A. <u>Purpose, Time, and Place</u>

The proposed Ordinance was posted online for public comment on July 8, 2024.

On July 15, 2024, a public hearing was held at the Metropolitan Airports Commission general office, located at 6040 28<sup>th</sup> Ave. S., Minneapolis, Minnesota with a presentation by staff beginning at 6:00 p.m. The purpose of the hearing was to receive public testimony relative to the proposed Ordinance.

Commissioners Braj Agrawal and Carl Crimmins were appointed as the Hearing Officers for the public hearing. Commissioner Braj Agrawal conducted the hearing. The hearing was held pursuant to Minnesota Statutes, sections 473.601 to 473.685. Public notice was mailed and published as set forth in Public Hearing Exhibits, (see Attachment 4).

Commission Agrawal opened the Public Hearing regarding the proposed Ordinance at 6:17 p.m. The meeting was adjourned at 6:37 p.m.

#### B. <u>Attendance</u>

MAC Commissioners: Agrawal and Crimmins.

MAC Staff: A. Hanson, B. Peterson, C. Leqve, J. Harris, D. Dyer, K. Gerads, K. Ubel, P. Tiedeman, R. Dockry, and S. Seafeldt.

Public: A. Paulson Jr., G. DePalm, J. Olson, J. Krack, M. Lawrence, N. Grazzini-Olson, P. Martineau, R. Freeman.

#### C. <u>Public Hearing Agenda and Draft Ordinance</u>

An agenda, memo, and draft of the proposed Ordinance were posted on MAC's website prior to the public hearing (see Attachment 5).

#### D. <u>Presentation</u>

Kelly Gerads, Asst. Director of Reliever Airports, gave a brief presentation of the proposed Ordinance.

#### E. Public Testimony

All persons in attendance and wishing to do so were given the opportunity to testify or provide written comments. A total of three members of the public spoke at the meeting (one member giving two comments, once as a tenant, and once as chair of the Reliever Airports Advisory Council (RAAC)).

#### F. Public Hearing Transcript

The proceedings of the public hearing were transcribed by a qualified court reporter. A copy of the transcript is attached to the record as Attachment 3.

#### G. Public Hearing Exhibits

The following exhibits were entered into the record at the public hearing. Public Hearing Exhibits are attached to the record as Attachment 4.

- A. Memorandum to Operations, Finance and Administration Committee Requesting a Public Hearing on a draft General Aviation Rates and Charges Ordinance, dated March 27, 2024.
- B. Minutes to the April 15, 2024, Commission Meeting.
- C. MAC's letter to tenants, dated May 2, 2024, announcing information meetings on May 22, 2024.
- D. Meeting Handout from May 22, 2024, tenant information meeting.
- E. Information Meeting PowerPoint Presentation from May 22, 2024, tenant information meeting.
- F. Market Rent Update Report, dated December 22, 2023 (uploaded to website May 28, 2024)
- G. Fuel Flowage Fee Review, dated December 22, 2023 (uploaded to website May 28, 2024)
- H. Notice of Public Hearing, dated June 18, 2024.

- I. Affidavit of Publication of the Notice of Public Hearing in Finance & Commerce, dated June 25, 2024.
- J. Affidavit of Publication of the Notice of Public Hearing in State Register, dated July 8, 2024.
- K. Affidavit of Webposting the Notice of Public Hearing on metroairports.org, dated June 18, 2024.
  - 1. Tenant Letter, June 18, 2024
  - 2. Notice of Public Hearing, June 18, 2024
  - 3. Ordinance No 115 Amended Ordinance Redline, June 18, 2024
  - 4. Ordinance No 119 Amended Ordinance Redline, June 18, 2024
  - 5. Proposed Rate Charts, June 18, 2024
  - 6. Reports & Analysis
    - a) Market Rent Update Report, December 22, 2023
    - b) Fuel Flowage Fee Review, December 22, 2023
    - c) Analysis using Proposed Rates, June 18, 2024
- L. Affidavit of Mailing the Notice of Public Hearing and Reliever Airports Tenant Letter, dated June 18, 2024.
- M. Minnesota Aviation Trades Association (MATA) Presentation, dated June 26, 2024.
- N. Memorandum Regarding Proposed Reliever Airports Fuel Flowage and Landing Fees, dated July 10, 2024.
- O. Public Hearing Draft Ordinance Reliever Rates and Charges (Clean and Redlined), dated July 15, 2024.
- P. Public Hearing Draft Ordinance Airfield Use and Terminal 2-Humphrey Ordinance (Clean and Redlined), dated July 15, 2024.
- Q. Notice to Commercial Operators Regarding Proposed Fuel Flowage and Landing Fees emailed from Joe Harris, dated July 12, 2024.

#### H. Written Comments

The public hearing record was kept open until 4:00 p.m. on Friday, July 26, 2024, to receive written comments from interested parties. One written comment was received from the public and is included in Section IV, Comments and Responses.

#### I. Website Information

Copies of the draft ordinances, supporting documentation and documents related to the public hearing record may be obtained on the Metropolitan Airports

Commission website at <u>metroairports.org</u>. <u>Reliever Airports review of rates and charges</u>, 2024 | Metropolitan Airports Commission (metroairports.org)

#### III. POST-HEARING CHANGES TO DRAFT ORDINANCE

After the Public Hearing, MAC staff has recommended changes to the Ordinance. These changes are reflected in the Hearing Officers' proposed Reliever Airports Rates and Charges Ordinance (see Attachment 2) and are summarized as follows:

- Clarificatory edits are proposed to Section 2.2:
  - o to better describe the application of Gross Sales Thresholds,
  - o to update the thresholds to align with a January 1, 2025 effective date,
  - to create a distinction between non-FBO Commercial Tenants at the primary Reliever Airports and those at the secondary Reliever Airports, and
  - to clarify which Chart will apply to new Commercial Tenants, or existing Commercial Tenants with new leases for new locations during the period in which they do not have a full Reportable Year of Gross Revenue reporting.
- An additional administrative fee is proposed to be added to Chart F to cover review and approval of temporary property use agreements or authorizations.

#### IV. COMMENTS AND RESPONSES

Verbal and written comments received from the public in this public hearing process are noted below, along with responses from MAC. All comments have been noted, reviewed, and considered by MAC, even though there may not be a written response for each comment statement. In addition, persons who submitted comments are encouraged to review other comments for related responses.

#### Comments and Responses on Proposed Reliever Airports Rates and Charges Ordinance

The following table includes verbal and written comments on the proposed Ordinance received before, during and after the comment period. The column to the right is the response to the public comments received.

| # | PUBLIC COMMENTS                               | MAC RESPONSES                  |
|---|---|--------------------------------|
| 1 | We, on the Reliever Airports Advisory Council | Thank you for your comment.    |
|   | (RAAC), commend the Reliever Airports staff   |                                |
|   | on the process used to develop the proposals  |                                |
|   | for Ordinances 119 and 115, and on their      |                                |
|   | efforts to achieve a balanced approach to     |                                |
|   | funding the Reliever Airports. We appreciate  |                                |
|   | the transparency demonstrated by including    | MAC values and appreciates the |
|   | the RAAC early in the process as              | RAAC's involvement in the      |
|   | Kelly has noted sharing the objectives,       | ordinance process.             |
|   | thoughts, and proposals, and giving due       |                                |

consideration to our comments. Posting detailed information on the website -- as Kelly had noted -- also was very helpful. I've been a storage tenant at the Anoka airport Thank you for your comment. since 1984. Over the past 40 years, I've been involved at one level or another with each of the reviews and changes to Rates and Charges Ordinance, and there have been several. This latest iteration has been by far the most MAC is committed to engaging open and transparent to date. Kudos go to Joe stakeholders in this ordinance Harris, Kelly Gerads, and the rest of the MAC process and maintaining a system of Reliever Airports staff for their extra effort to rates and charges that is fair and communicate with the various stakeholders balanced, while ensuring that and work with us to develop a plan that, while contributions can be made to not perfect, I personally believe strikes a adequate capital development at reasonable cost balance among the Reliever the Reliever Airports. Airports' users, consistent with the capacities of the various revenue streams around the system, while providing cost, stability, and predictability for the tenants and for other users of the airport. I appreciate the MAC organization's commitment of support for the Reliever Airports as part of a first-class, metro-wide aviation system. Your improvements over the past several years, with more to come, are greatly appreciated. I am particularly pleased by MAC's recognition that Reliever Airport capital projects require a significant level of funding from non-Reliever sources. And this is a big change from where we've been in the past. The proposed target of 10 percent Reliever, 10 percent MSP GA -- as Kelly has outlined -- and 80 percent funding from other sources seems like a reasonable balance for planning and budgeting purposes and hopefully proves realistic going forward. Reducing the annual ground rent escalator is a MAC will continue to review rates small benefit and appreciated. I would suggest, and charges to ensure that we

however, that the model be reviewed every

few years and, if revenues across the system come in higher than expected, consider reducing the automatic escalators.

I have challenged -- or, yeah, I have challenged the Sublease Fee since its inception and am happy to see in the proposal that it be dropped.

In summary, I think the Reliever Airports -- I thank the Reliever Airport staff for reaching out to constituents early in the process and commend the staff for developing what I believe to be a reasonable cost distribution model. I thank the entire Commission for their support of the Reliever Airport system and look forward to working with MAC on future projects.

continue to meet our established goals for the ordinance.

Commissioners, thank you for the time. You probably already know what I'm going to say. I've already talked to staff multiple times. I've talked to you personally. I'm going to keep it short and to the sweet point tonight.

There's a State Statute 473.608, Powers of Corporation, subdivision 27, "Use of reliever airports." "The corporation shall develop and implement a plan to divert the maximum feasible number of general aviation operations from Minneapolis International Airport to those designated by the federal aviation administration as reliever airports for the Minneapolis International Airport."

....

What I -- as a commercial operator on a reliever airport, I don't want the money generated by general aviation traffic at MSP flowing into the Reliever Airport system; I want the traffic. I think the other commercial operators at the Reliever Airports want that traffic as well.

Through MAC's leasing practices, operational planning, financial modeling, capital improvement program, and rate setting, MAC conforms to its statutory mandate "to divert the maximum feasible number of general aviation operations from [MSP] to the [Reliever Airports]."

MAC implements this plan also in conformity to its federal obligation to make its "airport[s] available as ... airport[s] for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities ... ." Grant Assurance 22, FAA Grant Assurances for Airport Sponsors (May 2022), https://www.faa.gov/sites/faa.gov/files/airports/new\_england/airport compliance/assurances-airport-sponsors-2022-05.pdf

So, I would ask that you challenge MAC staff as to how they are implementing a plan to do that. I think this is a great opportunity to implement a financial plan that would incentivize the use of the Reliever Airport system.

If you want to look at it reversely, penalize general aviation traffic for using MSP, or even better yet, the cost of operating MSP Airport is such a higher number than the Reliever Airports, they should charge accordingly. And from what we're proposing tonight, it's a very negligible amount in landing fees and 6 cents per gallon. At 1,000 gallons, that's \$60. I don't even think that's an average uplift. I think your average uplift is about 400 gallons. So, do the math.

I don't think it's a financial incentive for general aviation traffic to use a reliever system or any penalty to use MSP Airport.

That's all I got for you. Thank you.

Under this federal requirement, MAC can set differing rates for different airports, but those differences must have a reasonable basis for their distinctions. For example, differences in rates could be based upon operational differences between the airports in comparison.

MAC believes that the current structure of rates (rental rates, fuelflowage fees, landing fees, etc.) paid by general aviation users of MSP are higher than the rates those users would pay if based at the Reliever Airports. This difference is justified by the increased level of convenience and services provided by MSP. Those general aviation operators who choose to utilize MSP, despite higher rates, are making economic choices likely based upon this increased convenience and these levels of service.

To adjust fees at MSP solely for the purpose of "penalizing" these operations would not be permitted under Grant Assurance 22.

4 I think Michael's speech actually conveyed a lot of what I was going to say. So, I'll skip quite a bit of mine here. I would challenge to also even look at -- I challenge the MAC to look at themself as serving a product, and their product is infrastructure, and to look into how to charge that infrastructure to eliminate flowage fees as a whole.

As Michael alluded to, uplifts -- or let me skip that part. We'll leave it at flowage fees as a whole. I think there's a valid model in there to at least reduce even the current amounts, if

One of the goals for this rate-setting exercise has been to retain a balanced and reasonable rate structure. Part of maintaining this balance is to utilize operational fees that reach broad classes of users of the Reliever Airports. Fuel flowage fees, which are paid by AvGas and Jet A operators alike, allow MAC to collect revenues from both these classes of operations, unlike landing fees (the other operational fee in

|   | not eliminate, the flowage fees for Reliever Airports.  | MAC's structure), which is only assessed to Jet A operations.  |
|---|---|--|
|   | Thank you for your time.  | Thus, to eliminate or reduce this fee would require MAC to make up for this shortfall in another fee mechanism that reached a similarly broad swath of operators. MAC does not believe there is a more effective option to consider in this area than Fuel Flowage Fees. |
| 5 | Thank for sharing the detail on the proposed rates and charges. While it's tough to fully endorse rate hikes, especially in markets that haven't realized the post-covid traffic surges such as ANE, I prefer to see the simplified approach in Landing Fees as opposed to flowage and rents. | Thank you very much for your comment.  |

#### V. <u>SUMMARY</u>

Attached are the proposed Findings, Conclusions, and Order (see Attachment 1) regarding the proposed Ordinance. It is the recommendation of the Hearing Officers that the Commission approve the Findings, Conclusions, and Order and adopt the proposed Ordinance.

Commissioner Braj Agrawal Commissioner Carl Crimmins

| Adopted | by the | Hearing | Officers: |
|---------|--------|---------|-----------|
|         |        |         |           |
| on:     |        |         |           |

#### **ATTACHMENT 1**

## METROPOLITAN AIRPORTS COMMISSION RELIEVER AIRPORTS RATES AND CHARGES ORDINANCE PUBLIC HEARING – JULY 15, 2024

#### **FINDINGS, CONCLUSIONS, AND ORDER**

Pursuant to notice duly given, a public hearing was held on July 15, 2024 at the Metropolitan Airports Commission general office, located at 6040 28<sup>th</sup> Ave. S., Minneapolis, Minnesota beginning at 6:00 p.m. The purpose of the hearing was to receive public testimony relative to the proposed Reliever Airports Rates and Charges Ordinance (Ordinance).

The hearing was commenced at the time and place designated in the notice and was conducted by the Commissioners Braj Agrawal and Carl Crimmins as Hearing Officers. Members of the public had the opportunity to comment.

Public Hearing Exhibits were presented at the hearing and are attached to the record as Attachment 4. The hearing record was kept open until 4:00 p.m. on July 26, 2024.

NOW, THEREFORE, having given due consideration to the testimony, exhibits and other evidence submitted and made a part of the record, the Metropolitan Airports Commission makes the following Findings, Conclusions and Order:

#### FINDINGS AND CONCLUSIONS

- 1. That the Metropolitan Airports Commission is a public corporation operating under Minnesota Statutes Chapter 473 for the purpose of promoting the public welfare and national security; serving the public interest, convenience and necessity; promoting air navigation and transportation, international, national, state and local; promoting the efficient, safe and economical handling of air commerce; developing the full potentialities of the metropolitan area in this state as an aviation center; and assuring the residents of the metropolitan area of the minimum environmental impact from air navigation and transportation.
- 2. That the purpose of the adoption of the proposed Reliever Airports Rates and Charges Ordinance will repeal and replace Metropolitan Airports Commission (MAC) Ordinance No. 119, Rates and Charges for Reliever Airports, as well as amend the fuel flowage fee sections of MAC Ordinance No. 115, Airfield Use and Terminal 2-Humphrey. The proposed Ordinance will modify the current rental rates and charges for users of the Reliever Airports and the fuel flowage fee for general aviation activity at the Minneapolis-St. Paul International Airport (MSP).

- 3. That the Metropolitan Airports Commission has "all the powers as a body corporate necessary and convenient to accomplish the objects and perform the duties prescribed" by state law. Minn. Stat. § 473.608, subd. 1. The powers granted to the Metropolitan Airports Commission include the power to "adopt and enforce rules, regulations, and ordinances it deems necessary for the purposes of sections 473.601 to 473.679, including those relating to the internal operation of the corporation and to the management and operation of airports owned or operated by it, subject to sections 473.601 to 473.679." Minn. Stat. § 473.608, subd. 17(1).
- 4. That Minnesota courts have recognized the Metropolitan Airports Commission's broad authority to pass ordinances under Minnesota Statutes, section 473.608. See State by Minn. Pub. Lobby v. Metro. Airports Comm'n, 520 N.W.2d 388, 389 (Minn. 1994); State v. Eide, 898 N.W.2d 290, 292 (Minn. Ct. App. 2017); Hyland v. Metro. Airports Comm'n, 538 N.W.2d 717, 720 (Minn. Ct. App. 1995). The United States Court of Appeals for the Eighth Circuit has also recognized that "MAC has broad statutory authority and discretion to manage the Airport in the public's best interest." Enterprise Leasing Co. v. Metro. Airports Comm'n, 250 F.3d 1215, 1217 (8th Cir. 2001) (citing Minn. Stat. Ann. § 473.608 and Hyland v. Metro. Airport Comm'n, 884 F. Supp. 334, 336 (D. Minn. 1996)).
- 5. That sufficient notice and opportunity for public review and comment regarding the proposed Ordinance was provided to interested parties during a public hearing on July 15, 2024, and written comment period open until 4:00 p.m. on July 26, 2024.
- 6. That four oral comments and one written comment were provided regarding the Ordinance.
- 7. That, after considering public hearing, minor changes were made to the Ordinance to include an additional administrative fee for non-tenant temporary property use agreement reviews and to make clarificatory edits to the Ordinance's description of Gross Sales Thresholds.
- 8. That an opportunity for additional oral comments from the public will be allowed at the Commission meeting prior to any adoption of the Ordinance.

Based on the above findings, conclusions, and all the testimony, exhibits, and other evidence presented,

IT IS HEREBY ORDERED that the Metropolitan Airports Commission adopt the proposed Reliever Airports Rates and Charges Ordinance as MAC Ordinance No. 131

### **ATTACHMENT 2**

## <u>Ordinance (Clean and Redlined)</u>

| 1        |   |
|----------|---|
|          |   |
| 2        |   |
| 3        | METROPOLITAN AIRPORTS COMMISSION              |
| 4        |   |
| 5        |   |
| 6        |   |
| 7        |   |
| 8        | ORDINANCE No                                  |
| 9        |   |
| 10       | RELIEVER AIRPORTS RATES AND CHARGES ORDINANCE |
| 11       | RELIEVER AIRFORTS RATES AND CHARGES ORDINANCE |
| 12       |   |
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| 43       | Adopted by Commission:                        |
| 44       | Effective Date: January 1, 2025               |
| 45       |   |

| 4/       |                   | METROPOLITAN AIRPORTS COMMISSION  |
|----------|-------------------|---|
| 48       |                   | ORDINANCE NO  |
| 49       |                   | RELIEVER AIRPORTS RATES AND CHARGES ORDINANCE   |
| 50       |                   |   |
| 51       |                   | dinance of the Metropolitan Airports Commission ("Commission") amending the rental rates  |
| 52       |                   | ther charges for property at the Commission's minor and intermediate use airports ("Reliever  |
| 53       |                   | rts"), as well as certain charges for general aviation activities at Minneapolis-St. Paul   |
| 54       |                   | national Airport ("MSP"), as provided by Minn. Stat. § 473.651, by amending and restating   |
| 55       |                   | ance 119, as well as amending Ordinance 115 to remove provisions related to fuel flowage fees   |
| 56       | assess            | sed to Fixed Base Operators at MSP.   |
| 57       |                   |   |
| 58       |                   | REAS, consistent with federal policy, the rental rates and fees are intended to assist the  |
| 59       |                   | nission in attaining its long-term goal of making the Reliever Airports as financially self-  |
| 60       | sustai            | ning as possible; and   |
| 61       | \ <b>^</b> // 155 | NEAC to the construction of a section of a few transfer of the constitution of the  |
| 62       |                   | REAS, having received and considered extensive public input and having fully considered the   |
| 63       |                   | and federal legal requirements concerning the rates that may be charged to users of these   |
| 64<br>65 | Kellev            | ver Airports; and   |
| 65<br>66 | \\/\              | REAS, this Ordinance No. ("Ordinance") may be interchangeably be referred to as   |
| 67       |                   | ance No, "Ordinance No. 119, as amended," as "Ordinance No. 114 as amended," as   |
| 68       |                   | nance No. 107 as amended," as "Ordinance No. 101 as amended," and as "Ordinance No. 87 as   |
| 69       | amen              |   |
| 70       | umen              | aca ,   |
| 71       | NOW               | THEREFORE, the Commission does ordain:  |
| 72       |                   |   |
| 73       | SECTI             | ON 1 – DEFINITIONS  |
| 74       |                   |   |
| 75       | 1.1               | Based Aircraft. An aircraft that is registered in the State of Minnesota with the Department  |
| 76       |                   | of Transportation, Office of Aeronautics as being based at one of the Reliever Airports.  |
| 77       |                   |   |
| 78       | 1.2               | Based Tenant. A Storage Tenant or Commercial Tenant. This does not include subtenants.  |
| 79       |                   |   |
| 80       | 1.3               | Commercial Tenant. A Tenant that has entered into a commercial lease with the Commission  |
| 81       |                   | at a Reliever Airport and that is authorized to do one or more of the following: sale, repair or  |
| 82       |                   | storage of aircraft; sale of aircraft parts and accessories; sale of flight or ground instruction;  |
| 83       |                   | flying for charter or hire; sale of aircraft fuel and lubrication services; rental of aircraft; or  |
| 84       |                   | other activities deemed commercial and approved by the Commission.  |
| 85       |                   |   |
| 86       | 1.4               | Commission. The Metropolitan Airports Commission, a public corporation organized and  |
| 87       |                   | operating pursuant to Chapter 500, Laws of Minnesota 1943 and amendments thereto.   |
| 88       |                   |   |
| 89       | 1.5               | CPI. The consumer price index identified as the All Urban Consumers – Midwest Region.   |
| 90       |                   |   |
| 91       | 1.6               | Director of Reliever Airports. The Commission's administrative officer responsible for the  |
| 92       |                   | Reliever Airports.  |
| 93       | . –               |   |
| 94       | 1.7               | Executive Director. The Commission's chief executive officer or a designated representative.  |
| 95       | 4.0               | Thing Club. An antitudational hunding and Club to \$ 200,040 at his 40 and 40 an |
| 96       | 1.8               | Flying Club. An entity defined by Minnesota Statutes § 360.013, subd. 48 or Minnesota Rules   |
| 97       |                   | § 8800.4100, subp. 2, or as either are amended.   |

| 98  |      |  |
|---|------|--|
| 99<br>100<br>101  | 1.9  | Fuel. Aviation gasoline and any other gasoline, petroleum product, fuel, or other substance used in the propulsion of aircraft, automobiles, trucks, and other ground vehicles.  |
| 102<br>103<br>104<br>105<br>106<br>107<br>108<br>109<br>110 | 1.10 | Fixed Base Operator ("FBO"). A full-service, aeronautical, commercial operation at the Reliever Airports that is authorized to engage in the sale of products, services, and facilities to aircraft operators. FBOs must provide, at a minimum, the following aeronautical activities at the airport: aircraft refueling to include jet fuel, AvGas, and aircraft lubricants; aircraft line services; airframe and power plant maintenance; aircraft storage/hangars rentals and tiedowns; passenger, crew, and aircraft ground services, support and amenities. FBOs may also provide optional services as approved by the Commission, which may include: flight training, aircraft rental, aircraft charter or air taxi, avionics sales and service. |
| 111<br>112<br>113   | 1.11 | Gross Sales. Gross Sales, as defined in a Commercial Tenant's lease, less exclusions, as allowed by the Commercial Tenant's lease.   |
| 114<br>115<br>116   | 1.12 | Gross Sales Thresholds. Those amounts of annual Reportable Year Gross Sales set forth in Section 2.2. that establish which ground rental rates apply to a Commercial Tenant.   |
| 117<br>118<br>119   | 1.13 | Immediate Family Member. A spouse, parent, child, brother or sister (including half-relations and step-relations, but excluding in-law relations) of the Tenant.   |
| 120<br>121<br>122<br>123<br>124                             | 1.14 | Jet-A Fuel. A kerosene-based fuel designed for use in turbine engine aircraft, regulated by the American Society for Testing and Materials ("ASTM"). For referenced ASTM standards, visit the ASTM website, www.astm.org, or contact ASTM Customer Service at service@astm.org.  |
| 125<br>126  | 1.15 | Leased Area. That area defined in the description of premises section in the Tenant's lease.   |
| 127<br>128<br>129   | 1.16 | Military Aircraft. Aircraft owned and/or operated by components of the military forces of the United States of America or of the State of Minnesota.   |
| 130<br>131<br>132   | 1.17 | Military Tenant. A Storage Tenant that is any component or branch of the military forces of the United States of America or of the State of Minnesota.   |
| 133<br>134<br>135<br>136<br>137<br>138<br>139               | 1.18 | Non-Aviation/Complementary Business License Agreement. A license agreement granted by the Commission for the purpose of conducting a business on the airport that is non-aviation, yet provides a complementary product or service to airport users. Examples of complementary products/services include aviation insurance companies, aviation legal services, auto rental and limousine services, travel agencies, delivery/courier services, and aviation museums.  |
| 140<br>141<br>142<br>143                                    | 1.19 | Reliever Airport. Any intermediate use or minor use Reliever Airport now or in the future owned and/or operated by the Commission, including: St. Paul Downtown, Flying Cloud, Anoka County-Blaine, Crystal, Airlake, and Lake Elmo.   |
| 144<br>145<br>146   | 1.20 | Reportable Year. The time period from October 1 through September 30, which is used to determine which Gross Sales Thresholds apply.   |

- 147 1.21 Repositioning Flight. A flight made between Reliever Airports to pick up passengers or cargo 148 where one of the Reliever Airports was an intermediate stop and for which flight a landing 149 fee is paid for landing at another Reliever Airport.
- 151 1.22 Signatory Airline. An operator of aircraft that pays for use of Minneapolis-St. Paul
   152 International Airport pursuant to a use fee agreement and, where applicable, a Commission
   153 ordinance.
- 1.23 Special Rent Assessment. Fees charged by the Commission and paid by Tenants to offset the
   156 costs of Reliever Airport projects or services which benefit the Tenant, including, but not
   157 limited to sewer, water, other utilities, and pavement installation or rehabilitation.
- 159 1.24 Storage Tenant. A Reliever Airport Tenant that has entered into an aircraft storage lease with the Commission.
- 1.25 Tenant. Any person, partnership, corporation, or other entity that leases property from the
  Commission at a Reliever Airport. This definition and the rents and fees in this Ordinance
  apply even if the lease has expired and the property continues to be occupied by a holdover
  Tenant.

#### **SECTION 2 – RENTS**

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2.1 Storage Tenant Per-Square-Foot Ground Rent

Storage Tenants shall pay the rate per square foot of Leased Area per year stated on the attached Chart A.

#### 2.2 <u>Commercial Tenant Rent</u>

Commercial Tenants shall pay ground rent and percentage rents as specified below, by paying the applicable amount in Section 2.2.a. or 2.2.b., whichever is greater.

However, if a Commercial Tenant had Gross Sales below one-hundred fifty-one thousand dollars (\$151,000.00) in the preceding Reportable Year, then the Commercial Tenant for the following calendar year, as determined on a monthly basis, shall pay ground rent as stated on the attached Chart A and zero percentage rent, or the amount in Section 2.2.b., whichever amount is greater that month.

#### a. Ground Rent and Gross Sales Thresholds

The Gross Sales Threshold for FBOs at St. Paul Downtown Airport, Flying Cloud Airport, and Anoka County-Blaine Airport is: Gross Sales in the Reportable Year of one hundred fifty-one thousand dollars (\$151,000.00) or more, but less than six hundred and four thousand dollars (\$604,000.00).

The Gross Sales Threshold for all other Commercial Tenants at St. Paul Downtown Airport, Flying Cloud Airport, and Anoka County-Blaine Airport is: Gross Sales in the Reportable Year of one hundred fifty-one thousand dollars (\$151,000.00) or more, but less than three hundred seventy-eight thousand dollars (\$378,000.00).

The Gross Sales Threshold for FBOs at Airlake Airport, Lake Elmo Airport, or Crystal Airport is: Gross Sales in the Reportable Year of one hundred fifty-one thousand dollars (\$151,000.00) or more, but less than three hundred and seventy-eight thousand (\$378,000.00) dollars.

The Gross Sales Threshold for all other Commercial Tenants at Airlake Airport, Lake Elmo Airport, or Crystal Airport is: Gross Sales in the Reportable Year of one hundred fifty-one thousand dollars (\$151,000.00) or more, but less than three hundred and two thousand dollars (\$302,000.00).

Any Commercial Tenant that falls within its Gross Sales Threshold during a Reportable Year for the following calendar year, as determined on a monthly basis, shall pay ground rent as stated on the attached Chart B and no percentage rent, or the amount in Section 2.2.b., whichever amount is greater that month.

If a Commercial Tenant fails to submit a monthly report of Gross Sales as required by Section 2.3.b.3., the Gross Sales Threshold will be determined based upon the lowest three (3) months of reported Gross Sales during the current Reportable Year.

Beginning January 1, 2026, the Gross Sales Thresholds will be adjusted annually according to the CPI.

#### b. Percentage Rent

A Commercial Tenant shall pay to the Commission 1.5% of its annual calendar year Gross Sales, plus ground rent as stated on attached Chart C.

#### c. New Commercial Tenants

A new Commercial Tenant, or an existing Commercial Tenant under a new lease for a new leasehold, shall pay ground rent and percentage rent in the amounts specified in Section 2.2.b until that Commercial Tenant has been under lease with the Commission for a full Reportable Year. For purposes of this Section 2.2.C, Commercial Tenants who acquire existing commercial leases through assignment will not constitute new Commercial Tenants, if engaged in a substantially similar business as that conducted historically under the acquired lease.

#### 2.3 Rent Payments

#### a. Storage Tenant Per-Square-Foot Ground Rent

Storage Tenants shall pay Per-Square-Foot Ground Rent, pursuant to Section 2.1, annually and in advance on or before the effective date of their lease, unless otherwise notified by the Commission in writing of different payment dates. Rent is calculated as the total of the rate stated in Chart A multiplied by the square footage of Leased Area, rounded to the nearest penny.

#### b. <u>Commercial Tenants</u>

#### 1. Ground Rent

Commercial Tenants shall pay ground rent for the next month by the last day of the current month, unless otherwise notified by the Commission in writing of different payment dates. Monthly rent is one-twelfth of the annual rent, which is calculated as the total of the appropriate rate stated in the attached Rent and Fee Schedule multiplied by the Commercial Tenant's square footage of Leased Area, rounded to the nearest penny.

#### 2. Percentage Rent

Commercial Tenants shall simultaneously pay percentage rent and submit percentage reports by the last day of the current month for the previous calendar month, unless otherwise notified by the Commission in writing of different payment dates.

#### 3. Monthly Report

Each Commercial Tenant shall submit a report of Gross Sales by the last day of the current month for the previous calendar month, unless otherwise notified by the Commission in writing of different reporting dates. Commercial Tenants shall submit this report no matter which rate chart is applicable or how much, if any, Gross Sales occurred.

#### 4. Adjustment and Reconciliation

Commercial Tenants may adjust any Monthly Report timely submitted within the past one hundred eighty (180) days. Any changes to the Gross Sales or to any exclusions from Gross Sales reported must be accompanied by sufficient information from Commercial Tenant's books and records to support the adjusted amount(s). The Commission reserves the right to reject any adjusted Monthly Report as insufficiently justified by Commercial Tenant's books and records. Any overpayments made by a Commercial Tenant as a result of the error in the original Monthly Report will be credited to Commercial Tenant's next rental payment (or refunded, if Tenant's lease is expired, assigned, or terminated). If the adjustment indicates that insufficient rent was paid, the Commercial Tenant shall pay the amount due within thirty (30) days of invoice from the Commission.

#### 2.4 Applicability of Rates

Unless otherwise specified by the terms of Tenant's lease, the rental rates in this Ordinance replace the rent provisions in the Tenant's lease with the Commission.

If the lease is expired or terminated or if the Tenant abandons the property prior to expiration or termination of the lease, the Tenant is not released from responsibility for ground rents, percentage rents and corresponding reports, or any other payments due to the Commission.

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#### **SECTION 3 – FUEL FLOWAGE FEES**

#### 3.1 Fueling

#### a. Authorization

 Tenants shall not dispense Fuel unless fueling is specifically authorized by the Commission in writing.

#### b. Compliance

Fueling shall be conducted in compliance with all applicable codes and regulations. Fueling is prohibited in areas that pose a hazard to public safety as determined by the Commission.

#### 3.2 <u>Fuel Flowage Fees</u>

Tenants that are authorized to dispense Fuel, shall pay the applicable Fuel flowage fees as described in this Section 3.2 and in Charts D1, D2, and D3 for every gallon of Fuel purchased from suppliers and delivered to the Reliever Airport, including Fuel that is ultimately purchased by subtenants, licensees or subsidiaries of Tenant or subsidiaries, licensees or subtenants of a subtenant, and dispensed under the Tenant's authority to dispense Fuel. Military Tenants are not required to pay the Fuel flowage fees required by this Section 3.2. Tenants that are authorized to dispense Fuel shall not pay Fuel flowage fees applicable to Fuel purchased by operators of Military Aircraft.

#### a. Jet A Fuel

Tenants at St. Paul Downtown Airport, Flying Cloud Airport, and Anoka County-Blaine Airport that dispense Jet A fuel shall pay Fuel flowage fees at the rate per gallon as set forth in Chart D1.

Tenants at Crystal Airport, Lake Elmo Airport, and Airlake Airport that dispense Jet A fuel shall pay Fuel flowage fees at the rate per gallon as set forth in Chart D2.

#### b. AvGas

Tenants at the Reliever Airports that dispense AvGas shall pay the Fuel flowage fees at the rate per gallon as set forth in Chart D3.

#### c. Fixed Base Operators at MSP

Fixed Base Operators at MSP shall pay Fuel flowage fees as required by Section 4.4 of Ordinance 115, as amended by Section 12 of this Ordinance.

#### 3.3 Payments and Reports

Tenants, excluding Military Tenants, that are authorized to dispense Fuel shall simultaneously pay Fuel flowage fees and provide reports to the Commission by the last day of the current month for Fuel supplied to the Tenant, subtenants, licensees or subsidiaries of Tenant or subsidiaries, licensees or subtenants of a subtenant, during the previous month, unless

otherwise notified by the Commission in writing of different payment dates. The reports shall state fueling activity for the month, including the number of gallons of Fuel supplied to the Tenant, subtenants, licensees or subsidiaries of Tenant or subsidiaries, licensees or subtenants of a subtenant, broken down by Fuel type; the dates on which the Fuel was supplied, and any other information relating to the fueling activity requested in writing by the Commission.

The Tenant shall attach to the report copies of invoices from the Fuel supplier that are signed and dated by the person who supplied or delivered the Fuel to the Tenant.

If the lease is expired or terminated or if the Tenant abandons the property prior to the expiration or termination of the lease, the Tenant is not released from the responsibility for payments and reports of Fuel flowage fees due to the Commission. Monthly fuel flowage reports may be adjusted by a Commercial Tenant pursuant to the provisions of Section 2.3(b)(4).

### SECTION 4 – ST. PAUL DOWNTOWN AIRPORT, FLYING CLOUD AIRPORT, AND ANOKA COUNTY-BLAINE AIRPORT LANDING FEE

#### 4.1 Landing Fee

#### a. Payment of Landing Fee

 Operators of all fixed-wing aircraft that use Jet-A Fuel, excluding operators of Military Aircraft, shall pay a landing fee for each landing of such aircraft at:

 St. Paul Downtown Airport in an amount equal to one hundred and ten percent (110%) of the then current estimated compensatory field and runway use fee charged to Signatory Airlines at MSP;

Flying Cloud Airport in an amount equal to one hundred and five percent (105%)
of the then current estimated compensatory field and runway use fee charged
to Signatory Airlines at MSP; and at

 Anoka County-Blaine Airport in an amount equal to one hundred percent (100%) of the then current estimated compensatory field and runway use fee charged to Signatory Airlines at MSP.

Operators of fixed wing aircraft that use Jet-A Fuel shall not be required to pay this landing fee when the flight is made for the purpose of providing medical services, such as transportation of organs or patients in the course of business; Lifeguard flights; Repositioning Flights; or other similar operations approved by the Executive Director.

#### b. Collection

All landing fees shall be paid to an FBO at the respective Reliever Airport prior to release and clearance of such aircraft for departure from the respective Reliever Airport, or paid monthly to such FBO, if pre-arranged with the FBO. Alternatively, a Based Tenant may pay the Commission directly, if approved by the Director of Reliever Airports.

#### c. FBO Collection Cost Refund

Within one hundred and eighty (180) days after the first business day of each calendar year, the Commission will refund to each FBO at a Reliever Airport an amount equal to two percent (2%) of the total landing fees paid by the FBO to the Commission in the previous calendar year. Such refund is intended to offset the cost incurred by the FBO in collecting landing fees on behalf of the Commission.

#### 4.2 Reports and Payments

#### a. Reports

FBOs at the St. Paul Downtown Airport, Flying Cloud Airport, and Anoka County-Blaine Airport shall, by the last day of each calendar month, report to the Commission the number of all aircraft using Jet-A Fuel that have landed at the respective Reliever Airport during the previous month. Based Tenants approved by the Director of Reliever Airports shall, by the last day of each month, report to the Commission the number of all aircraft using Jet-A Fuel, operated by the Based Tenant that have landed at the St. Paul Downtown Airport, Flying Cloud Airport, and Anoka County-Blaine Airport the previous month. Reports shall include the type of aircraft by Federal Aviation Administration approved gross certificated maximum landing weights, the number of landings and take-offs made by such aircraft during the month of reporting, and the landing fee charge due and owing in respect to such aircraft.

#### b. Payments

Together with such report, the FBO and any Based Tenant approved by the Director of Reliever Airports shall remit to the Commission payment of all landing fees reported and to be paid pursuant to this Ordinance, whether or not collected from the aircraft operator.

#### SECTION 5 - NON-AVIATION/COMPLEMENTARY BUSINESS LICENSE FEE

Commercial Tenants that have entered into a Non-Aviation/Complementary Business License Agreement with the Commission shall pay a Non-Aviation/Complementary Business License Fee as set forth in Chart E of the attached Rent and Fee Schedule for the next month by the last day of the current month, unless otherwise notified by the Commission in writing of different payment dates.

#### **SECTION 6 – FACILITY ACQUISITION FEE**

#### 6.1 Applicability

Tenants, excluding Military Tenants, that acquire an existing facility on a Reliever Airport shall pay a Facility Acquisition Fee, at the time of lease transfer, of 50% of the per square foot ground rent annual rate set forth in Chart A of the attached Rent and Fee Schedule. Storage Tenants shall pay the lesser of the 50% rate applied per square foot of total Leased Area, or applied per square foot of 125% of the building footprint area. Commercial Tenants shall pay the rate per square foot of the building footprint area. However, if the Leased Area of any lease includes a Fuel system, the total area required for the Fuel system, inclusive of regulatory setbacks, shall be included in the calculation of the Facility Acquisition Fee.

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If, using the calculation above, the Facility Acquisition Fee would be less than the Administration Fee for a standard assignment set forth in Chart F of the attached Rent and Fee Schedule, then the Tenant must pay the amount of the Administration Fee for a standard assignment, rather than the amount calculated.

The Facility Acquisition Fee will apply to a lease transfer under the "Transfer" section, as amended, of lease forms entered into after January 1, 2008, and will apply to any assignment of the lease, for any reason, with or without consideration, including:

- A change of ownership or voting control, including a change in the name(s) on the lease, where there is a change of 50% or more (e.g., if only one name is on the lease, and that party wishes to add an additional name, a 50% change would occur, and the fee would apply);
- A transfer for estate-planning purposes (e.g., into a trust), or as a result of death;
- A change in name(s) (e.g., as a result of divorce), where the disposition change is a result of a court order, and there is a change of 50% or more;
- A transfer as part of a bankruptcy; or
- · A transfer through a contract for deed.

#### 6.2 Exception

The Facility Acquisition Fee will not apply in the following situation:

A transfer to an Immediate Family Member, including a transfer to an Immediate
 Family Member for estate-planning purposes (e.g., into a family trust), or a transfer
 to an Immediate Family Member as a result of death.

#### **SECTION 7 – ADMINISTRATION FEE**

#### 7.1 Applicability

An Administration Fee, as set forth in Chart F of the attached Rent and Fee Schedule, shall be paid by a Tenant or prospective Tenant, except Military Tenants, for costs associated with the review and processing of lease requests and transactions.

An Administration Fee is applicable to all requests and transactions that require Commission authorization or consent, with the exception of the following: the generation of a new lease executed at the time of construction in a new building area; the renewal of an existing lease; the execution of a sewer and water amendment; a lease amendment to correct a discrepancy in the lease; or the execution of a lease transfer or new lease if a Facility Acquisition Fee, as described in Section 6, applies. Commission staff shall determine the type of lease request or transaction and the corresponding Administration Fee.

#### 7.2 Additional Amounts

Commission staff may charge an additional amount, sufficient to cover its costs, if the costs associated with the review and processing of a lease request or transaction exceed the

amount of the Administration Fee, such as for a transaction involving significant legal work. If the Commission assumes the responsibility for issuing building permits in the future, the Commission reserves the right to charge an additional amount, sufficient to cover the costs of the permitting process.

#### **SECTION 8 – FLYING CLUBS**

#### 8.1 Flying Club Activities

Flying Clubs shall be responsible for the activities of their members. Flying Clubs shall comply with all applicable federal, state and local requirements for Flying Clubs and aeronautical activity.

#### 8.2 Flying Club Records

The Commission shall have access to all Flying Club records, including but not limited to the Flying Club's financial records, tax statements, records relating to membership, and flight instruction conducted in club aircraft. The Commission shall also have access to the logbooks of all Flying Club members.

#### **SECTION 9 – AUDITS**

The Commission has the right, upon reasonable request, to audit Tenant's books and records as authorized by Tenant's lease.

#### **SECTION 10 - PENALTIES**

#### 10.1 <u>Interest on Late Payments</u>

For any rents or fees due under this Ordinance, a Tenant shall pay a penalty for late or delinquent payments of twelve percent (12%) per annum on any past due balance calculated from the date the amount is due until the close of the business day upon which the delinquent payment is received by the Commission.

#### 10.2 Misdemeanor

Any person violating any of the provisions of this Ordinance shall upon conviction be punished by sentence within the parameters of the maximum penalty for misdemeanors set forth in Minn. Stat. § 609.03, or as may be amended.

#### 10.3 Other Actions Not Precluded

The penalties prescribed under this Ordinance in no way preclude the Commission from taking any other civil action authorized under the Tenant's lease or by law.

#### SECTION 11 – RENTS AND FEES ADJUSTMENT

#### 11.1 Annual Rate Adjustments

#### a. Storage Tenant Per-Square-Foot Ground Rent

Storage Tenant per-square-foot ground rent will be adjusted on the anniversary date of the Storage Tenant's lease during each applicable year, according to the attached Rent and Fee Schedule.

#### b. Commercial Tenant Rent

Commercial Tenant rents in the Rent and Fee Schedule will be adjusted on January 1 of each year, according to the attached Rent and Fee Schedule.

#### c. Fuel Flowage Fees

Fuel flowage fees will be adjusted on January 1 of each year, according to the attached Rent and Fee Schedule.

#### d. Non-Aviation/Complementary Business License Fee

The Non-Aviation/Complementary Business License Fee will be adjusted on January 1 of each year, according to the attached Rent and Fee Schedule.

#### 11.2 Post 2030 Adjustments

If the rents and fees in Charts A, B, C, D, E, and F of the attached Rent and Fee Schedule are not modified by the Commission before December 31, 2030, the rents and fees shall be increased in the same manner and at the same percentage rates per year until the Commission determines other rates and fees. Charts A, B, and C shall be increased at three percent (3%) per year; the Fuel Flowage Fees shall be increased at four percent (4%) per year; and the Non-Aviation/Complementary Business License Fee and the Administration Fee shall be increased at three percent (3%) per year.

#### 11.3 <u>Commission Action</u>

The Commission may reevaluate and adjust the rates and fees set forth in the attached Rent and Fee Schedule by Commission action. In making a decision to adjust rates, the Commission shall consider state and federal mandates and policy (e.g., in light of security mandates or extraordinary environmental costs), as well as the requirements of this Ordinance. Written notice will be provided to Tenants of public meetings to address rents and fees and of any new rents and fees adopted by the Commission.

#### **SECTION 12 – AMENDMENTS TO ORDINANCE 115**

#### 12.1 Ordinance 115

All defined terms used in this Section 12 are given those definitions included in Ordinance 115. As of the effective date of this Ordinance, the following sections of Ordinance 115 are deleted and re-stated as follows:

#### 12.2 Section 4.4: Fuel Flowage Fees

Fixed Base Operators that are authorized to dispense Fuel at the Airport shall pay the Fuel Flowage Fees stated in Chart D4 of Ordinance No. \_\_\_\_\_ for every gallon of Fuel sold or delivered by the Fixed Based Operator at the Airport, regardless of Fuel type, including Fuel sold or delivered to customers, subsidiaries, licensees, or subtenants of the Fixed Base Operator at the Airport, and customers, subsidiaries, licensees, or subtenants of a subtenant of the Fixed Base Operator at the Airport. Additionally, into-plane fuel provided by a Fixed Base Operator is subject to the Fuel Flowage Fees stated in Chart D4 of Ordinance No. \_\_\_\_\_.

Into-Plane Fuel Providers operating at the Airport shall pay the Fuel flowage fees stated in Schedule A-2 of Ordinance No. 115 for every gallon of Fuel sold or delivered by the Into-Plane Fuel Provider at the Airport, including Fuel sold or delivered to customers, subsidiaries, licensees, or subtenants of the Into-Plane Fuel Providers.

Notwithstanding the foregoing, Fuel Flowage Fees shall not apply to fuel supplied to Military Aircraft, aircraft operated by Signatory Airlines, or aircraft which are fueled while using gates at either the Terminal 1-Lindbergh or Terminal 2-Humphrey.

Fuel Flowage Fees for Into-Plane Fuel Providers will be adjusted periodically as set forth in Section 4.6(b).

Fuel Flowage Fees for Fixed Base Operators at the Airport will be adjusted periodically as set forth in Section 11 of Ordinance No. \_\_\_\_\_.

#### 12.3 Section 4.6(b): Fuel Flowage Fees Paid by Into-Plane Fuel Providers

Fuel Flowage Fees paid by Into-Plane Fuel Providers will be adjusted on January 1 of each year, according to the attached Schedule A-2. The Commission may, however, reevaluate and adjust the rates and fees in the attached Schedule A-2 by Commission action. If the Fuel Flowage Fees paid by Into-Plane Fuel Providers on the attached Schedule A-2 are not modified by the Commission before December 31, 2018, the rents and fees shall be increased in the same manner and at the same percentage rates per year until the Commission determines other rates and fees. This means that the Fuel Flowage Fees paid by Into-Plane Fuel Providers shall be increased at four percent (4%) per year. If the Commission plans deviate from Schedule A-2 through Commission action, it will send out notice 15 days in advance of the public meeting to affected parties.

#### 12.4 <u>Schedule A-2: Into-Plane Fuel Provider Fuel Flowage Fees (rates per gallon)</u>

|     | 2025    | 2026    | 2027    | 2028    | 2029    | 2030    |
|-----|---------|---------|---------|---------|---------|---------|
| MSP | \$0.160 | \$0.167 | \$0.173 | \$0.180 | \$0.187 | \$0.195 |

#### **SECTION 13 – GENERAL PROVISIONS**

#### 13.1 Additional Tenant Charges

#### a. Assessments and Other Fees

This Ordinance has no applicability to assessments or other fees that the Tenant is required to pay on the date this Ordinance takes effect. All such assessments and fees remain in effect.

#### b. Special Rent Assessment

The Commission is authorized to charge Special Rent Assessments to Tenants consistent with Minn. Stat. § 473.651 for Reliever Airport projects or services, over and above those contemplated by a Tenant's lease, which benefit the Tenant, charged on a basis uniform and consistent with those of other Tenants at the Reliever Airports. The Commission's Executive Director is authorized to create procedures to implement Special Rent Assessments. Such procedures shall include notice to affected Tenants and opportunity to comment prior to imposition of any such assessment.

#### 13.2 Provisions Severable

If any part or parts of this Ordinance is declared unconstitutional or invalid, this does not affect the validity of the remaining parts of this Ordinance. The Commission declares it would have passed the remaining parts of this Ordinance without the unenforceable provisions.

#### 13.3 Notice

Any notice required by this Ordinance is sufficient if delivered as provided by the notice provisions of the Tenant's Lease with the Commission.

#### 13.4 Amendment

Ordinance No. 119 is amended and restated on the date this Ordinance takes effect.

#### 13.5 Effective Date

This Ordinance is effective January 1, 2025.

**RENT AND FEE SCHEDULE** 

#### <u>Chart A – Per-Square Foot Ground Rent</u> (annual rate per square foot)

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| 678 |

|              | 2025   | 2026   | 2027   | 2028   | 2029   | 2030   |
|--------------|--------|--------|--------|--------|--------|--------|
| St. Paul     | \$0.94 | \$0.96 | \$0.99 | \$1.02 | \$1.05 | \$1.08 |
| Flying Cloud | \$0.79 | \$0.82 | \$0.84 | \$0.87 | \$0.89 | \$0.92 |
| Anoka County | \$0.79 | \$0.80 | \$0.81 | \$0.82 | \$0.83 | \$0.84 |
| Crystal      | \$0.70 | \$0.72 | \$0.74 | \$0.76 | \$0.79 | \$0.81 |
| Airlake      | \$0.62 | \$0.65 | \$0.67 | \$0.70 | \$0.72 | \$0.75 |
| Lake Elmo    | \$0.61 | \$0.62 | \$0.64 | \$0.66 | \$0.68 | \$0.70 |
|              |        |        |        |        |        |        |

#### Chart B - Commercial Ground Rent without percentage (annual rate, per square foot)

|              | 2025   | 2026   | 2027   | 2028   | 2029   | 2030   |
|--------------|--------|--------|--------|--------|--------|--------|
| St. Paul     | \$0.73 | \$0.77 | \$0.81 | \$0.83 | \$0.86 | \$0.88 |
| Flying Cloud | \$0.64 | \$0.67 | \$0.70 | \$0.72 | \$0.74 | \$0.77 |
| Anoka County | \$0.59 | \$0.62 | \$0.66 | \$0.67 | \$0.68 | \$0.70 |
| Crystal      | \$0.52 | \$0.54 | \$0.57 | \$0.59 | \$0.60 | \$0.62 |
| Airlake      | \$0.46 | \$0.48 | \$0.51 | \$0.52 | \$0.54 | \$0.56 |
| Lake Elmo    | \$0.44 | \$0.45 | \$0.46 | \$0.48 | \$0.49 | \$0.51 |

#### <u>Chart C – Commercial Ground Rent with percentage</u> (annual rate, per square foot)

|              | 2025   | 2026   | 2027   | 2028   | 2029   | 2030   |
|--------------|--------|--------|--------|--------|--------|--------|
| St. Paul     | \$0.52 | \$0.57 | \$0.62 | \$0.64 | \$0.66 | \$0.68 |
| Flying Cloud | \$0.48 | \$0.52 | \$0.56 | \$0.58 | \$0.60 | \$0.61 |
| Anoka County | \$0.38 | \$0.44 | \$0.51 | \$0.52 | \$0.54 | \$0.55 |
| Crystal      | \$0.34 | \$0.37 | \$0.40 | \$0.41 | \$0.42 | \$0.43 |
| Airlake      | \$0.30 | \$0.32 | \$0.34 | \$0.35 | \$0.36 | \$0.37 |
| Lake Elmo    | \$0.28 | \$0.28 | \$0.28 | \$0.29 | \$0.30 | \$0.31 |

#### Chart D1 - Fuel Flowage Fees for Jet A at STP, FCM, and ANE (rate per gallon)

| 2025   | 2026   | 2027   | 2028   | 2029   | 2030   |
|--------|--------|--------|--------|--------|--------|
| \$0.16 | \$0.17 | \$0.17 | \$0.18 | \$0.19 | \$0.19 |

#### Chart D2 – Fuel Flowage Fees for Jet A at LVN, MIC, and 21D (rate per gallon)

| 2025   | 2026   | 2027   | 2028   | 2029   | 2030   |
|--------|--------|--------|--------|--------|--------|
| \$0.17 | \$0.18 | \$0.19 | \$0.20 | \$0.20 | \$0.21 |

#### <u>Chart D3 – Fuel Flowage Fees for Reliever Airports AvGas</u> (rate per gallon)

| 2025   | 2026   | 2027   | 2028   | 2029   | 2030   |
|--------|--------|--------|--------|--------|--------|
| \$0.22 | \$0.23 | \$0.24 | \$0.25 | \$0.26 | \$0.27 |

#### Chart D4 – Fuel Flowage Fees for MSP Fixed Base Operators, all Fuel types (rate per gallon)

| 2025   | 2026   | 2027   | 2028   | 2029   | 2030   |
|--------|--------|--------|--------|--------|--------|
| \$0.22 | \$0.23 | \$0.24 | \$0.25 | \$0.26 | \$0.27 |

#### <u>Chart E – Non-Aviation/Complementary Business License Fee</u> (monthly rate)

|              | 2025     | 2026     | 2027     | 2028     | 2029     | 2030     |
|--------------|----------|----------|----------|----------|----------|----------|
| All Reliever | \$180.00 | \$185.40 | \$190.96 | \$196.69 | \$202.59 | \$208.67 |
| Airports     |          |          |          |          |          |          |

#### **Chart F – Administration Fee** (rate per request or transaction)

|  | 2025  | 2026  | 2027  | 2028  | 2029  | 2030  |
|--|-------|-------|-------|-------|-------|-------|
| Approval of Tenant Modification to     | \$190 | \$196 | \$202 | \$208 | \$214 | \$220 |
| Leased Area                            |       |       |       |       |       |       |
| Consent to Leasehold Mortgage and      | \$180 | \$185 | \$191 | \$197 | \$203 | \$209 |
| Subordination Agreement*               |       |       |       |       |       |       |
| Consent to Sublease – Commercial Lease | \$265 | \$273 | \$281 | \$290 | \$298 | \$307 |
| Temporary Property Use Agreements or   | \$290 | \$299 | \$308 | \$317 | \$326 | \$336 |
| Authorizations                         |       |       |       |       |       |       |
| Standard Amendment                     | \$290 | \$299 | \$308 | \$317 | \$326 | \$336 |
| Standard Assignment                    | \$290 | \$299 | \$308 | \$317 | \$326 | \$336 |
| Standard Termination                   | \$200 | \$206 | \$212 | \$219 | \$225 | \$232 |
| duct to continue to                    |       | •     |       |       |       |       |

\*If legal review for these documents exceeds one hour of work, the actual cost of the review will be billed, rather than the Chart F rate.

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|  | Reliever  | ce No.119 Airports Rates and Charges Ordinance  JulyJanuary 1, 2014-2025  |  |  |  |  |
|--|---|---|--|--|--|--|
| 31<br>32<br>33                                     |   | METROPOLITAN AIRPORTS COMMISSION  |  |  |  |  |
| 34<br>35   |   | ORDINANCE NO. 119   |  |  |  |  |
| 36<br>37   | RELIEVER AIRPORTS RATES AND CHARGES ORDINANCE             |   |  |  |  |  |
| 38<br>39<br>40<br>41<br>42<br>43<br>44<br>45<br>46 | and ot<br>Airport<br>Interna<br>Ordina<br>amend<br>modify | inance of the Metropolitan Airports Commission ("Commission") amending the rental rates her charges for property at the Commission's minor and intermediate use airports ("Reliever ts")"), as well as certain charges for general aviation activities at Minneapolis-St. Paul ational Airport ("MSP"), as provided by Minn. Stat. § 473.651, by amending and restating ince No. 114 (which amended and restated119, as well as amending Ordinance 107, which led and restated Ordinance No. 101, which amended and restated Ordinance No. 87)115 to the facility acquisition feeremove provisions related to fuel flowage fees assessed to Fixed operators at MSP. |  |  |  |  |
| 47<br>48<br>49<br>50<br>51                         | Comm  | EAS, consistent with federal policy, the rental rates and fees are intended to assist the ission in attaining its long-term goal of making the Reliever Airports as financially self-ing as possible; and   |  |  |  |  |
| 52<br>53<br>54<br>55                               | state a   | EAS, having received and considered extensive public input and having fully considered the nd federal legal requirements concerning the rates that may be charged to users of these er Airports; and  |  |  |  |  |
| 56<br>57<br>58<br>59                               | <u>"</u> Ordin  | EAS, this Ordinance No. 119 ("Ordinance") willmay be interchangeably be referred to as ance No. 119 , "Ordinance No. 119, as amended," as "Ordinance No. 114 as amended," as ance No. 107 as amended," as "Ordinance No. 101 as amended," and as "Ordinance No. 87 as led";   |  |  |  |  |
| 61<br>62<br>63                                     |   | THEREFORE, the Commission does ordain:  ON 1 - DEFINITIONS  |  |  |  |  |
| 64   | SECTIO  | IN 1 - DEFINITIONS  |  |  |  |  |
| 65<br>66<br>67                                     | 1.1   | Based Aircraft. An aircraft that is registered in the State of Minnesota with the Department of <u>Transportation</u> , <u>Office of Aeronautics</u> as being based at one of the Reliever Airports.  |  |  |  |  |
| 68<br>69   | 1.2   | Based Tenant. A Storage Tenant or Commercial Tenant. This does not include subtenants.  |  |  |  |  |
| 70<br>71<br>72<br>73<br>74<br>75                   | 1.3   | Commercial Tenant. A Tenant that has entered into a commercial lease with the Commission at a Reliever Airport and that is authorized to do one or more of the following: sale, repair or storage of aircraft; sale of aircraft parts and accessories; sale of flight or ground instruction; flying for charter or hire; providing fuelingsale of aircraft fuel and lubrication services; aircraft rental of aircraft; or other activities deemed commercial and approved by the Commission.  |  |  |  |  |
| 76<br>77<br>78                                     | 1.4   | Commission. The Metropolitan Airports Commission, a public corporation ——organized and operating pursuant to Chapter 500, Laws of Minnesota 1943 and —amendments thereto.   |  |  |  |  |

- 80 1.5 CPI. The consumer price index identified as the All Urban Consumers Midwest Region.
  - 1.6 Director of Reliever Airports. The Commission's administrative officer responsible for the Reliever Airports.
    - 1.7 Executive Director. The Commission's chief executive officer or a designated representative.
  - 1.8 Flying Club. An entity defined by Minnesota Statutes § 360.013, subd. <u>1848</u> or Minnesota Rules § 8800.4100, <u>subdsubp</u>. 2, or as either are amended.
  - 1.9 Fuel. Aviation gasoline and any other gasoline, petroleum product, fuel, or other substance used in the propulsion of aircraft, automobiles, trucks, and other ground vehicles.
  - 1.10 Full-Service Commercial Operation or Fixed Base Operator ("FBO"). AnA full-service, aeronautical, commercial operation at the Reliever Airports that is authorized to engage in the sale of products, services, and facilities to aircraft operators including. FBOs must provide, at a minimum, the following aeronautical activities at the airport: aircraft refueling to include jet fuel, AvGas, and aircraft lubricants; aircraft line services; airframe and power plant maintenance; aircraft storage/hangars rentals and tiedowns; passenger, crew, and aircraft ground services, support and amenities. FBOs may also provide optional services as approved by the Commission, which may include: flight training, aircraft rental, aircraft charter or air taxi, avionics sales and service.
  - 1.11- Gross Sales. Gross Sales, as defined in a Commercial Tenant's lease, less exclusions, as allowed by the Commercial Tenant's lease.
  - 1.12 Gross Sales Thresholds. Those amounts of annual Reportable Year Net-Gross RevenueSales set forth in Section 2.2.a. that establish whichen the ground rental rates in Chart B apply to a Commercial Tenant.
  - 1.4213 Immediate Family Member. A spouse, parent, child, brother or sister (including half-relations and step-relations, but excluding in-law relations) of the Tenant.
  - 1.1314 Jet-A Fuel. A kerosene-based fuel designed for use in turbine engine aircraft, regulated by the American Society for Testing and Materials ("ASTM"). For referenced ASTM standards, visit the ASTM website, www.astm.org, or contact ASTM Customer Service at service@astm.org.
  - 1.1415 Leased Area. That area defined in the description of Premises premises section in the Tenant's lease.
  - 1.1516 Military Aircraft. Aircraft owned and/or operated by components of the military forces of the United States of America or of the State of Minnesota.
  - 1.4617 Military Tenant. A Storage Tenant that is any component or branch of the military forces of the United States of America or of the State of Minnesota.
  - 1.17 <u>Net Gross Revenue.</u> Gross Receipts or Gross Sales, as defined in a Commercial Tenant's lease, less exclusions, as allowed by the Commercial Tenant's lease.

Commercial Tenants shall pay ground rent and percentage rents as specified below, by paying the applicable amount in Section 2.2.a. or 2.2.b., whichever is greater.

However, if a Commercial Tenant has less than one hundred fourteen thousand dollars (\$114,000) of Nethad Gross RevenueSales below one-hundred fifty-one thousand dollars (\$151,000.00) in the preceding Reportable Year, then the Commercial Tenant shallfor the following calendar year, as determined on a monthly basis, shall pay ground rent as stated on the attached Chart A\_and zero percentage rent, or the amount in Section 2.2.b., (see also Chart C), whichever amount is greater that month, as determined on a monthly basis, during the calendar year following the Reportable Year.

#### a. Ground Rent and Gross Sales Thresholds

The Gross Sales Threshold for If a Commercial Tenant that FBOs at St. Paul Downtown Airport, Flying Cloud Airport, and Anoka County-Blaine Airport is authorized to conduct a Full Service Commercial Operation has: Gross Sales in the Reportable Year of one hundred fourteenfifty-one thousand dollars (\$114151,000.00) or more, but less than foursix hundred fifty fourand four thousand dollars (\$454604,000.00) of Net).

The Gross Sales Threshold for all other Commercial Tenants at St. Paul Downtown Airport, Flying Cloud Airport, and Anoka County-Blaine Airport is: Gross Sales in the Reportable Year of one hundred fifty-one thousand dollars (\$151,000.00) or more, but less than three hundred seventy-eight thousand dollars (\$378,000.00).

The Gross RevenueSales Threshold for FBOs at Airlake Airport, Lake Elmo Airport, or Crystal Airport is: Gross Sales in the preceding-Reportable Year, or of one hundred fourteenfifty-one thousand dollars (\$114151,000.00) or more, but less than two-three hundred twenty-sevenand seventy-eight thousand (\$227378,000.00) dollars-if-such Commercial Tenant is at Airlake, Lake Elmo, or Crystal, then the Commercial Tenant shall, pay ground rent at the rate per square foot of Leased Area per year stated on the attached Chart B and no percentage rent, or the amount in Section 2.2.b. (see also Chart C), whichever is greater, as determined on a monthly basis, during the calendar year following the Reportable Year.

The Gross Sales Threshold for all other Commercial Tenants at Airlake Airport, Lake Elmo Airport, or Crystal Airport is: Gross Sales in the Reportable Year of one hundred fifty-one thousand dollars (\$151,000.00) or more, but less than three hundred and two thousand dollars (\$302,000.00).

If a Commercial Tenant, at any Reliever Airport, that is authorized to conduct less than a Full Service Commercial Operation has one hundred fourteen thousand dollars (\$114,000.00) or more but less than two hundred eighty four thousand dollars (\$284,000.00) of Net Gross Revenue in the preceding Reportable Year, then the

Any-Commercial Tenant Tenant that falls within its Gross Sales Threshold during a Reportable Year -shall pay ground rentfor the following calendar year, as determined on a monthly basis, shall pay ground rent at the rate per square foot of Leased Area per yearas stated on the attached Chart B and no percentage rent<sub>27</sub> or the amount in Section 2.2.b. (see also Chart C), whichever is greater amount is greater that month as determined on a monthly basis, during the calendar year following the Reportable Year.

If a Commercial Tenant fails to submit a monthly report of Net-Gross RevenueSales as required by Section 2.3.b.3., the for the purpose of determining the applicable Gross Sales Thresholds, that Gross Sales Threshold will be determined based upon the lowest three (3) months of reported Net-Gross RevenueSales during the current Reportable Year.

Beginning January 1,  $\frac{20132026}{}$ , the Gross Sales Thresholds will be adjusted annually according to the CPI.

#### b. Percentage Rent

A Commercial Tenant shall pay to the Commission 1.5% of its annual calendar year Net Gross RevenueSales, plus ground rent the rate per square foot of Leased Area per year as stated on attached Chart C.

#### c. New Commercial Tenants

A new Commercial Tenant, or an existing Commercial Tenant under a new lease for a new leasehold, shall pay ground rent and percentage rent in the amounts specified in Section 2.2.b until that Commercial Tenant has been under lease with the Commission for a full Reportable Year. For purposes of this Section 2.2.C, Commercial Tenants who acquire existing commercial leases through assignment will not constitute new Commercial Tenants, if engaged in a substantially similar business as that conducted historically under the acquired lease.

#### 2.3 Rent Payments

#### a. Storage Tenant Per-Square-Foot Ground Rent

Storage Tenants shall pay Per-Square-Foot Ground Rent, pursuant to Section 2.1, annually <u>and</u> in advance on or before the effective date of their lease, unless otherwise notified by the Commission in writing of different payment dates. Rent is calculated as the total of the rate stated in Chart A multiplied by the square footage of Leased Area, rounded to the nearest penny.

#### b. Commercial Tenants

#### 1. Ground Rent

Commercial Tenants shall pay ground rent in advance for the next month by the last day of the calendar month for the upcoming calendar month, unless otherwise notified by the Commission in writing of different payment dates. Monthly rent is one-twelfth of the annual rent, which is calculated as the total of the appropriate rate stated in the attached Rent and Fee Schedule multiplied by the Commercial Tenant's square footage of Leased Area, rounded to the nearest penny.

#### 2. Percentage Rent

Commercial Tenants shall simultaneously pay percentage rent and submit percentage reports by the last day of the <u>calendarcurrent</u> month for the previous calendar month, unless otherwise notified by the Commission in writing of different payment dates.

#### 3. Monthly Report

### 320 3.1 <u>Fueling</u> 321

a. Authorization

**SECTION 3 – FUEL FLOWAGE FEES** 

Tenants shall not dispense Fuel unless fueling is specifically authorized by the Commission in writing.

b. Compliance

Each Commercial Tenant shall submit a report of Net-Gross RevenueSales by the last day of each calendar the current month for the previous calendar month, unless otherwise notified by the Commission in writing of different reporting dates. Commercial Tenants shall submit this report no matter which rate chart is applicable or how much, if any, Net-Gross RevenueSales occurred.

#### 4. <u>Year EndAdjustment and Reconciliation</u>

As soon as practical after Commercial Tenants may adjust any Monthly Report timely submitted within the end of each calendar year, past one hundred eighty (180) days. Any changes to the Gross Sales or to any exclusions from Gross Sales reported must be accompanied by sufficient information from Commercial Tenant's books and records to support the adjusted amount(s). The Commission shall reconcile the total rent paid against reserves the total rent due. The total rent due shall be right to reject any adjusted Monthly Report as insufficiently justified by Commercial Tenant's books and records. Any overpayments made by a Commercial Tenant as a result of the sum of payments due undererror in the applicable provisions of Section 2.2 on an annualized basis, whicheveroriginal Monthly Report will be credited to Commercial Tenant's next rental payment (or refunded, if Tenant's lease is greater. If the signed, or terminated). If the adjustment indicates that insufficient rent was paid, the Commercial Tenant shall pay the amount due within thirty (30) days of invoice from the Commission.

#### 2.4 Applicability of Rates

Unless otherwise specified by the terms of Tenant's lease, the rental rates in this Ordinance replace the rent provisions in the Tenant's lease with the Commission.

If the lease is expired or terminated or if the Tenant abandons the property prior to expiration or termination of the lease, the Tenant is not released from responsibility for ground rents, percentage rents and corresponding reports, or any other payments due to the Commission.

Fueling shall be conducted in compliance with all applicable codes and regulations. Fueling is prohibited in areas that pose a hazard to public safety as determined by the Commission.

#### 3.2 Fuel Flowage Fees

Tenants whothat are authorized to dispense Fuel, shall pay the applicable Fuel flowage fees as described in this Section 3.2 and in Charts D1, D2, and D2D3 for every gallon of Fuel purchased from all-suppliers that is and delivered to the Reliever Airport, including Fuel that is ultimately purchased by subtenants, licensees or subsidiaries of Tenant or subsidiaries, licensees or subtenants of a subtenant, and dispensed under the Tenant's authority to dispense Fuel. Military Tenants are not required to pay the Fuel flowage fees required by this Section 3.2. Tenants whothat are authorized to dispense Fuel shall not pay Fuel flowage fees applicable to Fuel purchased by operators of Military Aircraft.

#### a. Jet A Fuel

Tenants at St. Paul Downtown Airport, at Flying Cloud Airport, and at Anoka County-Blaine Airport who that dispense Jet A fuel shall pay Fuel flowage fees at the rate per gallon as set forth in Chart D1.

Tenants at Crystal Airport, Lake Elmo Airport, and Airlake Airport whethat dispense Jet A fuel shall pay Fuel flowage fees at the rate per gallon as set forth in Chart D2.

#### b. 100 Low Lead Fuel AvGas

Tenants at the Reliever Airports whethat dispense 100 low lead fuelAvGas shall pay the applicable Fuel flowage fees at the rate per gallon as set forth in Chart D2D3.

#### c. Fixed Base Operators at MSP

 <u>Fixed Base Operators at MSP shall pay Fuel flowage fees as required by Section 4.4 of Ordinance 115, as amended by Section 12 of this Ordinance.</u>

#### 3.3 Payments and Reports

Tenants who, excluding Military Tenants, that are authorized to dispense Fuel shall simultaneously pay Fuel flowage fees and provide reports to the Commission by the last day of each calendarthe current month for Fuel supplied to the Tenant, subtenants, licensees or subsidiaries of Tenant or subsidiaries, licensees or subtenants of a subtenant, during the previous calendar month, unless otherwise notified by the Commission in writing of different payment dates. The reports shall state fueling activity for the calendar month, including the number of gallons of Fuel supplied to the Tenant, subtenants, licensees or subsidiaries of Tenant or subsidiaries, licensees or subtenants of a subtenant, broken down by Fuel type; the dates on which the Fuel was supplied, the number of gallons dispensed, broken down by Fuel type; the meter readings on the pumps for the beginning and end of the calendar month, and any other information relating to the fueling activity requested in writing by the Commission. Tenants who are authorized to dispense Fuel shall report all fueling activity, whether or not a landing fee was due.

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The Tenant shall attach to the report copies of invoices from the Fuel supplier that are signed and dated by the person who supplied or delivered the Fuel to the Tenant.

If the lease is expired or terminated or if the Tenant abandons the property prior to the expiration or termination of the lease, the Tenant is not released from the responsibility for payments and reports of Fuel flowage fees due to the Commission. Monthly fuel flowage reports may be adjusted by a Commercial Tenant pursuant to the provisions of Section 2.3(b)(4).

Military Tenants are not subject to the requirements of this Section 3.3.

### SECTION 4 – ST. PAUL DOWNTOWN AIRPORT, FLYING CLOUD AIRPORT, AND ANOKA COUNTY-BLAINE AIRPORT LANDING FEE

#### 4.1 Landing Fee

#### ——a. Payment of Landing Fee

The operators Operators of all fixed-wing aircraft that use Jet-A Fuel, including those that are Based Aircraft, other than excluding operators of Military Aircraft, shall pay a landing fee for each landing of such aircraft at:

- St. Paul Downtown Airport in an amount equal to one hundred and ten percent (110%) of the then current estimated compensatory field and runway use fee charged to Signatory Airlines at MSP;
- Flying Cloud Airport in an amount equal to one hundred and five percent (105%)
  of the then current estimated compensatory field and runway use fee charged
  to Signatory Airlines at MSP; and at
- Anoka County-Blaine Airport in an amount equal to one hundred percent (100%) of the then current estimated compensatory field and runway use fee charged to Signatory Airlines at Minneapolis St. Paul International Airport; provided that the landing fee shall be no less than the amount set forth in the attached Rent and Fee ScheduleMSP.

The operators of all fixed wing aircraft that use Jet A Fuel, including those that are Based Aircraft, other than operators of Military Aircraft, shall pay a landing fee for each landing of such aircraft at Flying Cloud Airport and Anoka County-Blaine Airport in an amount equal to ninety percent (90%) of the then current estimated compensatory field and runway use fee charged to Signatory Airlines at Minneapolis-St. Paul International Airport; provided that the landing fee shall be no less than the amount set forth in the attached Rent and Fee Schedule.

Operators of fixed wing aircraft that use Jet-A Fuel shall not be required to pay this landing fee when conducting pilot check flights or maintenance flights required by the federal government; other operations conducted as a requirement of the federal government; flight training touch-and-go operations; operations conducted by those the

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<u>flight is made for the purpose of providing medical services</u>, such as transportation of organs or patients in the course of business; Lifeguard flights; Repositioning Flights; or other similar operations approved by the Executive Director.

### b. Collection

All landing fees shall be paid to an FBO at the respective Reliever Airport prior to release and clearance of such aircraft for departure from the respective Reliever Airport, or paid on a monthly basis to such FBO, if pre-arranged with the FBO, except. Alternatively, a Based Tenant may pay the Commission directly, if approved by the Director of Reliever Airports.

#### c. Late Fees

Any landing fee payment not received from the <u>FBO</u> or Based Tenant within thirty (30) days of the due date shall accrue interest at the rate of one and a half percent (1.5%) per month, measured from the due date until paid in full. Collection Cost Refund

Within one hundred and eighty (180) days after the first business day of each calendar year, the Commission will refund to each FBO at a Reliever Airport an amount equal to two percent (2%) of the total landing fees paid by the FBO to the Commission in the previous calendar year. Such refund is intended to offset the cost incurred by the FBO in collecting landing fees on behalf of the Commission.

# 4.2 Reports and Payments

### a. Reports

FBOs at the St. Paul Downtown Airport, Flying Cloud Airport, and Anoka County-Blaine Airport shall, by the last day of each calendar month, report to the Commission the number of all aircraft using Jet-A Fuel that have landed at the respective Reliever Airport during the previous calendar month and that have parked at apron areas assigned to and under the control of such FBO or reported their landing to such FBO. Based Tenants approved by the Director of Reliever Airports shall, by the last day of each calendar month, report to the Commission the number of all aircraft, using Jet-A Fuel, operated by the Based Tenant and using Jet A Fuel, that have landed at the St. Paul Downtown Airport, Flying Cloud Airport, and Anoka County-Blaine Airport the previous calendar month. Reports shall include the type of aircraft by Federal Aviation Administration approved gross certificated maximum landing weights, the number of landings and take-offs made by such aircraft during the month of reporting, and the landing fee charge due and owing in respect to such aircraft.

# b. Payments

Together with such report, the FBO and any Based Tenant approved by the Director of Reliever Airports shall remit to the Commission payment of all landing fees reported and to be paid pursuant to this Ordinance, whether or not collected from the aircraft operator.

SECTION 5 - SUBLEASENON-AVIATION/COMPLEMENTARY BUSINESS LICENSE FEE

### 5.1 Applicability

Storage Tenants, other than Military Tenants, who have entered into a sublease license agreement with the Commission and who sublease space within a hangar shall pay an applicable Sublease Fee, as set forth in Chart E of the attached Rent and Fee Schedule, for each aircraft for which the Storage Tenant subleases space.

### 5.2 Exemptions

Storage Tenants are not required to pay a Sublease Fee for aircraft registered with the Federal Aviation Administration in the respective Storage Tenant's name, or in the name of a Related Entity or Immediate Family Member, and that are stored within the particular hangar. Storage Tenants shall provide written documentation, satisfactory to the Commission, to justify any such exemptions.

### 5.3 Payments

Storage Tenants shall pay the annual Sublease Fees on a quarterly basis, with payment for January, February, and March due by May 1 of that calendar year; April, May, and June due by August 1 of that calendar year; July, August, and September due by November 1 of that calendar year; and October, November, and December due by February 1 of the following calendar year.

The Storage Tenant will be required to pay a pro-rata portion of the annual Sublease Fee for each quarter during which any sublease activity occurs and for each aircraft for which the Storage Tenant subleases space during that quarter, regardless of whether the sublease activity continues for the entire quarter.

# SECTION 6 - NON-AVIATION/COMPLEMENTARY BUSINESS LICENSE FEE

Commercial Tenants who that have entered into a Non-Aviation/Complementary Business License Agreement with the Commission shall pay a Non-Aviation/Complementary Business License Fee as set forth in Chart FE of the attached Rent and Fee Schedule for the next month by the last day of the current month, unless otherwise notified by the Commission in writing of different payment dates.

## SECTION 76 - FACILITY ACQUISITION FEE

7.1 Applicability

### 6.1 Applicability

 Tenants, other than excluding Military Tenants, who that acquire an existing facility on a Reliever Airport shall pay a Facility Acquisition Fee, at the time of lease transfer, of 50% of the per square foot ground rent annual rate set forth in Chart A of the attached Rent and Fee Schedule. Storage Tenants shall pay the lesser of the 50% rate applied per square foot of total Leased Area, or applied per square foot of 125% of the building footprint area. Commercial Tenants shall pay the rate per square foot of the building footprint area. However, if the Leased Area of any lease includes a Fuel system, the total area required for the Fuel system, inclusive of regulatory setbacks, shall be included in the calculation of the Facility Acquisition Fee.

Under no circumstance shallif, using the calculation above, the Facility Acquisition Fee would be less than the Administration Fee for a standard assignment, as set forth in Chart GF of the attached Rent and Fee Schedule, then the Tenant must pay the amount of the Administration Fee for a standard assignment, rather than the amount calculated.

The Facility Acquisition Fee will apply to a lease transfer under the "Transfer" section, as amended, of lease forms entered into after January 1, 2008, and will apply to any assignment of the lease, for any reason, with or without consideration, including:

- A change of ownership or voting control, including a change in the name(s)
  on the lease, where there is a change of 50% or more (e.g., if only one name is on
  the lease, and that party wishes to add an additional name, a 50% change would
  occur, and the fee would apply);
- A transfer for estate-planning purposes (e.g., into a trust), or as a result of death;
- A change in name(s) (e.g., as a result of divorce), where the disposition change is a result of a court order, and there is a change of 50% or more;
- A transfer as part of a bankruptcy; or
- A transfer through a contract for deed.

### 76.2 Exception

The Facility Acquisition Fee will not apply in the following situation:

 A transfer to an Immediate Family Member, including a transfer to an Immediate Family Member for estate-planning purposes (e.g., into a family trust), or a transfer to an Immediate Family Member as a result of death.

## SECTION 87 – ADMINISTRATION FEE

7.1 Applicability

### 8.1 Applicability

An Administration Fee, as set forth in Chart GF of the attached Rent and Fee Schedule, shall be paid by a Tenant or prospective Tenant, other thanexcept Military Tenants, for costs associated with the review and processing of lease requests and transactions.

An Administration Fee is applicable to all requests and transactions that require Commission authorization or consent, with the exception of the following: the generation of a new lease executed at the time of construction in a new building area; the renewal of an existing lease; the execution of a sewer and water amendment; a lease amendment to correct a discrepancy in the lease; or the execution of a lease transfer or new lease if a Facility Acquisition Fee, as described in Section 76, applies. Commission staff shall determine the type of lease request or transaction and the corresponding Administration Fee.

### **87.2** Additional Amounts

Commission staff may charge an additional amount, sufficient to cover its costs, if the costs associated with the review and processing of a lease request or transaction exceed the amount of the Administration Fee, such as for a transaction involving significant legal work. If the Commission assumes the responsibility for issuing building permits in the future, the Commission reserves the right to charge an additional amount, sufficient to cover the costs of the permitting process.

# **SECTION 9 - WAITING LIST FEE**

# 9.1 Applicability

Any prospective Tenant, other than a prospective Military Tenant, wishing to have a name held on a list for future hangar space that has been identified to be completed within three (3) years in the Commission's capital improvement program shall pay a Waiting List Fee as set forth in the attached Rent and Fee Schedule.

# 9.2 Fee Administration and Refundability

The Waiting List Fee amount paid will bear simple interest at the Commission's average annual percentage rate of return for the period during which the Waiting List Fee remains with the Commission. The Waiting List Fee will remain with the Commission until a lease is offered to the prospective Tenant, or until the Tenant or prospective Tenant requests the name be removed from the list. The Waiting List Fee, plus any interest, will apply toward the first year building area assessment, if the area is developed by the Commission and the prospective Tenant signs a lease with the Commission, or refunded fully, with interest, to the prospective Tenant, if the area is developed by a developer and the prospective Tenant enters into a lease with that developer.

If the prospective Tenant is offered a lease and rejects the offer, but wishes to remain on the list, the prospective Tenant will be placed at the bottom of the list, and the Waiting List Fee will remain with the Commission until another lease is offered to the prospective Tenant. The Waiting List Fee is fully refundable, with any interest, under the following circumstances: (1) the prospective Tenant dies, the decedent's name is removed from the list, and the decedent's estate requests a refund of the Waiting List Fee; (2) the prospective Tenant has not been offered a lease, has not rejected an offer, requests the name be removed from the list, and

the Waiting List Fee has been paid in full for more than three (3) years; or (3) the prospective Tenant has lost an airman's medical certificate, and requests the name be removed from the list. The Waiting List Fee is refundable at 50%, without interest, within the first three (3) years, if the Waiting List Fee has been paid in full and the prospective Tenant requests the name be removed from the list.

# SECTION 108 – FLYING CLUBS

### .1 Flying Club Activities

Flying Clubs shall be responsible for the activities of their members. Flying Clubs shall comply with all applicable federal, state and local requirements for Flying Clubs and aeronautical activity.

### 108.2 Flying Club Records

The Commission shall have access to all Flying Club records, including but not limited to the Flying Club's financial records, any tax statements, records relating to membership, and any flight instruction conducted in club aircraft. The Commission shall also have access to the logbooks of all Flying Club members.

### 10.3 Flying Club Reports

Flying Clubs shall submit to the Commission a copy of all reports other than taxes, required by the state or federal government for Flying Clubs within thirty (30) days of the due date to the state or federal government. Failure to provide the reports to the state or federal government, whether or not waived by the governmental entity, does not release the Tenant from the obligation to provide the reports to the Commission as required under this Ordinance.

### SECTION 119 - AUDITS

### 11.1 Subleasing

The Commission has the right, upon reasonable request, to inspect the Tenant's hangar and audit the number of aircraft using space within the hangar, to determine the number of aircraft, if any, for which the Tenant subleases space. This provision does not apply to Military Tenants.

### 11.2 Fuel Flowage Fees

The Commission has the right at any time during the business day, upon reasonable request, to inspect the Tenant's Fuel pumps, Fuel supplier invoices and business records to ascertain the veracity of Tenant's reports.

The Commission may at any time require an inventory and audit of the Tenant's dealings in Fuel to be made by an auditor designated by the Commission. If, as a result of such inventory and audit, a deficiency of five percent (5%) or more is disclosed in the Tenant's Fuel flowage reports or payments, the cost of such audit shall be borne by the Tenant. The Tenant shall

remit payment to the Commission for any amounts underreported, plus interest according to Section 12.2.

# 11.3 Landing Fees

The Commission has the right at any time during the business day, upon reasonable request, to inspect the records of FBOs as to operations from the apron area assigned to and under the control of each such operator or the records of a Based Tenant, to ascertain the veracity of the landing fee reports. Such records shall be organized in date order and shall include itemized transactions and operations that document landing fees, including aircraft registration numbers. Upon the Commission's request, the FBO or Based Tenant shall provide the logbooks that document any exception to landing fees due. If, as a result of such inspection and audit, a deficiency of five percent (5%) or more is disclosed, the cost of such audit shall be borne by the FBO or Based Tenant. The FBO or Based Tenant shall remit payment to the Commission for any amounts underreported, plus interest according to Section 12.2.

### 11.4 Other Records

———The Commission has the right, upon reasonable request, to audit Tenant's books and records as authorized by Tenant's lease.

### **SECTION 1210 - PENALTIES**

# 12.1 <u>Sublease Violation</u>

If the Commission determines that a Tenant is subleasing space within a hangar in violation of the Tenant's lease or sublease license agreement, the Tenant shall pay a penalty of two (2) times the current rate set forth in Chart E of the attached Rent and Fee Schedule, retroactive to January 1 of the current calendar year, for each aircraft for which the Tenant is subleasing space in violation of the Tenant's lease or sublease license agreement.

## 10.1 12.2 Interest on Late Payments

For any rents or fees due under this Ordinance, a Tenant shall pay a penalty for late or delinquent payments of twelve percent (12%) per annum on any past due balance calculated from the date the amount is due until the close of the business day upon which the delinquent payment is received by the Commission.

### 12.310.2 Misdemeanor

Any person violating any of the provisions of this Ordinance shall upon conviction be punished by sentence within the parameters of the maximum penalty for misdemeanors set forth in Minn. Stat. § 609.03, or as may be amended.

# <u>12.4</u>10.3 Other Actions Not Precluded

The penalties prescribed under this Ordinance in no way preclude the Commission from taking any other civil action authorized under the Tenant's lease or by law.

### SECTION **1311** – RENTS AND FEES ADJUSTMENT

### 4311.1 Annual Rate Adjustments

### a. Storage Tenant Per-Square-Foot Ground Rent

Storage Tenant per-square-foot ground rent will be adjusted on the anniversary date of the Storage Tenant's lease during each applicable year, according to the attached Rent and Fee Schedule.

### b. Commercial Tenant Rent

Commercial Tenant rents in the Rent and Fee Schedule will be adjusted on January 1 of each year, according to the attached Rent and Fee Schedule.

### c. Fuel Flowage Fees

Fuel flowage fees will be adjusted on January 1 of each year, according to the attached Rent and Fee Schedule.

### d. Sublease Fees

The Sublease Fee will be adjusted on January 1 of each year, according to the attached Rent and Fee Schedule.

# Non-Aviation/Complementary Business License Fee

The Non-Aviation/Complementary Business License Fee will be adjusted on January 1 of each year, according to the attached Rent and Fee Schedule.

### 1311.2 Post 20172030 Adjustments

If the rents and fees in Charts A, B, C, D, E, F, and GF of the attached Rent and Fee Schedule are not modified by the Commission before December 31, 20172030, the rents and fees shall be increased in the same manner and at the same percentage rates per year until the Commission determines other rates and fees. This means that the operations and maintenance component of the ground rent rates in Charts A, B, and C shall be increased at three percent (3%) per year, and the preservation component of the ground rent rates in Charts A, B, and C shall be increased at five percent (5%) per year; the Fuel Flowage Fees and the Sublease Fee shall be increased at four percent (4%) per year; and the Non-Aviation/Complementary Business License Fee and the Administration Fee shall be increased at three percent (3%) per year.

### 1311.3 Commission Action

The Commission may reevaluate and adjust the rates and fees set forth in the attached Rent and Fee Schedule by Commission action. In making a decision to adjust rates, the Commission shall consider state and federal mandates and policy (e.g., in light of security mandates or extraordinary environmental costs), as well as the requirements of this

Ordinance No.119.\_\_\_\_ Reliever Airports Rates and Charges Ordinance—\_\_\_ Effective JulyJanuary 1, 2014-2025

Ordinance. Written notice will be provided to Tenants of public meetings to address rents and fees and of any new rents and fees adopted by the Commission.

### **SECTION 12 – AMENDMENTS TO ORDINANCE 115**

### 12.1 Ordinance 115

All defined terms used in this Section 12 are given those definitions included in Ordinance 115. As of the effective date of this Ordinance, the following sections of Ordinance 115 are deleted and re-stated as follows:

### 12.214 Section 4.4: Fuel Flowage Fees

Fixed Base Operators that are authorized to dispense Fuel at the Airport shall pay the Fuel Flowage Fees stated in Chart D4 of Ordinance No. for every gallon of Fuel sold or delivered by the Fixed Based Operator at the Airport, regardless of Fuel type, including Fuel sold or delivered to customers, subsidiaries, licensees, or subtenants of the Fixed Base Operator at the Airport, and customers, subsidiaries, licensees, or subtenants of a subtenant of the Fixed Base Operator at the Airport. Additionally, into-plane fuel provided by a Fixed Base Operator is subject to the Fuel Flowage Fees stated in Chart D4 of Ordinance No.

Into-Plane Fuel Providers operating at the Airport shall pay the Fuel flowage fees stated in Schedule A-2 of Ordinance No. 115 for every gallon of Fuel sold or delivered by the Into-Plane Fuel Provider at the Airport, including Fuel sold or delivered to customers, subsidiaries, licensees, or subtenants of the Into-Plane Fuel Providers.

Notwithstanding the foregoing, Fuel Flowage Fees shall not apply to fuel supplied to Military Aircraft, aircraft operated by Signatory Airlines, or aircraft which are fueled while using gates at either the Terminal 1-Lindbergh or Terminal 2-Humphrey.

Fuel Flowage Fees for Into-Plane Fuel Providers will be adjusted periodically as set forth in Section 4.6(b).

### 12.3 Section 4.6(b): Fuel Flowage Fees Paid by Into-Plane Fuel Providers

Fuel Flowage Fees paid by Into-Plane Fuel Providers will be adjusted on January 1 of each year, according to the attached Schedule A-2. The Commission may, however, reevaluate and adjust the rates and fees in the attached Schedule A-2 by Commission action. If the Fuel Flowage Fees paid by Into-Plane Fuel Providers on the attached Schedule A-2 are not modified by the Commission before December 31, 2018, the rents and fees shall be increased in the same manner and at the same percentage rates per year until the Commission determines other rates and fees. This means that the Fuel Flowage Fees paid by Into-Plane Fuel Providers shall be increased at four percent (4%) per year. If the Commission plans deviate from Schedule A-2 through Commission action, it will send out notice 15 days in advance of the public meeting to affected parties.

# 12.4 Schedule A-2: Into-Plane Fuel Provider Fuel Flowage Fees (rates per gallon)

|     | 2025    | 2026    | 2027    | 2028    | 2029    | 2030    |
|-----|---------|---------|---------|---------|---------|---------|
| MSP | \$0.160 | \$0.167 | \$0.173 | \$0.180 | \$0.187 | \$0.195 |

### **SECTION 13 – GENERAL PROVISIONS**

# 4413.1 Additional Tenant Charges

# a. <u>Assessments and Other Fees</u>

# remain in effect. b. Special Rent Assessment

The Commission is authorized to charge Special Rent Assessments to Tenants consistent with Minn. Stat. § 473.651 for Reliever Airport projects or services, over and above those contemplated by a Tenant's lease, which benefit the Tenant, charged on a basis uniform and consistent with those of other Tenants at the Reliever Airports. The Commission's Executive Director is authorized to create procedures to implement Special Rent Assessments. Such procedures shall include notice to affected Tenants and opportunity to comment prior to imposition of any such assessment.

This Ordinance has no applicability to assessments or other fees that the Tenant is

required to pay on the date this Ordinance takes effect. All such assessments and fees

# 4413.2 Provisions Severable

If any part or parts of this Ordinance is declared unconstitutional or invalid, this does not affect the validity of the remaining parts of this Ordinance. The Commission declares it would have passed the remaining parts of this Ordinance without the unenforceable provisions.

# 1413.3 Notice

Any notice required by this Ordinance is sufficient if delivered in person, sentas provided by U.S. mail to the last address on filenotice provisions of the Tenant's Lease with the Commission, or transmitted by facsimile to the last facsimile number on file with the Commission.

# 4413.4 Amendment

Ordinance No. <u>107119</u> is amended and restated on the date this Ordinance takes effect.

# 1413.5 Effective Date

 This Ordinance is effective July January 1, 20142025.

# <u>Chart A – Per-Square Foot Ground Rent</u> (annual rate per square foot)

|              | <del>2012</del> 20    | <del>2013</del> 2026   | <del>2014</del> 2027   | <del>2015</del> 2028    | <del>2016</del> 2029          | <del>2017</del> 2030    |
|--------------|-----------------------|------------------------|------------------------|-------------------------|-------------------------------|-------------------------|
|              | <u>25</u>             |                        |                        |                         |                               |                         |
| St. Paul     | \$0. <del>623</del> 9 | <u>\$0.64396</u>       | \$0. <del>664</del> 99 | <del>0.685</del> \$1.02 | <del>0.708</del> \$1.05       | <del>0.731</del> \$1.08 |
|              | <u>4</u>              |                        |                        |                         |                               |                         |
| Flying Cloud | \$0. <del>531</del> 7 | \$0. <del>548</del> 82 | \$0. <del>566</del> 84 | \$0. <del>585</del> 87  | \$0. <del>604</del> 89        | \$0. <del>624</del> 92  |
|              | 9                     |                        |                        |                         |                               |                         |
| Anoka County | \$0. <del>531</del> 7 | \$0. <del>548</del> 80 | \$0. <del>566</del> 81 | \$0. <del>585</del> 82  | \$0. <del>604</del> <u>83</u> | \$0. <del>624</del> 84  |
|              | <u>9</u>              |                        |                        |                         |                               |                         |
| Crystal      | \$0. <del>465</del> 7 | \$0. <del>480</del> 72 | \$0. <del>496</del> 74 | \$0. <del>513</del> 76  | \$0. <del>530</del> 79        | \$0. <del>547</del> 81  |
|              | <u>0</u>              |                        |                        |                         |                               |                         |
| Airlake      | \$0. <del>399</del> 6 | \$0.4 <del>13</del> 65 | \$0.4 <del>27</del> 67 | \$0. <del>441</del> 70  | \$0.4 <del>56</del> 72        | \$0. <del>471</del> 75  |
|              | 2                     |                        |                        |                         |                               |                         |
| Lake Elmo    | \$0. <del>399</del> 6 | \$0. <del>413</del> 62 | \$0. <del>427</del> 64 | \$0. <del>441</del> 66  | \$0.4 <del>56</del> 68        | \$0. <del>471</del> 70  |
|              | <u>1</u>              |                        |                        |                         |                               |                         |
|              |                       |                        |                        |                         |                               |                         |

# 

# <u>Chart B – Commercial Ground Rent without percentage</u> (annual rate, per square foot)

|              | <del>2012</del> 20    | <del>2013</del> 2026   | 20142027                       | <del>2015</del> 2028                  | <del>2016</del> 2029   | <del>2017</del> 2030                  |
|--------------|-----------------------|------------------------|--------------------------------|---------------------------------------|------------------------|---------------------------------------|
|              | <u>25</u>             |                        |                                |                                       |                        |                                       |
| St. Paul     | \$0. <del>457</del> 7 | \$0. <del>472</del> 77 | \$0.488 <u>81</u>              | \$0. <del>504</del> 83                | \$0. <del>521</del> 86 | \$0. <del>538</del> 88                |
|              | <u>3</u>              |                        |                                |                                       |                        |                                       |
| Flying Cloud | \$0. <del>393</del> 6 | \$0. <del>406</del> 67 | <u>\$</u> 0. <del>420</del> 70 | <u>\$</u> 0. <del>434</del> <u>72</u> | <u>\$0.44874</u>       | <u>\$</u> 0. <del>464</del> <u>77</u> |
|              | <u>4</u>              |                        |                                |                                       |                        |                                       |
| Anoka County | \$0. <del>393</del> 5 | \$0. <del>406</del> 62 | \$0. <del>420</del> 66         | \$0. <del>434</del> 67                | \$0. <del>448</del> 68 | \$0.4 <del>6</del> 4 <u>70</u>        |
|              | <u>9</u>              |                        |                                |                                       |                        |                                       |
| Crystal      | \$0. <del>347</del> 5 | \$0. <del>359</del> 54 | \$0. <del>371</del> 57         | \$0. <del>383</del> 59                | \$0. <del>397</del> 60 | <u>\$0.41062</u>                      |
|              | <u>2</u>              |                        |                                |                                       |                        |                                       |
| Airlake      | \$0. <del>235</del> 4 | \$0. <del>243</del> 48 | \$0. <del>252</del> 51         | \$0. <del>261</del> 52                | \$0. <del>271</del> 54 | <u>\$0.<del>280</del>56</u>           |
|              | <u>6</u>              |                        |                                |                                       |                        |                                       |
| Lake Elmo    | \$0. <del>235</del> 4 | \$0. <del>243</del> 45 | \$0. <del>252</del> 46         | \$0. <del>261</del> 48                | \$0. <del>271</del> 49 | \$0. <del>280</del> 51                |
|              | 4                     |                        |                                |                                       |                        |                                       |

# 

# <u>Chart C − Commercial Ground Rent with percentage</u> \* (annual rate, per square foot)

|              | <del>2012</del> 202    | <del>2013</del> 2026           | <del>2014</del> 2027   | <del>2015</del> 2028   | <del>2016</del> 2029   | <del>2017</del> 2030   |
|--------------|------------------------|--------------------------------|------------------------|------------------------|------------------------|------------------------|
|              | <u>5</u>               |                                |                        |                        |                        |                        |
| St. Paul     | \$0. <del>307</del> 52 | \$0. <del>318</del> 57         | \$0. <del>329</del> 62 | \$0. <del>340</del> 64 | \$0. <del>352</del> 66 | \$0. <del>364</del> 68 |
| Flying Cloud | \$0. <del>294</del> 48 | \$0. <del>30</del> 4 <u>52</u> | \$0. <del>315</del> 56 | \$0. <del>326</del> 58 | \$0. <del>337</del> 60 | \$0. <del>349</del> 61 |
| Anoka County | \$0. <del>202</del> 38 | \$0. <del>209</del> 44         | \$0. <del>217</del> 51 | \$0. <del>225</del> 52 | \$0. <del>234</del> 54 | \$0. <del>242</del> 55 |
| Crystal      | \$0. <del>202</del> 34 | \$0. <del>209</del> 37         | \$0. <del>217</del> 40 | \$0. <del>225</del> 41 | \$0. <del>234</del> 42 | \$0. <del>242</del> 43 |
| Airlake      | \$0. <del>176</del> 30 | \$0. <del>182</del> 32         | \$0. <del>189</del> 34 | \$0. <del>196</del> 35 | \$0. <del>204</del> 36 | \$0. <del>212</del> 37 |

872 873 874

875

876 877

878

| Lake Elmo | \$0. <del>176</del> 28 | \$0. <del>182</del> 28 | \$0. <del>189</del> 28 | \$0. <del>196</del> 29 | \$0. <del>204</del> 30 | \$0. <del>212</del> 31 |
|-----------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|

<del>2015</del>2029

<u>\$0.<del>112</del>19</u>

20162030

\$0.<del>117</del>19

**Deleted Cells** 

**Deleted Cells** 

# <u>Chart D1 – Fuel Flowage Fees for Jet A at STP, FCM, and ANE</u> (rate per gallon)

| 2        | <u>2025</u>  |  |                               |   |                        | <u>2026</u> | <del>2013</del> 202           | 27  | <del>2014</del> 2028   |       |
|----------|--------------|--|-------------------------------|---|------------------------|-------------|-------------------------------|-----|------------------------|-------|
| St. Paul |              |  | \$0. <del>132</del> <u>16</u> |   | \$0. <del>100</del> 17 |             | \$0. <del>104</del> <u>17</u> |     | \$0. <del>108</del> 18 |       |
|          | "            |  | 0.132                         | 0 | .100                   | .0.104      | 0.108                         | 0.1 | 12                     | 0.117 |
|          | Flying Cloud |  |                               |   |                        |             |                               |     |                        |       |
|          | Anoka County |  | 0.132                         | Đ | .100                   | 0.104       | 0.108                         | 0.1 | 12                     | 0.117 |
|          |              |  |                               |   |                        |             |                               |     |                        |       |

| Ordinance No.119.                             |
|---|
| Reliever Airports Rates and Charges Ordinance |
| Effective JulyJanuary 1, 2014-2025            |

# <u>Chart D2 – Fuel Flowage Fees for 100 Low Lead; and for Jet A at LVN, MIC, and 21D</u> (rate per gallon)

| 2025                 |                        | 2012                      | <u> 2026</u>     | <del>2013</del> 202   | 27 2  | <del>014</del> 2028  | <del>2015</del> 2029           | <del>2016</del> 2030   | Deleted Cells |
|----------------------|------------------------|---------------------------|------------------|-----------------------|-------|----------------------|--------------------------------|------------------------|---------------|
| <del>St. Paul</del>  | \$0. <del>132</del> 17 | <u>\$</u> 0. <del>1</del> | <del>37</del> 18 | \$0. <del>142</del> 1 | 9 \$  | 0. <del>148</del> 20 | \$0. <del>15</del> 4 <u>20</u> | \$0. <del>160</del> 21 | Deleted Cells |
| Flying Cloud         | 0.132                  | 0.137                     | 0.142            | 0.148                 | 0.154 | 0.160                |                                |                        |               |
| Anoka County         | 0.132                  | 0.137                     | 0.142            | 0.148                 | 0.154 | 0.160                |                                |                        |               |
| Crystal              | 0.105                  | 0.109                     | 0.114            | 0.118                 | 0.123 | 0.128                |                                |                        |               |
| Airlake              | 0.105                  | 0.109                     | 0.114            | 0.118                 | 0.123 | 0.128                |                                |                        |               |
| <del>Lake Elmo</del> | 0.105                  | 0.109                     | 0.114            | 0.118                 | 0.123 | 0.128                |                                |                        |               |

\* Plus applicable percentage rate on annual calendar year Net Gross Revenue per Section 2.2.b.

# Chart E - Sublease Fee (annual rate per aircraft)

# Chart D3 – Fuel Flowage Fees for Reliever Airports AvGas (rate per gallon)

| <u>2025</u>            | <del>2012</del> 2026      | <del>2013</del> 2027   | 2014              | 2028             | <del>2015</del> 2029     | <del>2016</del> 203  | 30    | <del>2017</del> |
|------------------------|---------------------------|------------------------|-------------------|------------------|--------------------------|----------------------|-------|-----------------|
| Single                 | <del>182.50</del> \$0.23  | <del>189.80</del> \$0. | .24 197.3         | 39 <u>\$0.25</u> | <del>205.29</del> \$0.26 | <del>213.50</del> \$ | 0.27  | 222.04          |
| Engine /               |                           |                        |                   |                  |                          |                      |       |                 |
| Turbo Prop             |                           |                        |                   |                  |                          |                      |       |                 |
| +                      |                           |                        |                   |                  |                          |                      |       |                 |
| Reciprocatin           |                           |                        |                   |                  |                          |                      |       |                 |
| <del>g</del> \$0.22    |                           |                        |                   |                  |                          |                      |       |                 |
| Twin Engine            | <del>2 / Turbo Prop</del> | 365.00                 | 379.60            | 394.78           | 410.58                   | 427.00               | 444.0 | 98              |
| <del>/ Reciproca</del> | ting                      |                        |                   |                  |                          |                      |       |                 |
|                        |                           |                        |                   |                  |                          |                      |       |                 |
| Turbo Jet E            | <del>ngine</del>          | <del>730.00</del>      | <del>759.20</del> | 789.57           | <del>821.15</del>        | <del>854.00</del>    | 888.  | <del>16</del>   |
|                        |                           |                        |                   |                  |                          |                      |       |                 |

Chart F - Non Aviation/Complementary Business License Fee (monthly rate)

# <u>Chart D4 – Fuel Flowage Fees for MSP Fixed Base Operators, all Fuel types (rate per gallon)</u>

| 2025                 | <del>2012</del> 2026     | <del>2013</del> 2027     | <del>2014</del> 2028     | <del>2015</del> 2029     | <del>2016</del> 2030     | <del>2017</del>   |
|----------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------|
| \$0.22 <del>AⅡ</del> | <del>173.89</del> \$0.23 | <del>179.11</del> \$0.24 | <del>184.48</del> \$0.25 | <del>190.01</del> \$0.26 | <del>195.71</del> \$0.27 | <del>201.59</del> |
| Reliever             |                          |                          |                          |                          |                          |                   |
| Airports             |                          |                          |                          |                          |                          |                   |

**Deleted Cells** 

**Deleted Cells** 

899

900

<u>Chart G -- Administration</u>E -- <u>Non-Aviation/Complementary Business License</u> \*\* ((monthly rate per request or transaction)

| <del>2012</del> 2025                                      | <del>2013</del> 2026 | 2014              | 2027              | <del>2015</del> 2028                          | <del>2016</del> 20                     | 29 20:                                 | L <del>7</del> 2030   |
|---|----------------------|-------------------|-------------------|---|--|--|-----------------------|
| Approval of Tenant<br>Modification to Leased<br>Area      | <del>105.00</del>    | 108.15            | <del>111.39</del> | 114.74  | <del>118.18</del>                      | 121.72                                 |                       |
| Consent to Leasehold Mortgage and Subordination Agreement | 115.00 118.45        |                   | 122.00            | 125.66  | 129.43                                 | 133.32                                 |                       |
| Consent to Sublease –<br>Commercial Lease                 | <del>243.00</del>    | <del>250.29</del> | 257.80            | <del>265.53</del>                             | <del>273.50</del>                      | 281.70                                 |                       |
| All Reliever AirportsSta ndard Amendmen t                 | 190.55\$18<br>40     | 35. 196.2<br>96   |                   | <del>202.1</del> 5 <u>\$196</u><br>6 <u>9</u> | 208.22 <u>9</u><br>59                  | \$202. 214<br>8.6                      | 1.47 <u>\$20</u><br>7 |
| Standard Assignment Standard Termination                  | 185.00<br>105.00     | 190.55<br>108.15  | 196.27<br>111.39  | <del>202.15</del><br><del>114.74</del>        | <del>208.22</del><br><del>118.18</del> | <del>214.47</del><br><del>121.72</del> |                       |

901 902

\*\* Plus additional amount, if applicable, per Section 8.2.

**Minimum Landing Fee at STP, FCM & ANE** 

903 904

905

907

Other Fees

906

908

\$500.00 **Waiting List Fee** 

909

<u>Chart F – Administration Fee</u> (rate per request or transaction)

910 911 912

|  | 2025  | 2026         | 2027         | 2028         | 2029  | 2030  |
|--|-------|--------------|--------------|--------------|-------|-------|
| Approval of Tenant Modification to     | \$190 | <u>\$196</u> | \$202        | \$208        | \$214 | \$220 |
| <u>Leased Area</u>                     |       |              |              |              |       |       |
| Consent to Leasehold Mortgage and      | \$180 | <u>\$185</u> | <u>\$191</u> | <u>\$197</u> | \$203 | \$209 |
| Subordination Agreement*               |       |              |              |              |       |       |
| Consent to Sublease – Commercial Lease | \$265 | \$273        | \$281        | \$290        | \$298 | \$307 |

\$20.00

Ordinance No.119.\_\_\_ Reliever Airports Rates and Charges Ordinance— Effective JulyJanuary 1, 2014-2025

| \$290 | \$299          | \$308                      | <u>\$317</u>                           | \$326   | \$336   |
|-------|----------------|----------------------------|--|---|---|
|       |                |                            |  |   |   |
| \$290 | \$299          | \$308                      | \$317                                  | \$326   | \$336   |
| \$290 | \$299          | \$308                      | \$317                                  | \$326   | \$336   |
| \$200 | \$206          | \$212                      | <u>\$219</u>                           | \$225   | \$232   |
|       | \$290<br>\$290 | \$290 \$299<br>\$290 \$299 | \$290 \$299 \$308<br>\$290 \$299 \$308 | \$290         \$299         \$308         \$317           \$290         \$299         \$308         \$317 | \$290     \$299     \$308     \$317     \$326       \$290     \$299     \$308     \$317     \$326 |

\*If legal review for these documents exceeds one hour of work, the actual cost of the review will be billed, rather than the Chart F rate.



# ATTACHMENT 3 PUBLIC HEARING TRANSCRIPT

|    | Page 1   |
|----|--|
| 1  | METROPOLITAN AIRPORTS COMMISSION                     |
| 2  |  |
| 3  |  |
| 4  |  |
| 5  | PUBLIC HEARING                                       |
| 6  | RE:  |
| 7  | DRAFT RELIEVER AIRPORTS RATES AND CHARGES ORDINANCE  |
| 8  |  |
| 9  | HELD ON  |
| 10 | JULY 15, 2024  |
| 11 | 6:18 P.M.  |
| 12 | METROPOLITAN AIRPORTS COMMISSION                     |
| 13 | GENERAL OFFICE BUILDING                              |
| 14 | 6040 28TH AVENUE SOUTH, MINNEAPOLIS, MINNESOTA 55450 |
| 15 |  |
| 16 |  |
| 17 |  |
| 18 |  |
| 19 |  |
| 20 |  |
| 21 |  |
| 22 |  |
| 23 |  |
| 24 |  |
| 25 | REPORTED BY: Emily B. Kramm                          |

www.veritext.com 888-391-3376

| Page 2  |   | Page 4  |
|---|---|---------|
| 1 APPEARANCES   | 1 EXHIBITS (Continued)  | 1 age 4 |
|   | 2 Exhibit K Affidavit of Webposting the Notice of<br>Public Hearing on metroairports.org, |         |
| 2   | 3 dated June 18, 2024:  |         |
| 3 METROPOLITAN AIRPORTS COMMISSION ATTENDEES:   | 4 (1) Tenant Letter, June 18, 2024<br>5 (2) Notice of Public Hearing, June 18,            |         |
| 4 Andrew Hanson, Attorney   | 2024  |         |
| 5 Blaine Peterson, Manager Reliever Airports  | (3) Ordinance No. 115 Amended   |         |
| 6 Braj Agrawal, Commissioner  | 7 Ordinance - Redline, June 18, 2024  |         |
| 7 Carl Crimmins, Commissioner   | 8 (4) Ordinance No. 119 Amended<br>Ordinance - Redline, June 18, 2024                     |         |
| 8 Chad Leqve, Vice President Management &   | 9 (5) Proceed Parts Charts June 19  |         |
| 9 Operations  | (5) Proposed Rate Charts, June 18,<br>10 2024   |         |
| 10 Demetria Dyer, Attorney  | 11 (6) Reports and Analysis:<br>12 (a) Market Rent Update Report,                         |         |
| 11 Kelly Gerads, Assistant Director Reliever  | December 22, 2023   |         |
| 12 Airports   | (b) Fuel Flowage Fee Review,  |         |
| 13 Kelly Ubel, Leasing Coordinator  | 14 December 22, 2023  |         |
| 14 Phil Tiedeman, Manager Reliever Airports   | 15 (c) Analysis using Proposed<br>Rates, June 18, 2024                                    |         |
| 15 Rob Dockry, Manager Reliever Airports  | 16  |         |
| 16 Sam Seafeldt, Manager Reliever Airports  | Exhibit L Affidavit of Mailing the Notice of 17 Public Hearing and Reliever Airports      |         |
| 17 OTHER ATTENDEES:   | Tenant Letter, dated June 18, 2024  |         |
| 18 Allerton Paulson Jr., Self   | 18 Exhibit M Minnesota Aviation Trades Association  |         |
|   | 19 (MATA) Presentation,   |         |
| 19 Gene DePalm, MATA  | dated June 26th, 2024   |         |
| 20 Jarod Olson, Thunderbird Aviation  | Exhibit N Proposed Reliever Airports Fuel 21 Flowage and Landing Fees,                    |         |
| 21 John Krack, both as RAAC and Tenant  | dated July 10, 2024   |         |
| 22 Michael Lawrence, Premier Jet Center   | 22 Exhibit O Public Hearing Draft Ordinance   |         |
| 23 Nancy Grazzini-Olson, Thunderbird Aviation   | 23 Reliever Airports Rates and Charges  |         |
| 24 Phil Martineau, Tenant, STP  | (Clean and Redlined),<br>24 dated July 15, 2024   |         |
| 25 Russell Freeman, Thunderbird Aviation  | 25  |         |
| Page 3  |   | Page 5  |
| 1 EXHIBITS  | 1 EXHIBITS (Continued)  |         |
| 3 EXHIBIT DESCRIPTION   | 2 Exhibit P Public Hearing Draft Ordinance  |         |
| 4 Exhibit A Memorandum to Operations, Finance and Administration Committee Requesting a | Airfield Use and Terminal 2-Humphrey  |         |
| 5 Public Hearing on a Draft General   | 3 Ordinance (Clean and Redlined),<br>dated July 15, 2024                                  |         |
| Aviation Rates and Charges Ordinance,<br>dated March 27, 2024                           | 4   |         |
| 7 Exhibit B Minutes to the April 15, 2024,  | Exhibit Q Notice to Commercial Operators  |         |
| Commission Meeting  | 5 Regarding Proposed Fuel Flowage and   |         |
| 8 Exhibit C MAC's letter to tenants, dated May 2,                                       | Landing Fees, emailed from Joe Harris,  |         |
| 9 2024, announcing information meetings   | 6 dated July 12, 2024   |         |
| on May 22   | 7   |         |
| Exhibit D Meeting Handout from May 22, 2024,  | 8 (Exhibits attached to transcript.)  |         |
| 11 tenant information meeting 12 Exhibit E Information Meeting PowerPoint               | 9   |         |
| Presentation from May 22, 2024,   | 10  |         |
| 13 tenant information meeting 14 Exhibit F Market Rent Update Report,                   | 11  |         |
| dated December 22, 2023 (Uploaded to  | 12  |         |
| 15 the website 05/28/2024)  | 13  |         |
| 16 Exhibit G Fuel Flowage Fee Review,<br>dated December 22, 2023 (Uploaded to           | 14<br>  15  |         |
| 17 website 05/28/2024)  | 16  |         |
| 18 Exhibit H Notice of Public Hearing,<br>dated June 18, 2024                           | 17  |         |
| 19  | 18  |         |
| Exhibit I Affidavit of Publication of the Notice<br>20 of Public Hearing in Finance and | 19  |         |
| Commerce, dated June 25, 2024   | 20  |         |
| 21 Exhibit J Affidavit of Publication of the Notice                                     | 21  |         |
| 22 of Public Hearing in State Register,   | 22  |         |
| dated July 8, 2024  | 23  |         |
|   |   |         |
| 24<br>25  | 24<br>  25  |         |

2 (Pages 2 - 5)

| ,   | Page 6  | 1   | Page 8  |
|---|---|---|---|
| 1   | PROCEEDINGS * * *   |   | 2024, by sending your comments to the following   |
| 2   |   |   | address: Attention: Reliever Airports Department,   |
| 3   | COMMISSIONER AGRAWAL: Good evening.   |   | Metropolitan Airports Commission General Office,  |
| 1   | Thank you all for attending. And thank you, Kelly   |   | 6040 28th Avenue South, Minneapolis, Minnesota  |
|   | Gerads, for giving the staff presentation.  |   | 55450-2799.   |
| 6   |   | 6   | And now we're ready for the exhibits to be  |
| 1   | of the Metropolitan Airports Commission on the  |   | entered into the record.  |
|   | Reliever Airports Rates and Charges Draft   | 8   | Ms. Gerads, please proceed.   |
|   | Ordinance.  | 9   | (Exhibits A through Q were introduced.)   |
| 10  | My name is Commissioner Braj Agrawal, along   | 10  | MS. GERADS: Thank you. So the   |
| 11  | ·   |   | exhibits that will be entered into the following  |
| 1   | been designated to act as the hearing officers for  |   | exhibits were entered into the record at the public   |
| 1   | this public hearing. The purpose of today's public  |   | hearing:  |
| 1   | hearing is to receive comments relative to the  | 14  | Memorandum to Operations and Finance and  |
| 1   | Proposed Reliever Airports Rates and Charges  |   | Administration Committee Requesting a Public  |
| 1   | Ordinance. The Proposed Ordinance will repeal and   |   | Hearing on a Draft General Aviation Rates and   |
| 1   | replace MAC Ordinance 119 and amend MAC   |   | Charges Ordinance, dated March 27th, 2024;  |
|   | Ordinance 115, otherwise known as the Reliever  | 18  | B, Minutes to the April 15th, 2024,   |
| 1   | Airports Rates and Charges Ordinance and Airfield   |   | Commission Meeting;   |
|   | Use and Terminal 2-Humphrey Ordinance respectively.   | 20  | C, MAC's letter to tenants, dated May 2nd,  |
| 21  | We will not be answering questions today,   |   | 2024, announcing information meetings on May 22;  |
| 1   | and we will not be taking any actions or making any   | 22  | D, Meeting Handout from May 22nd, 2024,   |
| 1   | recommendation today. All of the verbal and   |   | tenant information meeting;   |
|   | written comments will be taken into consideration   | 24  | E, Information Meeting PowerPoint   |
|   |   |   |   |
| 25  | before taking final action at a future hearing  | 25  | Presentation from May 22nd, 2024, tenant  |
|   | Page 7  |   | Page 9  |
| 1   | Page 7 officers' meeting.   | 1   | Page 9 information meeting;   |
| 1 2   | Page 7 officers' meeting. The hearing today will proceed as follows:  | 1 2   | Page 9 information meeting;<br>F, Market Rent Update Report, dated  |
| 1 2 3   | Page 7 officers' meeting.  The hearing today will proceed as follows: First, exhibits for today's hearing will be entered   | 1<br>2<br>3   | Page 9 information meeting; F, Market Rent Update Report, dated December 22, 2023 (Uploaded to the website 5/28 of  |
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3 (Pages 6 - 9)

24 (6), Reports and Analysis: (a), Market Rent Update

25 Report, December 22, 2023; (b), Fuel Flowage Fee

You may also submit written comments at the

25 public hearing or until 4:00 p.m. on July 26th,

Page 10 Page 12 1 Review, December 22, 2023; (c), Analysis using 1 MS. GERADS: It actually is an 2 Proposed Rates, June 18, 2024; 2 encouragement for them to file, yeah. L, Affidavit of Mailing the Notice of 3 COMMISSIONER CRIMMINS: All right. 4 Public Hearing and Reliever Airports Tenant Letter, 4 Thank you. dated June 18, 2024; COMMISSIONER AGRAWAL: All right. Now M, Minnesota Aviation Trades Association 6 we will take public testimony. We will take 7 (MATA) Presentation, dated June 26th, 2024; 7 comments first from any elected officials who are 8 8 here, next from anyone who has made a request in N, Proposed Reliever Airports Fuel Flowage 9 and Landing Fees, dated July 10, 2024; 9 advance to speak, then from any person who has 10 O, Public Hearing Draft Ordinance Reliever 10 signed up to speak today. 11 Airports Rates and Charges (Clean and Redlined), When I ask individuals to come forward, I 12 dated July 15, 2024; 12 will call your name as it is written on the speaker P, Public Hearing Draft Ordinance Airfield 13 cards. Based on the number of speaker cards, I'm 14 Use and Terminal 2-Humphrey Ordinance (Clean and 14 going to limit each speaker's time to five minutes. 15 Redlined), dated July 15, 2024; 15 Please limit your testimony to issues regarding the Q, Notice to Commercial Operators Regarding 16 Proposed Ordinance. 17 Proposed Fuel Flowage and Landing Fees, emailed 17 In the interest of hearing everyone's 18 from Joe Harris, dated July 12, 2024. 18 views, if you agree with the previous speaker, That concludes the exhibits. 19 please indicate that you simply agree with that 20 COMMISSIONER AGRAWAL: Thank you very 20 person. 21 much. 21 We also have a court reporter here today. 22. MS. GERADS: And I will provide these 22 So anyone who speaks is asked to first state and 23 exhibits to the court reporter. 23 spell their name and the name of their company, 24 COMMISSIONER AGRAWAL: All right. Are 24 organization, or group they may represent. If you 25 there any questions from Commissioner Carl 25 have a business card, please leave that with the Page 13 Page 11 1 Crimmins, one of the hearing officers, about the 1 court reporter. 2 presentation? If you have a prepared written statement or 3 COMMISSIONER CRIMMINS: Thank you. 3 document, you may read it into the record or you 4 Thank you, Mr. Chair. 4 may submit it, and it will become part of the Kelly, I had one question. On that 180-day 5 hearing officers' report. 6 time limit to renew their -- submit their form and As a reminder, we will not be answering 7 renew it --7 questions or making a decision at today's hearing. 8 MS. GERADS: Yes. 8 The purpose of the hearing is to take testimony COMMISSIONER CRIMMINS: -- wasn't that 9 from interested parties. The hearing officers will 10 due to -- do they have to do something on a timely 10 take all verbal and written comments into 11 basis? 11 consideration before taking final action on the 12 MS. GERADS: Yes. So commercial --12 Proposed Ordinance at a future meeting. 13 Commissioner, commercial operators on 13 And today's first speaker will be John 14 activity-based reports are required to report by 14 Krack. 15 the end of the month for the preceding calendar 15 If you'd come up, please. MR. KRACK: Yes. Do you have me down 16 month's activity. If, for some reason, they would 16 17 have reason to change that report, they have 17 as RAAC or as tenant? 18 COMMISSIONER AGRAWAL: You wrote down 18 180 days to do so. 19 COMMISSIONER CRIMMINS: But only if 19 RAAC. 20 they file on --20 MR. KRACK: Okay. 21 MS. GERADS: On a timely basis. 21 MS. GERADS: John, I will take your 22 COMMISSIONER CRIMMINS: -- on time? 22 next sheet as well. 23 MS. GERADS: Yeah. 23 MR. KRACK: I think I might go back to 24 COMMISSIONER CRIMMINS: Okay. So if 24 back here. 25 25 they're late-filing it, the 180 days doesn't apply? Good afternoon, Hearing Officers. Thank

4 (Pages 10 - 13)

Page 14 Page 16 1 you for this opportunity to offer input to this 1 Downtown; and Patrick Moynihan, M-o-y-n-i-h-a-n, 2 hearing. 2 representing the Lakeville airport. My name is John Krack. I'm the chair of And that's all I have. 4 the Reliever Airports Advisory Council, which is a 4 COMMISSIONER AGRAWAL: All right. And 5 Commission-sponsored advisory body consisting of 5 then our next speaker is John Krack representing 6 representatives from each of the MAC Reliever 6 himself. 7 7 Airports --MR. KRACK: Okay. So my previous 8 COMMISSIONER AGRAWAL: Could you spell 8 report was on behalf of Reliever Airports Advisory your name for the record, please. 9 Council. This one is on behalf of me, as a storage 10 MR. KRACK: Say again? 10 tenant at the Anoka airport. 11 COMMISSIONER AGRAWAL: Spell your name 11 Again, my name is John Krack. That's 12 for the record. 12 K-r-a-c-k. I've been a storage tenant at the Anoka 13 MR. KRACK: Oh, I'm sorry. K-r-a-c-k. 13 airport since 1984. Over the past 40 years, I've 14 been involved at one level or another with each of 14 Okay. 15 COMMISSIONER AGRAWAL: Thank you. 15 the reviews and changes to Rates and Charges 16 MR. KRACK: So, let's see. 16 Ordinance, and there have been several. 17 Representatives from each of the MAC Reliever 17 This latest iteration has been by far the 18 Airports, plus the Director of Reliever Airports, 18 most open and transparent to date. Kudos go to Joe 19 who is Joe Harris, and one Commissioner 19 Harris, Kelly Gerads, and the rest of the MAC 20 representative who currently is Commissioner 20 Reliever Airports staff for their extra effort to 21 Agrawal. 21 communicate with the various stakeholders and work 22 On behalf of the Reliever Airport 22 with us to develop a plan that, while not perfect, 23 representatives on the RAAC, I would like to enter 23 I personally believe strikes a reasonable cost 24 the following comments into the public hearing 24 balance among the Reliever Airports' users, 25 consistent with the capacities of the various 25 record: We, on the Reliever Airports Advisory Page 15 1 revenue streams around the system, while providing 1 Council (RAAC), commend the Reliever Airports staff 2 cost, stability, and predictability for the tenants 2 on the process used to develop the proposals for 3 Ordinances 119 and 115, and on their efforts to 3 and for other users of the airport. I appreciate the MAC organization's 4 4 achieve a balanced approach to funding the Reliever 5 commitment of support for the Reliever Airports as 5 Airports. We appreciate the transparency demonstrated 6 part of a first-class, metro-wide aviation system. 7 Your improvements over the past several years, with 7 by including the RAAC early in the process -- as 8 more to come, are greatly appreciated. I am 8 Kelly has noted -- sharing the objectives, 9 thoughts, and proposals, and giving due 9 particularly pleased by MAC's recognition that 10 Reliever Airport capital projects require a 10 consideration to our comments. Posting detailed 11 information on the website -- as Kelly had noted --11 significant level of funding from non-Reliever 12 also was very helpful. 12 sources. And this is a big change from where we've 13 been in the past. And the signatories of this comment are 14 John Krack, myself, representing the Anoka airport; 14 The proposed target of 10 percent Reliever, 15 10 percent MSP GA -- as Kelly has outlined -- and 15 Lance Fisher --16 80 percent funding from other sources seems like a 16 Do you want me to spell names? 17 17 reasonable balance for planning and budgeting THE COURT REPORTER: Yes. 18 18 purposes and hopefully proves realistic going MR. KRACK: Okay. Lance Fisher -- I'll 19 give you a hard copy also -- F-i-s-h-e-r, 19 forward. 20 Reducing the annual ground rent escalator 20 representing Flying Cloud, who is the vice chair of 21 is a small benefit and appreciated. I would 21 the RAAC; Marlon Gunderson, that's M-a-r-l-o-n, 22 suggest, however, that the model be reviewed every 22 Gunderson, G-u-n-d-e-r-s-o-n, representing Lake 23 Elmo Airport; Jeff Long, spelled as it sounds, 23 few years and, if revenues across the system come 24 in higher than expected, consider reducing the 24 representing Crystal Airport; Phil Martineau,

5 (Pages 14 - 17)

25 automatic escalators.

25 that's M-a-r-t-i-n-e-a-u, representing St. Paul

Page 18 Page 20 1 I have challenged -- or, yeah, I have 1 is such a higher number than the Reliever Airports, 2 challenged the Sublease Fee since its inception and 2 they should charge accordingly. And from what 3 am happy to see in the proposal that it be dropped. 3 we're proposing tonight, it's a very negligible In summary, I think the Reliever 4 amount in landing fees and 6 cents per gallon. At 5 Airports -- I thank the Reliever Airport staff for 5 1,000 gallons, that's \$60. I don't even think 6 reaching out to constituents early in the process 6 that's an average uplift. I think your average 7 and commend the staff for developing what I believe 7 uplift is about 400 gallons. So do the math. 8 to be a reasonable cost distribution model. I I don't think it's a financial incentive 9 thank the entire Commission for their support of 9 for general aviation traffic to use a reliever 10 the Reliever Airport system and look forward to 10 system or any penalty to use MSP Airport. 11 working with MAC on future projects. 11 That's all I got for you. Thank you. 12 And it's signed by John Krack. And that's 12 COMMISSIONER AGRAWAL: Thank you, sir. 13 all I have. 13 And then the last speaker card we have 14 COMMISSIONER AGRAWAL: Thank you, sir. 14 today is from Jarod Olson from Thunderbird 15 MR. KRACK: And if you would like 15 Aviation. 16 16 copies. MR. OLSON: Commissioners, thank you 17 (Handing documents.) 17 for the time. Jarod Olson, J-a-r-o-d, O-l-s-o-n. 18 COMMISSIONER AGRAWAL: All right. Our 18 I think Michael's speech actually conveyed 19 next speaker that has a card is Michael Lawrence 19 a lot of what I was going to say. So I'll skip 20 from Premier Jet Center. 20 quite a bit of mine here. I would challenge to 21 MR. LAWRENCE: Michael Lawrence. 21 also even look at -- I challenge the MAC to look at 22 M-i-c-h-a-e-l, L-a-w-r-e-n-c-e. 22 themself as serving a product, and their product is 23 Commissioners, thank you for the time. You 23 infrastructure, and to look into how to charge that 24 probably already know what I'm going to say. I've 24 infrastructure to eliminate flowage fees as a 25 already talked to staff multiple times. I've 25 whole. Page 19 Page 21 1 talked to you personally. I'm going to keep it As Michael alluded to, uplifts -- or let me 2 short and to the sweet point tonight. 2 skip that part. We'll leave it at flowage fees as There's a State Statute 473.608, Powers of 3 a whole. I think there's a valid model in there to 4 Corporation, subdivision 27, "Use of reliever 4 at least reduce even the current amounts, if not

5 airports." "The corporation shall develop and 6 implement a plan to divert the maximum feasible 7 number of general aviation operations from 8 Minneapolis International Airport to those 9 designated by the federal aviation administration 10 as reliever airports for the Minneapolis 11 International Airport." 12 What I -- as a commercial operator on a 13 reliever airport, I don't want the money generated 14 by general aviation traffic at MSP flowing into the 15 Reliever Airport system; I want the traffic. I 16 think the other commercial operators at the 17 Reliever Airports want that traffic as well. 18 So I would ask that you challenge MAC staff 19 as to how they are implementing a plan to do that. 20 I think this is a great opportunity to implement a 21 financial plan that would incentivize the use of 22 the Reliever Airport system. 23 If you want to look at it reversely, 24 penalize general aviation traffic for using MSP, or

25 even better yet, the cost of operating MSP Airport

5 eliminate, the flowage fees for Reliever Airports. Thank you for your time. 7 COMMISSIONER AGRAWAL: Thank you very 8 much. 9 This concludes the public testimony portion 10 of this hearing. As I indicated earlier, the 11 hearing record will remain open until 4:00 p.m. on 12 July 26th, 2024, for written comments. Please 13 direct your written comments to the address set 14 forth in the public hearing notice and which was 15 given earlier in my remarks. 16 The next step is for MAC staff to review 17 the public comments and prepare a public hearing 18 officers' report for consideration by the hearing 19 officers at a subsequent meeting of the hearing 20 officers. That meeting date has not yet been set. 21 Thank you for your participation this 22 evening. 23 This public hearing is now closed. 24 (Proceedings concluded at 6:37 p.m.) \* \* \* 25

6 (Pages 18 - 21)

|   | Page 22 |
|---|---------|
| 1 REPORTER'S CERTIFICATE                            |         |
| 2   |         |
| 3   |         |
| 4 I, Emily B. Kramm, Court Reporter, do             |         |
|   |         |
| 5 hereby certify that the foregoing 21 pages of     |         |
| 6 typewritten material constitutes an accurate      |         |
| 7 verbatim stenographic record taken by me of the   |         |
| 8 proceedings on the 15th day of July, 2024, at the |         |
| 9 time and place specified.                         |         |
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| 12 DATED: 21st of July, 2024                        |         |
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| 20<br>21 Girly Kann                                 |         |
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| Emily B. Kramm, Court Reporter                      |         |
| Notary Public, Scott County, Minnesota              |         |
| 24 My commission expires January 31, 2026           |         |
| 25 My commission expires failurity 51, 2020         |         |
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# ATTACHMENT 4

(Available upon request)

# Rates and Charges Ordinance

### **Administrative Record Exhibits**

The following exhibits were entered into the record at the public hearing.

- A. Memorandum to Operations, Finance and Administration Committee Requesting a Public Hearing on a draft General Aviation Rates and Charges Ordinance, dated March 27, 2024.
- B. Minutes to the April 15, 2024, Commission Meeting.
- C. MAC's letter to tenants dated May 2, 2024, announcing information meetings on May 22.
- D. Meeting Handout from May 22, 2024, tenant information meeting.
- E. Information Meeting PowerPoint Presentation from May 22, 2024, tenant information meeting.
- F. Market Rent Update Report dated December 22, 2023 (uploaded to website 5-28-24)
- G. Fuel Flowage Fee Review dated December 22, 2023 (uploaded to website 5-28-24)
- H. Notice of Public Hearing, dated June 18, 2024.
- I. Affidavit of Publication of the Notice of Public Hearing in Finance & Commerce dated June 25, 2024.
- J. Affidavit of Publication of the Notice of Public Hearing in State Register dated July 8, 2024.
- K. Affidavit of Webposting the Notice of Public Hearing on metroairports.org, dated June 18, 2024.
  - 1. Tenant Letter, June 18, 2024
  - 2. Notice of Public Hearing, June 18, 2024
  - 3. Ordinance No 115 Amended Ordinance Redline, June 18, 2024
  - 4. Ordinance No 119 Amended Ordinance Redline, June 18, 2024
  - 5. Proposed Rate Charts, June 18, 2024
  - 6. Reports & Analysis
    - a) Market Rent Update Report, Dec. 22, 2023
    - b) Fuel Flowage Fee Review, Dec. 22, 203
    - c) Analysis using Proposed Rates, June 18, 2024
- L. Affidavit of Mailing the Notice of Public Hearing and Reliever Airports Tenant Letter dated June 18, 2024.
- M. Minnesota Aviation Trades Association (MATA) Presentation dated June 26, 2024.
- N. Proposed Reliever Airports Fuel Flowage and Landing Fees dated July 10, 2024.
- O. Public Hearing Draft Ordinance Reliever Rates and Charges (Clean and Redlined) dated July 15, 2024
- P. Public Hearing Draft Ordinance Airfield Use and Terminal 2-Humphrey Ordinance (Clean and Redlined) dated July 15, 2024.
- Q. Notice to Commercial Operators Regarding Proposed Fuel Flowage and Landing Fees emailed via Reliever Tenant Newsletter dated July 11, 2024.

# ATTACHMENT 5 PUBLIC HEARING AGENDA, DRAFT RATES AND CHARGES ORDINANCE, AND AIRFIELD USE AND TERMINAL 2HUMPHREY ORDINANCE (clean and Redlined versions)

# METROPOLITAN AIRPORTS COMMISSION

# PUBLIC HEARING ON DRAFT ORDINANCE: RELIEVER AIRPORTS RATES AND CHARGES

July 15, 2024 6:00 P.M.

# **AGENDA**

- I. STAFF PRESENTATION
- II. PUBLIC HEARING INTRODUCTION
- III. EXHIBITS ENTERED INTO RECORD
- IV. HEARING OFFICERS' QUESTIONS / COMMENTS
- V. RECEIVE PUBLIC COMMENTS
- VI. CLOSING

| 1        |                 |   |
|----------|-----------------|---|
| 2        |                 | METROPOLITAN AIRPORTS COMMISSION  |
| 3        |                 |   |
| 4        |                 |   |
| 5        |                 |   |
| 6        |                 |   |
| 7        |                 |   |
|          |                 | ORDINANCE No.   |
| 8        |                 | ORDINANCE NO.   |
| 9        |                 |   |
| 10       |                 | RELIEVER AIRPORTS RATES AND CHARGES ORDINANCE   |
| 11<br>12 |                 |   |
| 13       |                 |   |
| 14       |                 |   |
| 15       |                 |   |
| 16       |                 |   |
| 17       |                 | Adopted by Commission:  |
| 18       |                 | Effective Date: January 1, 2025   |
| 19       |                 |   |
| 20       |                 | METROPOLITAN AIRPORTS COMMISSION  |
| 21       |                 | ORDINANCE NO  |
| 22       |                 | RELIEVER AIRPORTS RATES AND CHARGES ORDINANCE   |
| 23       | An or           | dinance of the Matronalitan Airports Commission ("Commission") amonding the rental rates  |
| 24<br>25 |                 | dinance of the Metropolitan Airports Commission ("Commission") amending the rental rates ther charges for property at the Commission's minor and intermediate use airports ("Reliever |
| 26       |                 | rts"), as well as certain charges for general aviation activities at Minneapolis-St. Paul   |
| 27       |                 | national Airport ("MSP"), as provided by Minn. Stat. § 473.651, by amending and restating   |
| 28       |                 | ance 119, as well as amending Ordinance 115 to remove provisions related to fuel flowage fees   |
| 29       |                 | sed to Fixed Base Operators at MSP.   |
| 30       |                 |   |
| 31       |                 | REAS, consistent with federal policy, the rental rates and fees are intended to assist the  |
| 32       |                 | nission in attaining its long-term goal of making the Reliever Airports as financially self-  |
| 33       | sustai          | ning as possible; and   |
| 34<br>35 | \ <b>\</b> /LIE | REAS, having received and considered extensive public input and having fully considered the   |
| 36       |                 | and federal legal requirements concerning the rates that may be charged to users of these   |
| 37       |                 | ver Airports; and   |
| 38       | e.i.e.          | ice rui porto, una  |
| 39       | WHEF            | REAS, this Ordinance No ("Ordinance") may be interchangeably be referred to as  |
| 40       |                 | ance No, "Ordinance No. 119, as amended," as "Ordinance No. 114 as amended," as   |
| 41       | "Ordi           | nance No. 107 as amended," as "Ordinance No. 101 as amended," and as "Ordinance No. 87 as   |
| 42       | amen            | ded";   |
| 43       |                 |   |
| 44       | NOW             | THEREFORE, the Commission does ordain:  |
| 45<br>46 | SECTI           | ON 1 - DEFINITIONS  |
| 46<br>47 | <u>36011</u>    | ON 1 – DEFINITIONS  |
| 48       | 1.1             | Based Aircraft. An aircraft that is registered in the State of Minnesota with the Department  |
| 49       |                 | of Transportation, Office of Aeronautics as being based at one of the Reliever Airports.  |

| 50   |      |  |
|--|------|--|
| 51<br>52   | 1.2  | Based Tenant. A Storage Tenant or Commercial Tenant. This does not include subtenants.   |
| 53<br>54<br>55<br>56<br>57<br>58                   | 1.3  | Commercial Tenant. A Tenant that has entered into a commercial lease with the Commission at a Reliever Airport and that is authorized to do one or more of the following: sale, repair or storage of aircraft; sale of aircraft parts and accessories; sale of flight or ground instruction; flying for charter or hire; sale of aircraft fuel and lubrication services; rental of aircraft; or other activities deemed commercial and approved by the Commission.   |
| 59<br>60<br>61                                     | 1.4  | Commission. The Metropolitan Airports Commission, a public corporation organized and operating pursuant to Chapter 500, Laws of Minnesota 1943 and amendments thereto.   |
| 62<br>63   | 1.5  | CPI. The consumer price index identified as the All Urban Consumers – Midwest Region.  |
| 64<br>65<br>66                                     | 1.6  | Director of Reliever Airports. The Commission's administrative officer responsible for the Reliever Airports.  |
| 67<br>68   | 1.7  | Executive Director. The Commission's chief executive officer or a designated representative.   |
| 69<br>70<br>71                                     | 1.8  | Flying Club. An entity defined by Minnesota Statutes § 360.013, subd. 48 or Minnesota Rules § 8800.4100, subp. 2, or as either are amended.  |
| 72<br>73<br>74                                     | 1.9  | Fuel. Aviation gasoline and any other gasoline, petroleum product, fuel, or other substance used in the propulsion of aircraft, automobiles, trucks, and other ground vehicles.  |
| 75<br>76<br>77<br>78<br>79<br>80<br>81<br>82<br>83 | 1.10 | Fixed Base Operator ("FBO"). A full-service, aeronautical, commercial operation at the Reliever Airports that is authorized to engage in the sale of products, services, and facilities to aircraft operators. FBOs must provide, at a minimum, the following aeronautical activities at the airport: aircraft refueling to include jet fuel, AvGas, and aircraft lubricants; aircraft line services; airframe and power plant maintenance; aircraft storage/hangars rentals and tiedowns; passenger, crew, and aircraft ground services, support and amenities. FBOs may also provide optional services as approved by the Commission, which may include: flight training, aircraft rental, aircraft charter or air taxi, avionics sales and service. |
| 84<br>85<br>86                                     | 1.11 | Gross Sales. Gross Sales, as defined in a Commercial Tenant's lease, less exclusions, as allowed by the Commercial Tenant's lease.   |
| 87<br>88<br>89                                     | 1.12 | Gross Sales Thresholds. Those amounts of annual Reportable Year Gross Sales set forth in Section 2.2.a. that establish when the rates in Chart B apply to a Commercial Tenant.   |
| 90<br>91<br>92                                     | 1.13 | Immediate Family Member. A spouse, parent, child, brother or sister (including half-relations and step-relations, but excluding in-law relations) of the Tenant.   |
| 93<br>94<br>95<br>96<br>97                         | 1.14 | Jet-A Fuel. A kerosene-based fuel designed for use in turbine engine aircraft, regulated by the American Society for Testing and Materials ("ASTM"). For referenced ASTM standards, visit the ASTM website, www.astm.org, or contact ASTM Customer Service at service@astm.org.  |
| 98   | 1.15 | Leased Area. That area defined in the description of premises section in the Tenant's lease.   |

| 100<br>101<br>102                             | 1.16   | Military Aircraft. Aircraft owned and/or operated by components of the military forces of the United States of America or of the State of Minnesota.  |
|---|--------|---|
| 103<br>104<br>105                             | 1.17   | Military Tenant. A Storage Tenant that is any component or branch of the military forces of the United States of America or of the State of Minnesota.  |
| 106<br>107<br>108<br>109<br>110<br>111<br>112 | 1.18   | Non-Aviation/Complementary Business License Agreement. A license agreement granted by the Commission for the purpose of conducting a business on the airport that is non-aviation, yet provides a complementary product or service to airport users. Examples of complementary products/services include aviation insurance companies, aviation legal services, auto rental and limousine services, travel agencies, delivery/courier services, and aviation museums. |
| 113<br>114<br>115<br>116                      | 1.19   | Reliever Airport. Any intermediate use or minor use Reliever Airport now or in the future owned and/or operated by the Commission, including: St. Paul Downtown, Flying Cloud, Anoka County-Blaine, Crystal, Airlake, and Lake Elmo.  |
| 117<br>118<br>119                             | 1.20   | Reportable Year. The time period from October 1 through September 30, which is used to determine which Gross Sales Thresholds apply.  |
| 120<br>121<br>122<br>123                      | 1.21   | Repositioning Flight. A flight made between Reliever Airports to pick up passengers or cargo where one of the Reliever Airports was an intermediate stop and for which flight a landing fee is paid for landing at another Reliever Airport.  |
| 124<br>125<br>126<br>127                      | 1.22   | Signatory Airline. An operator of aircraft that pays for use of Minneapolis-St. Paul International Airport pursuant to a use fee agreement and, where applicable, a Commission ordinance.   |
| 128<br>129<br>130<br>131                      | 1.23   | Special Rent Assessment. Fees charged by the Commission and paid by Tenants to offset the costs of Reliever Airport projects or services which benefit the Tenant, including, but not limited to sewer, water, other utilities, and pavement installation or rehabilitation.  |
| 132<br>133<br>134                             | 1.24   | Storage Tenant. A Reliever Airport Tenant that has entered into an aircraft storage lease with the Commission.  |
| 135<br>136<br>137<br>138<br>139               | 1.25   | Tenant. Any person, partnership, corporation, or other entity that leases property from the Commission at a Reliever Airport. This definition and the rents and fees in this Ordinance apply even if the lease has expired and the property continues to be occupied by a holdover Tenant.  |
| 140   | SECTIO | DN 2 – RENTS  |
| 141<br>142<br>143<br>144<br>145               | 2.1    | Storage Tenant Per-Square-Foot Ground Rent  Storage Tenants shall pay the rate per square foot of Leased Area per year stated on the attached Chart A.  |
| 146<br>147<br>148                             | 2.2    | Commercial Tenant Rent  |

Commercial Tenants shall pay ground rent and percentage rents as specified below, by paying the applicable amount in Section 2.2.a. or 2.2.b., whichever is greater. However, if a Commercial Tenant had Gross Sales below or above the applicable Gross Sales Threshold in the preceding Reportable Year, then a Commercial Tenant shall pay ground rent as stated on the attached Chart A and no percentage rent (if below the Gross Sales Threshold), or the amount in Section 2.2.b. (if above the Gross Sales Threshold), whichever is greater, as determined on a monthly basis, during the calendar year following the Reportable Year.

### a. Ground Rent and Gross Sales Thresholds

The Gross Sales Threshold for FBOs at St. Paul Downtown Airport, Flying Cloud Airport, and Anoka County-Blaine Airport is: Gross Sales in the Reportable Year of one hundred forty-six thousand dollars (\$146,000.00) or more, but less than five hundred eighty-one thousand dollars (\$581,000.00).

The Gross Sales Threshold for FBOs at Airlake Airport, Lake Elmo Airport, or Crystal Airport is: Gross Sales in the Reportable Year of one hundred forty-six thousand dollars (\$146,000.00) or more, but less than two hundred ninety thousand (\$290,000.00) dollars.

An FBO that falls within its Gross Sales Threshold must pay ground rent at the rate stated on the attached Chart B and no percentage rent or the amount in Section 2.2.b., whichever is greater, as determined on a monthly basis, during the calendar year following the Reportable Year.

The Gross Sales Threshold for all other Commercial Tenants is: Gross Sales in the Reportable Year of one hundred forty-six thousand dollars (\$146,000.00) or more, but less than three hundred sixty-three thousand dollars (\$363,000.00).

Non-FBO Commercial Tenants that fall within its Gross Sales Threshold shall pay ground rent at the rate per square foot of Leased Area per year stated on the attached Chart B and no percentage rent or the amount in Section 2.2.b., whichever is greater, as determined on a monthly basis, during the calendar year following the Reportable Year..

If a Commercial Tenant fails to submit a monthly report of Gross Sales as required by Section 2.3.b.3. for the purpose of determining the applicable Gross Sales Thresholds, that Gross Sales Threshold will be determined based upon the lowest three (3) months of reported Gross Sales during the current Reportable Year.

Beginning January 1, 2026, the Gross Sales Thresholds will be adjusted annually according to the CPI.

### b. <u>Percentage Rent</u>

A Commercial Tenant shall pay to the Commission 1.5% of its annual calendar year Gross Sales, plus the rate per square foot of Leased Area per year as stated on attached Chart C.

# 2.3 <u>Rent Payments</u>

# a. Storage Tenant Per-Square-Foot Ground Rent

Storage Tenants shall pay Per-Square-Foot Ground Rent, pursuant to Section 2.1, annually and in advance on or before the effective date of their lease, unless otherwise notified by the Commission in writing of different payment dates. Rent is calculated as the total of the rate stated in Chart A multiplied by the square footage of Leased Area, rounded to the nearest penny.

### b. Commercial Tenants

# Ground Rent

Commercial Tenants shall pay ground rent for the next month by the last day of the current month, unless otherwise notified by the Commission in writing of different payment dates. Monthly rent is one-twelfth of the annual rent, which is calculated as the total of the appropriate rate stated in the attached Rent and Fee Schedule multiplied by the Commercial Tenant's square footage of Leased Area, rounded to the nearest penny.

# 2. Percentage Rent

Commercial Tenants shall simultaneously pay percentage rent and submit percentage reports by the last day of the current month for the previous calendar month, unless otherwise notified by the Commission in writing of different payment dates.

# 3. Monthly Report

Each Commercial Tenant shall submit a report of Gross Sales by the last day of the current month for the previous calendar month, unless otherwise notified by the Commission in writing of different reporting dates. Commercial Tenants shall submit this report no matter which rate chart is applicable or how much, if any, Gross Sales occurred.

# 4. Adjustment and Reconciliation

Commercial Tenants may adjust any Monthly Report timely submitted within the past one hundred eighty (180) days. Any changes to the Gross Sales or to any exclusions from Gross Sales reported must be accompanied by sufficient information from Commercial Tenant's books and records to support the adjusted amount(s). The Commission reserves the right to reject any adjusted Monthly Report as insufficiently justified by Commercial Tenant's books and records. Any overpayments made by a Commercial Tenant as a result of the error in the original Monthly Report will be credited to Commercial Tenant's next rental payment (or refunded, if Tenant's lease is expired, assigned, or terminated). If the adjustment indicates that insufficient rent was paid, the Commercial Tenant shall pay the amount due within thirty (30) days of invoice from the Commission.

# 247 2.4 Applicability of Rates

Unless otherwise specified by the terms of Tenant's lease, the rental rates in this Ordinance replace the rent provisions in the Tenant's lease with the Commission.

If the lease is expired or terminated or if the Tenant abandons the property prior to expiration or termination of the lease, the Tenant is not released from responsibility for ground rents, percentage rents and corresponding reports, or any other payments due to the Commission.

# **SECTION 3 – FUEL FLOWAGE FEES**

# 3.1 Fueling

# a. Authorization

 Tenants shall not dispense Fuel unless fueling is specifically authorized by the Commission in writing.

# b. Compliance

Fueling shall be conducted in compliance with all applicable codes and regulations. Fueling is prohibited in areas that pose a hazard to public safety as determined by the Commission.

# 3.2 Fuel Flowage Fees

Tenants that are authorized to dispense Fuel, shall pay the applicable Fuel flowage fees as described in this Section 3.2 and in Charts D1, D2, and D3 for every gallon of Fuel purchased from suppliers and delivered to the Reliever Airport, including Fuel that is ultimately purchased by subtenants, licensees or subsidiaries of Tenant or subsidiaries, licensees or subtenants of a subtenant, and dispensed under the Tenant's authority to dispense Fuel. Military Tenants are not required to pay the Fuel flowage fees required by this Section 3.2. Tenants that are authorized to dispense Fuel shall not pay Fuel flowage fees applicable to Fuel purchased by operators of Military Aircraft.

# a. Jet A Fuel

Tenants at St. Paul Downtown Airport, Flying Cloud Airport, and Anoka County-Blaine Airport that dispense Jet A fuel shall pay Fuel flowage fees at the rate per gallon as set forth in Chart D1.

Tenants at Crystal Airport, Lake Elmo Airport, and Airlake Airport that dispense Jet A fuel shall pay Fuel flowage fees at the rate per gallon as set forth in Chart D2.

### b. AvGas

Tenants at the Reliever Airports that dispense AvGas shall pay the Fuel flowage fees at the rate per gallon as set forth in Chart D3.

# c. Fixed Base Operators at MSP

Fixed Base Operators at MSP shall pay Fuel flowage fees as required by Section 4.4 of Ordinance 115, as amended by Section 12 of this Ordinance.

# 3.3 Payments and Reports

Tenants, excluding Military Tenants, that are authorized to dispense Fuel shall simultaneously pay Fuel flowage fees and provide reports to the Commission by the last day of the current month for Fuel supplied to the Tenant, subtenants, licensees or subsidiaries of Tenant or subsidiaries, licensees or subtenants of a subtenant, during the previous month, unless otherwise notified by the Commission in writing of different payment dates. The reports shall state fueling activity for the month, including the number of gallons of Fuel supplied to the Tenant, subtenants, licensees or subsidiaries of Tenant or subsidiaries, licensees or subtenants of a subtenant, broken down by Fuel type; the dates on which the Fuel was supplied, and any other information relating to the fueling activity requested in writing by the Commission.

The Tenant shall attach to the report copies of invoices from the Fuel supplier that are signed and dated by the person who supplied or delivered the Fuel to the Tenant.

 If the lease is expired or terminated or if the Tenant abandons the property prior to the expiration or termination of the lease, the Tenant is not released from the responsibility for payments and reports of Fuel flowage fees due to the Commission. Monthly fuel flowage reports may be adjusted by a Commercial Tenant pursuant to the provisions of Section 2.3(b)(4).

# SECTION 4 – ST. PAUL DOWNTOWN AIRPORT, FLYING CLOUD AIRPORT, AND ANOKA COUNTY-BLAINE AIRPORT LANDING FEE

# 4.1 <u>Landing Fee</u>

# a. Payment of Landing Fee

 Operators of all fixed-wing aircraft that use Jet-A Fuel, excluding operators of Military Aircraft, shall pay a landing fee for each landing of such aircraft at:

  St. Paul Downtown Airport in an amount equal to one hundred and ten percent (110%) of the then current estimated compensatory field and runway use fee charged to Signatory Airlines at MSP;

 Flying Cloud Airport in an amount equal to one hundred and five percent (105%)
of the then current estimated compensatory field and runway use fee charged
to Signatory Airlines at MSP; and at

 Anoka County-Blaine Airport in an amount equal to one hundred percent (100%) of the then current estimated compensatory field and runway use fee charged to Signatory Airlines at MSP.

Operators of fixed wing aircraft that use Jet-A Fuel shall not be required to pay this landing fee when the flight is made for the purpose of providing medical services, such

as transportation of organs or patients in the course of business; Lifeguard flights; Repositioning Flights; or other similar operations approved by the Executive Director.

## b. Collection

All landing fees shall be paid to an FBO at the respective Reliever Airport prior to release and clearance of such aircraft for departure from the respective Reliever Airport, or paid monthly to such FBO, if pre-arranged with the FBO. Alternatively, a Based Tenant may pay the Commission directly, if approved by the Director of Reliever Airports.

# c. FBO Collection Cost Refund

Within one hundred and eighty (180) days after the first business day of each calendar year, the Commission will refund to each FBO at a Reliever Airport an amount equal to two percent (2%) of the total landing fees paid by the FBO to the Commission in the previous calendar year. Such refund is intended to offset the cost incurred by the FBO in collecting landing fees on behalf of the Commission.

# 4.2 Reports and Payments

# a. Reports

FBOs at the St. Paul Downtown Airport, Flying Cloud Airport, and Anoka County-Blaine Airport shall, by the last day of each calendar month, report to the Commission the number of all aircraft using Jet-A Fuel that have landed at the respective Reliever Airport during the previous month. Based Tenants approved by the Director of Reliever Airports shall, by the last day of each month, report to the Commission the number of all aircraft using Jet-A Fuel, operated by the Based Tenant that have landed at the St. Paul Downtown Airport, Flying Cloud Airport, and Anoka County-Blaine Airport the previous month. Reports shall include the type of aircraft by Federal Aviation Administration approved gross certificated maximum landing weights, the number of landings and take-offs made by such aircraft during the month of reporting, and the landing fee charge due and owing in respect to such aircraft.

# b. Payments

Together with such report, the FBO and any Based Tenant approved by the Director of Reliever Airports shall remit to the Commission payment of all landing fees reported and to be paid pursuant to this Ordinance, whether or not collected from the aircraft operator.

# SECTION 5 - NON-AVIATION/COMPLEMENTARY BUSINESS LICENSE FEE

Commercial Tenants that have entered into a Non-Aviation/Complementary Business License Agreement with the Commission shall pay a Non-Aviation/Complementary Business License Fee as set forth in Chart E of the attached Rent and Fee Schedule for the next month by the last day of the current month, unless otherwise notified by the Commission in writing of different payment dates.

Page **7** of **15** 

# **SECTION 6 – FACILITY ACQUISITION FEE**

6.1 Applicability

Tenants, excluding Military Tenants, that acquire an existing facility on a Reliever Airport shall pay a Facility Acquisition Fee, at the time of lease transfer, of 50% of the per square foot ground rent annual rate set forth in Chart A of the attached Rent and Fee Schedule. Storage Tenants shall pay the lesser of the 50% rate applied per square foot of total Leased Area, or applied per square foot of 125% of the building footprint area. Commercial Tenants shall pay the rate per square foot of the building footprint area. However, if the Leased Area of any lease includes a Fuel system, the total area required for the Fuel system, inclusive of regulatory setbacks, shall be included in the calculation of the Facility Acquisition Fee.

If, using the calculation above, the Facility Acquisition Fee would be less than the Administration Fee for a standard assignment set forth in Chart F of the attached Rent and Fee Schedule, then the Tenant must pay the amount of the Administration Fee for a standard assignment, rather than the amount calculated.

The Facility Acquisition Fee will apply to a lease transfer under the "Transfer" section, as amended, of lease forms entered into after January 1, 2008, and will apply to any assignment of the lease, for any reason, with or without consideration, including:

- A change of ownership or voting control, including a change in the name(s) on the lease, where there is a change of 50% or more (e.g., if only one name is on the lease, and that party wishes to add an additional name, a 50% change would occur, and the fee would apply);
- A transfer for estate-planning purposes (e.g., into a trust), or as a result of death;
- A change in name(s) (e.g., as a result of divorce), where the disposition change is a result of a court order, and there is a change of 50% or more;
- A transfer as part of a bankruptcy; or
- A transfer through a contract for deed.

# 6.2 Exception

The Facility Acquisition Fee will not apply in the following situation:

A transfer to an Immediate Family Member, including a transfer to an Immediate
 Family Member for estate-planning purposes (e.g., into a family trust), or a transfer
 to an Immediate Family Member as a result of death.

### **SECTION 7 – ADMINISTRATION FEE**

# 7.1 Applicability

An Administration Fee, as set forth in Chart F of the attached Rent and Fee Schedule, shall be paid by a Tenant or prospective Tenant, except Military Tenants, for costs associated with the review and processing of lease requests and transactions.

An Administration Fee is applicable to all requests and transactions that require Commission authorization or consent, with the exception of the following: the generation of a new lease executed at the time of construction in a new building area; the renewal of an existing lease; the execution of a sewer and water amendment; a lease amendment to correct a discrepancy in the lease; or the execution of a lease transfer or new lease if a Facility Acquisition Fee, as described in Section 6, applies. Commission staff shall determine the type of lease request or transaction and the corresponding Administration Fee.

# 7.2 Additional Amounts

Commission staff may charge an additional amount, sufficient to cover its costs, if the costs associated with the review and processing of a lease request or transaction exceed the amount of the Administration Fee, such as for a transaction involving significant legal work. If the Commission assumes the responsibility for issuing building permits in the future, the Commission reserves the right to charge an additional amount, sufficient to cover the costs of the permitting process.

# **SECTION 8 – FLYING CLUBS**

# 8.1 Flying Club Activities

Flying Clubs shall be responsible for the activities of their members. Flying Clubs shall comply with all applicable federal, state and local requirements for Flying Clubs and aeronautical activity.

# 8.2 Flying Club Records

The Commission shall have access to all Flying Club records, including but not limited to the Flying Club's financial records, tax statements, records relating to membership, and flight instruction conducted in club aircraft. The Commission shall also have access to the logbooks of all Flying Club members.

# **SECTION 9 – AUDITS**

The Commission has the right, upon reasonable request, to audit Tenant's books and records as authorized by Tenant's lease.

# **SECTION 10 – PENALTIES**

# 10.1 <u>Interest on Late Payments</u>

For any rents or fees due under this Ordinance, a Tenant shall pay a penalty for late or delinquent payments of twelve percent (12%) per annum on any past due balance calculated from the date the amount is due until the close of the business day upon which the delinquent payment is received by the Commission.

#### 493 10.2 Misdemeanor 494 495 Any person violating any of the provisions of this Ordinance shall upon conviction be 496 punished by sentence within the parameters of the maximum penalty for 497 misdemeanors set forth in Minn. Stat. § 609.03, or as may be amended. 498 499 10.3 Other Actions Not Precluded 500 501 The penalties prescribed under this Ordinance in no way preclude the Commission from 502 taking any other civil action authorized under the Tenant's lease or by law. 503 504 **SECTION 11 – RENTS AND FEES ADJUSTMENT** 505 506 11.1 **Annual Rate Adjustments** 507 508 a. Storage Tenant Per-Square-Foot Ground Rent 509 510 Storage Tenant per-square-foot ground rent will be adjusted on the anniversary date of 511 the Storage Tenant's lease during each applicable year, according to the attached Rent 512 and Fee Schedule. 513 514 b. Commercial Tenant Rent 515 516 Commercial Tenant rents in the Rent and Fee Schedule will be adjusted on January 1 of 517 each year, according to the attached Rent and Fee Schedule. 518 519 c. Fuel Flowage Fees 520 521 Fuel flowage fees will be adjusted on January 1 of each year, according to the attached 522 Rent and Fee Schedule. 523 524 d. Non-Aviation/Complementary Business License Fee 525 526 The Non-Aviation/Complementary Business License Fee will be adjusted on January 1 of 527 each year, according to the attached Rent and Fee Schedule. 528 529 11.2 Post 2030 Adjustments 530 531 If the rents and fees in Charts A, B, C, D, E, and F of the attached Rent and Fee Schedule are 532 not modified by the Commission before December 31, 2030, the rents and fees shall be 533 increased in the same manner and at the same percentage rates per year until the 534 Commission determines other rates and fees. Charts A, B, and C shall be increased at three 535 percent (3%) per year; the Fuel Flowage Fees shall be increased at four percent (4%) per 536 year; and the Non-Aviation/Complementary Business License Fee and the Administration Fee 537 shall be increased at three percent (3%) per year. 538 539 11.3 **Commission Action** 540 541 The Commission may reevaluate and adjust the rates and fees set forth in the attached Rent 542 and Fee Schedule by Commission action. In making a decision to adjust rates, the

Commission shall consider state and federal mandates and policy (e.g., in light of security mandates or extraordinary environmental costs), as well as the requirements of this Ordinance. Written notice will be provided to Tenants of public meetings to address rents and fees and of any new rents and fees adopted by the Commission.

### **SECTION 12 – AMENDMENTS TO ORDINANCE 115**

## 12.1 Ordinance 115

All defined terms used in this Section 12 are given those definitions included in Ordinance 115. As of the effective date of this Ordinance, the following sections of Ordinance 115 are deleted and re-stated as follows:

# 12.2 <u>Section 4.4: Fuel Flowage Fees</u>

Fixed Base Operators that are authorized to dispense Fuel at the Airport shall pay the Fuel Flowage Fees stated in Chart D4 of Ordinance No. \_\_\_\_\_ for every gallon of Fuel sold or delivered by the Fixed Based Operator at the Airport, regardless of Fuel type, including Fuel sold or delivered to customers, subsidiaries, licensees, or subtenants of the Fixed Base Operator at the Airport, and customers, subsidiaries, licensees, or subtenants of a subtenant of the Fixed Base Operator at the Airport. Additionally, into-plane fuel provided by a Fixed Base Operator is subject to the Fuel Flowage Fees stated in Chart D4 of Ordinance No. \_\_\_\_\_.

Into-Plane Fuel Providers operating at the Airport shall pay the Fuel flowage fees stated in Schedule A-2 of Ordinance No. 115 for every gallon of Fuel sold or delivered by the Into-Plane Fuel Provider at the Airport, including Fuel sold or delivered to customers, subsidiaries, licensees, or subtenants of the Into-Plane Fuel Providers.

Notwithstanding the foregoing, Fuel Flowage Fees shall not apply to fuel supplied to Military Aircraft, aircraft operated by Signatory Airlines, or aircraft which are fueled while using gates at either the Terminal 1-Lindbergh or Terminal 2-Humphrey.

Fuel Flowage Fees for Into-Plane Fuel Providers will be adjusted periodically as set forth in Section 4.6(b).

Fuel Flowage Fees for Fixed Base Operators at the Airport will be adjusted periodically as set forth in Section 11 of Ordinance No. \_\_\_\_\_.

# 12.3 <u>Section 4.6(b): Fuel Flowage Fees Paid by Into-Plane Fuel Providers</u>

Fuel Flowage Fees paid by Into-Plane Fuel Providers will be adjusted on January 1 of each year, according to the attached Schedule A-2. The Commission may, however, reevaluate and adjust the rates and fees in the attached Schedule A-2 by Commission action. If the Fuel Flowage Fees paid by Into-Plane Fuel Providers on the attached Schedule A-2 are not modified by the Commission before December 31, 2018, the rents and fees shall be increased in the same manner and at the same percentage rates per year until the Commission determines other rates and fees. This means that the Fuel Flowage Fees paid by Into-Plane Fuel Providers shall be increased at four percent (4%) per year. If the Commission plans deviate from Schedule A-2 through Commission action, it will send out notice 15 days in advance of the public meeting to affected parties.

# 12.4 <u>Schedule A-2: Into-Plane Fuel Provider Fuel Flowage Fees (rates per gallon)</u>

|     | 2025    | 2026    | 2027    | 2028    | 2029    | 2030    |
|-----|---------|---------|---------|---------|---------|---------|
| MSP | \$0.160 | \$0.167 | \$0.173 | \$0.180 | \$0.187 | \$0.195 |

# **SECTION 13 – GENERAL PROVISIONS**

# 13.1 Additional Tenant Charges

# a. Assessments and Other Fees

This Ordinance has no applicability to assessments or other fees that the Tenant is required to pay on the date this Ordinance takes effect. All such assessments and fees remain in effect.

# b. Special Rent Assessment

The Commission is authorized to charge Special Rent Assessments to Tenants consistent with Minn. Stat. § 473.651 for Reliever Airport projects or services, over and above those contemplated by a Tenant's lease, which benefit the Tenant, charged on a basis uniform and consistent with those of other Tenants at the Reliever Airports. The Commission's Executive Director is authorized to create procedures to implement Special Rent Assessments. Such procedures shall include notice to affected Tenants and opportunity to comment prior to imposition of any such assessment.

# 13.2 <u>Provisions Severable</u>

If any part or parts of this Ordinance is declared unconstitutional or invalid, this does not affect the validity of the remaining parts of this Ordinance. The Commission declares it would have passed the remaining parts of this Ordinance without the unenforceable provisions.

# 13.3 Notice

Any notice required by this Ordinance is sufficient if delivered as provided by the notice provisions of the Tenant's Lease with the Commission.

# 13.4 Amendment

Ordinance No. 119 is amended and restated on the date this Ordinance takes effect.

# 13.5 Effective Date

This Ordinance is effective January 1, 2025.

#### **RENT AND FEE SCHEDULE**

# <u>Chart A – Per-Square Foot Ground Rent</u> (annual rate per square foot)

|              | 2025   | 2026   | 2027   | 2028   | 2029   | 2030   |
|--------------|--------|--------|--------|--------|--------|--------|
| St. Paul     | \$0.94 | \$0.96 | \$0.99 | \$1.02 | \$1.05 | \$1.08 |
| Flying Cloud | \$0.79 | \$0.82 | \$0.84 | \$0.87 | \$0.89 | \$0.92 |
| Anoka County | \$0.79 | \$0.80 | \$0.81 | \$0.82 | \$0.83 | \$0.84 |
| Crystal      | \$0.70 | \$0.72 | \$0.74 | \$0.76 | \$0.79 | \$0.81 |
| Airlake      | \$0.62 | \$0.65 | \$0.67 | \$0.70 | \$0.72 | \$0.75 |
| Lake Elmo    | \$0.61 | \$0.62 | \$0.64 | \$0.66 | \$0.68 | \$0.70 |
|              |        |        |        |        |        |        |

# Chart B - Commercial Ground Rent without percentage (annual rate, per square foot)

|              | 2025   | 2026   | 2027   | 2028   | 2029   | 2030   |
|--------------|--------|--------|--------|--------|--------|--------|
| St. Paul     | \$0.73 | \$0.77 | \$0.81 | \$0.83 | \$0.86 | \$0.88 |
| Flying Cloud | \$0.64 | \$0.67 | \$0.70 | \$0.72 | \$0.74 | \$0.77 |
| Anoka County | \$0.59 | \$0.62 | \$0.66 | \$0.67 | \$0.68 | \$0.70 |
| Crystal      | \$0.52 | \$0.54 | \$0.57 | \$0.59 | \$0.60 | \$0.62 |
| Airlake      | \$0.46 | \$0.48 | \$0.51 | \$0.52 | \$0.54 | \$0.56 |
| Lake Elmo    | \$0.44 | \$0.45 | \$0.46 | \$0.48 | \$0.49 | \$0.51 |

# Chart C - Commercial Ground Rent with percentage (annual rate, per square foot)

|              | 2025   | 2026   | 2027   | 2028   | 2029   | 2030   |
|--------------|--------|--------|--------|--------|--------|--------|
| St. Paul     | \$0.52 | \$0.57 | \$0.62 | \$0.64 | \$0.66 | \$0.68 |
| Flying Cloud | \$0.48 | \$0.52 | \$0.56 | \$0.58 | \$0.60 | \$0.61 |
| Anoka County | \$0.38 | \$0.44 | \$0.51 | \$0.52 | \$0.54 | \$0.55 |
| Crystal      | \$0.34 | \$0.37 | \$0.40 | \$0.41 | \$0.42 | \$0.43 |
| Airlake      | \$0.30 | \$0.32 | \$0.34 | \$0.35 | \$0.36 | \$0.37 |
| Lake Elmo    | \$0.28 | \$0.28 | \$0.28 | \$0.29 | \$0.30 | \$0.31 |

# Chart D1 - Fuel Flowage Fees for Jet A at STP, FCM, and ANE (rate per gallon)

| 2025 |        | 2026   | 2027   | 2028   | 2029   | 2030   |  |
|------|--------|--------|--------|--------|--------|--------|--|
|      | \$0.16 | \$0.17 | \$0.17 | \$0.18 | \$0.19 | \$0.19 |  |

# <u>Chart D2 – Fuel Flowage Fees for Jet A at LVN, MIC, and 21D</u> (rate per gallon)

| 2025 |        | 2026   | 2027   | 2028   | 2029   | 2030   |  |
|------|--------|--------|--------|--------|--------|--------|--|
|      | \$0.17 | \$0.18 | \$0.19 | \$0.20 | \$0.20 | \$0.21 |  |

# Chart D3 – Fuel Flowage Fees for Reliever Airports AvGas (rate per gallon)

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| 2025   | 2026   | 2027   | 2028   | 2029   | 2030   |  |
|--------|--------|--------|--------|--------|--------|--|
| \$0.22 | \$0.23 | \$0.24 | \$0.25 | \$0.26 | \$0.27 |  |

# <u>Chart D4 – Fuel Flowage Fees for MSP Fixed Base Operators, all Fuel types</u> (rate per gallon)

| 2025   | 2026   | 2027   | 2028   | 2029   | 2030   |  |
|--------|--------|--------|--------|--------|--------|--|
| \$0.22 | \$0.23 | \$0.24 | \$0.25 | \$0.26 | \$0.27 |  |

# <u>Chart E – Non-Aviation/Complementary Business License Fee</u> (monthly rate)

|              | 2025     | 2026     | 2027     | 2028     | 2029     | 2030     |
|--------------|----------|----------|----------|----------|----------|----------|
| All Reliever | \$180.00 | \$185.40 | \$190.96 | \$196.69 | \$202.59 | \$208.67 |
| Airports     |          |          |          |          |          |          |

# **Chart F - Administration Fee** (rate per request or transaction)

|  | 2025  | 2026  | 2027  | 2028  | 2029  | 2030  |
|--|-------|-------|-------|-------|-------|-------|
| Approval of Tenant Modification to     | \$190 | \$196 | \$202 | \$208 | \$214 | \$220 |
| Leased Area                            |       |       |       |       |       |       |
| Consent to Leasehold Mortgage and      | \$180 | \$185 | \$191 | \$197 | \$203 | \$209 |
| Subordination Agreement*               |       |       |       |       |       |       |
| Consent to Sublease – Commercial Lease | \$265 | \$273 | \$281 | \$290 | \$298 | \$307 |
| Standard Amendment                     | \$290 | \$299 | \$308 | \$317 | \$326 | \$336 |
| Standard Assignment                    | \$290 | \$299 | \$308 | \$317 | \$326 | \$336 |
| Standard Termination                   | \$200 | \$206 | \$212 | \$219 | \$225 | \$232 |
|  |       |       | -     | •     | •     | •     |

<sup>\*</sup>If legal review for these documents exceeds one hour of work, the actual cost of the review will be billed, rather than the Chart F rate.

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| 2        | METROPOLITAN AIRPORTS COMMISSION              |
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| 7        |   |
| 8        | ORDINANCE No. 119                             |
| 9        |   |
| 10       | RELIEVER AIRPORTS RATES AND CHARGES ORDINANCE |
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| 28       | Adopted by Commission: June 16, 2014          |
| 29       | Effective Date: July January 1, 2014/2025     |
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Reliever Airports Rates and Charges Ordinance-

Effective July January 1, 2014 2025

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METROPOLITAN AIRPORTS COMMISSION

ORDINANCE NO. 119

RELIEVER AIRPORTS RATES AND CHARGES ORDINANCE

An ordinance of the Metropolitan Airports Commission ("Commission") amending the rental rates and other charges for property at the Commission's minor and intermediate use airports ("Reliever Airports")"), as well as certain charges for general aviation activities at Minneapolis-St. Paul International Airport ("MSP"), as provided by Minn. Stat. § 473.651, by amending and restating Ordinance No. 114 (which amended and restated 119, as well as amending Ordinance 107, which amended and restated Ordinance No. 101, which amended and restated Ordinance No. 87)115 to modify the facility acquisition feeremove provisions related to fuel flowage fees assessed to Fixed Base Operators at MSP.

WHEREAS, consistent with federal policy, the rental rates and fees are intended to assist the Commission in attaining its long-term goal of making the Reliever Airports as financially selfsustaining as possible; and

WHEREAS, having received and considered extensive public input and having fully considered the state and federal legal requirements concerning the rates that may be charged to users of these Reliever Airports; and

\_\_\_\_("Ordinance") willmay be interchangeably be referred to as WHEREAS, this Ordinance No. 119\_ "Ordinance No. 119 , "Ordinance No. 119, as amended," as "Ordinance No. 114 as amended," as "Ordinance No. 107 as amended," as "Ordinance No. 101 as amended," and as "Ordinance No. 87 as amended";

NOW THEREFORE, the Commission does ordain:

#### **SECTION 1 – DEFINITIONS**

- Based Aircraft. An aircraft that is registered in the State of Minnesota with the Department 1.1 of <u>Transportation</u>, <u>Office of Aeronautics</u> as being based at one of the Reliever Airports.
- 1.2 Based Tenant. A Storage Tenant or Commercial Tenant. This does not include subtenants.
- Commercial Tenant. A Tenant that has entered into a commercial lease with the Commission 1.3 at a Reliever Airport and that is authorized to do one or more of the following: sale, repair or storage of aircraft; sale of <u>aircraft</u> parts and accessories; sale of flight or ground instruction; flying for charter or hire; providing fuelingsale of aircraft fuel and lubrication services; aircraft rental of aircraft; or other activities deemed commercial and approved by the Commission.

Effective July January 1, 2014 2025

76 1.4 Commission. The Metropolitan Airports Commission, a public corporation — 77 and operating pursuant to Chapter 500, Laws of Minnesota 1943 and —amendments 78 thereto. 79 80 1.5 CPI. The consumer price index identified as the All Urban Consumers – Midwest Region. 81 Director of Reliever Airports. The Commission's administrative officer responsible for the 82 1.6 83 Reliever Airports. 84 85 1.7 Executive Director. The Commission's chief executive officer or a designated representative. 86 Flying Club. An entity defined by Minnesota Statutes § 360.013, subd. 1848 or Minnesota 87 1.8 88 Rules § 8800.4100, subdsubp. 2, or as either are amended. 89 90 1.9 Fuel. Aviation gasoline and any other gasoline, petroleum product, fuel, or other substance 91 used in the propulsion of aircraft, automobiles, trucks, and other ground vehicles. 92 1.10 Full Service Commercial Operation or Fixed Base Operator ("FBO"). And full-service, 93 94 aeronautical, commercial operation at the Reliever Airports that is authorized to engage in 95 the sale of products, services, and facilities to aircraft operators including. FBOs must 96 provide, at a minimum, the following aeronautical activities at the airport: aircraft refueling 97 to include jet fuel, AvGas, and aircraft lubricants; aircraft line services; airframe and power 98 plant maintenance; aircraft storage/hangars rentals and tiedowns; passenger, crew, and aircraft ground services, support and amenities. FBOs may also provide optional services as 99 100 approved by the Commission, which may include: flight training, aircraft rental, aircraft 101 charter or air taxi, avionics sales and service. 102 103 Gross Sales. Gross Sales, as defined in a Commercial Tenant's lease, less exclusions, as 104 allowed by the Commercial Tenant's lease. 105 Gross Sales Thresholds. Those amounts of annual Reportable Year Net Gross RevenueSales 106 1.12 107 set forth in Section 2.2.a. that establish when the rates in Chart B apply to a Commercial 108 Tenant. 109 110 1.1213 Immediate Family Member. A spouse, parent, child, brother or sister (including half-relations 111 and step-relations, but excluding in-law relations) of the Tenant. 112 113 1.1314 Jet-A Fuel. A kerosene\_based fuel designed for use in turbine engine aircraft, regulated by 114 the American Society for Testing and Materials ("ASTM"). For referenced ASTM standards, 115 visit the ASTM website, www.astm.org, or contact ASTM Customer Service at 116 service@astm.org. 117 118 1.1415 Leased Area. That area defined in the description of Premises premises section in the 119 Tenant's lease. 120 121 1.4516 Military Aircraft. Aircraft owned and/or operated by components of the military forces of the 122 United States of America or of the State of Minnesota. 123

|                             | Effective JulyJanuary 1, 2014-2025   |
|-----------------------------|--|
| 1. <del>16</del> <u>17</u>  | Military Tenant. A Storage Tenant that is any component or branch of the military forces of the United States of America or of the State of Minnesota.   |
| 1.17                        | Net Gross Revenue. Gross Receipts or Gross Sales, as defined in a Commercial Tenant's lease,   |
|                             | less exclusions, as allowed by the Commercial Tenant's lease.  |
| 1.18                        | Non-Aviation/Complementary Business License Agreement. ——A license agreement granted by the Commission for the purpose of conducting a business on the airport that is non-aviation, yet provides a complementary product or service to airport users. Examples of complementary products/services include aviation insurance companies, restaurants, aviation legal services, auto rental and limousine services, travel agencies, delivery/courier services, flight physicals, and aviation museums.   |
| 1.19                        | Related Entity. An entity within which a Storage Tenant can prove, via written documentation,  |
|                             | that he or she holds an equity interest.   |
| <del>1.20</del> 1.1         | Reliever Airport. Any intermediate use or minor use Reliever Airport now or in the future owned and/or operated by the Commission, including: St. Paul Downtown, Flying Cloud, Anoka County-Blaine, Crystal, Airlake, and Lake Elmo.   |
| 1. <del>21</del> 20         | Reportable Year. The time period from October 1 through September 30, which is used to determine which Gross Sales Thresholds apply.   |
| 1. <del>22</del> 21         | Repositioning Flight. An outbound flight from a made between Reliever Airport with an intermediate stop at another Reliever Airport in order Airports to pick up passenger(s) passengers or cargo prior to continuing with where one of the Reliever Airports was an intermediate stop and for which flight to the final destination; or an inbound flight to a Reliever Airport as an intermediate stop in order to drop off passenger(s) or cargo prior to continuing with the flight to another Reliever Airport, provided a landing fee is paid for the landing at the other another Reliever Airport. |
| 1. <del>23</del> 22         | Signatory Airline. Operator An operator of aircraft that pays for use of Minneapolis-St. Paul International Airport pursuant to a use fee agreement and, where applicable, a Commission ordinance.   |
| 1. <del>2</del> 4 <u>23</u> | Special Rent Assessment. Fees charged by the Commission and paid by Tenants to offset the costs of Reliever Airport projects or services which benefit the Tenant, including, but not limited to sewer, water, other utilities, <a href="mailto:and-">and</a> pavement installation or rehabilitation.   |
| 1. <del>25</del> 24         | Storage Tenant. A Reliever Airport Tenant that has entered into an aircraft storage lease with the Commission.   |
| 1. <del>26</del> <u>25</u>  | Tenant. Any person, partnership, corporation, or other entity that leases property from the Commission at a Reliever Airport. This definition and the rents and fees in this Ordinance apply even if the lease has expired and the property continues to be occupied by a holdover Tenant.   |

#### SECTION 2 - RENTS

2.1 Storage Tenant Per-Square-Foot Ground Rent

Storage Tenants shall pay the rate per square foot of Leased Area per year stated on the attached Chart A.

2.2 <u>Commercial Tenant Rent</u>

Commercial Tenants shall pay ground rent and percentage rents as specified below, by paying the applicable amount in Section 2.2.a. or 2.2.b., whichever is greater. However, if a Commercial Tenant has less than one hundred fourteen thousand dollars (\$114,000) of Nethad Gross RevenueSales below or above the applicable Gross Sales Threshold in the preceding Reportable Year, then a Commercial Tenant shall pay ground rent as stated on the attached Chart A and zerono percentage rent, (if below the Gross Sales Threshold), or the amount in Section 2.2.b. (see also Chart C(if above the Gross Sales Threshold), whichever is greater, as determined on a monthly basis, during the calendar year following the Reportable Year.

#### a. Ground Rent and Gross Sales Thresholds

If a Commercial Tenant that-The Gross Sales Threshold for FBOs at St. Paul Downtown
Airport, Flying Cloud Airport, and Anoka County-Blaine Airport is authorized to conduct a
Full Service Commercial Operation has-: Gross Sales in the Reportable Year of one
hundred fourteenforty-six thousand dollars (\$114146,000.00) or more, but less than
fourfive hundred fifty foureighty-one thousand dollars (\$454581,000.00) of Net).

The Gross RevenueSales Threshold for FBOs at Airlake Airport, Lake Elmo Airport, or Crystal Airport is: Gross Sales in the preceding Reportable Year, or of one hundred fourteenforty-six thousand dollars (\$114146,000.00) or more, but less than two hundred twenty sevenninety thousand (\$227290,000.00) dollars if such Commercial Tenant is at Airlake, Lake Elmo, or Crystal, then the Commercial Tenant shall.

An FBO that falls within its Gross Sales Threshold must pay ground rent at the rate per square foot of Leased Area per year stated on the attached Chart B and no percentage rent, or the amount in Section 2.2.b. (see also Chart C)... whichever is greater, as determined on a monthly basis, during the calendar year following the Reportable Year.

If a The Gross Sales Threshold for all other Commercial Tenant, at any Reliever Airport, that Tenants is authorized to conduct less than a Full Service Commercial Operation has: Gross Sales in the Reportable Year of one hundred fourteenforty-six thousand dollars (\$114146,000.00) or more, but less than twothree hundred eighty-foursixty-three thousand dollars (\$284363,000.00) of Net Gross Revenue in the preceding Reportable Year, then the).

Non-FBO Commercial TenantTenants that fall within its Gross Sales Threshold shall pay ground rent at the rate per square foot of Leased Area per year stated on the attached Chart B and no percentage rent<sub>7</sub> or the amount in Section 2.2.b. (see also Chart C)<sub>7.12</sub>

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whichever is greater, as determined on a monthly basis, during the calendar year following the Reportable Year...

If a Commercial Tenant fails to submit a monthly report of Net-Gross RevenueSales as required by Section 2.3.b.3. for the purpose of determining the applicable Gross Sales Thresholds, that Gross Sales Threshold will be determined based upon the lowest three (3) months of reported Net-Gross RevenueSales during the current Reportable Year.

Beginning January 1,  $\frac{20132026}{}$ , the Gross Sales Thresholds will be adjusted annually according to the CPI.

#### b. Percentage Rent

A Commercial Tenant shall pay to the Commission 1.5% of its annual calendar year Net Gross RevenueSales, plus the rate per square foot of Leased Area per year as stated on attached Chart C.

#### 2.3 Rent Payments

#### a. Storage Tenant Per-Square-Foot Ground Rent

Storage Tenants shall pay Per-Square-Foot Ground Rent, pursuant to Section 2.1, annually <u>and</u> in advance on or before the effective date of their lease, unless otherwise notified by the Commission in writing of different payment dates. Rent is calculated as the total of the rate stated in Chart A multiplied by the square footage of Leased Area, rounded to the nearest penny.

#### b. Commercial Tenants

## 1. Ground Rent

Commercial Tenants shall pay ground rent in advance for the next month by the last day of the calendar month for the upcoming calendar month, unless otherwise notified by the Commission in writing of different payment dates. Monthly rent is one-twelfth of the annual rent, which is calculated as the total of the appropriate rate stated in the attached Rent and Fee Schedule multiplied by the Commercial Tenant's square footage of Leased Area, rounded to the nearest penny.

#### 2. Percentage Rent

Commercial Tenants shall simultaneously pay percentage rent and submit percentage reports by the last day of the <u>calendarcurrent</u> month for the previous calendar month, unless otherwise notified by the Commission in writing of different payment dates.

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#### 3. Monthly Report

Each Commercial Tenant shall submit a report of Net-Gross RevenueSales by the last day of each calendarthe current month for the previous calendar month, unless otherwise notified by the Commission in writing of different reporting dates. Commercial Tenants shall submit this report no matter which rate chart is applicable or how much, if any, Net-Gross RevenueSales occurred.

#### 4. Year EndAdjustment and Reconciliation

As soon as practical after Commercial Tenants may adjust any Monthly Report timely submitted within the end of each calendar year, past one hundred eighty (180) days. Any changes to the Gross Sales or to any exclusions from Gross Sales reported must be accompanied by sufficient information from Commercial Tenant's books and records to support the adjusted amount(s). The Commission shall reconcile the total rent paid against reserves the total rent due. The total rent due shall be right to reject any adjusted Monthly Report as insufficiently justified by Commercial Tenant's books and records. Any overpayments made by a Commercial Tenant as a result of the sum of payments due under error in the applicable provisions of Section 2.2 on an annualized basis, whicheveroriginal Monthly Report will be credited to Commercial Tenant's next rental payment (or refunded, if Tenant's lease is greater. If expired, assigned, or terminated). If the adjustment indicates that insufficient rent was paid, the Commercial Tenant shall pay the amount due within thirty (30) days of invoice from the Commission.

#### 2.4 Applicability of Rates

Unless otherwise specified by the terms of Tenant's lease, the rental rates in this Ordinance replace the rent provisions in the Tenant's lease with the Commission.

If the lease is expired or terminated or if the Tenant abandons the property prior to expiration or termination of the lease, the Tenant is not released from responsibility for ground rents, percentage rents and corresponding reports, or any other payments due to the Commission.

#### **SECTION 3 – FUEL FLOWAGE FEES**

#### 3.1 Fueling

#### a. Authorization

Tenants shall not dispense Fuel unless fueling is specifically authorized by the Commission in writing.

#### b. Compliance

Fueling shall be conducted in compliance with all applicable codes and regulations. Fueling is prohibited in areas that pose a hazard to public safety as determined by the Commission.

#### 3.2 Fuel Flowage Fees

Tenants whothat are authorized to dispense Fuel, shall pay the applicable Fuel flowage fees as described in this Section 3.2 and in Charts D1, D2, and D2D3 for every gallon of Fuel purchased from all-suppliers that isand delivered to the Reliever Airport, including Fuel that is ultimately purchased by subtenants, licensees or subsidiaries of Tenant or subsidiaries, licensees or subtenants of a subtenant, and dispensed under the Tenant's authority to dispense Fuel. Military Tenants are not required to pay the Fuel flowage fees required by this Section 3.2. Tenants whothat are authorized to dispense Fuel shall not pay Fuel flowage fees applicable to Fuel purchased by operators of Military Aircraft.

#### a. Jet A Fuel

Tenants at St. Paul Downtown Airport, at-Flying Cloud Airport, and at-Anoka County-Blaine Airport whothat dispense Jet A fuel shall pay Fuel flowage fees at the rate per gallon as set forth in Chart D1.

Tenants at Crystal Airport, Lake Elmo Airport, and Airlake Airport whothat dispense Jet A fuel shall pay Fuel flowage fees at the rate per gallon as set forth in Chart D2.

#### b. 100 Low Lead Fuel AvGas

Tenants at the Reliever Airports whethat dispense 100 low lead fuelAvGas shall pay the applicable. Fuel flowage fees at the rate per gallon as set forth in Chart 9203.

#### c. Fixed Base Operators at MSP

Fixed Base Operators at MSP shall pay Fuel flowage fees as required by Section 4.4 of Ordinance 115, as amended by Section 12 of this Ordinance.

## 3.3 Payments and Reports

Tenants who, excluding Military Tenants, that are authorized to dispense Fuel shall simultaneously pay Fuel flowage fees and provide reports to the Commission by the last day of each calendar the current month for Fuel supplied to the Tenant, subtenants, licensees or subsidiaries of Tenant or subsidiaries, licensees or subtenants of a subtenant, during the previous calendar month, unless otherwise notified by the Commission in writing of different payment dates. The reports shall state fueling activity for the calendar month, including the number of gallons of Fuel supplied to the Tenant, subtenants, licensees or subsidiaries of Tenant or subsidiaries, licensees or subtenants of a subtenant, broken down by Fuel type; the dates on which the Fuel was supplied, the number of gallons dispensed, broken down by Fuel type; the meter readings on the pumps for the beginning and end of the calendar month, and any other information relating to the fueling activity requested in writing by the Commission. Tenants who are authorized to dispense Fuel shall report all fueling activity, whether or not a landing fee was due.

| - <u>Public He</u> | aring Dra | aft July | 15,                | 2024 |
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The Tenant shall attach to the report copies of invoices from the Fuel supplier that are signed and dated by the person who supplied or delivered the Fuel to the Tenant.

If the lease is expired or terminated or if the Tenant abandons the property prior to the expiration or termination of the lease, the Tenant is not released from the responsibility for payments and reports of Fuel flowage fees due to the Commission. Monthly fuel flowage reports may be adjusted by a Commercial Tenant pursuant to the provisions of Section 2.3(b)(4).

Military Tenants are not subject to the requirements of this Section 3.3.

# SECTION 4 – ST. PAUL DOWNTOWN AIRPORT, FLYING CLOUD AIRPORT, AND ANOKA COUNTY-BLAINE AIRPORT LANDING FEE

#### 4.1 Landing Fee

#### -a. Payment of Landing Fee

The operators Operators of all fixed-wing aircraft that use Jet-A Fuel, including those that are Based Aircraft, other than excluding operators of Military Aircraft, shall pay a landing fee for each landing of such aircraft at:

- St. Paul Downtown Airport in an amount equal to one hundred and ten percent (110%) of the then current estimated compensatory field and runway use fee charged to Signatory Airlines at MSP;
- Flying Cloud Airport in an amount equal to one hundred and five percent (105%)
  of the then current estimated compensatory field and runway use fee charged
  to Signatory Airlines at MSP; and at
- Anoka County-Blaine
   Airport in an amount equal to one hundred percent (100%) of the then current estimated compensatory field and runway use fee charged to Signatory Airlines at Minneapolis St. Paul International Airport; provided that the landing fee shall be no less than the amount set forth in the attached Rent and Fee ScheduleMSP.

The operators of all fixed wing aircraft that use Jet A Fuel, including those that are Based Aircraft, other than operators of Military Aircraft, shall pay a landing fee for each landing of such aircraft at Flying Cloud Airport and Anoka County-Blaine Airport in an amount equal to ninety percent (90%) of the then current estimated compensatory field and runway use fee charged to Signatory Airlines at Minneapolis-St. Paul International Airport; provided that the landing fee shall be no less than the amount set forth in the attached Rent and Fee Schedule.

Operators of fixed wing aircraft that use Jet-A Fuel shall not be required to pay this landing fee when conducting pilot check flights or maintenance flights required by the federal government; other operations conducted as a requirement of the federal government; flight training touch and go operations; operations conducted by those the

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flight is made for the purpose of providing medical services, such as transportation of organs or patients in the course of business; Lifeguard flights; Repositioning Flights; or other similar operations approved by the Executive Director.

#### b. Collection

All landing fees shall be paid to an FBO at the respective Reliever Airport prior to release and clearance of such aircraft for departure from the respective Reliever Airport, or paid on a monthly basis to such FBO, if pre-arranged with the FBO, except. Alternatively, a Based Tenant may pay the Commission directly, if approved by the Director of Reliever Airports.

#### c. <u>Late Fees</u>

Any landing fee payment not received from the <u>FBO</u> or Based Tenant within thirty (30) days of the due date shall accrue interest at the rate of one and a half percent (1.5%) per month, measured from the due date until paid in full. <u>Collection Cost Refund</u>

Within one hundred and eighty (180) days after the first business day of each calendar year, the Commission will refund to each FBO at a Reliever Airport an amount equal to two percent (2%) of the total landing fees paid by the FBO to the Commission in the previous calendar year. Such refund is intended to offset the cost incurred by the FBO in collecting landing fees on behalf of the Commission.

#### 4.2 Reports and Payments

#### a. Reports

FBOs at the St. Paul Downtown Airport, Flying Cloud Airport, and Anoka County-Blaine Airport shall, by the last day of each calendar month, report to the Commission the number of all aircraft using Jet-A Fuel that have landed at the respective Reliever Airport during the previous calendar month and that have parked at apron areas assigned to and under the control of such FBO or reported their landing to such FBO. Based Tenants approved by the Director of Reliever Airports shall, by the last day of each calendar month, report to the Commission the number of all aircraft, using Jet-A Fuel, operated by the Based Tenant and using Jet A Fuel, that have landed at the St. Paul Downtown Airport, Flying Cloud Airport, and Anoka County-Blaine Airport the previous calendar month. Reports shall include the type of aircraft by Federal Aviation Administration approved gross certificated maximum landing weights, the number of landings and takeoffs made by such aircraft during the month of reporting, and the landing fee charge due and owing in respect to such aircraft.

#### b. <u>Payments</u>

Together with such report, the FBO and any Based Tenant approved by the Director of Reliever Airports shall remit to the Commission payment of all landing fees reported and to be paid pursuant to this Ordinance, whether or not collected from the aircraft operator.

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Reliever Airports Rates and Charges Ordinance-

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#### SECTION 5 - SUBLEASENON-AVIATION/COMPLEMENTARY BUSINESS LICENSE FEE

#### 5.1 Applicability

Storage Tenants, other than Military Tenants, who have entered into a sublease license agreement with the Commission and who sublease space within a hangar shall pay an applicable Sublease Fee, as set forth in Chart E of the attached Rent and Fee Schedule, for each aircraft for which the Storage Tenant subleases space.

#### 5.2 Exemptions

Storage Tenants are not required to pay a Sublease Fee for aircraft registered with the Federal Aviation Administration in the respective Storage Tenant's name, or in the name of a Related Entity or Immediate Family Member, and that are stored within the particular hangar. Storage Tenants shall provide written documentation, satisfactory to the Commission, to justify any such exemptions.

#### 5.3 Payments

Storage Tenants shall pay the annual Sublease Fees on a quarterly basis, with payment for January, February, and March due by May 1 of that calendar year; April, May, and June due by August 1 of that calendar year; July, August, and September due by November 1 of that calendar year; and October, November, and December due by February 1 of the following calendar year.

The Storage Tenant will be required to pay a pro-rata portion of the annual Sublease Fee for each quarter during which any sublease activity occurs and for each aircraft for which the Storage Tenant subleases space during that quarter, regardless of whether the sublease activity continues for the entire quarter.

#### SECTION 6 - NON-AVIATION/COMPLEMENTARY BUSINESS LICENSE FEE

Commercial Tenants whothat have entered into a Non-Aviation/Complementary Business License Agreement with the Commission shall pay a Non-Aviation/Complementary Business License Fee as set forth in Chart FE of the attached Rent and Fee Schedule for the next month by the last day of the current month, unless otherwise notified by the Commission in writing of different payment dates.

#### SECTION 76 - FACILITY ACQUISITION FEE

# 7.1 Applicability

#### 6.1 Applicability

Tenants, other thanexcluding Military Tenants, whothat acquire an existing facility on a Reliever Airport shall pay a Facility Acquisition Fee, at the time of lease transfer, of 50% of the per square foot ground rent annual rate set forth in Chart A of the attached Rent and Fee Schedule. Storage Tenants shall pay the lesser of the 50% rate applied per square foot of total Leased Area, or applied per square foot of 125% of the building footprint area. Commercial Tenants shall pay the rate per square foot of the building footprint area. However, if the Leased Area of any lease includes a Fuel system, the total area required for the Fuel system, inclusive of regulatory setbacks, shall be included in the calculation of the Facility Acquisition Fee.

Under no circumstance shall<u>lf</u>, using the calculation above, the Facility Acquisition Fee <u>would</u> be less than the Administration Fee for a standard assignment, as set forth in Chart <u>GF</u> of the attached Rent and Fee Schedule, then the <u>Tenant must pay the amount of the Administration</u> <u>Fee for a standard assignment, rather than the amount calculated</u>.

The Facility Acquisition Fee will apply to a lease transfer under the "Transfer" section, as amended, of lease forms entered into after January 1, 2008, and will apply to any assignment of the lease, for any reason, with or without consideration, including:

- A change of ownership or voting control, including a change in the name(s) on the lease, where there is a change of 50% or more (e.g., if only one name is on the lease, and that party wishes to add an additional name, a 50% change would occur, and the fee would apply);
- A transfer for estate-planning purposes (e.g., into a trust), or as a result of death;
- A change in name(s) (e.g., as a result of divorce), where the disposition change is a result of a court order, and there is a change of 50% or more;
- A transfer as part of a bankruptcy; or
- A transfer through a contract for deed.

#### **76.2** Exception

The Facility Acquisition Fee will not apply in the following situation:

 A transfer to an Immediate Family Member, including a transfer to an Immediate Family Member for estate-planning purposes (e.g., into a family trust), or a transfer to an Immediate Family Member as a result of death.

#### SECTION 87 – ADMINISTRATION FEE

7.1 Applicability

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#### 8.1 Applicability

An Administration Fee, as set forth in Chart GF of the attached Rent and Fee Schedule, shall be paid by a Tenant or prospective Tenant, other thanexcept Military Tenants, for costs associated with the review and processing of lease requests and transactions.

An Administration Fee is applicable to all requests and transactions that require Commission authorization or consent, with the exception of the following: the generation of a new lease executed at the time of construction in a new building area; the renewal of an existing lease; the execution of a sewer and water amendment; a lease amendment to correct a discrepancy in the lease; or the execution of a lease transfer or new lease if a Facility Acquisition Fee, as described in Section 76, applies. Commission staff shall determine the type of lease request or transaction and the corresponding Administration Fee.

#### .2 Additional Amounts

Commission staff may charge an additional amount, sufficient to cover its costs, if the costs associated with the review and processing of a lease request or transaction exceed the amount of the Administration Fee, such as for a transaction involving significant legal work. If the Commission assumes the responsibility for issuing building permits in the future, the Commission reserves the right to charge an additional amount, sufficient to cover the costs of the permitting process.

#### SECTION 9 - WAITING LIST FEE

# 9.1 <u>Applicability</u>

Any prospective Tenant, other than a prospective Military Tenant, wishing to have a name held on a list for future hangar space that has been identified to be completed within three (3) years in the Commission's capital improvement program shall pay a Waiting List Fee as set forth in the attached Rent and Fee Schedule.

#### 9.2 Fee Administration and Refundability

The Waiting List Fee amount paid will bear simple interest at the Commission's average annual percentage rate of return for the period during which the Waiting List Fee remains with the Commission. The Waiting List Fee will remain with the Commission until a lease is offered to the prospective Tenant, or until the Tenant or prospective Tenant requests the name be removed from the list. The Waiting List Fee, plus any interest, will apply toward the first year building area assessment, if the area is developed by the Commission and the prospective Tenant signs a lease with the Commission, or refunded fully, with interest, to the prospective Tenant, if the area is developed by a developer and the prospective Tenant enters into a lease with that developer.

If the prospective Tenant is offered a lease and rejects the offer, but wishes to remain on the list, the prospective Tenant will be placed at the bottom of the list, and the Waiting List Fee will remain with the Commission until another lease is offered to the prospective Tenant. The Waiting List Fee is fully refundable, with any interest, under the following circumstances: (1)

the prospective Tenant dies, the decedent's name is removed from the list, and the decedent's estate requests a refund of the Waiting List Fee; (2) the prospective Tenant has not been offered a lease, has not rejected an offer, requests the name be removed from the list, and the Waiting List Fee has been paid in full for more than three (3) years; or (3) the prospective Tenant has lost an airman's medical certificate, and requests the name be removed from the list. The Waiting List Fee is refundable at 50%, without interest, within the first three (3) years, if the Waiting List Fee has been paid in full and the prospective Tenant requests the name be removed from the list.

#### SECTION 108 - FLYING CLUBS

#### 108.1 Flying Club Activities

Flying Clubs shall be responsible for the activities of their members. Flying Clubs shall comply with all applicable federal, state and local requirements for Flying Clubs and aeronautical activity.

#### 108.2 Flying Club Records

The Commission shall have access to all Flying Club records, including but not limited to the Flying Club's financial records, any tax statements, records relating to membership, and any flight instruction conducted in club aircraft. The Commission shall also have access to the logbooks of all Flying Club members.

#### 10.3 Flying Club Reports

Flying Clubs shall submit to the Commission a copy of all reports other than taxes, required by the state or federal government for Flying Clubs within thirty (30) days of the due date to the state or federal government. Failure to provide the reports to the state or federal government, whether or not waived by the governmental entity, does not release the Tenant from the obligation to provide the reports to the Commission as required under this Ordinance.

#### SECTION 119 - AUDITS

#### 11.1 Subleasing

The Commission has the right, upon reasonable request, to inspect the Tenant's hangar and audit the number of aircraft using space within the hangar, to determine the number of aircraft, if any, for which the Tenant subleases space. This provision does not apply to Military Tenants.

#### 11.2 Fuel Flowage Fees

The Commission has the right at any time during the business day, upon reasonable request, to inspect the Tenant's Fuel pumps, Fuel supplier invoices and business records to ascertain the veracity of Tenant's reports.

10.1

12.2

Fuel to be made by an auditor designated by the Commission. If, as a result of such inventory and audit, a deficiency of five percent (5%) or more is disclosed in the Tenant's Fuel flowage reports or payments, the cost of such audit shall be borne by the Tenant. The Tenant shall remit payment to the Commission for any amounts underreported, plus interest according to Section 12.2.

11.3 Landing Fees

The Commission may at any time require an inventory and audit of the Tenant's dealings in

The Commission has the right at any time during the business day, upon reasonable request, to inspect the records of FBOs as to operations from the apron area assigned to and under the control of each such operator or the records of a Based Tenant, to ascertain the veracity of the landing fee reports. Such records shall be organized in date order and shall include itemized transactions and operations that document landing fees, including aircraft registration numbers. Upon the Commission's request, the FBO or Based Tenant shall provide the logbooks that document any exception to landing fees due. If, as a result of such inspection and audit, a deficiency of five percent (5%) or more is disclosed, the cost of such audit shall be borne by the FBO or Based Tenant. The FBO or Based Tenant shall remit payment to the Commission for any amounts underreported, plus interest according to Section 12.2.

#### 11.4 Other Records

——The Commission has the right, upon reasonable request, to audit Tenant's books and records as authorized by Tenant's lease.

# SECTION 1210 - PENALTIES

#### 12.1 <u>Sublease Violation</u>

If the Commission determines that a Tenant is subleasing space within a hangar in violation of the Tenant's lease or sublease license agreement, the Tenant shall pay a penalty of two (2) times the current rate set forth in Chart E of the attached Rent and Fee Schedule, retroactive to January 1 of the current calendar year, for each aircraft for which the Tenant is subleasing space in violation of the Tenant's lease or sublease license agreement.

# Interest on Late Payments

For any rents or fees due under this Ordinance, a Tenant shall pay a penalty for late or delinquent payments of twelve percent (12%) per annum on any past due balance calculated from the date the amount is due until the close of the business day upon which the delinquent payment is received by the Commission.

#### 12.310.2 <u>Misdemeanor</u>

Any person violating any of the provisions of this Ordinance shall upon conviction be punished by sentence within the parameters of the maximum penalty for misdemeanors set forth in Minn. Stat. § 609.03, or as may be amended.

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#### 12.410.3 Other Actions Not Precluded

——The penalties prescribed under this Ordinance in no way preclude the Commission——from taking any other civil action authorized under the Tenant's lease or by law.

#### SECTION 1311 - RENTS AND FEES ADJUSTMENT

#### 1311.1 Annual Rate Adjustments

#### a. Storage Tenant Per-Square-Foot Ground Rent

Storage Tenant per-square-foot ground rent will be adjusted on the anniversary date of the Storage Tenant's lease during each applicable year, according to the attached Rent and Fee Schedule.

#### b. Commercial Tenant Rent

Commercial Tenant rents in the Rent and Fee Schedule will be adjusted on January 1 of each year, according to the attached Rent and Fee Schedule.

#### c. Fuel Flowage Fees

Fuel flowage fees will be adjusted on January  ${\bf 1}$  of each year, according to the attached Rent and Fee Schedule.

#### d. Sublease Fees

The Sublease Fee will be adjusted on January 1 of each year, according to the attached Rent and Fee Schedule.

## e. Non-Aviation/Complementary Business License Fee

The Non-Aviation/Complementary Business License Fee will be adjusted on January 1 of each year, according to the attached Rent and Fee Schedule.

# 1311.2 Post 20172030 Adjustments

If the rents and fees in Charts A, B, C, D, E, F, and GF of the attached Rent and Fee Schedule are not modified by the Commission before December 31, 20172030, the rents and fees shall be increased in the same manner and at the same percentage rates per year until the Commission determines other rates and fees. This means that the operations and maintenance component of the ground rent rates in Charts A, B, and C shall be increased at three percent (3%) per year, and the preservation component of the ground rent rates in Charts A, B, and C shall be increased at five percent (5%) per year; the Fuel Flowage Fees and the Sublease Fee shall be increased at four percent (4%) per year; and the Non-Aviation/Complementary Business License Fee and the Administration Fee shall be increased at three percent (3%) per year.

Ordinance No. 119.

#### 

#### 1311.3 Commission Action

The Commission may reevaluate and adjust the rates and fees set forth in the attached Rent and Fee Schedule by Commission action. In making a decision to adjust rates, the Commission shall consider state and federal mandates and policy (e.g., in light of security mandates or extraordinary environmental costs), as well as the requirements of this Ordinance. Written notice will be provided to Tenants of public meetings to address rents and fees and of any new rents and fees adopted by the Commission.

#### SECTION 12 – AMENDMENTS TO ORDINANCE 115

#### 12.1 Ordinance 115

All defined terms used in this Section 12 are given those definitions included in Ordinance 115. As of the effective date of this Ordinance, the following sections of Ordinance 115 are deleted and re-stated as follows:

#### 12.214 Section 4.4: Fuel Flowage Fees

Fixed Base Operators that are authorized to dispense Fuel at the Airport shall pay the Fuel Flowage Fees stated in Chart D4 of Ordinance No. for every gallon of Fuel sold or delivered by the Fixed Based Operator at the Airport, regardless of Fuel type, including Fuel sold or delivered to customers, subsidiaries, licensees, or subtenants of the Fixed Base Operator at the Airport, and customers, subsidiaries, licensees, or subtenants of a subtenant of the Fixed Base Operator at the Airport. Additionally, into-plane fuel provided by a Fixed Base Operator is subject to the Fuel Flowage Fees stated in Chart D4 of Ordinance No.

Into-Plane Fuel Providers operating at the Airport shall pay the Fuel flowage fees stated in Schedule A-2 of Ordinance No. 115 for every gallon of Fuel sold or delivered by the Into-Plane Fuel Provider at the Airport, including Fuel sold or delivered to customers, subsidiaries, licensees, or subtenants of the Into-Plane Fuel Providers.

Notwithstanding the foregoing, Fuel Flowage Fees shall not apply to fuel supplied to Military Aircraft, aircraft operated by Signatory Airlines, or aircraft which are fueled while using gates at either the Terminal 1-Lindbergh or Terminal 2-Humphrey.

<u>Fuel Flowage Fees for Into-Plane Fuel Providers will be adjusted periodically as set forth in Section 4.6(b).</u>

<u>Fuel Flowage Fees for Fixed Base Operators at the Airport will be adjusted periodically as set forth in Section 11 of Ordinance No.</u>

# 12.3 Section 4.6(b): Fuel Flowage Fees Paid by Into-Plane Fuel Providers

Fuel Flowage Fees paid by Into-Plane Fuel Providers will be adjusted on January 1 of each year, according to the attached Schedule A-2. The Commission may, however, reevaluate and adjust the rates and fees in the attached Schedule A-2 by Commission action. If the Fuel Flowage Fees paid by Into-Plane Fuel Providers on the attached Schedule A-2 are not modified by the Commission before December 31, 2018, the rents and fees shall be

increased in

 increased in the same manner and at the same percentage rates per year until the Commission determines other rates and fees. This means that the Fuel Flowage Fees paid by Into-Plane Fuel Providers shall be increased at four percent (4%) per year. If the Commission plans deviate from Schedule A-2 through Commission action, it will send out notice 15 days in advance of the public meeting to affected parties.

#### 12.4 Schedule A-2: Into-Plane Fuel Provider Fuel Flowage Fees (rates per gallon)

|     | 2025    | 2026    | 2027    | 2028    | 2029    | 2030    |
|-----|---------|---------|---------|---------|---------|---------|
| MSP | \$0.160 | \$0.167 | \$0.173 | \$0.180 | \$0.187 | \$0.195 |

#### **SECTION 13 – GENERAL PROVISIONS**

#### 4413.1 Additional Tenant Charges

#### a. Assessments and Other Fees

This Ordinance has no applicability to assessments or other fees that the Tenant is required to pay on the date this Ordinance takes effect. All such assessments and fees remain in effect.

#### b. Special Rent Assessment

The Commission is authorized to charge Special Rent Assessments to Tenants consistent with Minn. Stat. § 473.651 for Reliever Airport projects or services, over and above those contemplated by a Tenant's lease, which benefit the Tenant, charged on a basis uniform and consistent with those of other Tenants at the Reliever Airports. The Commission's Executive Director is authorized to create procedures to implement Special Rent Assessments. Such procedures shall include notice to affected Tenants and opportunity to comment prior to imposition of any such assessment.

#### 1413.2 Provisions Severable

If any part or parts of this Ordinance is declared unconstitutional or invalid, this does not affect the validity of the remaining parts of this Ordinance. The Commission declares it would have passed the remaining parts of this Ordinance without the unenforceable provisions.

# 1413.3 Notice

Any notice required by this Ordinance is sufficient if delivered in person, sentas provided by U.S. mail to the last address on file notice provisions of the Tenant's Lease with the Commission, or transmitted by facsimile to the last facsimile number on file with the Commission.

#### 1413.4 Amendment

Ordinance No.  $\frac{107}{219}$  is amended and restated on the date this Ordinance takes effect.

-Public Hearing Draft July 15, 2024 Ordinance No.419.\_\_\_

Reliever Airports Rates and Charges Ordinance
 Effective July January 1, 2014-2025

# 4413.5 Effective Date

This Ordinance is effective JulyJanuary 1, 20142025.



**RENT AND FEE SCHEDULE** 

Ordinance No.119.\_\_\_\_

# 842 843 844

# <u>Chart A – Per-Square Foot Ground Rent</u> (annual rate per square foot)

|              | <del>2012</del> 20                       | <del>2013</del> 2026                  | <del>2014</del> 2027                  | <del>2015</del> 2028                  | <del>2016</del> 2029                  | <del>2017</del> 2030                  |
|--------------|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
|              | <u>25</u>                                |                                       |                                       |                                       |                                       |                                       |
| St. Paul     | \$0. <del>623</del> 9<br>4               | <u>\$</u> 0. <del>643</del> <u>96</u> | <u>\$</u> 0. <del>664</del> <u>99</u> | <del>0.685</del> \$1.02               | <del>0.708</del> \$1.05               | <del>0.731</del> \$1.08               |
| Flying Cloud | \$0. <del>531</del> <u>7</u><br><u>9</u> | <u>\$</u> 0. <del>548</del> <u>82</u> | <u>\$</u> 0. <del>566</del> <u>84</u> | <u>\$</u> 0. <del>585</del> <u>87</u> | <u>\$</u> 0. <del>604</del> <u>89</u> | <u>\$</u> 0. <del>624</del> <u>92</u> |
| Anoka County | \$0. <del>531</del> <u>7</u><br>9        | <u>\$</u> 0. <del>548</del> <u>80</u> | <u>\$</u> 0. <del>566</del> <u>81</u> | <u>\$</u> 0. <del>585</del> <u>82</u> | <u>\$</u> 0. <del>604</del> <u>83</u> | <u>\$</u> 0. <del>624</del> <u>84</u> |
| Crystal      | \$0. <del>465</del> <u>7</u><br><u>0</u> | <u>\$</u> 0. <del>480</del> <u>72</u> | <u>\$</u> 0. <del>496</del> <u>74</u> | <u>\$</u> 0. <del>513</del> <u>76</u> | <u>\$</u> 0. <del>530</del> <u>79</u> | <u>\$</u> 0. <del>547</del> <u>81</u> |
| Airlake      | \$0. <del>399</del> 6<br>2               | <u>\$</u> 0. <del>413</del> <u>65</u> | <u>\$</u> 0. <del>427</del> <u>67</u> | <u>\$</u> 0. <del>441</del> <u>70</u> | <u>\$</u> 0. <del>456</del> <u>72</u> | <u>\$</u> 0. <del>471</del> <u>75</u> |
| Lake Elmo    | \$0. <del>399</del> 6<br>1               | <u>\$</u> 0. <del>413</del> <u>62</u> | <u>\$</u> 0. <del>427</del> <u>64</u> | <u>\$</u> 0. <del>441</del> <u>66</u> | <u>\$</u> 0. <del>456</del> <u>68</u> | <u>\$</u> 0. <del>471</del> <u>70</u> |
|              |  |                                       |                                       |                                       |                                       |                                       |

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# <u>Chart B – Commercial Ground Rent without percentage</u> (annual rate, per square foot)

|              | <del>2012</del> 20         | <del>2013</del> 2026                  | <del>2014</del> <u>2027</u>           | <del>2015</del> 2028                  | <del>2016</del> 2029                  | <del>2017</del> 2030                  |
|--------------|----------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
|              | <u>25</u>                  |                                       |                                       |                                       |                                       |                                       |
| St. Paul     | \$0.4 <del>57</del> 7<br>3 | <u>\$</u> 0. <del>472</del> <u>77</u> | <u>\$</u> 0. <del>488</del> <u>81</u> | <u>\$</u> 0. <del>504</del> <u>83</u> | <u>\$</u> 0. <del>521</del> <u>86</u> | <u>\$</u> 0. <del>538</del> <u>88</u> |
| Flying Cloud | \$0. <del>393</del> 6<br>4 | <u>\$</u> 0. <del>406</del> <u>67</u> | <u>\$</u> 0. <del>420</del> <u>70</u> | <u>\$</u> 0. <del>434</del> <u>72</u> | <u>\$</u> 0. <del>448</del> <u>74</u> | <u>\$</u> 0. <del>464</del> <u>77</u> |
| Anoka County | \$0. <del>393</del> 5<br>9 | <u>\$</u> 0. <del>406</del> <u>62</u> | <u>\$</u> 0. <del>420</del> <u>66</u> | <u>\$</u> 0. <del>434</del> <u>67</u> | <u>\$</u> 0. <del>448</del> <u>68</u> | <u>\$</u> 0. <del>464</del> <u>70</u> |
| Crystal      | \$0. <del>347</del> 5<br>2 | <u>\$</u> 0. <del>359</del> <u>54</u> | <u>\$</u> 0. <del>371</del> <u>57</u> | <u>\$</u> 0. <del>383</del> <u>59</u> | <u>\$</u> 0. <del>397</del> <u>60</u> | <u>\$</u> 0. <del>410</del> <u>62</u> |
| Airlake      | \$0. <del>235</del> 4<br>6 | <u>\$</u> 0. <del>243</del> 48        | <u>\$</u> 0. <del>252</del> <u>51</u> | <u>\$</u> 0. <del>261</del> <u>52</u> | <u>\$</u> 0. <del>271</del> <u>54</u> | <u>\$</u> 0. <del>280</del> <u>56</u> |
| Lake Elmo    | \$0. <del>235</del> 4<br>4 | <u>\$</u> 0. <del>243</del> <u>45</u> | <u>\$</u> 0. <del>252</del> 46        | <u>\$</u> 0. <del>261</del> <u>48</u> | <u>\$</u> 0. <del>271</del> 49        | <u>\$</u> 0. <del>280</del> <u>51</u> |

# 849 850 851 852

# <u>Chart C – Commercial Ground Rent with percentage</u> <u>\*</u> (annual rate, per square foot)

|              | <del>2012</del> 202                   | <del>2013</del> 2026           | <del>2014</del> 2027   | <del>2015</del> 2028                  | <del>2016</del> 2029           | <del>2017</del> 2030                  |
|--------------|---------------------------------------|--------------------------------|------------------------|---------------------------------------|--------------------------------|---------------------------------------|
|              | <u>5</u>                              |                                |                        |                                       |                                |                                       |
| St. Paul     | <u>\$</u> 0. <del>307</del> <u>52</u> | \$0. <del>318</del> 57         | \$0. <del>329</del> 62 | <u>\$</u> 0. <del>340</del> <u>64</u> | \$0. <del>352</del> 66         | <u>\$</u> 0. <del>364</del> <u>68</u> |
| Flying Cloud | \$0. <del>294</del> 48                | \$0. <del>30</del> 4 <u>52</u> | \$0. <del>315</del> 56 | \$0. <del>326</del> 58                | \$0. <del>337</del> 60         | \$0. <del>349</del> 61                |
| Anoka County | \$0. <del>202</del> 38                | \$0. <del>209</del> 44         | \$0. <del>217</del> 51 | \$0. <del>225</del> 52                | \$0. <del>23</del> 4 <u>54</u> | \$0. <del>242</del> 55                |
| Crystal      | \$0. <del>202</del> 34                | \$0. <del>209</del> 37         | \$0. <del>217</del> 40 | \$0. <del>225</del> 41                | \$0. <del>234</del> 42         | \$0. <del>242</del> 43                |

-Public Hearing Draft July 15, 2024 Ordinance No.419.\_\_\_

Reliever Airports Rates and Charges Ordinance

Effective JulyJanuary 1, 2014 2025

| Airlake   | \$0. <del>176</del> 30 | \$0. <del>182</del> 32 | \$0. <del>189</del> 34 | \$0. <del>196</del> 35 | \$0. <del>204</del> 36 | \$0. <del>212</del> 37 |
|-----------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Lake Elmo | \$0. <del>176</del> 28 | \$0. <del>182</del> 28 | \$0. <del>189</del> 28 | \$0. <del>196</del> 29 | \$0. <del>204</del> 30 | \$0. <del>212</del> 31 |

# <u>Chart D1 – Fuel Flowage Fees for Jet A at STP, FCM, and ANE</u> (rate per gallon)

| 2025         |                                | 2012                      | <del>2</del> 2026 | <del>2013</del> 202   | <u>27</u> | <del>2014</del> 2028   | <del>2015</del> 2029           | <del>2016</del> 2030   | ( | Deleted C | Cells |
|--------------|--------------------------------|---------------------------|-------------------|-----------------------|-----------|------------------------|--------------------------------|------------------------|---|-----------|-------|
|              | <u>\$</u> 0. <del>132</del> 16 | <u>\$</u> 0. <del>1</del> | <del>.00</del> 17 | \$0. <del>104</del> 1 | 7         | \$0. <del>108</del> 18 | <u>\$</u> 0. <del>112</del> 19 | \$0. <del>117</del> 19 | ( | Deleted C | Cells |
| St. Paul     |                                |                           |                   |                       |           |                        |                                |                        |   |           |       |
|              | 0.132                          | 0.100                     | .0.104            | 0.108                 | 0.117     | 0.117                  |                                |                        |   |           |       |
| Flying Cloud |                                |                           |                   |                       |           |                        |                                |                        |   |           |       |
|              | 0.132                          | 0.100                     | 0.104             | 0.108                 | 0.117     | <del>2</del> 0.117     |                                |                        |   |           |       |

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|   | Effective July January 1, 2014-2025            |

<del>2015</del>2029

\$0.<del>154</del>20

<del>2016</del>2030

\$0.<del>160</del>21

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#### Chart D2 - Fuel Flowage Fees for 100 Low Lead; and for Jet A at LVN, MIC, and 21D (rate per gallon)

| 2 | <u> 1025</u>         |                                | <del>20</del> | <del>12</del> 2026  | <del>2013</del> 2027  |     | <del>2014</del> 2028 |                     |  |
|---|----------------------|--------------------------------|---------------|---------------------|-----------------------|-----|----------------------|---------------------|--|
| S | t. Paul              | <u>\$</u> 0. <del>132</del> 17 | <u>\$</u> 0   | . <del>137</del> 18 | \$0. <del>142</del> 1 | 9   | <u>\$</u> 0          | . <del>148</del> 20 |  |
|   | Flying Cloud         | 0.132                          | 0.137         | 0.142               | 0.148                 | 0.1 | 54                   | 0.160               |  |
|   | Anoka County         | 0.132                          | 0.137         | 0.142               | 0.148                 | 0.1 | 54                   | 0.160               |  |
|   | Crystal              | 0.105                          | 0.109         | 0.114               | 0.118                 | 0.1 | 23                   | 0.128               |  |
|   | Airlake              | 0.105                          | 0.109         | 0.114               | 0.118                 | 0.1 | 23                   | 0.128               |  |
|   | <del>Lake Elmo</del> | 0.105                          | 0.109         | 0.114               | 0.118                 | 0.1 | 23                   | 0.128               |  |

862 863

860 861

\* Plus applicable percentage rate on annual calendar year Net Gross Revenue per Section 2.2.b.

865 866

867

864

<u>Chart E – Sublease Fee</u> (annual rate per aircraft)

868 869 870

# Chart D3 – Fuel Flowage Fees for Reliever Airports AvGas (rate per gallon)

| <u>2025</u>                               | <del>2012</del> 2026     | <del>2013</del> 2027                   | 2014                                   | <del>2014</del> 2028 <del>2015</del> 2029 |                          | <del>2016</del> 203                    | <u>30</u>       | <del>2017</del> |   |
|---|--------------------------|--|--|---|--------------------------|--|-----------------|-----------------|---|
| Single Engine / Turbo Prop / Reciprocatin | <del>182.50</del> \$0.23 | <del>189.80</del> <u>\$0.</u>          | 24 197.                                | <del>39</del> \$0.25                      | <del>205.29</del> \$0.26 | <del>213.50</del> <u>\$</u>            | 60.27           | 222.04          | 4 |
| Twin Engine / Reciproca Turbo Jet El      |                          | <del>365.00</del><br><del>730.00</del> | <del>379.60</del><br><del>759.20</del> | <del>394.78</del><br><del>789.57</del>    | 410.58<br>821.15         | <del>427.00</del><br><del>854.00</del> | <del>888.</del> |                 |   |

871 872

Chart F - Non-Aviation/Complementary Business License Fee (monthly rate)

874 875

876

873

#### Chart D4 – Fuel Flowage Fees for MSP Fixed Base Operators, all Fuel types (rate per gallon)

| 2025                  | <del>2012</del> 2026     | <del>2013</del> 2027     | <del>2014</del> 2028            | <del>2015</del> 2029     | <del>2016</del> 2030     | <del>2017</del> |
|-----------------------|--------------------------|--------------------------|---------------------------------|--------------------------|--------------------------|-----------------|
| \$0.22 <del>All</del> | <del>173.89</del> \$0.23 | <del>179.11</del> \$0.24 | <del>184.48</del> <u>\$0.25</u> | <del>190.01</del> \$0.26 | <del>195.71</del> \$0.27 | 201.59          |
| Reliever<br>Airports  |                          |                          |                                 |                          |                          |                 |

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|   | Effective Julylanuary 1, 2014, 2025            |

<u>Chart G – Administration</u>E – Non-Aviation/Complementary Business License Fee \*\* (monthly rate per request or transaction)

| 201   | <del>2012</del> 2025                      |  | <del>2013</del> 2026 <del>201</del> 4 <u>202</u> |                  | 27 <del>2015</del> 2028                |  | <u>29</u> <del>20</del> :              | <del>17</del> 2030                      |
|---|---|--|--|------------------|--|--|--|---|
| Approval of<br>Modification to<br>Area                    | Modification to Leased                    |  | 108.15   | 111.39           | 114.74                                 | 118.18                                 | 121.72                                 |   |
| Consent to Leasehold Mortgage and Subordination Agreement |   | <del>115.00</del>                          | <del>118.45</del>                                | 122.00           | <del>125.66</del>                      | <del>129.43</del>                      | <del>133.32</del>                      |   |
|   | Consent to Sublease –<br>Commercial Lease |  | <del>250.29</del>                                | 257.80           | <del>265.53</del>                      | <del>273.50</del>                      | <del>281.70</del>                      |   |
| All Reliever AirportsSta ndard Amendmen t                 | \$ <u>\$180</u> .00                       | <del>190.55</del> <u>\$18</u><br><u>40</u> | 35. 196.2<br>96                                  |                  | <del>202.15</del> \$196<br>69          | 208.22<br>59                           | 202. 214<br>8.6                        | <del>1.47</del> <u>\$20</u><br><u>7</u> |
| Standard Assign   |   | <del>185.00</del><br><del>105.00</del>     | 190.55<br>108.15                                 | 196.27<br>111.39 | <del>202.15</del><br><del>114.74</del> | <del>208.22</del><br><del>118.18</del> | <del>214.47</del><br><del>121.72</del> |   |

\*\* Plus additional amount, if applicable, per Section 8.2.

Other Fees

Minimum Landing Fee at STP, FCM & ANE \$20.00

Waiting List Fee \$500.00

# Chart F – Administration Fee (rate per request or transaction)

|                                    | 2025         | 2026         | 2027         | 2028         | 2029         | 2030  |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|-------|
| Approval of Tenant Modification to | <u>\$190</u> | <u>\$196</u> | \$202        | <u>\$208</u> | <u>\$214</u> | \$220 |
| <u>Leased Area</u>                 |              |              |              |              |              |       |
| Consent to Leasehold Mortgage and  | <u>\$180</u> | <u>\$185</u> | <u>\$191</u> | <u>\$197</u> | \$203        | \$209 |
| Subordination Agreement*           |              |              |              |              |              |       |

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| Consent to Sublease – Commercial Lease | \$265 | <u>\$273</u> | <u>\$281</u> | \$290 | <u>\$298</u> | \$307 |
|--|-------|--------------|--------------|-------|--------------|-------|
| Standard Amendment                     | \$290 | \$299        | \$308        | \$317 | <u>\$326</u> | \$336 |
| Standard Assignment                    | \$290 | \$299        | <u>\$308</u> | \$317 | <u>\$326</u> | \$336 |
| Standard Termination                   | \$200 | \$206        | \$212        | \$219 | \$225        | \$232 |
| with the contract of                   |       | •            | 1 -1 -1      |       |              |       |

\*If legal review for these documents exceeds one hour of work, the actual cost of the review will be billed, rather than the Chart F rate.



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| 10       | METROPOLITAN AIRPORTS COMMISSION                         |
| 11       |  |
| 12       |  |
| 13       |  |
| 14       |  |
| 15       |  |
| 16       | ORDINANCE No. 115  |
|          | ORDINANCE NO. 113  |
| 17       | AUDELE DI LICE AND TERRAINIAL 2 LILINARIUREV ORDINIANICE |
| 18       | AIRFIELD USE AND TERMINAL 2-HUMPHREY ORDINANCE           |
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| 38       |  |
| 39       | Adopted by Commission: August 27, 2012                   |
| 40       | Effective Date: January 1, 2013                          |
| 41       | Amended by Ordinance No                                  |
| 42       | Amendment Effective Date: January 1, 2025                |

MAC Ordinance No. 115 Airfield Use and Terminal 2-Humphrey Ordinance Amendment Effective Date: January 1, 2025

# 44 45 46 47 48 49

# **Metropolitan Airports Commission**

# **ORDINANCE NO. 115**

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#### **METROPOLITAN AIRPORTS COMMISSION**

**ORDINANCE NO. 115** 

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#### **AIRFIELD USE AND TERMINAL 2-HUMPHREY ORDINANCE**

An Ordinance to promote and conserve public safety, health, peace, convenience and welfare, to provide regulation on use of the Minneapolis-St. Paul International Airport – Wold – Chamberlain Field and to control the loading and unloading of passengers and freight thereat; to provide for payment of landing fees by aircraft other than signatory airlines and military aircraft; to provide for payment of Facility Use Fees, Aircraft Parking Fees, and Federal Inspections Services Facility Use Fees at Terminal 2-Humphrey; prescribing the penalty for violation thereof; and to repeal Commission Ordinance No. 96.

The Metropolitan Airports Commission does ordain:

# <u>SECTION 1 – DEFINITIONS.</u>

- 1.1 Aircraft Parking Fees. The fees, established by the Commission or as from time to time amended, to be charged to the operator of aircraft parking at the Airport ramps adjacent to the Terminal 2-Humphrey, copy of the applicable fee schedule to be on file at all times within the Terminal 2-Humphrey and to be furnished on request by the Terminal 2-Humphrey Agent to the operator of aircraft incident to use of said facilities.
- 1.2 Airport. Minneapolis-St. Paul International Airport, Wold-Chamberlain Field, a public airport under the supervision, operation, direction and control of the Metropolitan Airports Commission, and located in the County of Hennepin and State of Minnesota.
- 1.3 Category I Aircraft. Aircraft with FAA approved maximum certificated gross landing weight less than or equal to 80,000 pounds.
- 1.4 Category II Aircraft. Aircraft with FAA approved maximum certificated gross landing weight greater than 80,000 pounds but less than or equal to 230,000 pounds.
- 1.5 Category III Aircraft. Aircraft with FAA approved maximum certificated gross landing weight greater than 230,000 pounds.
- Commission. The Metropolitan Airports Commission ("MAC"), a public corporation organized and 1.6 operating pursuant to Chapter 500, Laws of Minnesota 1943 and amendments thereto.
- 1.7 Common Ticket Counters. Ticket counters that are not leased.
- 1.8 Common Use Facilities. Common Use Gate holdrooms, ramp, jetbridges, Common Ticket Counters, and shared bag claim areas.
  - 1.9 Common Use Gates. Aircraft gates that are not leased.
  - Facility Use Fee. The fees established by this Ordinance, or as from time to time amended by the 1.10 Commission. A copy of the applicable schedule to be furnished on request to the operator of aircraft incident to use of said facilities. Facility Use Fees include, but are not limited to, fees charged per

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101 Operation for Common Use Gates, FIS Fees, Aircraft Parking Fees and other fees under this 102 Ordinance. 103 <u>FIS</u>. Federal Inspection Service. 104 1.11 105 106 1.12 Fixed Base Operator. A commercial operator at the Airport whose operations under agreement with the Commission at an assigned area under his/her control encompasses some or all of the 107 following: the furnishing of services such as aircraft storage, aircraft repairs, air charter flights, and 108 sale of aircraft, aircraft parts and equipment, aviation fuel and other petroleum products for use in 109 aircraft. 110 111 112 1.13 Fuel. Aviation gasoline and any other gasoline, petroleum product, fuel, or other substance used 113 in the propulsion of aircraft, automobiles, trucks and other ground vehicles. 114 1.14 <u>Terminal 2-Humphrey</u>. Terminal 2-Humphrey and aircraft ramp areas adjacent thereto, said area(s) 115 being designated on a master plan of the Airport on file in the office of the Airport Director. 116 117 Terminal 2-Humphrey Agent. The operator designated by the Commission or the Commission itself, 118 1.15 who, under agreement with the Commission, has the responsibility to manage, direct, supervise and 119 120 to otherwise control all aircraft operations to, at or from the Terminal 2-Humphrey, and who shall conduct such operations from offices therein in accordance with the Commission's Terminal 2-121 122 Humphrey Operating Policies and Procedures as amended, and under the supervision and direction of the Commission. 123 124 1.16 Terminal 2-Humphrey Surcharge. The Terminal 2-Humphrey Surcharge generally covers the cost of 125 items provided by the Commission at Terminal 2-Humphrey, which are not in the judgment of the 126 127 Commission provided by the Commission at Terminal 1-Lindbergh. Such items include, but are not limited to, passenger loading bridges, ticket counter inserts, bag belt to make-up area, ticket counter 128 129 signage, baggage make-up/sort device, gate podium and backwall, furniture and fixtures, FIDS, BIDS and EVIDS, curbside baggage check, gate lobby interior finishes, and CUTE systems. 130 131 Into-Plane Fuel Provider. Tenant or Licensee of the Airport that is authorized to deliver fuel to 132 1.17 133 aircraft at MSP through the completion of a Limited Airside Services License Agreement with the 134 Commission. 135 136 1.18 Terminal 1-Lindbergh. Terminal 1-Lindbergh and the aircraft ramp areas adjacent thereto, said area(s) being designated on a master plan of the Airport on file in the office of the Airport Director. 137 138 139 1.19 Military Aircraft. Aircraft owned and/or operated by components of the military forces of the United States of America or of the State of Minnesota, making use of the Airport and paying for use of the 140 public runways, taxiways, aprons and air navigation facilities pursuant to Use Fee Agreements. 141 142 1.20 Non-Signatory Airline. Operator of aircraft that pays for use of the Airport pursuant to this 143 144 Ordinance, and not under a Use Fee Agreement. 145 146 1.21 Operation. An aircraft arrival to or departure from Terminal 2-Humphrey incident to the carrying of 147 passengers.

- 1.22 <u>Signatory Airline</u>. Operator of aircraft that pays for use of the Airport pursuant to a Use Fee Agreement and, where applicable, this Ordinance.
- 1.23 <u>Use Fee Agreements</u>. Agreements between the Commission and Signatory Airlines and the military by which the airlines and the military are charged fees for the use of public runways, taxiways, aprons and air navigation facilities to defray in part the cost of development, maintenance and operation thereof.

## SECTION 2. USE OF THE AIRPORT BY AIRCRAFT CARRYING CARGO OR FREIGHT.

- 2.1 <u>Prohibited Loading and Off-Loading Areas</u>. No aircraft operator carrying cargo or freight not incidental to the carrying of passengers, except air taxi mail flights, shall use Terminal 2-Humphrey at the Airport for the parking of aircraft incident to the on-loading or off-loading of freight and cargo. A representative of the Commission may authorize such aircraft operators to use such area on a space available basis when unusual operational conditions exist.
- 2.2 <u>Designated Loading or Unloading Areas</u>. The loading or unloading of air freight, not incidental to the carrying of passengers, shall be carried on at a cargo freight handling area as designated on a master plan of the Airport. This provision shall not apply to airlines operating out of Terminal 1-Lindbergh and Military Aircraft, who may be loaded and unloaded at their respective assigned apron areas, and to air taxi mail carriers which may load or unload at Terminal 1-Lindbergh building.

#### **SECTION 3. USE OF THE AIRPORT.**

- Aircraft Parking. Subject to the provisions of Section 2, the parking of aircraft incident to operations to, at or from the Airport shall be limited to Fixed Base Operator locations and other areas designated by the Commission for aircraft parking. Such parking shall be controlled by and subject to the direction of the operator in charge of the ramp area so used.
  - Aircraft parking at Common Use Gates at the Terminal 2-Humphrey is prohibited without prior approval by the Commission or its designated representative. If so approved, such parking shall be subject to applicable parking fees set forth on Schedules A-1 and additional fees for the use of facilities and other equipment provided by the Terminal 2-Humphrey Agent or others.
- 3.2 Loading and Unloading. The loading or unloading of passengers to or from aircraft using Common Use Facilities at the Terminal 2-Humphrey shall be through the passenger lobby area and jetbridges and in accordance with the Terminal 2-Humphrey Operating Procedures. All loading or unloading of passengers and their luggage to or from aircraft shall be conducted by and subject to the direction and control of the Commission or its designated representative in accordance with the Terminal 2-Humphrey Operating Procedures.
- 3.3 <u>Terminal 2-Humphrey</u>. Use of the Terminal 2-Humphrey shall be according to the Terminal 2-Humphrey Operating Policies and Procedures and any applicable policies adopted by the Commission.
- 194 3.4 <u>International Waste</u>. Aircraft operators are responsible for the proper disposal of all international waste as required by the United States Department of Agriculture ("USDA").

#### **SECTION 4. PAYMENT OF FEES FOR AIRCRAFT USE OF THE AIRPORT.**

- 4.1 <u>Use Fee Agreements</u>. The operators of Signatory Airlines and Military Aircraft making use of the
   200 Airport pay charges for use of the public runways, taxiways, aprons and air navigation facilities
   201 pursuant to Use Fee Agreements.
  - 4.2 Landing Fee. The operators of all aircraft, other than Signatory Airlines or operators of Military Aircraft, including without limiting the foregoing aircraft based at all of the Commission's airports, shall pay a landing fee charge based on the weight of the aircraft for each landing of such aircraft at the Airport in an amount equal to one hundred twenty-five percent (125%) of the then current estimated compensatory field and runway use fee charged to Signatory Airlines; provided that the landing fee charged hereunder shall be no less than the established Minimum Landing Fee ("Minimum Landing Fee"). The Minimum Landing Fee will thereafter be indexed to the total budgeted airfield cost percentage change each year, as reflected in the Commission's operating budget. The Minimum Landing Fee will thus be adjusted annually by Commission action through the Commission's adoption of the operating budget, which is usually first presented to the Commission in September of each year. The adjusted amount will become effective on January 1, following the Commission's adoption of the operating budget. Following the Commission's adoption of the operating budget, the Commission shall provide written notice to interested parties of the adjustment to the Minimum Landing Fee, prior to its implementation.

#### 4.3 Facility Use Fees.

- (a) Establishment of Facility Use Fees. The Facility Use Fees are intended to reflect the Commission's operating and capital costs of the Terminal 2-Humphrey or a percentage thereof ("Recoverable Costs"). Recoverable Costs are the amount of the total Terminal 2-Humphrey costs that the Commission determines shall be recovered by Terminal 2-Humphrey users each year, which may include but are not limited to costs of Common Use Gates, Common Use Ticket Counters, ramp lineal footage, Terminal 2-Humphrey Surcharge, and depreciation and interest.
  - 1. <u>Common Use Facilities Fee</u>. The operator of aircraft using Common Use Gates, Common Use Ticket Counters and other Common Use Facilities at the Terminal 2-Humphrey shall pay Common Use Facilities Fee for use of that terminal building and ramp as set forth by this Ordinance. The rates established on the effective date of this Ordinance are set forth in Schedule A-1. This fee may be adjusted periodically by Commission action as set forth in Section 4.6.

The Commission shall also establish a Cap for the Common Use Facilities Fee for use of the Terminal 2-Humphrey ("Cap") in which an aircraft operator shall pay no more than the Cap rate for each Common Use Gate. For any calendar year, the Cap shall only apply to Common Use Facilities Fee for the aircraft operator's Operations on a single Common Use Gate and does not include FIS Charges, Landing Fees, Fuel Flowage Fees, Aircraft Parking Fees, rent for leased premises paid to MAC or any other fees payable to MAC. The Cap may be adjusted into rates for Category I, II and III Aircraft and may be adjusted periodically as set forth in Section 4.6.

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An aircraft operator assigned an FIS accessible gate as its priority gate may be reassigned to another gate to accommodate an international arrival and corresponding departure. In that event, the fees incurred at the gate the aircraft operator is reassigned to will apply against the Cap at the aircraft operator's normally assigned priority gate. If an aircraft operator has reached the Cap on the effective date of this Ordinance, the aircraft operator shall incur no more Common Use Gate fees for a single gate for the calendar year.

- 2. <u>Federal Inspection Services ("FIS") Facility Use Fee</u>. In addition to Common Use Facilities Fee and all other fees due under this Ordinance, the operator of aircraft using the Terminal 2-Humphrey FIS facility shall pay an FIS Facility Use Fee per Operation. This fee may be adjusted periodically by Commission action as set forth in Section 4.6. The rates established on the effective date of this Ordinance are set forth in Schedule A-1.
- 3. <u>Aircraft Parking Fees</u>. All aircraft parked in designated areas as directed by the Commission or its designated representative, including but not limited to remote ramp areas and parking and overnighting aircraft on Common Use Gates, shall pay Aircraft Parking Fees as set forth on Schedules A-1. Parking shall mean any time period an aircraft is authorized to occupy a Common Use Gate for a time period longer than provided for in the Terminal 2-Humphrey Operating Policies and Procedures for an Operation. No parking fees shall apply to parking on an aircraft operator's priority use gate as defined in the Terminal 2-Humphrey Operating Policies and Procedures. This fee may be adjusted periodically by Commission action as set forth in Section 4.6.
- (b) <u>Delay Fee</u>. If the operator of aircraft exceeds the approved occupancy times for Common Use Gates as established by the Terminal 2-Humphrey Operating Policies and Procedures by more than 15 minutes and that delay affects the next flight using that gate, the aircraft operator shall pay additional Facility Use Fees, unless the delay is caused by circumstances beyond the operator's control, including but not limited to weather, air traffic control, FIS delays, or delays of earlier flights on the gate other than flights by that aircraft operator. The delay fee is applicable to delays caused by mechanical problems where the aircraft operator has the ability to tow the aircraft off the gate. The Commission will make the final decision as to the cause of the delay.
- 4.4 <u>Fuel Flowage Fees.</u> Fixed Base Operators that are authorized to dispense Fuel at the Airport shall pay the Fuel Flowage Fees stated in Chart D4 of Ordinance No. \_\_\_\_\_ for every gallon of Fuel sold or delivered by the Fixed Based Operator at the Airport, regardless of Fuel type, including Fuel sold or delivered to customers, subsidiaries, licensees, or subtenants of the Fixed Base Operator at the Airport, and customers, subsidiaries, licensees, or subtenants of a subtenant of the Fixed Base Operator at the Airport. Additionally, into-plane fuel provided by a Fixed Base Operator is subject to the Fuel Flowage Fees stated in Chart D4 of Ordinance No. \_\_\_\_\_.

Into-Plane Fuel Providers operating at the Airport shall pay the Fuel flowage fees stated in Schedule A-2 of Ordinance No. 115 for every gallon of Fuel sold or delivered by the Into-Plane Fuel Provider at the Airport, including Fuel sold or delivered to customers, subsidiaries, licensees, or subtenants of the Into-Plane Fuel Providers.

Notwithstanding the foregoing, Fuel Flowage Fees shall not apply to fuel supplied to Military Aircraft, aircraft operated by Signatory Airlines, or aircraft which are fueled while using gates at either the Terminal 1-Lindbergh or Terminal 2-Humphrey.

Fuel Flowage Fees for Into-Plane Fuel Providers will be adjusted periodically as set forth in Section 4.6(b).

Fuel Flowage Fees for Fixed Base Operators at the Airport will be adjusted periodically as set forth in Section 11 of Ordinance No.

4.5 <u>Payment of Fees.</u> Operators of aircraft will be charged for each approved use of a Common Use Gate or Common Ticket Counter, whether or not they are actually used, unless cancelled in writing at least 10 days in advance. All use of Common Use Facilities must be approved in advance by the Commission or its designated representative.

Payment of the use fee charges shall be made prior to release and clearance of such aircraft for departure from the Airport to the Fixed Base Operator having under its control the apron area at the Airport used by the landing aircraft, including, in the case of aircraft landing and making use of the Terminal 2-Humphrey, the Terminal 2-Humphrey Agent in charge of such facility.

Aircraft Parking Fees, landing fees, Common Use Gate fees, and FIS use fees for Operation to, at or from the Terminal 2-Humphrey shall be paid to the Terminal 2-Humphrey Agent for Non-Signatory Airlines prior to release and clearance of such aircraft for departure from the Airport. Such fees shall be paid directly to the Commission for Signatory Airlines pursuant to payment provisions of the Use Fee Agreement.

Fixed Base Operators and Into-Plane Fuel Providers shall pay Fuel flowage fees (and provide reports to the Commission as described in Section 5.1) within twenty (20) days after the end of each calendar month for Fuel sold or delivered (as described in Section 4.4 above) during the previous calendar month, unless otherwise notified by the Commission in writing of different payment dates.

# 4.6 Adjustment of Fees.

(a) <u>Landing Fee and Facility Use Fees.</u> The Commission intends to establish rates in approximately September through December timeframe of each year for the upcoming calendar year. In addition, the Commission may periodically adjust these fees for reasons that include, but are not limited to, change in expected Operations, carrier(s) new to the Terminal 2-Humphrey, unanticipated expenses, and budget adjustments. Fees remain in effect until such time as changed by the Commission. The Commission shall provide notice of any changes in the Facility Use Fee structure prior to its implementation.

(b) <u>Fuel Flowage Fees</u>. Fuel Flowage Fees paid by Into-Plane Fuel Providers will be adjusted on January 1 of each year, according to the attached Schedule A-2. The Commission may, however, reevaluate and adjust the rates and fees in the attached Schedule A-2 by Commission action. If the Fuel Flowage Fees paid by Into-Plane Fuel Providers on the attached Schedule A-2 are not modified by the Commission before December 31, 2018, the

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rents and fees shall be increased in the same manner and at the same percentage rates per year until the Commission determines other rates and fees. This means that the Fuel Flowage Fees paid by Into-Plane Fuel Providers shall be increased at four percent (4%) per year. If the Commission plans deviate from Schedule A-2 through Commission action, it will send out notice 15 days in advance of the public meeting to affected parties.

4.7 <u>Late Fees</u>. Any payment not received by the Commission or the Terminal 2-Humphrey Agent within thirty (30) days of the due date shall accrue interest at the rate of one and one-half percent (1 ½ %) per month measured from the due date until paid in full.

#### SECTION 5. REPORTS AND PAYMENTS TO THE COMMISSION.

 S.1 Reports. Fixed Base Operators, and the Terminal 2-Humphrey Agent, shall within twenty (20) days after the end of each calendar month, report to the Commission covering the previous calendar month as to the aircraft which have landed and parked at the apron area(s) assigned to and under the control of such operator. Reports shall include the type of aircraft by Federal Aviation Administration approved gross certificated maximum landing weights, the number of landings and take-offs made by such aircraft during the month of reporting, and the landing fee charge due and owing in respect to such aircraft. In the case of the Terminal 2-Humphrey Agent, the report shall in addition include Aircraft Parking Fees, Facility Use Fees, FIS use fees and the number of aircraft Operations by category using the Terminal 2-Humphrey.

Fixed Base Operators and Into-Plane Fuel Providers shall provide reports to the Commission within twenty (20) days after the end of each calendar month for Fuel sold or delivered (as described in Section 4.5 above) during the previous calendar month, unless otherwise notified by the Commission in writing of different reporting dates. The reports shall state fueling activity for the calendar month, including the number of gallons of Fuel sold or delivered broken down by Fuel type, the dates on which the Fuel was supplied, the number of gallons dispensed, broken down by Fuel type; the meter readings on the pumps for the beginning and end of the calendar month, and any other information relating to the fueling activity requested in writing by the Commission.

5.2 <u>Fixed Base Operator and Terminal 2-Humphrey Agent Payments</u>. Together with such report, the Fixed Base Operator and Terminal 2-Humphrey Agent shall remit to the Commission payment of all fees reported and to be paid pursuant to this Ordinance, whether or not collected from the aircraft operator.

 5.3 Records. The Commission, through its representatives, shall have the right at any time during the business day to inspect the records of the Fixed Base Operators, Into-Plane Fuel Providers, and Terminal 2-Humphrey Agent as to Operations from the apron area assigned to and under the control of each such operator, to ascertain the veracity of the operator's reports hereunder. If, as a result of such inspection and upon audit a deficiency in payments made to the Commission hereunder of more than five percent (5%) is disclosed, the cost of audit shall be borne by the operator. Otherwise the cost of inspection and audit shall be borne by the Commission. The Terminal 2-Humphrey Agent's dispatch log shall be the official document for activity subject to fees under this Ordinance.

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#### SECTION 6. IMPOUNDING AIRCRAFT.

The Airport Director shall have the right to impound, tow away and cause to be stored with any Fixed Base Operator at the Airport, any aircraft, vehicle or other equipment parked or left unattended in violation hereof, of whose operator fails to pay aircraft landing fee charges and/or any other fee due under this Ordinance from aircraft Operation at or from the Terminal 2-Humphrey. The operator of the aircraft so impounded, in addition to payment of the fees due and owing, shall, prior to release of the same, pay all costs incident to such impounding, including charges for towing and storage of such aircraft.

#### **SECTION 7. PENALTY.**

Any person violating any of the provisions of this Ordinance shall upon conviction be punished by sentence within the parameters of the maximum penalty for misdemeanors set forth in Minn. Stat. §609.03 or as amended

#### **SECTION 8. PROVISIONS SEVERABLE.**

If any part of this Ordinance shall be held unconstitutional or invalid, this does not affect the validity of the remaining parts of this Ordinance. The Commission declares it would have passed the remaining parts of this Ordinance without the unenforceable provisions.

#### **SECTION 9. NOTICE.**

9.1 <u>Method of Providing Notice</u>. Notice as required by Section 4.6 or any other notice required by this Ordinance, is sufficient if delivered in person, sent by U.S. mail to the last address on file with the Commission, or transmitted by fax or email. Notice is effective when it is hand delivered, placed in the mail, faxed, or emailed.

9.2 <u>Time Periods</u>. The time periods set forth in this Ordinance shall be based on calendar days unless otherwise specified.

#### **SECTION 10. REPEALER.**

As of the effective date of this Ordinance, the Commission's Ordinance No. 96 is hereby revoked.

#### **SECTION 11. EFFECTIVE DATE.**

This Ordinance is effective January 1, 2013. The amendments to Sections 4.4., 4.6(b), and Schedule A-2 passed as part of Ordinance No. \_\_\_\_\_ are effective January 1, 2025.

|   | JLE A - 1<br>or 2012         |
|---|------------------------------|
| Non-Signatory Landing Fee Rate: Non-Signatory Minimum Landing Fee:  | \$3.03/1,000 lbs.<br>\$59.42 |
| FACILITY  Common Use Facilities Fee - Gate Charge Per Operat  | ion                          |
| Category I Aircraft   | \$ 112.00                    |
| Category II Aircraft  | \$582.00                     |
| Category III Aircraft   | \$1,383.00                   |
| Cap for Calendar Year 2012: \$738,101.00  F.I.S. Facilities Use Fee - Charge Per International Arr  Category   Aircraft | rival Operation<br>\$112.00  |
| Category II Aircraft  | \$1,108.00                   |
| Category III Aircraft   | \$2,411.00                   |
| Aircraft Parking Fees   | Per Hour                     |
| Category I Aircraft   | \$ 5.00                      |
| Category II Aircraft  | \$ 15.00                     |
| Category III Aircraft   | \$ 20.00                     |

| 447 | Fees have been rounded to the nearest dollar.  |
|-----|--|
| 448 |  |
| 449 | Fees may be adjusted periodically by the Commission according to Section 4.6. Check with the Commission or the |
| 450 | Terminal 2-Humphrey Agent for Current Amounts.   |
| 451 |  |

\$0.187

\$0.195

| 452 |                                     |      | Schedul | e A-2 |      |      |      |  |
|-----|-------------------------------------|------|---------|-------|------|------|------|--|
| 453 |                                     |      |         |       |      |      |      |  |
| 454 | Fuel Flowage Fees (rate per gallon) |      |         |       |      |      |      |  |
| 455 |                                     | _    |         |       |      |      | _    |  |
|     |                                     | 2025 | 2026    | 2027  | 2028 | 2029 | 2030 |  |

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MSP

456 457

458 459 Fees may be adjusted periodically by the Commission according to Section 4.6. Check with the Commission for Current Amounts.

\$0.173

\$0.180

\$0.167

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| 15       | ODDINANCE No. 44F                              |
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| 41       | Adopted by Commission: August 27, 2012         |
| 42       | Effective Date: January 1, 2013                |
| 43       | Amended by Ordinance No. :                     |
| 44       | Amendment Effective Date: January 1, 2025      |
|          |  |

MAC Ordinance No. 115

Airfield Use and Terminal 2-Humphrey Ordinance

Effective January 1, 2013 Amendment Effective Date:

January 1, 2025

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# **Metropolitan Airports Commission ORDINANCE NO. 115**

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| Public Hearing Draft | July 15, 2024 |
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Schedule A-2 Fuel Flowage Fees

Public Hearing Draft July 15, 2024 MAC Ordinance No. 115

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January 1, 2025

#### **METROPOLITAN AIRPORTS COMMISSION**

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An Ordinance to promote and conserve public safety, health, peace, convenience and welfare, to provide regulation on use of the Minneapolis-St. Paul International Airport – Wold – Chamberlain Field and to control the loading and unloading of passengers and freight thereat; to provide for payment of landing fees by aircraft other than signatory airlines and military aircraft; to provide for payment of Facility Use Fees, Aircraft Parking Fees, and Federal Inspections Services Facility Use Fees at Terminal 2-Humphrey; prescribing the penalty for violation thereof; and to repeal Commission Ordinance No. 96.

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The Metropolitan Airports Commission does ordain:

aircraft incident to use of said facilities.

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#### **SECTION 1 – DEFINITIONS.**

70 1.1 Aircraft Parking Fees. The fees, established by the Commission or as from time to time amended, 71 to be charged to the operator of aircraft parking at the Airport ramps adjacent to the Terminal 2-72

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1.2 Airport. Minneapolis-St. Paul International Airport, Wold-Chamberlain Field, a public airport under the supervision, operation, direction and control of the Metropolitan Airports Commission, and located in the County of Hennepin and State of Minnesota.

Humphrey, copy of the applicable fee schedule to be on file at all times within the Terminal 2-

Humphrey and to be furnished on request by the Terminal 2-Humphrey Agent to the operator of

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1.3 Category I Aircraft. Aircraft with FAA approved maximum certificated gross landing weight less than or equal to 80,000 pounds.

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Category II Aircraft. Aircraft with FAA approved maximum certificated gross landing weight greater 1.4 than 80,000 pounds but less than or equal to 230,000 pounds.

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1.5 Category III Aircraft. Aircraft with FAA approved maximum certificated gross landing weight greater than 230,000 pounds.

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1.6 Commission. The Metropolitan Airports Commission ("MAC"), a public corporation organized and operating pursuant to Chapter 500, Laws of Minnesota 1943 and amendments thereto.

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> 1.7 Common Ticket Counters. Ticket counters that are not leased.

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1.8 Common Use Facilities. Common Use Gate holdrooms, ramp, jetbridges, Common Ticket Counters, 95 and shared bag claim areas. 96

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1.9 <u>Common Use Gates</u>. Aircraft gates that are not leased.

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1.10 Facility Use Fee. The fees established by this Ordinance, or as from time to time amended by the 101 Commission. A copy of the applicable schedule to be furnished on request to the operator of aircraft 102 incident to use of said facilities. Facility Use Fees include, but are not limited to, fees charged per Operation for Common Use Gates, FIS Fees, Aircraft Parking Fees and other fees under this 103 Ordinance. 104 105 106 1.11 <u>FIS</u>. Federal Inspection Service. 107 1.12 Fixed Base Operator. A commercial operator at the Airport whose operations under agreement 108 with the Commission at an assigned area under his/her control encompasses some or all of the 109 following: the furnishing of services such as aircraft storage, aircraft repairs, air charter flights, and 110 111 sale of aircraft, aircraft parts and equipment, aviation fuel and other petroleum products for use in aircraft. 112 113 Fuel. Aviation gasoline and any other gasoline, petroleum product, fuel, or other substance used 114 1.13 in the propulsion of aircraft, automobiles, trucks and other ground vehicles. 115 116 1.14 Terminal 2-Humphrey. Terminal 2-Humphrey and aircraft ramp areas adjacent thereto, said area(s) 117 being designated on a master plan of the Airport on file in the office of the Airport Director. 118 119 120 1.15 Terminal 2-Humphrey Agent. The operator designated by the Commission or the Commission itself, who, under agreement with the Commission, has the responsibility to manage, direct, supervise and 121 to otherwise control all aircraft operations to, at or from the Terminal 2-Humphrey, and who shall 122 123 conduct such operations from offices therein in accordance with the Commission's Terminal 2-Humphrey Operating Policies and Procedures as amended, and under the supervision and direction 124 of the Commission. 125 126 127 1.16 <u>Terminal 2-Humphrey Surcharge</u>. The Terminal 2-Humphrey Surcharge generally covers the cost of items provided by the Commission at Terminal 2-Humphrey, which are not in the judgment of the 128 129 Commission provided by the Commission at Terminal 1-Lindbergh. Such items include, but are not limited to, passenger loading bridges, ticket counter inserts, bag belt to make-up area, ticket counter 130 signage, baggage make-up/sort device, gate podium and backwall, furniture and fixtures, FIDS, BIDS 131 132 and EVIDS, curbside baggage check, gate lobby interior finishes, and CUTE systems. 133 134 1.17 Into-Plane Fuel Provider. Tenant or Licensee of the Airport that is authorized to deliver fuel to aircraft at MSP through the completion of a Limited Airside Services License Agreement with the 135 136 Commission. 137 1.18 Terminal 1-Lindbergh. Terminal 1-Lindbergh and the aircraft ramp areas adjacent thereto, said 138 area(s) being designated on a master plan of the Airport on file in the office of the Airport Director. 139 140 1.19 Military Aircraft. Aircraft owned and/or operated by components of the military forces of the United 141 States of America or of the State of Minnesota, making use of the Airport and paying for use of the 142 public runways, taxiways, aprons and air navigation facilities pursuant to Use Fee Agreements. 143 144 145 1.20 Non-Signatory Airline. Operator of aircraft that pays for use of the Airport pursuant to this Ordinance, and not under a Use Fee Agreement. 146 147 Operation. An aircraft arrival to or departure from Terminal 2-Humphrey incident to the carrying of 148 1.21

passengers.

1.22 <u>Signatory Airline</u>. Operator of aircraft that pays for use of the Airport pursuant to a Use Fee Agreement and, where applicable, this Ordinance.

1.23 <u>Use Fee Agreements</u>. Agreements between the Commission and Signatory Airlines and the military by which the airlines and the military are charged fees for the use of public runways, taxiways, aprons and air navigation facilities to defray in part the cost of development, maintenance and operation thereof.

## SECTION 2. USE OF THE AIRPORT BY AIRCRAFT CARRYING CARGO OR FREIGHT.

2.1 <u>Prohibited Loading and Off-Loading Areas</u>. No aircraft operator carrying cargo or freight not incidental to the carrying of passengers, except air taxi mail flights, shall use Terminal 2-Humphrey at the Airport for the parking of aircraft incident to the on-loading or off-loading of freight and cargo. A representative of the Commission may authorize such aircraft operators to use such area on a space available basis when unusual operational conditions exist.

2.2 <u>Designated Loading or Unloading Areas</u>. The loading or unloading of air freight, not incidental to the carrying of passengers, shall be carried on at a cargo freight handling area as designated on a master plan of the Airport. This provision shall not apply to airlines operating out of Terminal 1-Lindbergh and Military Aircraft, who may be loaded and unloaded at their respective assigned apron areas, and to air taxi mail carriers which may load or unload at Terminal 1-Lindbergh building.

# **SECTION 3. USE OF THE AIRPORT.**

3.1 <u>Aircraft Parking</u>. Subject to the provisions of Section 2, the parking of aircraft incident to operations to, at or from the Airport shall be limited to Fixed Base Operator locations and other areas designated by the Commission for aircraft parking. Such parking shall be controlled by and subject to the direction of the operator in charge of the ramp area so used.

Aircraft parking at Common Use Gates at the Terminal 2-Humphrey is prohibited without prior approval by the Commission or its designated representative. If so approved, such parking shall be subject to applicable parking fees set forth on Schedules A-1 and additional fees for the use of facilities and other equipment provided by the Terminal 2-Humphrey Agent or others.

3.2 Loading and Unloading. The loading or unloading of passengers to or from aircraft using Common Use Facilities at the Terminal 2-Humphrey shall be through the passenger lobby area and jetbridges and in accordance with the Terminal 2-Humphrey Operating Procedures. All loading or unloading of passengers and their luggage to or from aircraft shall be conducted by and subject to the direction and control of the Commission or its designated representative in accordance with the Terminal 2-Humphrey Operating Procedures.

3.3 <u>Terminal 2-Humphrey</u>. Use of the Terminal 2-Humphrey shall be according to the Terminal 2-Humphrey Operating Policies and Procedures and any applicable policies adopted by the Commission.

3.4 <u>International Waste</u>. Aircraft operators are responsible for the proper disposal of all international

waste as required by the United States Department of Agriculture ("USDA").

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# **SECTION 4. PAYMENT OF FEES FOR AIRCRAFT USE OF THE AIRPORT.**

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- 4.1 <u>Use Fee Agreements.</u> The operators of Signatory Airlines and Military Aircraft making use of the
  - Airport pay charges for use of the public runways, taxiways, aprons and air navigation facilities pursuant to Use Fee Agreements.
- 4.2 Landing Fee. The operators of all aircraft, other than Signatory Airlines or operators of Military Aircraft, including without limiting the foregoing aircraft based at all of the Commission's airports, shall pay a landing fee charge based on the weight of the aircraft for each landing of such aircraft at the Airport in an amount equal to one hundred twenty-five percent (125%) of the then current estimated compensatory field and runway use fee charged to Signatory Airlines; provided that the landing fee charged hereunder shall be no less than the established Minimum Landing Fee ("Minimum Landing Fee"). The Minimum Landing Fee will thereafter be indexed to the total budgeted airfield cost percentage change each year, as reflected in the Commission's operating budget. The Minimum Landing Fee will thus be adjusted annually by Commission action through the Commission's adoption of the operating budget, which is usually first presented to the Commission in September of each year. The adjusted amount will become effective on January 1, following the Commission's adoption of the operating budget. Following the Commission's adoption of the operating budget, the Commission shall provide written notice to interested parties of the adjustment to the Minimum Landing Fee, prior to its implementation.
- 4.3 Facility Use Fees.
  - (a) Establishment of Facility Use Fees. The Facility Use Fees are intended to reflect the Commission's operating and capital costs of the Terminal 2-Humphrey or a percentage thereof ("Recoverable Costs"). Recoverable Costs are the amount of the total Terminal 2-Humphrey costs that the Commission determines shall be recovered by Terminal 2-Humphrey users each year, which may include but are not limited to costs of Common Use Gates, Common Use Ticket Counters, ramp lineal footage, Terminal 2-Humphrey Surcharge, and depreciation and interest.
    - Common Use Facilities Fee. The operator of aircraft using Common Use Gates, Common Use Ticket Counters and other Common Use Facilities at the Terminal 2-Humphrey shall pay Common Use Facilities Fee for use of that terminal building and ramp as set forth by this Ordinance. The rates established on the effective date of this Ordinance are set forth in Schedule A-1. This fee may be adjusted periodically by Commission action as set forth in Section 4.6.
      - The Commission shall also establish a Cap for the Common Use Facilities Fee for use of the Terminal 2-Humphrey ("Cap") in which an aircraft operator shall pay no more than the Cap rate for each Common Use Gate. For any calendar year, the Cap shall only apply to Common Use Facilities Fee for the aircraft operator's Operations on a single Common Use Gate and does not include FIS Charges, Landing Fees, Fuel Flowage Fees, Aircraft Parking Fees, rent for leased premises paid to MAC or any other fees payable to MAC. The Cap may be adjusted into rates for Category I, II and III Aircraft and may be adjusted periodically as set forth

in Section 4.6.

An aircraft operator assigned an FIS accessible gate as its priority gate may be reassigned to another gate to accommodate an international arrival and corresponding departure. In that event, the fees incurred at the gate the aircraft operator is reassigned to will apply against the Cap at the aircraft operator's normally assigned priority gate. If an aircraft operator has reached the Cap on the effective date of this Ordinance, the aircraft operator shall incur no more Common Use Gate fees for a single gate for the calendar year.

- 2. <u>Federal Inspection Services ("FIS") Facility Use Fee</u>. In addition to Common Use Facilities Fee and all other fees due under this Ordinance, the operator of aircraft using the Terminal 2-Humphrey FIS facility shall pay an FIS Facility Use Fee per Operation. This fee may be adjusted periodically by Commission action as set forth in Section 4.6. The rates established on the effective date of this Ordinance are set forth in Schedule A-1.
- 3. <u>Aircraft Parking Fees.</u> All aircraft parked in designated areas as directed by the Commission or its designated representative, including but not limited to remote ramp areas and parking and overnighting aircraft on Common Use Gates, shall pay Aircraft Parking Fees as set forth on Schedules A-1. Parking shall mean any time period an aircraft is authorized to occupy a Common Use Gate for a time period longer than provided for in the Terminal 2-Humphrey Operating Policies and Procedures for an Operation. No parking fees shall apply to parking on an aircraft operator's priority use gate as defined in the Terminal 2-Humphrey Operating Policies and Procedures. This fee may be adjusted periodically by Commission action as set forth in Section 4.6.
- (b) <u>Delay Fee</u>. If the operator of aircraft exceeds the approved occupancy times for Common Use Gates as established by the Terminal 2-Humphrey Operating Policies and Procedures by more than 15 minutes and that delay affects the next flight using that gate, the aircraft operator shall pay additional Facility Use Fees, unless the delay is caused by circumstances beyond the operator's control, including but not limited to weather, air traffic control, FIS delays, or delays of earlier flights on the gate other than flights by that aircraft operator. The delay fee is applicable to delays caused by mechanical problems where the aircraft operator has the ability to tow the aircraft off the gate. The Commission will make the final decision as to the cause of the delay.
- 4.4 Fuel Flowage Fees. Fixed Base Operators who that are authorized to dispense Fuel at the Airport shall pay the Fuel Flowage Fees stated in Schedule A 2Chart D4 of Ordinance No. for every gallon of Fuel sold or delivered by the Fixed Based Operator at the Airport, regardless of Fuel type, including Fuel sold or delivered to customers, subsidiaries, licensees, or subtenants of the Fixed Base Operator at the Airport, and customers, subsidiaries, licensees, or subtenants of a subtenant of the Fixed Base Operator at the Airport. Additionally, Additionally, into-plane fuel provided by a Fixed Base Operator is subject to the Fuel Flowage Fees stated in Chart D4 of Ordinance No.
- 4.4 Into-Plane Fuel Providers operating at the Airport shall pay the Fuel flowage fees stated in Schedule A-2 of Ordinance No. 115 for every gallon of Fuel sold or delivered by the Into-Plane

January 1, 2025 293 Fuel Provider at the Airport, including Fuel sold or delivered to customers, subsidiaries, licensees, 294 or subtenants of the Into-Plane Fuel Providers. 295 Notwithstanding the foregoing, Fuel Flowage Fees shall not apply to fuel supplied to Military 296 Aircraft, aircraft operated by Signatory Airlines, or aircraft which are fueled while using gates at 297 either the Terminal 1-Lindbergh or Terminal 2-Humphrey. 298 299 300 Fuel Flowage Fees for Into-Plane Fuel Providers will be adjusted periodically as set forth in Section 301 4.6(b). 302 303 Fuel Flowage Fees for Fixed Base Operators at the Airport will be adjusted periodically as set forth in Section 11 of Ordinance No. 304 305 306 4.5 Payment of Fees. Operators of aircraft will be charged for each approved use of a Common Use Gate or Common Ticket Counter, whether or not they are actually used, unless cancelled in writing 307 at least 10 days in advance. All use of Common Use Facilities must be approved in advance by the 308 Commission or its designated representative. 309 310 Payment of the use fee charges shall be made prior to release and clearance of such aircraft for 311 departure from the Airport to the Fixed Base Operator having under its control the apron area at 312 313 the Airport used by the landing aircraft, including, in the case of aircraft landing and making use of the Terminal 2-Humphrey, the Terminal 2-Humphrey Agent in charge of such facility. 314 315 Aircraft Parking Fees, landing fees, Common Use Gate fees, and FIS use fees for Operation to, at or 316 from the Terminal 2-Humphrey shall be paid to the Terminal 2-Humphrey Agent for Non-Signatory 317 Airlines prior to release and clearance of such aircraft for departure from the Airport. Such fees 318 shall be paid directly to the Commission for Signatory Airlines pursuant to payment provisions of 319 320 the Use Fee Agreement. 321 322 Fixed Base Operators and Into-Plane Fuel Providers shall pay Fuel flowage fees (and provide reports to the Commission as described in Section 5.1) within twenty (20) days after the end of 323 each calendar month for Fuel sold or delivered (as described in Section 4.4 above) during the 324 325 previous calendar month, unless otherwise notified by the Commission in writing of different payment dates. 326 327 4.6 Adjustment of Fees. 328 329 (a) Landing Fee and Facility Use Fees. The Commission intends to establish rates in 330 approximately September through December timeframe of each year for the upcoming 331 332 calendar year. In addition, the Commission may periodically adjust these fees for reasons that include, but are not limited to, change in expected Operations, carrier(s) new to the 333 Terminal 2-Humphrey, unanticipated expenses, and budget adjustments. Fees remain in 334 effect until such time as changed by the Commission. The Commission shall provide notice 335 336 of any changes in the Facility Use Fee structure prior to its implementation. 337 338 (b) <u>Fuel Flowage Fees</u>. Fuel Flowage Fees paid by Into-Plane Fuel Providers will be adjusted on 339 January 1 of each year, according to the attached Schedule A-2. The Commission may,

however, reevaluate and adjust the rates and fees in the attached Schedule A-2 by

Commission action. If the Fuel Flowage Fees <u>paid by Into-Plane Fuel Providers</u> on the attached Schedule A-2 are not modified by the Commission before December 31, 2018, the rents and fees shall be increased in the same manner and at the same percentage rates per year until the Commission determines other rates and fees. This means that the Fuel Flowage Fees <u>paid by Into-Plane Fuel Providers</u> shall be increased at four percent (4%) per year. If the Commission plans deviate from Schedule A-2 through Commission action, it will send out notice 15 days in advance of the public meeting to affected parties.

4.7 <u>Late Fees</u>. Any payment not received by the Commission or the Terminal 2-Humphrey Agent within thirty (30) days of the due date shall accrue interest at the rate of one and one-half percent (1 ½ %) per month measured from the due date until paid in full.

# SECTION 5. REPORTS AND PAYMENTS TO THE COMMISSION.

 5.1 Reports. Fixed Base Operators, and the Terminal 2-Humphrey Agent, shall within twenty (20) days after the end of each calendar month, report to the Commission covering the previous calendar month as to the aircraft which have landed and parked at the apron area(s) assigned to and under the control of such operator. Reports shall include the type of aircraft by Federal Aviation Administration approved gross certificated maximum landing weights, the number of landings and take-offs made by such aircraft during the month of reporting, and the landing fee charge due and owing in respect to such aircraft. In the case of the Terminal 2-Humphrey Agent, the report shall in addition include Aircraft Parking Fees, Facility Use Fees, FIS use fees and the number of aircraft Operations by category using the Terminal 2-Humphrey.

Fixed Base Operators and Into-Plane Fuel Providers shall provide reports to the Commission within twenty (20) days after the end of each calendar month for Fuel sold or delivered (as described in Section 4.5 above) during the previous calendar month, unless otherwise notified by the Commission in writing of different reporting dates. The reports shall state fueling activity for the calendar month, including the number of gallons of Fuel sold or delivered broken down by Fuel type, the dates on which the Fuel was supplied, the number of gallons dispensed, broken down by Fuel type; the meter readings on the pumps for the beginning and end of the calendar month, and any other information relating to the fueling activity requested in writing by the Commission.

- 5.2 <u>Fixed Base Operator and Terminal 2-Humphrey Agent Payments</u>. Together with such report, the Fixed Base Operator and Terminal 2-Humphrey Agent shall remit to the Commission payment of all fees reported and to be paid pursuant to this Ordinance, whether or not collected from the aircraft operator.
- 5.3 Records. The Commission, through its representatives, shall have the right at any time during the business day to inspect the records of the Fixed Base Operators, Into-Plane Fuel Providers, and Terminal 2-Humphrey Agent as to Operations from the apron area assigned to and under the control of each such operator, to ascertain the veracity of the operator's reports hereunder. If, as a result of such inspection and upon audit a deficiency in payments made to the Commission hereunder of more than five percent (5%) is disclosed, the cost of audit shall be borne by the operator. Otherwise the cost of inspection and audit shall be borne by the Commission. The Terminal 2-Humphrey Agent's dispatch log shall be the official document for activity subject to fees under this Ordinance.

#### **SECTION 6. IMPOUNDING AIRCRAFT.**

The Airport Director shall have the right to impound, tow away and cause to be stored with any Fixed Base Operator at the Airport, any aircraft, vehicle or other equipment parked or left unattended in violation hereof, of whose operator fails to pay aircraft landing fee charges and/or any other fee due under this Ordinance from aircraft Operation at or from the Terminal 2-Humphrey. The operator of the aircraft so impounded, in addition to payment of the fees due and owing, shall, prior to release of the same, pay all costs incident to such impounding, including charges for towing and storage of such aircraft.

#### **SECTION 7. PENALTY.**

Any person violating any of the provisions of this Ordinance shall upon conviction be punished by sentence within the parameters of the maximum penalty for misdemeanors set forth in Minn. Stat. §609.03 or as amended

#### **SECTION 8. PROVISIONS SEVERABLE.**

If any part of this Ordinance shall be held unconstitutional or invalid, this does not affect the validity of the remaining parts of this Ordinance. The Commission declares it would have passed the remaining parts of this Ordinance without the unenforceable provisions.

#### **SECTION 9. NOTICE.**

 9.1 <u>Method of Providing Notice</u>. Notice as required by Section 4.6 or any other notice required by this Ordinance, is sufficient if delivered in person, sent by U.S. mail to the last address on file with the Commission, or transmitted by fax or email. Notice is effective when it is hand delivered, placed in the mail, faxed, or emailed.

9.2 <u>Time Periods</u>. The time periods set forth in this Ordinance shall be based on calendar days unless otherwise specified.

#### **SECTION 10. REPEALER.**

As of the effective date of this Ordinance, the Commission's Ordinance No. 96 is hereby revoked.

## **SECTION 11. EFFECTIVE DATE.**

This Ordinance is effective January 1, 2013. The amendments to Sections 4.4., 4.6(b), and Schedule A-2 passed as part of Ordinance No.

are effective January 1, 2025.

|  | SCHEDULE A - 1<br>Rates for 2012 |                              |
|--|----------------------------------|------------------------------|
| Non-Signatory Landing Fee Rate: Non-Signatory Minimum Landing Fee:                       | LANDING FEES                     | \$3.03/1,000 lbs.<br>\$59.42 |
|  | FACILITY USE FEES                |                              |
| Common Use Facilities Fee - Gate Charge I  | <u>Per Operation</u>             |                              |
| Category I Aircraft  |                                  | \$ 112.00                    |
| Category II Aircraft   |                                  | \$582.00                     |
| Category III Aircraft  |                                  | \$1,383.00                   |
| Cap for Calendar Year 2012: \$738,101.00  F.I.S. Facilities Use Fee - Charge Per Interne |                                  |                              |
| Category I Aircraft  |                                  | \$112.00                     |
| Category II Aircraft   |                                  | \$1,108.00                   |
| Category III Aircraft  |                                  | \$2,411.00                   |
| Aircraft Parking Fees  |                                  | Per Hour                     |
| Category I Aircraft  |                                  | \$ 5.00                      |
| Category II Aircraft   |                                  | \$ 15.00                     |
|  |                                  |                              |

Fees have been rounded to the nearest dollar.
 Fees may be adjusted periodically by the Commission according to Section 4.6. Check with the Commission or the Terminal 2-Humphrey Agent for Current Amounts.

454 Schedule A-2

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# Fuel Flowage Fees (rate per gallon)

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|     | <del>2013</del> 2025          | <del>2014</del> 2026          | <del>2015</del> 2027          | <del>2016</del> 2028   | <del>2017</del> 2029          | <del>2018</del> 2030          |
|-----|-------------------------------|-------------------------------|-------------------------------|------------------------|-------------------------------|-------------------------------|
|     | \$0. <del>100</del> <u>16</u> | \$0. <del>104</del> <u>16</u> | \$0. <del>108</del> <u>17</u> | \$0. <del>112</del> 18 | \$0. <del>117</del> <u>18</u> | \$0. <del>122</del> <u>19</u> |
| MSP | <u>0</u>                      | <u>7</u>                      | <u>3</u>                      | <u>0</u>               | <u>7</u>                      | <u>5</u>                      |

Fees may be adjusted periodically by the Commission according to Section 4.6. Check with the Commission for Current Amounts.

# **ATTACHMENT 6**

# **ADMINISTRATIVE RECORD**

|   | Date       | Record   |
|---|------------|--|
| 1 | 04/01/2024 | Operations, Finance, &Administration Committee Meeting Minutes available at <a href="Commission Meetings">Commission Meetings</a>   Metropolitan Airports Commission (metroairports.org) |
| 2 | 04/15/2024 | Commission Meeting Minutes available at Commission Meetings   Metropolitan Airports Commission (metroairports.org)   |
| 3 | 05/22/2024 | Information Meeting Reliever Airports review of rates and charges, 2024   Metropolitan Airports Commission (metroairports.org)   |
| 4 | 07/15/2024 | Public Hearing Reliever Airports review of rates and charges, 2024   Metropolitan Airports Commission (metroairports.org)  |
| 5 | 10/07/2024 | Hearing Officers' Meeting at <u>Reliever Airports review of rates and charges</u> , 2024   Metropolitan Airports Commission (metroairports.org)  |
| 6 | 10/07/2024 | Operations, Finance, &Administration Committee Meeting Minutes available at <a href="Commission Meetings">Commission Meetings</a>   Metropolitan Airports Commission (metroairports.org) |