

Request for Qualifications & Proposals
FIXED BASE OPERATOR AND RELATED AVIATION SERVICES

Charlevoix Municipal Airport
City of Charlevoix
Charlevoix, Michigan

Introduction

The City of Charlevoix seeks a qualified firm(s) to provide fixed based operator services for the Charlevoix Municipal Airport, provide ground services, field maintenance, fuel management, and other aviation services.

Currently the Charlevoix Municipal Airport is directly managed and operated by the City of Charlevoix with three full-time management staff and several part-time and seasonal employees; these employees have varying degrees of tenure with the Airport. The Airport features runway 9/27 a 4,550 foot asphalt runway and runway 4/22 a 1,200 foot turf runway. The Charlevoix Airport is home to two Part 135 Operators who fly regular charter trips to Beaver Island. The Airport is very busy throughout the summer months with traffic tapering off in late fall for a quieter winter season. Charlevoix Municipal Airport is a critical link for residents and visitors who have seasonal homes here and live throughout the United States.

The City of Charlevoix is located approximately 50 miles northeast of Traverse City on US Highway 31 and is one of the premiere resort communities on the great lakes. It is situated on Lake Michigan, Round Lake, the Pine River Channel, and Lake Charlevoix.

Objective of the RFP

The objectives of this RFP are to result in a contract between a qualified firm and the City that will meet the following objectives:

- Provide at least the minimum services of a Fixed Based Operator (FBO) for a general aviation airfield
- Provide professional corporate and general aviation line services
- Provide other airfield services (mowing grass, plowing snow, repairing equipment, etc)
- Increase the efficiency of operations in order to reduce the City's expense in maintaining the airport

Required Qualifications of Applicant

- Firms must provide information regarding previous experience as an FBO.
- Firms must provide information regarding other FBO locations that they either currently have in place or that they have operated in the past, demonstrating the development of a long-term business plan per the client's expectations.
- Firms must demonstrate knowledge of all Federal and State regulations that govern the facilities, grounds, and operations of the Airport.
- Firms must be knowledgeable of the MDOT Michigan Bureau of Aeronautics regulations.
- Firms must be able to comply with the Airport's Master Plan as approved by MDOT Michigan Bureau of Aeronautics regulations.
- Firms should demonstrate their insurability for the insurance requirements listed below.

- Firms should demonstrate a strong record of customer service with all members of the flying public and positive relations with neighboring entities, residents, and governments.

Minimum Services FBO Must Provide

- Commercial aircraft fueling (AVGAS and JET A) and oil dispensing
- General customer service for flight crews and incoming and outgoing passengers
- Aircraft storage (tie-down and hangar facilities)
- Aircraft ramp services (towing, parking guidance, etc.)
- Operation of the fuel farm for the storage, handling, quality control and delivery of aviation fuel products
- Public facilities available for pilots and passengers (i.e. flight planning amenities, pilot lounge, passenger waiting area, courtesy car, etc.)
- Employment of the appropriate number of properly trained and/or certified personnel to provide satisfactory FBO service

FBO Optional Services

- Car rental
- Lavatory and potable water services
- De-icing services
- Aircraft catering
- Oxygen and nitrogen services

Optional Aeronautical Services

- Flight training
- Aircraft rental
- Aircraft sales
- Avionics repair
- Aerial surveying/photography
- Specialized maintenance (upholstery, etc.)
- Any other type of aeronautical service not listed

Response Package

Firms should submit documentation sufficient to describe the firm's capabilities in fully meeting the needs of the Charlevoix Municipal Airport.

Technical Proposal

Firm Profile

- Applicant profile including: number of employees, annualized dollars of payroll, number of years doing business, evidence of financial stability, and any other due diligence documents the City may deem necessary
- Describe experience with other airport facilities (including client name, date of original contract, type/size);
- Business Work Plan: Inclusive of the following items.
 - Staffing plans
 - Resumes and information on key leaders who would be assigned to Charlevoix

- Intended use of the facility – what categories of commercial services, as described in the airport’s minimum standards, the proposer intends to offer. The Minimum Standards are provided in the RFP package.
- Site improvements and/or modifications to the existing facilities based on recommendations from the FBO and in agreement with the City’s desire to expand services which will mutually benefit both parties.
- Proposed shared revenue or fee for service model
- Qualifications, references and experience of bidder required.
- List achievements in providing airport FBO services;
- List of references

Insurance

The City of Charlevoix and the Charlevoix Municipal Airport have various insurance requirements for operators at the airport and those doing business on behalf of the Airport and the City. The following insurance elements will be in the contract document:

The Contractor, or any of their subcontractors, shall obtain and maintain during the life of the contract, and not commence work under the contract until they have obtained, the insurance required under this section. All coverage shall be with insurance companies licensed and admitted to do business in the State of Michigan and acceptable to the City of Charlevoix.

- Workers’ Compensation Insurance including Employers’ Liability Coverage, in accordance with all applicable statutes of the State of Michigan.
- Commercial General Liability Insurance on an “Occurrence Basis” with limits of liability not less than \$5,000,000 per occurrence and aggregate for Personal Injury, Bodily Injury, and Property Damage. Coverage shall include the following extensions: (A) Contractual Liability; (B) Products and Completed Operations; (C) Independent Contractors Coverage; (D) Broad Form General Liability Extensions or equivalent; (E) All operations of the FBO
- Professional Liability Insurance in an amount not less than \$1,000,000 per occurrence and aggregate. If this policy is claims made form, then the Contractor shall be required to keep the policy in force, or purchase “tail” coverage, for a minimum of 3 years after the termination of the contract.
- Additional Insured: Commercial General Liability, as described above, shall include an endorsement stating that the following shall be Additional Insured: City of Charlevoix, all elected and appointed officials, all employees and volunteers, all boards, commissions, and/or authorities, including employees and volunteers thereof. It is understood and agreed that by naming the City of Charlevoix as additional insured, coverage afforded is considered to be primary and any other insurance the City of Charlevoix may have in effect shall be considered secondary and/or excess.
- Cancellation Notice: All insurance policies, as described above, shall be endorsed to reflect that it is understood and agreed that Thirty (30) days Advance Written Notice of Cancellation, Non-Renewal, Reduction, and/or Material Change, Ten (10) days for non-payment of premium, shall be sent to the City of Charlevoix.

- Proof of Insurance Coverage: The Contractor of any of their subcontractors shall provide the City of Charlevoix, at the time that the contracts are returned for execution, a copy of a Certificate of Insurance evidencing all policies listed above.
- If any of the above coverages expire during the term of this contract, The Contractor of any of their subcontractors shall deliver renewal certificates and/or policies to the City of Charlevoix at least ten (10) days prior to the expiration date.

Indemnification

The Applicant agrees to indemnify and hold harmless the City, its elected and appointed officials, officers, members, agents and employees from and against any and all claims, costs, actions, causes of action, losses or expenses (including attorney fees) resulting from or caused by the actions or omissions of staff services provided by the firm arising out of the performance of the potential contract.

Proposal Alternate #1

The City of Charlevoix employs a full-time Airport Manager. As a bid alternate, firms may propose to supply the City of Charlevoix with a full-time Airport Manager. Such manager shall be qualified in all respects to represent the airport with the FAA, MDOT, the public, and other airport stakeholders. He or she will be expected to advise the City Manager and City Council of pertinent details of airport operation and to administer budgetary and other administrative obligations in accord with the Airport Manager Job Description.

If the City and the firm select this alternate, selection of the manager shall be mutually agreeable to both parties and the manager shall serve at the pleasure of the City Manager though salary and benefits will be provided by the firm.

Proposal Alternate #2

Firms may propose to manage and operate the fueling component of the airport. This would include but not be limited to: fueling aircraft with AvGas and Jet A as needed; ordering fuel; assuring the quality of the supply; assuming all liability for fuel management and dispensing; and reconciling payments with inventory.

Evaluation and Selection

The Airport Advisory Committee, City Staff, and the City Council will each evaluate the responses with the final decision being made by the City Council.

Firms will be evaluated based on their demonstrated ability to perform the critical requirements of managing operations at the Airport. It is also important understand how the firm has worked with operators at other airports and managed relationships with key airport stake holders.

Process and Timeline

Proposals are due and will be publicly opened on April 17, 2017 at 10am EDT at the Charlevoix City Hall.

A mandatory pre-bid meeting will be held at the Charlevoix Municipal Airport at 10am on March 27, 2017.

Fifteen copies of the proposal shall be submitted in a sealed package clearly marked as “Airport FBO RFP.” Packages should be sent or dropped off to:

Joyce Golding, City Clerk
City of Charlevoix
210 State Street
Charlevoix, MI 49720

Electronic proposals or those sent by facsimile will not be considered. Late proposals will not be considered.

The City of Charlevoix reserves the right to accept or reject any and all proposals for any and all reasons and to waive irregularities deemed in the best interest of the City of Charlevoix. The final requirements for the services rendered will be determined by a negotiated contract between the City and the selected firm(s).

The City welcomes one or more firms who may wish to jointly provide services to submit proposals accordingly.

Firms are expected to raise any questions, exceptions, or additions they have concerning the RFP document immediately.

If, after this RFP is issued, the City provides additional information or expectations for potential bidders, firms interested in responding to this request should notify the City of their intent to be made aware of any addenda. It is the sole responsibility of firms to obtain new information.

Firms wishing to ask questions or to be made aware of addenda should use the contact information below:

Mark L. Heydlauff, City Manager
City of Charlevoix
210 State Street
Charlevoix, MI 49720
markh@cityofcharlevoix.org
231-547-3270

**CITY OF CHARLEVOIX
AIRPORT FUND
2017-18 BUDGET**

	2015-16 Actual	2016-17 Budget	2016-17 Est. Actual	2017-18 Budget
REVENUES				
INTEREST EARNINGS	75	-	75	77
FEDERAL GRANTS	-	-	-	-
RENTS & ROYALTIES - AIRPORT PERMITS	19,737	18,000	20,000	20,400
RENTS & ROYALTIES - HANGAR RENTS	25,083	28,500	28,500	29,070
LAND LEASES	716	9,200	800	816
RENTAL CAR RENTS	-	1,000	-	-
STATE GRANTS	-	700	-	-
PARKING FEES	68,564	80,000	80,000	81,600
GROUND HANDLING FEE	9,405	10,000	9,500	9,690
CONTRACT FUEL REIMBURSEMENT	385,282	550,000	500,000	510,000
FUEL FEES - RETAIL	239,944	350,000	310,000	316,200
INTO WING FEES	97,562	92,000	100,000	102,000
AFTER HOURS CALLOUT FEES	12,250	12,100	12,300	12,546
FUEL FLOWAGE FEES - FA IAW	25,185	30,000	30,000	30,600
FUEL SALES - NON-TAX	5,438	10,000	10,000	10,200
THRU-PUT FEES	12	-	15	15
LANDING & RAMP FEES	59,216	52,000	60,000	61,200
GROUND SERVICES	3,110	2,000	3,200	3,264
LAVATORY SERVICE FEES	80	-	100	102
DISCOUNTS - AIRPORT SALES TAX	60	-	100	102
CONTRIBUTED CAPITAL	1,639,700	1,206,500	1,324,103	1,254,000
SALE OF FIXED ASSETS	-	-	-	-
REFUNDS & REBATES - INSURANCE	7,946	4,000	8,000	8,160
ADVANCE FROM ELECTRIC	-	-	-	-
TRANSFER FROM OTHER FUNDS	-	63,500	10,700	10,700
TAXABLE MERCHANDISE	557	-	600	612
VENDING MACHINE PROCEEDS	2,176	-	2,500	2,550
MISCELLANEOUS	132	6,100	300	306
TOTAL REVENUES	\$ 2,602,229	\$ 2,525,600	\$ 2,510,793	\$ 2,464,210

EXPENSES				
SALARIES & WAGES - FULL TIME	99,596	113,800	118,853	89,500
WAGES - ICMA	8,623	10,300	10,707	8,400
SALARIES & WAGES - TEMPORARY	57,269	50,200	54,451	74,100
EMPLOYEE FRINGE BENEFITS	105,921	95,200	99,685	80,900
OFFICE SUPPLIES	3,268	7,000	6,000	6,000
CLEANING SUPPLY - TERMINAL	732	1,000	750	800
ICE/COFFEE SUPPLY	421	1,200	550	600
VENDING MACHINE SUPPLY	-	-	1,900	1,900
EQUIPMENT MAINT & REPAIR	311	-	-	-
FUEL TRUCK MAINTENANCE	333	-	60	-
SNOW EQUIPMENT MAINTENANCE	13,517	11,000	18,500	13,000
LAWN EQUIPMENT MAINTENANCE	2,992	5,000	5,500	5,000
UNIFORMS & PPE	1,403	2,300	2,300	2,300
AVIATION FUEL	668,092	800,000	630,022	661,500
DIESEL FUEL	3,866	9,500	5,159	5,400
FUEL - HOLIDAY GAS STATION	1,397	3,000	2,500	3,000
FUEL TRUCK LEASE	21,120	22,500	22,500	22,500
FUEL MASTER PUMP REPAIRS	7,355	8,500	8,500	8,500
FUEL TRUCK REPAIRS	623	800	1,200	2,300
REPAIRS AND MAINTENANCE SUPPLIES	1,681	2,000	2,500	3,000
PROFESSIONAL SERVICES	6,365	8,300	3,250	2,300
CONTRACTUAL SERVICES	10,219	11,600	12,500	12,500
LEGAL FEES	5,158	2,500	2,500	2,500
TELEPHONE	2,108	1,500	1,484	1,700
CONFERENCE & TRAVEL	872	1,500	1,500	1,500
INSURANCE & BONDS	8,487	9,100	8,283	8,500
HANGAR REPAIRS	1,532	1,800	1,050	41,800
INSURANCE CLAIMS - CITY SHARE	1,949	-	2,670	1,000
UTILITIES	29,411	33,100	33,100	33,100
TERMINAL BLDG REPAIR & GROUNDS	3,109	4,000	3,500	4,000
SRE BLDG & HANGERS REPAIR & MAINT	6,330	3,200	3,700	5,100
TRASH REMOVAL	606	700	650	700
EQUIPMENT RENTAL	421	500	500	500
DUES & MEMBERSHIPS	70	100	125	100
PRINTING & PUBLISHING	1,510	1,300	1,300	1,300
MISCELLANEOUS	3,538	4,000	4,000	4,000
CREDIT CARD PROCESSING FEE	12,153	15,000	11,600	10,200
REFUNDS & REBATES	-	-	-	-
MACHINERY & EQUIPMENT	2,405	500	500	1,500
CAPITAL OUTLAY - APRON GRANT/RUNWAY 9-27	-	60,500	80,721	66,000
DEBT SERVICE - PRINCIPAL (MDOT, Act99)	-	-	-	-
DEBT SERVICE - INTEREST (MDOT, Act99, Elect Loan)	2,085	1,400	1,400	1,200
GRANT MATCH TO STATE	-	-	-	-
DEPRECIATION	385,045	290,000	400,000	450,000
TRANSFER TO ELECTRIC	-	25,000	25,000	25,000
TOTAL EXPENSES	\$ 1,481,891	\$ 1,618,900	\$ 1,590,969	\$ 1,663,200

EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 1,120,338	\$ 906,700	\$ 919,824	\$ 801,010
--	---------------------	-------------------	-------------------	-------------------

YEAR END BALANCES				
NET POSITION BEGINNING OF YEAR	5,665,159	7,216,207	6,785,497	7,705,321
CHANGE IN NET POSITION	1,120,338	906,700	919,824	801,010
NET POSITION	\$ 6,785,497	\$ 8,122,907	\$ 7,705,321	\$ 8,506,331

CASH & INVESTMENTS	\$ 26,395	\$ 22,041	\$ 22,116	\$ 19,126
-------------------------------	------------------	------------------	------------------	------------------

**CITY OF CHARLEVOIX
RESOLUTION 2012-02-03
RESOLUTION REVISING AND ADOPTING AIRPORT MINIMUM STANDARDS**

WHEREAS, the Federal Aviation Administration encourages the adoption of Minimum Standards that apply to commercial activities at an airport; and

WHEREAS, the proposed Minimum Standards are in the best interests of the City and its airport;

NOW, THEREFORE, BE IT RESOLVED that the Minimum Standards, which are attached, are hereby adopted and shall be effective immediately and, further, that all existing commercial activities at the Charlevoix Municipal Airport shall be brought into compliance with these Minimum Standards as soon as permitted by law.

RESOLVED, this 20th day of February, A.D. 2012

Resolution was adopted by the following yea and nay vote:

Yeas: Cole, Kusina, Picha, Stevens, Vollmer

Nays: None

Absent: Gennett

**Minimum Standards
Charlevoix Municipal Airport (KCVX)
Charlevoix, Michigan
(Revised 02/2012)**

1. **Per-Seat Federal Aviation Regulations (FAR) Part 135 and Scheduled FAR Part 121 Operators.** Businesses in this category shall, at a minimum:
 - (a) Subject to the provisions at the end of this standard, rent counter space and airline operating space if available in the City-owned passenger terminal building at Charlevoix Municipal Airport, and pay expenses associated with shared public spaces in the passenger terminal building. The City acknowledges that, at the time these Minimum Standards are adopted, an existing operator within this category may have real estate interests outside of City-owned facilities. In circumstances where pre-existing non-leasehold real estate interests exist, the City will work with such existing operators to either purchase their real estate interests or otherwise make the operator financially whole before requiring rental of spaces within the City-owned passenger terminal building; provided, however, when such an operator merely has a leasehold interest in premises which serve the purpose of counter space and airline operating space which otherwise would be required to be located in the City-owned passenger terminal building, then the operator shall comply with this standard upon the termination of the operator's existing lease. The terms of such a real estate transition plan will be addressed in the contract between the City and the operator for this commercial activity or by an amendment to that contract subject to reaching mutually agreeable economic terms.
 - (b) Provide, at a minimum, the following services to the general public:
 - (1) Uniformed personnel on duty to meet the seasonal demands of the traveling public. Uniform to be approved by the Airport Manager.

- (2) Aircraft that are well maintained and kept in good service, clearly displaying air taxi or airline markings to FAA standards.
 - (3) Ground support equipment, either owned by the operator or provided through a service/equipment provider, to include ground power unit(s), aircraft tug(s), and compressed air dispenser(s) necessary to properly operate the aircraft per applicable FAA certificate(s).
 - (4) A reliable communication system, whereby the flying public can access pricing and aviation flight services offered.
- (c) Maintain all required FAA certifications for all operator certificates, airworthiness certificates and flight crew certificates.
 - (d) Make regular and timely payments to the City as defined by the lease(s) and any operating agreement(s), in addition to applicable rates and charges imposed by the City, which may be updated and revised from time to time.
 - (e) Carry comprehensive general liability insurance per the Schedule of Insurances approved and updated by the City Council from time to time or as required in applicable lease(s) and/or operating agreement(s), if any.
 - (f) Provide a fidelity bond or other acceptable security instrument to the City, consistent with applicable licenses, lease(s) and/or operating agreement(s).
 - (g) Develop a Ramp Safety Plan that provides for the protection of the traveling public against dangers associated with an operating aircraft within the ramp and/or movement areas, sets out security practices to insure unauthorized access to aeronautical areas is prevented, and sets operating practices for escorted access to aircraft and aircraft parking areas. The plan should include protocols for properly ramping parked aircraft and for positioning safety cones, signs, markings, striping, and/or other visual guidance that facilitates the safe passage of passengers across the aircraft parking ramp. The plan shall also address manning of gates and doors that would be locked and secured except for those times when passengers are boarding and deplaning aircraft. The plan should also address the operator's use, placement and parking of all automobile support vehicles, fueling equipment and any other apparatus used by the operator on the ramp or movement areas. The Ramp Safety Plan shall be reviewed and approved by the Airport Manager before being scheduled for implementation.

2. Specialized Aviation Services.

- (a) Aircraft Charter. Businesses in this category shall, at a minimum:
 - (1) Provide, by renting, leasing, or constructing, indoor space with public lounge and restrooms. All buildings or structures to be constructed or modified must be approved by the City as to location, design, and type of construction, and comply with Chapter 26 of the Charlevoix City Ordinance regarding Charlevoix Municipal Airport Rules and Regulations.
 - (2) Provide, full time, at least one FAA-certified and instrument rated pilot with appropriate ratings for the type of services being offered, and be open and/or available during advertised business hours, as may seasonally change, to meet the needs of the aviation public.
 - (3) Provide, and at all times maintain, at least one FAA-certified and airworthy aircraft or other aircraft approved by the City. Aircraft may be owned or leased but must be under absolute control of the specialized aviation service provider and listed on the FAA Part 135 Air Taxi certificate. The intent of this section is not to exceed FAA requirements, but to ensure that aircraft charter operators comply will all applicable FAA certification standards applicable to aircraft charter. Specialized aviation services provider must maintain a current FAA air taxi certificate and meet all FAA requirements.

- (4) Develop a Ramp Safety Plan that provides for the protection of the traveling public against dangers associated with an operating aircraft within the ramp and/or movement areas, sets out security practices to insure unauthorized access to aeronautical areas is prevented, and sets operating practices for escorted access to aircraft and aircraft parking areas. The plan should include protocols for properly ramping parked aircraft and for positioning safety cones, signs, markings, striping, and/or other visual guidance that facilitates the safe passage of passengers across the aircraft parking ramp. The plan shall also address manning of gates and doors that would be locked and secured except for those times when passengers are boarding and deplaning aircraft. The plan should also address the operator's use, placement and parking of all automobile support vehicles, fueling equipment and any other apparatus used by the operator on the ramp or movement areas. The Ramp Safety Plan shall be reviewed and approved by the Airport Manager before being scheduled for implementation.
 - (5) Make regular and timely payments to the City as defined by the lease(s) and any operating agreement(s), in addition to applicable rates and charges imposed by the City, which may be updated and revised from time to time.
 - (6) Pay to the City, in addition to any land, building, and percentage rentals, a landing fee in accordance with the schedule of rates and charges in effect, or by direct negotiation between City and the specialized aviation services provider.
 - (7) Carry comprehensive general liability insurance per the Schedule of Insurances approved and updated by the City Council from time to time or as required in applicable lease(s) and/or operating agreement(s), if any.
 - (8) Provide a fidelity bond or other acceptable security instrument to the City, consistent with applicable licenses, lease(s) and/or operating agreement(s).
- (b) Aircraft Painting and Interior Fitting. Businesses in this category shall, at a minimum:
- (1) Provide, by renting, leasing, or constructing, a building with floor area of not less than 2,000 square feet with public restrooms. All buildings or structures to be constructed or modified must be approved by the City as to location, design, and type of construction, and comply with Chapter 26 of the Charlevoix City Ordinance regarding Charlevoix Municipal Airport Rules and Regulations.
 - (2) Provide facilities, tools, and equipment for painting and aircraft interior fitting, and do all that is necessary to satisfy FAA requirements for an approved certificate.
 - (3) Employ at least one FAA-certified technician to conduct complete aircraft painting and interior fitting and installation that meets all FAA requirements to make repairs and alterations to certificated aircraft, and be open during advertised business hours, as may seasonally change, to meet the needs of the aviation public.
 - (4) Make regular and timely payments to the City as defined by the lease(s) and any operating agreement(s), in addition to applicable rates and charges imposed by the City, which may be updated and revised from time to time.
 - (5) Carry comprehensive general liability insurance per the Schedule of Insurances approved and updated by the City Council from time to time or as required in applicable lease(s) and/or operating agreement(s), if any.
 - (6) Provide a fidelity bond or other acceptable security instrument to the City, consistent with applicable licenses, lease(s) and/or operating agreement(s).

- (c) Aircraft Rental and Leasing. Businesses in this category shall, at a minimum:
- (1) Provide, at all times, a minimum of one aircraft properly licensed and FAA-certified, for rental and flight instruction, and employ personnel sufficient to be responsive during published business hours, as may seasonally change, to meet the needs of the aviation public.
 - (2) Make regular and timely payments to the City as defined by the lease(s) and any operating agreement(s), in addition to applicable rates and charges imposed by the City, which may be updated and revised from time to time.
 - (3) Carry comprehensive general liability insurance per the Schedule of Insurances approved and updated by the City Council from time to time or as required in applicable lease(s) and/or operating agreement(s), if any.
- (d) Aircraft Sales. Businesses in this category shall, at a minimum:
- (1) Provide, by renting, leasing, or constructing, adequate office space for operations. All buildings or structures to be constructed or modified must be approved by the City as to location, design, and type of construction, and comply with Chapter 26 of the Charlevoix City Ordinance regarding Charlevoix Municipal Airport Rules and Regulations.
 - (2) Provide at least one FAA-certified pilot with appropriate ratings for any aircraft being demonstrated, and be open during advertised business hours, as may seasonally change, to meet the needs of the aviation public.
 - (3) Make regular and timely payments to the City as defined by the lease(s) and any operating agreement(s), in addition to applicable rates and charges imposed by the City, which may be updated and revised from time to time.
 - (4) Carry comprehensive general liability insurance per the Schedule of Insurances approved and updated by the City Council from time to time or as required in applicable lease(s) and/or operating agreement(s), if any.
- (e) Authorized Repair Station for Avionics. Businesses in this category shall, at a minimum:
- (1) Provide, by renting, leasing, or constructing, a building with floor area of not less than 2,000 square feet with public restrooms. All buildings or structures to be constructed or modified must be approved by the City as to location, design, and type of construction, and comply with Chapter 26 of the Charlevoix City Ordinance regarding Charlevoix Municipal Airport Rules and Regulations.
 - (2) Provide facilities, tools, and equipment for avionics repairs and do all that is necessary to satisfy FAA requirements for an approved shop certificate.
 - (3) Employ at least one FAA-certified technician to conduct complete avionics repair and installation, and maintain a FAA-approved repair station certificate, and be open during advertised business hours, as may seasonally change, to meet the needs of the aviation public.
 - (4) Make regular and timely payments to the City as defined by the lease(s) and any operating agreement(s), in addition to applicable rates and charges imposed by the City, which may be updated and revised from time to time.
 - (5) Carry comprehensive general liability insurance per the Schedule of Insurances approved and updated by the City Council from time to time or as required in applicable lease(s) and/or operating agreement(s), if any.

(6) Provide a fidelity bond or other acceptable security instrument to the City, consistent with applicable licenses, lease(s) and/or operating agreement(s).

(f) Flight Instruction. Businesses in this category shall, at a minimum:

(1) Be a FAR Part 141/Pilot School and/or a FAR Part 142/Training Center. These Minimum Standards, however, shall not apply to FAR Part 61/Flight Instruction.

(2) Provide a minimum of one FAA-certified instructor pilot.

(3) Maintain FAA and state approvals for schools, services and flight operations offered to the public.

(4) Provide, at all times, a minimum of one aircraft properly licensed and FAA-certified, available for flight instruction.

(5) Employ at least one FAA-certified flight instructor accessible to the aviation public through advertised business hours and/or other approved means.

(6) Make regular and timely payments to the City as defined by the lease(s) and any operating agreement(s), in addition to applicable rates and charges imposed by the City, which may be updated and revised from time to time.

(7) Carry comprehensive general liability insurance per the Schedule of Insurances approved and updated by the City Council from time to time or as required in applicable lease(s) and/or operating agreement(s), if any.

(g) Flying Club. Businesses in this category shall, at a minimum:

(1) Organize and operate as a not-for-profit venture in concurrence with the Michigan Aeronautics Commission Rules and Regulations pertaining to flying clubs. Flying Clubs shall not collect fees in excess of their expenses, engage in charter or air taxi activities, or provide the ability to rent aircraft to persons that are not members of the Flying Club. Officers shall register with the Airport Manager, furnish membership lists upon request, and be responsible for the club's activities.

(2) Ensure that all persons belonging to the flying club and acting as either flight or ground school instructors are licensed by the FAA as same, and maintain current registrations with the Michigan Department of Aeronautics.

(3) Make regular and timely payments to the City as defined by the lease(s) and any operating agreement(s), in addition to applicable rates and charges imposed by the City, which may be updated and revised from time to time.

(4) Carry comprehensive general liability insurance per the Schedule of Insurances approved and updated by the City Council from time to time or as required in applicable lease(s) and/or operating agreement(s), if any.

(h) Aircraft Maintenance Facility – Businesses in this category shall, at a minimum:

(1) Be available to service aircraft at the Charlevoix Municipal Airport. All activities shall fully comply with Chapter 26 of the Charlevoix City Ordinance regarding Charlevoix Municipal Airport Rules and Regulations.

(2) Provide customary tools and equipment necessary for the servicing of aircraft.

- (3) Have at least one FAA-certified mechanic for all types of work to be performed and who is able to mobilize personnel and equipment to the site of the aircraft, during hours adequate to meeting the needs of the aviation public.
 - (4) Be accessible to provide maintenance services within a reasonable period of time.
 - (5) Make regular and timely payments to the City as defined by the lease(s) and any operating agreement(s), in addition to applicable rates and charges imposed by the City, which may be updated and revised from time to time.
 - (6) Carry comprehensive general liability insurance per the Schedule of Insurances approved and updated by the City Council from time to time or as required in applicable lease(s) and/or operating agreement(s), if any.
- (i) Parachuting and Jump Schools. Businesses in this category shall, at a minimum:
- (1) Provide, at all times, a minimum of one aircraft properly licensed and FAA-certified, for parachuting activities, and employ personnel sufficient to be responsive during published business hours, as may seasonally change, to meet the needs of the aviation public.
 - (2) Provide a minimum of one FAA-certified pilot during advertised hours of business.
 - (3) Maintain FAA and state approvals for schools, services and flight operations offered to the public.
 - (4) Make regular and timely payments to the City as defined by the lease(s) and any operating agreement(s), in addition to applicable rates and charges imposed by the City, which may be updated and revised from time to time.
 - (5) Carry comprehensive general liability insurance per the Schedule of Insurances approved and updated by the City Council from time to time or as required in applicable lease(s) and/or operating agreement(s), if any.
- (j) Repair Station for Aircraft, Engines, Propellers and Accessories. Businesses in this category shall, at a minimum:
- (1) Provide, by renting, leasing, or constructing, a hangar with floor space of not less than 2,000 square feet, including public restrooms and office space. All buildings or structures to be constructed or modified must be approved by the City as to location, design, and type of construction, and comply with Chapter 26 of the Charlevoix City Ordinance regarding Charlevoix Municipal Airport Rules and Regulations.
 - (2) Provide facilities, tools, and equipment for aircraft, engine, and propeller repairs, and do all that is necessary to satisfy FAA requirements for an approved shop certificate.
 - (3) Employ, full time, at least one FAA-certified mechanic for all types of work to be performed, and be open during advertised business hours, as may seasonally change, to meet the needs of the aviation public.
 - (4) Provide minor repairs on a standby basis during daylight hours that the repair station is closed.
 - (5) Make regular and timely payments to the City as defined by the lease(s) and any operating agreement(s), in addition to applicable rates and charges imposed by the City, which may be updated and revised from time to time.

- (6) Carry comprehensive general liability insurance per the Schedule of Insurances approved and updated by the City Council from time to time or as required in applicable lease(s) and/or operating agreement(s), if any.
 - (7) Provide a fidelity bond or other acceptable security instrument to the City, consistent with applicable lease(s) and/or operating agreement(s).
- (k) Self-Fueling. Businesses in this category shall, at a minimum:
- (1) Store all aviation fuels in the City's fuel storage tanks.
 - (2) Utilize fuel dispensing vehicles/equipment of no less than 250 gallons to refill aircraft. All such vehicles/equipment and their fuel dispensing systems shall comply with and be maintained according to aviation industry safety regulations and protocols.
 - (3) Permit the Airport Manager or another designee of the City Manager to periodically inspect all motor vehicles, and all associated fuel delivery systems, to ensure that adequate safety, regulatory compliance has been met with these Minimum Standards.
 - (4) Provide a fidelity bond or other acceptable security instrument to the City, consistent with applicable lease(s) and/or operating agreement(s).
 - (5) Make regular and timely payments to the City as defined by the Self-Fueling Dispensing License, in addition to applicable rates and charges imposed by the City, which may be updated and revised from time to time.
 - (6) Carry comprehensive general liability insurance and environmental impairment liability insurance to protect against spills or releases associated with motor vehicles used by the self-fueling operator, as defined by the Self-Fueling Dispensing License and quantified in the City's Schedule of Insurances approved by City Council, which may be updated and revised from time to time. The City shall be named as an additional insured on all insurance policies, and policies shall be issued by an insurance company with at least an "A" rating by the AM BEST Insurance rating system.
- (l) Through-the-Fence (TTF) Operations. Businesses in this category shall, at a minimum:
- (1) Own and hold fee simple title to property contiguous with the Charlevoix Municipal Airport of not less than 20,000 square feet. All buildings or structures must be for commercial aeronautical use. All construction or modification must be approved by the City as to location, design, and type of construction, and comply with Chapter 26 of the Charlevoix City Ordinance regarding Charlevoix Municipal Airport Rules and Regulations.
 - (2) Provide approved connectivity to aeronautical infrastructure, at the TTF operator's expense, in a manner consistent with industry standards and the City of Charlevoix's standards for construction. Airfield security shall be maintained at all times by the TTF operator.
 - (3) Make regular and timely payments to the City as defined by the lease(s) and any operating agreement(s), in addition to applicable rates and charges imposed by the City, which may be updated and revised from time to time.
 - (4) Carry comprehensive general liability insurance per the Schedule of Insurances approved and updated by the City Council from time to time or as required in applicable lease(s) and/or operating agreement(s), if any.
 - (5) Provide a fidelity bond or other acceptable security instrument to the City, consistent with applicable lease(s) and/or operating agreement(s).

3. Airport Passenger Services.

(a) On-Airport Car Rental. Businesses in this category shall, at a minimum:

- (1) Rent counter space and/or operating space in the City-owned passenger terminal building at Charlevoix Municipal Airport, and pay applicable expenses associated with shared public spaces in the passenger terminal building.
- (2) Provide, at a minimum, the following services to the general public:
 - a. Uniformed personnel on duty to meet the seasonal demands of the traveling public. Uniform will be approved by the Airport Manager.
 - b. Late model rental vehicles that are well maintained, regularly inspected, serviced and kept in overall good condition.
 - c. Service personnel that either work for the operator or a service provider under contract to the operator, to clean, refuel and move vehicles as required.
 - d. Reliable reservation system or other mechanism whereby the general public can access pricing, check rental car availability, and obtain a confirmation.
- (3) Make regular and timely payments to the City as defined by the lease(s) and any operating agreement(s), in addition to applicable rates and charges imposed by the City, which may be updated and revised from time to time.
- (4) Carry comprehensive general liability insurance per the Schedule of Insurances approved and updated by the City Council from time to time or as required in applicable lease(s) and/or operating agreement(s), if any.
- (5) Provide a fidelity bond or other acceptable security instrument to the City, consistent with applicable licenses, lease(s) and/or operating agreement(s).

B. Airport Schedule of Insurances

Motion by Councilmember Gibson, second by Councilmember Hagen, to adopt Resolution 2016-01-01 Charlevoix Municipal Airport Schedule of Insurances noting the following changes to the draft resolution: under Parachuting and Jump Schools delete item 2 [Any aviation, drop zone, parachute jumping and skydiving activities exclusions must be deleted;], delete item 4 [fire liability coverage], item 3 [automobile liability] should be required of all Airport operators with the stipulation of vehicles transporting persons [customers on the airfield] and under Flying Club delete the word "commercial". After final edits, the resolution reads as follows:

CITY OF CHARLEVOIX
RESOLUTION NO. 2016-01-01
CHARLEVOIX MUNICIPAL AIRPORT SCHEDULE OF INSURANCES

WHEREAS, Chapter 26 of the Charlevoix City Code permits the Charlevoix City Council to establish a Schedule of Insurances for the Charlevoix Municipal Airport; and

WHEREAS, said schedule shall outline a list of types of insurance, limits of coverage and other insurance-related requirements for Aeronautical Commercial Activity at the Airport.

NOW THEREFORE BE IT RESOLVED, that the City of Charlevoix City Council hereby adopts the following Schedule of Insurances for the Charlevoix Municipal Airport:

Charlevoix Municipal Airport
Schedule of Insurances

Pursuant to Charlevoix City Code 2.191, the following shall constitute the Schedule of Insurances for commercial operators at the Charlevoix Municipal Airport. Copies of certificates of insurance (the limits of which are set below) shall be filed with the City Clerk prior to the issuance of any license for operation at the Airport. The City Attorney shall draft an indemnification agreement indemnifying the City and its agents and employees from any liability associated with the licensee's use of the Airport and licensee's use of the Airport shall be conditioned on licensee signing the indemnification agreement.

Licensees shall at all times during the term of the granted license, maintain at least the level of insurance stipulated below so long as the insurance is reasonably available to the licensee in the insurance market. Any and all insurance coverage held by the licensee shall be primary to any insurance coverage held by the City.

If such insurance is reasonably available in the insurance market, licensee shall obtain and maintain at all times during the term of the license, from a financially solvent insurance carrier(s), liability insurance for all items set forth below. Such coverage shall be maintained at licensee's sole expense to assure payment of damages occasioned by licensee's operation in and upon the Airport including aircraft and ramp vehicles. Such insurance coverage shall be in the amounts described below, or, if not reasonably available in these amounts, shall be in the maximum amount reasonably available in the insurance market. Such insurance coverage shall cover the scope of activities/events described below, or, if not reasonably available to cover the scope activities/events described below, shall be in the maximum coverage of scope of activities/events reasonably available in the insurance market.

Licensees shall provide to the City and keep current a Certificate of Insurance indicating the coverage and limits of coverage that it obtains and providing 30 days' notice of cancellation to the City for all insurance stipulated below.

The City Council may, from time to time at its sole discretion, amend this schedule. Licensees expressly agree that any such amended insurance requirements will become incorporated into their license upon adoption by the City Council. Licensees may terminate their license with written notice if they choose not to comply with updated insurance requirements. In no case will licensees be required to obtain insurance not reasonably available in the insurance market.

Should a dispute arise between the City and a licensee(s) whether insurance is reasonably available in the insurance market, the parties agree they will meet in a good faith effort to resolve the dispute. If the dispute is not resolved through that meeting, then either the City or the Licensee may terminate the license upon 30 days' written notice.

The schedule below is the minimum coverage required. Nothing in it shall be construed to prohibit a licensee to exceed the minimum coverage standards.

Part 135 and Part 121 Operators

1. \$1 million commercial general aviation liability policy with coverage for premises, operations and products
2. \$1 million aircraft liability with coverage for bodily injury and property damage including passengers
3. Automobile liability- \$1 million per occurrence for bodily injury and property damage when transporting customers in the airfield
4. Licensees shall meet or exceed any and all insurance standards as may be required by the United States Department of Transportation and/or the Federal Aviation Administration.

Aircraft Charter

1. \$1 million commercial general aviation liability policy with coverage for premises, operations and products
2. \$1 million aircraft liability with coverage for bodily injury and property damage including passengers
3. Automobile liability- \$1 million per occurrence for bodily injury and property damage when transporting customers on the airfield
4. Licensees shall meet or exceed any and all insurance standards as may be required by the United States Department of Transportation and/or the Federal Aviation Administration.

Specialized Aviation Services

1. \$1 million commercial general aviation liability policy with coverage for premises, operations and products
2. \$1 million aircraft liability with coverage for bodily injury and property damage including passengers
3. Automobile liability- \$1 million per occurrence for bodily injury and property damage when transporting customers on the airfield

Aircraft Painting and Interior Fitting

1. \$1 million commercial general aviation liability policy with coverage for premises, operations and products
2. Automobile liability- \$1 million per occurrence for bodily injury and property damage when transporting customers on the airfield

Aircraft Rental and Leasing

1. \$1 million commercial general aviation liability policy with coverage for premises, operations and products
2. \$1 million aircraft liability with coverage for bodily injury and property damage including passengers
3. Automobile liability- \$1 million per occurrence for bodily injury and property damage when transporting customers on the airfield
4. \$500,000 Student and renters liability

Aircraft Sales

1. \$1 million commercial general aviation liability policy with coverage for premises, operations and products
2. Automobile liability- \$1 million per occurrence for bodily injury and property damage when transporting customers on the airfield

Authorized Repair Station for Avionics

1. \$1 million commercial general aviation liability policy with coverage for premises, operations and products
2. Automobile liability- \$1 million per occurrence for bodily injury and property damage when transporting customers on the airfield

Flight Instruction

1. \$1 million commercial general aviation liability policy with coverage for premises, operations and products
2. \$1 million aircraft liability with coverage for bodily injury and property damage including passengers
3. Automobile liability- \$1 million per occurrence for bodily injury and property damage when transporting customers on the airfield
4. \$500,000 Student and renters liability

Flying Club

1. \$1 million general aviation liability policy with coverage for premises, operations and products
2. Automobile liability- \$1 million per occurrence for bodily injury and property damage when transporting customers on the airfield

Aircraft Maintenance Facility

1. \$1 million commercial general aviation liability policy with coverage for premises, operations and products
2. Automobile liability- \$1 million per occurrence for bodily injury and property damage when transporting customers on the air field

Parachuting and Jump Schools

1. \$1 million commercial general aviation liability policy with coverage for premises, operations and products
2. Automobile liability- \$1 million per occurrence for bodily injury and property damage when transporting customers on the airfield
3. Licensee agrees it will require all individuals sign a comprehensive waiver of liability, including the City and to be provided by the City, prior to permitting any such individual to participate in skydiving activities conducted by licensee, whether those activities take place on the Airport, over the airport, or elsewhere.
4. Licensee agrees that it will require all individual skydivers (and at least one person in each tandem skydive pair) be members of the United States Parachute Association ("USPA"), covered by the USPA individual member third-party liability insurance coverage, prior to Licensee permitting any individual skydiver to participate in skydiving activities conducted by Licensee, whether those activities take place on the Airport, over the Airport, or elsewhere. Such insurance shall be primary to any insurance coverage held by the City.
5. The City will make reasonable efforts to obtain liability insurance coverage for the ensuing calendar year that is acceptable to the City for all then-current on-Airport activities, including skydiving at a reasonable price and without a significant premium increase.
 - a) Should the City be able to obtain such insurance coverage at no additional premium cost to the City for the ensuing calendar year, the licensee will not be required to reimburse the City for any insurance premiums for that ensuing calendar year.
 - b) Should the City be able to obtain such insurance coverage only with a premium increase for the ensuing calendar year, then the licensee shall reimburse the City for any portion of the premium increase directly attributable to coverage for licensee's on-airport activities. The City shall notify licensee of any such premium increase within 30 days of first hearing of such increase. The licensee shall then have 30 days to reimburse the City for the premium increase. If the licensee fails to reimburse the City as described, the license shall be terminated.
 - c) If the licensee provides notice to the City that licensee would like to negotiate with the City regarding the amount of insurance premium it pays to the City for the ensuing year, the City shall meeting with the licensee not less than 60 days prior to the renewal date of the City's insurance policy. The licensee and the City shall negotiate in good faith and reach an agreement not less than 30 days prior to the date of renewal for the policy. If the City and the licensee are unable to reach agreement, the license shall terminate upon expiration of that year's insurance policy.

Repair Station for Aircraft, Engines, Propellers and Accessories

1. \$1 million commercial general aviation liability policy with coverage for premises, operations and products
2. Automobile liability- \$1 million per occurrence for bodily injury and property damage when transporting customers on the airfield

Self-Fueling

1. \$1 million commercial general aviation liability policy with coverage for premises, operations and products
2. Automobile liability- \$1 million per occurrence for bodily injury and property damage when transporting customers on the airfield

Through-the-Fence Operations (TTF)

1. \$1 million commercial general aviation liability policy with coverage for premises, operations and products
2. Automobile liability- \$1 million per occurrence for bodily injury and property damage when transporting customers on the airfield

On-Airport Car Rental

1. \$1 million general liability policy
2. Automobile liability- \$1 million per occurrence for bodily injury and property damage when transporting customers on the airfield

RESOLVED this 18th day of January, 2016 A.D.

Resolution was adopted by the following yea and nay vote:

Yeas: Supernaw, Hagen, Perron, Gibson

Nays: None

Abstain: Kurtz

Absent: Cole