



Mackinac Island State Park Commission
Policy

Commercial Air Taxi Operations

Minutes: July 26, 2019 p. 4463
September 27, 2019, p.

At their July 26, 2019 meeting, the Commission approved Standards for Commercial Air Taxi Operations at the Mackinac Island Airport (below). The commercial occupancy and use of the Mackinac Island Airport and its associated facilities, including the airport terminal, is a privilege that may be permitted at the discretion of the Mackinac Island State Park Commission (Commission) and in consideration of Commission-approved permit rates.

Therefore, at their meeting of September 27, 2019, the Commission set the annual commercial permit fee (rate) per company at \$1,200 with an additional fee of \$200 per month for the use of office space in the terminal. The Commission also approved the Application for Commercial Air Taxi Operations Activity Permit. (See Commercial Air Taxi Operations Procedures).

Standards for Commercial Air Taxi Operations at the Mackinac Island Airport

1. Introduction

The Mackinac Island Airport (Airport) is in Mackinac Island State Park and under the jurisdiction of the Mackinac Island State Park Commission (Commission). The Mackinac Island Assistant Park Manager serves as the Airport Manager. Per Regulation (Mich Admin Code, R 318.146(a)), commercial operations on any of the properties under the jurisdiction of the Commission are prohibited without proper permission. This applies to commercial air taxi operators* (Operator) at the Mackinac Island Airport. The occupancy and use of the Mackinac Island airport and its associated facilities, including the airport terminal, is a privilege that may be permitted at the discretion of the Commission and in consideration of Commission-approved permit rates.

2. Purpose and Scope

The Commission has a responsibility to assure that private, commercial use of this public facility is conducted in a manner which is beneficial to the public and not detrimental to the airport's primary transportation function. By the careful drafting and adequate enforcement of these Standards for Commercial Air Taxi Operations (Standards), it will assure that the privilege of operating a commercial entity at this public facility is consistent with the Commission's priorities and directives. Entities desiring to engage in commercial air taxi operations at the Airport must comply with these Standards and receive approval of the Commission through a Commercial Activity Permit (Permit).

*An Air Taxi Operator is defined as: "Those air carriers that regularly use Mackinac Island Airport by providing 100 or more annual commercial operations (operation=a landing or a take off)."

3. Exclusive Rights

A Permit to operate at the Airport, which may include the use of land or improvements at the Airport, shall not be construed in any matter as granting any Operator an exclusive right.

If the Federal Aviation Administration (FAA) formally determines that any provision of these Standards or any provision in a Permit constitutes a grant of an exclusive right prohibited by federal law, such provision shall be deemed null and void. The remaining provisions in these Standards and provisions the Permit shall remain in full force and effect.

4. Applicability

These Standards specify the standards and requirements that must be complied with by any person desiring to engage in Air Taxi Operations at the Airport.

The Airport Manager shall make any required determinations, interpretations, or judgments regarding whether an activity by an Operator or prospective Operator complies with these minimal Standards. No person shall be allowed to engage in aeronautical activities at the Airport under conditions that do not meet these Standards unless an exemption has been approved by the Commission.

These Standards shall apply to any new Permit or any amendment to any existing Permit relating to the occupancy or use of Airport land or improvements for engaging in general aviation aeronautical activities. If an Operator desires, under the terms of an existing Permit, to materially change its aeronautical activities, the Commission shall, as a condition of its approval of such change, require the person to comply with these Standards unless an exemption has been approved by the Commission.

5. General Requirements

Introduction

All Operators engaging in commercial Air Taxi Operations at the Airport shall meet or exceed the requirements of this section as well as the Standards applicable to the Operator's activities, as set forth in subsequent sections.

Experience/Capability

Operators shall, in the judgment of the Commission, demonstrate before, and maintain throughout the term of the Permit, the following:

(1) The capability of consistently providing the proposed services and engaging in the proposed activities in a safe, secure, efficient, courteous, prompt and professional manner in service to and in order to benefit the public.

(2) The financial and technical responsibility, capability, and integrity to develop procure and maintain required vehicles, equipment, and/or aircraft; employ required personnel and engage in the activity; and, maintain quality customer service.

Agreement or Permit Approval

No person shall engage in a commercial activity at the Airport unless the person has a signed Commercial Activity Permit with the Commission.

Payment of Rents, Fees, and Charges

The Operator shall pay permit fees, or other charges, as specified by the Commission for engaging in activities.

The operator's failure to remain current in the payment of any and all rents, fees, charges and other sums due to the Commission shall be grounds for revocation of the Permit.

Use of Premises

Paved, transient vehicle parking is available to accommodate the Operator on a daily basis on Airport premises and located in close proximity to the Airport terminal. The sufficiency of vehicle parking shall be determined in conjunction with the Airport Manager.

Operators are provided with work space within the Mackinac Island Airport. The location of the work space will be detailed in the Commission permit. Permittee may be required to share a work space with other Operators offering the same or similar service.

Operator shall maintain the work space in a clean, neat, orderly, and fully functional condition.

Operator shall replace in like kind any property damaged by it, its employees.

Operator will provide contact information and communication systems whereby the flying public can easily access pricing and aviation flight services offered by the Operator.

Services

Services shall be provided on a reasonable, and non-discriminatory, basis to all Airport users.

Operator shall charge reasonable prices for each its services. Operator may provide reasonable discounts, rebates, or other similar types of price reductions.

Operator shall conduct its activities on the premises and in the facility in a safe, secure, efficient, courteous, prompt, and professional manner consistent with the degree of care and skill exercised by experienced operators providing comparable products, services, or facilities and engaging in similar activities in like markets.

Non-Discrimination

Operator shall not discriminate against any person or class of persons by reason of race, creed, color, national origin, sex, age, sexual orientation, gender identity or physical handicap in providing any products or services or in the use of any of its facilities provided for the public, or in any manner prohibited by applicable regulatory measures including without limitation Part 21 of the Rules and

Regulations of the Office of the Secretary of Transportation effectuating Title VI of the Civil Rights Act of 1964, as amended or reenacted. (49 U.S.C. 21.1 et seq.)

COMMERCIAL AIR TAXI OPERATIONS

Page 4 of 6

Licenses, Permits, Certifications and Ratings

Operator and Operator's personnel shall obtain and comply with, at Operator's sole cost and expense, all necessary licenses, permits, certifications, or ratings required for the conduct of Operator's activities at the Airport as required by the FAA, Commission, or any other duly authorized agency prior to engaging in any activity at the Airport.

Operator shall keep in effect and post in a prominent place, readily accessible to the public, all necessary or required licenses, permits, certifications, or ratings.

Upon request, Operator shall provide copies of such licenses, permits, certifications, or ratings to the Airport Manager no less than ten (10) business days prior to operating under, or receipt of, applicable licenses, permits, certifications or ratings.

Revocation of any license, permit, certification or rating by the applicable issuing authority must be reported to the Airport Manager within one (1) business day of notification if loss of permit will affect Operator's activities at the Airport.

Personnel

Operator shall provide its own personnel at the Airport during the operation season (approximately [DATE] to [DATE]) to assist with scheduling and loading passengers and loading/unloading freight and merchandise. Personnel shall be qualified and authorized to represent and act on behalf of the Operator during all hours of activity with respect to the method, manner, and conduct of the Operator and Operator's activities. When such responsible person is not on the premises, such individual shall be immediately available by telephone and provide the Airport a current list of emergency contact numbers for staff.

Operator shall control the conduct, demeanor, and appearance of their employees and personnel. It shall be the responsibility of the Operator to maintain close supervision over aforementioned operator's employees and personnel in order to ensure that a high standard of products, services, and facilities are provided in a safe, secure, professional manner.

Aircraft

All required aircraft must be fully operational, functional, and available at all times and capable of providing all required and necessary services. Aircraft may be unavailable, from time to time, on a temporary basis, as long as appropriate measures are taken to return the aircraft, equipment or vehicle to service as soon as possible. Operator shall have at least one required aircraft in a fully operational and functional condition at all times.

The Operator is responsible for notifying the public whenever products and services are not available.

Ramp Operations Plan

Operators will develop a Ramp Operation Plan that provides for the protection of the traveling public against dangers associated with an operating aircraft within the ramp and/or movement areas, operating practices and personnel for scheduling and loading/unloading passengers and handling luggage and freight. Designated areas will be assigned to Operators for ramp operations. Operators must not conduct business in such a way that impedes ramp use by other aircraft. Airport management will be responsible for itinerant aircraft parking and will coordinate with air taxi operators regarding

ongoing operations. The Ramp Operation Plan shall be reviewed and approved by the Airport Manager before implementation.

Insurance

Operator shall procure, maintain, and pay premiums for insurance policies during the term of its Permit.

All insurance, which Operator is required by the Commission to carry and keep in force, shall name the Mackinac Island State Park Commission and the State of Michigan as additional insured, and at a minimum provide coverage of \$1,000,000.

Insurance policies shall contain, or be endorsed to contain, the following provisions:

1. "The Mackinac Island State Park Commission and State of Michigan is covered as additional insured with respect to: liability arising out of activities performed by or on behalf of operator; services of operator; premises occupied or used by operator; or vehicles, equipment, or aircraft owned, leased, hired, or borrowed by Operator."
2. "Any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect the coverage provided to the Commission and the State of Michigan. Operator's insurance shall apply separately to each insured against whom claim is made or suit is brought."
3. "Coverage shall not be suspended, voided, or cancelled by either party or reduced in coverage's or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been presented to the Commission."

Certificates of insurance for the insurance required by regulatory measures and set forth by these Standards for each activity shall be submitted to the Commission prior to the issuance of a Permit, and shall be delivered to the Airport Manager upon issuance of a Permit. Operator shall furnish additional Certificates of Insurance thirty (30) days prior to any changes in coverage. Insurance coverage shall remain in full force and effect through the term of the Permit and certificates of insurance shall be kept current with the Airport Manager.

The limits stipulated herein for each activity represent the minimum coverage and policy limits that shall be maintained by the Operator to engage in activities at the Airport.

Any self-insured Operator shall furnish evidence of such self-insurance. Such evidence must be reviewed and approved in writing by the Commission. Any self-insured Operator shall defend, indemnify, save, protect, and hold harmless—both individually and collectively—the Mackinac Island State Park Commission and State of Michigan, and their representatives, officers, officials, employees, agents, and volunteers from any and all claims, demands, damages, fines, obligations, suits, judgments, penalties, causes of action, losses, liabilities, administrative proceedings, arbitration, or costs (including attorney's fees) at any time received, incurred, or accrued as a result of, or arising out of Operator's activities, actions, or inactions.

Operators may be required to secure appropriate environmental liability insurance with coverage limits appropriate for the type and level of environmental contamination exposure risk, as determined by the Commission.

**COMMERCIAL AIR
TAXI OPERATIONS**

Page 6 of 6

Indemnification and Hold Harmless

Operator shall defend, indemnify, save, protect, and hold harmless—both individually and collectively—the Mackinac Island State Park Commission and State of Michigan, and their representatives, officers, officials, employees, agents, and volunteers from any and all claims, demands, damages, fines, obligations, suits, judgments, penalties, causes of action, losses, liabilities, administrative proceedings, arbitration, or costs (including attorney's fees) at any time received, incurred, or accrued as a result of, or arising out of Operator's activities, actions, or inactions.

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Nothing herein shall constitute a waiver of any protection or immunity available under state or federal law to the Commission, Airport, or State of Michigan.