

Glencoe Municipal Airport

(Vernon Perschau Field)

General Operations

And

Minimum Standards

March 19, 2012

Forward

These general operating guidelines and Minimum Standards have been prepared from a guide document developed by a joint committee of the National Association of State Aviation Officials (NASAO), The Federal Aviation Administration (FAA), the American Association of Airport Executives (AAAE), and in cooperation with the Glencoe Airport Commission members.

In preparing this document, the general administration guidelines, and adopting these Minimum Standards for Airport Aeronautical Services, the Glencoe Airport and its Airport Commission are attempting to establish standards which will encourage development of adequate services and facilities required by the airport user IAW guidelines set forth in the National Plan of Integrated Airport Systems (NPIAS), and to promote development of the airport and its activities under reasonable and fair guidelines. The Appendix section was prepared to detail out additional standards for specific services. Currently, not all services will be used, but are included for future anticipated use. The references listed are provided for easy access to source material.

It should not be construed by prospective lessees that the standards set forth in this document should be used as the optimum specifications for land area or structures for a particular operation. Rather, the prospective lessees may find that, in order to establish an economically feasible operation, requirements for land area and/or structures may be in excess of the minimum standards.

Operators may also determine that the magnitude of his/her exposure will require insurance coverage in excess of the minimums herein specified.

Construction of structures and other facilities on airport property must be accomplished in accordance with the building codes specified by the owners. The prospective lessee shall submit such plans and detailed specifications to the Airport Commission for initial approval prior to submitting them to the Glencoe City Council for further approval and the start of construction.

The Glencoe Airport Commission reserves the right to amend this document as the situation may dictate.

Glencoe Municipal Airport

(Vernon Perschau Field)

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1. Administration

I. A. Airport Commission Ordinance

AIRPORT COMMISSION ORDINANCE

135.01 Section 1: Airport Commission Appointment

“There is hereby created an Airport Commission to be known as the “Glencoe Airport Commission” which shall consist of five legal voters of the City of Glencoe, except that one of such persons may reside without the limits of the City of Glencoe, but shall be within the general service area of the Glencoe Airport defined as territorial limits of McLeod, Carver and Sibley counties. One of said Board members may be a member of the City Council or the Mayor. The City Council may remove an Airport Commission member at any time by a 4/5th vote. Each member shall be appointed for a five-year term by the affirmative vote of the majority of the members of the City Council. No person hereinafter appointed to the Commission shall serve more than two consecutive terms thereon. All members of this Commission shall serve upon such compensation as determined by the City Council. Said compensation may be amended from time to time by resolution by majority vote of the City Council. The existing Airport Commission members (three) shall continue in their positions until the 1st day of January in the year in which their term would expire. One of the new members appointed shall serve until January 1, 1994, and the second member shall serve until the expiry of term on January 1, 1995. All members shall serve however, until their respective successor has been appointed and qualified. All vacancies on the Airport Commission shall be filled in a like manner without undue delay by the City Council, but only for the unexpired term of the vacating member. All members appointed shall file their acceptance with the City Clerk/Administrator within five (5) days after the notice from the City Clerk/Administrator of their appointment.

Section 2: This ordinance shall take force and be in effect from and after its passage and publication.

135.02 Organization, Meetings and Officers. As soon as possible after the 1st of each year, the Airport Commission shall hold an organizational meeting and elect from its members a president, a vice president and a secretary, and also to adopt such rules and regulations as may be necessary to enable to perform its duties and functions in an orderly and efficient manner. The president shall preside at all meetings of the Commission. The vice president shall perform the duties of the president in case of his absence or disability. The secretary shall keep a complete record of the minutes of each meeting and in all of the proceedings of the Commission and shall cause an exact copy of the record of each meeting to be filed with the City Clerk/Administrator within thirty (30) days after each meeting. The City Treasurer shall be responsible to keep a full, true and complete record of all monies concerning the airport fund, including all receipts and disbursements according to applicable provisions of law. The City Treasurer and the City Administrator shall be responsible to provide to the Commission periodic reports and information indicating the receipts, disbursements and funds on hand of the Commission. The

Commission may designate specific powers and duties to its officers as may be consistent with the provisions of this ordinance. Any member who fails to attend three consecutive regularly scheduled meetings of the Airport Commission without justifiable cause shall be considered to have vacated their office. It shall be the duty of the secretary of the commission to promptly report the existence of any vacancy so created to the City Council for the purpose of appointing new member(s) to complete the term office for the vacated position.

135.03 Powers and Duties of the Commission.

- a. The Commission shall be in charge of managing and supervising all of the City of Glencoe Airport operations and in the furtherance thereof shall be a recommending body to the City Council concerning all improvements, enlargements, maintenance, equipment and regulations of the Glencoe Municipal Airport. The Commission shall be in charge with the responsibility of carrying out the approved recommendations and directions of the City Council.
- b. The purchase of real property, expansion of the airport and appurtenant structures upon the airport, and all purchases of personal property are reserved to the City Council, including any condemnation proceedings. The Commission shall manage, supervise and oversee the real property and aviation facilities and the personal property entrusted to it by the City Council, but shall not sell, lease or otherwise dispose of any property to which it is given supervisory power without the express direction of the City Council, except that the Commission may lease hangar space and grant other similar concessions at the airport that are or incidental thereto and consistent with this ordinance and state law.

135.04 Budget.

- a. The Commission shall at each year at the appropriate time prepare a budget for financing the airport for the ensuing year which shall be furnished to the City Council. The final decision as to the request for appropriations shall be reported to the Commission which shall adjust its budget if necessary, so that the budget at all times shall be balanced. Money not expended shall be credited to the surplus of the airport fund, except that no expenditure should be made until the same have been reviewed by the Airport Commission which shall give its recommendation to the City Council concerning the expenditure of such monies.
- b. The City Council shall control the expenditures of all monies collected for or placed to the credit of the Airport Fund. All monies received shall be paid in to the City Treasury, credited to the Airport Fund and kept separately from other monies of the City.
- c. The Commission shall have no power to levy taxes or borrow money and it shall not approve any claim or incur any obligations for expenditure thereof unless the same have been appropriated to the Commission by the City Council and approved for that purpose.

135.05 Reports.

The Administrator as soon as possible after the end of each fiscal year shall prepare and present to the City Council a report of the activities of the Airport Commission and its finances. The City Administrator shall also prepare and present Federal and State Officials with such reports as may be required by Law, Regulation or Contract. In all cases, however, such reports shall be presented to the Airport Commission who shall have the power to make recommendations as the Commission deems appropriate to the City Council with respect to acceptance, filing and submission of such report to other government agencies for adoption by the City as a final report. In addition, the City Clerk/Administrator shall render a monthly operating statement to the City Council.

Airport Commission Members

Airport Commission Members

(as of January 1, 2012)

<u>Name</u>	<u>Position</u>	<u>Phone number</u>	<u>E Mail address</u>
Dan Perschau	Commission Chair	(320) 510-1504	dhc2@nutelecom.net
Open Seat	Member	(320)	
Ray Dann	Member	(320)-864-5805	rbdann@centurylink.net
Duane Klaustermeier	Member	(320)-864-3475	deweyk@embarqmail.com
Bruce Moe	Member	(952)-836-7501	brucemary17@newulmtel.net
City Advisor and for Airport Maintenance (Non-Commission member)			
Mike Drew	Park & Rec's Supt	(320) 864-5586	park@ci.glencoe.mn.us
Mark Larson	City Administrator	(320) 864-5586	MLarson@ci.glencoe.mn.us

Glencoe Municipal Airport

(Vernon Perschau Field)

I. Administration

I B. General Information and Operational Guidelines

1. Introduction. The Glencoe Municipal Airport (GYL) is owned and operated by the City of Glencoe, MN. The Airport Commission is responsible for the management, operations and maintenance of the airport under the guidance of a six-member Airport Commission appointed by the Glencoe City Council. The airport is a public use general aviation intermediate category airport designed and constructed to the standards listed in the National Integrated Airport Systems Plan (NPIAS). The official name of the airport is the Glencoe Municipal Airport (Vernon Perschau Field).

1.1 The airport is located east of the City of Glencoe, at the junction of State Highway 212 and County Road 1. The airport has a primary runway 3,300 feet long and 75 feet wide oriented northwest to southeast (13/31). The airport is supported by NDB/RNAV instrument approaches and radio controlled lighting system using CTAF Comm 122.8. The airport occupies approximately 116.2 acres some of which may be leased for agricultural use.

Weather information may be obtained from the NDB on 407 and Minneapolis Approach Control (ATC) can be reached on 134.7. The Arrival/Departure building is open to the public and users 24 hours a day.

1.2 Points of contact for matters concerning the airport are (See Airport Ordinance I A, attachment 1 for current membership & contact information):

City Administrator

Airport Commission Chair

Commission members

Parks & Rec's Superintendent

2. Airport Commission Policies. The GYL Airport Commission policies are set forth within this document to insure that all operations and maintenance activities are accomplished safely, equitably and provide the best service possible for the using public. Commission policies and changes to the minimum standards will be developed on an as needed and continuing basis. Each section of this document should be reviewed and updated periodically by the holders as airport growth and development occur.

3. Airport Commission Responsibilities. The Commission is responsible for keeping the City Council informed on airport matters and makes recommendations to them requiring the necessary property to establish, construct, enlarge, improve, maintain, equip, operate, and regulate the airport. The Commission can recommend lease space, area, or improvements and grant concessions on the airport and hire or retain professional services necessary in accomplishing the purposes for which the airport was intended. They are also responsible for preparing and submitting a recommended airport operating/maintenance budget to the City Council prior to August 1 of each year for the ensuing calendar year.

3.1 Management – It is the duty of the Commission to manage the airport and all publically owned property located within the boundaries of the airport, in accordance with the ordinances of the City of Glencoe, rules and regulations of the Airport Commission, all laws, rules and regulations of the United States, the laws, rules and regulations of the State of Minnesota, and where applicable, Federal Aviation Administration Regulations (FAR's). Additionally, the Commission will insure the following guidance is adhered to:

- a. Maintaining order and insuring full enjoyment and use of all airport facilities for the public. It is expected fire/crash/rescue support and law enforcement will be provided by the Cities of Glencoe and Plato.
- b. Recommending to the City Council denial of the use of the airport to individuals abusing the rights of others to fully use and enjoy the airport facilities.
- c. Assuring that all agreements between lessee's at the airport and owner are complied with. Violations of any kind shall be reported to the City Council.
- d. Insuring the conduct of snow removal operations from all paved surfaces on the airport.
- e. Insuring the conduct of mowing operations is completed when necessary.
- f. Recommending marking and establishing a barricade to close off any hazardous condition that may exist to aeronautical or public use of the airport.
- g. Issue Notices To Airmen (NOTAM's) concerning conditions on and in the vicinity of the airport that affect, or may affect, the safe operations of an aircraft. Potentially hazardous situations affecting operations should be reported to the Princeton Flight Service Station (FSS) and a record of NOTAM's issued should be maintained containing date, time, estimated time of return to service and the initials receiving the NOTAM. Promptly rescind the NOTAM with FSS when the condition no longer exists.
- h. Recommending to the City Council the closing of the airport during those times when, in their opinion, airport conditions may be hazardous to aircraft operations.

3.2 Maintenance – The Commission will be responsible for insuring overall maintenance functions at the airport are accomplished to insure the airport is operated and maintained in a safe manner. These functions may be delegated to city employees, in agreement with the City Council, and include, but not limited to the following:

- a. Inspect the airport frequently and record any discrepancies on all paved surfaces, turf areas, and lighting systems which affect aeronautical operations. Report such discrepancies appropriately and repair as soon as possible. Inspection should include:
 - 1). Airside – Pavement areas, Safety areas, Airfield lighting, Ditches and culverts, Wind cone and rotating beacon, Nav aids, Foreign objects, Vandalism, Wildlife hazards, Construction and unserviceable areas.
 - 2). Land side – Unsightly trash, Foreign objects, and Vandalism.
- b. Periodically inspect, maintain and make minor repairs to all publically owned buildings, runways, taxi areas, ramps, T-hangers, lawns parks, walks and airport maintenance equipment (if owned).

c. Keep and maintain in a neat, clean sanitary and orderly manner all publically used areas such as lavatories and the arrival/departure building including providing custodial care.

d. Insure snow is removed from all paved surfaces, T-hangars, sidewalks and automotive parking areas. If possible, the runway should be kept dry and free from ice and snow. When snow begins to accumulate, and more snow is forecast, snow removal operations should commence. Depending on wind conditions, runway plowing should start at the runway centerline casting the snow to the edges of the runway. Once the snow is stacked, it should be blown over the runway lights using a two-stage vehicle mounted blower. Any drifted or piled snow will be removed off useable pavements and positioned so that all aircraft propellers, engine pods and wing tips will clear the snow banks and snow drifts when the aircraft's landing gear traverses any full strength portion of the movement area. Priorities for snow removal are: (Weather and airfield conditions may alter these priorities)

- 1). Runway 13/31
- 2). Ramp
- 3). Entrance road
- 4). Hangar and parking area

e. Pavement maintenance – Keeping the pavement surfaces in good operational condition is very important. Repairs, cracks, holes or rough areas (exceeding three inches across) should be repaired as soon as possible. Promptly remove any trash, loose aggregate, snow, ice, slush, as dictated by operational consideration. In addition, pavement areas should be checked for erosion, ponding, sunken spots, soft shoulders, edge damming, turf growth, slipperiness, drainage, washouts, spalling etc., noting the deficiencies on the ALP for corrective action, when practicable.

f. Insure mowing operations are accomplished when necessary in the designated grassy areas of the airport.

4. Airport Familiarization. The airport physical plant is depicted in the Airport Layout Plan (ALP) and displays the following features:

- 4.1** Location/Vicinity map
- 4.2** General Airport layout (including airside/landside delineation and vehicle parking)
- 4.3** Airport airspace
- 4.4** Runway 13/31 runway protection zones
- 4.5** Terminal area plan
- 4.6** Airport land use
- 4.7** Airport property map

The airport operational area is graded relatively flat with the majority of the surrounding non-operational area undulating agricultural and non-agricultural land. The airport should also be depicted in the GA Emergency Planning Guidelines Manual in grid format for identifying a specific area for disaster response purposes. The grid is based upon the Minnesota coordinate system, central zone (Lambert conformal conic). Obstructions are objects which penetrate

various imaginary surfaces. They exist in designated safety areas and are displayed on the ALP.

5. Safety Areas. Safety areas are those restricted areas surrounding the runway for the purpose of protecting aircraft in case of over-runs and are depicted on the ALP

6. Marking and Lighting Runway and Thresholds. Existing and future nav aids, runway, taxiway lighting, obstruction lights, rotating beacon, guidance signs and airfield pavement marking information are depicted on the ALP. All apron, vehicle parking, roadway and building illumination lighting should be adjusted or shielded to prevent blinding aircraft operators.

7. Handling and Storing Hazardous Materials. Reference sources for the handling of hazardous material and spill prevention control can be found in the GA Emergency Planning Guidelines Manual.

8. Traffic and Wind Direction Indicators. A lighted, twelve foot, blaze orange wind cone is located at the North West corner of runway 13 and is depicted on the ALP. Replacement wind cones are available at MNDOT Aeronautics.

9. Ground Vehicle Operations. To prevent any occurrences of runway incursion, ground vehicles should be operated using the following guidelines:

9.1 No motor vehicle should be operated in the operations/airside area unless required to do so for aircraft servicing, airport maintenance operations, or during an emergency.

9.2 All vehicles shall be in good working order, display lights at all times and not exceed a speed of 10 miles per hour. The speed limit shall be enforced by the Glencoe Police Department, the McLeod County Sheriff's Department, or the MN State Patrol. Parking in the operations/airside (ramp) area is prohibited except for temporary parking to load/unload passengers or baggage.

9.3 Emergency equipment shall have the right-of-way over all other vehicles and aircraft and aircraft shall have the right-of-way over all vehicles except emergency equipment.

9.4 Airport maintenance vehicles will be equipped with a flashing yellow (strobe) light mounted on top of the vehicle and a UNICOM transceiver radio. Both items should be on and operating when the vehicle is on the airfield.

9.5 Any violations should be reported to the Airport Commission for corrective action.

10. Obstructions. Obstructions, if any, are depicted on the ALP. When applicable, notify the FAA ADO regarding any changes.

11. Protection of Nav aids. Frequent inspection of the airfield Nav aids is most important factor in protecting on-airport facilities. If damage is discovered, contact the nearest FAA Sector Field Office.

12. Public Protection. The entire airport, including the operational area, is unprotected from easy access. Except for the arrival/departure building, all airport structures should be secured by lock and key to protect personal property.

13. Wildlife Management. At present, only migratory bird flocks and deer appear to be a potential hazard at the airport. A NOTAM should be issued when the situation warrants notification to airport users. If assistance is needed, contact the local DNR.

14. Marking, Lighting and Reporting Unserviceable Areas. When permanently closing a runway or taxiway to aircraft traffic, the lighting circuits are to be disconnected and crosses placed at each end of the runway. Crosses can be made from fabric, snow fencing or plywood. Sixty foot long by ten foot wide sections are placed in a crossed (X) position on the centerline of the runway over the numerals. Crosses should not be used when construction or maintenance operations are conducted allowing intermittent use of the runway or taxiway. A NOTAM is to be filed whenever maintenance or construction operations or unserviceable areas occur within the movement area.

15. Leasing and Aircraft Storage. See Appendix F. of Minimum Standards

16. Fueling. Fueling standards are established by the Airport Commission. See Appendix 1 or 2 of Minimum Standards.

17. Communications. The airport will have an operating UNICOM frequency and a base station located in the arrival/departure building. Each maintenance vehicle operating on the airport should also have a UNICOM transceiver installed for conducting inspections, mowing, and snow removal.

18. Airport Operating Certificate and Exemption. A copy of the original certificate can be filed with this book with the original prominently posted in the arrival/departure building.

19. Publications/References. A listing of publications for guidance is provided at the end of this document (References) for easy reference to documents used in managing and operating the airport.:

Glencoe Municipal Airport

(Vernon Perschau Field)

II. Administration

I C. Budget

BUDGET WORKSHEET

City of Glencoe

Month: 10/31/2011	Prior	Current Year			(6)	(7)	(8)	
	Year	Original	Amended	Actual Thru				Estimated
	Actual	Budget	Budget	October	Total	Dept. Head	Administrator	Adopted
Fund: 612 - Airport								
Revenues								
Dept: 000.000								
300.021 Hangar rental	20,597	21,000	21,000	17,333	0		21,000	
300.022 Aviation fuel	30,861	33,000	33,000	33,582	0		33,000	
300.200 Operating transfers	0	0	0	0	0			
300.210 Interest income	-19	200	200	13	0		200	
300.222 State aid	13,776	13,800	13,800	13,776	0		13,800	
300.308 Miscellaneous	1,289	2,000	2,000	1,173	0		1,900	
Dept: 000.000	66,504	70,000	70,000	65,877	0	0	69,900	0
Total Revenues	66,504	70,000	70,000	65,877	0	0	69,900	0
Expenditures								
Dept: 000.000								
400.012 Sales tax	57	50	50	0	0		50	
400.103 Part-time employees	0	0	0	0	0			
400.121 PERA contributions	0	0	0	0	0			
400.122 FICA contributions	0	0	0	0	0			
400.125 Medicare contributions	0	0	0	0	0			
400.151 Workers compensation	52	150	150	50	0		50	
400.200 Office supplies	492	500	500	485	0		500	
400.211 Cleaning supplies	0	0	0	0	0			
400.212 Motor fuels	0	0	0	86	0			
400.213 Lubricants & additives	0	0	0	0	0			
400.220 Repair & maintenance	3,151	5,000	5,000	1,817	0		3,000	
400.259 Fuel for resale	31,211	27,000	27,000	33,505	0		27,000	
400.300 Professional services	4,214	5,000	5,000	7,660	0		5,000	
400.307 Management fees	867	500	500	962	0		900	
400.311 Training	315	500	500	525	0		500	
400.321 Telephone	541	500	500	404	0		600	
400.331 Travel expense	756	500	500	743	0		750	
400.361 Gen. & property liability ins.	13,969	14,000	14,000	10,830	0		14,000	
400.381 Electricity	3,116	3,500	3,500	2,659	0		3,400	
400.420 Depreciation	20,165	0	0	0	0			
400.430 Miscellaneous	1,308	500	500	1,924	0		1,000	
400.520 Building & structures	1,289	2,000	2,000	0	0		1,500	
400.594 Capital leases interest	0	0	0	0	0			
400.595 Capital leases principal	0	0	0	0	0			
400.599 Capital outlay	0	0	0	0	0			
400.610 Interest expense	0	0	0	0	0			

BUDGET WORKSHEET

City of Glencoe

Month: 10/31/2011	Prior	Current Year			(6)	(7)	(8)	
	Year Actual	Original Budget	Amended Budget	Actual Thru October	Estimated Total	Dept. Head	Administrator	Adopted
Fund: 612 - Airport								
Expenditures								
Dept: 000.000								
400.720 Transfers	0	0	0	0	0			
Dept: 000.000	81,503	59,700	59,700	61,650	0	0	58,250	0
Total Expenditures	81,503	59,700	59,700	61,650	0	0	58,250	0
Airport	-14,999	10,300	10,300	4,227	0	0	11,650	0
Grand Total:	-14,999	10,300	10,300	4,227	0	0	11,650	0

Glencoe Municipal Airport

(Vernon Perschau Field)

III. Administration

I D. Capital Improvement Plan (CIP)

CIP Glencoe Municipal Airport - Vernon

2012 2017-Project
Cost FAA Funding

Perschau Field GYL -State FY Description FAA St
Mun Funding Rates Fed FY

							State Funding	Local Funding	Other Programs	Estimated Construction Start Date
2012	RUNWAY EXTENSION EA PHASE II (ANALYSIS & REPORT)	95	0	5	100,000	95,000	0	5,000	0	10/1/2011
2012	LAND ACQUISITION (FOR RUNWAY EXT)	95	0	5	160,000	152,000	0	8,000	0	10/2/2011
2013	SITE PREPARATION & GRADING FOR PRIVATE HANGARS	0	50	50	225,000	0	112,500	112,500	0	7/1/2012
2013	REPLACE HANGAR FLOOR	0	50	50	150,000	0	75,000	75,000	0	7/1/2012
2013	REPLACE EXISTING 6- UNIT T-HANGAR	0	0	0	220,000	0	0	0	220,000	7/2/2012
2013	FUEL SYSTEM UPGRADES	0	50	50	10,000	0	5,000	5,000	0	7/2/2012
2013	GRADING & DRAINAGE RUNWAY EXT (800' x 75')	95	0	5	800,000	760,000	0	40,000	0	10/1/2012
2013	GRADING & DRAINAGE - PARALLEL TAXIWAY	95	0	5	600,000	570,000	0	30,000	0	10/2/2012
2014	SITE PREPARATION - FBO AIRCRAFT MAINTENANCE HANGAR	0	50	50	125,000	0	62,500	62,500	0	7/1/2013
2014	RESURFACE RUNWAY, PAVE RUNWAY EXTENSION & PARALLEL TAXI	95	0	5	1,100,000	1,045,000	0	55,000	0	10/1/2013
2014	PAPI	95	0	5	80,000	76,000	0	4,000	0	10/2/2013
2014	REILS	95	0	5	30,000	28,500	0	1,500	0	10/3/2013
Totals					3,600,000	2,726,500	255,000	398,500	220,000	

Summary for Airport = Glencoe Municipal Airport - Vernon
Perschau Field (12 detail records)

Monday, November 21, 2011

Glencoe Municipal Airport

(Vernon Perschau Field)

IV. Administration

I E. Airport Commission Meeting Minutes

Please insert Minutes in this section

Glencoe Municipal Airport

(Vernon Perschau Field)

II. Minimum Standards for Aeronautical Operations

II A. General Standards Applicable to All Operations

1. Lease. All aeronautical services conducted and upon the airport shall be in accordance with a lease of land or facilities between the Airport Commission and the operator, which lease will be for a term mutually agreeable to the parties and commensurate with the operator's financial investment in the facility. Lease proposals will be prepared in accordance with the requirements specified in Appendix 6. The Lessee will ascribe to the following lease covenants when operating on the premises for the use and benefit of the public:

- 1.1** To furnish good, prompt, and efficient service adequate to meet all the demands for its services at the airport.
- 1.2** To furnish said service on a fair, equal, and non-discriminatory basis to all users thereof.
- 1.3** To charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Lessee may be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.
- 1.4** The Lessee, his/her agents and employees will not discriminate against any person or class of persons by reason of race, color, creed, national origin or sexual orientation in providing any services or in the use of any of its facilities provided for the public, in any manner prohibited by law or the Federal Aviation Regulations. The Lessee further agrees to comply with such enforcement procedures as the United States might demand that the Lessor take in order to comply with the Sponsor's Assurances.
- 1.5** It is clearly understood by the Lessee that no right or privilege has been granted which would operate to prevent any person, firm or corporation operating aircraft on the airport from performing any service on its own aircraft with its own regular employees (including, but not limited to, maintenance and repair) that it may choose to perform.
- 1.6** It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right.
- 1.7** Lessor reserves the right, but shall not be obligated to the Lessee, to maintain and keep in repair the landing area of the airport and all publically owned facilities at the airport, together with the right to direct and control all activities of Lessee in this regard.
- 1.8** Lessor reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of the Lessee, and without interference or hindrance.
- 1.9** During the time of war or national emergency, Lessor shall have the right to lease the landing area or any part thereof to the United States Government for military use, and, if such lease is executed, the provisions of this instrument insofar as they are inconsistent with the provisions of the lease to the government shall be suspended.

1.10 Lessor reserves the right to take any action it considers necessary to protect the aerial approaches to the airport against obstruction, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on the airport which, in the opinion of the Lessor, would limit the usefulness of the airport or constitute a hazard to aircraft.

1.11 This lease shall be subordinate to the provisions of any existing or future agreement between Lessor and the United States, relative to the operation and maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the airport.

1.12 All existing leases concerning the providing of any service to the public on the airport must contain clauses 1 & 2 above.

1.13 All existing leases concerning aeronautical services on the airport must contain clauses 1, 2, 3, and 4 above.

1.14 The Glencoe Municipal Airport will amend all existing leases to conform to these standards.

2. Experience. Any person making application to the Airport Commission to act as an operator shall have experience satisfactory to the Commission with the aeronautical service being proposed, provided that it shall be satisfactory of one or more of the supervisory personnel have had such experience or if the applicant can demonstrate experience at activities deemed by the Commission to be adequately related to the activities proposed.

3. Financial. All applications to conduct aeronautical services at the airport shall be accompanied by such financial statements and bank letters as shall satisfy the Commission that the applicant(s) possess the financial stability/ability and commitments to construct required facilities and required operations.

4. Governmental Mandates. All leases for airport land and facilities shall contain each of the following state and federal government mandates:

- 4.1** Finance Non-discrimination Provisions
- 4.2** Affirmative Action Assurances
- 4.3** Civil Rights Assurances
- 4.4** Non-Exclusive Rights Provisions
- 4.5** Other Mandated Provisions

5. Common Use. All operators shall have the right with others in common to use the airport runways, taxiways, aprons, roadways, lighting, signals, and other conveniences for take-off, flying and landing aircraft.

6. Construction. All construction performed or caused to be performed by an operator shall be in accordance with the design and construction requirements of the Commission, necessary permits approved, adhere to applicable Universal Building Codes (UBC) and state and federal regulations where required. All plans and specifications shall be submitted to the Commission for approval, prior to submittal to the City Council, state, or federal agencies.

7. Ground Vehicle Operations. For airport safety and to prevent any occurrences of runway incursion, ground vehicles are to be operated using the following guidelines:

- 7.1 No motor vehicles should be operated in the operations/airside area unless required to do so for aircraft servicing, airport maintenance operations, or during an emergency.
- 7.2 All vehicles shall be in good working order, display lights at all times and not exceed a speed of 10 miles per hour. The speed limit shall be enforced by the Glencoe Police Department, the McLeod County Sheriff's Department, or the MN State Patrol. Parking in the operations/airside (ramp) area is prohibited except for temporary parking to load/unload passengers or baggage. All vehicles parking on the operations/landside areas will be in designated parking areas or clearly out of the way of interfering with aircraft taxiing or being towed. (See airfield layout map for parking and ramp access posted on the bulletin board in the GYL Arrival/Departure building.)
- 7.3 Emergency equipment shall have the right-of-way over all other vehicles and aircraft and aircraft shall have the right-of-way over all other vehicles except emergency equipment.
- 7.4 Airport maintenance vehicles will be equipped with a flashing yellow (strobe) light mounted on top of the vehicle and a UNICOM transceiver radio. Both items should be on and operating when the vehicle is on the airfield.
- 7.5 Any violations should be reported to the Airport Commission or appropriate law enforcement agency for corrective action.

8. Subleases. Operators shall not assign an interest in any lease with the Commission or sublease any land or facilities leased from the Commission without the written approval of the Commission upon application therefore by the operator. Such approval may be conditioned upon sub lessee's agreement to meet such additional minimum standards as the Commission, in their discretion, may impose.

II B. Definitions

- 1. Aerial/Agri-Spraying or Dusting.** An aeronautical commercial operation in which a person is engaged in applying or offering to apply chemicals or other substances from an aircraft.
- 2. Aeronautical Commercial Operation.** Any operation of an aircraft for compensation or hire, or any services performed incidental to the operation of an aircraft for which a fee is charged or compensation received; including, but not limited to, the servicing, maintaining and repairing of aircraft, the rental or charter of aircraft, the operation of flight or ground schools, providing flight instruction, the operation of aircraft for the distribution of chemicals or other substances, aerial photography or surveys, air shows or expositions and the operation of aircraft for fishing. An “aeronautical commercial operation” also includes brokering or selling of any of the aforesaid services, but does not include any operation of aircraft as common carriers certificated by the federal government or the services incident thereto.
- 3. Airside/Landside.** This describes the movement areas on an airport. The “Airside” movement area refers to the area where aircraft operations are conducted such as take-offs and landings, taxiing on a parallel taxiway or parking on the ramp in front of the Arrival/Departure building. The “Landside” movement area is considered the terminal building, vehicle parking, and aircraft storage area and taxiways used to access the runway. A designated access point to the ramp area for temporary vehicle use to dispatch cargo or passengers may be highlighted on the Airport Layout Plan.
- 4. Air Taxi/Aircraft Charter.** An aeronautical commercial operation in which a person is engaged in the business of providing air transportation (persons or property) to the general public for hire, either on a charter basis or as an air taxi person, as defined by FAA FAR Part 135.
- 5. Aircraft Parts and Supplies.** An aeronautical commercial operation in which a person is engaged in the sale of parts and supplies.
- 6. Aircraft Rental or Leasing.** An aeronautical operation in which any person rents or leases aircraft or offers to rent or lease aircraft for hire or compensation.
- 7. Aircraft Sales.** An aeronautical commercial operation in which a person is engaged in the sale of new or used aircraft and who provides such repair, services and parts as necessary to meet any guarantee or warranty on new and used aircraft sold.
- 8. Aircraft Servicing, Maintaining and Repairing.** An aeronautical commercial operation in which a person who, for compensation or for hire, provides or offers to provide aircraft maintenance as defined in FAA FAR Part 1.
- 9. Airport.** Any key, intermediate, or landing strip public airport now or in the future owned in whole or part by local government agencies (City or County or jointly) and under the supervision, operation, direction and control of an appointed Committee or Commission.
- 10. Airport Manager.** The individual selected by and under separate contract to the city or Commission to be responsible for the day-to-day operations, management and maintenance of the airport.

- 11. Auto Lot.** An area of land covered with concrete or asphalt surface suitable for the parking of automobiles, or at a minimum, and area of land designated with a combination of Class 5 rock overlaid with a layer of Class 1 rock which is suitable for the designated parking of automobiles.
- 12. Avionics.** An aeronautical commercial operation in which a radio and instrument repair station person is engaged in the activity of providing a service shop for the repair of aircraft radios, propellers, instruments and accessories for general aviation aircraft.
- 13. City Council.** The City Council of the City of Glencoe, the governmental and public agency acting as owners of the Glencoe Municipal Airport.
- 14. Commission.** The Airport Commission, responsible for the overall management and conduct of operations at the Glencoe Municipal Airport.
- 15. Complementary Operations.** Those aeronautical commercial services that offer more than one type of operation and can be conducted within the same area without interfering with one another. Operations that are complementary are: a) Aircraft parts and supplies sales and any of the other commercial operation categories in this document; b) Aircraft servicing, maintaining and repairing and avionics; c) Aircraft sales and aircraft rental or leasing; d) Specialized commercial flight services and aircraft charter; and e) Flight training and aircraft rental or leasing.
- 16. Compounding Operations.** Those aeronautical commercial operations that exist when two or more operations are combined in one commercial operation, other than those combinations defined as complementary, and which require a separate space to support the different operations.
- 17. FAA.** The Federal Aviation Administration.
- 18. FAR.** Federal Aviation Regulations which regulate the operation and maintenance of public use airports. They are listed on the [FAA.gov](http://www.faa.gov) site and may be amended or replaced from time to time.
- 19. Flight Training.** An aeronautical or commercial operation in which a person is engaged in or giving or offering to give dual flight instruction leading to a pilot's certificate or rating or giving or offering to give solo instructions leading to a pilot's certificate or rating or rating for hire or compensation, or advertising, representing, or holding himself/herself out as giving or offering to give such instruction.
- 20. Full Service Commercial Operation.** An aeronautical commercial operation which offers, at a minimum, repair of aircraft, storage of aircraft, fueling and lubrication of aircraft, line service and parking of transient aircraft. In addition, the following services may be offered if approved by the Commission: the sale of aircraft, sale of parts and accessories incidental to aircraft, sale of flight and ground instruction, flying for charter or for hire, aircraft rental and others.
- 21. Hangar.** A building designed and built specifically for the purpose of housing and storing aircraft.
- 22. Hazardous Material Discharge (HAZMAT).** The discharge of any material considered toxic and detrimental to the environment, human or otherwise.
- 23. Intermediate Use Airport.** An airport with a paved and lighted primary runway less than 5,000 feet in length. Principally used for air taxi, corporate, general aviation, flight training, and personal use.

24. Key Use Airport. An airport with a paved and lighted primary runway of at least 5,000 feet in length. In addition to general aviation, they may have scheduled air carrier service.

25. Landing Strip. Airports with only a turf or established runways; may be lighted or unlighted.

26. Legal Non-conforming Use. A use or structure, the size, dimension, location, or existence of which was lawful prior to the adoption of this document, but which fails to conform to the minimum standards of the airport in which it is located by reasons of such adoption, and is declared to none-the-less be legal under certain conditions. For purposes of this definition, a structure includes auto lot, ramp, and tie-down parking areas, and buildings such as hangars, offices and bathrooms.

27. Minimum Standards. The qualifications established by the Commission and approved by the governmental owners, as amended from time to time by the Commission, as the minimum requirements to be met as a condition for the right to conduct aeronautical/commercial operations on the airport.

28. Operator. A person, firm, partnership, corporation, association or group providing any one or a combination of aeronautical services to or for aviation users at the airport.

29. Person. An individual, firm, partnership, corporation, limited partnership, trust, association, or any other organization leasing, or making application for, or using any land or facility at the airport with the intention of conducting aeronautical commercial operations or activities.

30. Ramp. A paved area designed to provide a temporary parking area for aircraft.

31. Specialized Commercial Flight Services. An aeronautical commercial operation in which the person engages in specialized commercial air activities, including but not limited to, banner towing and aerial advertising, aerial photographs or surveys, fire fighting or patrol activities.

32. Tie-Down. An area designated for the securing of unhangared aircraft, either on a hard or grassy surface.

33. Variance. Any modification of the literal requirements of this document granted when strict enforcement of this document requirements would result in practical difficulty or unnecessary hardship, and would not be contrary to the public interest, but would do substantial justice and be in accordance with the spirit of the document. Any variance may be limited to the uses permitted by the applicable lease, and any other reasonable conditions deemed necessary to effectuate the purposes of the document. There are two categories of variances:

33.1 Structural Variance – A structural variance generally concerns auto lot, ramp, tie-down parking areas, hangars, office and bathroom building areas and runs with the land.

33.2 Use Variance – A use variance generally concerns personnel and equipment requirements, hours of operation, and other requirements concerning the use of the property.

II C. Administration and Policy Oversight

Administration of the terms of this document shall be by the Airport Commission. Policy making aspects of this document shall be performed by the Commission with ultimate authority residing with the governmental owners.

II D. Requirements to Meet Minimum Standards

- 1. Minimum Standards.** No person shall be permitted to use any airport property or conduct any aeronautical commercial operation or solicit business in connection therewith, unless such activity is conducted in accordance with the minimum standards in this document, or is permitted under without such person having a valid contract, lease, or other agreement to conduct such activities with the Commission. Refer to Appendix 6 for specific standards.
- 2. Applicable Standards.** If a person proposes to conduct an aeronautical commercial operation that is not described in this document, the Commission shall determine which category of standards shall be applied. Refer to Appendix 6 for specific standards.
- 3. Contiguous Lots.** In order to establish compliance with this document, the square footage (sq. ft.) must affect one or more contiguous lots.
- 4. Clear Span Hangar.** In order to establish compliance with the hangar requirements of this document, 70% of the hangar area must be clear-span hangar.
- 5. Tie-Down Area Requirements.** To determine whether an aeronautical commercial operation meets the tie-down requirements, an aeronautical commercial operation may use existing hangar area in excess of the applicable hangar area requirement to meet the tie-down area requirement for that operation.

II E. Plan Review

Plan Review. Persons seeking to conduct aeronautical commercial operations or actually who are conducting such operations at the airport shall not proceed with any construction or remodeling without first obtaining advance written initial approval of the plans and specifications from the Commission. Such construction or remodeling must meet accepted building codes, requirements of this document and any applicable lease requirements

II F. Minimum Standards for Key/Intermediate Use Airports

1. General Requirements. Building space requirements may be provided in one building, attached buildings, or in separate buildings. All Lessee personnel are required to hold FAA certificates and ratings and shall maintain such certificates and ratings, as applicable. All Lessees offering any of the services or combinations thereof shall do so under a written lease or agreement with the Commission, and approved by the owner. All Lessee operations shall maintain current licenses, permits, and authorizations required by the Minnesota Department of Transportation, Office of Aeronautic and the Federal Aviation Administration. The Minimum Standards listed in this document and those listed in the attachments in the Appendix thereto for specified aeronautical operations shall be reviewed and adhered to by any potential Lessee.

2. Aerial Application (General sample listing only, refer to appropriate appendix for specific service)

2.1 Facility Requirement

- a). Parking area
- b). Building area
 - 1). Hangar
 - 2). Office
- c). Bathroom

2.2 Telephone

2.3 Personnel

2.4 Equipment

2.5 Hours of Operation

2.6 Dispensing of Materials

2.7 Storage and Containment

2.8 Spillage

II G. Complementary and Compounding Operations

1. Complementary Operations. Each person that proposes to offer more than one type of operation listed in the Appendix, must meet the highest standard of any single operation proposed if the proposed operations are complementary. Complementary operations are considered as:

- 1.1 Aircraft Parts and Supplies Sales and any of the other commercial operation categories contained in this document.
- 1.2 Aircraft Servicing, Maintaining and Repairing and Avionics
- 1.3 Aircraft Sales and Aircraft Rental or Leasing
- 1.4 Flight Training and Aircraft Rental or Leasing
- 1.5 Specialized Commercial Flight Services and Aircraft Charter

2. Compounding Operations. A person that proposes to offer Compounding Operations must meet the Minimum Standard, except for the standards for bathroom areas, for each of the operations proposed. Any combinations of operations other than the Complementary Operations listed in 1 are considered Compounding Operations.

3. Maximum Standard. A person that proposes to offer three or more operations, two of which are Complementary Operations and one or more which is considered a Compounding Operation, the person must meet the highest standard of one of the Complementary Operations and in addition, must meet the standard of the Compounding Operation (s). The maximum standard that any person will be required to meet for any combination of operations is the standard set forth for a Full Service Commercial Operation.

II H. Legal Non-Conforming Use

1. Determination. Within sixty days of adoption of this document, the Commission shall determine which aeronautical Commercial Operations in existence prior to the enactment of this document do not conform to the minimum standards as set forth in this document, and shall inform persons controlling such operations that these non-conforming uses may continue a Legal Non-Conforming Uses until the expiration of the current lease terms, or for ninety days if the current lease is on a month to month term, except as provided in this section.

2. Safety Compliance. Legal Non-Conforming Use status shall not be granted to persons for ramp, tie-down, fueling, chemicals, and maintenance equipment non-compliance, or other safety elements, for a period longer than three years from the date of notification of non-compliance or until the expiration of the current lease term, whichever is shorter.

3. Termination of Uses. Any Legal Non-Conforming Uses status shall terminate prior to the expiration of the current lease term or shorter time established by Section 8.2 upon the occurrence of any of the following:

- 3.1** Failure to operate the commercial operation for a period of 60 continuous days for reason other than substantial damage or destruction of the leasehold improvements; or
- 3.2** Any material change in the type, size or character of the authorized uses of the commercial operation; or
- 3.3** Substantial damage to the leasehold improvements; or
- 3.4** Substantial new construction or remodeling of the leasehold improvements, other than approved improvements made in the course of a plan to comply with this document prior to the expiration of a current lease term.

4. “Substantial”. For the purposes of Section 8 and 9, “substantial” is \$10,000 or 25% of the value of the leasehold improvements, whichever is less.

5. Transferability of Non-Conforming Use Status. The ownership of a Commercial Operation may change without affecting the Legal Non-Conforming Use status, as established by Section 8.

II I. Variances

1. Requests for Variances. Any person desiring to use airport property contrary to the standards set forth herein may apply to the Commission for a Variance from the standards. Such request must be submitted in writing to the Commission and shall state the specific elements of the standards for which the Variance is requested and the reasons in support of such a request.

2. Notice. Upon receipt of a request for a Variance, the Commission shall mail a written notice to all commercial operators of the airport, and to storage hangar lessees located within 500 feet of the aeronautical Commercial Operation that submitted the request. The notice shall contain a meeting date, time, and location where the hearing shall be held to review the request. Such notice shall be mailed at least five (5) working days in advance of the scheduled meeting. In addition, a meeting agenda listing the time, place, and the matters to be discussed shall be posted by the Commission on the airport arrival/departure bulletin board, public notice bulletin boards et.al. at least five (5) working days in advance of such meeting.

3. Response.

3.1 The Commission shall forward the recommendation to the governmental owners regarding the request for a Variance. The owners shall respond in writing, within sixty (60) days of the Commission's receipt of the request for a Variance and shall either approve or deny the request or request more information.

3.2 If no response is received from the owners within the sixty (60) day period described above, the request shall be deemed to have been denied.

3.3 Once a request for a Variance has been approved or denied, no person shall submit another request for the same Variance for the same property until the expiration of one year.

4. Standard of Approval or Denial.

4.1 The City Council shall approve a request for a Variance where a literal application or enforcement of the standards would result in practical difficulty or unnecessary hardship be in accordance with the spirit of the standards; provided, that the owners may allow such Variance subject to any reasonable conditions they may seem necessary to effectuate the purposes of MN Stat S. 473.601, et seq.

4.2 In approving a request for Variance, the owners may issue either a Use Variance or Structural Variance. The owners shall specify the length of time applicable to each Variance, along with any other consideration established under 1, above.

5. Termination of a Variance. Any Variance shall terminate upon the occurrence of any of the following events:

5.1 Substantial damage to the leasehold improvements; or

5.2 Substantial new construction or remodeling of the leasehold improvements; or

5.3 Failure to operate the commercial operation for a period of sixty (60) continuous days for reasons other than substantial damage/destruction to leasehold improvements; or

5.4 Any material change in the type, size, or character of the authorized uses of the commercial operations; or

5.5 Violation of any of the conditions placed on a Variance by the City Council under 4.1 above.

II J. Appeals

- 1. Request for Appeal.** A person may appeal a decision of the owners under Section 8 or 9 to the Commission. Any such appeals must be taken within ninety (90) days of the decision by the owners, by filing with the Commission Chair a written request for appeal specifying the grounds thereof.
- 2. Stay.** The receipt of a request for an appeal shall stay all proceedings in furtherance of the action appealed from, unless the owners certify in writing to the Commission, after notice of the appeal has been filed with it, that by reason of the facts stated in the certification a stay would, in their opinion cause imminent peril to life or property. In such case, proceedings shall not be stayed, except by order of the Commission, and the person filing the request shall be notified promptly.
- 3. Notice.** At least seven (7) days' prior written notice of the time and date of the hearing with the Commission shall be given to the person filing the request.
- 4. Appearance.** At the hearing, any person may appear in person or by agent or by an attorney.
- 5. Issuance of an Owners Decision.** After the hearing, the Commission shall make a recommendation to the owners at their next regularly scheduled meeting. The written decision of the owners shall be forwarded to the person or designated agent or attorney within one (1) week of the decision.

II K. General Provisions

1. Penalty. As established by MN Stat S 473.608, subd. 17 (1), any person violating any of the provisions of this document shall upon conviction be punished by sentence within the parameters of the maximum penalty for misdemeanors set forth in MN Stat S 609.03 or as the same may from time be amended.

2. Provision Severable. If any part or parts of this document shall be held unconstitutional, such unconstitutionality shall not affect the validity of the remaining parts of this document if is had known that such part or parts thereof would be declared unconstitutional.

3. Effective Date. This document, upon filing the same with proof of publication thereof with the Secretary of State of Minnesota, shall be in full force/effect from and after _____2012.

Glencoe Municipal Airport
Airport Commission Chairman

City of Glencoe
City Administrator

Appendices

Appendix 1

Agricultural Aircraft Operations and Aerial Application on Municipal Airports

Lessees desiring to engage in aerial application operations must hold an Agricultural Aircraft Operator Certificate issued by the FAA under Part 137; comply with the requirements of the State and political subdivisions; and provide as a minimum:

1. Land – Leasehold shall contain 5,000 square feet of land to provide for buildings, aircraft parking and tie-down, and parking space for loading vehicles and equipment. Must provide a paved apron for loading, cleaning and servicing of aircraft in accordance with published State and Environmental guidelines, including a non-contaminating drainage and storage facility. Guidelines, procedures and techniques presented in the University of Minnesota publication (www.airtap.umn.edu/Publication) “Agricultural Aircraft Operations on Municipal Airports” are to be followed for safe operations.
2. Buildings – Lease or construct 150 square feet of building space for office with telephone and personal property storage. In lieu of the requirements stated in 1 & 2 above, an aerial operator may operate through an established full service Fixed Base Operator, if established on the airport.
3. Personnel – One person holding a current FAA commercial certificate, properly rated for the aircraft to be used and meeting the requirements of Part 137 of the FAA Regulations and applicable regulations of the State.
4. Aircraft – One aircraft, which will be certified airworthy, meeting all of the requirements of Part 137 of FAA Regulations and applicable regulations of the State. This aircraft shall be owned or leased by agreement in writing and based on the Lessee’s leasehold.
5. Facilities – Provide a secure chemical storage area protected from public access.
6. Insurance Coverage – The Lessee shall comply with the insurance requirements listed in Appendix 7.
7. Fuel Purchasing- - The Lessee shall purchase and use fuel only from the Glencoe Airport source if available.

Appendix 2

Aircraft Parts, Supplies and Maintaining

Any Lessee desiring to engage in airframe and/or power plant repair service must provide, as a minimum, the following:

1. Land – The leasehold shall contain an area of 5,000 square feet to provide space for all buildings and temporary parking of aircraft.
2. Buildings – Lease existing facility or construct a building sufficient to provide 3,600 square feet of shop space meeting local and state industrial code requirements plus adequate office space, including public use telephone and bathroom facilities. Lease or construct a building of 300 square feet of properly lighted and heated space for office, including space for the public.
3. Personnel – One person currently holding a FAA certification with ratings appropriate for work being performed who may hold an airframe and/or power plant (A & P) rating.
4. Hours of Operation – The normal operating hours will be at the operator's discretion, but should be reasonably accommodating to the public. Provide for mechanical service during weekends and holidays on an on-call basis.
5. Equipment – Sufficient equipment, supplies and the availability of parts to perform maintenance in accordance with manufacturer's recommendation or the equivalent.
6. Facilities – Provide adequate fire-safe storage facilities for flammable waste products used in conducting repair operations.
7. Insurance Coverage – The Lessee shall comply with the insurance requirements shown in Appendix 7 and shall provide Hangar Keepers Liability in the amounts specified for General Liability.
8. Fueling – The Lessee shall purchase and use fuel only from the Glencoe Airport source if available.

Appendix 3

Aircraft Rental

Any Lessee desiring to engage in the rental of aircraft to the public must provide, as a minimum, the following:

1. Land – The leasehold shall contain 5,000 square feet of land to provide space for aircraft parking, building and vehicular parking.
2. Buildings – Lease or construct a building which will provide 400 square feet of properly heated and lighted office space, a public telephone and bathroom, and space for the public.
3. Personnel – One person having a current commercial and instructor rating pilot certificate.
4. Aircraft – One aircraft currently licensed by the MNDOT Office of Aeronautics and FAA and owned or leased in writing to the Lessee.
5. Hours of Operation – The normal operating hours will be at the operator’s discretion, but he/she should be reasonably available to the public.
6. Insurance Coverage for Owned or Leased Aircraft – The Lessee shall comply with the insurance requirements shown in Appendix 7. Aircraft Liability Insurance shall include student and renter coverage.

Appendix 4

Aircraft Sales

An aircraft sales person is a person, firm, partnership, association, group, or corporation engaged in the sale of new and/or used aircraft through a franchise, licensed dealership, or distributorship (either on a retail or wholesale basis) of an aircraft manufacturer, and provides such repair services, including parts as necessary, to meet any guarantee or warranty on new and used aircraft. And must be sponsored by the City of Glencoe.

The Minimum Standards for this activity will be determined by the Airport Commission at a later date.

Appendix 5

Flying Clubs

The following requirements pertain to all flying clubs (including Ultra-Lights) desiring to base their aircraft at the Glencoe Municipal Airport:

1. Flying Club Organizations. Each club must be a non-profit corporation, association, or partnership organized for the express purpose of providing its members with an aircraft or aircraft, for their personal use and enjoyment only. Each member must be a bona fide owner of the aircraft or a stockholder in the corporation. The club may not derive greater revenue from the use of its aircraft than the amount necessary to cover actual cost of operation, maintenance, and replacement of its aircraft. The club will file and keep current with the Airport Commission, a complete list of the club's membership and a copy of its charter and by-laws, articles of association, partnership agreement, or other documentation supporting its existence.
2. Aircraft. Flying clubs may not offer or conduct charter, air taxi, or rental of aircraft operations. Clubs may not conduct aircraft flight instruction except for regular members, and only members of the flying club may operate the aircraft. No flying club shall permit its aircraft to be utilized for the giving of flight instruction to any person, including member of the club owning the aircraft, when such person pays or becomes obligated to pay for such instructions, except when instruction is given by a certified instructor who has a current agreement with the Airport Commission. Flight instruction can be given by a registered club member who may be compensated by credit against payment of dues or flight time. Any club member wishing to give such flight instruction must have a current agreement with the Airport Commission.
3. Maintenance/Repair. Any qualified mechanic who is a registered member or part owner of the aircraft owned and operated by a flying club shall not be restricted from doing maintenance work on aircraft owned by the club and the club does not become obligated to pay for such maintenance work except that such mechanics may be compensated by credit against payment of dues or flight time. All other maintenance work provided on the airport must be done by a certificated operator based on the airport who has a current agreement with the Airport Commission.
4. Violations. In the event that the club fails to comply with these conditions, the Airport Commission will notify the club of such violation in writing. If the club fails to correct the violations within thirty (30) days, the Airport Commission may take any action it deems advisable to rectify the situation, up to and including the termination of club operations on the airport.
5. Insurance. As a condition precedent to being granted the right to operate at the airport, all flying clubs must agree to and provide, as a minimum, Aircraft Liability and Comprehensive General Liability insurance, in amounts and terms as required by the City of Glencoe. Additional insurance may be required in keeping with other types of operations the club may intend to perform. See Appendix 7 for insurance requirements.
6. Rules and Regulations. All flying clubs shall abide by and comply with all Federal, State, and local laws, ordinances, regulations and rules and regulations of the airport.

Appendix 6

Leasing and Aircraft Storage

All operators on the airport will be subject to a lease agreement, either for a hangar or for facilities being used to conduct a business. Hangars or aircraft storage facilities may be City or privately owned. As a minimum, individuals desiring to construct an aircraft storage facility shall first present a business plan, in acceptable format, which will contain a certified drawing of the structure, an approved financial plan, estimated time of construction through completion, and the structure intended use. This plan must be approved by the Airport Commission and the City before a ground lease can be considered. Whether it is a City or privately owned hangar/storage facility, all Lessee's will agree to abide by the general operating guidelines and minimum standards in addition to the covenants in the lease in the Glencoe Municipal Airport, Airport Administration and Minimum Standards approved manual.

All leases should contain the standard covenants of a lease agreement with special covenants added to tailor the lease to fit any special needs or conditions.

The following are the essential but not all encompassing covenants for a lease:

1. Premises
2. Use of hangar or facility
3. Proof of ownership (aircraft year, model no., N no., compliance with State laws etc.
4. Term of lease
5. Assumption of lease
6. Assignment/subleasing
7. Rent/lost keys (late fees/replacement key/lock costs), when applicable
8. Cancellation of the lease
9. Commercial operations, if applicable
10. Inspections
11. Utilities
12. Snow removal
13. Maintenance and repair of unit (If privately owned)
14. Insurance
15. Indemnification
16. Security/Parking
17. Compliance with Federal laws
18. Maintenance and repair of leased unit
19. Insurance
20. Indemnification

The following sub-elements describe specific Leasing and Aircraft Storage Standards

- 6.1 Describes the types of leases which may be contracted on an airport.
- 6.2 Draft hangar lease, City owned.
- 6.3 Draft non-commercial hangar area/ground lease for privately owned facilities.
- 6.4 Describes leasing commercial space (Aeronautical or Non-Aeronautical)
- 6.5 Describes short term hangar/space leasing.

Appendix 6.1

General Types of Leases

Agricultural – Agricultural leases are used to take advantage of the large areas of unused land around the airport which are out of the safety zones and do not conflict with airport operations. Certain restrictions apply as to type of crops grown, where agricultural activities can be conducted and the type of chemicals being used based on the airport Storm Water Pollution Prevention Plan (SWPPP). Additionally, where these chemicals are stored on the airport and how they are dispersed must meet SWPPP and EPA guidelines.

Ground – Ground leases are used to lease areas to individuals to build a business establishment or a private hangar which could be used for business or pleasure. The area leased should include an area which is occupied by the building to include any set-back requirements established by local building or fire codes. Certain height restrictions apply depending on where the facility is located to insure the building does not penetrate the approach plane to existing runways. Rates and charges can vary for ground leases depending on the type of activity being conducted and the proposed term of the lease. The normal rate for ground lease rates is \$.25 per square foot of leased space.

Business - Normally used when a business (aviation or non-aviation related) desires to operate on the airport. Usually a business wants to be on the airport because their operation is aviation related or needs the airport based on the convenience of location. A business operating on the airport is subject to the applicable personal property tax codes. Rates charged could be based on a percentage (5 -10%) of gross receipts.

Hangar – Frequently individuals and business owners desire to build their own hangar (either single or multiple aircraft storage) because of the long term cost savings and privacy. Again, building code restrictions apply as do NEC requirements. Rates and charges would be established based on type and use of the facility but should remain within the range specified for general ground leases. Plans/specifications for the hangar to be constructed should be carefully reviewed, meet local building codes, be esthetically compatible with existing airport structures and meet the minimum standards for operations adopted by the owner.

Owner Facilities – Often it is more advantageous for the airport owner to construct and lease facilities since several funding mechanisms are available which reduce the amount of local dollars needed to complete the project and the long term return on investment provides continuing revenue beyond the loan contract. FBO, Arrival/Departure buildings and T-hangar units are candidate projects which would be profitable and benefit the owner.

T-Hangar Units – Normally constructed in units of six to ten, these hangars provide aircraft storage for the single aircraft owner at a reasonable cost. Average cost to build a small unit is approximately \$19,000 per unit plus site preparation. See attach 2. They are generally 40 feet or less in width and 36 feet deep. A medium sized unit would be 40 to 44 feet in width and 38 feet in depth. Average cost to build these units could cost in excess of \$20,000 per unit. The units have a door opening larger than 44 feet and are deeper than 38 feet. Depending on the type of construction and manufacturer, these units could cost in excess of \$28,000 per unit. Any hangars constructed larger than the above should be a single unit facility. Rates and charges for the units were originally based on satisfying the hangar loan within a specified ten year period. Realistically, single unit rates are now \$145 – 190 each with the remaining funds needed subsidized by the owner.

Single Unit – Occasionally, a single unit hangar is constructed by the owner and leased to an individual for aircraft storage or a specialty business such as aircraft painting, upholstery or avionics work. These hangars are usually 40 x 40 or larger, are climatically controlled and relatively expensive to construct. Rates and charges would have to be prorated on a long term basis due to the cost of the investment. See attach 2.

Ancillary Facilities – These are facilities which provide services to airport users such as concession, car rental, food and beverage, gift stores, advertising, etc.

Miscellaneous – Occasionally, individuals will want to park their tourist vehicles (cars, RV's, boats, etc.) on airport property while they return to their permanent residences at another location (usually south(. An area away from the airport areas of activity is the preferred storage area and the charges for parking are up to the airport owner.

Non-Commercial Hangar Area/Ground Lease – See 6.3

Appendix 6.2

Draft Hangar Lease, City owned

Hangar Lease (sample)

THIS LEASE is executed in duplicate this first day of _____ 2011 between the Glencoe Airport Commission, hereinafter referred to as “LESSOR” and _____ hereinafter referred to as “LESSEE.”

1. Premises – Lessor shall hereby lease to Lessor hangar _____
2. Use of hangar – The premises shall be used for the purpose of storing and aircraft as identified below:

<u>Year and Model</u>	<u>N number</u>	<u>Owner</u>	<u>Operator</u>	<u>Insurance Company</u>
-----------------------	-----------------	--------------	-----------------	--------------------------
3. Lessee shall be responsible for maintaining a neat, orderly hangar and shall not store items or fire hazardous (flammable) materials in the hangar (oil is not considered a flammable item). Lessee agrees to comply with established fire and safety codes when storing aircraft and aircraft support or repair equipment/materials in the hangar.
4. Proof of aircraft ownership – Lessee shall possess proof of ownership of the aircraft being stored in the hangar and aircraft must be properly registered and certified for flight. If Lessee sells the aircraft, the Lessor must be notified in writing within ten (10) days of the sale, and Lessee has ninety (90) days in which to replace the said aircraft. One ninety (90) day extension may be allowed, if requested in writing from the Lessor. If an aircraft is not owned at the time the hangar lease is consummated, Lessee has ninety (90) days to obtain an aircraft. If tenant is not the owner of the stored aircraft, e.g., tenant is principal operator, but a direct family member owns the aircraft, the owner’s signature shall be required on the lease.
5. Term – The term of this Lease shall be month-to-month commencing with the date above. In the event of termination of this lease, by thirty (30) day written notice, Lessee shall remove all property from the hangar by midnight of the last day of the term. Termination by the Lessee automatically terminates tenancy of any Sub lessee. In the event Lessee fails to fully vacate the leased premises, Lessee agrees to reimburse Lessor for all costs and expenses, including reasonable attorney’s fees, incurred by Lessor in regaining possession of the leased premises.
6. Assumption of Lease– Hangar (s) leased by Lessee does not transfer with the sale of the aircraft, unless the sale of the aircraft is between direct family (parent/child/spouse) member.
7. Assignment/Subleasing – Lessee shall pay a rental fee in the amount of \$ _____ per month, with the first payment being made and due when the lease is signed and on the first day of each month thereafter. A late fee charge of 17% of the monthly rent shall be assessed for payments received after the tenth (10th) day of the month and said late fee shall be added to the following month’s payment. At the time this lease is signed, Lessee shall advance a damage deposit equal to one month’s rent (if a deposit is not currently on file). This amount shall be returned to the Lessee at the end of the lease term or termination of the lease if the hangar has not been damaged through the actions of the Lessee, keys are turned in to the Airport Commission, and the hangar is returned in a clean condition with all personal belongings removed. Lessor may adjust the rental fee charged herein once per fiscal year (July – June). The Consumer Price Index (CPI)

may be used as a guide for rental rate changes. Lessor shall notify Lessee of the new rental rates sixty (60) days prior to the effective date of the new rates. There will be a charge of \$7.00 to replace lost keys and a cost plus labor to replace “Sesame” or “in-door” installed lock mechanisms.

8. Cancellation of Lease – Upon Lessee’s violation of any state, federal or local law, statute, ordinance or regulation, when said violation occurs on airport property and results in a criminal conviction, or upon Lessee’s violation of any of the terms or covenants of this lease, Lessor may immediately terminate this lease by providing Lessee with twenty-four (24) hour notice of said termination. In the event that Lessee fails to vacate and surrender the leased premises to Lessor at the conclusion of said 24-hour time period, Lessor may avail itself any remedies by law to regain possession of the leased premises and Lessee expressly agrees to pay to Lessor all costs and expenses, including attorney’s fees, incurred by Lessor in doing so. Lessor’s failure to insist upon a strict performance of any covenant of this lease or to exercise any option or right herein contained shall not be a waiver or relinquishment option for the future of such covenant, right or option, but the same shall remain in full force and effect. Lessee’s failure to abide by the covenants of this lease shall be grounds for termination of the lease by Lessor.
9. Commercial Operations – Lessee shall not conduct commercial operations from the leased hangar (s) without Lessor’s prior written approval.
10. Inspection – Lessor, or its designated representative, retains the right of access to the hangar (s) at Lessor’s option.
11. Utilities – Lessor may/shall provide electricity as the sole utility to the hangar (s) at Lessor’s expense. Lessor also reserves the right to meter such utilities and the cost of using said utilities shall be borne by the Lessee.
12. Snow Removal – Snow removal will be the responsibility of the Lessor to within one (1) foot of the hangar (s) door. Lessee will notify the Lessor not less than twenty-four (24) hours prior to the arrival or departure from the airport to allow for snow removal operation to be completed. During periods of excessively heavy snowfall, snowfall removal operations will be accomplished in accordance with the priority listed in the snow removal plan.
13. Indemnification – It is expressly agreed by the Lessee that the Lessor shall be held harmless and NOT be liable for damages to Lessee’s property which relates to the occupancy of the premises, Lessee agrees to also indemnify the Lessor from any and all liability, loss or damage the Lessor may suffer as a result of claims, demands, costs (including reasonable attorney’s fees) or judgments against it arising from the operation of Lessee’s aircraft or from the occupancy of Lessee’s aircraft on the Lessor’s premises, except said damage directly and proximately caused by negligence or affirmative act by the Lessor.
14. Insurance – Lessee shall procure and maintain in force during the term of this lease, at Lessee’s expense, liability insurance as required by state statutes. Lessor and Lessee hereby grant to each other, on behalf of any insurer providing fire and extended coverage to either of them covering the demised premises, and any improvement thereon, or contents thereof, a waiver of any right of subrogation any such insurer or one party may acquire against the other by virtue of payment of any loss under such insurance, such as waiver under terms of his/her insurance policy or policies involved without payment of additional premiums. Said waiver shall stand mutually terminated as of the date either Lessor or Lessee ceases to be so empowered. (See Appendix 7.2 for minimum coverage limits)

15. Security/Parking – All tenants are responsible for maintaining a vigilant watch for unauthorized activities and acts of vandalism on airport property and are to notify the Airport Commission when any such activities have or are occurring. Vehicles are to be parked so as not to interfere with aircraft operations.

In witness whereof, this lease has been executed as of the day and year first above written.

Appendix 6.3

Non-Commercial Option to Lease – Land/Hangar Site

Exhibit A

Glencoe Airport Lease Agreement for Privately owned Hangar

NON-COMMERCIAL OPTION TO LEASE HANGAR SITE

THIS AGREEMENT, Made and entered into this ____ day of _____, 20____, by and between City of Glencoe, a municipal corporation, (hereinafter “Optionor”) and _____ of the County of _____ and State of Minnesota, (hereinafter “Optionee”), upon and for the consideration of One Thousand Dollars (\$1,000.00) and other good and valuable consideration, paid by Optionee to Optionor. Optionor does hereby grant unto Optionee an option to lease a hangar pad site at the Glencoe Municipal Airport, all according to the terms, conditions and restrictions contained herein, those premises located in the County of McLeod, State of Minnesota.

- (1) Option Period. This Option shall commence on the date of this agreement and shall remain in effect until midnight December 31, 2014 (the “Option Period”).
- (2) Exercise of Option. This Option may be exercised by Optionee at any time during the aforesaid Option Period by written notice to Optionor delivered or mailed by certified mail, return receipt requested to the Optionor’s address set forth below, stating that the Optionee desires to acquire the property.
- (3) Size. The non-commercial site shall be 60' x 60'.
- (4) Price. The Lease price of the property shall be determined as follows:

Non-Commercial

- A. Hangar site preparation \$30,000.00
 - 1. State Cost \$15,000.00
 - 2. Local Cost \$15,000.00
 - 3. Local Cost \$1,000.00 (land acquisition cost estimate)
 - 4. Total Lease Cost \$16,000.00
 - a. \$8,000.00 Down Payment (\$1,000.00 Option Payment and \$7000.00 additional)
 - b. \$8,000.00 10 year Lease (\$1,150.00 per year estimate at 8% interest)
- B. In addition Optionee shall pay an annual operational fee of \$0.25/sq. ft. (3600 sq. ft. x \$0.25 = \$900.00) per year. This fee is for mowing and snow removal and other maintenance expenses. This annual operational fee shall be reviewed every three (3) years.

- (5) Length of Lease. This Lease shall run for a period of twenty (20) years. At the expiration of the twenty (20) year lease period, lessee shall have the option to renew the lease for an additional ten (10) year time period. At the expiration of the ten (10) year time period, lessee shall have the option to renew the lease for an additional five (5) years. At the expiration of thirty-five (35) years this lease shall terminate if it hasn't expired earlier, and be void and of no force and effect.
- (6) Down Payment. The \$1,000.00 option payment shall be deposited in the trust account of the law firm of Gavin, Winters, Twiss, Thiemann & Long, Ltd. This \$1,000.00 payment shall be applied to the Lease down payment at the time the Lease is executed.

In the event that the City of Glencoe determines not to go ahead with construction of the project, this payment shall be returned to the Optionee.
- (7) Contingency. This Option to Lease is contingent upon the City of Glencoe constructing new hangar pads for ten (10) new hangars. In the event that the City of Glencoe elects not to construct the new hangar pads, this Option shall terminate and the option payment shall be returned to the Optionee.
- (8) Larger Pads. In the event that Optionee and the City of Glencoe enter into a Lease for a hangar pad larger than 60' x 60', Optionee shall pay an additional \$4.44 per square foot for the additional land in excess of 60' x 60' (3600 sq. ft.).
- (9) Hangar Pad. This Lease is for a prepared hangar pad site and for access to the pad. All costs for the construction, repair and maintenance of the actual hangar shall be paid by the Optionee. The City or Glencoe is not responsible for any of these costs. In addition, lessee is responsible for the costs of the construction of the apron to the hangar.
- (10) Inspection of Premises. The Optionee during the term of this Option shall have the right and privilege to enter upon the above-described lands to make inspection thereof, to take measurements or make drawings for construction.

- (11) Condition of Property. Should Optionee exercise this Option, the City of Glencoe shall deliver to Optionee the hangar pad in suitable condition for the construction of a hangar and provide access to the hangar unit.
- (12) Failure to Exercise Option. If the City of Glencoe constructs the hangar pads and Optionee for any reason elects not to exercise the Option, then in that event the \$1,000.00 option payment shall be paid to the City of Glencoe and Optionee shall not be entitled to refund of this amount.
- (13) Lease Terms. The terms and conditions of the Lease as described in the “Glencoe Airport Lease Agreement – Privately owned Airport Hangar” attached hereto as Exhibit “A” and incorporated herein in its entirety.
- (14) Notices. Any notice which may be or is required to be given pursuant to provisions of this Option shall be delivered or sent by certified mail, postage prepaid, return receipt requested, and addressed as follows:

Optionor: The City of Glencoe
 1107 11th St. E., Ste 107
 Glencoe, MN 55336
 Phone: (320) 864-5586

Optionee: _____

IN WITNESS WHEREOF the parties have hereunto set their hands the year and date first above written.

OPTIONEE:

CITY OF GLENCOE

BY: _____

Its _____

Exhibit "A"

Glencoe Airport Lease Agreement

Privately Owned Airport Hangar

THIS AGREEMENT, is entered into this _____ day of _____, 20 _____, by and between the City of _____, (the "Lessor"), and _____ (the "Lessee"):

IN WITNESS WHEREOF, in consideration of the premises, the mutual Covenants contained herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

1. Lease of Hangar. Lessor agrees to lease to Lessee and Lessee agrees to lease from Lessor hangar space ("Leased Premises"), located at the Glencoe Airport, Hangar Number _____, 9902 Dairy Avenue, Glencoe, Minnesota for the purpose of storing/parking the following aircraft (the "Aircraft")

Owner of Aircraft _____
Address _____
Phone Number _____
Lessee's Address _____
Phone Number _____

Aircraft Make _____
Aircraft Model _____
Aircraft Year _____
Aircraft Registration Number _____
Aircraft Serial Number _____

2. Use of Leased Premises. The primary use of the leased premises shall be for storage of Aircraft. Storage of not more than two (2) vehicles shall be permitted.

3. Term. Subject to earlier termination as provided below in this agreement, the initial term shall begin on _____ and end on _____ (a 20 year period). Lessee shall have the option to renew this agreement (in writing) for an additional ten (10) year time period. At the expiration of the above described ten (10) year time period, Lessee shall have the option to renew this agreement (in writing) for an additional five (5) years. All extensions of this lease shall be under the same terms and conditions as provided in the initial term.

4. Termination. Either party may terminate this agreement with sixty (60) days prior notice.
5. Lease Amount. \$8,000.00 down payment due at the time of execution of the lease. \$8,000.00 amortized over 10 years with interest at the rate of 8% per annum to be paid on an annual basis due on the annual anniversary date of the execution of the lease. In addition, Lessee shall pay an annual operational fee of \$0.25/sq. ft. (3,600 sq. ft. x \$0.25 = \$900.00) per year. This amount shall be paid annually. This annual operation fee shall be reviewed every three (3) years.
6. Purposely Blank – Information to be added at later date
7. Right of Ingress and Egress. Lessee shall have at all times the right of ingress to and egress from the Leased Premises. To ensure this right, Lessor shall make all reasonable efforts to keep adjacent areas to the Leased Premises free and clear of all hazards and obstructions, natural or manmade.
8. Maintenance and Repairs to the Leased Premises (Hangar). The Lessor shall be responsible for all ordinary maintenance/repairs to the Leased Premises, including the hangar doors. It is understood that Lessor's obligation to maintain the Leased Premises shall not extend to any cleaning, janitorial, sanitation removal or other related services. Lessee shall be responsible for any maintenance/repairs necessitated by the acts or omission of Lessee, its agents, employees, or guests. If Lessee fails to promptly maintain/repair the Leased Premises as required by this paragraph, Lessor may undertake such necessary maintenance/repair and charge the cost thereof to the Lessee.
9. Default. If Lessor defaults in the performance of its duties or obligations as required under the terms of this agreement, and if Lessor fails to remedy any such default in a manner reasonably satisfactory to Lessee within 30 days following receipt of Lessee's written notice to remedy said default, Lessee may immediately terminate this agreement with written notice to Lessor. If Lessee defaults in the performance of its duties or obligations as required under the terms of this agreement, and if Lessee fails to remedy any such default in a manner reasonably satisfactory to Lessor within 30 days following receipt of Lessor's written notice to remedy said default, Lessor may immediately terminate this agreement with written notice to Lessee.
10. Operation of Aircraft. The Lessee is responsible for operating the Aircraft on the airport in accordance with the applicable Federal and state aviation regulations. The Lessee must maintain the Aircraft in operable condition. If the Aircraft is inoperable for a continuous period exceeding 180 days the Lessee must receive permission from the Lessor to continue the Lease.
11. Airport Rules and Regulations. Lessee agrees to comply with the Airport rules and regulations as stated in the Glencoe Municipal Airport Minimum Standards For Aeronautical Operations.
12. Fixtures, Improvements, Equipment and Personal Property. For any desired fixtures, improvements, equipment and other personal property which Lessee wishes to install, erect or place in the Leased Premises, a list of said items shall be submitted to the Lessor in writing for approval prior to the undertaking of any such work.

13. Surrender of Possession. On the expiration or other termination of this agreement, Lessee's rights to use of the Leased Premises shall cease and Lessee shall vacate the Leased Premises without unreasonable delay. Except as otherwise provided in this agreement, all fixtures, improvements, equipment and other property bought, installed, erected, or placed in the Leased Premises by the Lessee shall remain the property of Lessee. Lessee shall have the right to remove these fixtures, improvements, equipment and other property prior to the expiration or termination of this agreement, however, the Lessee shall be responsible for any damage caused by such removal. Title to fixtures, improvements, equipment and other property not removed as of the expiration or termination of this agreement, shall vest in Lessor. If said lease is terminated pursuant to paragraph 8 (Default), Lessee shall have a reasonable period of time to remove fixtures, improvements, equipment and any other property. A reasonable time is defined as three days.

14. Liability and Indemnification. The Lessee shall defend and indemnify the Lessor for claims brought or actions filed against Lessor or any of its officers, employees or agents for property damage, bodily injury or death to third persons arising out of the acts or omissions of the Lessee, its agents, employees, and guests, or in any way arising out of the operation of the Lessee's aircraft or from the occupancy of the Lessee's aircraft on the Lessor's premises. Lessor shall also be held harmless for damage to the Lessee's property except for intentional or grossly negligent acts of the Lessor, its officers, employees or agents.

The Lessor shall defend and indemnify the Lessee for claim brought or actions filed against the Lessee or any of its officers, employees or agents for property damage, bodily injury or death to third persons arising out of the Lessor's operations of the airport.

15. Insurance. Before operating or permitting any aircraft to be operated from the leased aircraft hangar, Lessee agrees to obtain and maintain in effect aircraft liability insurance to conform at least to the minimum coverages as stated in Appendix 7 (Insurance Requirements Private) of current Glencoe Airport Minimum Standards document. The Lessee shall also provide the Lessor with a certificate of insurance evidencing such coverage and naming the City as an additional insured on the coverage and shall provide Lessor with a certificate of insurance on an annual basis.

Lessee shall also obtain and maintain in effect first-party property insurance covering damage to the aircraft.

16. Waiver of Subrogation. Except for intentional or grossly negligent acts of the Lessor, its employee or agents, Lessee hereby waives any subrogation rights that it, or its insurer, may have against Lessor as a result of any loss or payment under the terms of first-party property coverage on the aircraft.

17. Walk through Inspection Prior to entering into Lease. The Lessor and the Lessee shall conduct a walk through inspection to verify condition of the Hangar and the contents therein. Lessor shall provide Lessee with an Inspection Form documenting the inspection and Lessee shall acknowledge receipt of Inspection Form prior to commencement of the Lease.

18. Inspection. The Lessor may enter and inspect the Leased Premises for the purpose of ensuring Lessee's compliance with its obligations under this agreement. Lessor will be held responsible for any theft or damage to Lessee's property should the Lessor fail to properly secure the Leased Premises upon completion of the inspection. In the event of an emergency, the Lessor may enter the Leased Premises without prior notice to Lessee.

19. Maintenance on Aircraft. Pursuant to FAA Order 51 90.6A, Airport Compliance Requirements, the Lessee, with its own equipment and employees or agents, shall be allowed to perform maintenance on the Aircraft within the Leased Premises, provided that it is not done in a manner that would be unsafe, unsightly, or detrimental to the efficient use of the airport facilities by others. Lessee will dispose of used oil only in approved receptacles designated by the Airport Board. At no time shall the Lessee's aircraft engines be started within the Leased Premises. The use of the Leased Premises for an aircraft repair or maintenance business or other commercial operation is prohibited.
20. Maintenance of Airport and Runway. Lessor reserves the right but shall not be obligated to the Lessee to maintain and repair the landing area of the Airport and all publicly owned facilities of the Airport.
21. Storage of Hazardous Materials. Hazardous materials, as defined by the State of Minnesota MPCA, shall not be stored in/on the Leased Premises, unless they are stored in accordance with the State of Minnesota MPCA rules and regulations and local fire codes.
22. Fire Extinguisher. Lessee shall be responsible to obtain and keep one fire extinguisher in the Leased Premises.
23. Taxes. Lessor shall pay any and all taxes or special assessments that may be levied or assessed against the Leased Premises.
24. Assignment and Subletting. This agreement may not be transferred or assigned without written authorization signed by Lessor and Lessee. The Lessee may not sublet the Leased Premises without the written consent of the Lessor.
25. Notice. All notices and requests required or authorized under this agreement shall be in writing and sent by certified mail, return receipt requested, to the address for that party as stated in the beginning of this agreement. The date on which any such notice is received by the addressee shall be deemed the date of notice. Should either party change addresses, that party shall notify the other party within 15 days after the change.
26. Governing Law. This agreement is a contract executed under and to be construed under the laws of the State of Minnesota.
27. Waiver. Either party's failure to enforce any provision of this agreement against the other party shall not be construed as a waiver thereof so as to excuse the other party from future performance of that provision or any other provision.
28. Severability. The invalidity of any portion of the agreement shall not affect the validity of the remaining portions thereof.
29. Paragraph Headings. The headings to the paragraphs to this agreement are solely for convenience and may have no substantive effect on the agreement nor are they intended to aid in the interpretation of the agreement.

30. Subordination of Agreement. This agreement shall be subordinate to the provisions of any existing or future agreement between the Lessor and the United States relative to the operation or maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the airport.

31. Entire Agreement. This agreement constitutes the entire agreement between the parties. No statements, promises, or inducements made by any party to this agreement, or any agent or employees of either party, which are not contained in this written contract shall be valid or binding. This agreement may not be enlarged, modified, or altered except in writing signed by the parties.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

LESSOR

LESSEE

Appendix 6.4

Leasing Commercial Space

(Aeronautical or Non-aeronautical)

Opportunities to lease available space to produce revenue for the airport can and often do present themselves. These can be empty storage facilities or space for on-airport concessions such as advertising, food vending, vehicle rental, or specialty items such as pilot items or a gift store. With each opportunity, there will be a diverse set of circumstances and requirements and each must be addressed individually as to space, time of lease, and cost. A general lease, specifying the need, space, length of the lease, rates, and non-discriminatory clauses should be included in the lease.

Lease will be generated upon interest by developer.

Appendix 6.5

Short Term Hangar Rents

Often an individual may desire to rent a vacant hangar space for a short period of time such as overnight or for only a few days. Airport owned hangars may be rented on a space available basis by the Airport Commission using a daily rate based on the square footage (size) of the hangar. This could be estimated by determining what monthly rent would normally be charged for the hangar divided by 30 days and thereby establishing the daily rate. However, because the rental is to be for a short term only, it normally would be a higher figure and on a flat rate basis determined by the Commission, much like a tie down fee.

Appendix 7

Insurance Requirements

7.1 Commercial

All Lessees' (commercial and non-commercial) on the airport will be subject to insurance requirements. Without limiting any of the other obligations and liabilities of the Lessee, the commercial Lessee shall provide and maintain, until the lease is terminated and during the Lessee's occupying of the premises, minimum insurance coverage's as follows:

TYPE OF COVERAGE	MINIMUM LIMITS			
1. Workman's Compensation	As required by State Law			
	Bodily Injury		Property Damage	
	Per Occurrence	Aggregate	Per Occurrence	Aggregate
2. Aircraft Liability	\$1,000,000	\$2,000,000.	\$1,000,000	\$2,000,000.
	(or \$1,000,000 CSL Occurrence \$2,000,000 Aggregate)			
3. General Liability				
1. Premises and Operations	\$1,000,000	\$2,000,000.	\$1,000,000.	\$2,000,000.
2. Independent Contractor	\$1,000,000.	\$2,000,000.	\$1,000,000.	\$2,000,000.
3. Contractual (IAW agreement(s) between Lessor and Lessee)	\$1,000,000	\$2,000,000.	\$1,000,000.	\$2,000,000.
	(or \$1,000,000 CSL Occurrence \$2,000,000 CSL Aggregate)			
4. Automobile Liability Covering all automobiles, trucks, tractors, trailer, motorcycles, or other equipment whether owned by or rented by Lessee or owned by employees of the Lessee).	\$1,000,000.		\$1,000,000.	
	Or \$1,000,000 CSL			
5. Pollution Liability (Applies to Spraying Operations)	\$1,000,000 per event			
6. Flight Training	\$1,000,000	\$2,000,000	\$1,000,000	\$2,000,000
a. For owned or leased aircraft	"	"	"	"
b. Passenger Liability	"	"	"	"
	or \$1,000,000 CSL Occurrence \$2,000,000 Aggregate			

In addition to the above coverage, the Lessee shall provide such specialized coverage in the minimum limits indicated, as may be called for under the particular aeronautical service to be provided. The City of Glencoe, dba: Glencoe Municipal Airport (Vernon Perschau Field), is to be listed as an additional insured. The Lessee shall, before occupying the premises under lease, deliver to the Airport Commission three (3) copies of Certificate of Insurance completed by his/her insurance carrier or agent certifying that the minimum insurance coverage, as required above, is in effect and will not be cancelled or changed until thirty (30) days written notice is given to the Airport Commission.

Appendix 7

Insurance Requirements

7.2 Private

All Lessees' (commercial and non-commercial) on the airport will be subject to insurance requirements. Without limiting any of the other obligations and liabilities of the Lessee, the non-commercial Lessee shall provide and maintain, until the lease is terminated and during the Lessee's occupying of the premises, minimum insurance coverage's as follows:

TYPE OF COVERAGE	MINIMUM LIMITS			
1. Workman's Compensation	As required by State Law			
	Bodily Injury		Property Damage	
	Per Person	Per Occurrence Aggregate	Per Occurrence	Per Occurrence Aggregate
2. Aircraft Liability	\$100,000.	\$1,000,000. (or \$300,000 CSL)	\$100,000.	\$1,000,000.
3. General Liability				
1. Premises and Operations	\$100,000.	\$1,000,000.	\$100,000.	\$1,000,000.
2. Independent Contractor	\$100,000.	\$1,000,000.	\$100,000.	\$1,000,000.
3. Contractual (IAW agreement(s) between Lessor and Lessee)	\$100,000.	\$1,000,000. (or \$300,000 CSL)	\$100,000.	\$1,000,000.
or				
Comprehensive Personal Liability	\$100,000.	\$1,000,000. (or \$300,000 CSL)	\$100,000.	\$1,000,000.
4. Automobile Liability (covering all automobiles, trucks, tractors, trailer, motorcycles, or other equipment whether owned by or rented by Lessee or owned by employees of the Lessee).	\$100,000.	\$1,000,000. (or \$300,000 CSL)	\$100,000.	\$1,000,000.

In addition to the above coverage, the Lessee shall provide such specialized coverage in the minimum limits indicated, as may be called for under the particular aeronautical service to be provided. The City of Glencoe, dba: Glencoe Municipal Airport (Vernon Perschau Field), is to be listed as an additional insured. The Lessee shall, before occupying the premises under lease, deliver to the Airport Commission three (3) copies of Certificate of Insurance completed by his/her insurance carrier or agent certifying that the minimum insurance coverage, as required above, is in effect and will not be cancelled or changed until thirty (30) days written notice is given to the Airport Commission.

References

FAA Index-http://www.faa.gov/airports/airports_index
Airport Compliance- http://www.faa.gov/airports/airport_compliance
Advisory Circulars- http://www.faa.gov/airports/resources/advisory_circulars
 Airport Design
 Airport Planning
 Airport Operations
 Environmental/Land Issues/Wildlife
Great Lakes Region Supplemental Guidance

http://www.faa.gov/airports/great_lakes/airport

MNDOT- <http://www.dot.mn.us> (click on airplane)

AirTAP – <http://www.airtap.umn.edu/Topics>

GA Emergency Plan – In Work June or July