RESOLUTION AMENDING AIRPORT RULES, REGULATIONS AND FEES, ADOPTING REASONABLE REGULATIONS RELATING TO AIRLINE RATES AND CHARGES-DECREASE IN EXCLUSIVE USE AREA COSTS FOR SCHEDULED PASSENGER AIRLINES AND SCHEDULED PASSENGER CHARTER AIRLINES SERVIVCES

WHEREAS, the Gulfport-Biloxi Regional Airport Authority was chartered by the Secretary of State of Mississippi on August 25, 1977, as a Regional Airport Authority pursuant to Sections 61-3-1 through 61-3-83 of the Mississippi Code of 1972 annotated; and

WHEREAS, the Gulfport-Biloxi Regional Airport Authority (Airport Authority) governs that airport and air navigation facility known as the Gulfport-Biloxi International Airport (Airport); and

WHEREAS, Miss. Code Ann. §61-3-15(h) empowers airport authorities to adopt rules and regulations necessary for the operation, management and safety of airports; and

WHEREAS, the Commissioners of the Gulfport-Biloxi Regional Airport Authority find that it is necessary to amend the Airport Rules, Regulations, and Fees, to revise air carrier rates and charges being assessed for aircraft, more specifically a decrease in Exclusive Rent as per recommendation made by Newton and Associates, effective October 1, 2020;and

WHEREAS, the Commissioners of the Gulfport-Biloxi Regional Airport Authority find that these proposed amendments to the Airport Rules, Regulations and Fees as is reflected on **Exhibit "1"**, will promote public safety, aviation safety, airport operations and the preservation of good order and peace of the Authority; and is in the best interest of the traveling public, management, operation, safety and development of the Gulfport-Biloxi Regional Airport Authority; and

WHEREAS, the Commissioners of the Gulfport-Biloxi Regional Airport Authority find that Management has recommended the action being taken in this resolution, as stated in the Memorandum attached hereto and incorporated herein as **Exhibit "2"**;

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the Gulfport-Biloxi Regional Airport Authority as follows:

SECTION 1

The Amendments to the Airport Rules, Regulations and Fees to **CHAPTER 2 -**

AIRFIELD OPERATIONS - SECTION 11, Paragraphs 4 and 5 (exclusive use fees for Scheduled Passenger Airlines and Scheduled Passenger Charter Airlines) identified on **Exhibit "1"**, attached hereto and incorporated herein, are authorized, approved and adopted, with an effective date of the revised rates and charges set forth therein beginning October 1, 2020.

SECTION 2

The Executive Director of the Gulfport-Biloxi Regional Airport Authority is charged with the responsibility and duty of implementing and enforcing the Airport Rules, Regulations and Fees, as amended.

SECTION 3

If any chapter, section, paragraph or other part of these adopted Rules, Regulations, and Fees are held to be unlawful or unenforceable, all other chapters, sections, paragraphs, or parts of these Rules, Regulations, and Fees shall remain in full force and effect.

RESOLVED on this the 2nd day of September, 2020.

The above and foregoing Resolution was introduced by Commissioner Spraggins, who moved the adoption of same. Said motion was seconded by Commissioner Dennis. Upon being put to a roll call vote, the results were as follows:

Commissioner Spraggins voted "Yea".

Commissioner Griffith voted "Yea".

Commissioner Dennis voted "Yea".

WHEREUPON, Chairman Griffith declared the motion carried and the resolution adopted on this 2nd day of September, 2020.

GULFPORT-BILOXI REGIONAL AIRPORT AUTHORITY

BENJAMIN J. SPRAGGINS, Commissioner

Clark Griffith

CLARK GRIFFITH, Commissioner

DAVE DENNIS, Commissioner

ATTEST:
Charla Necaise

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[09-04-2019 Bd. Mtg - 4270.0406 -Airport Rules & Regulations]

09-02-2020

Gulfport-Biloxi International Airport

AIRPORT RULES, REGULATIONS AND FEES
AMENDED September 2, 2020

Exhibit 1

GULFPORT-BILOXI REGIONAL AIRPORT AUTHORITY
RULES, REGULATIONS & FEES

ADOPTED JUNE 1, 2011

Amended October 1, 2011;
Amended February 15, 2012 (Effective March 1, 2012)
Amended March 26, 2012 (Effective April 1, 2012)
Amended May 2, 2012
Amended July 18, 2012
Amended September 5, 2012, Effective October 1, 2012
Amended February 6, 2013
Amended April 3, 2013, Effective May 1, 2013
Amended April 17, Effective May 1, 2013
Amended July 3, 2013
Amended July 17, 2013
Amended September 4, 2013, Effective October 1, 2013
Amended January 3, 2014
Amended April 16, 2014, Effective May 1, 2014
Amended April 29, 2014, Effective May 1, 2014
Amended August 6, 2014
Amended September 3, 2014
Amended September 17, 2014
Amended Effective October 1, 2014
Amended December 17, 2014
Amended April 2, 2015
Amended April 15, 2015, Effective May 1, 2015
Amended May 6, 2015
Amended August 5, 2015
Amended September 2, 2015, Effective October 1, 2015
Amended November 4, 2015
Amended March 2, 2016, Effective April 1, 2016
Amended April 6, 2016, Effective May 1, 2016
Amended June 17, 2016, Effective July 1, 2016
Amended September 6, 2016
Amended September 21, 2016
Amended October 5, 2016, Effective Nov. 1, 2016
Amended March 16, 2017
Amended June 8, 2017
Amended September 6, 2017
Amended November 15, 2017
Amended July 20, 2018
September 6, 2018
March 20, 2019
May 2, 2019
Amended September 4, 2019
Amended September 2, 2020

AMENDMENTS

ADOPTED AS OF SEPTEMBER 2, 2020

Date Effective	Description
October 1, 2011	CHAPTER 2, Airfield Operations - Section 11 - Airline Rates and Charges Par. 3(a), Par 4.1 and 4.3, Par. 5(a) 1, 2, and 4; Par. 5(b)1 and 3.

May 2, 2019	Adopt New CHAPTER 15 - Bid Protest Procedures; Amend Chapter 1 SEC 8 - Employee Parking
October 1, 2019	CHAPTER 2-Airfield Operations, Sec. 11 - Air Carrier Rates & Charges **effective October 1, 2019**; CHAPTER 9 Smoke Free Policy - Language Modification to include vaping; CHAPTER 1, General Provisions, Sec. 5 Smoking Definition Modification and Sec. 9 Additional Prohibited Actions on Airport Property
October 1, 2020	CHAPTER 2-Airfield Operations, Sec. 11 - Air Carrier Rates & Charges **effective October 1, 2020.** Par. 4 -2. Exclusive Use Area Cost.

Anyone who damages any Airport property or equipment shall make a report to the Executive Director as soon after the occurrence as possible, and in any event within 48 hours after such occurrence, and shall reimburse the Airport Authority for all expenses incurred to repair or replace such damaged property or equipment.

SECTION 10 - MAINTENANCE OF LEASED PROPERTY

All Airport tenants shall maintain their leased property in a good condition of repair, cleanliness and general maintenance acceptable to the Executive Director and in accordance with their individual lease agreements. All such tenants shall allow the Executive Director or any Airport official to inspect the leased premises at all reasonable times.

SECTION 11 - RULES, REGULATIONS AND CHARGES FOR AIR CARRIER USE OF AIRFIELD AND FACILITIES

1. Commercial air carriers do not normally operate with a lease, and a lease is not necessary unless there are specific exclusive premises leased from the Airport Authority for tenant construction. However, all commercial air carriers operating at the airport must at least have a current business permit. All scheduled passenger airlines will operate at the terminal. All charter passenger operations can operate at the terminal or the FBO.

   All civil aircraft landing on the Airport as a commercial carrier shall pay a landing fee and/or other appropriate fee as determined by the Airport Authority. However, commercial carriers which land at the Airport strictly for a weather diversion or for other technical purposes, and which do not enplane or deplane passengers, are exempt from the landing fee requirement. Such commercial carriers shall otherwise be subject to all other rules and regulations of the Airport, to the extent they are applicable.

2. The following commercial aircraft related services are specifically regulated by the Airport Authority: aircraft marshaling, landside and airside baggage handling, ticketing, landside and airside catering, flight operations administration, lavatory and water service, fueling, ground support equipment (GSE) maintenance, aircraft maintenance, and aircraft cleaning.

   All commercial carriers, fixed base operators and third-party operators or purveyors of services must be authorized, approved and licensed to perform any of the above listed services for others. All such authorized, approved and licensed companies desiring to arrange or provide aircraft related services for charter passenger airlines must ensure that the charter passenger airline it desires to service has a current business permit issued by the Airport Authority.

   The following rules apply to companies providing commercial aircraft related services to charter passenger airlines:

(a) Only full-service fixed base operators are permitted to perform all services at any time at approved locations on the Airport.

(b) Scheduled passenger airlines which have a current business permit with the Airport Authority may provide the following aircraft related services for charter passenger airlines at the commercial passenger terminal: aircraft marshaling, landside and airside baggage handling, and ticketing.

(c) Scheduled passenger airlines which do not have a current business permit issued by the Airport Authority, shall not provide any aircraft related services for charter passenger airlines.

(d) Charter passenger airlines, which have a current business permit issued by the Airport Authority, shall only provide aircraft related services to passenger flights of its airline at the main terminal building.

(e) Only landside baggage handling, flight operations administration, and landside catering are authorized, approved and licensed to be conducted by third party operators. All other aircraft related services are reserved for commercial airlines and fixed base operators.

3. Air cargo airlines having a current business permit shall pay fees and charges beginning October 1, 2020, based as follows:

(a) Landing fee of **$4.12** per one thousand (1000) pounds of maximum gross landing weight (.75 x the scheduled rates); and

(b) Overnight Ramp Parking Fee of one-half (½) of the landing fee.

4. Scheduled passenger airlines which have a current business permit issued by the Airport Authority shall pay fees and charges as follows:

Scheduled Passenger Airlines shall pay, beginning October 1, 2020:

1. Landing Fee of **$5.49** per 1,000 pounds of maximum gross landing weight; and
2. Exclusive Use Area Cost of **$27.43** per square foot per year; and
3. Non-Exclusive Terminal Use Fee of **$4.59** per passenger enplanement; and
4. Overnight Ramp/Gate Parking Fee of one half (½) of the Landing Fee after two (2) nights; and
5. Other facility charges based on use including, but not limited to: Custodial Vehicle Fuel, CFR 1542 Security Charges and Passenger Facility Charge.

5. Charter passenger airlines operating at the Airport shall pay fees and charges as follows:

(a) **Non-Scheduled Passenger Charter Airline Service Operating at the Terminal** shall pay, beginning October 1, 2020:

1. Landing Fee of **$6.86** per one thousand (1,000) pounds of maximum gross landing weight (1.25 x the scheduled rate) to be charged to all aircraft configured with fifteen (15) or more passenger seats; and
2. Non-Exclusive Terminal Use Fee of **$5.74** per enplanement; and
3. Other facility charges based on use at a rate of 1.25 x the scheduled rate including: CFR 1542 Security Charges; and
4. Passenger Facility Charge at the rate established per passenger ($4.50 per enplanement); and
5. Overnight Ramp/Gate Parking Fee of one half (½) of the Landing Fee after two (2) nights.

(b) **Non-Scheduled Passenger Charter Airline Service Operating at the FBO** shall pay, beginning October 1, 2020:

1. Landing Fee of **$6.86** per one thousand (1,000) pounds of maximum gross landing weight (1.25 x the scheduled rate) to be charged to all aircraft configured with fifteen (15) or more passenger seats; and
2. Passenger Facility Charge at the rate established per passenger ($4.50 per enplanement); and

(c) **Scheduled Passenger Charter Airline Service Operating at the Terminal** shall pay, beginning October 1, 2020:

1. Landing Fee of **$5.49** per one thousand (1,000) pounds of maximum gross landing weight to be charged to all aircraft configured with fifteen (15) or more passenger seats; and
2. Exclusive Use Area Cost of **$27.43** per square foot per year; and
3. Non-Exclusive Terminal Use Fee of **$4.59** per passenger enplanement; and
4. Other facility charges based on use including, but not limited to: Custodial Vehicle Fuel, CFR 1542 Security Charges and Passenger Facility Charge; and
5. Overnight Ramp/Gate Parking Fee of one half (½) of the Landing Fee after two (2) nights.

(d) **Scheduled Passenger Charter Airline Service Operating at the FBO** shall pay, beginning October 1, 2020:

1. Landing Fee of **$5.49** per 1,000 pounds of maximum gross landing weight to be charged to all aircraft configured with fifteen (15) or more passenger seats; and

6. Annual Reconciliation. Beginning with fiscal year 2011, GBRAA has fully implemented its compensatory rate-setting methodology with the airlines regarding terminal rental and airfield fees with its commercial air carriers. The rate setting methodology is based on estimated expenses, as well as volume of landed weights and enplanements for the respective fiscal year. GBRAA holds an annual meeting with the Airlines serving GPT in advance of each fiscal year, at which time the rate setting model is presented. GBRAA will adhere to all provisions of the Federal Aviation Act of 1958, under Title 49 of the United States Code.

On an annual basis, GBRAA will reconcile the previous fiscal year's results as follows:

(a) GBRAA will use the Annual Audited Financial Statements, along with actual landed weights and enplanements that occurred for the respective fiscal year, and compare those to the actual amounts billed and collected for the same fiscal period (in January following the respective fiscal year or as soon as available).

(b) With the calculations generated in (a) above, the result will either be an "over" or "under" collection of actual fees for the fiscal period, resulting in either GBRAA owing monies to the air carriers, or the air carrier owing additional monies to GBRAA.

(c) The full settlement of the amounts owed between GBRAA and its air carrier partners as a result of this process will take place no later than September 30 following the respective fiscal year. The manner and duration of the overall settlement process will be determined in annual consultation between GBRAA and its airline partners. The settlement process will be consistently applied to all commercial air carriers, and will be consistent regardless of the reconciliation producing over or under collection circumstances.

(d) In the event the reconciliation results in GBRAA owing monies to an air carrier who has a "past due" balance, the value of the monies owed by GBRAA to that air carrier will first be applied to such past due balance.

7. Terminal Facility Scheduled Rates (Non-scheduled Charter Airline Service shall use a rate of 1.25 x the scheduled rate):

(a)	Vehicle Fuel:	Based upon usage and purchase cost
(b)	CFR 1542 Security Charges:	20%/80% split
(c)	Passenger Facility Charge:	$4.50

(d) For Each Day or Partial Day of Use of Exclusive Space: The Fee is determined by the following formula: **$27.43** per square foot X number of square feet used;

X number of days or partial days of use; DIVIDED BY 365; plus 25% of this QUOTIENT

8. General aviation aircraft operating as civil air carriers on a chartered, air-taxi or non-scheduled basis shall pay an Airport use fee based on landing fees or percent of gross business as is determined appropriate by the Airport Authority.

9. General aviation aircraft or operators which utilize the Airport for commercial purposes, for hire, profit, or any revenue producing purpose, including those purposes cited in the Minimum Standards for Operators and Businesses, shall pay an Airport use fee commensurate with that of similar operators as is determined appropriate by the Airport Authority.

10. All commercial air carriers shall pay the passenger facility charge approved by the FAA in accordance with FAR 158 for Gulfport-Biloxi International Airport.

11. For purposes of this section, military aircraft or aircraft owned by the United States Government shall not be charged a landing fee, but shall be assessed and considered under separate agreement.

12. The Airport Authority, from time to time, adopts air service development programs. For the purposes of this section, fees and charges may differ if service is established under an air service development program.

SECTION 12 - CHARGES FOR AVIATION SERVICE AND FIXED BASE OPERATOR USE OF AIRFIELD AND FACILITIES.

The following fees and charges are established for aviation services, operations and fixed base operators performing commercial aviation activities on the Airport, and for aircraft owners which self-fuel owned aircraft as specified:

1. Percent of Gross Income (or Sales). Commercial aviation operators and aviation service companies shall pay the Airport Authority two percent (2%) of gross sales generated from Airport business (excluding fuel sales and hangar and storage rental income). Refer to Definition of Gross Sales in **Chapter 1**.

2. Percent of Hangar and Storage Rental Income. Commercial aviation operators and aviation service companies shall pay the Airport Authority ten percent (10%) of all hangar and storage fees received from tenants renting space.
3. Fuel Flowage Fees. Commercial aviation operators and self-fuelers shall pay the Airport Authority for each retail gallon of fuel sold or consumed based on the following schedule, effective November 1, 2016:

Amendment to Airport Rules, Regulations, & Fees - Airline Rates & Charges

Date: September 2, 2020

Introduction: The Airport is updating the Airport's Rules and Regulations to reflect annual airline rates and charges.

Discussion: GBRAA met with representatives of the airlines on August 18, 2020. Newton and Associates presented the airline model, along with staff, to the airline representatives. The resulting rates are:

- Landing Fee - $5.49/1,000 lbs
- Exclusive Rent - $27.43 per square foot
- Non-Exclusive Rent - $4.59 per enplanement

The above changes to the Airlines Rates & Changes are effective October 1, 2020.

Budget Impact: N/A

Safety/ Security? [ ] Yes [x] No

Revenue Producing? [x] Yes _____ Source [ ] No

Management's Recommendation: approve resolution 8/20/2020

Required Action: Resolution – Approve amendments to Rules, Regulations and Fees

Submitted by: Kim Banisch

Exhibit 2