
**ALPENA COUNTY REGIONAL AIRPORT
COMMERCIAL OPERATOR AGREEMENT**

This agreement is entered into this 10th day of December 2023 by and between Alpena County Regional Airport, Alpena, Michigan, hereinafter referred to as AIRPORT, and Robert Currier, President, Huron Aviation Services, hereinafter referred to as OPERATOR.

WITNESSETH:

WHEREAS Alpena County owns and operates an airport known as Alpena County Regional Airport; and

WHEREAS the OPERATOR desires to operate an air service and sales business on Alpena County Regional Airport; and

WHEREAS the OPERATOR does hold an airport property or premise lease with Alpena County;

THEREFORE, FOR AND IN CONSIDERATION of the mutual covenants hereafter provided, AIRPORT and OPERATOR agree as follows:

1. **TERM** Subject to early termination as hereafter provided, OPERATOR shall have the right to conduct its commercial operations as herein set forth for a term of 5 years commencing on the 10th day of December 2023 and ending on the 9th day of December 2028.

2. RENTAL

(a) OPERATOR shall pay to AIRPORT for the privilege and license to conduct its commercial operations, as stated above, a minimum fee of \$250.00 per year and payable in advance on the first day of December of each year.

(b) Service Fee: If during the term of this Agreement, OPERATOR is late in making rental payments or other fees and charges, as provided herein, OPERATOR shall pay, and AIRPORT shall receive a service charge of Ten (10%) per cent per month of such late payments, fees and charges each and every month until said amount is paid. This shall be in addition to and in no way affect any other rights reserved to AIRPORT or existing in AIRPORT by virtue of the laws of the State of Michigan or by the terms of this Agreement.

3. PURPOSES OPERATOR IS GIVEN THE ABILITY TO OPERATE

Commercial OPERATOR shall be given the OPPORTUNITY to operate a fixed base service and to perform aircraft maintenance, repairs, alterations, to sell aircraft parts, accessories, and to supply pilot needs and such other activities consistent with a Fixed Base Operator. The County of Alpena has invoked exclusive fueling rights. No other entity may sell aviation fuels, gases, or any other fuels approved in the future, nor provide electrical charging for any type of vehicle.

4. CONDUCT OF COMMERCIAL OPERATIONS

In its exercise and carrying out of the rights, privileges, duties and obligations granted to it herein, and in its use of the demised premises, OPERATOR hereby obligates itself to the following requirements and regulations:

(a) OPERATOR shall not consent to any unlawful use of the demised premises, nor permit any such unlawful use thereof.

(b) OPERATOR agrees that all of its employees shall have, as required by law, all applicable certificates or licenses.

(c) OPERATOR further agrees that all local, federal and state ordinances and laws will be observed, including the rules and regulations of the federal and state aeronautical authorities and the local governing authorities and the standards of service adopted by the AIRPORT.

(d) The operations of OPERATOR, its employees, invitees and those doing business with it, and the manner in which it supplies goods and services on the demised premises and at Alpena County Regional Airport which it is given the right to do under the terms hereof, shall be conducted in an orderly and proper

manner so as not to annoy, disturb or be offensive to others at Alpena County Regional Airport.

(e) OPERATOR shall comply with all rules and regulations of the State Fire Marshall in conduct of its operations on the demised premises.

(f) OPERATOR, during the term of this Agreement, or any renewal thereof, agrees to pay:

1. All personal property taxes and assessments and all license fees applicable to its activities, or other charges which are levied or assessed on the personal property situated on the demised premises;
2. Any tax or assessment determined to be properly payable by OPERATOR under Act 189 of the Public Acts of 1953, as amended, for the lease or use of the demised premises;
3. All sales or use taxes and assessment, license fees or other charges of any nature, without exception, levied or assessed arising out of the activities conducted or the occupancy of the demised premises;
4. All fees for water, gas, sewer, telephone service, electric current and other utilities utilized or consumed by OPERATOR.

(g) OPERATOR shall not use the premises or permit such premises to be used for the sale to its employees or to the public of any goods or services not directly related to either general aviation or fixed-base operation activities.

(h) OPERATOR shall obtain approval from the Airport Manager for all signs, posters and on-site advertisements to be used in conjunction with commercial activity and in advance of such use.

(i) OPERATOR, at all times, shall keep and conduct its operations so that it is neat, clean and orderly and free from any unsightly accumulation of any nature whatsoever.

5. VERIFICATION OF GROSS INCOME

Should it become necessary, all books and records regarding OPERATOR's gross income for any year of this Agreement shall be made available for inspection by AIRPORT, through its duly authorized representative, during the term of this Agreement. OPERATOR shall submit such information and documentation with regard to gross income, when and as requested by AIRPORT, provided at least seven (7) days prior

notice is given to OPERATOR. Annual federal and state income tax returns may be initially submitted by OPERATOR to AIRPORT, to assist in verifying OPERATOR's gross annual income. If OPERATOR fails to supply AIRPORT with proper documentation of income within 60 days of written request, AIRPORT may revoke all right of use of Airport Facilities and OPERATOR shall, at the direction of the AIRPORT, remove any identified buildings, equipment, and improvements from Airport Property.

6. INSURANCE

OPERATOR shall procure, keep and maintain, during the terms of this Agreement or any renewal thereof, insurance policies providing public liability and property damage insurance of not less than One Million Dollars and No/100 (\$1,000,000.00) Dollars for property damage and of not less than One Million and No/100 (\$1,000,000.00) Dollars for public liability. Such policies will cover losses caused by the acts or omissions of OPERATOR, its agents, licensees, invitees, and employees, and shall designate the AIRPORT and the member municipalities as a named insured. AIRPORT shall be furnished with copies of all insurance policies obtained by OPERATOR in compliance with this requirement prior to the effective date of this Agreement. OPERATOR agrees to notify AIRPORT, in writing, as to any amendment to or cancellation of such policies.

OPERATOR shall provide fire and extended insurance coverage for the demised premises. AIRPORT shall be responsible for providing its own insurance coverage for personal property maintained or kept on the demised premises during this Agreement.

OPERATOR shall secure product liability coverage for the goods sold on the demised premises, and services liability coverage of not less than One Million and No/100 (\$1,000,000.00) Dollars.

7. POLLUTION LIABILITY INSURANCE

If LESSEE engages in a business that works with or uses a material, produces a product or waste considered to be a "hazardous material or waste" under local, state or federal law/regulation, (which includes but is not limited to: flammable explosives, radioactive

materials, known carcinogenic materials, volatile chemicals and biological contaminants) LESSEE is required to carry pollution liability insurance coverage with limits not less than One Million and No/100 (\$1,000,000.00) Dollars. Such coverage shall name the LESSOR as an additional insured. The policy must cover the LESSEE'S completed operations. This insurance must include sudden and gradual coverage for third-party liability including defense costs and completed operations.

8. HOLD HARMLESS PROVISION

OPERATOR agrees to defend and hold AIRPORT harmless from any claim, suit, judgment or processes of any nature whatsoever arising solely out of the alleged negligent, wrongful or unlawful acts or omissions of OPERATOR, its agents, licenses, invitees and employees during its use or occupancy of the demised premises under the terms of this Agreement, or any extensions thereof. OPERATOR shall be solely responsible for the services and products sold on the Airport premises.

9. COMPLIANCE WITH FEDERAL LAW

The OPERATOR for itself and its employees, assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the Agreement that;

(1) No person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the use of said facilities;

(2) That in the construction of any improvements or over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and

(3) That the OPERATOR shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federal-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.

10. The OPERATOR agrees to furnish service on a fair, equal and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable and no unjustly

discriminatory prices for each unit or service; provided that the OPERATOR may be allowed to make reasonable and nondiscriminatory discounts, rebates and other similar types or price reductions to volume purchasers.

11. **It is hereby specifically understood** and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right to provide aeronautical services to the public as prohibited by Section 308(a) of the Federal Aviation Act of 1958, as amended, and the AIRPORT reserves the right to grant to others the privilege and right of conducting any one or all activities of an aeronautical nature.

12. **The AIRPORT reserves** the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desire or view of the OPERATOR, and without interference or hindrance.

13. **The AIRPORT reserves the right,** but shall not be obligated to the OPERATOR, to maintain and keep in repair the landing area of the airport and all publicly owned facilities of the airport, together with the right to direct and control all activities of the OPERATOR in this regard.

14. **The OPERATOR shall be subordinate** to the provisions and requirements of any existing or future agreement between the AIRPORT, Michigan Bureau of Aeronautics and the United States, relative to the development, operation or maintenance of the airport.

15. **The AIRPORT shall retain the right** to temporarily close all or any part of the airport or any of the facilities thereon for maintenance, improvement, or for the safety of the public for as long as the factual situation reasonably warrants.

16. **ASSIGNMENT OF AGREEMENT** The Operator may not assign the Agreement without the prior written approval of the County of Alpena Board of Commissioners.

17. HOLDOVER

Any holdover beyond the termination date set forth above shall be on a year-to-year basis. In the event of holdover, the rent and other terms of this Agreement shall be as set forth herein.

18. MODIFICATIONS

Modifications to this Agreement may be made by the written mutual consent of the parties hereto.

19. TERMINATION, CANCELLATION, FORFEITURE

OPERATOR and AIRPORT agree that this Agreement shall terminate at the expiration of the term herein specified. Further, that upon the breach by OPERATOR of any of the covenants, terms, and conditions herein, and/or its failure to carry out its obligation to provide to the public the goods, services and facilities which are called for herein and at the times and in the manner prescribed by AIRPORT, AIRPORT shall have the right to give written notice to OPERATOR, within thirty (30) days from the date of such breach to in "good faith" cure such breach and if such breach is not in "good faith" cured or corrected by OPERATOR, this Agreement, and all rights, privileges and concessions herein granted, may be deemed forfeited by OPERATOR and cancelled by AIRPORT, upon receipt by OPERATOR of notice in writing from AIRPORT of such cancellation, termination or forfeiture of all rights hereunder. This shall be in addition to and shall in no way affect any other rights reserved to AIRPORT and existing in AIRPORT by virtue of the laws of the State of Michigan or by the terms of this Agreement. OPERATOR may terminate this Agreement if the Alpena County Regional Airport ceases to be operated as a public airport and landing field, provided that the conditions of Paragraph 4 shall remain in effect.

20. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected thereby.

21. ARBITRATION

Any disputes relating to or arising from this Commercial OPERATOR's Agreement shall be resolved by binding arbitration pursuant to the rules of the American Arbitration Association then in force.

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

ATTEST:

ATTEST:

ALPENA COUNTY, a Local Unit of Government

Bill Peterson
Chairman
Alpena County Board of Commissioners

LESSOR

Robert Currier
President
Huron Aviation Services

LESSEE