



MIAMI INTERNATIONAL AIRPORT
OPERATIONAL DIRECTIVES
REVISION 03-01-01

Operational Directive No. 00-01

Effective: March 5, 2001

SUBJECT: Cargo Handling Services at Miami International Airport

PURPOSE AND SCOPE: To establish cargo handling policies, provide an effective and efficient management of resources, and promote competition at Miami International Airport (MIA).

I. AUTHORITY:

- A Chapter 25 of the County Code, Aviation Department Rules and Regulations. Section 25-11.1 available at the Miami-Dade County Clerk of the Courts Office.
- B Board of County Commissioners Resolution R-1440-97, dated December 2, 1997, instructing the County Manager to amend the Dade-County Aviation Department policy to allow each air carrier operating at MIA to provide general aeronautical handling services to one airline partner and authorizing the County Manager to execute a permit with each air carrier providing general aeronautical services to an airline partner and delegating to the County Manager the authority to decide whether to allow air carriers to handle additional airline partner(s); providing for a report to the County Commission under certain conditions.
- C Operational Directive 99-2, Operational Directives.

II. DEFINITIONS:

- A *Airline* - An air carrier having an FAA Operating Certificate or a foreign operating certificate issued by the originating country and a current, valid United States Department of Transportation (USDOT) 402 Certificate; and having a current operating schedule at Miami International Airport. Airline privileges and authorizations do not extend to parent, sister or subsidiary companies.
- B *Alliance* - A governmentally approved formal business relationship in which companies share operational and financial information, work as a consolidated carrier, and present to the passenger the impression that they are one single business unit.
- C *Cargo Handling Company ("CHC")* - A company in the business of providing all the components of cargo handling services in the cargo area.

- E. *Code Share Agreement* - An agreement between two or more air carriers which is approved by the government of the countries of origin, providing for the display of shared carrier flights, reservation, and sales systems.
- F. *Connection Marketing Agreement* – An agreement limited to specific flights and markets to provide for the transfer of passengers from one airline to another.
- G. *Equity Interest Airline* - An airline in which the lessee airline has at least 5% voting stock ownership.
- H. *Equity Partner Agreement* - The relationship of an airline owning a portion of stock or other assets of another airline and one of the parties having a leasehold at Miami International Airport. While operational and financial control remains with the lessee airline, the equity partner may provide cargo handling for which it is paid. This relationship must be approved by the governments involved, and would require anti-trust protection.
- I. *Feeder Carrier Agreement* - An agreement which provides for code sharing and assistance from a carrier's general office which may include reservations, flight scheduling, maintenance, safety issues and other administrative activities. Operational and financial information is exchanged.
- J. *General Aeronautical Services Permittee (GASP)* - A company authorized by Miami-Dade County to provide aeronautical services to passenger airlines at the terminal and cargo handling services on the airport.
- K. *In-Warehouse Contractor Permittee*- A lessee under contract to an airline having a cargo warehouse leasehold on MIA, and that is solely permitted to provide warehouse component of cargo handling services within the confines of the leasehold property.
- L. *Leasehold* - An On-MIA Cargo Warehouse Premises leased from Miami-Dade County.
- M. *Subsidiary Carrier* - A separate airline that is owned wholly by another or an airline that is jointly owned by the same holding company.

III. POLICY:

The following policy must be observed for the provision of any of the components of cargo handling services at MIA:

- A. *Airlines without leasehold* may only provide cargo handling services for itself and must use personnel directly employed by itself.

- B. *Airlines with leasehold* may provide cargo handling services for equity interest airlines and for up to two non-equity interest airlines in and from its own leasehold premises, provided that the airlines' activity levels are in accordance with the cargo warehouse leasing guidelines.
1. Effective January 1, 2000, (and any annual anniversary thereafter), an airline may handle one additional non-equity airline in and from its own leasehold premises.
 2. An airline may handle alliance, code share, and feeder carrier agreement partners without limitation. This privilege does not extend to the loading of non-equity interest airlines at the terminal building.
 3. An airline may not handle others except in and from its own leasehold premises.
 4. Airlines pay, in addition to leasehold rent, 7% of gross revenue derived from cargo handling services provided to equity interest and non-equity interest airlines.
- C. *CHCs with leasehold* may provide cargo handling services for airlines, except where loading and unloading of cargo at the passenger terminal facility is prohibited.
1. CHCs may provide services within airlines' leaseholds.
 2. CHCs pay leasehold rental under its cargo warehouse lease or 7% of gross revenue, whichever is greater.
- D. *GASPs* may provide cargo handling services for airlines, including loading and unloading at the passenger terminal facility.
1. GASPs pay 7% of gross revenue for services provided under the General Aeronautical Services Permit.
 2. GASPs with cargo warehouse leaseholds must pay leasehold rental under the cargo lease and 7% of the gross revenue derived from cargo services provided within the cargo warehouse leasehold.
 3. GASPs may provide cargo services within airlines' leasehold and pay 7% of gross revenue.
- E. *In-warehouse contractor permittees* may provide only in-warehouse cargo services to cargo warehouse leaseholders.

1. In-warehouse contractors must submit an introductory letter from the warehouse lessee in order to apply for a permit to operate within the leased premises.
2. In-warehouse contractors may not provide cargo services without a permit.
3. In-warehouse contractor permittees' employees are not authorized AOA access.
4. In-warehouse contractor permittees pay 7% of their gross revenues.

IV. EFFECTIVE DATE:

This OD shall become effective 15 days subsequent to filing with the Clerk of the Circuit Court as required by Sections 2-3 and 2-4 of the County Code.

V. AMENDMENTS:

The Aviation Department reserves the right to amend this Operational Directive at any time and from time to time, and notice of such Amendment will be furnished to all affected parties who register with the Aviation Department. Such Amendments of Rules shall become effective 15 days subsequent to filing with the Clerk of the Circuit Court as required by Sections 2-3 and 2-4 of the County Code.

VI. SEVERABILITY:

If any court of competent jurisdiction determines that any provision in this Operational Directive is illegal or void, then the remainder of this Operational Directive shall continue in full force and effect.

(Original signed)

Gary J. Dellapa, Aviation Director

Date: February 12, 1001