

**UNITED STATES DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION
WASHINGTON, DC**

**Dakota Territory Tours, A.C.C., and
Solid Edge Aviation, LLC,
Complainants,**

FAA Docket No. 16-17-18

v.

**Yavapai County, Arizona and
Sedona –Oak Creek Airport Authority
Respondents.**

DIRECTOR'S DETERMINATION

I. INTRODUCTION

This matter is before the Federal Aviation Administration (FAA) on the complaint filed by Dakota Territory Tours A.C.C. and Solid Edge Aviation, LLC against the Yavapai County, Arizona (County), and the Sedona-Oak Creek Airport Authority (Authority), under the FAA's Rules of Practice for Federally Assisted Airport Enforcement Proceedings, 14 CFR Part 16. Dakota Territory Tours A.C.C. and Solid Edge Aviation, LLC (collectively Dakota) bring this complaint against the County and the Authority. The County is the owner and sponsor of Sedona-Oak Creek Airport (Airport). The Authority is the operator of the Airport. (FAA Item 3).

On November 27, 2017, Dakota filed this complaint alleging that County and Authority violated Grant Assurance 22, *Economic Nondiscrimination*, and Grant Assurance 23, *Exclusive Rights*, when it: (1) failed to honor a state court settlement agreement; (2) implemented a \$0.25 per gallon fuel flowage fee for self-fueling operators; (3) filed a breach of contract lawsuit in State Court concerning a 2017 audit of Dakota's lease compliance; and (4) failed to offer Dakota an onsite kiosk tour operator lease at the Airport in 2017. (FAA Item 3, p. 2).

In response, the Authority denies all of Dakota's claims and asserts that this is "nothing more than the continuation of a disappointed bidder's transparent attempt to (1) circumvent and undermine the Authority's discretionary, competitive procurement process to achieve the best value for the airport and (2) indefinitely extend Dakota's sublease agreement." (FAA Item 5, p. 2).

Summary of Decision

Based on consideration of the submissions, responses by the parties, the record herein, applicable law and policy, and for the reasons stated in this proceeding, the Director of the FAA Office of Airport Compliance and Management Analysis finds that:

By failing to provide space in the Airport terminal for Dakota to conduct helicopter air tours as an on-airport operator, the County, through the Authority, failed to make the Airport available for public use on reasonable terms and is not in compliance with Grant Assurance 22, *Economic Nondiscrimination*.

By allowing Guidance Air Services, LLC (Guidance) to become the only tenant helicopter air tour operator based at the Airport, the County, through the Authority, created an impermissible exclusive right for Guidance at the Airport and is not in compliance with Grant Assurance 23, *Exclusive Rights*.

By denying Dakota similar use of the Airport terminal to conduct its air tour business, the County, through the Authority, created an impermissible exclusive right for Westwind at the Airport and is not in compliance with Grant Assurance 23, *Exclusive Rights*.

Lastly, by allowing the Authority to operate the Airport in violation of the Federal grant assurances, the County is not in compliance with Grant Assurance 5, *Preserving Rights and Powers*.

II. PARTIES

A. Complainants - Dakota - Dakota Territory Tours A.C.C. and Solid Edge Aviation, LLC

Dakota comprises two companies, Dakota Territory Tours A.C.C. and Solid Edge Aviation LLC. (FAA Item 3, p. 4). Dakota has operated at the Airport since 1994. Dakota operates at the Airport under a Lease and License dated September 1, 2012, and amended on October 26, 2012, and June 29, 2015. (FAA Item 3, Exhibit 8). Solid Edge Aviation, LLC operates under 14 CFR Part 135, doing business as “Sky Safari Charter” and “Sky Safari.” (FAA Item 6, Exhibit 32). For the purpose of this decision, the above entities are referred to collectively as Dakota.

B. Respondents – the County and Authority

The Airport is a public use, general aviation airport owned by Yavapai County, Arizona. The County is the Airport owner and sponsor.

The development of the Airport was financed in part with FAA Airport and Improvement Program (AIP) funding, authorized by the Airport and Airway Improvement Act of 1982, as amended, 49 U.S.C. § 47101, *et seq.* Between 1982 and 2020, the Airport received approximately \$14 million in AIP funding. (FAA Items 2 and 25). Thus, the County is obligated to comply with the FAA sponsor grant assurances and related Federal law, 49 U.S.C. § 47101.

The United States conveyed the land that constitutes Sedona-Oak Creek Airport to the County under two Deeds of Conveyance executed under Section 16 of the Federal Airport Act.¹ The County is obligated to comply with the covenants included in the Deeds of Conveyance. (FAA Items 43 and 44).

The Airport is operated under a Master Lease Agreement with the Authority, a 501(c)(3) non-profit organization. The lease agreement was most recently renewed on February 12, 2003, with terms set to expire on June 30, 2050. The Authority is governed by a Board of Directors, which includes seven members elected for five-year terms with a 10-year term limit. The day-to-day operation of the Airport is overseen by the Authority's general manager, business manager, and six staff members. The Authority also owns and operates the Airport's sole fixed-base operator (FBO), Red Rock Aviation. (FAA Item 3, Exhibit 2, pp. 1-7-8).

III. BACKGROUND

A. Procedural History

See Index of Administrative Record.

B. History

In 2014, Dakota filed suit against the County and Authority in the Superior Court of Yavapai County, Arizona, alleging that the Authority: (i) wrongfully ejected Dakota from the Midfield Helipad; and (ii) that the Authority imposed an "exorbitant" \$0.25 per gallon fuel flowage fee. (FAA Item 3, p. 5).

On April 27, 2017, Dakota and the Authority negotiated a Settlement Agreement that gave Dakota the right to (1) bid on a Request for Proposal (RFP) for its current leasehold on the Airport; and (2) remain there until a successful bidder was awarded a lease. The Settlement Agreement required Dakota to vacate the premises if it was not the successful bidder. (FAA Item 3, Exhibit 11).

The Authority issued the Request for Proposals (RFP) on May 1, 2017. (FAA Item 3, pp. 18-20; FAA Item 6, Exhibit 20, pp. 2, 27). Neither Dakota's nor Guidance's leases were the subject of the space offered in the RFP. (FAA Item 3, p. 7).

On May 8, 2017, the Authority notified Dakota of its intent to audit Dakota's 2016 lease compliance. The Authority filed suit against Dakota in the State Court of Arizona in connection with the audit on October 2, 2017. Dakota claims they were not provided any audit results or provided a notice of breach of the lease with an opportunity to cure as required under its lease. (FAA Item 3, pp. 14, 15, 17).

On June 26, 2017, the Authority selected Guidance's proposal and immediately issued a lease termination letter to Dakota. (FAA Item 3, p. 10; FAA Item 6, Exhibit 18, p.1). The Authority

¹ See FAA Order 5190.2R, *List of Public Airports Affected by Agreements with the Federal Government*, April 30, 1990.

negotiated a lease with Guidance, making Guidance the only helicopter air tour operator based at the Airport. (FAA Item 3, pp. 10-11; FAA Item 3, Exhibit 15; FAA Item 6, Exhibit 22, p. 8).

On July 21, 2017, Dakota filed suit in the Superior Court of the State of Arizona (Superior Court) alleging breach of the Settlement Agreement. (FAA Item 3, p. 11).

The Authority General Manager, Amanda Shankland, acknowledged Dakota's status would change from a tenant operator to a transient operator due to being the unsuccessful RFP bidder in a state court filing on July 24, 2017. (FAA Item 3, Exhibit 18; FAA Item 6, Exhibit 20, p. 11). As a transient operator, Dakota would be required to pay \$75 per landing fee. (FAA Item 31, Exhibit 1, p. 3).

On August 16, 2017, Dakota filed an antitrust lawsuit in the U.S. District Court for the District of Arizona against the Authority. (FAA Item 3, p. 13).

On November 27, 2017, the State Court of Arizona determined the "Settlement Agreement" was null and void. (FAA Item 14, Exhibit 26, p. 41).

The Superior Court lifted the stay preventing the Authority from removing Dakota from its premises at the Airport on April 4, 2019. The court concluded that the condition justifying the preliminary injunction (Dakota's bid protest) no longer existed. (FAA Item 22, Exhibit A, p. 7).

The Superior Court issued a judgment that Dakota was guilty of forcible detainer of the Property and awarded the Authority attorney fees and costs. Dakota appealed on March 6, 2020. (FAA Item 22, Exhibit B).

On January 12, 2021, the Arizona Court of Appeals upheld the Superior Court's summary judgment that Dakota is guilty of forcible detainer by improperly remaining in possession of the hangar and other leasehold property on the Airport. (FAA Item 46).

County Files Motion to Dismiss and Motion for Summary Judgment, and Other Motions

The County filed a Motion to Dismiss and Motion for Summary Judgment (Item 5). The County contends that there are three primary grounds for these motions: (1) the complainants failed to address certain of their claims informally, as required by 14 CFR 16.21; (2) Dakota lacks standing to file a complaint under §§ 16.3 and 16.23; and (3) a Part 16 complaint is not the appropriate forum for state law breach of contract claims. (FAA Item 5, p. 10). These issues are addressed below.

1. The County contends that Dakota failed to attempt informal resolution with the Authority before filing their Part 16. Dakota responds that there had been numerous attempts at resolution over the years. The Director notes that Dakota and the Authority have been in dispute since 2012. There were extensive communications as the two sides attempted to work out their differences over this long period of time. (FAA Item 3, Exhibit 17; FAA Item 3, p. 20; FAA Item 3, p. 21; FAA Item 3, Exhibit 12, pp. 140-173; FAA Item 6, Exhibit 19, pp. 7-9; FAA Item 6, Exhibit 21, p. 3; Exhibit 22, pp. 3, 6-9; FAA Item 8,

Exhibit 29-M). The Director determines that Dakota attempted to resolve certain of their claims informally with the Authority, as required by 14 CFR 16.21. Therefore, the County's argument for Motion to Dismiss under 14.CFR 16.21 is dismissed.

2. The County contends that Dakota does not have standing to file this complaint. The County claims that Dakota was not a Part 135 certificated operator when it submitted its proposal in response to the Authority's public request for a Part 135 charter operator. (FAA Item 5, pp. 22-24). Therefore, Dakota's allegations about losing the Part 135 RFP are without merit.

Dakota responded that Dakota Territory Tours A.C.C., and Solid Edge Aviation, LLC have overlapping ownership. Dakota claims that 60% of Solid Edge Aviation, LLC is owned by Dakota Territory Tours A.C.C., and that it possesses the requisite FAA license to operate a Part 135 business. **Dakota claims that not every single function of a Part 135 commercial business must be under one company. (FAA Item 8, pp. 12-13).** Dakota responded that it is being denied reasonable access to a public-use airport for the purpose of providing commercial aeronautical service to the public.

Part 16.23(a) provides that a person directly and substantially affected by any alleged noncompliance may file a complaint with the Administrator. The Authority's RFP requirements are that the based commercial aeronautical operator must be a Part 135 certificated operator. **That is not the question.** The Record shows that Dakota is a commercial aeronautical activity that claims it is being denied reasonable access to become a tenant and operate at the Airport. For this reason, the Director finds that Dakota is substantially and directly affected. Therefore, the County's argument under 14 CFR Part 16.23 is dismissed.

3. The County also contends that a Part 16 complaint is not the appropriate forum for state law breach of contract claims. The County refers to the state court Dakota-Authority settlement agreement in 2017 and RFP for a Part 135 commercial operator to be based at the Airport (FAA Item 5, pp. 17-21). Dakota responds that the Motion to Dismiss and Motion for Summary Judgment should not be granted. (FAA Item 8).

The Director agrees with the County. Whether or not an airport tenant has breached the terms of its lease agreement with the airport sponsor is a matter to be resolved in state court. The FAA is not a party to litigation proceedings between Dakota and the County involving contract disputes; nor does the FAA have jurisdiction over matters of contract law between airport tenants and sponsors. (*See Rick Aviation, Inc. v. Peninsula Airport Commission*, FAA Docket No. 16-05-18, (November 6, 2007), (Final Decision and Order), p. 20). Therefore, the Director determines that the state court rulings concerning the Settlement Agreement in 2017, and the RFP selection process are matters under state law and outside this Part 16 process.

For the reasons set forth above, the Director finds that (1) there were extensive communications as the two sides attempted to work out their differences; (2) Dakota and Solid Edge do have standing as Complainants; and (3) that the state court rulings on the Settlement Agreement of 2017 and the RFP selection process are matters under state law outside the scope of this Part 16.

Arizona state court ruling on Anti-Head Tax Act

On January 10, 2020, Dakota filed a Motion for Leave to Submit New Evidence related to a state court claim based on Anti-Head Tax Act (AHTA) (49 U.S.C. § 40116). (FAA Item 39). Dakota submitted a State of Arizona Yavapai County Superior Court under advisement ruling dated November 19, 2019 (FAA Item 38, Exhibit A). The state court dismissed the Authority's Motion for a New Trial based on an AHTA claim on April 9, 2020, because the judge found that the Authority's attorney had tactically stipulated to certain facts. The state court did not reach the merits of the AHTA claim. (FAA Item 32, Exhibit 3).

The Director finds that Dakota did not meet its burden of providing evidence to support its claim of an AHTA violation. "The burden of proof is on the complainant to show noncompliance with an Act or any regulation, order, agreement or document of conveyance issued under the authority of an Act." (14 CFR §16.23(k)).

The record shows that the Dakota originally did not make any allegations that the County or Authority violated the AHTA in its Part 16 Complaint. Dakota also did not provide any supporting exhibits in its Complaint or with its Submission of New Evidence. Moreover, FAA did not participate, nor is it in privity with any party to the state court's ruling concerning a federal law on an aviation matter. (See *Centennial Express Airlines v. Arapahoe County Public Airport Authority*; *Kehmeier v. Arapahoe County Public Airport Authority*; *Centennial Express Airlines v. Arapahoe County Public Airport Authority*; *FAA v. Arapahoe County Public Airport Authority*, FAA Docket Nos. 16-98-05, 13-94-25, 13-95-03 (Final Agency Decision and Order (August 18, 1999) pp. 15-16)). Finally, as noted, the state court did not even rule on an aviation law claim. (FAA Item 32, Exhibit 3).

Other Motions

All other motions not specifically addressed in this Director's Determination (DD) are denied.

IV. FAA POLICY AND GUIDANCE

A. Airport Sponsor Grant Assurances

Airport sponsors receiving Federal grants under the Airport Improvement Program (AIP) are subject to a number of statutory conditions. 49 U.S.C. § 47101, *et seq.*, provides for federal financial assistance for the development of public-use airports under the AIP. Title 49 U.S.C. § 47107 sets forth certain assurances to which an airport sponsor must agree as a condition of receiving Federal financial assistance. These assurances become a binding contractual obligation between the airport sponsor and the FAA.

B. FAA Enforcement Responsibilities

The Federal Aviation Act of 1958, as amended, 49 U.S.C. § 40101, assigns the FAA Administrator broad responsibilities for the regulation of air commerce in the interests of safety, security, and development of civil aeronautics. Commitments assumed by airport owners or sponsors in property conveyance or grant agreements are important factors in maintaining a high degree of safety and efficiency in airport design, construction, operation, and maintenance, as well as ensuring the public reasonable access to the Airport. Pursuant to 49 U.S.C. § 47122, the FAA has a statutory mandate to ensure that airport owners comply with their federal grant assurances. See the Index of Administrative Record for a list of all the FAA grant assurances. (FAA Item 24).

C. The Complaint and Investigative Process

Pursuant to 14 CFR § 16.23, a person directly and substantially affected by any alleged noncompliance may file a complaint with the FAA. The complainant should provide a concise but complete statement of the facts relied upon to substantiate each allegation and describe how the complainant was directly and substantially affected by the things done or omitted by the respondents. The regulations governing Part 16 proceedings provide that, if the parties' pleadings supply "a reasonable basis for further investigation," the FAA should investigate "the subject matter of the complaint." 14 CFR § 16.29(a).

In accordance with 14 CFR § 16.33(b) and (e), "a party adversely affected by the DD may file an appeal with the Associate Administrator for Airports within 30 days after the date of service of the initial determination." If no appeal is filed within the time period specified in paragraph (b) of this section, the DD becomes the final decision and order of the FAA without further action.

V. ISSUES

Upon review of the allegations and the relevant airport-specific circumstances summarized above, the Director has determined that the following issues require analyses to provide a complete review of the Authority's compliance with applicable law and policy.

Issue 1 – Whether the County violated Grant Assurance 22, *Economic Nondiscrimination*, by allowing the Authority to undertake an RFP process that was inconsistent with the sponsor's grant assurance obligations.

Issue 2 – Whether the County violated Grant Assurance 22, *Economic Nondiscrimination*, by allowing the Authority to file a breach of contract action against Dakota.

Issue 3 - Whether the County violated Grant Assurance 22, *Economic Nondiscrimination*, by allowing the Authority to eject Dakota from the mid-field helipad operating area.

Issue 4 – Whether the County violated Grant Assurance 22, *Economic Nondiscrimination*, by allowing the Authority to deny kiosk space in the Airport terminal for Dakota to conduct air tours as a tenant operator.

Issue 5 – Whether the County violated Grant Assurance 23, *Exclusive Rights*, by allowing the Authority to select Guidance to become the sole tenant helicopter air tour operator at the Airport.

Issue 6 – Whether the County violated Grant Assurance 23, *Exclusive Rights*, by allowing the Authority to deny Dakota space in the Airport terminal and allow Westwind to become the sole air charter operator tenant.

Issue 7 – Whether the County violated Grant Assurance 22, *Economic Nondiscrimination*, by allowing the Authority to impose a fuel flowage fee for self-fueling.

Issue 8 – Whether the County, as owner and sponsor, is in violation of Grant Assurance 5, *Preserving Rights and Powers*, by allowing the Authority, as operator, to violate the Grant Assurances.

VI. ANALYSIS AND DISCUSSION

Issue 1 – Whether the County violated Grant Assurance 22, *Economic Nondiscrimination*, by allowing the Authority to undertake an RFP process that was inconsistent with the sponsor’s grant assurance obligations.

Dakota argues that the methods employed in connection with the RFP process were unjustly discriminatory and therefore violate Grant Assurance 22. (FAA Item 3, p. 19). Dakota asserts that the Authority breached the 2017 Settlement Agreement by virtue of its RFP process. (FAA Item 3, p. 2). The County denies that the Authority engaged in “deliberate discriminatory methods.” The County claims that the Authority conducted a fair and unbiased RFP process. (FAA Item 14, p. 29). Both Dakota and the County agree that disputes regarding contracts or local government procurement and bidding processes are a matter of state law and are not subject to the jurisdiction of the Part 16 process. (FAA Item 3, p. 19; FAA Item 6, pp.17-21).

On April 27, 2017, Dakota and the Authority negotiated a Settlement Agreement resolving ongoing lawsuits from 2014 by both Dakota and the Authority. Dakota claimed that the \$.025 fuel flowage fee per gallon at the Airport was significantly higher than other Arizona airports, and there were safety issues about Dakota’s use of the Airport’s midfield helicopter pads. (FAA Item 6, pp. 3-4). The parties stipulated that all claims were dismissed with prejudice. (FAA Item 6, p. 4).

The 2017 Settlement Agreement gave Dakota the right to (1) bid on a RFP for its current leasehold on the Airport; and (2) remain there until a successful bidder was awarded a lease. The Settlement Agreement required Dakota to vacate the premises if it was not the successful bidder. (FAA Item 3, Exhibit 11; FAA Item 6, p. 4).

Dakota did not win the RFP with its bid. (FAA Item 3, p. 11; FAA Item 6, p. 4). Furthermore, Dakota did not provide any specific evidence to support its allegation that the County violated Grant Assurance 22 when Dakota itself submitted an incomplete RFP bid as a Part 135 commercial operator. (FAA Item 6, Exhibits 13 and 14).

As previously discussed, the FAA does not enforce contractual agreements between tenants and airport sponsors. This is a matter subject to state laws. The FAA only addresses a sponsor's alleged violations of its federal obligations under Part 16. Therefore, to the extent that this claim is based solely on the breach of the Settlement Agreement and the RFP process, it does not support a claim for a violation of Grant Assurance 22.

Issue 2 – Whether the County violated Grant Assurance 22, *Economic Nondiscrimination*, by allowing the Authority to file a breach of contract action against Dakota in connection with a 2016 audit that Dakota claims was inconsistent with the grant assurances.

On May 8, 2017, the Authority notified Dakota of its intent to audit Dakota's 2016 lease compliance. Dakota asserts that it complied with the audit process. (FAA Item 3, pp. 14, 15). Dakota alleges the Authority misused the Lease/License audit sublease provisions as a pretext to file a breach of contract action in state court without providing either an audit report or notice of default with an opportunity to cure. (FAA Item 3, pp. 21-22).

The County claims that the Authority did not “maliciously prosecute” Dakota by filing a lawsuit. The County asserts the Authority was within its rights to audit Dakota because the sublease between the parties expressly permits audits. (FAA Item 5, p. 15).

Airport audits of airport tenant businesses are common and acceptable business practices. The FAA encourages audits. (*See Rick Aviation Inc. v. Peninsula Airport Commission*, FAA Docket No. 16-05-18, (May 8, 2007), (DD), p. 37). The Authority's audit was expressly permitted under Dakota's most recent lease. (FAA Item 3, Exhibit 8, p. 33). Dakota has failed to persuade the Director how the County, through the Authority, violated Grant Assurance 22 by conducting an audit of Dakota's activities allowed under its lease. Therefore, the Director finds that the Authority's audits of Dakota's business are reasonable.

Part 16 requires “the burden of proof is on Dakota to show noncompliance with an Act or any regulation, order, agreement or document of conveyance issued under the authority of an Act” (14 CFR § 16.23(k)(1)). Moreover, the Director notes that, when it comes to the lease itself, the FAA does not have jurisdiction over matters of state contract law between airport tenants and sponsors under Part 16.

Therefore, the Director finds that this specific allegation under Grant Assurance 22 is without merit.

Issue 3 – Whether the County violated Grant Assurance 22, *Economic Nondiscrimination*, by allowing the Authority to eject Dakota from the mid-field helipad operating area.

Dakota alleges it was wrongfully ejected from the mid-field helicopter operating area after the Authority unilaterally declared the mid-field helicopter operating area unsafe. Dakota further

asserts that the decision to deem the long-time, mid-field helicopter operating area “unsafe,” unjustly impedes Dakota efforts in servicing its aircraft in violation of Grant Assurance 22(f). (FAA Item 3, p. 21). They allege they do not have access to their preferred self-fueling and self-servicing location, specifically, the mid-field helipad operating area. (FAA Item 3, p. 21). Dakota claims that as a result of the Authority’s requirement that Dakota stop using the mid-field helicopter area, Dakota experienced increased staff demands, increased operational costs, decreased flight operations, and lost marketing opportunities. (FAA Item 3, p. 5). Dakota does not allege that they cannot self-fuel and self-serve at the time of this Complaint.

The County responded that the Authority informed Dakota that it must cease using the mid-field helicopter operating area adjacent to Dakota’s leasehold because the operation of helicopters from that area contributes to the inappropriate operation of rotary-wing aircraft and is “unsafe.” (FAA Item 3, Exhibit 10). The Authority informed Dakota that the Authority intended to convert the mid-field helicopter operating area into transient fixed-wing aircraft parking spots. (FAA Item 3, p. 5; FAA Item 3, Exhibit 10). The Authority assigned Dakota new helicopter parking spots on the southwest ramp on the Airport. (FAA Item 3, Exhibit 10).

The FAA has made clear that no proposed tenant is entitled to a long-term lease at the location of its choosing and upon its preferred terms and conditions. Airport sponsors are not required to develop any and all parcels of land in a manner consistent with the wishes of any one party, but rather may exercise its proprietary rights and powers to develop and administer the Airport's land in a manner consistent with the public's interest. (*See Atlantic Beechcraft v. City of Fort Lauderdale*, Florida, Docket No. 16-17-03 (Final Agency Decision)(December 10, 2020); *Jim De Vries, et al., v. City of St. Clair, Missouri*, Docket No. 16-12-07 (May 20, 2014); *ALGA, The Cylinder Shop, et al., v. Miami-Dade County, Florida*, Docket No. 16-08-05 (August 31, 2010)). In this case, the Authority offered Dakota an alternative location for its operations at the Airport.

Part 16 requires “the burden of proof is on Dakota to show noncompliance with any Act or any regulation, order, agreement or document of conveyance issued under the authority of an Act” (14 C.F.R. § 16.23(k)(1)). Dakota has not presented any credible evidence in this record supporting its assertion that its inability to self-serve its aircraft at the mid-field helicopter operating area is tantamount to a restriction on self-service in violation of Assurance 22(f).

Therefore, the Director dismisses this specific allegation under Grant Assurance 22, *Economic Nondiscrimination*.

Issue 4 – Whether the County violated Grant Assurance 22, *Economic Nondiscrimination*, by allowing the Authority to deny Dakota kiosk space in the Airport terminal.

Dakota claims that they are seeking a lease in the terminal for an on-site kiosk. (FAA Item 8, Exhibit 29-L, Exhibit 29-M). Dakota asserts there is sufficient space in the terminal or at the Airport for Dakota to be provided such a lease. Dakota asserts that they are similarly-situated to Westwind because both are commercial air tour operators at the Airport. Dakota alleges that the Authority is required to afford Dakota the same opportunity as Westwind to conduct operations without paying the \$75 landing fee required for a transient operator. (FAA Item 3, p. 23).

Dakota claims that the addition of the landing fee will cause it significant damage, raising its current monthly fee from \$2700 to approximately \$45,000. (FAA Item 3, pp. 23-24).

The County denies that the Authority must provide space inside the terminal for Dakota. (FAA Item 14, pp. 35-36). The County states that to the best of its knowledge Dakota has not initiated any discussion of this issue with the Authority. (FAA Item 14, p. 35). Further, the Authority asserts that Dakota is not authorized to conduct Part 135 operations at the Airport and therefore is not entitled to space in the terminal to conduct operations at the Airport. (FAA Item 14, pp. 35-36; FAA Item 5, pp. 21-24). In response to the Authority's written request on August 28, 2017, FAA Flight Standards District Office (FSDO) Aviation Safety Inspector Darren Henley responded on September 6, 2017, that Dakota Territory Tours A.C.C. did not hold a FAR Part 135 certificate or Part 91 Air Tour letter of authorization (LOA). (FAA Item 6, Exhibit 34).

The record shows Westwind is a Part 135 fixed-wing air tour operator. The Authority negotiated a rent lease with Westwind in 2014 and 2015 to use a customer pick-up telephone and a small counter space/kiosk in the Airport terminal building. Under this negotiated lease, Westwind is considered a tenant operator and does not have to pay any landing fees to the Authority (FAA Item 3, Exhibit 12, pp. 153-155).

The Authority sent Westwind a 24-month lease renewal for signature on July 20, 2017. The lease renewal provides that "[r]ent is for the non-exclusive use of Premises offices and 'Common Area' space within the terminal building" and a prefabricated modular building not in the Airport Terminal. (FAA Item 3, Exhibit 21, pp. 2, 24, 28; FAA Item 3, Exhibit 22, p. 2). However, Westwind stated it does not use its assigned space in the modular building because the building is tailored to helicopter operators. (FAA Item 3, p. 13; FAA Item 3, Exhibit 12, pp. 140-173; FAA Item 3, Exhibit 20, p. 1).

The Record reflects that the Authority had been aware that Dakota and Solid Edge were conducting Part 135 operations prior to 2017. (FAA Item 3, Exhibit 4, p. 1; FAA Item 8, Exhibits 29-F, 29-A, 29-D, and 29-G). The Authority also specifically communicated with the FAA Flight Standards District Office (FSDO) responsible for inspecting Dakota and Solid Edge in 2017. The Authority questioned the FSDO about the Dakota and Solid Edge certifications and their relationship to each other. From those communications, the Authority concluded that Dakota individually was not a Part 135 certificate operator and that the collective Dakota and Solid Edge operations were not allowed by the FAA.

However, the Record does not indicate that the FSDO inspectors were alarmed about the Authority's concerns with the Dakota and Solid Edge operations and relationships. The FAA inspections of Dakota and Solid Edge failed to identify noncompliance with any Federal Aviation Regulations (FARs). The lack of adverse findings as a result of the FSDO inspections shows Dakota Air Tours and Solid Edge Aviation operations and relationships were reasonably consistent with the FARs for commercial air tours. Therefore, the Director can reasonably find that Dakota is lawfully certificated under the FARs, whether under FAR Part 135 or another regulation, for the operation of air tours.

Dakota is proposing to undertake a commercial aeronautical activity at the Airport. Yet, the Authority arbitrarily has only allowed Part 135 operators to enter into tenant leases to operate at the Airport. It appears the Authority is not providing a similar opportunity for other classes of commercial aeronautical activities offering similar services to negotiate to become a tenant at the Airport.

The Authority argues that it has no obligation to provide such space and no lease had been negotiated with Dakota because it is not a Part 135 operator (FAA Item 33). However, Grant Assurance 22, requires the sponsor to negotiate, in good faith and on reasonable terms, with prospective aeronautical service providers.

A Grant Assurance 22 violation occurs when a sponsor evicts a complainant from the airport terminal and did not attempt to reasonably accommodate the complainant's skydiving operations on the Airport. (*See Luther Kurtz v. City of Casa Grande, Arizona*, FAA Docket No. 16-16-01, (Dec. 20, 2017), (DD), p. 21). Here, Dakota was plainly interested in being a commercial aeronautical activity tenant at the Airport, before and after the RFP. There is no evidence, however, that the Authority sought to negotiate with Dakota, or provide Dakota any path to become a tenant somewhere at the Airport, after the RFP. On the contrary, the Authority began terminating Dakota's lease immediately after announcing that Guidance's proposal was selected. (FAA Item 3, p. 10; FAA Item 22, p. 7).

Consequently, the Director finds the Authority is unreasonably restricting access at the Airport to prevent other classes of commercial air tour activities who otherwise meet regulatory requirements. "In the absence of special circumstances, denying a commercial operator access to the airport, or applying a higher minimum standard, because of a concern about what an operator might do, is not a legitimate exercise of a sponsor's authority." (*Leonard v. Chesapeake Airport Authority*, FAA Docket No. 16-01-06 (October 22, 2002) (DD) p. 36).

The Director disagrees with the Authority's restriction on other classes of commercial aeronautical users such as Dakota. This denial to allow Dakota reasonable access constitutes an unreasonable denial of access under Grant Assurance 22, *Economic Nondiscrimination*. Therefore, the Director finds that the County is currently violating Grant Assurance 22, *Economic Nondiscrimination*, by allowing the Authority to deny space in the terminal or elsewhere on the Airport for Dakota to conduct air tours as a tenant operator.

Issue 5 – Whether the County violated Grant Assurance 23, *Exclusive Rights*, by allowing the Authority to select Guidance to become the sole tenant helicopter air tour operator at the Airport.

Dakota claims that the Authority granted Guidance an exclusive right by leasing Guidance more space than Guidance could put to immediate use. (FAA Item 3, p. 10; FAA Item 6, Exhibit 19, pp. 6, 7). Additionally, Dakota maintains that the Authority leased all remaining on-site land dedicated to on-site leasehold helicopter air tour operators to Guidance. (FAA Item 3, p. 11; Item 6, Exhibit 22, p. 8). According to Dakota, the Authority's actions freeze Dakota out of any possible on-site leasehold presence and result in a grant of an exclusive right to Guidance to operate at the Airport as the sole on-site leasehold helicopter air tour operator. (FAA Item 3, p. 10; FAA Item 3, Exhibit 17, pp. 8, 9; FAA Item 3, p. 17).

The County responds that “there is no ‘exclusive right’ here because there is no cost-effective, safe, or practical way for the Authority to operate more than a single operator at the Airport.” (FAA Item 6, Exhibit 20, p. 12). The Authority’s attempts to do so over the past many years have proven that, as a practical and financial matter, the Authority “cannot sustain the economic realities of more than one operator in the space. Dakota’s suggestions for additional buildings and multiple operators simply will not work safely, practically, or economically.” (FAA Item 6, Exhibit 22, pp. 3, 8, 9).

The County denies that the Authority leased Guidance more land than Guidance could put to immediate use. The County claims that Guidance’s business plan demonstrates Guidance’s intent to use and develop the space to both compensate the Authority in a way that improves the Airport’s economy and maximizes the use of space over the course of Guidance’s lease term. (FAA Item 6, Exhibit 20, p. 11).

The record shows that the Authority negotiated with Guidance and leased additional space and tie-downs based on Guidance’s request for a right of first refusal on the adjoining ramp and tie-down space in its proposal. (FAA Item 6, Exhibit 19, p. 8; FAA Item 6, Exhibit 20, pp. 9, 10; FAA Item 6, Exhibit 22, p. 8). Dakota submitted a deposition that suggested the Airport Master Plan provides that the Airport can support up to five commercial aeronautical operators. However, the deposition did not reference the page in the 2017 Master Plan. (FAA Item 38, Exhibit B, pp. 57-58). The Master Plan provides that the Airport currently has 10 helicopter positions and future plans in the short term for four more helicopter positions and an additional eight in the long term (Item 3, Exhibit 2, p. 3-19). The record shows the Authority submitted no evidence with its Master Plan that it had any safety concerns relating to the operations of more than one tenant leasehold helicopter air tour operator at the Airport. Likewise, the Authority also did not provide any evidence in their pleadings to support their claim that only one helicopter air tour operator is financially viable at the Airport.

Even after the Authority selected an on-airport helicopter tour operator through the RFP process, the Authority still has an obligation under Grant Assurance 23 to avoid granting an exclusive right. Both Dakota and Guidance are commercial air tour operators. However, the Authority only granted Guidance the right to operate as a Part 135 tenant at the Airport through the RFP. The Authority has terminated Dakota’s lease, and the Authority legally is removing Dakota as an airport tenant, even though Dakota wants to be based at the Airport. (FAA Item 46).

Consequently, the Authority is allowing only one class of aeronautical users, Part 135 air charter operators, to be tenant operators without justification. At the same time, there is no evidence that the Authority is accommodating other classes of aeronautical users who also desire the same or similar space as a tenant at the Airport.

The Director concludes that the County, through the Authority, is currently violating Grant Assurance 23, *Exclusive Rights*, by allowing Guidance to become the sole tenant helicopter air tour operator at the Airport.

Issue 6 – Whether the County violated Grant Assurance 23, *Exclusive Rights*, by allowing Westwind to become the sole tenant fixed wing air charter operator located in the Airport terminal.

Dakota asserts that the Authority’s refusal to provide Dakota kiosk space in the airport terminal, e.g., a “Westwind-like” lease, amounts to the grant of an exclusive right to Westwind to operate air tours from the airport terminal. (FAA Item 8, Exhibit 29K, 29L, 29M; FAA Item 3, p. 13; FAA Item 3, Exhibit 12, pp. 140-145, 152-154, 156, 159; FAA Item 3, Exhibit 21, p. 2).

The County claims that Dakota has not made any effort to initiate or engage informally in any effort to discuss this issue with the Authority. (FAA Item 5, pp. 12, 13; FAA Item 14, p. 35). The County asserts that the Authority has no obligation to provide space for Dakota operations in the Airport terminal once Dakota vacates its current modular building. The County asserts that Dakota provides no reason or authority why it is entitled to continue operating at the Airport or how its operation out of a kiosk would be practical. The County further asserts that forcing it to offer space to Dakota would undermine both the competitive procurement process and the Authority’s discretion in operating the Airport in a manner that meets its contractual and legal obligations. (FAA Item 14, pp. 16, 35, 36).

The Director already has determined that Dakota has carried its burden of showing that the Authority is in violation of Grant Assurance 23, *Exclusive Rights*. Dakota has provided evidence that the Authority granted Westwind, a commercial aeronautical operator, the right to conduct its air tours as a tenant in the Airport terminal although Dakota and Westwind both are commercial aeronautical operators. There is no evidence to support that the Authority used a public bid or RFP process to offer a lease to Westwind in the terminal building. Yet, the Authority denied Dakota a “Westwind-like” lease, citing, among other things, a requirement for prospective lessees to use the public bid process. (FAA Item 3, Exhibit 20, p. 3; FAA Item 3, Exhibit 22; FAA Item 3, p. 13; FAA Item 3, Exhibit 12, pp. 173L-1 through 10; FAA Item 3, Exhibits 21, 22). The evidence shows that the Authority terminated Dakota’s lease and is removing Dakota as a tenant air tour operator from the Airport.

The Director has held that “(t)his lack of consistency between different aeronautical users is contrary to the airport’s federal obligations under Grant Assurance 23, *Exclusive Rights*.” (*See Luther Kurtz and Skydive Coastal California d/b/a Phoenix Area Skydiving v. City of Casa Grande, Arizona*, FAA Docket No. 16-16-01, (December 20, 2017), (DD), p. 22). Denial of terminal access can be the basis of a Grant Assurance 23 violation, irrespectively of access to other airport facilities. (*See Luther Kurtz and Skydive Coastal California d/b/a Phoenix Area Skydiving v. City of Casa Grande, Arizona*, FAA Docket No. 16-16-01, (November 19, 2018), (Final Agency Decision), p. 10).

Grant Assurance 23, *Exclusive Rights*, requires that the owner or sponsor of a federally obligated airport not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the Airport to conduct any aeronautical activities. An exclusive right is “a power, privilege, or other right excluding or debarring another or others from enjoying or exercising a like power, privilege or right. (*See City of Pompano Beach v. FAA*, 774 F.2d 1529, 1541 (11th Cir. 1985)).

The Record shows that the Authority has placed a significant burden on the class of commercial aeronautical users like Dakota to use the Airport that has not been placed on another class of commercial aeronautical users, the Part 135 operators. **Without justification, the Authority: (1) refused to provide reasonable access for other classes of aeronautical users like Dakota to negotiate and become a tenant operator at the Airport; (2) denied Dakota a lease for a kiosk or minimal space in the terminal or elsewhere on the Airport; (3) required Dakota to go through an RFP or public bid process to become a tenant while a Part 135 operator, Westwind, did not; and (4) required Dakota to operate as a transient operator and pay significant monthly landing fees.**

The Authority's lack of consistency between different classes of commercial aeronautical users is contrary to the airport sponsor's federal obligations under Grant Assurance 23, *Exclusive Rights*. Among the unjustified inconsistencies is the refusal to accommodate Dakota in the terminal or elsewhere on the Airport. **The County currently is violating Grant Assurance 23, *Exclusive Rights*, by allowing the Authority to deny Dakota space in the Airport terminal or elsewhere on the Airport and Westwind to become the sole air charter operator tenant located in the terminal.**

Issue 7 - Whether the County violated Grant Assurance 22, *Economic Nondiscrimination*, by allowing the Authority to impose a fuel flowage fee for self-fueling.

Dakota asserts that the Authority failed to employ a transparent methodology of establishing the \$0.25 per gallon fuel flowage fee in violation of the *Policy Regarding Airport Rates and Charges*. (FAA Item 8, p. 68). Dakota claims the fuel flowage fee is three to eight times higher than the fuel flowage fee at Arizona airports that are comparable to the Airport. (FAA Item 3, page 21). Dakota alleges that the Authority established the fuel flowage fee that has no sound economic basis (FAA Item 3, p. 20-21). Dakota claims that the fuel flowage fee unjustly impedes Dakota efforts in servicing its own aircraft which violates Grant Assurance 22(f) (FAA Item 3, p. 21).

The County responds that the Authority's \$0.25 per gallon fuel flowage fee established in 2014 is generally applicable to those who self-fuel and does not discriminate in any way. The County claims that the Authority's fee is necessitated by the Airport's substantial capital investment and operating costs, and that it is well within its right to establish the rate. (FAA Item 14, pp. 14, 15). The County states that all operators are charged the same rate who self-fuel, including the U.S. Forest Service (FAA Item 6, pp. 25). The County states that Guidance proposed to purchase fuel from the FBO. (FAA Item 6, Exhibit 20, pp. 8-10). The Record is silent on whether Westwind self-fuels or buys fuel from the FBO.

Part 16 places "the burden of proof is on Dakota to show noncompliance with an Act or any regulation, order, agreement or document of conveyance issued under the authority of an Act" (14 CFR § 16.23(k)(1)). Dakota has not provided the Director any substantive evidence to support its allegations that the methodology used to establish the fuel flowage fee was not transparent. Likewise, Dakota also has not provided any detailed financial information or persuasive evidence to support its allegation that the \$0.25 per gallon self-fuel flowage fee is unreasonable at this specific Airport.

Therefore, the Director dismisses Dakota's specific allegation under Grant Assurance 22(f), *Economic Nondiscrimination*.

Issue 8 – Whether the County, as owner and sponsor, is in violation of Grant Assurance 5, *Preserving Rights and Powers*, by allowing the Authority, as operator, to violate the Grant Assurances.

The record shows that the County owns the Airport pursuant to a conveyance by deed from the United States of America dated October 31, 1956 for the purpose of establishing and operating a public airport. The deeds contain a covenant that that the Airport shall be available on fair and reasonable terms and without unjust discrimination. (FAA Item 3, Exhibit 1, p. 5).

The County entered into a lease with the Authority to operate the Airport on January 18, 1971. The County and Authority entered into an Amended Lease on February 1, 2003, and will expire on May 1, 2031, with an extension to 2050. (FAA Item 3, Exhibit 1). The Amended Lease requires the Authority to comply with certain requirements. (FAA Item 3, Exhibit 1, pp. 3-4, 10). Furthermore, the County received AIP funding, and it accepted the applicable grant assurances accompanying with each AIP grant (FAA Item 2; FAA Item 24).

The Director has determined that the Authority, as operator of the Airport, currently is violating Grant Assurance 22, *Economic Nondiscrimination*, and Grant Assurance 23, *Exclusive Rights*. **Consequently, since Yavapai County is the owner and sponsor of the Airport, the County currently is also in violation of Grant Assurance 5, *Preserving Rights and Powers*, for allowing the Authority to violate federal obligations at the Airport.**

VII. FINDINGS AND CONCLUSIONS

Based on consideration of the submissions, responses by the parties, the record herein, applicable law and policy, and for the reasons stated above, the Director of the FAA Office of Airport Compliance and Management Analysis finds that:

1. By failing to provide reasonable accommodations at the Airport for a class of commercial aeronautical activities such as Dakota, the County currently violates Grant Assurance 22, *Economic Nondiscrimination*.
2. By making a Part 135 certificate a requirement for operators to enter into leases to become Airport tenants, and excluding other classes of commercial aeronautical users such as Dakota wanting to be tenants at the Airport, the County allowed the Authority to effectively create an exclusive right and currently violates Grant Assurance 23, *Exclusive Rights*, and covenants included in the United States Government Deed of Conveyance.
3. By allowing the Authority, operator of Sedona-Oak Creek Airport, to currently violate the Federal grant assurances, Yavapai County, owner and sponsor of the Airport, also is in violation of Grant Assurance 5, *Preserving Rights and Powers*.

ORDER

Accordingly, the Director finds Yavapai County and the Sedona-Oak Creek Airport Authority are in violation of applicable federal law and federal grant obligations and orders as follows:

1. **Yavapai County and Sedona-Oak Creek Airport Authority shall present a corrective action plan (CAP) to the FAA** Western Pacific Region Phoenix Airports District Office (ADO) within 30 days from the date of the Order. The plan shall explain in detail how they intend to return the Airport to compliance with its federal grant assurances concerning the elimination of exclusive rights, access on reasonable terms and conditions without unjust discrimination, and preserving rights and powers.
2. Pending the FAA's approval of a CAP, this office will recommend to the FAA Director of the Office of Airport Planning and Programming, to withhold approval of any applications submitted by Yavapai County for the Sedona-Oak Creek Airport for amounts apportioned under 49 U.S.C. § 47114(d) and authorized under 49 U.S.C. § 47115. The FAA is authorized to withhold these approvals under 49 U.S.C. § 47106(d).
3. All Motions not specifically granted in this Order are denied.

RIGHT TO APPEAL

This Director's Determination is an initial agency determination and does not constitute a final agency decision and order subject to judicial review under 49 U.S.C. 46110 (*See* 14 CFR § 16.247(b)(2)). A party to this proceeding adversely affected by the Director's Determination may appeal this initial determination to the FAA Associate Administrator for Airports pursuant to 14 CFR § 16.33(c) within 30 days after service of the Director's Determination.

**KEVIN
WILLIS**

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KEVIN WILLIS
Date: 2021.07.29
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Kevin C. Willis
Director, Office of Airport Compliance
and Management Analysis

Date

INDEX OF ADMINISTRATIVE RECORD**Dakota Territory Tours A.C.C. and Solid Edge Aviation, LLC v. Yavapai County, Arizona and Sedona-Oak Creek Airport Authority****Docket No. 16-17-18**

- Item 1.** FAA Form 5010 for the Airport, dated September 23, 2020.
- Item 2.** Sedona-Oak Creek Airport FAA grant history, dated October 6, 2020.
- Item 3.** On November 27, 2017, Part 16 Complaint filed by Dakota Territory Tours A.C.C. and Solid Edge Aviation, LLC alleging violations of Grant Assurances 22 and 23 against Yavapai County, Arizona and Sedona-Oak Creek Airport Authority. List of Exhibits includes:
- Exhibit 1. February 1, 2003, Amended Airport Lease Agreement between Yavapai County, Arizona and the Sedona-Oak Creek Airport Authority.
- Exhibit 2. Sedona Airport Master Plan, June 2017.
- Exhibit 3. Land-Use Inspection Report, Sedona Airport Arizona, January 22, 2016.
- Exhibit 4. November 17, 2015, Letter to Eric Brenner, Dakota Territory Tours, A.C.C. from Timothy I. McCulloch, Hinshaw & Culbertson LLP.
- Exhibit 5. In the Superior Court of the State of Arizona in and for the County of Yavapai, Excerpt of Transcript, Transcript of Evidential Hearing, Day 3 of 3, Dakota Territory Tours, AAC v. Sedona-Oak Creek Airport Authority, Inc.; Amanda Shankland and John Doe Shankland.
- Exhibit 6. November 21, 2017, Letter to Darren Henley, Principal Operations Inspector, FAA Scottsdale FSDO from Eric J. Brunner, Director of Operations, Solid Edge Aviation, LLC.
- Exhibit 7. April 14, 2015, Affidavit of Eric Brunner, President Dakota Territory Tours, A.C.C.
- Exhibit 8. September 1, 2012, Commercial Activity Lease between Sedona-Oak Creek Airport Authority and Dakota Territory Tours A.A.C.

Exhibit 9. November 13, 2014, Complaint filed by Dakota Territory Tours, A.C.C. vs. Sedona-Oak Creek Airport Authority, Superior Court of the State of Arizona.

Exhibit 10. November 15, 2013, Letter to Larry Brunner, Owner Dakota Territory Tours, Inc. Dba Red Rock Biplane, Helicopter & Sky Safari Charters from Rod Propst, A.A.E., General Manager, Sedona-Oak Creek Airport Authority.

Exhibit 11. April 27, 2017, Settlement Agreement, Dakota Territory Tours, A.C.C. v. Sedona-Oak Creek Airport Authority, Case No. V1300CV201480422, Yavapai County Superior Court, State of Arizona.

Exhibit 12. August 18, 2017, Dakota Territory Tours, ACC v. Sedona-Oak Creek Airport Authority, Inc.,; Amanda Shankland and John Doe Shankland, Evidentiary Hearing Transcript Excerpt, Case No.: V1300CV201780201, Superior Court of Arizona, Yavapai County.

Exhibit 13. May 16, 2017, Sedona-Oak Creek Airport Authority, Pre-Submittal Meeting Transcript.

Exhibit 14. May 1, 2017, Sedona-Oak Creek Airport Authority RFP Proposal Packet signed by Amanda Shankland, Airport General Manager.

Exhibit 15. June 26, 2017, Tony S. Cullum email to Bradley D. Weech, Notice of Termination of Month-to Month Lease Pursuant to Settlement Agreement dated April 20, 2017.

Exhibit 16. July 21, 2017, Verified First Amended Complaint and Special Action filed by Dakota Territory Tours, A.C.C., against Sedona-Oak Creek Airport Authority, Inc., Amanda Shankland and John Doe Shankland, State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201.

Exhibit 1. April 27, 2017 Settlement Agreement.

Exhibit 2. June 21, 2017, Sedona-Oak Creek Airport Authority Public Records Reproduction Request Form.

Exhibit 3. July 10, 2017, Protest of Sedona-Oak Creek Airport Authority Airport's May 1, 2017 Request for Proposals Letter, to Sedona-Oak Creek Airport Authority/Ms.

Amanda Shankland/Sedona Airport Manager from Ms. Kiersten Murphy, Legal Counsel for Davis Miles McGuire Gardner, PLLC/Bradley D. Weech and Eric Brunner, Dakota Territory Tours, ACC.

Exhibit 17. July 10, 2017 Protest of Sedona-Oak Creek Airport Authority Airport's May 1, 2017 Request for Proposals; Letter to Sedona-Oak Creek Airport Authority/Ms. Amanda Shankland/Sedona Airport Manager from Ms. Kiersten Murphy, Legal Counsel for Davis Miles McGuire Gardner/Bradley D. Weech and Eric Brunner, Dakota Territory Tours, AAC.

Exhibit 18. July 24, 2017, Transcript of Hearing re: Application for Temporary Restraining Order and Preliminary Injunction, Prescott, Arizona; Superior court of Arizona, Yavapai County, Case No.: CV 201780201.

Exhibit 19. July 11, 2017 email from Mike Trepasso to eric@sedonaairtours.com.

Exhibit 20. May 1, 2014, Commercial Activity Lease Sedona Airport, Sedona Airport, Yavapai County, Arizona and Westwind Aviation Inc.

Exhibit 21. January 1, 2016, Lease Agreement between Westwind Aviation, Inc. and the Sedona-Oak Creek Airport Authority.

Exhibit 22. July 20, 2017 email, email from Elijah Riggs@westwindairservice.com to Amanda Shankland@sedonaairport.org.

Exhibit 23. May 8, 2017, Sedona-Oak Creek Airport Authority Letter to Dakota Territory Tours ACC.

Exhibit 24. MOV file on enclosed flash drive.

Exhibit 25. August 10, 2017, email from Lisa@ggsczcpa.com to eric@sedonaairtours.com.

Exhibit 26. October 2, 2017, Complaint, Superior Court of Arizona, Yavapai County, Sedona-Oak Creek Airport Authority v. Dakota Territory Tours A.A.C.

Exhibit 27. October 6, 2017, Hunter, Humphrey & Yaritza, PLC letters to Diamond Resorts Management, Inc., Hyatt Corporation, and RCI, LLC.

Exhibit 28. October 23, 2017, Certificate of Service of Process by Certified Process Server; Superior Court, Yavapai County, Arizona.

Item 4. On December 28, 2017, FAA issues Notice of Docketing.

Item 5. On January 22, 2018, Yavapai County filed a Combined Motion to Dismiss and Motion for Summary Judgment.

Item 6. On January 22, 2018, Yavapai County filed a Declaration of Amanda Shankland and Exhibits to Declaration of Amanda Shankland.

Exhibit 1. February 19, 2003, Yavapai County, AZ Amended Lease with Sedona-Oak Creek Airport Authority.

Exhibit 2. September 1, 2012, Dakota Sublease.

Exhibit 3. Sedona-Oak Creek Airport Authority Minimum Standards, dated March 19, 2014.

Exhibit 4. Dakota's November 13, 2014 Lawsuit filed in the Superior Court of the State of Arizona without exhibits.

Exhibit 5. April 27, 2017, Settlement Agreement of 2014 regarding the November 13, 2014, lawsuit.

Exhibit 6. April 28, 2017, Order of Dismissal, (2014 lawsuit).

Exhibit 7. March 27, 2017, Letter to Dakota re: Settlement Negotiations, (2014 lawsuit).

Exhibit 8. Request for Proposals (RFP); Due May 31, 2017.

Exhibit 9. Advertisements and Affidavits.

Exhibit 10. May 16, 2017, Sedona-Oak County Airport Authority RFP Pre-submission Meeting Sign-in Sheet.

Exhibit 11. August 18, 2017, Report's Transcript of Proceedings, Case Number V1300CV201780201.

Exhibit 12. May 16, 2017, Sedona-Oak Creek Airport Authority RFP Pre-submission Meeting Notes.

Exhibit 13. Questionnaire, RFP Exhibit B without the referenced attachments, for Dakota dated May 30, 2017, and Guidance dated May 31, 2017.

Exhibit 14. RFP Scoring Criteria/Airport Committee for Dakota Territory Tours and Guidance Aviation.

Exhibit 15. June 26, 2017, Sedona-Oak Creek Airport Authority Notice of Regular Meeting of Sedona-Oak Creek Airport Authority Board of Directors.

Exhibit 16. June 26, 2017, Unofficial Minutes of the Regular Meeting.

Exhibit 17. June 26, 2017, email from Amanda Shankland, Airport Director to Guidance Air Service, LLC.

Exhibit 18. June 26, 2017, Notice of Termination of Month to Month Lease from Tony S. Cullum to Bradley D. Weech, Esq., Dakota Territory Tours.

Exhibit 19. July 10, 2017, Letter from Davis Miles McGuire Gardner/Bradley B. Weech to SOCAA, Re: Protest of Sedona-Oak Creek Airport Authority May 1, 2017, RFP; June 26, 2017, Award and Related Proceedings.

Exhibit 20. July 24, 2017, Sedona-Oak Creek Airport Authority/Shankland Letter to Dakota Re: Decision on Dakota Territory Tours, AAC's Protest

Exhibit 21. August 3, 2017, Dakota's Letter of Appeal to Ms. Kiersten Murphy.

Exhibit 22. August 15, 2017, Sedona-Oak Creek Airport Authority's email to Board of Directors re: Airport Director's Report; August 25, 2017, Dakota/Davis Miles McGuire Gardner email to Sedona-Oak Creek Airport Authority Re: Comments to Director Amanda Shankland's Report on Dakota Territory Tours, AAC's Appeal; August 28, 2017, Sedona-Oak Creek Airport Authority Minutes of the Regular Meeting.

Exhibit 23. July 24, 2017, Page 45 of Transcript of Hearing Re: Application for Temporary Restraining Order and Preliminary Injunction, Case No. CV201780201.

Exhibit 24. September 7, 2017, Transcript of Evidentiary Hearing, Pages 220 through 232, Case No.: V1300201780201.

Exhibit 25. October 5, 2017, Sedona-Oak Creek Airport Authority's Motion to Lift Preliminary Injunction, Case No.: V1300CV2017-80201.

Exhibit 26. November 27, 2018, Partial Transcript, Case No. V1300CV201780201, Transcript of Hearing on Pending Matters.

Exhibit 27. December 4, 2017, Order Granting Sedona-Oak Creek Airport Authority's Motion to Lift Preliminary Injunction; Case No.: V1300CV2017-80201.

Exhibit 28. December 28, 2017, Order Denying Stay and Declining Jurisdiction, Court of Appeals, State of Arizona, No. 1 CA-SA 17-0316; Yavapai County Superior Court, No. V1300CV201780201.

Exhibit 29. January 1, 2018, Case No. V1300CV201780201, Oral Argument on Pending Motions Filed.

Exhibit 30. May 30, 2017, Dakota Territory Tours, Statement as an Existing Commercial Operator.

Exhibit 31. August 21, 2017, Email from tyrone.gilliard@faa.gov to amanda@sedonaairport.org.

Exhibit 32. January 15, 2010, DOT/FAA Operations Specifications, Solid Edge Aviation, L.L.C. EOGA155J.

Exhibit 33. August 28, 2017, SOCAA Letter to Scottsdale FSDO, Scottsdale, Arizona.

Exhibit 34. September 6, 2017, DOT/FAA Scottsdale, Arizona, Flight Standards District Office, Letter from D. Henley, Aviation Safety Inspector to SOCAA/Amanda Shankland.

- Item 7.** On February 7, 2018, Dakota Territory Tours A.A.C., and Solid Edge Aviation, LLC, filed Stipulation to Extend Time for Complainant's Reply to Respondent's Combined Motion to Dismiss and Motion for Summary Judgment.
- Item 8.** On February 21, 2018, Dakota Territory Tours A.A.C., and Solid Edge Aviation, LLC, filed Complainant's Motion to Strike and Combined Reply to Respondent's Combined Motion to Dismiss and Motion for Summary Judgment.
- Item 9.** On March 8, 2018, Yavapai County, Arizona, filed Response to Complainants' Motion to Strike.
- Item 10.** On May 15, 2018, Yavapai County, Arizona, emailed and certified mail Jessie DiGregory, FAA attorney, a Request for Extension of Time to File Answer to Complaint until May 25, 2018.
- Item 11.** On May 18, 2018, Dakota Territory Tours A.A.C., and Solid Edge Aviation, LLC, filed Objection to Yavapai County's Request for Extension of Time for

Answer.

- Item 12.** On May 21, 2018, Yavapai County, Arizona filed Yavapai County's Reply in Support of Motion for Extension of Time until May 25, 2018.
- Item 13.** On May 23, 2018, FAA issued Order granting Extension of Time to File an Answer until June 22, 2018.
- Item 14.** On June 22, 2018, Yavapai County filed Respondent's Yavapai County's Answer, Statement of Facts and Affirmative Defenses.
- Exhibit A. Complainant's Motion to Strike and Combined Reply to Respondent's Combined Motion to Dismiss and Motion for Summary Judgment, dated February 21, 2018.
- Exhibit B. Declaration of Amanda Shankland, dated January 22, 2018. Includes Exhibits from Item 6.
- Exhibit C. Tony Garcia, FAA Western Pacific Region Airport Compliance Specialist email exchange with Eric Brunner, Sedona Air Tours, dated May 15, 2017, concerning no FAA comments about RFP.
- Exhibit D. Tony Garcia, FAA Western Pacific Region Airport Compliance Specialist email exchange with Amanda Shankland, Authority General Manager, dated May 15, 2017, about draft RFP.
- Item 15.** On June 27, 2018, Yavapai County filed Notice of Errata Regarding Yavapai County's Answer, Statement of Facts and Affirmative Defenses. Attached correct Exhibit A. Yavapai County's Combined Motion to Dismiss and Motion for Summary Judgment dated January 22, 2018.
- Item 16.** On July 10, 2018, Dakota filed Motion for an Extension of Time to File a Reply until July 30, 2018.
- Item 17.** On July 10, 2018, Dakota filed Notice of Appearance of Counsel.
- Item 18.** On July 13, 2018, FAA issued Order granting Motion for Complainant to file a response to the Answer, Statement of Facts & Affirmative Defenses until July 20, 2018.
- Item 19.** On December 11, 2018, FAA issued Order for Extension to Issue the Director's Determination until April 8, 2019.
- Item 20.** On March 15, 2019, Dakota filed a Motion for A Cease and Desist Order.
- Item 21.** On March 28, 2019, FAA issued Order for Extension to Issue

Director's Determination until July 8, 2019.

Item 22. On April 5, 2019, Dakota filed Motion for Leave to Submit New Evidence and Request to Expedite.

Exhibit A. State of Arizona Court of Appeals Decision Appeal from the Superior Court in Yavapai County No. V1300CV201780201, dated April 4, 2019.

Item 23. On April 17, 2019, Dakota filed Motion for Leave to Submit New Evidence.

Exhibit A. Tony S. Cullum, Sedona-Oak Creek Airport Authority letter to Bradley D. Weech, Dakota attorney, dated April 12, 2019, Notice to Vacate Airport Property.

Item 24. Link to FAA Airport Improvement Program Grant Assurances (2/20) https://www.faa.gov/airports/aip/grant_assurances/media/airport-sponsor-assurances-aip-2020.pdf, dated June 2, 2021.

Item 25. Updated Sedona-Oak Creek Airport FAA grant history, dated June 11, 2021.

Item 26. On June 28, 2019, Yavapai County filed Notice of Decision in Related Case.

Exhibit A. United States District Court for the District of Arizona Dismissal Order on Case No. CV-17-08162-PCT-DWL, dated April 10, 2019.

Item 27. On June 28, 2019, FAA issued Notice of Extension of Time to Issue Director's Determination until October 9, 2019.

Item 28. On September 30, 2019, Yavapai County filed via email Motion for Extension of Time to Supplement Administrative Record from October 9, 2019, to December 9, 2019.

Item 29. On October 7, 2019, FAA issued Notice of Extension of Time to issue Director's Determination until January 9, 2020.

Item 30. On March 18, 2020, Dakota filed Notice of Appearance.

Item 31. On March 18, 2020, Dakota filed Combined Motion to Submit New Evidence and for Emergency Interim Cease and Desist Order.

Exhibit 1. Declaration of Eric Brunner, dated March 18, 2020.

Exhibit A. State of Arizona Yavapai County Superior Court Under Advisement Ruling on Anti-Head Tax Act in Case Number V1300CV201780272, dated November 22, 2019.

Exhibit B. State of Arizona Yavapai County Superior Court Summary Judgment for SOCAA, dated March 6, 2020.

Item 32. On April 13, 2020, Dakota filed Reply in Support of Complainants' Combined Motion to Submit New Evidence and for Emergency Interim Case and Desist Order.

Exhibit 1. Timothy McCulloch, Hinshaw attorney, letter to Eric Brunner, Dakota owner, dated November 17, 2015.

Exhibit 2. Edward McCall, Sedona-Oak Creek Airport Authority General Manager, letter to Larry Brunner, Dakota, dated October 19, 2000.

Exhibit 3. State of Arizona Yavapai County Superior Court Case No. V1300CV201780272, Order Denying New Trial for Sedona-Oak Creek Airport Authority on AHTA, dated April 9, 2020.

Item 33. On March 30, 2020, Yavapai County filed Yavapai County's Opposition to Complainant Dakota Territory Tours, ACC's Combined Motion to Submit New Evidence and for Emergency Interim Cease and Desist Order.

Item 34. On April 22, 2020, Yavapai County filed Request for Leave to File Sur-Reply and Sur-Reply In Opposition To Complainant Dakota Territory Tours, A.C.C.'s Combined Motion to Submit New Evidence and For Emergency Interim Cease and Desist Order.

Exhibit A. USDOT/FAA, A. 008. Operations Control for Solid Edge, HQ Control 10/19/2009.

Exhibit B. FAA FSDO Inspector Darren Henley email exchange with Eric Walberg, Founder, dated April 4, 2018

Item 35. On May 12, 2020, Dakota filed Supplemental Statement in Support of Motion for Emergency Cease and Desist Order.

Item 36. On January 15, 2020, FAA issued Notice of Extension of Time to Issue Director's Determination until April 9, 2020.

Item 37. On January 9, 2020, Yavapai County/Sedona-Oak Creek Airport Authority filed Supplement to Part 16 Administrative Record.

Exhibit 1. U.S. Court of Appeals Sixth Circuit decision, Flamingo Express, Inc., v. Federal Aviation Administration, 536 F.3d 561 (2008).

Exhibit 2. Declaration of Eric Brunner dated July 23, 2018.

Exhibit 3. Solid Edge Motion to Dismiss Yavapai County Solid Eviction Action in State of Arizona Yavapai Superior Court case CV2018-80211, dated August 7, 2018.

Exhibit 4. Yavapai County Superior Court transcript of Eviction Action No. V1300CV201880211, dated August 9, 2018.

Exhibit 5. Report and opinion of Yavapai County expert witness, Daniel W. Allison, dated August 15, 2019.

Exhibit 6. State of Arizona Yavapai County Superior Court case V1300CV201780201 Deposition of Jacob Andrew Hansen, dated October 11, 2019.

Exhibit 7. State of Arizona Yavapai County Superior Court case V1300CV201780201 Deposition of Ann-Marie Brunner, dated September 12, 2018.

Exhibit 8. State of Arizona Yavapai County Superior Court case V1300CV201780201 Deposition of Eric Brunner, dated September 18, 2018.

Item 38. On January 10, 2020, Dakota filed Motion for Leave to Submit New Evidence.

Exhibit A. State of Arizona Yavapai County Superior Court Under Advisement Ruling on Anti-Head Tax Act in Case Number V1300CV201780272, dated November 22, 2019, against Sedona-Oak Creek Airport Authority.

Exhibit B. State of Arizona Yavapai County Superior Court Case Number V1300CV201780201 Deposition of Harold Idell, dated December 5, 2019.

Exhibit C. State of Arizona Yavapai County Superior Court Case Number V1300CV201780201 Deposition of Nelson E. Durkee, dated December 11, 2019.

Item 39. On July 16, 2020, FAA issued Notice of Extension of Time to Issue Director's Determination until September 9, 2020.

Item 40. On September 10, 2020, Yavapai County filed Yavapai Second Supplement to Part 16 Administrative Record.

Exhibit A. State of Arizona Yavapai County Superior Court Case Number V1300CV201780201 Videotape Deposition of Steven Shattuck, dated July 10, 2020.

Exhibit B. Steven Shattuck email to FAA Flight Standards District Office Inspector Darren Henley requesting Solid Edge Aviation FAR 135 Basic Day VFR PA31-350 Proficiency Check, dated November 30, 2017.

- Item 41.** On September 24, 2020, FAA issued Notice of Extension of Time to Issue Director's Determination until November 6, 2020.
- Item 42.** On September 30, 2020, Dakota filed Complainants Motion to Submit New Evidence of a 14 CFR Part 13 Informal Complaint and Exhibits sent to Raquel Girvin, Regional Administrator of FAA Western Pacific Region on September 29, 2020. The exhibits included.
- Exhibit 1. Letter from Authority General Manager Edward Rose to Dakota stopping Dakota self-fueling activity, dated September 16, 2020
- Exhibit 2. Stinson LLP attorney Roy Goldberg letter to Authority General Manager Edward Rose, dated September 18, 2020.
- Exhibit 3. Buchalter attorney Barbara Lichman response letter to Stinson LLP attorney Roy Goldberg, dated September 23, 2020.
- Unnumbered copy of Exhibit 8, State of Arizona Yavapai County Superior Court Under Advisement Ruling in Case Number V1300CV201780272, dated November 22, 2019, against Sedona-Oak Creek Airport Authority.
- Exhibit 4. Stinson LLP response letter attorney Roy Goldberg to Buchalter attorney Barbara Lichman, dated September 23, 2020.
- Exhibit 5. Sedona Airport Minimum Standards, § 4.18(Z), dated March 19, 2014.
- Exhibit 6. Sedona Airport Operations Policies and Procedures, dated March 19, 2014.
- Exhibit 7. Copy of Part 16-17-18 Formal Complaint filed on November 27, 2017.
- Exhibit 8. State of Arizona Yavapai County Superior Court Under Advisement Ruling in Case Number V1300CV201780272, dated November 22, 2019, against Sedona-Oak Creek Airport Authority.
- Exhibit 9. State of Arizona Yavapai County Superior Court Order Denying Authority's Motion for New Trial in Case No. V1300CV201780272, dated April 9, 2020.
- Exhibit 10. General Manager Edward Rose email to Dakota, dated August 24, 2020.

Exhibit 11. Eric Brunner (Dakota) email to General Manager Rose, dated September 3, 2020.

Exhibit 12. General Manager Edward Rose emails to Dakota (Eric Brunner), dated September 3, 2020.

Exhibit 13. General Manager Edward Rose letter to Dakota (Eric Brunner), dated September 3, 2020.

Exhibit 14. Eric Brunner (Dakota) email to General Manager Rose, dated September 4, 2020.

Exhibit 15. Eric Brunner (Dakota) email between General Manager Edward Rose, dated September 8, 2020.

Exhibit 16. Eric Brunner (Dakota) between General Manager Edward Rose, dated September 9, 2020.

Exhibit 17. Eric Brunner (Dakota) email to General Manager Edward Rose, dated September 13, 2020.

- Item 43.** U.S. DOT/FAA Deed Section 16 dated October 31, 1956.
- Item 44.** U.S. DOT/FAA Deed Section 16 dated December 10, 1969.
- Item 45.** On January 29, 2021, FAA issued Notice of Extension of Time to Issue Director's Determination until April 15, 2021.
- Item 46.** On January 13, 2021, Dakota filed Complainants' Submission of New Material in Support of Its Pending Motion for Emergency Interim Cease and Desist Order. Attached is the Arizona Court of Appeals memorandum of law concerning Dakota's appeal of the State of Arizona Superior Court finding that Dakota was in violation of the state law on unlawful detainer of its leased property at the Airport.
- Item 47.** Barbara Lichman, Buchalter attorney for Yavapai County, Notification that Dakota Territory Tours, ACC is no Longer in Lawful Possession of Property on Sedona-Oak Creek Airport, dated January 14, 2021. Attached is the Arizona Court of Appeals memorandum of law concerning Dakota's appeal of the State of Arizona Superior Court finding that Dakota was in violation of the state law on unlawful detainer of its leased property at the Airport.
- Item 48.** On January 19, 2021, Roy Goldberg, Dakota attorney, filed Dakota response to Sedona-Oak Creek Airport Authority Letter of January 14, 2021.
- Item 49.** On December 16, 2020, FAA issued Notice of Extension of Time for Issuing Director's Determination until January 15, 2021.

- Item 50.** On April 15, 2021, FAA issued Notice of Extension of Time for Issuing Director's Determination until June 15, 2021.
- Item 51.** U.S. DOT/FAA Sedona Oak Creek Airport Grant History.
- Item 52.** On June 16, 2021, Yavapai County filed Yavapai County's Third Supplement to Part 16 Administrative Record.

Exhibit A. Sedona Oak Creek Airport Authority's Motion for Sanctions, State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Defendant SOCAA's Motion for Sanctions Due to Dakota's Violation of this Court's Orders, Discovery and Disclosure Obligations, dated October 20, 2020.

Exhibit 1. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Status Conference, dated July 28, 2020.

Exhibit 2. May 31, 2017, Dakota Territory Tours A.C.C. Financial Data.

Exhibit 3. May 31, 2017, emails between M. Sterling, eric@sdeona air tours.com, A. Brunner.

Exhibit 4. November 11, 2017, emails between D.Henley, World Wide Helicopter Service, S.Shattuck, A. Rager.

Exhibit 5. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Transcript Re: Hearing Regarding Pending Scheduling Orders, Discovery and Disputes, dated May 21, 2019.

Exhibit 6. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Plaintiff's Responses to Defendant's First Set of Non-uniform Interrogatories, dated June 28, 2019.

Exhibit 7. May 22, 2017, May 24, 2017, and May 23, 2017 emails between Klein-Brunner/S. Shattuck.

Exhibit 8. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Plaintiff's Response to Defendant's First Request for Production of Documents, dated June 28, 2019.

Exhibit 9. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Responses to Non-Uniform Interrogatories, dated June 11, 2018.

Exhibit 10. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Deposition of A. Brunner, dated September 12, 2018.

Exhibit 11. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Deposition of A. Brunner, dated October 4, 2019.

Exhibit 12. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Deposition of A. Brunner, dated October 4, 2019.

Exhibit 13. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Deposition of L. Acciavatti, dated October 4, 2019.

Exhibit 14. Verde Valley Bookkeeping document, dated April 12, 2019.

Exhibit 15. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Response to Requests for Production, dated June 11, 2017.

Exhibit 16. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Transcript of Motions Hearing, dated February 12, 2019.

Exhibit 17. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Plaintiff's Seventh Supplemental Disclosure Statement, dated August 21, 2020.

Exhibit B. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Dakota's Response to Motion for Sanctions, dated November 13, 2020.

Exhibit 1. Declaration of A. Brunner, dated November 13, 2020.

Exhibit 2. Declaration of E. Brunner, dated November 13, 2020.

Exhibit 3. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Transcript of Motions Hearing, dated February 12, 2019.

Exhibit 4. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Transcript, Hearing Regarding Pending Scheduling Orders, Discovery and Disputes, dated May 21, 2019.

Exhibit 5. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Plaintiff's Supplemental Responses to Defendant's First Request for Production of Documents, dated July 30, 2019.

Exhibit 6. Sedona-Oak Creek Airport Authority Request for Proposals, dated May 1, 2017.

Exhibit 7. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Transcript, Oral Argument, dated June 13, 2019.

Exhibit 8. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Declaration of M. Sterling, dated June 10, 2019.

Exhibit 9. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Deposition of L. Acciavatti, dated October 4, 2019.

Exhibit 10. Profit and Loss Statement, dated August 19, 2019.

Exhibit 11. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Counterclaim Sedona Oak Creek Airport Authority, Inc.'s First Requests for Production of Documents to Plaintiffs, dated April 29, 2019.

Exhibit 12. June 28, 2019 email from A. Bruner to A. Barnard.

Exhibit 13. July 9, 2010, email from D. Mestaz to E. Davis.

Exhibit 14. May 21, 2017, email from M. Sterling to A. Brunner.

Exhibit 15. July 22, 2020, email from E. Davis to D. Mestaz.

Exhibit 16. July 28, 2020, email from D. Mestaz to E. Davis.

Exhibit 17. August 31, 2020, email from D. Mestaz to E. Davis.

Exhibit 18. September 17, 2020, email from D. Mestaz to E. Davis.

Exhibit 19. November 2, 2020, email from D. Mestaz to E. Davis.

Exhibit 20. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Plaintiff's Eight Supplemental Disclosure Statement, dated November 2, 2020.

Exhibit 21. May 31, 2019, email from B. Weech to World Wide Helicopter Services Inc., and C. Harshman.

Exhibit 22. June 18, 2019, email from A. Brunner to B. Weech.

Exhibit 23. June 25, 2019, email from A. Brunner to A. Barnard.

Exhibit 24. June 27, 2019, email from B. Weech to World Wide Helicopter, and Gohelisedona@outlook.com.

Exhibit 25. June 27, 2019, email from World Wide Helicopter Service Inc. to B. Weech.

Exhibit 26. June 28, 2019, email from A. Brunner to A. Barnard.

Exhibit 27. June 28, 2019, email from A. Barnard to A. Brunner.

Exhibit 28. June 28, 2019, email from A. Barnard to A. Brunner, and World Wide Helicopter Service Inc.

Exhibit 29. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Response to Requests for Production, dated June 11, 2017.

Exhibit 30. June 20, 2019, email from A. Brunner to Mad_duck@hotmail.com.

Exhibit 31. May 31, 2017, email from World Wide Helicopters Inc. to Arielair1@aol.com

Exhibit 32. May 21, 2017, email from S. Shattuck to E. Brunner and A. Brunner.

Exhibit 33. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Video Conference Deposition of Steven Shattuck, dated July 10, 2020.

Exhibit C. SOCAA's Reply in Support of its Motion for Sanctions. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Defendant SOCCA's Reply In Support of Its Motion for Sanctions Due to Dakota's violation of this Court's Orders, Discovery and Disclosure Obligations, dated December 7, 2020.

Exhibit 1. November 25, 2020, email from D. Mestaz to E. Davis.

Exhibit 2. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Declaration of E. Brunner, dated February 12, 2020.

Exhibit 3. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Declaration of M. Sterling, dated June 10, 2019.

Exhibit 4. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Transcript Continued Evidentiary Hearing, dated August 23, 2019.

Exhibit 5. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Transcript of Evidentiary Hearing Day One, dated August 18, 2017.

Exhibit 6. September 6, 2017 letter from D. Henley, FAA Scottsdale, Arizona, Flight Standards District Office to A. Shankland, Sedona Oak Creek Airport Authority.

Exhibit 7. June 9, 2019, email from World Wide Helicopter Service Inc. to Darren.[Henley@faa.gov](mailto:Darren.Henley@faa.gov).

Exhibit 8. May 10, 2018, email from Terry Tyner to Darren.Henley@faa.gov, and eric@sedonaairtours.com.

Exhibit 9. March 27, 2014, email from info@sedonaairtours.com to Jacob.A.Hansen@faa.gov.

Exhibit 10. September 14, 2018, E. Brunner, Videotaped Transcript, In the Matter of Dakota Territory Tours vs. Sedona-Oak Creek Airport.

Exhibit 11. September 18, 2018, A. Brunner, Transcript, In the Matter of Dakota Territory Tours v. Sedona-Oak Creek Airport.

Exhibit 12. Solid Edge Aviation, LLC, Management and Operational Control, General Operations Manual, dated April 24, 2011.

Exhibit 13. August 25, 2017, email from Kurt.Skultin@faa.gov to gohelisedona@outlook.com.

Exhibit 14. November 3, 2017, email from Darren.Henley@faa.gov to mad_duck@hotmail.com.

Exhibit 15. June 27, 2019 email from B. Weech to World Wide Helicopter Service Inc.

Exhibit 16. June 18, 2019, email from A. Barnard to World Wide Helicopter Service Inc.

Exhibit 17. June 20, 2019, email from A. Brunner to Mad_duck@hotmail.com.

Exhibit 18. June 25, 2019, email from A. Brunner to A. Barnard.

Exhibit 19. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Plaintiff's Responses to Defendant's First Request for Production of Documents, dated June 28, 2019.

Exhibit 20. State of Arizona, Yavapai County Superior Court, Case No. V1300CV201780201, Plaintiff's Responses to Defendant's First Set of Non-Uniform Interrogatories, dated June 28, 2019.

Exhibit D. Court of Appeals Decision Regarding Forcible Entry and Detainer, Arizona Court of Appeals, Sedona-Oak Creek Airport Authority, Inc. v Dakota Territory Tours ACC, No. 1 CA-CV-20-0158, filed January 12, 2021.

Exhibit E. August 12, 2020, email from Mike N. Williams, Manager, Phoenix Airports District Office, FAA, Western-Pacific Region, to Christopher@ds4law.com, Dan.Cherry@yavapai.us, and pam.fazzini@sedonaairport.org.

Exhibit F. February 25, 2021, email from Mike N. Williams, Manager, Phoenix Airports District Office, FAA, Western-Pacific Region, to Roy Goldberg/roy.goldberg@stinson.com.

- Item 53.** On June 16, 2021, FAA issued Notice of Extension of Time for Issuing Director's Determination until July 29, 2021.