

Grant Assurances #19-29 in Review



Presented to: 2012 Airport Fall Conference
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Federal Aviation
Administration



19. Operation & Maintenance

- The airport shall be operated at all times in a safe and serviceable condition with minimum standards or as required by Federal, state and local agencies for maintenance and operations
- The airport will not permit any activity or action which would interfere with its use for airport purposes.
- **AND there is more..**



Operation & Maintenance

- **It will operate and maintain all facilities with due regard to climatic and flood conditions**
- **Any proposal to temporarily close the airport for non-aeronautical purposes must be first reviewed by the FAA**



Operation & Maintenance

- **Keeping the airport in a safe and serviceable condition includes;**
 - Mowing the airport
 - Inspect the airport regularly
 - Timely Snow Removal
 - Protecting Airport Approaches
 - Marking and Lighting Hazards
 - NOTAMs is a must!



Mowing Around Nav aids



Regularly Inspect the Airport



Snow Removal



- **Advisory Circular 150/5220-20 “Airport Snow and Ice Control Equipment”**
- **Advisory Circular 1505200-30A “Airport Winter Safety and Operations”**
- **http://www.faa.gov/airports/great_lakes/about_airports/bis_ado/bis_ado_web/**

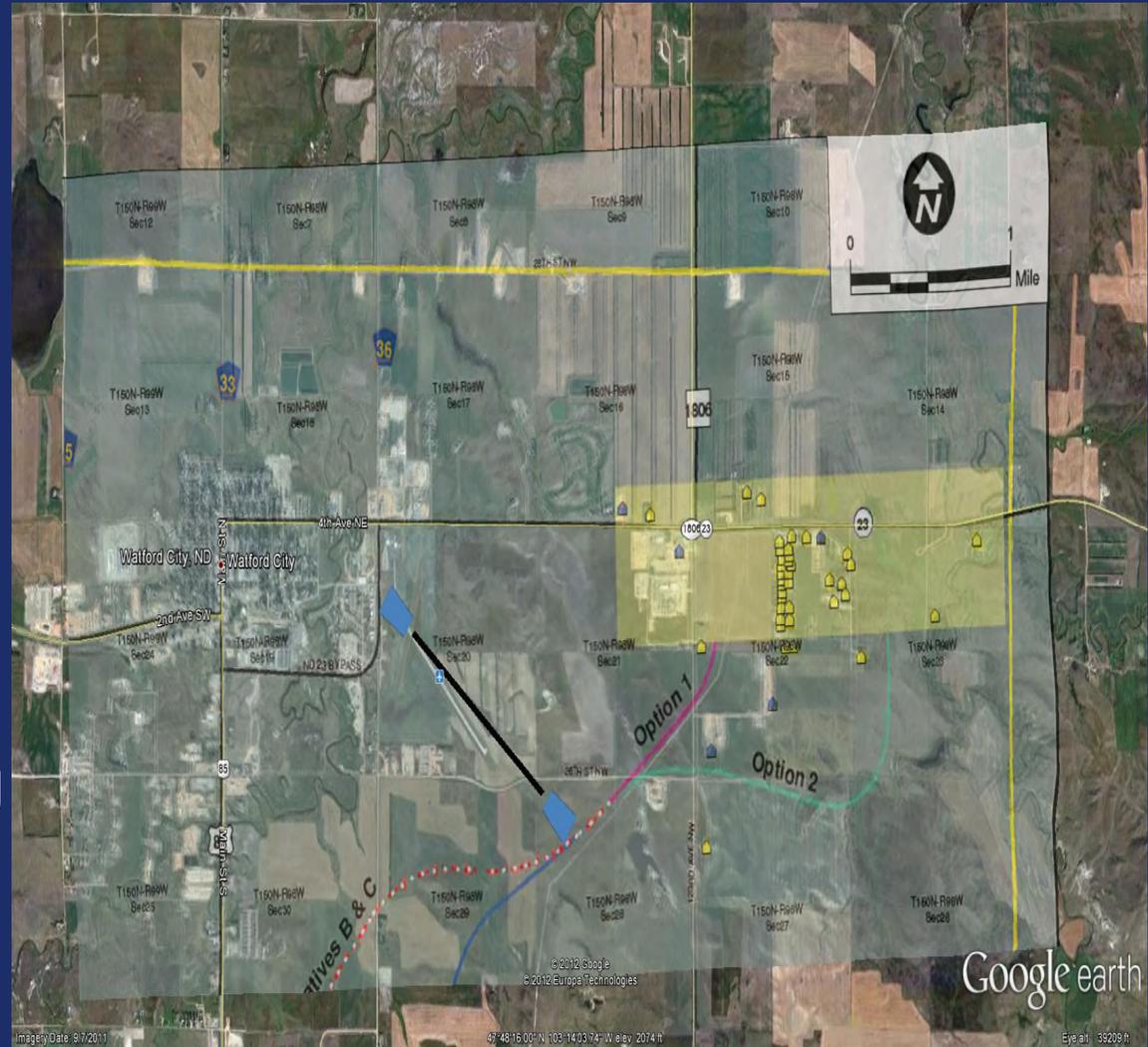
Snow Removal



- All airports should have sufficient equipment to clear 1 inch of snow weighing up to 25 lb/ft³ from critical areas within time allotted for the type of airport
- Times for snow removal vary from ½ hour to 6 hours, depending on the class of airport

Protecting the Airport

- Protecting the airport can be accomplished through:
 - Obstruction Evaluations
 - Land Acquisition
 - Zoning Airspace
 - Land Use Planning
 - Public Meetings



Obstruction Evaluations

- For “on/off airport” proposals use OE/AAA
- Sponsor uploads an FAA Form 7460/sketch
- Forms can be submitted electronically at www.oaava.faa.gov



Mark and Light Hazards

- Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions
- Advisory Circular 70/7460-Obstruction Marking and Lighting
- Advisory Circular 150/5370-Operational Safety on Airports During Construction



NOTAMs To Inform Pilots

- <https://pilotweb.nas.faa.gov/PilotWeb/>
- Promptly notifying airmen of any unsafe condition affecting aeronautical use of the airport.
- The NOTAM system is not intended to be used to report data published in AFD or charted.
- aeronav.faa.gov/index.asp?xml=aeronav/applications/d_afd (AFD web site)



Non-Aeronautical Activity

- **It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes**
- **Any proposal to temporarily close the airport for non-aeronautical uses must first be reviewed by the FAA.**



Airport Special Events

- Common special events that are non-aeronautical uses:
 - Remote control aircraft
 - Drag races
 - Driving courses
 - Car or Motor Cycle Shows



Drag Races on Airport?



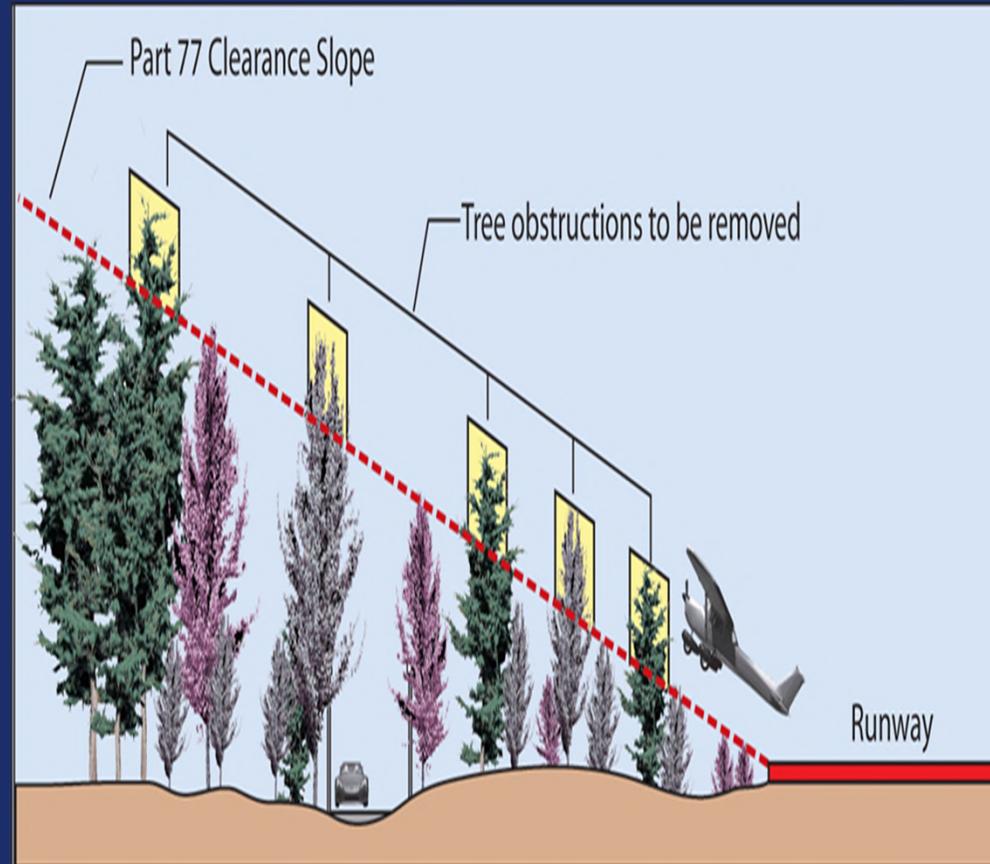
Emergency Situations

- Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood or other climatic conditions interfere with such operation and maintenance.



20. Hazard Removal and Mitigation

The airport sponsor will take appropriate action to assure terminal airspace is cleared and protected by removing existing hazards and preventing future hazards.



Key elements

- The airport sponsor will take appropriate action to assure terminal airspace...
- ... is cleared and protected by removing existing hazards and preventing future hazards. **REQUIRES ON GOING EFFORTS!**
- Safety is # 1 priority - Sponsor, State Aeronautics, Consultants and FAA must work together to assure safe airports.



21. Compatible Land Use

The airport sponsor will take appropriate action, to the extent reasonable to restrict the use of land in the vicinity of the airport to activities compatible with normal airport activities.

In addition, it will not permit change in land use, within its jurisdiction, to reduce compatibility with any noise compatibility program measures upon which Federal funds have been expended.



Key Elements

- The airport sponsor will take appropriate action, to the extent reasonable to restrict the use of land
- ... to restrict the use of land in the vicinity of the airport to activities compatible with normal airport activities.



Defining “Extent Reasonable”?

- **Favorite answer** – “Can’t define it, but I will know it when I see it.” (former FAA manager)
- **Next best answer** - Take action on those items that are within your span of control:
 - Zoning and Land use ability?
 - Possible funding to own RPZ?
 - Monitoring community developments?
 - Keep ALP current to know what to protect?

What is Compatible?

- Is the airport environment impacted?

Assess these impacts as part of the EA or Master Plan/ALP or Annual CIP Development Validations



What is compatible?

- **New FAA Interim Guidance-RPZ Land Use**
 - FAA recommends clearing all objects from RPZ.
 - FAA prohibits the following in the RPZ:
 - RESIDENCES
 - PLACES OF PUBLIC ASSEMBLY (Churches, schools, hospitals, office buildings, shopping centers, or other uses with similar concentrations of persons)
 - FUEL STORAGE
 - ADDRESSES ROAD LOCATION in RPZ (new)
 - OTHERS

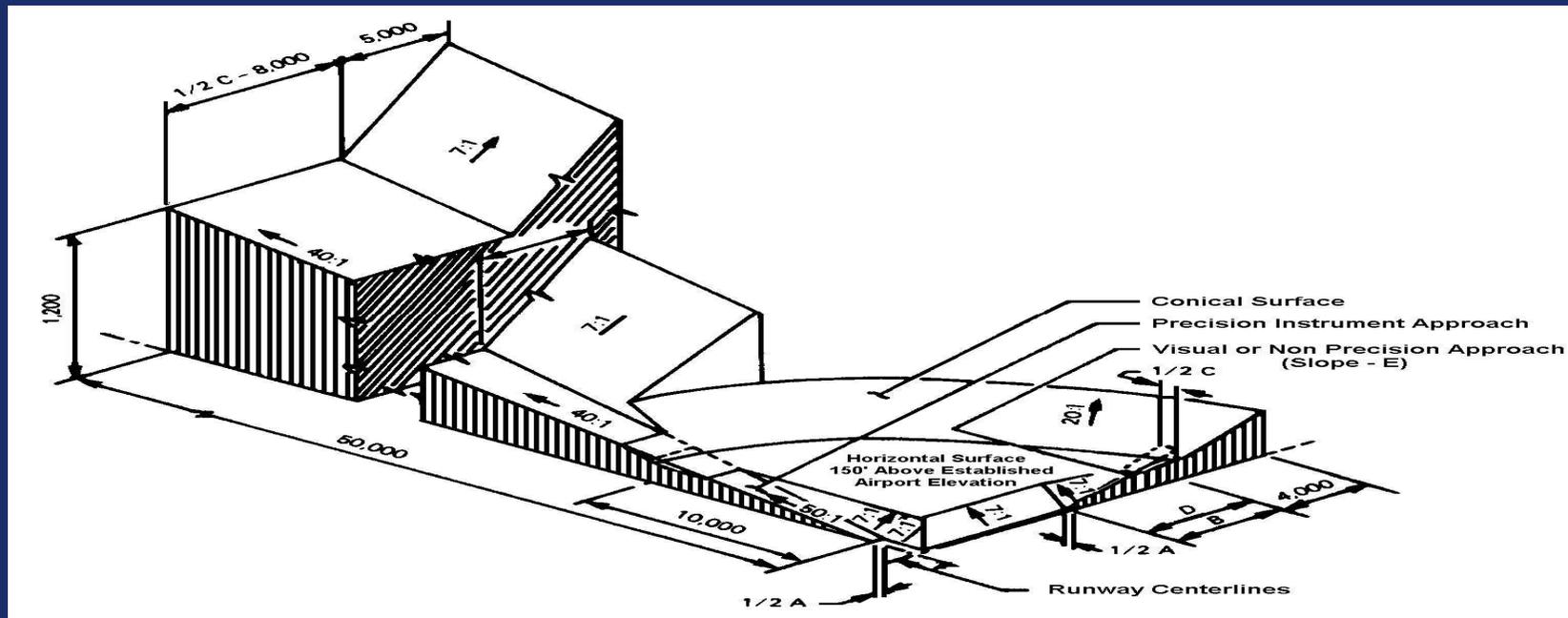


Compatibility Actions

- **Consider Wildlife Hazard Assessment to study airport wetlands, bird, deer impacts**
- **Acquire land in fee simple.**
 - Recommend acquisition for OFA, TOFA, and RPZs, approach/transitional/departure surfaces
- **Consider a land use and height easement.**
 - Review of existing easements to assure land use is compatible (farmers growing corn-sunflowers?)
 - Caution that easements may cost as much as fee acquisitions

Assurance Comparison #20 vs. #21

- #20 Hazards - MUST mitigate immediately!
- #21 Incompatible – Take REASONABLE steps to resolve and document your actions.



22a. Economic Nondiscrimination

It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.



Key Elements

- The airport will be available on reasonable terms.
- The airport will not unjustly discriminate.
- The airport will be available for aeronautical activities.



Reasonable Terms?

- **Reasonable is a matter of judgment and ultimately the FAA makes the final determination if unresolved locally.**
- **Guidelines**
 - When establishing a fee structure, compare fees to comparable airports in the area. Also, consider supply and demand on your airport.
 - Requirements of the tenants should be pertinent to the airport's existence and desired level of service.



Your are allowed to DISCRIMINATE!

- Discrimination is permitted based on items such as;
 - Volume discounts.
 - Valuing properties differently based on airport location and/or other considerations.



22b. Economic Nondiscrimination

- In any type of agreement in which the airport enters into with an entity to furnish aeronautical services to the public, the sponsor will insert and enforce the following provisions:
 - Furnish said services on a reasonable and not unjustly discriminatory.
 - Charge reasonable and not unjustly discriminatory prices allowing for price reductions to volume purchasers.



22c. Economic Nondiscrimination

Each FBO at the airport shall be subject to the same rates, fees, rentals and other charges as are uniformly applicable to all other FBOs making the same or similar uses of such airport and utilizing the same or similar facilities.



22d. Economic Nondiscrimination

Each air carrier using such airport shall have the right to service itself or to use any FBO that is authorized or permitted by the airport to serve any air carrier at such airport.



22e. Economic Nondiscrimination

Each air carrier shall be subject to such non-discriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities related to providing air transportation.



22f. Economic Nondiscrimination

It will not exercise or grant any right of privilege which to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees [including, but not limited to maintenance, repair, and fueling] that it may choose to perform.



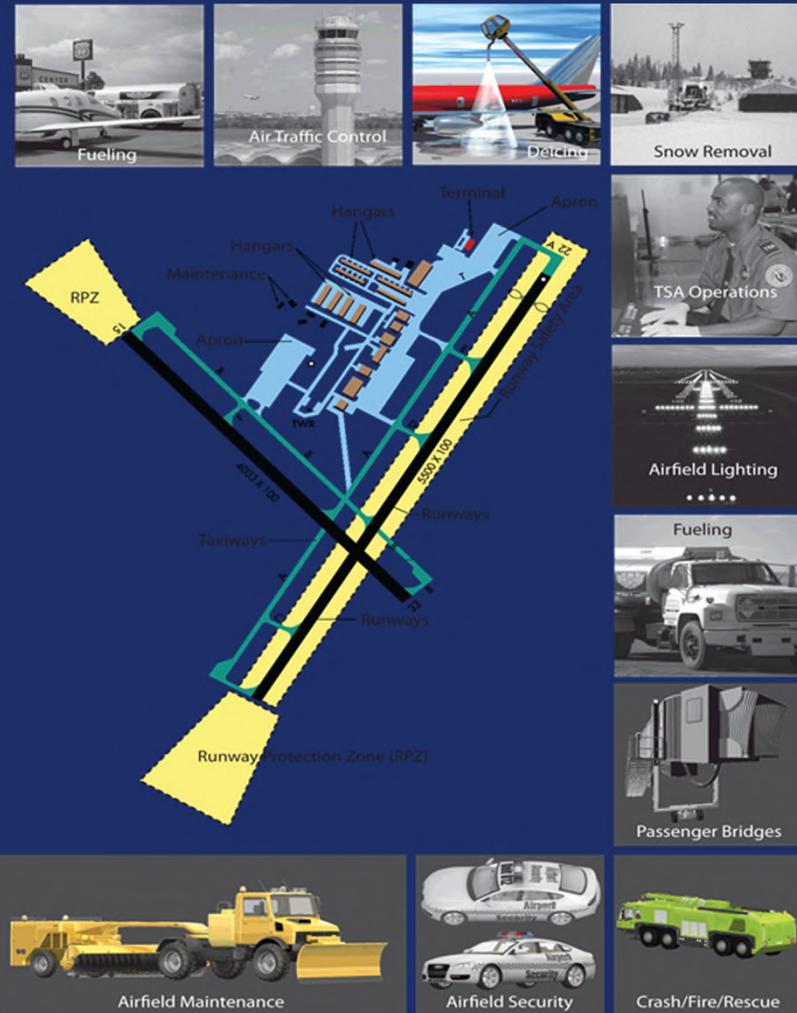
22g. Economic Nondiscrimination

If a sponsor itself exercises any of the rights and privileges referred to in this assurance, the sponsor will have to provide such services under the same conditions as would apply to other FBO providing such services.



22h. Economic Nondiscrimination

The airport sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of airport.



22i. Economic Nondiscrimination

The sponsor may prohibit or limit any aeronautical use of the airport, if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.



Key Elements

- **May prohibit if unsafe - FAA'S CALL – usually Flight Standards Office.**
- **May prohibit if necessary to serve civil aviation needs of the public. FAA'S CALL – usually Airports District Office (ADO).**
- **If you feel you have the need to prohibit activities we STRONGLY recommend coordinating with the ADO.**



23. Exclusive Rights

It will not permit exclusive right for use of the airport to anyone providing aeronautical services to the public.

If a single FBO provides services on an airport, it shall not be considered an exclusive right provided both of the following:

- a. It would be unreasonably costly, burdensome, or impractical for more than one FBO
- b. If allowing more than one FBO would require the reduction in space leased pursuant to an existing agreement with a FBO.

Control Your Airport's Destiny!

The establishment of “Minimum Standards” and “Rules and Regulations” should be done prior to a controversial event so that the airport will avoid making a hasty decision.

This allows a thorough review and discussion on what rules and regulations are best for the AIRPORT to meet federal grant assurances.



24. Fee and Rental Structure

- **Make the airport as self-sustaining as possible.**
- **Set fees to recover as much of the operating costs as possible.**
- **Related to other assurances**
 - Economic nondiscrimination
 - Exclusive rights
 - Airport revenue



The rest of the story...

- **Further clarified by Congress in 1994 FAA reauthorization.**
- **FAA does not set rates and fees.**
 - We get involved when we receive complaints.
 - We get involved when audits indicate a problem.
- **Only applies to aeronautical users.**
 - Important distinction.
 - Can cause confusion.



Aeronautical vs. Nonaeronautical

- **Aeronautical use**
 - Must be on the airport to accomplish the activity.
 - Subject to “fair and reasonable” charges.

- **Nonaeronautical use**
 - Does not have to be on the airport to accomplish the activity.
 - Must charge “fair market value” for use of the airport.

Fee and Rental Rate Solutions

- Have a sound current basis for all fees.
- Consider regional market conditions.
- Ensure there's a benefit to the airport and aviation.
- Be aware of revenue diversion rules.
- Good minimum standards are very useful!
- Communicate changes with airfield tenants



25. Airport Revenue

- **Part A:** all revenue generated by the airport and any local taxes on aviation fuel will be spent for the capital and operating costs of the airport.
- **Part B:** as part of the annual audit required under the Single Audit Act, the audit must review and provide an opinion on the use of airport revenue.
- **Part C:** civil penalties may be imposed for violations of this assurance.



What is airport revenue?

- **FAA policy published in 1999 Federal Register.**
- **Applies to revenue generated by the airport.**
- **Includes:**
 - Fees, rents, charges, and payments from aeronautical users, tenants, and businesses on the airport.
 - Revenue from sponsor-owned property off airport.
 - All revenue from non-aeronautical activities.
 - Revenue from the sale of mineral rights and agricultural leases.
 - Proceeds from the disposal of airport property.
 - State or local taxes on aviation fuel.



26a. Reports and Inspections

It will submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public.



26b. Reports and Inspections

For airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection.



26c. Reports and Inspections

For noise compatibility program projects, make records and documents relating to the project and continued compliance.



26d. Reports and Inspections

In a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report .



Grant Assurance 26 – Annual Financial Reports

- If requested, GA airport must prepare and release a report for public inspection



Financial Government Payment Report FAA Form 5100-126

**Airports with commercial service (with
annual enplanements > 2,500) report
payments made
and services provided to governmental
entities as well as facilities they
make available to such entities.**



Operating and Financial Summary FAA Form 5100-127

**Commercial
airports will
identify
revenues,
expenses,
and other
financial
information**



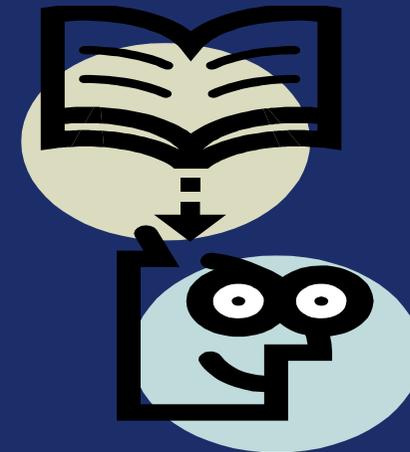
Annual Financial Report

- Go to the financial reporting web site at <http://cats.airports.faa.gov>
- Register to open an account
- You will receive an e-mail confirmation
- Prepare and submit your report online
- Amend and review your completed report



References:

- **FAA AC 150/5100-19C, Guide for Airport Financial Reports Filed by Airport Sponsors**
- **Websites for Financial Reports & Forms**
 - http://www.faa.gov/airports/airport_compliance/airport_financial_reporting_program/
- **Help desk: (202) 267-3085**



27. Use by Government Aircraft

- Sponsor shall make available all facilities of the airport developed with federal funds and usable for landing and takeoff of aircraft of the United States for use by Government aircraft



28. Land for Federal Facilities

- It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities or weather-reporting and communication activities related to air traffic control.

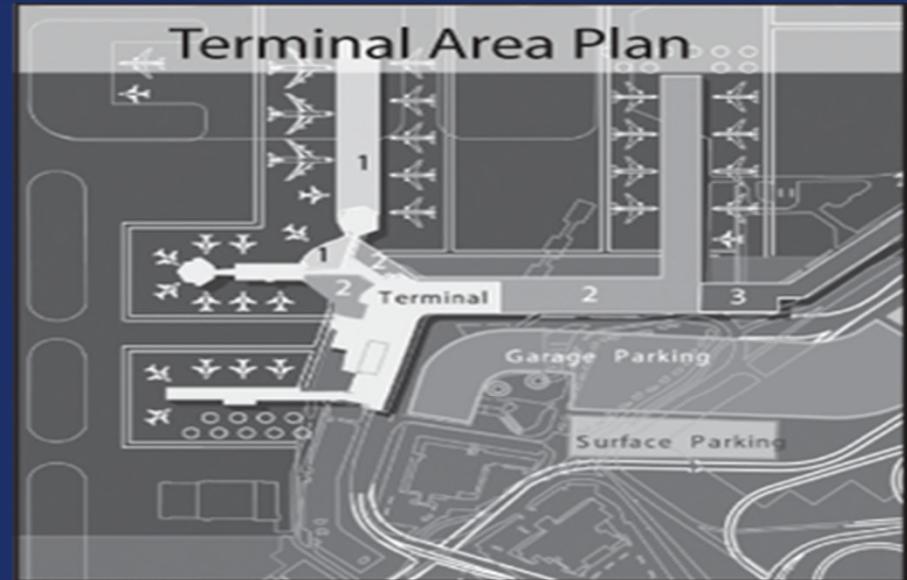


29. Airport Layout Plan (ALP)

“The airport sponsor will keep the ALP up-to-date at all times”

A current FAA approved ALP is a prerequisite for issuance of airport development grants.





Who does the ALP belong to?

The Airport Sponsor



Who else relies on the ALP?

- Airport District Office
- Flight Standards
- Flight Procedures
- Airway Facilities
- NAS Implementation
- Air Traffic
- Airport Board
- City or County Council
- City Planning/Zoning
- State Aeronautics
- Environmental Review
- Transportation Security Administration
- Airport Consultants
- Others



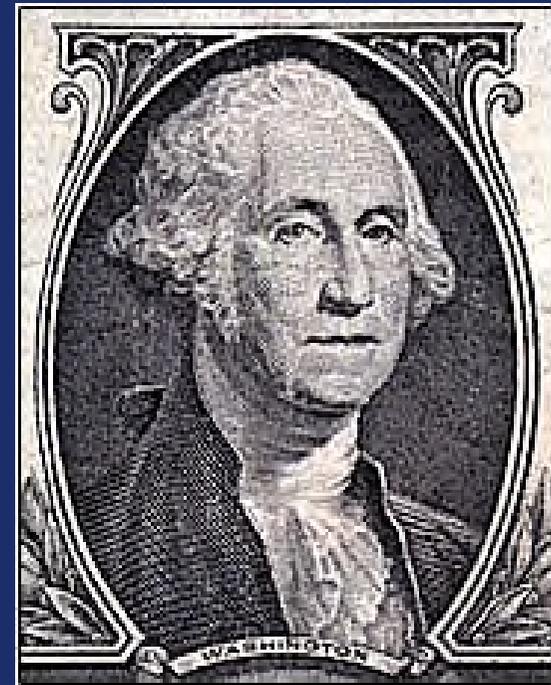
FAA Approval required:

- ALP's and each amendment, revision, or modification, shall be subject to the approval of the FAA.
- The sponsor will not make or permit any changes or alterations of the airport or any of its facilities which are not in conformity with the approved ALP.



What doesn't FAA Approval mean?

- Approval is not a commitment to provide federal funds.
- Approval does not mean the FAA finds the proposed development eligible.
- Approval does not mean environmental review was done.



Reference FAA Advisory Circulars:

- **AC 150/5070-6B, Airport Master Plans**
- **AC 150/5300-13A, Airport Design, was published on September 28, 2012. FAA published the draft AC for public review in May 2012.**
- **AC 150/5325-4B, Runway Length Requirements**



19 – 29 Grant Assurance Review

