Shaping Your Airport’s Future
AirTAP Fall Forum
October 13, 2016

Kathy Vesely
Assistant Director, MnDOT Aeronautics
Overview

- State Airport Fund (SAF) Goals
- Grant Programs
- Grant Application Process
- What types of projects are eligible?
- How are projects selected?
- What obligations result from grant acceptance?
- Importance of Planning?
It is hereby declared that the purpose of sections 360.011 to 360.076 is to further the public interest and aeronautical progress by providing for the protection and promotion of safety in aeronautics; by cooperating in effecting a uniformity of the laws relating to the development and regulation of aeronautics in the several states; by revising existing statutes relative to the development and regulation of aeronautics so as to grant to a state agency such powers and impose upon it such duties that the state may properly perform its functions relative to aeronautics and effectively exercise its jurisdiction over persons and property within such jurisdiction, may assist in the promotion of a statewide system of airports, may cooperate with and assist the political subdivisions of this state and others engaged in aeronautics, and may encourage and develop aeronautics; by establishing uniform rules, consistent with federal regulations and those of other states, in order that those engaged in aeronautics of every character may so engage with the least possible restriction, consistent with the safety and the rights of others; and by providing for cooperation with the federal authorities in the development of a national system of civil aviation and for coordination of the aeronautical activities of those authorities and the authorities of this state by assisting in accomplishing the purposes of federal legislation and eliminating costly and unnecessary duplication of functions properly in the province of federal agencies.
SAF Income

- Aviation Fuel Tax
- Airline Flight Property Tax
- Aircraft Registration
- Aircraft Sales Tax
- Other: inspection, licensing, etc.

State Airports Fund
State Airport Fund Expenditures

- Administration, $3.10
- Aviation Operations, $1.90
- Navigational Systems, $2.10
- Maintenance Grants, $4.80
- Construction Grants, $7.00
Subject: Airport Funding Rates
State Fiscal Years 2018 & 2019 – effective July 1, 2017 through June 30, 2019

Dear Airport Sponsor:

Although rates for State Fiscal Years (SFYs) 2018 and 2019 are not required to be set until June 1st of the previous year, that narrow time frame does not allow airport sponsors to properly budget and prepare for upcoming projects. We are currently preparing the MnDOT Aeronautics biennial budget request for those years, planning the utilization of funds available in the State Airports Fund (SAF). We propose to use rates established in this letter to support Minnesota’s airport system. We reserve the option of adjusting rates each June 1st, depending on revenue and appropriation levels.

We have several goals for the biennium;

1. Maximize use of FAA dollars
2. Support FAA ineligible airside needs
3. Fund non-NPIAS projects
4. Fund equipment purchase
5. Continue to sustain the system

5. Maintenance and Operations (M&O) grants sustain the system, ensuring access to airports in all weather conditions. The M&O formula was revised to provide additional funds at most airports in 2016, and is planned to continue at the revised level during SFYs 2018 and 2019. The rate is planned to continue at 75% as well.

3. The rate for construction projects at non-NPIAS airports was also adjusted to provide a level of eligibility similar to the rates at NPIAS airports.

2. Projects where there is a large portion of work proposed that is not eligible for FAA participation, but is eligible for State funding will continue to be funded at the SAF rate, but the 5% share may be limited.

1. Use of FAA funds available to the state has increased with a 5% SAF match, the 5% should continue, but may be limited for very large projects.
## Airport Funding Rates FYs 2018 - 2019

### Grant Programs

<table>
<thead>
<tr>
<th>Project Type</th>
<th>NPIAS Under 5000</th>
<th>NPIAS Over 5000</th>
<th>Non-NPIAS Under 5000</th>
<th>Non-NPIAS Over 5000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air Service Marketing</td>
<td>70</td>
<td>70</td>
<td>70</td>
<td>70</td>
</tr>
<tr>
<td>M &amp; O</td>
<td>75</td>
<td>75</td>
<td>75</td>
<td>75</td>
</tr>
<tr>
<td>Fuel Systems and Fuel Trucks</td>
<td>60</td>
<td>70</td>
<td>60</td>
<td>60</td>
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<tr>
<td>Equipment</td>
<td>80</td>
<td>75</td>
<td>80</td>
<td>90</td>
</tr>
<tr>
<td>Construction</td>
<td>80</td>
<td>75</td>
<td>80</td>
<td>90</td>
</tr>
<tr>
<td>Navigational Systems</td>
<td>100</td>
<td>75</td>
<td>100</td>
<td>90</td>
</tr>
<tr>
<td>AWOS</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

* 95% will be limited to the first $150,000 in each year or $600,000 in four years to imitate the FAA AIP program, thereafter the rate will revert to 90%.

### Federal Grant, State Share Percentage

<table>
<thead>
<tr>
<th>Project Type</th>
<th>NPIAS Under 5000</th>
<th>NPIAS Over 5000</th>
</tr>
</thead>
<tbody>
<tr>
<td>90% FAA Participation</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>95% Federal Participation</td>
<td>2.5</td>
<td>2.5</td>
</tr>
<tr>
<td>Equipment</td>
<td>5</td>
<td>5</td>
</tr>
</tbody>
</table>

** Match will be limited based on total project funding
- When all items are FAA eligible, the State 5% may be capped for projects over $4M.
- When FAA ineligible items exist, but are eligible for SAF, the State will participate in those items at the state rate. The State 5% may be limited depending on the amount of SAF requested for FAA ineligible items.
**FAA Grants = Process**

- FAA has roles and responsibilities
- MnDOT has roles and responsibilities
- Airport sponsor has roles and responsibilities

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Process Details</th>
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</thead>
<tbody>
<tr>
<td>Planning (12-24 months)</td>
<td></td>
</tr>
<tr>
<td>NEPA (12-24 months)</td>
<td></td>
</tr>
<tr>
<td>Project Formulation (12-24 months)</td>
<td></td>
</tr>
<tr>
<td>Construction (12-36 months)</td>
<td></td>
</tr>
</tbody>
</table>
SAF M&O Grants

Grants for Maintenance & Operations

- 134 Airports (all but MSP)
- No Application – Grant sent for Airport Approval
- 2 year agreement
- Base Amount calculated on infrastructure
- Rate = 75% - 25% Up to the base
- Added Eligible Items
- Added Quarterly Payments
- Require Annual Total
- Gap Analysis
  - NOT all the $$$ needed to keep the airport functional
State M&O Grants

2014
› Added simple %
› Rate 2/3s to 75%

2015
› Updated formula
› Revised eligible items
› Average increase 25.3%

2016 & 2017
› New Agreements
› Intend to Continue
› Biannually Reevaluate

<table>
<thead>
<tr>
<th></th>
<th>Then</th>
<th>Now</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smallest</td>
<td>$2,686</td>
<td>$4,300</td>
<td>+60%</td>
</tr>
<tr>
<td>Median</td>
<td>$19,166</td>
<td>$19,000</td>
<td>-1%</td>
</tr>
<tr>
<td>Average</td>
<td>$28,843</td>
<td>$36,000</td>
<td>+25%</td>
</tr>
<tr>
<td>Largest</td>
<td>$178,801</td>
<td>$200,000</td>
<td>+12%</td>
</tr>
</tbody>
</table>
SAF Air Service Marketing

Grants

- Encourages Air Service Preservation & Expansion
- ~ 8 Greater MN Airports
- $200,000 total grants per year
- Amount per Airport Calculated by Formula
- Application includes Work Plan
- Rate = 70% - 30%

Contact:
Kevin Carlson
Aviation Planning
SAF Hangar Loan

- 80% of Construction Cost *
- 0% Interest
- 20 Years (equal monthly payments)
- Payment Receipts loaned again to other Airports

*May include Site Prep to Floor, or Site Prep may be a Separate Construction Grant

Contact:
Harris Baker
Brian Conklin
Airport Development

Tee Hangars at New Ulm Municipal Airport
State Owned Nav Systems

- **Radio Nav Systems**
  - VOR/DME NDB
  
- **Automated Weather Observation Systems**

- **Airport Lighting and Electrical Systems**

- Typically State Initiated
- Typically 100% SAF
- May be included with Construction Projects
- Listed with Rates for Airport Initiated Projects
All Other Grant Projects

At all airports
- Airport Planning
- Land Acquisition
- Zoning
- Runway Construction
- Lighting
- Utilities
- NAVAIDS
- Noise mitigation
- Fencing
- Obstruction removal
- Arrival/Departure Buildings
- Equipment Purchase

At Commercial airports
- Part 139 safety equipment
- Part 107 security equipment
- Special equipment & buildings (snow removal, fire & rescue)
- Limited Terminal development
# Request & Complete a State Project

1. **List project in CIP (Capital Improvement Plan)**

## Capital Improvement Program Report

**Minnesota Department of Transportation - Aviation Division**  
**Fairmont Municipal Airport**  
**Report Filter - Types: All, Statuses: All**

<table>
<thead>
<tr>
<th>Year</th>
<th>Project Name</th>
<th>Status</th>
<th>FAA</th>
<th>State</th>
<th>Local</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>All Projects</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SubTotal:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$157,028.02</td>
</tr>
<tr>
<td>2016</td>
<td>Public Building Area Infrastructure Needs Study</td>
<td>CIP</td>
<td>0.00</td>
<td>27,019.10</td>
<td>6,754.78</td>
<td>$33,773.88</td>
</tr>
<tr>
<td></td>
<td>Reconstruct Hangar Area Pavement - Design (FFY 2015)</td>
<td>CIP</td>
<td>52,802.00</td>
<td>54,601.59</td>
<td>15,850.55</td>
<td>$123,254.14</td>
</tr>
<tr>
<td></td>
<td>SubTotal:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$157,028.02</td>
</tr>
<tr>
<td>2017</td>
<td>Acquire Airport Utility Truck &amp; Plow Attachments</td>
<td>CIP</td>
<td>0.00</td>
<td>40,000.00</td>
<td>10,000.00</td>
<td>$50,000.00</td>
</tr>
<tr>
<td></td>
<td>Main Public Hangar Improvements</td>
<td>CIP</td>
<td>0.00</td>
<td>80,000.00</td>
<td>20,000.00</td>
<td>$100,000.00</td>
</tr>
<tr>
<td></td>
<td>Reconstruct Hangar Area Pavement - Construction (FFY 2016)</td>
<td>CIP</td>
<td>394,128.00</td>
<td>407,560.00</td>
<td>118,312.00</td>
<td>$920,000.00</td>
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<tr>
<td></td>
<td>Reconstruct Hangar Area Pavement - Const. Services (FFY 2016)</td>
<td>CIP</td>
<td>47,124.00</td>
<td>48,730.00</td>
<td>14,146.00</td>
<td>$110,000.00</td>
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<tr>
<td></td>
<td>SubTotal:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$1,180,000.00</td>
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</tbody>
</table>
# Airport Calendar and Timeline

## Critical Date

<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>In Fall</td>
<td>Schedule a “Needs Meeting” with MnDOT Aeronautics, if desired</td>
</tr>
<tr>
<td>October</td>
<td>Airports update CIP online - using a 20 year vision <a href="http://www.dot.state.mn.us/aero/airportdevelopment/cip.html#min">link</a></td>
</tr>
<tr>
<td>October</td>
<td>Airports with FAA project update SAMS</td>
</tr>
<tr>
<td>October</td>
<td>Trim trees during this time frame to avoid disturbing Northern Long-eared Bats</td>
</tr>
<tr>
<td>10/1/2016</td>
<td>Federal Fiscal Year 2017 begins</td>
</tr>
<tr>
<td>10/1/2016</td>
<td>Permits must be in place for projects seeking FAA Discretionary 2017 grants</td>
</tr>
<tr>
<td>10/15/2016</td>
<td>Airports may submit 1st quarter (July – September) M&amp;O expenses</td>
</tr>
<tr>
<td>10/30/2016</td>
<td>MnDOT Aero polls CIP and transfers NPIAS project list to FAA for ACIP</td>
</tr>
</tbody>
</table>

### November

<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>In November</td>
<td>NPIAS airports update the based aircraft listing @ basedaircraft.com</td>
</tr>
<tr>
<td>11/15/2016</td>
<td>LAST DAY to submit 1st quarter (July – September) M&amp;O expenses</td>
</tr>
<tr>
<td>11/30/2016</td>
<td>FAA polls based aircraft data for NPIAS Report to Congress</td>
</tr>
</tbody>
</table>

### December

<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>In December</td>
<td>Trim trees and brush from wetland areas that are inaccessible in the summer months</td>
</tr>
<tr>
<td>12/01/2016</td>
<td>Airports with FAA project submit AIP pre-application package to MnDOT Aero</td>
</tr>
<tr>
<td>12/15/2016</td>
<td>MnDOT Aero reviews for concurrence, submits AIP pre-application to FAA ADO</td>
</tr>
</tbody>
</table>

### January

<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>In January</td>
<td>Review the snow and ice control plan, identify equipment needs for next winter</td>
</tr>
<tr>
<td>1/9/2017</td>
<td>Part 139 Airports submit 90% plans &amp; specs to FAA at least 90 days prior to advertising</td>
</tr>
<tr>
<td>1/16/2017</td>
<td>Airports may submit 2nd quarter (October – December) M&amp;O expenses</td>
</tr>
</tbody>
</table>
# Capital Improvement Program Report

Minnesota Department of Transportation - Aviation Division  
Fairmont Municipal Airport  
Report Filter - Types: All, Statuses: All

<table>
<thead>
<tr>
<th>Year</th>
<th>Project Description</th>
<th>Type</th>
<th>2032</th>
<th>2033</th>
<th>2036</th>
<th>All Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2032</td>
<td>Construct Industrial Park Site Improvements</td>
<td>CIP</td>
<td>0.00</td>
<td>0.00</td>
<td>450,000.00</td>
<td>$450,000.00</td>
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<tr>
<td></td>
<td>Extend Water/Sewer to Airport Industrial Park</td>
<td>CIP</td>
<td>0.00</td>
<td>0.00</td>
<td>150,000.00</td>
<td>$150,000.00</td>
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<tr>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>SubTotal: $600,000.00</td>
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<table>
<thead>
<tr>
<th>Year</th>
<th>Project Description</th>
<th>Type</th>
<th>2033</th>
<th>2036</th>
<th>All Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2033</td>
<td>Reconstruct East Apron (FFY 2032)</td>
<td>CIP</td>
<td>810,000.00</td>
<td>0.00</td>
<td>90,000.00</td>
</tr>
<tr>
<td></td>
<td>Rehabilitate Runway 13/31, Parallel Taxiway (Mill &amp; Overlay) (FFY 2032)</td>
<td>CIP</td>
<td>2,700,000.00</td>
<td>0.00</td>
<td>300,000.00</td>
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<tr>
<td></td>
<td>Rehabilitate West Apron (Mill &amp; Overlay) (FFY 2032)</td>
<td>CIP</td>
<td>405,000.00</td>
<td>0.00</td>
<td>45,000.00</td>
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<table>
<thead>
<tr>
<th>Year</th>
<th>Project Description</th>
<th>Type</th>
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<th>All Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2036</td>
<td>Construct Taxi/Apron, Site Prep, T-Hangar Building</td>
<td>CIP</td>
<td>0.00</td>
<td>$1,000,000.00</td>
</tr>
<tr>
<td></td>
<td>Rehabilitate Runway 2/20 (Mill &amp; Overlay) (FFY 2035)</td>
<td>CIP</td>
<td>1,350,000.00</td>
<td>0.00</td>
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</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Project Description</th>
<th>Type</th>
<th>2032</th>
<th>2033</th>
<th>2036</th>
<th>All Projects</th>
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<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All</td>
<td></td>
<td></td>
<td>$7,914,554.00</td>
<td>$1,642,160.69</td>
<td>$3,125,313.33</td>
<td>$13,822,028.02</td>
</tr>
</tbody>
</table>
Request & Complete a State Project

2. Project must be shown on Approved ALP (Airport Layout Plan)
   - Shows existing facilities
   - and ULTIMATE Design
   - Safety Standards
   - Expansion Steps
   - Feasibility
   - Airport Data
   - Building Areas
   - Airspace
   - Zoning
   - Property Ownership

Example ALP – Hawley MN
3. MnDOT Aeronautics will prioritize projects (Statewide) for the current fiscal year. Sponsors will be notified by Aeronautics if their project is selected for funding.
Priority Score = \( .25P(S+1.4P+C+1.2T) \)

- \( P \) = Purpose Points
- \( S \) = State Airport Type Points
- \( C \) = Component Points
- \( T \) = Type Points
P = Project Purpose

- P = Purpose Points (0 to 10 pts)
  - SA = Safety/Security = 10 pts
  - SP = Special Emphasis Programs = 9 pts
  - RE = Reconstruction = 8 pts
  - PL = Planning = 8 pts
  - CA = Capacity = 7 pts
  - EN = Environment = 8 pts
  - ST = Standards = 6 pts (Most Projects)
  - OT = Other = 4 pts

S = State Airport Type

<table>
<thead>
<tr>
<th>Airport Classification</th>
<th>Airport Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-NPIAS Intermediate</td>
<td>5</td>
</tr>
<tr>
<td>Non-NPIAS Landing Strip</td>
<td>4</td>
</tr>
<tr>
<td>NPIAS Non-Primary Key</td>
<td>4</td>
</tr>
<tr>
<td>NPIAS Intermediate</td>
<td>3</td>
</tr>
<tr>
<td>NPIAS Landing Strip</td>
<td>2</td>
</tr>
<tr>
<td>Primary Airport</td>
<td>2</td>
</tr>
</tbody>
</table>

C = Component

- AP = Apron = 5 pts
- BD = Building = 3 pts
- EQ = Equipment = 8 pts
- FI = Financing = 0 pts
- GT = Ground Transport = 4 pts
- HE = Helipad = 9 pts
- HO = Homes = 7 pts
- Land = 7 pts
- NA = New Airport = 4 pts
- OT = Other = 7 pts
- PB = Public Building = 7 pts
- PL = Planning = 7 pts
- RW = Runway = 10 pts
- SB = Seaplane = 9 pts
- TE = Terminal = 1 pt
- TW = Taxiway = 8 pts
- VT = Vertiport = 4 pts

T = Type

- 60 = Outside 65 DNL = 0 pts
- 65 - 65 - 60 DNL = 4 pts
- 70 = 70 - 74 DNL = 7 pts
- 75 = Inside 75 DNL = 10 pts
- AC = Access = 7 pts
- AD = Administration Costs = 0 pts
- AQ = Acquire Airport = 5 pts
- BD = Bond Retirement = 0 pts
- CO = Construction = 10 pts
- DI = De-Icing Facilities = 6 pts
- DV = Development Land = 6 pts
- EX = Extension/Expansion = 6 pts
- FF = Fuel Farm Development = 2 pts
- FR = RW Friction = 9 pts
- IM = Improvement = 8 pts
- IN = Instrument Approach Aid = 7 pts
- LI = Lighting = 8 pts
- MA = Master Plan = 9 pts
- ME = Metropolitan Planning = 7 pts
- MS = Miscellaneous = 5 pts
- MT = Mitigation = 8 pts
- NO = Noise Plan/Suppression = 7 pts
- OB = Obstruction Removal = 10 pts
- PA = Parking = 1 pt
- PM = People Mover = 3 pts
- RF = ARFF Vehicle = 10 pts
- SE = Security Improvement = 6 pts
- SF = RW Safety Area = 8 pts
- SG = RW/TW Signs = 9 pts
- SN = Snow Removal Equipment = 9 pts
- SR = Senses = 6 pts
- ST = State Planning = 6 pts
- SV = Service = 8 pts
- SE = Security Improvement = 6 pts
- VF = Visual Approach Aids Aid = 8 pts
- VT = Construct VITo RW/Plan = 2 pts
- WX = Weather Equipment = 8 pts
Project Example

1. Priority Score = \(0.25P(S+1.4P+C+1.2T)\)

2. Project: Runway Reconstruction at NPIAS Intermediate System Airport

3. Purpose Points (P) = RE = 8

4. State Airport Type Points (S) = 3

5. Component Points (C) = RW = 10

6. Type Points (T) = CO = 10

7. Priority Score = \(0.25 \times 8(3+1.4 \times 8+10+1.2 \times 10)\)

8. Priority Score = 72.4 points
Final Selection

- Mn/DOT reviews and adjusts scores based on project specifics
  - Subcommittee recommendation
  - For example: Hangar site prep for hangar loans

- Generates project list for expected budget
  - Actual grant offers based on actual funding

- Iterative
  - Additional projects will be selected as funds become available
Request & Complete a State Project

3. MnDOT Aeronautics will prioritize projects (Statewide) for the current fiscal year. Sponsors will be notified by Aeronautics if their project is selected for funding.

4. Sponsor should reply to Mn/DOT with intent to proceed or not.

5. Prepare plans and specifications as needed.

6. Advertise or request quotes.

7. Sponsor shall request a State grant (provided the sponsor elected to proceed).

8. Aeronautics will prepare the State agreement for approval by the Sponsor.
9. The State agreement is routed to the Sponsor and through MnDOT for signatures and approvals.
Grant Agreement

Rev. 21, 106
MoDOT Agreement No. 020-0000
State Project No. 28589-00

GRANT AGREEMENT FOR AIRPORT IMPROVEMENT
EXCLUDING LAND ACQUISITION

This Agreement is entered into by and among the State of Missouri acting through the Missouri Department of Transportation ("Recipient") and the City of Warrensburg ("Project") as described below.

WHEREAS, the Recipient desires the financial assistance of the State for an airport improvement project ("Project") as described in Exhibit A below; and

WHEREAS, the State is authorized by Missouri Statutes Sections 620.035 through 13.1 and 620.435 to provide financial assistance to eligible airport sponsors for the acquisition, improvement, development, and operation of airports and airport navigation facilities; and

WHEREAS, the Recipient has provided the State with the plans, specifications, and a detailed description of the airport improvement Project.

NOW, THEREFORE, the Recipient and the State agree as follows:

1. This Agreement is effective upon execution by the Recipient and the State, and will remain in effect until [June 30, 2010].

2. The following table provides a description of the Project and shows a cost participation breakdown for each type of work:

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Federal Share</th>
<th>State Share</th>
<th>Local Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Fund</td>
<td>60%</td>
<td>90%</td>
<td>10%</td>
</tr>
</tbody>
</table>

3. The Project costs will not exceed $2,689,841.86. The proportionate share of the Project costs are:

   Federal Fund: $2,689,841.86, Multi-Year Fund: $3,000,000, and Recipient: $766,800.30. This agrees to the estimate of costs for the fiscal year and the total amount is estimated as an estimate amount. These estimates shall not be submitted by the contract and are not available after being made by the U.S. government. Funds for the Project will be reserved and held by the State. In the event the federal assistance becomes available or is increased for this Project, the State will be entitled to receive such federal funds no sooner than the State funds are awarded for the Project. No funds are committed under this Agreement until they are approved by the State. No more than 37% of the approvals under this Agreement will be paid by the State until the State determines that the Recipient has completed all financial provisions of this Agreement, and satisfied all administrative requirements.

4. The Recipient will designate a registered engineer as the Project Engineer to oversee the Project work. If, with the State's approval, the Recipient desires to have an additional fireman operated by a registered agent, then the Recipient will designate another responsible person to oversee such work, and any references herein to the Project Engineer will apply to such responsible person.

5. The Recipient will complete the Project in accordance with the plans, specifications, and detailed descriptions of the Project, which are on file with the State's Office of Administration and are incorporated into this Agreement by reference. Any changes to the plans or specifications of the Project after the date of this Agreement will be made only by written change order signed by the Recipient, the Project Engineer, and the contractor. Change orders must be submitted to the State. Subject to the terms and conditions of the State, the Contractor may request written changes to the Project to reflect the allowable costs (as defined in the change orders).

6. The Recipient will make payments to the contractor on a work-in-progress basis. The Recipient will submit requests for payment to the contractor on an approved payment form. The State will reimburse the Recipient for the same and federal shares of the approved Project costs.

b. Following certification of the partial estimate, the Recipient will make partial payments to the contractor in accordance with the terms of the contract, special provisions, and standard specifications for the Project.

c. Following certification of the partial estimate, the Recipient may request reimbursement from the State for costs eligible for federal and state participation. A copy of the partial estimate must be included with the Recipient's request for payment. Reimbursement requests and partial estimates should not be submitted if the owner has paid a portion of the work in which there was no program for the Project.

d. Upon completion of the Project(s), the Recipient will prepare a final estimate in accordance with the terms of the contract, special provisions, and standard specifications for the Project(s). The final estimates must be certified by the Recipient, the Project Engineer, and the contractor.

e. Following certification of the final estimate, the Recipient will make final payment to the contractor in accordance with the terms of the contract, special provisions, and standard specifications for the Project(s).

f. Following certification of the final estimate, the Recipient may request reimbursement from the State for the costs eligible for state participation. A request for final payment must be submitted to the State along with these project records required by the State.

7. For a Project which involves the purchase of equipment, the Recipient will be reimbursed by the State in one lump sum after the Recipient has acquired title to the equipment, and it has presented proof of payment to the State, and (3) is a certificate that the equipment is in satisfactory condition as to its working order. The Recipient will keep such equipment properly stored, in good repair, and it will not use the equipment for any purpose other than aircraft operations.

8. If the Project involves new equipment or project donations, the Recipient must obtain the written approval of the State and Federal Aviation Administration (FAA). Any new equipment purchased or project donations received without written approval by the State will not be reimbursed under this Agreement. For new equipment work must be done in accordance with the applicable policies and terms established by the Recipient and approved by the State.

9. Pursuant to Minnesota Statutes Sections 620.035 through 13.1, the Recipient will prepare its airport as a licensed, municipal or public airport at all times of the year for a period of 10 years from the date the Recipient receives final reimbursement under this Agreement. The airport must be maintained in a safe, navigable manner for the public use and use for all uses of the State. The Recipient will maintain the airport, including, but not limited to, securing the airport property, maintaining buildings, and the like, in a safe, navigable manner for all uses of the State. The Recipient will maintain the airport, including, but not limited to, securing the airport property, maintaining buildings, and the like, in a safe, navigable manner for all uses of the State.

10. This Agreement may be terminated by the Recipient or State at any time, with or without cause, upon ninety (90) days written notice to the other party. Such termination will not remove any unfulfilled financial obligations of the Recipient as described in this Agreement. In the event of such termination, the Recipient will be entitled to reimbursement for all costs and expenses already incurred for the Project up to the date of termination. The State may terminate this Agreement if the State determines that the State has failed to make the payments required under this Agreement, and, in the event of such termination, the Recipient will be entitled to reimbursement for all costs and expenses already incurred for the Project up to the date of termination.

11. Pursuant to Minnesota Statutes Sections 620.85, subdivision 1, the Recipient will maintain its records and provide such information as the Department of Transportation, the Legislature, the State Auditor, or the State Auditor of Minnesota may require to the Recipient, the State, or the public, and will keep such records and books, records, and accounts in accordance with the Recipient's records to the Agreement for a minimum of six years after the completion of the Agreement.

12. Pursuant to Minnesota Statutes Section 16C.55, subdivision 7, the Recipient will maintain such records and provide such information as the Department of Transportation, the Legislature, the State Auditor, or the State Auditor of Minnesota may require to the Recipient, the State, or the public, and will keep such records and books, records, and accounts in accordance with the Recipient's records to the Agreement for a minimum of six years after the completion of the Agreement.

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13. The Recipient will own, sell, and hold the State harmless from any claims, judgments, or damages including, but not limited to, its costs and attorneys' fees arising out of the Project which is the subject of this Agreement.

14. The Recipient will not utilize any state or federal financial assistance received pursuant to this Agreement to compensate, either directly or indirectly, any consultant, company, partnership, or business, however organized, which is disqualified or deemed not to be a State-contracted or subcontractor, or as an employee or material supplier. This prohibition does not prevent the Recipient from utilizing those funds to pay any party who might be disqualified or deemed not to be the State’s contractor or subcontractor as the State determines.

15. All contracts for materials, supplies, or construction performed under this Agreement will comply with the equal employment opportunity requirements of Minnesota Statutes, Sections 181.90.

16. The amount of the Agreement is limited to the dollar amount as defined in Subdivision 2. Any cost incurred above the amount allowed by the State is done without any assurance that the funds will be reimbursed in any way. A change in the Agreement will be effective only if it is reduced to writing and is associated with the same party as the agreement.

17. For projects that include consultant services, the Recipient and the consultant will coordinate the services to the extent possible. The agreement or contract for the consultant services shall be in accordance with the rules of the Board of Registration of Professional Engineers. The work plan for the Consultant services shall be incorporated into this Agreement by reference. The Consultant will be paid a lump sum contract with the State to accomplish the design and development of the services.

18. The parties must comply with the Minnesota Government Data Practices Act, as it relates to all data provided to or by a party pursuant to this Agreement.

19. Minnesota law, without regard to its choice-of-law provisions, governs this Agreement. Venue for all legal proceedings arising out of this Agreement, or any breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

20. For projects including federal funding, the Recipient must comply with applicable regulations, excluding, but not limited to, Title 14 Code of Federal Regulations, subchapter I, part 170, and Minnesota Rules, Chapter 9530. The Coding of Federal Domestic Assistance (CFDA) number for the Federal Airport Improvement Program is 20.106.

21. For all projects, the Recipient must comply with all requirements associated with the Federal Highway Administration and state laws, rules, and regulations applicable to the work. The Recipient must advertise, let, and award any contracts for the project in accordance with applicable laws. The State may withhold payment for services performed in violation of applicable laws.

22. Under this Agreement, the State is only responsible for accounting and disbursing federal and state funds. Nothing in this Agreement will be deemed to place the State in a principal, co-principal, partner, or joint venture with respect to the Project(s) covered herein. The State may provide technical advice and assistance as required by the Recipient, however, the Recipient is responsible for providing direction to its consultants and contractors and for administering its contracts with such entities. The Recipient’s contractors and consultants are not intended to be third-party beneficiaries of this Agreement.
Grant Obligations

4 pages of Fine Print

- Recipient will complete the project
- Recipient will make payments
- Recipient will request re-imbursements
- Recipient will operate the airport for 20 years
- Recipient will maintain records for Audit
- Recipient will be responsible for Direction of the Project
- Recipient will follow all applicable laws
- Recipient will comply with EEO & Data Practices
- And more….
Request & Complete a State Project

10. Aeronautics will send a fully executed copy of the agreement to the Sponsor.
11. Construction or acquisition may begin.
12. The Sponsor may request reimbursement for partial payments or a final payment.
13. Invite Aeronautics to a final inspection.
14. Final reimbursement made & project is closed.

Celebrate!
Invite us to the Ribbon Cutting
## Capital Improvement Program Report

Minnesota Department of Transportation - Aviation Division
Fairmont Municipal Airport
Report Filter - Types: All, Statuses: All

<table>
<thead>
<tr>
<th>Year</th>
<th>Project Description</th>
<th>Type</th>
<th>2032</th>
<th>2033</th>
<th>2036</th>
<th>All Projects</th>
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<tbody>
<tr>
<td>2032</td>
<td>Construct Industrial Park Site Improvements</td>
<td>CIP</td>
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<td>0.00</td>
<td>450,000.00</td>
<td>$450,000.00</td>
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<td></td>
<td>Extend Water/Sewer to Airport Industrial Park</td>
<td>CIP</td>
<td>0.00</td>
<td>0.00</td>
<td>150,000.00</td>
<td>$150,000.00</td>
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<td></td>
<td></td>
<td>SubTotal</td>
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<td>$0.00</td>
<td>$600,000.00</td>
<td>$600,000.00</td>
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<td>2033</td>
<td>Reconstruct East Apron (FFY 2032)</td>
<td>CIP</td>
<td>810,000.00</td>
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<td>90,000.00</td>
<td>$900,000.00</td>
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<td>Rehabilitate Runway 13/31, Parallel Taxiway (Mill &amp; Overlay) (FFY 2032)</td>
<td>CIP</td>
<td>2,700,000.00</td>
<td>0.00</td>
<td>300,000.00</td>
<td>$3,000,000.00</td>
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<td>Rehabilitate West Apron (Mill &amp; Overlay) (FFY 2032)</td>
<td>CIP</td>
<td>405,000.00</td>
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<td>45,000.00</td>
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<td></td>
<td>SubTotal</td>
<td>$3,915,000.00</td>
<td>$0.00</td>
<td>$435,000.00</td>
<td>$4,350,000.00</td>
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<td>2036</td>
<td>Construct Taxi/Apron, Site Prep, T-Hangar Building</td>
<td>CIP</td>
<td>0.00</td>
<td>125,000.00</td>
<td>275,000.00</td>
<td>$1,000,000.00</td>
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<td></td>
<td>Rehabilitate Runway 2/20 (Mill &amp; Overlay) (FFY 2035)</td>
<td>CIP</td>
<td>1,350,000.00</td>
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<td>150,000.00</td>
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<tr>
<td></td>
<td></td>
<td>SubTotal</td>
<td>$1,350,000.00</td>
<td>$125,000.00</td>
<td>$425,000.00</td>
<td>$2,500,000.00</td>
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<tr>
<td></td>
<td></td>
<td>All Projects</td>
<td>$7,914,554.00</td>
<td>$1,642,160.69</td>
<td>$3,125,313.33</td>
<td>$13,822,028.02</td>
</tr>
</tbody>
</table>
SASP

- 20 year guide for orderly development of Minnesota’s publicly funded airport system
- Follows FAA AC
- Public Outreach
- Published Web-based
- Published web-based

http://www.dot.state.mn.us/aero/planning/sasp.html
14,500 pilots
7,000 registered aircraft
135 state funded airports
92 federally funded airports
9 commercial service airports
31 million passengers
Other:
80 Heliports
48 Seaplane Bases
70 private & personal use airports
20-Year Estimated Capital Costs & Available Funding (millions)

Short-term 2012–2015
- Capital Costs: $712
- Forecast Funding Levels: $180

Mid-term 2016–2020
- Capital Costs: $597
- Forecast Funding Levels: $225

Long-term 2021–2030
- Capital Costs: $1,152
- Forecast Funding Levels: $450

Note: Does not include MSP, due to unique capital investment needs and sources of revenue.
**Needs Meetings**

**BEFORE**
- Regional CIP
- 1 Hour
- Program Focused
- Next Project
- Engr & Manager

**NOW and FUTURE**
- 1 Airport / 3 years
- More Meeting Time
- Needs Focused
- 20 Year Plan
- Airport Commission
## Airport Calendar and Timeline

<table>
<thead>
<tr>
<th>Critical Date</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>In Fall</td>
<td>Schedule a “Needs Meeting” with MnDOT Aeronautics if desired</td>
</tr>
<tr>
<td><strong>October</strong></td>
<td></td>
</tr>
<tr>
<td>In October</td>
<td>Airports update CIP online - using a <strong>20 year vision</strong> <a href="http://www.dot.state.mn.us/aero/airportdevelopment/cip.html#min">http://www.dot.state.mn.us/aero/airportdevelopment/cip.html#min</a></td>
</tr>
<tr>
<td>In October</td>
<td>Airports with FAA project update SAMS</td>
</tr>
<tr>
<td>October - March</td>
<td>Trim trees during this time frame to avoid disturbing Northern Long-eared Bats</td>
</tr>
<tr>
<td>10/1/2016</td>
<td>Federal Fiscal Year 2017 begins</td>
</tr>
<tr>
<td>10/1/2016</td>
<td>Permits must be in place for projects seeking FAA Discretionary 2017 grants</td>
</tr>
<tr>
<td>10/15/2016</td>
<td>Airports may submit 1st quarter (July – September) M&amp;O expenses</td>
</tr>
<tr>
<td>10/30/2016</td>
<td>MnDOT Aero polls CIP and transfers NPIAS project list to FAA for ACIP</td>
</tr>
<tr>
<td><strong>November</strong></td>
<td></td>
</tr>
<tr>
<td>In November</td>
<td>NPIAS airports update the based aircraft listing @ basedaircraft.com</td>
</tr>
<tr>
<td>11/15/2016</td>
<td>LAST DAY to submit 1st quarter (July – September) M&amp;O expenses</td>
</tr>
<tr>
<td>11/30/2016</td>
<td>FAA polls based aircraft data for NPIAS Report to Congress</td>
</tr>
<tr>
<td><strong>December</strong></td>
<td></td>
</tr>
<tr>
<td>In December</td>
<td>Trim trees and brush from wetland areas that are inaccessible in the summer months</td>
</tr>
<tr>
<td>12/01/2016</td>
<td>Airports with FAA project submit AIP pre-application package to MnDOT Aero</td>
</tr>
<tr>
<td>12/15/2016</td>
<td>MnDOT Aero reviews for concurrence, submits AIP pre-application to FAA ADO</td>
</tr>
<tr>
<td><strong>January</strong></td>
<td></td>
</tr>
<tr>
<td>In January</td>
<td>Review the snow and ice control plan, identify equipment needs for next winter</td>
</tr>
<tr>
<td>1/9/2017</td>
<td>Part 139 Airports submit 90% plans &amp; specs to FAA at least 90 days prior to advertising</td>
</tr>
<tr>
<td>1/16/2017</td>
<td>Airports may submit 2nd quarter (October – December) M&amp;O expenses</td>
</tr>
</tbody>
</table>
Thank You!

Final Questions?