AGENDA
ADVISORY BOARD MEETING
December 4, 2024 at 12:00 PM

1. **CALL TO ORDER**
   a. Special Called Meeting Notice
   b. Recognition - Dana Jones - 14 years of service - Airport Advisory Board
   c. Roll Call
   d. Oath of Office - Mark Litten
   e. Approval of the Minutes of September 25, 2024
2. **CHAIRMAN'S COMMENTS**
3. **PUBLIC COMMENTS**
4. **REGULAR BUSINESS**
   a. Discussion/Recommendation: Land Swap Project
   b. Discussion/Overview: Lease Assessment/Compliance Report Overview
5. **AIRPORT UPDATE**
   a. Business Report
   b. Operations Report
   c. Monthly Financial Report
6. **CLOSING COMMENTS**
7. **ADJOURN**

NOTICES: ANY PERSON WISHING TO APPEAL ANY DECISION MADE AT THIS MEETING WITH RESPECT TO ANY MATTER CONSIDERED AT SUCH MEETING WILL NEED A RECORD OF THE PROCEEDINGS, AND FOR SUCH PURPOSE MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, AT THE APPLICANT'S EXPENSE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED. FS 286.0105.

PERSONS WITH DISABILITIES REQUIRING ACCOMMODATIONS IN ORDER TO PARTICIPATE IN THIS MEETING SHOULD CONTACT THE CITY CLERKS OFFICE AT 329-0100 AT LEAST 24 HOURS IN ADVANCE TO REQUEST ACCOMMODATIONS.

Jud Neufeld
Chair

John P. Browning, Jr.
Board Member

Wayne McClain
Board Member

Melissa C. Miller
Board Member

Ken M. Johnson
Board Member

Mark Litten
Board Member

Arthur Billingsley
Board Member

Marcia G. Carty, CPA, CGFO
Interim City Manager

Jane West, Esq.
City Attorney

Yul McNair
Airport Manager

PALATKA MUNICIPAL AIRPORT
Lt. Jasper Kennedy "Kay" Larkin Field (28J)

Advisory Board Meeting

November 21, 2024

TO AIRPORT ADVISORY BOARD MEMBERS: **JOHN P. BROWNING, JR., WAYNE MCCLAIN, MELISSA C. MILLER, KEN M. JOHNSON, MARK LITTEN, AND ARTHUR BILLINGSLEY**

YOU ARE HEREBY NOTIFIED the Airport Advisory Board meeting to be held on November 27, 2024 is hereby cancelled. A special called meeting of the Airport Advisory Board is hereby called for December 4, 2024 at 12:00 PM at the Palatka Municipal Airport, 4015 Reid St., Palatka, FL 32177.

The purpose of the meeting is to discuss the ongoing Airport land swap.

Please govern yourselves accordingly.

Jud Neufeld
Board Chairman

Yul McNair,
Airport Manager

PERSONS WITH DISABILITIES REQUIRING ACCOMMODATIONS IN ORDER TO PARTICIPATE IN THIS MEETING SHOULD CONTACT THE CITY CLERK'S OFFICE AT 329-0100 AT LEAST 24 HOURS IN ADVANCE TO REQUEST ACCOMMODATIONS.

Recognition - Dana Jones - 14 years of service - Airport Advisory Board

STAFF REPORT

DATE: December 4, 2024
TO: City of Palatka Airport Advisory Board
FROM: City Staff

APPLICATION REQUEST
The Clerk has asked for recognition of former Board member Dana Jones

BACKGROUND
Ms. Jones has faithfully served the Airport Advisory Board for 14 years. As President of the Chamber of Commerce, she has helped provide advice to move the Airport forward.

PROJECT ANALYSIS
Ms. Jones has left her position as President of the Chamber of Commerce and the City Commission accepted her resignation from the Airport Advisory Board on October 24, 2024.

Staff Recommendation
Recognize Ms. Jones for her many years of volunteer service to the City.

ATTACHMENTS
None

Oath of Office - Mark Litten

STAFF REPORT

DATE:	December 4, 2024
TO:	City of Palatka Airport Advisory Board
FROM:	City Staff

APPLICATION REQUEST

Attached is the Oath of Office to be administered to the new board member by the City Clerk.

BACKGROUND

PROJECT ANALYSIS

Staff Recommendation

ATTACHMENTS

1.	2024.12.04 Oath of Office - Litten Mark

Oath of Office

I, MARK LITTEN, an Airport Advisory Board appointee of the Palatka City Commission, do solemnly swear or affirm I will faithfully perform the duties of my appointed office, and will support and honor to the best of my ability all applicable laws of the State of Florida, Putnam County and the City of Palatka. I hereby through this oath affirm that I will perform the duties of this public trust in a fair, equitable and ethical manner befitting the dignity and responsibilities of the office.

____
Mark Litten

STATE OF FLORIDA
COUNTY OF PUTNAM

Sworn to (or affirmed) and subscribed before me by means of [X] physical presence or [_] online notarization, this 4th day of December, 2024 by **Mark Litten**.

____
Notary Public

Personally Known ______ or Produced Identification _______
Type of Identification Produced_____________________________

Approval of the Minutes of September 25, 2024

STAFF REPORT

DATE: December 4, 2024
TO: City of Palatka Airport Advisory Board
FROM: City Staff

APPLICATION REQUEST
Staff is requesting the approval of the Minutes of the 9/25/24 Airport Advisory Board meeting.

BACKGROUND

PROJECT ANALYSIS

Staff Recommendation
Approve as read.

ATTACHMENTS

1.	2024.09.25

JUD NEUFELD
CHAIR

JOHN P. BROWNING, JR.
BOARD MEMBER

WAYNE McCLAIN
BOARD MEMBER

MELISSA C. MILLER
BOARD MEMBER

KEN M. JOHNSON
BOARD MEMBER

DANA JONES
BOARD MEMBER

ARTHUR BILLINGSLEY
BOARD MEMBER

MARCIA G. CARTY, CPA, CGFO,
INTERIM CITY MANAGER
FINANCE DIRECTOR

JANE WEST, ESQ.
CITY ATTORNEY

YUL McNAIR
AIRPORT MANAGER

AIRPORT ADVISORY BOARD
MINUTES
CITY OF PALATKA
September 25, 2024

1. CALL TO ORDER

   i. Roll Call

Present: Airport Advisory Board Member Jud Neufeld
Airport Advisory Board Member John Browning, Jr.
Airport Advisory Board Member Wayne McClain
Airport Advisory Board Member Arthur Billingsley
Airport Advisory Board Member Melissa Miller
Airport Advisory Board Member Ken Johnson
Mayor Roberta Correa

Absent:
Airport Advisory Board Member Dana Jones

Also Present: Marcia Carty, Interim City Manager; Yul McNair, Airport Manager; Sophia Smith, Airport Administrative Assistant; Jane West, City Attorney; Sunni Krantz, City Clerk; Marcia Carty, Interim City Manager/Finance Director; Jayde Baggs, Project Manager/Grants Administrator; Andrew Holesko and Matt Singletary, Passero & Associates; Nicole Grace, Keep Putnam Beautiful; Laura Pavlus, President Chamber of Commerce; Jeremy Alexander; Richard Nelson; and Rick Cunningham

   a) Introduction of the new Interim City Manager, Ms. Marcia Carty

Mr. Neufeld introduced Ms. Carty and welcomed her.

   ii. Approval of Minutes May 2024

Motion to approve by Mr. McClain. Second by Mr. Billingsley. Motion passed unanimously.

2. CHAIRMAN'S COMMENTS

   Mr. Neufeld spoke on the importance of aviation to the world and patriotism.

3. PUBLIC COMMENTS The floor was opened to public comment. Hearing none, the floor was closed to public comment.

4. REGULAR BUSINESS

i. DISCUSSION/RECOMMENDATION: Runway 9 Extension Study Project

Mr. McNair elaborated on Runway 9 project; Mr. Singletary assisted. He explained FDOT has certain regulations for such projects, especially operations. They say we must have 500 jet ops for it to be justified. One disadvantage, it will not be justified with our ops. Mr. McNair said we get about 50 large jets now (and lots of medium airplanes). We have about 90,000 smaller planes as well. The question is how do we want to approach the study/project, knowing we do not have enough ops? Do we want to have a marketing program that will bring in new jets OR we pursue the study, and get other benefits, such as having an identification of wetland areas or other components for government. Mr. McNair advised Mr. Kyle Coffman, the FDOT project manager has said in the past if the study comes back at 50 jets instead of 500, it could hurt us in the future. Mr. Singletary advised there is $100,000 set aside for the study.

Board discussion commenced. Mr. Browning and Mr. McClain spoke in support of pursuing the study. Mr. Browning indicated legislation has passed for rural airports for economic development, Wakulla and Palatka, specifically. Mr. McClain advised that a few years ago FedEx c indicated they would come to Palatka, if we will build a runway compatible for jets. Mr. Billingsley advised other pilots have told him they do not come to Palatka because the runway is not long enough. They do not prefer St. Augustine airport, due to the marine layer.
Ms. Miller indicated 100,000 operations is a great point.

Mr. McClain asked if it would require Commission approval. Mr. McNair thinks it has already been approved.

Motion to continue by Mr. McClain. Second by Mr. Johnson. Motion passed unanimously.

ii. DISCUSSION/DIRECTION: Skeet Range Lease and Operation

Chair Neufeld advised the Skeet Club leases their property from the City/Airport for $1.00 per year. Mr. McNair and Ms. Carty addressed the Board on the item. An appraisal has been completed that reflected market rate at$0.18 - $0.21 per square feet, this would cover water spray fields, skeet range, water wells, and drop zone.

Chair Neufeld indicated additional revenue is needed to lower the Airport Fund's debt to the City General Fund. Ms. Carty expressed all of the City's "dollar" leases are being brought up to fair market value. Now that we have the appraisal, we have to do more interfund, interdepartmental collaboration to whatever is being utilized. The Airport is committed to pay back the debt that remains in this year's budget. Our next stage is to give a better value to interchanging an audit trail.

Mr. McNair spoke on the need to eliminate the City's exposure to liability. The airport is compliance sensitive. Dollars generated here must stay here. He applauded Finance for their efforts to clean that up for when FAA comes for inspection. Revenues are for ops, capital programs, and to have a reserve in the future.

Mr. McClain advised that for Skydive Palatka and other existing customers, he recommends the change of rate be handled as part of annual inspections. External customers would be handled differently, with the involvement of legal.

iii. DISCUSSION: Annual Hangar Inspection Update

Mr. McNair reminded the Board we should not have non-aeronautical activity on the Airport property and there has to be a mechanism to show we are addressing that here. Ms. West responded there is an issue with the Skeet Club being non-aeronautical and having guns on Airport property.

Board discussion commenced. Mr. Browning indicated Skydive Palatka uses more than 2 acres and advised we need to keep them accountable once the runway is complete. He expressed charging by the acre makes no sense. Each lease must be looked at individually—cost vs. income. The Skeet Club has protected that property for 20 years.
Mr. Browning and Ms. Miller recommended to look at the FAA rules and what other people do. He knows other airports do similarly. The question becomes how do the other airports get by FAA/FDOT audit of property with non-aeronautical use?
Mr. McNair said they are doing it more now because of limited grant dollars dwindling. They now ask for agreements and status of payment.
Mr. Neufeld said we should get that information for at the next meeting. Mr. McNair said compliance is the issue and the location is also the place for the jet hangars and runway.

Mr. Billingsley asked if the area can be zoned something different to show it is not for a long-term airport use. Ms. Carty said our Comprehensive Master Plan might be a great opportunity for the airport. We have to issue the report by May 2025; they are hoping to commence October. The City Attorney expressed that the City is working to remain compliant with FAA and she does not foresee changes to the Airport Master Plan.

a) Handling of non-airworthy aircraft storage

Mr. McNair spoke regarding the need to address airplanes (that are not airworthy) that are taking up spaces (under 10 out of the 70 storage units that the Airport has).

Board discussion commenced regarding unauthorized storage of non-aeronautical equipment being a higher priority than non-airworthy planes.

Mr. McNair expressed we can charge them fair-market rate for storage that is non-aeronautical per the FAA's policy. Mr. Johnson expressed concerns on how to implement the policy.

b) Handling of unauthorized hangar storage for non-aeronautical items

Mr. McNair advised we have completed annual hangar inspections. The results were much better than last year. The 10 units that have non-aeronautical usage are paying regularly. He asked for the Board's input.

Board discussion commenced . Mr. Johnson spoke in opposition as non-aeronautical users do not purchase fuel. Mr. Browning spoke in favor or charging fair market rate for non-aeronautical storage.

iv. DISCUSSION: Hangar Maintenance

Mr. McNair spoke regarding maintenance of hangars and provided a slide from the agenda on the status of hangar maintenance.

5. AIRPORT UPDATE

i. Financial Report August 2024

Ms. Carty spoke regarding the grant budget is at $2,744,000. To the extent we do not finish a grant, it is considered in the future budget. She advised, despite the fuel tanks being offline, the airport earned funding.

Total revenues as of August 31st were $1,013,610. She outlined expenses and encumbrances of $1,094,000 includes airport reimbursing general fund. The external debt of the Airport has been paid back. The present debt is that to the City's General Fund.
The interpretation of this is that the Airport has a small profit of $19,000. The City will continue working towards a day that the City's General Fund does not fund the airport.

ii. Business Report August 2024

Mr. McNair advised the fuel tanks are online and we have seen more stabilization. Total revenues of August 2024 were $84,379.

Active projects include Taxiway Echo (the next step is sending a package to FAA).

iii. Operations Report

Mr. McNair provided the operations report in the packet for review.

6. CLOSING COMMENTS

Chair Neufeld expressed appreciation for the Board member's efforts.

The meeting adjourned at 1:01pm.

Discussion/Recommendation: Land Swap Project

STAFF REPORT

DATE: December 4, 2024
TO: City of Palatka Airport Advisory Board
FROM: City Staff

APPLICATION REQUEST
Please see the attached files.

BACKGROUND

PROJECT ANALYSIS

Staff Recommendation

ATTACHMENTS

1.	Revised Airport Revenues with land sale 169000
2.	INTERAGENCY AGREEMENT TRANSFERRING PROPERTY FROM THE PALATKA MUNICIPAL AIRPORT TO THE CITY OF PALATKA.V2
3.	airport net sales proceeds 169000

AIRPORT REVENUES
ESTIMATED VS. ACTUAL MONTHLY REPORT
100.00 % Yr Complete For Fiscal Year: 2024 / 9

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	2023 BUDGET	2023 REV YTD	2024 BUDGET	CURRENT MONTH REVENUES	CURRENT YTD REVENUES	UNREALIZED	PERCENT REALIZED
	FEDERAL GRANTS							
005-00-389-2-8102	FAA GENERAL AVIATION	0	59,000.00	0	0.00	0.00	0.00	0.00%
005-00-389-2-8108	FAA TAXIWAY A REDI PHASE II WE	1,388,057	0.00	0	0.00	0.00	0.00	0.00%
005-00-389-2-8109	FAA West Taxilanes & Apron Fed	72,234	72,234.00	755,061	0.00	738,672.94	16,388.06	97.82%
005-00-389-2-8110	Fed FAA Taxiway "E"cho	0	0.00	193,590	26,417.25	88,082.55	105,507.45	45.49%
	TOTAL	1,460,291	131,234.00	948,651	26,417.25	826,755.49	121,895.51	87.00%
	STATE GRANTS							
005-00-389-3-8000	RCO LEASE (BEACON GRANT)	500	684.00	0	57.00	684.00	-684.00	0.00%
005-00-389-3-8916	FDOT T Hangar G1383	728,695	1,112,132.89	0	0.00	0.00	0.00	0.00%
005-00-389-3-8920	FDOT Taxiway A WEST, Phase II	0	0.00	16,104	0.00	0.00	16,104.00	0.00%
005-00-389-3-8921	FDOT FUEL TRUCK PTGA G2340	242,000	0.00	242,000	0.00	240,000.00	2,000.00	99.17%
005-00-389-3-8922	FDOT West Taxilanes & Apron st	0	0.00	83,896	0.00	84,379.25	-483.25	100.57%
005-00-389-3-8923	FDOT RWY 9 Obstruction Tree Re	0	0.00	575,000	0.00	38,160.93	536,839.07	6.63%
005-00-389-3-8924	FDOT Wildlife Hazard Assessmen	0	0.00	25,000	0.00	16,400.00	8,600.00	65.60%
005-00-389-3-8925	FDOT Bulk Hangar (W1-3) Apron	0	0.00	100,000	0.00	1,054.56	98,945.44	1.05%
005-00-389-3-8926	FDOT RWY 9/27 EXT feasibility	0	0.00	100,000	0.00	0.00	100,000.00	0.00%
005-00-389-3-8927	FDOT Access Control & Gate Imp	0	0.00	100,000	1,785.00	8,640.84	91,359.16	8.64%
005-00-389-3-8928	FDOT CORPORATE	0	0.00	262,500	0.00	0.00	262,500.00	0.00%
005-00-389-3-8929	FDOT Emergency Generators	0	0.00	250,000	3,375.00	6,017.16	243,982.84	2.40%
005-00-389-3-8930	FDOT TAXIWAY 'E'CHO	0	0.00	21,510	2,935.25	9,786.95	11,723.05	45.49%
	TOTAL	971,195	1,112,816.89	1,776,010	8,152.25	405,123.69	1,370,886.31	23.00%
	TOTAL GRANTS	2,431,486	1,244,050.89	2,724,661	34,569.50	1,231,879.18	1,492,781.82	45.00%
	OPERATING REVENUES							
005-00-344-1-1010	100 LL AVIATION FUEL	630,000	542,854.32	630,000	17,705.43	244,573.79	385,426.21	38.82%
005-00-344-1-1020	JET A AVIATION FUEL	400,000	193,326.04	400,000	8,919.03	192,203.39	207,796.61	48.05%
005-00-344-1-1030	DONATIONS-FLY-IN EVENT	20,000	0.00	20,000	0.00	0.00	20,000.00	0.00%
005-00-344-1-1200	TIE DOWN FEES/VEHICLE PARKING	3,500	4,102.51	4,000	366.75	4,977.00	-977.00	124.42%
005-00-344-1-1400	VENDING	800	0.00	800	0.00	0.00	800.00	0.00%
005-00-344-1-1700	AVIATION LUBRICANTS	2,000	2,187.76	2,000	72.91	1,961.22	38.78	98.06%
005-00-344-1-1800	MERCHANDISE SALES	1,500	604.11	1,000	105.00	1,012.07	-12.07	101.20%
005-00-362-0-1000	HANGAR RENTALS	300,000	314,895.83	392,524	27,439.72	371,686.17	20,837.83	94.69%
005-00-362-0-1100	HANGAR MAINT FEE	19,200	18,740.76	19,200	1,125.00	20,491.07	-1,291.07	106.72%

AIRPORT REVENUES
ESTIMATED VS. ACTUAL MONTHLY REPORT
100.00 % Yr Complete For Fiscal Year: 2024 / 9

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	2023 BUDGET	2023 REV YTD	2024 BUDGET	CURRENT MONTH REVENUES	CURRENT YTD REVENUES	UNREALIZED	PERCENT REALIZED
005-00-362-0-2000	LAND LEASE	4,000	37,719.72	4,000	425.00	5,014.57	-1,014.57	125.36%
005-00-362-0-3000	BUILDING RENTAL	20,000	16,076.40	20,000	875.00	16,152.40	3,847.60	80.76%
	TOTAL	1,401,000	1,130,507.45	1,493,524	57,033.84	858,071.68	635,452.32	57.00%
	OTHER REVENUES							
005-00-365-0-0000	SURPLUS EQUIPMENT-AIRPORT	0	2,100.00	2,250	0.00	43,400.00	-41,150.00	1928.88%
005-00-365-0-1001	SURPLUS LAND-SALE	0	0.00	0	169,000.00	169,000.00	-169,000.00	0.00%
005-00-369-9-1000	MISCELLANEOUS REVENUES	2,000	28,724.16	3,500	278.62	7,927.55	-4,427.55	226.50%
005-00-369-9-1001	E-PAYABLES REVENUE SHARE	250	550.41	300	51.91	562.18	-262.18	187.39%
005-00-369-9-3000	LATE FEES	0	0.00	0	-10.00	-10.00	10.00	0.00%
005-00-369-9-4000	INSURANCE CLAIMS - AIRPORT	0	13,193.59	0	0.00	0.00	0.00	0.00%
	TOTAL	2,250	44,568.16	6,050	169,320.53	220,879.73	-214,829.73	3651.00%
	TRANSFERS							
005-00-381-0-0000	TRANSFER FROM GENERAL	459,340	451,582.00	284,340	23,695.00	284,340.00	0.00	100.00%
	TOTAL	459,340	451,582.00	284,340	23,695.00	284,340.00	0.00	100.00%
	LOAN PROCEEDS							
	TOTAL	0	0.00	0	0.00	0.00	0.00	0.00%
	TOTAL REVENUES	4,294,076	2,870,708.50	4,508,575	284,618.87	2,595,170.59	1,913,404.41	58.00%
	CASH BALANCE FORWARD							
005-00-301-0-0000	OPERATING CASH BALANCE FORWARD	19,200	0.00	38,155	0.00	0.00	38,155.00	0.00%
	TOTAL	19,200	0.00	38,155	0.00	0.00	38,155.00	0.00%
	TOTAL REV, TRFS & CASH BALANCE	4,313,276	2,870,708.50	4,546,730	284,618.87	2,595,170.59	1,951,559.41	57.00%

INTERAGENCY AGREEMENT TRANSFERRING PROPERTY FROM THE PALATKA MUNICIPAL AIRPORT (28J) TO THE CITY OF PALATKA

This agreement dated _____ December, 2024 is between the City of Palatka Municipal Airport 28J Enterprise Fund (the "Airport") as the Grantor and the City of Palatka, a municipal corporation (the "City"), General Fund, as the Grantee, acting through its City Commission.

RECITALS

A. On August 31, 2022, the City sought to obtain a Land Release from the Federal Aviation Administration ("FAA") for 14.6 acres of Airport property to develop a facility for the City's Public Works Department, including a requirement that a payment or receivable of $169,000 be provided from the City to the Airport. See Request for Release of Airport Property, attached hereto as **Exhibit A.**
B. On May 12, 2023, after evaluating the proposal, the FAA determined that no additional Part 163 coordination was required.
C. On Jun 16, 2023, the Notice of Intent to Release the property was published in the Federal Register. See attached **Exhibit B.**
D. Thereafter, the City determined that another adjacent, and more cost-effective location was more suitable for the Public Works facility. There are no current plans to develop any portion of the 14.6 acres now owned by the City, and as such, there are no impacts identified on the Property.
E. On September 13, 2023, the Orlando Airports District Office, Airports Division, Southern Region, Federal Aviation Administration executed a Deed of Release for the 14.6 acres and the same was accepted by the City on October 4, 2023 and recorded on October 13, 2024. See attached **Exhibit C.**
F. The Deed of Release legally transferred the 14.6 acres of real property.
G. The Property is valued at $169,000.00 based upon the appraisal attached hereto as **Exhibit D**.
H. The City shall pay the full value of the property, in the amount of $169,000.00, to the Palatka Municipal Airport 28J Enterprise Fund, for full consideration of the property, within thirty (30) days of this Agreement, or reflect an offset to debt payable to the City.

AGREEMENT

1. Recitals. The Recitals set forth above, at the beginning of this Agreement, are incorporated into this Agreement as if set forth fully herein.

2. Purpose. The purpose of this Agreement is to effectuate the following (i) the City's acquisition of title to the Airport property from the Airport; (ii) transfer of the property to the City's general fund.

3. Waiver and Release. Subject to the representations, warranties, covenants and/or agreements of the parties under and pursuant to this Agreement, the City waives, to the maximum legal extent, any and all claims, demands, remedies or

causes of action for damages, liabilities, losses, costs and/or expenses, including attorneys' fees, arising out of the City's acquisition of the Airport Property.

4. Indemnification. The City, at its sole cost and expense, agrees to fully and completely indemnify the Airport against any and all claims relating to or arising from this Agreement and/or the Property.

5. Authority. The person(s) executing this Agreement and the instruments referenced herein on behalf of the City and the Airport have the power, right and actual authority to bind the City and the Airport to the terms and conditions of this Agreement.

6. Assignment. Neither this Agreement nor any interest herein shall be assignable by the City or the Airport without the prior written consent of the parties, which consent shall not be unreasonably withheld.

7. Entire Agreement. This Agreement and any attachments hereto constitute the entire agreement between the City and the Airport, whether oral or written.

8. Time is of the Essence. Time is of the essence with respect to all of the terms, conditions and obligations set forth herein.

9. Governing Law; Venue. The validity and enforceability of this Agreement shall be governed by and construed in accordance with the laws of the State of Florida, and venue is proper in Putnam County, Florida.

____
Marcia Carty
Interim City Manager

CITY OF PALATKA

BY:______________________________
_
ITS MAYOR

ATTEST:

____
CITY CLERK

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

____
CITY ATTORNEY

City of Palatka
Airport Sale Proceeds Distribution
as of 11/30/2024

Sale Proceeds		$ 169,000.00
Loan due to General Fund		
Loan Balance as of 9/30/2024	$ 129,622.91	
Loan Payments Budgeted FY 24/25	$ (50,000.00)	
Net Loan Balance after payment		$ 79,622.91
Net Funds due to Airport after debt liquidation		$ 89,377.09

Discussion/Overview: Lease Assessment/Compliance Report Overview

STAFF REPORT

DATE: December 4, 2024
TO: City of Palatka Airport Advisory Board
FROM: City Staff

APPLICATION REQUEST

Please see the attached lease assessment for discussion.

BACKGROUND

PROJECT ANALYSIS

Staff Recommendation

ATTACHMENTS

1.	Airport Lease Assessment

PALATKA MUNICIPAL AIRPORT

LEASE ASSESSMENT

Kutchins & Groh
consulting associates for airports

Palatka Municipal Airport
Lease Assessment

Introduction

The Palatka Municipal Airport (28J) is a general aviation airport 2.3 miles west of Palatka, FL, managed by the City of Palatka. With two active runways, the airport plays a key role in the region's transportation network. The airport's two runways are Runway 9/27 and Runway 17/35, which are 6,003' long and 100' wide and 3,500' long and 75' wide, respectively.

As a city department, the airport utilizes administrative resources to execute some operational duties, including legal services, human resources, and accounting. This is common practice throughout the country. However, certain best practices must be implemented in order to comply with FAA grant assurances.

Currently, the airport has 89 paying lessees, generating approximately $393,000 in annual income. A breakdown of these agreements can be found in Appendix 1. Most tenants are engaged in month-to-month leases initiated by traditional 12-month agreements that were then automatically converted once the initial lease term expired. While this setup offers flexibility, it also presents challenges, including a lack of long-term security and missed opportunities for adjusting leases to market rates.

Exhibit A: Annual Income Breakdown

Agreement Type	Annual Income	Number of Lessees
Building Rental	$10,500.00	1 Lessee
Commercial Hangar	$58,500.00	3 Lessees
Corporate Hangar	$15,420.00	1 Lessee
Executive Hangar	$23,040.00	2 Lessees
Facility	$684.00	1 Lessee
Ground	$1.00	1 Lessee
Storage Hangar	$17,820.00	5 Lessees
T-Hangar	$198,265.44	54 Lessees
T-Hangar Cabin	$41,917.32	11 Lessees
T-Hangar Corporate	$15,780.00	1 Lessee
Terminal Office Space	$7,200.00	1 Lessee
Tie Down	$3,912.00	8 Lessees

Current Challenges

The airport faces several issues that could impact its financial stability and operations. One of the more significant problems is the reliance on month-to-month lease extensions. Many tenants have been on these short-term agreements for years without any rent adjustments. This can create unpredictable revenue for the airport, which means it is potentially missing out on stable, consistent income. Also, by not adjusting prices on a fixed schedule, the airport is not able to keep rental income aligned with market rates, which could help cover rising maintenance costs or fund improvements.

In addition to the month-to-month leases, the airport is not being compensated for land used by certain facilities on airport property, such as the water wells, the spray field, and the fire station. This results in the airport missing out on revenue and could potentially lead to revenue diversion issues with the FAA. In addition to the uncompensated land use, the airport has a construction material stockpile (e.g., millings), which has been accumulated through grant-funded projects. This material and associated value should be considered airport property and cannot be utilized for projects outside of the airport without proper compensation and approval from the FAA. Unauthorized and uncompensated use of this material can be considered another form of revenue diversion and could lead to further FAA compliance issues.

Exhibit B: Water Wells on Airport Property

Another challenge for the airport is the current lease with the Palatka Skeet Club, Inc., which only requires rent of $1 per year under a 20-year agreement that began in 2009. This long-term lease at such a low rate limits the airport's ability to generate revenue from valuable land that could be better utilized to support airport operations and development.

Potential FAA Grant Assurance and FAA Policies Issues

As a recipient of FAA grants, the Palatka Municipal Airport is subject to compliance with the FAA's grant assurances, which are obligations that all airports agree to when accepting FAA funds. Assurances address a range of topics, from maintaining a drug-free workplace and ensuring ADA compliance to identifying required audit documents and ensuring airport revenue is used for airport operations and maintenance costs. A complete list of grant assurance can be found in the FAA's Airport Sponsors Assurance document and included in this document as Appendix 2. Based on the assessment of the 28J's current lease agreements, there are a few different grant assurances of which the airport could be found non-compliant, particularly Grant Assurance 24 (Fee and Rental Structure), Grant Assurance 25 (Airport Revenues), and Grant Assurance 26 (Reports and Inspections).

Grant Assurance 24: (Airports) will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a Grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

While the airport maintains a rental structure for certain rates, there is no standardized lease in place that allows the airport to increase rent over time or renew leases after an initial period expires. Leaving these agreements as month-to-month leases - the case with most of the airport's current agreements - puts undue uncertainty on the airport's future revenue potential. Also, without a contractual schedule to gradually increase rent over a certain period, the airport may be unable to meet growing annual costs, such as administrative costs, inflation costs, and rising maintenance costs, which can grow exponentially as facilities age.

Grant Assurance 24 states that airports will maintain a fee and rental structure that will make the airport as self-sustaining as possible. 28J's lack of standardization and inability to increase revenue as costs rise can limit its ability to be self-sustaining, which may cause issues with FAA Grant Assurance 24.

In addition to concerns with the current lease structures, the airport is not being compensated for land used by the municipal water wells, fire station, and spray field. This lack of compensation may, once again, lead to compliance issues with Grant Assurance 24. Also, Grant Assurance 26 states that airports should provide annual reports that list in detail "all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property." This statement could imply a reinforcement of FAA policy that airports must be compensated for the services and property they provide.

Grant Assurance 26: (Airports) will...
d. 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 listing in detail:
1. all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and
2. all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

Grant Assurance 25 states that any revenue generated at the airport must be used to operate or promote the airport, including noise mitigation costs. This grant assurance ensures that airport revenue essentially stays within and funds its budget. If a city uses airport funds to cover expenses for other operations, fails to compensate the airport for its property or services, or provides services to users outside the airport's property, it could be deemed revenue diversion. The FAA defines revenue diversion in its Policy and Procedures Concerning the Use of Airport Revenue (Appendix 3) in two categories: unlawful and lawful revenue diversion. Lawful revenue diversion is essentially revenue diversion that has been grandfathered through 49 U.Sfaa gran.C. § 47107(b)(2). Unlawful revenue diversion is "the use of airport revenue for purposes other than the capital or operating costs of the airport, the local airport system, or other local facilities owned or operated by the airport owner or operator and directly and substantially related to the air transportation of passengers or property."

Grant Assurance 25: All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport.

While there is an exemption within Grant Assurance 25 and the FAA's Policy and Procedures concerning the use of airport revenue regarding mineral rights at airports, these exemptions must be aligned with several criteria and be granted by the FAA. Further information regarding this exemption is provided within the FAA's Compliance Guidance Letter (CGL): FAA Implementation of Public Law 112-95 Section 813, Use of Mineral Revenue at Certain Airports (Appendix 4).

Finally, another potential issue that may need addressing is the use and rates associated with properties that are used for non-aeronautical purposes, particularly the Palatka Skeet Club property and the old airport terminal building (W4). The FAA's Airport Compliance Manual (Appendix 5) states that the FAA must approve non-aeronautical use of land. This process is usually conducted via an airport's Airport Layout Plan (ALP) acceptance process. Changes can be made to an airport's ALP via interim updates if certain parcels of land need to be converted from aeronautical land use to non-aeronautical land use. In addition to approving the land use, the compliance manual outlines a policy that any airport land must be utilized for its "highest and best use." The manual defines this as "reasonably probable and legal use of property that is physically possible, appropriately supported, and financially feasible, and that results in the highest value" and outlines several different criteria upon which this decision is based.

The manual also addresses rental rates to ensure that non-aeronautical land is rented at a fair market value. In Section 15.13. Prohibited Uses of Airport Revenue J. Sponsor Non-Aeronautical Use, it states "rental of land to, or use of land by, the sponsor for non-aeronautical purposes at less than fair market value rent is considered a subsidy of local government and is a prohibited use of airport revenue."

Conclusion

Based on this assessment, Palatka Municipal Airport can take several actions to better organize its leases and ensure compliance with FAA grant assurances and ordinances. It is important to note that any recommendations are based on airport best practices and should not be interpreted as legal advice and any concerns regarding compliance should be reviewed by the airport's legal advisors.

Utilizing the assembled detailed lease assessment, the airport should determine tenants that will be converted from a month-to-month agreement to a longer-term lease. Typically, tenants occupying hangars and other facilities are engaged under longer-term leases, while tie-down tenants still utilize month-to-month agreements. However, this could vary depending on the type of hangar and its use (e.g., a space within a community hangar may be better suited for a month-to-month agreement due to the transient nature of community hangars, but a tenant solely occupying a box hangar to store multiple planes may be better suited for a long-term lease).

A standard lease document should be drafted for the long-term leases and month-to-month agreements. These documents should include the necessary provisions to protect the airport and its assets and outline the airport's and the tenant's responsibilities. Typically, leases also call for tenants to have certain documentation on file with the airport, such as insurance, proof of ownership, and any other relevant information. The FAA has several guidance documents available to assist airports with insurance leases that are compliant and fair.

The airport should develop and formally adopt a rate schedule for the various facilities within the airport property. An initial hangar rent adjustment was completed in November 2023, with rate adjustments based on a regional pricing survey. In early 2024, the airport commissioned an appraisal of its property to establish its real estate fair market value. This adjustment and appraisal should be used as a baseline to develop this new rate schedule. A rate escalation policy can be adopted to ensure the hangar rates increase on an annual schedule and can provide the funding needed to meet rising operating and maintenance costs. An industry standard is to utilize a defined average of historical consumer price index (CPI) data or a specified percentage each year.

Once initiated, leases should be tracked over time to renegotiate and approve renewals before expiring. While lease lengths can vary, it is common for leases to have an established base (e.g., 3 or 5 years) with a defined set of extension options (e.g., two 1-year renewal options). It is important to note that the length and extensions need to be reasonable when compared to the facility being leased and do not allow tenants to lease an asset for an exceedingly long period.

While it is commonly believed that annually increased costs may drive tenants away, many airports have seen that tenants appreciate the organization and the clear outlining of expectations and budgets. While there may be disagreements about the initial rate, most tenants understand the need to increase rent on a defined schedule to ensure the airport's sustainability.

In addition to establishing a standard lease agreement with a lease rate schedule, the airport should also assess its property currently being leased to determine that land leased is being utilized for its highest and best use. An assessment of the Palatka Skeet Club, Inc.'s lease may be necessary to ensure their lease amount complies with FAA guidance. Also, a separate assessment should be conducted of the old terminal building's use and lease. Based on the records provided, there is no written agreement in place for the old terminal building's use. Currently, the building is listed as an aeronautical facility with plans to grow apron space around it. If this is still the case, the airport should lease this facility with an established lease rate and formal lease agreement to an entity that will utilize the access to the airfield and provide some kind of aeronautical use case (e.g., the flight school already on airport property). If the airport continues to allow access to this facility without any formal agreement and/or FAA approval for non-aeronautical activities, the airport risks revenue diversion and acceptable land use compliance issues.

If it is not already in place, the City of Palatka should explore creating specific accounts to collect and track airport revenue and costs. These accounts will keep airport revenue separate from other municipal funds, ensuring there are no revenue diversion issues and providing a clear trail of payments for the airport's land use for water wells, spray fields, and the fire station. This practice can make reporting seamless and provide straightforward answers in the event of any audit questions. The airport should also explore using software to better manage and track lease agreements and payments more efficiently. Several options have been developed for airport fixed-based operators (FBO) that could fit the airport's needs.

Overall, the Palatka Municipal Airport is a well-managed airport that brings a large economic opportunity to the area. By adjusting the lease management practices, the airport can continue to operate and grow more strategically to better serve its tenants and the community.

Appendix 1: Lease Tracker

TYPE	Facility/ Hangar #	Agreement Type	Agreement Status	Lease Copy	Monthly Total	Annual Total
Aeronautical User	W4 96	Building Rentals	Month-to-Month	No	$ 875.00	$ 10,500.00
Aeronautical User	W1	Commercial Hangar	Month-to-Month	No	$ 1,625.00	$ 19,500.00
Aeronautical User	W2	Commercial Hangar	Month-to-Month	Yes	$ 1,625.00	$ 19,500.00
Aeronautical User	W3	Commercial Hangar	Month-to-Month	No	$ 1,625.00	$ 19,500.00
Aeronautical User	E4 52	Corporate Hangar	Month-to-Month	Yes	$ 1,285.00 [1]	$ 15,420.00
Aeronautical User	W10	Executive Hangar	Month-to-Month	No	$ 960.00	$ 11,520.00
Aeronautical User	W9	Executive Hangar	Month-to-Month	No	$ 960.00	$ 11,520.00
Aeronautical User	E1	Facility	Active	No	$ 57.00	$ 684.00
Non-Aeronautical User	SR	Ground	Active	Yes	$ 1.00	$ 1.00
Non-Aeronautical User	N/A	None	None	No	$ -	$ -
Non-Aeronautical User	N/A	None	None	No	$ -	$ -
Non-Aeronautical User	N/A	None	None	No	$ -	$ -
Non-Aeronautical User	W4	None	None	No	$ -	$ -
Aeronautical User	E7 81	Storage Hangar	Month-to-Month	No	$ 330.00	$ 3,960.00
Aeronautical User	E7 83	Storage Hangar	Month-to-Month	No	$ 330.00	$ 3,960.00
Aeronautical User	E6 72	Storage Hangar	Month-to-Month	No	$ 325.00	$ 3,900.00
Aeronautical User	W7 8	Storage Hangar	Month-to-Month	No	$ 250.00 [2]	$ 3,000.00
Aeronautical User	23	Storage Hangar	Month-to-Month	No	$ 250.00	$ 3,000.00
Aeronautical User	W11 91	T Hangar	Month-to-Month	No	$ 600.00	$ 7,200.00
Aeronautical User	W11 96	T Hangar	Month-to-Month	No	$ 600.00 [3]	$ 7,200.00
Aeronautical User	W11 92	T Hangar	Month-to-Month	No	$ 400.00	$ 4,800.00
Aeronautical User	W11 93	T Hangar	Month-to-Month	No	$ 400.00	$ 4,800.00
Aeronautical User	W11 94	T Hangar	Month-to-Month	No	$ 400.00	$ 4,800.00
Aeronautical User	W11 95	T Hangar	Month-to-Month	No	$ 400.00	$ 4,800.00
Aeronautical User	E7 86	T Hangar	Month-to-Month	No	$ 384.95 [4]	$ 4,619.40
Aeronautical User	E7 88	T Hangar	Month-to-Month	No	$ 384.95	$ 4,619.40
Aeronautical User	E3 41	T Hangar	Month-to-Month	No	$ 370.00	$ 4,440.00
Aeronautical User	E3 43	T Hangar	Month-to-Month	No	$ 370.00	$ 4,440.00
Aeronautical User	E3 44	T Hangar	Month-to-Month	No	$ 370.00 [5]	$ 4,440.00
Aeronautical User	E3 45	T Hangar	Month-to-Month	No	$ 370.00	$ 4,440.00
Aeronautical User	E3 46	T Hangar	Month-to-Month	No	$ 370.00	$ 4,440.00
Aeronautical User	E3 47	T Hangar	Month-to-Month	No	$ 370.00	$ 4,440.00
Aeronautical User	E3 48	T Hangar	Month-to-Month	No	$ 370.00	$ 4,440.00
Aeronautical User	E7 85	T Hangar	Month-to-Month	No	$ 330.00	$ 3,960.00
Aeronautical User	E4 51	T Hangar	Month-to-Month	No	$ 305.00	$ 3,660.00
Aeronautical User	E4 53	T Hangar	Month-to-Month	No	$ 305.00	$ 3,660.00
Aeronautical User	E4 54	T Hangar	Month-to-Month	No	$ 305.00	$ 3,660.00
Aeronautical User	E4 55	T Hangar	Month-to-Month	No	$ 305.00	$ 3,660.00
Aeronautical User	E4 56	T Hangar	Month-to-Month	No	$ 305.00	$ 3,660.00
Aeronautical User	E4 58	T Hangar	Month-to-Month	No	$ 305.00	$ 3,660.00
Aeronautical User	E4 60	T Hangar	Month-to-Month	No	$ 305.00	$ 3,660.00
Aeronautical User	W6 15	T Hangar	Month-to-Month	No	$ 268.11	$ 3,217.32
Aeronautical User	E5 61	T Hangar	Month-to-Month	No	$ 265.00	$ 3,180.00
Aeronautical User	E5 63	T Hangar	Month-to-Month	No	$ 265.00	$ 3,180.00
Aeronautical User	E5 64	T Hangar	Month-to-Month	No	$ 265.00	$ 3,180.00
Aeronautical User	E5 65	T Hangar	Month-to-Month	No	$ 265.00	$ 3,180.00
Aeronautical User	E5 66	T Hangar	Month-to-Month	No	$ 265.00	$ 3,180.00
Aeronautical User	E6 71	T Hangar	Month-to-Month	No	$ 265.00	$ 3,180.00

TYPE	Facility/ Hangar #	Agreement Type	Agreement Status	Lease Copy	Monthly Total	Annual Total
Aeronautical User	E6 73	T Hangar	Month-to-Month	No	$ 265.00	$ 3,180.00
Aeronautical User	E6 73	T Hangar	Month-to-Month	Yes	$ 265.00	$ 3,180.00
Aeronautical User	E6 76	T Hangar	Month-to-Month	No	$ 265.00	$ 3,180.00
Aeronautical User	E6 75	T Hangar	Month-to-Month	No	$ 251.00	$ 3,012.00
Aeronautical User	W5 22	T Hangar	Month-to-Month	No	$ 250.00	$ 3,000.00
Aeronautical User	W5 24	T Hangar	Month-to-Month	No	$ 250.00	$ 3,000.00
Aeronautical User	W5 25	T Hangar	Month-to-Month	No	$ 250.00	$ 3,000.00
Aeronautical User	W5 26	T Hangar	Month-to-Month	No	$ 250.00	$ 3,000.00
Aeronautical User	W5 27	T Hangar	Month-to-Month	No	$ 250.00	$ 3,000.00
Aeronautical User	W5 28	T Hangar	Month-to-Month	No	$ 250.00	$ 3,000.00
Aeronautical User	W5 29	T Hangar	Month-to-Month	No	$ 250.00	$ 3,000.00
Aeronautical User	W6 12	T Hangar	Month-to-Month	No	$ 250.00	$ 3,000.00
Aeronautical User	W6 13	T Hangar	Month-to-Month	No	$ 250.00	$ 3,000.00
Aeronautical User	W6 14	T Hangar	Month-to-Month	No	$ 250.00	$ 3,000.00
Aeronautical User	W6 16	T Hangar	Month-to-Month	No	$ 250.00	$ 3,000.00
Aeronautical User	W7 17	T Hangar	Month-to-Month	No	$ 250.00	$ 3,000.00
Aeronautical User	W7 2	T Hangar	Month-to-Month	No	$ 250.00 [6]	$ 3,000.00
Aeronautical User	W7 3	T Hangar	Month-to-Month	No	$ 250.00	$ 3,000.00
Aeronautical User	W7 4	T Hangar	Month-to-Month	No	$ 250.00 [7]	$ 3,000.00
Aeronautical User	W7 5	T Hangar	Month-to-Month	No	$ 250.00	$ 3,000.00
Aeronautical User	W7 6	T Hangar	Month-to-Month	No	$ 250.00	$ 3,000.00
Aeronautical User	W7 7	T Hangar	Month-to-Month	No	$ 250.00	$ 3,000.00
Aeronautical User	W7 9	T Hangar	Month-to-Month	No	$ 250.00	$ 3,000.00
Aeronautical User	W6 18	T Hangar	Month-to-Month	No	$ 243.11	$ 2,917.32
Aeronautical User	E3 42	T Hangar Cabin	Month-to-Month	No	$ 480.00	$ 5,760.00
Aeronautical User	E5 62	T Hangar Cabin	Month-to-Month	No	$ 325.00	$ 3,900.00
Aeronautical User	E5 68	T Hangar Cabin	Month-to-Month	Yes	$ 325.00	$ 3,900.00
Aeronautical User	E6 78	T Hangar Cabin	Month-to-Month	No	$ 325.00	$ 3,900.00
Aeronautical User	W5 21	T Hangar Cabin	Month-to-Month	No	$ 295.00	$ 3,540.00
Aeronautical User	W5 30	T Hangar Cabin	Month-to-Month	No	$ 295.00	$ 3,540.00
Aeronautical User	W6	T Hangar Cabin	Month-to-Month	No	$ 295.00 [8]	$ 3,540.00
Aeronautical User	W6 11	T Hangar Cabin	Month-to-Month	No	$ 295.00	$ 3,540.00
Aeronautical User	W7 1	T Hangar Cabin	Month-to-Month	No	$ 295.00	$ 3,540.00
Aeronautical User	W7 4	T Hangar Cabin	Month-to-Month	No	$ 295.00	$ 3,540.00
Aeronautical User	W6 19	T Hangar Cabin	Month-to-Month	No	$ 268.11	$ 3,217.32
Aeronautical User	E7 84	T Hangar Corporate	Month-to-Month	No	$ 1,315.00 [9]	$ 15,780.00
Non-Aeronautical User	B-4	Terminal Office Space	Month-to-Month	No	$ 600.00	$ 7,200.00
Aeronautical User	N/A	Tie Down	Month-to-Month	No	$ 489.00	$ 489.00
Aeronautical User	N/A	Tie Down	Month-to-Month	No	$ 489.00	$ 489.00
Aeronautical User	N/A	Tie Down	Month-to-Month	No	$ 489.00	$ 489.00
Aeronautical User	N/A	Tie Down	Month-to-Month	No	$ 489.00	$ 489.00
Aeronautical User	N/A	Tie Down	Month-to-Month	No	$ 489.00	$ 489.00
Aeronautical User	N/A	Tie Down	Month-to-Month	No	$ 489.00	$ 489.00
Aeronautical User	N/A	Tie Down	Month-to-Month	No	$ 489.00	$ 489.00
Aeronautical User	N/A	Tie Down	Month-to-Month	No	$ 489.00	$ 489.00

Appendix 2: FAA Airport Sponsor Grant Assurances

FAA
Airports

ASSURANCES

AIRPORT SPONSORS

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this Grant Agreement.

B. Duration and Applicability.

1. **Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.**

   The terms, conditions and assurances of this Grant Agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. **Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.**

   The preceding paragraph (1) also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. **Airport Planning Undertaken by a Sponsor.**

   Unless otherwise specified in this Grant Agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 23, 25, 30, 32, 33, 34, and 37 in Section C apply to planning projects. The terms, conditions, and assurances of this Grant Agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance, and use of Federal funds for this Grant including but not limited to the following:

FEDERAL LEGISLATION

a. 49 U.S.C. subtitle VII, as amended.

b. Davis-Bacon Act, as amended — 40 U.S.C. §§ 3141-3144, 3146, and 3147, et seq.[1]

c. Federal Fair Labor Standards Act – 29 U.S.C. § 201, et seq.

d. Hatch Act – 5 U.S.C. § 1501, et seq.[2]

e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. § 4601, et seq.[1, 2]

f. National Historic Preservation Act of 1966 – Section 106 – 54 U.S.C. § 306108.[1]

g. Archeological and Historic Preservation Act of 1974 – 54 U.S.C. § 312501, et seq.[1]

h. Native Americans Grave Repatriation Act – 25 U.S.C. § 3001, et seq.

i. Clean Air Act, P.L. 90-148, as amended – 42 U.S.C. § 7401, et seq.

j. Coastal Zone Management Act, P.L. 92-583, as amended – 16 U.S.C. § 1451, et seq.

k. Flood Disaster Protection Act of 1973 – Section 102(a) - 42 U.S.C. § 4012a.[1]

l. 49 U.S.C. § 303, (formerly known as Section 4(f)).

m. Rehabilitation Act of 1973 – 29 U.S.C. § 794.

n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin).

o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.) (prohibits discrimination on the basis of disability).

p. Age Discrimination Act of 1975 – 42 U.S.C. § 6101, et seq.

q. American Indian Religious Freedom Act, P.L. 95-341, as amended.

r. Architectural Barriers Act of 1968, as amended – 42 U.S.C. § 4151, et seq.[1]

s. Powerplant and Industrial Fuel Use Act of 1978 – Section 403 – 42 U.S.C. § 8373.[1]

t. Contract Work Hours and Safety Standards Act – 40 U.S.C. § 3701, et seq.[1]

u. Copeland Anti-kickback Act – 18 U.S.C. § 874.[1]

v. National Environmental Policy Act of 1969 – 42 U.S.C. § 4321, et seq.[1]

w. Wild and Scenic Rivers Act, P.L. 90-542, as amended – 16 U.S.C. § 1271, et seq.

x. Single Audit Act of 1984 – 31 U.S.C. § 7501, et seq.[2]

y. Drug-Free Workplace Act of 1988 – 41 U.S.C. §§ 8101 through 8105.

z. The Federal Funding Accountability and Transparency Act of 2006, as amended (P.L. 109-282, as amended by section 6202 of P.L. 110-252).

aa. Civil Rights Restoration Act of 1987, P.L. 100-259.

bb. Build America, Buy America Act, P.L. 117-58, Title IX.

EXECUTIVE ORDERS

a. Executive Order 11246 – Equal Employment Opportunity[1]

b. Executive Order 11990 – Protection of Wetlands

c. Executive Order 11998 – Flood Plain Management

d. Executive Order 12372 – Intergovernmental Review of Federal Programs

e. Executive Order 12699 – Seismic Safety of Federal and Federally Assisted New Building Construction[1]

f. Executive Order 12898 – Environmental Justice

g. Executive Order 13166 – Improving Access to Services for Persons with Limited English Proficiency

h. Executive Order 13985 – Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government

i. Executive Order 13988 – Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation

j. Executive Order 14005 – Ensuring the Future is Made in all of America by All of America's Workers

k. Executive Order 14008 – Tackling the Climate Crisis at Home and Abroad

FEDERAL REGULATIONS

a. 2 CFR Part 180 – OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).

b. 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [4, 5]

c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment.

d. 14 CFR Part 13 – Investigative and Enforcement Procedures.

e. 14 CFR Part 16 – Rules of Practice for Federally-Assisted Airport Enforcement Proceedings.

f. 14 CFR Part 150 – Airport Noise Compatibility Planning.

g. 28 CFR Part 35 – Nondiscrimination on the Basis of Disability in State and Local Government Services.
h. 28 CFR § 50.3 – U.S. Department of Justice Guidelines for the Enforcement of Title VI of the Civil Rights Act of 1964.
i. 29 CFR Part 1 – Procedures for Predetermination of Wage Rates.[1]
j. 29 CFR Part 3 – Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States.[1]
k. 29 CFR Part 5 – Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (Also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to the Contract Work Hours and Safety Standards Act).[1]
l. 41 CFR Part 60 – Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and Federally-assisted contracting requirements).[1]
m. 49 CFR Part 20 – New Restrictions on Lobbying.
n. 49 CFR Part 21 – Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964.
o. 49 CFR Part 23 – Participation by Disadvantage Business Enterprise in Airport Concessions.
p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs.[1, 2]
q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs.
r. 49 CFR Part 27 – Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance.[1]
s. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation.
t. 49 CFR Part 30 – Denial of Public Works Contracts to Suppliers of Goods and Services of Countries That Deny Procurement Market Access to U.S. Contractors.
u. 49 CFR Part 32 – Governmentwide Requirements for Drug-Free Workplace (Financial Assistance).
v. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).
w. 49 CFR Part 38 – Americans with Disabilities Act (ADA) Accessibility Specifications for Transportation Vehicles.
x. 49 CFR Part 41 – Seismic Safety.

Footnotes to Assurance (C)(1)

1 These laws do not apply to airport planning sponsors.
2 These laws do not apply to private sponsors.
3 2 CFR Part 200 contains requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation shall

apply where applicable to private sponsors receiving Federal assistance under Title 49, United States Code.

[4] Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.

[5] Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

SPECIFIC ASSURANCES

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this Grant Agreement.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this Grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this Grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this Grant Agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this Grant Agreement which it will own or control.

4. Good Title.

a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.

b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this Grant Agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.

b. Subject to the FAA Act of 2018, Public Law 115-254, Section 163, it will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this Grant Agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this Grant Agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this Grant Agreement.

c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.

d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.

e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.

f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to ensure that the airport will be operated and maintained in accordance with Title 49, United States Code, the regulations and the terms, conditions and assurances in this Grant Agreement and shall ensure that such arrangement also requires compliance therewith.

g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.

6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. **Consideration of Local Interest.**

It has given fair consideration to the interest of communities in or near where the project may be located.

8. **Consultation with Users.**

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. **Public Hearings.**

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. **Metropolitan Planning Organization.**

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. **Pavement Preventive Maintenance-Management.**

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. **Terminal Development Prerequisites.**

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under 49 U.S.C. § 44706, and all the security equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. **Accounting System, Audit, and Record Keeping Requirements.**

a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this Grant, the total cost of the project in connection with which this Grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.

b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this Grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this Grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. Minimum Wage Rates.

It shall include, in all contracts in excess of $2,000 for work on any projects funded under this Grant Agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor under 40 U.S.C. §§ 3141-3144, 3146, and 3147, Public Building, Property, and Works), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this Grant Agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in 49 U.S.C. § 47112. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this Grant Agreement, and, upon approval of the Secretary, shall be incorporated into this Grant Agreement. Any modification to the approved plans, specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this Grant Agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.

b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.

c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.

d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.

e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.

f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.

g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.

h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state, and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for:

   1. Operating the airport's aeronautical facilities whenever required;

   2. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and

   3. Promptly notifying pilots of any condition affecting aeronautical use of the airport. 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. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or

facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.

b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. Economic Nondiscrimination.

a. 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.

b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to:

   1. Furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
   2. Charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.

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

e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.

f. It will not exercise or grant any right or privilege which operates 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.

g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.

h. The 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 the airport.

i. The sponsor may prohibit or limit any given type, kind or class of 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.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and

b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a Grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:

    1. If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.

    2. If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.

    3. Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at 49 U.S.C. § 47102), if the FAA determines the airport sponsor meets the requirements set forth in Section 813 of Public Law 112-95.

b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.

c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of 49 U.S.C. § 47107.

26. Reports and Inspections.

It will:

a. 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; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;

b. 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 by any duly authorized agent of the Secretary upon reasonable request;

c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this Grant Agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and

d. 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 listing in detail:

    1. all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and

    2. all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that:

a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or

b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

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, any areas of land or water, or estate therein as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

a. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, it will keep up to date at all times an airport layout plan of the airport showing:

  1. boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;
  2. the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities;
  3. the location of all existing and proposed non-aviation areas and of all existing improvements thereon; and
  4. all proposed and existing access points used to taxi aircraft across the airport's property boundary.

  Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.

b. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, if a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary:

  1. eliminate such adverse effect in a manner approved by the Secretary; or
  2. bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, color, and national origin (including limited English proficiency) in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4); creed and sex (including sexual orientation and gender identity) per 49 U.S.C. § 47123 and related requirements; age per the Age Discrimination Act of 1975 and related requirements; or disability per the Americans with Disabilities Act of 1990 and related requirements, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any program and activity conducted with, or benefiting from, funds received from this Grant.

a. Using the definitions of activity, facility, and program as found and defined in 49 CFR §§ 21.23(b) and 21.23(e), the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by or pursuant to these assurances.

b. Applicability

   1. Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.

   2. Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter, or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.

   3. Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

c. Duration.

   The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

   1. So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or

   2. So long as the sponsor retains ownership or possession of the property.

d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this Grant Agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

   "The (**[Selection Criteria: Sponsor Name]**), in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, [select businesses, or disadvantaged business enterprises or airport concession disadvantaged business enterprises] will be afforded full and fair opportunity to submit bids in response to this invitation and no businesses will be discriminated against on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in consideration for an award."

e. Required Contract Provisions.

   1. It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the Department of Transportation (DOT), and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.

2. It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.

3. It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.

4. It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability as a covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:

   a. For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and

   b. For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.

f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.

g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:

   1. Reinvestment in an approved noise compatibility project;

   2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);

   3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117;

   4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport; or

   5. Payment to the Secretary for deposit in the Airport and Airway Trust Fund.

   If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.

b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, upon application to the Secretary, be reinvested or transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:

   1. Reinvestment in an approved noise compatibility project;
   2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
   3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117;
   4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport; or
   5. Payment to the Secretary for deposit in the Airport and Airway Trust Fund.

c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.

d. Disposition of such land under (a), (b), or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

If any phase of such project has received Federal funds under Chapter 471 subchapter 1 of Title 49 U.S.C., it will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services in the same manner as a contract for architectural and engineering services is negotiated under Chapter 11 of Title 40 U S.C., or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this Grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications.

It will carry out any project funded under an Airport Improvement Program Grant in accordance with policies, standards, and specifications approved by the Secretary including, but not limited to, current FAA Advisory Circulars (https://www.faa.gov/airports/aip/media/aip-pfc-checklist.pdf) for AIP projects as of [Selection Criteria: Project Application Date].

35. Relocation and Real Property Acquisition.

a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.

b. It will provide a relocation assistance program offering the services described in Subpart C of 49 CFR Part 24 and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.

c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin, or sex, in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantaged Business Enterprise (ACDBE) programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. § 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. §§ 3801-3809, 3812).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. Competitive Access.

a. If the airport owner or operator of a medium or large hub airport (as defined in 49 U.S.C. § 47102) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that:

   1. Describes the requests;
   2. Provides an explanation as to why the requests could not be accommodated; and
   3. Provides a time frame within which, if any, the airport will be able to accommodate the requests.

b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.

Business Report

STAFF REPORT

DATE: December 4, 2024
TO: City of Palatka Airport Advisory Board
FROM: City Staff

APPLICATION REQUEST
Attached please find the Airport Business Report prepared by the Airport Manager.

BACKGROUND

PROJECT ANALYSIS

Staff Recommendation

ATTACHMENTS

1.	AAB Business Report December 2024 Final

Airport Advisory Board Meeting December 2024

Table Of Contents

AVGAS FUEL

REVENUE CATEGORY	September 2023		September 2024		October 2023		October 2024	
	Gal. Sold	Rev. Generated	Gal. Sold	Rev. Generated	Gal. Sold	Rev. Generated	Gal. Sold	Rev. Generated
AV100LL	**3,674**	**$21,039**	**3,278**	**$17,705**	**3,616**	**$22,503**	**5,653**	**$30,546**

JET-A-FUEL

REVENUE CATEGORY	September 2023		September 2024		October 2023		October 2024	
	Gal. Sold	Rev. Generated	Gal. Sold	Rev. Generated	Gal. Sold	Rev. Generated	Gal. Sold	Rev. Generated
JET-A	1,654	$8,791	3,626	$8,919	2,052	$11,080	4,028	$23,765

HANGAR REVENUES

REVENUE CATEGORY	September 2023		September 2024		October 2023		October 2024	
Hangar	Occupancy	Rev. Generated	Occupancy	Rev. Generated	Occupancy	Rev. Generated	Occupancy	Rev. Generated
	100%	**$23,430**	**100%**	**$26,906**	**100%**	**$32,080**	**100%**	**$30,842**

MISCELLANEOUS REVENUES

REVENUE CATEGORY	September 2023		September 2024		October 2023		October 2024	
MISCELLANEOUS	Hangar Maintenance	$1,349.00	Hangar Maintenance	$1,525.00	Hangar Maintenance	$1,300.00	Hangar Maintenance	$1,300.00
	Tie Downs	$458.25	Tie Downs	$366.75	Tie Downs	$159.00	Tie Downs	$159.00
	Land Lease	$339.57	Land Lease	$425.00	Land Lease	$339.57	Land Lease	$425.00
	Building Rentals	$827.40	Building Rentals	$1,475.00	Building Rentals	$2,002	Building Rentals	$1,475.00
	Aviation Lubricants	$61.50	Aviation Lubricants	$72.91	Aviation Lubricants	$108.68	Aviation Lubricants	$136.44
	Misc. Revenues	$150.00	Misc. Revenues	$349.01	Misc. Revenues	$276.00	Misc. Revenues	$750.00

TOTAL REVENUES

REVENUE CATEGORY	September 2023	September 2024	October 2023	October 2024
TOTAL REVENUES	$56,384.22	$57,743.67	$69,848.25	$89,398.40
Year Over Year (Revenue(s) Difference	$1,359.45		$19,550.15	

ACTIVE PROJECTS

1.	Taxilanes and Fueling Apron Rehabilitation Project	(100% Complete)
2.	Wildlife Hazard Site Visit Project	(100% Complete)
3.	Tree Obstruction Removal Project	(50% Complete)
4.	Emergency Generators	(75% Complete)
5.	Taxiway E-Environmental	(50% Complete)
6.	Airport Master Plan Update a. AGIS Survey b. Exhibit A Property Map	(10% Complete)
7.	Security/Gate Access Upgrade	(50% Complete)

Operations Report

STAFF REPORT

DATE: December 4, 2024
TO: City of Palatka Airport Advisory Board
FROM: City Staff

APPLICATION REQUEST
Attached please find the Airport Operations Report prepared by the Airport Manager.

BACKGROUND

PROJECT ANALYSIS

Staff Recommendation

ATTACHMENTS

1.	Operations Activity Report Sept&Oct

virtower

Airport Operations Tracking

VirTower LLC
13721 Jetport Commerce Pkwy, Suite 2
Fort Myers FL 33913
Phone +1 888 31 70 747
virtower.com | info@virtower.com

Airport Operations
Snapshot Local Time
Start Date 09/01/2024 00:00 LT
End Date 10/31/2024 11:59 LT

Creation 11/22/2024 15:17
User k28j=airport
Customer ID K28J

Summary

Landings		Take-Offs		Totals	
Single Engine	3550	Single Engine	3561	Single Engine	7111
Single Engine Turbine	107	Single Engine Turbine	104	Single Engine Turbine	211
Multi Engine	880	Multi Engine	872	Multi Engine	1752
Multi Engine Turbine	4	Multi Engine Turbine	4	Multi Engine Turbine	8
Business Jet	14	Business Jet	14	Business Jet	28
Helicopter	29	Helicopter	18	Helicopter	47
Military	28	Military	23	Military	51
Military Helicopter	94	Military Helicopter	60	Military Helicopter	154
Light Sport Aircraft	72	Light Sport Aircraft	82	Light Sport Aircraft	154
Other	1	Other	1	Other	2
TOTAL	**4779**	**TOTAL**	**4739**	**TOTAL**	**9518**

FAA AAC/ADG Summary

Landings		Take-Offs		Totals	
A1	4531	A1	4548	A1	9079
A2	5	A2	5	A2	10
B1	10	B1	9	B1	19

Landings		Take-Offs		Totals	
B2	8	B2	8	B2	16
B3	23	B3	21	B3	44
C1	2	C1	2	C1	4
C2	2	C2	2	C2	4
HEL	118	HEL	75	HEL	193
UKN	80	UKN	69	UKN	149
TOTAL	**4779**	**TOTAL**	**4739**	**TOTAL**	**9518**

Operations by Aircraft Type

Single Engine		Single Engine Turbine		Multi Engine		Multi Engine Turbine		Business Jet		Jet 2		Jet NB		Jet 4		Jet WB		Helicopter	
7ECA	11	C208	2	B50	8	B350	2	C510	6									B407	10
8KCAB	6	P750	197	B60	2	BE20	2	C525	6									H500	2
AA1	2	PC12	8	BE55	2	C441	2	C650	2									M171	2
AA1A	32	TBM 700	4	C310	22	SA227	2	C68A	8									MD369	1
AA1B	4			DA42	1419			H25B	2									OH58A	24
AA5A	2			DC3C	44			LJ35	2									S269C	2
AL3	1			PA23	2			LJ60	2									Others	6
ASTORE	6			PA31	5														
B23	4			PA34	199														
B24	4			PA44	49														
B45	8																		
BE24	24																		
BE33	2																		
BE35	23																		
BE36	8																		
BRISTELL	2																		
C120	2																		
C150	112																		
C152	216																		
C172	4248																		

Single Engine		Single Engine Turbine		Multi Engine		Multi Engine Turbine		Business Jet		Jet 2		Jet NB		Jet 4		Jet WB		Helicopter	
C177	96																		
C182	383																		
C206	11																		
C210	6																		
CH7A	1																		
COL3	6																		
COL4	2																		
CTSW	2																		
DA40	60																		
E300	14																		
E75	2																		
EA300	5																		
EA-300	5																		
Edge540	2																		
ERCO	8																		
Extra	7																		
GB1	3																		
Glasair	110																		
GLASSAIR	3																		
Glastar	44																		
M20	79																		
P2010	2																		
PA24	18																		
PA28	1195																		
PA32	19																		
PA38	2																		
PA46	4																		
RV10	18																		
RV14	25																		
RV4	2																		
RV6	11																		
RV7	8																		

Single Engine		Single Engine Turbine		Multi Engine		Multi Engine Turbine		Business Jet		Jet 2		Jet NB		Jet 4		Jet WB		Helicopter	
RV8	6																		
RV9	18																		
S2A	24																		
SPORTSMAN	2																		
SR20	96																		
SR22	59																		
T6	6																		
TB10	2																		
VIA	2																		
VO10	1																		
WOOLEY	1																		
Others	24																		

Military		Military Helicopter		Light Sport Aircraft		Glider		UAV		Blimp		Balloon		GND Emergency		GND Vehicle A		Other	
Others	51	AS65	52	Searey	4													Others	2
		EC45	17	Sonex	117														
		H60	43	Stingsport	8														
		MH60	9	SuperPetrel	25														
		Others	33																

Activity Summary

LANDING RWY 09	3014
LANDING RWY 17	74
LANDING RWY 27	1325
LANDING RWY 35	366
TAKEOFF RWY 09	2849
TAKEOFF RWY 17	137
TAKEOFF RWY 27	1392

TAKEOFF RWY 35	**361**
T&G RWY 09	**1170**
T&G RWY 17	**28**
T&G RWY 27	**524**
T&G RWY 35	**133**

This report was generated using sensors monitoring aircraft operations at the selected airport and may not contain aircraft that do not have ADS-B. Airports that have multiple sensors deployed will also feature aircraft fitted with transponders only. The information presented is correct to the best of our knowledge from available sensors at the time: Les Goldsmith, President VirTower LLC

Monthly Financial Report

STAFF REPORT

DATE: December 4, 2024
TO: City of Palatka Airport Advisory Board
FROM: City Staff

APPLICATION REQUEST

BACKGROUND
Monthly, the financial report is presented to reflect the revenues (both operating and grant) and the related expenses.

PROJECT ANALYSIS

Staff Recommendation
Review and accept the attached report.

ATTACHMENTS

1.	AIRPORT OCTOBER 2024 FINANCIAL REPORT

CITY OF PALATKA AIRPORT STATEMENT OF REVENUES AND EXPENSES
FOR THE ONE MONTH ENDED OCTOBER 31, 2024

ACCOUNT_NUMBER	ACCOUNT_DESCRIPTION	2024 BUDGET	2024 REV_YTD	2025 BUDGET	CURRENT_ MONTH	CURRENT_ YTD	ENCUMBRA NCES	UNREALIZED	PERCENT REALIZE
	AIRPORT OPERATING REVENUES / ESTIMATED VS. ACTUAL MONTHLY REPORT / 8.33 % Yr Complete For Fiscal Year: 2025 / 10								
	OPERATING REVENUES								
005-00-344-1-1010	100 LL AVIATION FUEL	$630,000	$24,025	$630,000	$23,735	$23,735	$0	$606,265	3.76%
005-00-344-1-1020	JET A AVIATION FUEL	$400,000	$9,569	$400,000	$19,060	$19,060	$0	$380,940	4.76%
005-00-344-1-1030	DONATIONS-FLY-IN EVENT	$20,000	$0	$20,000	$0	$0	$0	$20,000	0.00%
005-00-344-1-1200	TIE DOWN FEES/VEHICLE PARKING	$4,000	$700	$4,000	$366	$366	$0	$3,634	9.15%
005-00-344-1-1400	VENDING	$800	$0	$800	$0	$0	$0	$800	0.00%
005-00-344-1-1700	AVIATION LUBRICANTS	$2,000	$109	$2,000	$73	$73	$0	$1,927	3.66%
005-00-344-1-1800	MERCHANDISE SALES	$1,000	$84	$1,000	$60	$60	$0	$940	6.00%
005-00-362-0-1000	HANGAR RENTALS	$392,524	$32,328	$392,524	$23,683	$23,683	$0	$368,841	6.03%
005-00-362-0-1100	HANGAR MAINT FEE	$19,200	$2,046	$19,200	$1,350	$1,350	$0	$17,850	7.03%
005-00-362-0-2000	LAND LEASE	$4,000	$340	$4,000	$0	$0	$0	$4,000	0.00%
005-00-362-0-3000	BUILDING RENTAL	$20,000	$2,002	$20,000	$875	$875	$0	$19,125	4.37%
	TOTAL	$1,493,524	$71,203	$1,493,524	$69,203	$69,203	$0	$1,424,321	5.00%
	OTHER REVENUES								
005-00-364-0-1001	GAIN ON SALE OF ASSETS	$0	$0	$0	$60,825	$60,825	$0	-$60,825	
005-00-365-0-0000	SURPLUS EQUIPMENT-AIRPORT	$2,250	$0	$2,250	$0	$0	$0	$2,250	0.00%
005-00-369-9-1000	MISCELLANEOUS REVENUES	$3,500	$310	$3,500	$675	$675	$0	$2,825	19.28%
005-00-369-9-1001	E-PAYABLES REVENUE SHARE	$300	$40	$300	$0	$0	$0	$300	0.00%
	TOTAL	$6,050	$349	$6,050	$61,500	$61,500	$0	$5,375	11.00%
	TRANSFERS								
005-00-381-0-0000	TRANSFER FROM GENERAL	$284,340	$23,695	$284,340	$23,695	$23,695	$0	$284,340	0.00%
	TOTAL	$284,340	$23,695	$284,340	$23,695	$23,695	$0	$284,340	0.00%
	TOTAL REVENUES	$1,783,914	$95,248	$1,783,914	$154,398	$154,398	$0	$1,714,036	2.00%
	CASH BALANCE FORWARD								
005-00-301-0-0000	OPERATING CASH BALANCE FORWARD	$38,155	$0	$38,155	$0	$0	$0	$38,155	0.00%
	TOTAL	$38,155	$0	$38,155	$0	$0	$0	$38,155	0.00%
	TOTAL REV, TRFS & CASH BALANCE	**$1,822,069**	$95,248	$1,822,069	$154,398	$154,398	$0	$1,752,191	**2.00%**

CITY OF PALATKA AIRPORT STATEMENT OF REVENUES AND EXPENSES
FOR THE ONE MONTH ENDED OCTOBER 31, 2024

ACCOUNT_NUMBER	ACCOUNT_DESCRIPTION	2024 BUDGET	2024 REV_YTD	2025 BUDGET	CURRENT_ MONTH	CURRENT_ YTD	ENCUMBRA NCES	UNREALIZED	PERCENT REALIZE
AIRPORT OPERATING EXPENDITURES / ESTIMATED VS. ACTUAL MONTHLY REPORT / 8.33 % Yr Complete For Fiscal Year: 2025 / 10									
	PERSONNEL SERVICES								
005-05-542-1-1100	EXECUTIVE SALARIES	$92,186	$6,973	$101,010	$7,371	$7,371	$0	$93,639	7.29%
005-05-542-1-1200	REGULAR SALARIES	$177,162	$10,740	$173,750	$13,896	$13,896	$0	$159,854	7.99%
005-05-542-1-1400	OVERTIME	$7,350	$1,226	$7,644	$310	$310	$0	$7,334	4.05%
005-05-542-1-2100	FICA TAX EXPENSE	$21,167	$1,401	$21,604	$1,609	$1,609	$0	$19,995	7.44%
005-05-542-1-2200	RETIREMENT EXPENSE	$82,959	$4,636	$86,698	$4,838	$4,838	$0	$81,860	5.58%
005-05-542-1-2300	HEALTH AND LIFE INSURANCE	$8,364	$1,305	$18,463	$1,438	$1,438	$0	$17,025	7.79%
005-05-542-1-2400	WORKERS COMP	$5,380	$1,741	$7,784	$0	$0	$0	$7,784	0.00%
		--------------	-----------------	--------------	--------------	-----------------	--------------	-----------------	---------
	TOTAL	$394,568	$28,022	$416,953	$29,462	$29,462	$0	$387,491	7.00%
	OPERATING EXPENSES								
005-05-542-3-3100	PROFESSIONAL SERVICES	$29,500	$10	$29,500	$7,771	$7,771	$120	$21,609	26.34%
005-05-542-3-3120	PRE-EMPLOYMENT EXPENSE	$1,000	$0	$1,000	$0	$0	$0	$1,000	0.00%
005-05-542-3-3200	ACCOUNTING AND AUDITING	$5,287	$0	$5,287	$0	$0	$0	$5,287	0.00%
005-05-542-3-4020	SCHOOLING, CONFERENCE, ETC	$5,000	$0	$5,000	$603	$603	$1,045	$3,352	12.05%
005-05-542-3-4100	COMMUNICATIONS SERVICES	$16,000	$140	$16,000	$361	$361	$0	$15,639	2.25%
005-05-542-3-4200	POSTAGE AND FREIGHT	$300	$0	$300	$0	$0	$0	$300	0.00%
005-05-542-3-4310	NATURAL GAS	$1,000	$0	$1,000	$99	$99	$0	$901	9.87%
005-05-542-3-4315	UTILITIES-WATER	$8,000	-$312	$8,000	$534	$534	$0	$7,466	6.67%
005-05-542-3-4320	ELECTRICITY	$20,000	$808	$20,000	$2,432	$2,432	$0	$17,568	12.15%
005-05-542-3-4330	CREDIT CARD FEES	$30,000	$0	$30,000	$0	$0	$0	$30,000	0.00%
005-05-542-3-4400	RENTALS AND LEASES	$11,700	$1,536	$11,700	$36	$36	$391	$11,273	0.30%
005-05-542-3-4500	LIABILITY INSURANCE	$67,754	$24,857	$84,083	$7,141	$7,141	$0	$76,942	8.49%
005-05-542-3-4610	BUILDING MAINTENANCE	$25,000	$290	$25,000	$934	$934	$6,160	$17,906	3.73%
005-05-542-3-4615	HANGAR MAINTENANCE	$30,000	$0	$30,000	$1,035	$1,035	$0	$28,965	3.45%
005-05-542-3-4620	EQUIPMENT/FIELD MAINTENANCE	$28,500	$0	$28,500	$2,093	$2,093	$139	$26,269	7.34%
005-05-542-3-4630	VEHICLE MAINTENANCE	$5,000	$0	$5,000	$110	$110	$81	$4,809	2.19%
005-05-542-3-4650	GROUNDS LANDSCAPING	$56,000	$0	$56,000	$4,296	$4,296	$51,548	$156	7.67%
005-05-542-3-4800	ADVERTISING	$5,000	$0	$5,000	$0	$0	$0	$5,000	0.00%
005-05-542-3-4810	LEGAL ADVERTISING	$1,000	$0	$1,000	$0	$0	$600	$400	0.00%
005-05-542-3-4900	FLY-IN EVENT-EXPENSES	$20,000	$0	$20,000	$0	$0	$0	$20,000	0.00%
005-05-542-3-5000	FEES & FINES	$0	$0	$0	-$14	-$14	$0	$14	0.00%
005-05-542-3-5100	OFFICE SUPPLIES	$1,500	$0	$1,500	$109	$109	$0	$1,391	7.27%
005-05-542-3-5170	100LL FUEL	$532,500	$15,006	$491,684	$0	$0	$0	$491,684	0.00%
005-05-542-3-5180	JET A FUEL	$294,000	$0	$264,000	$0	$0	$10,840	$253,160	0.00%
005-05-542-3-5210	GAS AND LUBRICANTS	$2,500	$59	$2,500	$75	$75	$0	$2,425	3.00%
005-05-542-3-5220	GENERAL MERCHANDISE	$5,000	$1,424	$5,000	$0	$0	$0	$5,000	0.00%
005-05-542-3-5230	JANITORIAL SUPPLIES	$2,500	$363	$2,500	$213	$213	$335	$1,952	8.53%
005-05-542-3-5260	UNIFORMS	$500	$0	$500	$0	$0	$0	$500	0.00%

CITY OF PALATKA AIRPORT STATEMENT OF REVENUES AND EXPENSES
FOR THE ONE MONTH ENDED OCTOBER 31, 2024

ACCOUNT_NUMBER	ACCOUNT_DESCRIPTION	2024 BUDGET	2024 REV_YTD	2025 BUDGET	CURRENT_ MONTH	CURRENT_ YTD	ENCUMBRA NCES	UNREALIZED	PERCENT REALIZE
005-05-542-3-5280	OPERATING SUPPLIES	$6,000	-$90	$6,000	$142	$142	$134	$5,724	2.37%
005-05-542-3-5400	MEMBR,SUBSCRIPT,DUES	$6,800	$885	$6,800	$65	$65	$65	$6,670	0.95%
	TOTAL	$1,217,341	$44,976	$1,162,854	$28,034	$28,034	$71,458	$1,063,362	2.00%
	DEBT SERVICE								
005-05-517-7-7140	PRINCIPAL-AIRPORT VEHICLE	$5,395	$5,395	$5,493	$5,493	$5,493	$0	$0	100.00%
005-05-517-7-7141	PRINCIPAL - GENERAL FUND LOAN	$0	$0	$50,000	$4,167	$4,167	$0	$50,000	0.00%
005-05-517-7-7240	INTEREST-AIRPORT VEHICLE	$149	$99	$50	$50	$50	$0	$0	99.96%
	TOTAL	$5,544	$5,494	$55,543	$9,710	$9,710	$0	$50,000	10.00%
	TOTAL EXPENDITURES	$1,617,453	$78,491	$1,635,350	$67,205	$67,205	$71,458	$1,500,854	3.00%
	TRANSFERS, CONT, RESERVES								
005-05-542-9-9100	REIMB GENERAL FUND-ADMIN EXP	$164,918	$13,743	$177,268	$14,772	$14,772	$0	$177,268	0.00%
	TOTAL	$164,918	$13,743	$177,268	$14,772	$14,772	$0	$177,268	0.00%
	TOTAL EXPENDITURES, TRANSFERS, CONTINGENCIES & RESERVES	**$1,782,371**	**$92,235**	**$1,812,618**	**$81,977**	**$81,977**	**$71,458**	**$1,678,122**	3.00%
	NET OPERATING RESULTS	**$39,698**	**$3,013**	**$9,451**	**$72,420**	**$72,420**	**-$71,458**	**$74,069**	

AIRPORT GRANT REVENUES / ESTIMATED VS. ACTUAL MONTHLY REPORT / 8.33 % Yr Complete For Fiscal Year: 2025 / 10

ACCOUNT_NUMBER	ACCOUNT_DESCRIPTION	2024 BUDGET	2024 REV_YTD	2025 BUDGET	CURRENT_ MONTH	CURRENT_ YTD	ENCUMBRA NCES	UNREALIZED	PERCENT REALIZE
	FEDERAL GRANTS								
005-00-389-2-8109	FAA West Taxilanes & Apron Fed	$755,061	$0	$17,000	$0	$0	$0	$17,000	0.00%
005-00-389-2-8110	Fed FAA Taxiway "E"cho	$193,590	$0	$131,925	$0	$0	$0	$131,925	0.00%
005-00-389-2-8932	FAA AIRPORT AGIS SURVEY & MAPP	$0	$0	$137,025	$0	$0	$0	$137,025	0.00%
	TOTAL	$948,651	$0	$285,950	$0	$0	$0	$285,950	0.00%
	STATE GRANTS								
005-00-389-3-7500	FDOT MASTER PLAN APD49	$0	$0	$285,000	$0	$0	$0	$285,000	0.00%
005-00-389-3-8920	FDOT Taxiway A WEST, Phase II	$16,104	$0	$0	$1,632	$1,632	$0	$0	0.00%
005-00-389-3-8921	FDOT FUEL TRUCK PTGA G2340	$242,000	$0	$0	$0	$0	$0	$0	0.00%

CITY OF PALATKA AIRPORT STATEMENT OF REVENUES AND EXPENSES
FOR THE ONE MONTH ENDED OCTOBER 31, 2024

ACCOUNT_NUMBER	ACCOUNT_DESCRIPTION	2024 BUDGET	2024 REV_YTD	2025 BUDGET	CURRENT_ MONTH	CURRENT_ YTD	ENCUMBRA NCES	UNREALIZED	PERCENT REALIZE
005-00-389-3-8922	FDOT West Taxilanes & Apron st	$83,896	$0	$15,621	$6,303	$6,303	$0	$15,621	0.00%
005-00-389-3-8923	FDOT RWY 9 Obstruction Tree Re	$575,000	$0	$539,479	$25,314	$25,314	$0	$539,479	0.00%
005-00-389-3-8924	FDOT Wildlife Hazard Assessmen	$25,000	$0	$8,600	$0	$0	$0	$8,600	0.00%
005-00-389-3-8925	FDOT Bulk Hangar (W1-3) Apron	$100,000	$0	$99,000	$0	$0	$0	$99,000	0.00%
005-00-389-3-8926	FDOT RWY 9/27 EXT feasibility	$100,000	$0	$100,000	$0	$0	$0	$100,000	0.00%
005-00-389-3-8927	FDOT Access Control & Gate Imp	$100,000	$0	$97,000	$1,513	$1,513	$0	$97,000	0.00%
005-00-389-3-8928	FDOT CORPORATE	$262,500	$0	$262,500	$0	$0	$0	$262,500	0.00%
005-00-389-3-8929	FDOT Emergency Generators	$250,000	$0	$248,000	$4,125	$4,125	$0	$248,000	0.00%
005-00-389-3-8930	FDOT TAXIWAY 'E'CHO	$21,510	$0	$14,660	$14,691	$14,691	$0	$14,660	0.00%
005-00-389-3-8931	FAA AIRPORT AGIS SURVEY & MAPP	$0	$0	$15,225	$0	$0	$0	$15,225	0.00%
	TOTAL	$1,776,010	$0	$1,685,085	$53,578	$53,578	$0	$1,685,085	0.00%
	TOTAL GRANTS REVENUE	**$2,724,661**	**$0**	**$1,971,035**	**$53,578**	**$53,578**	**$0**	**$1,971,035**	**2.71%**

AIRPORT GRANT EXPENDITURES / ESTIMATED VS. ACTUAL MONTHLY REPORT / 8.33 % Yr Complete For Fiscal Year: 2025 / 10

ACCOUNT_NUMBER	ACCOUNT_DESCRIPTION	2024 BUDGET	2024 REV_YTD	2025 BUDGET	CURRENT_ MONTH	CURRENT_ YTD	ENCUMBRA NCES	UNREALIZED	PERCENT REALIZE
	CAPITAL OUTLAY								
005-05-542-6-6309	FDOT WEST TAXILANES & APRON ST	$100,000	$0	$15,621	$0	$0	$0	$15,621	0.00%
005-05-542-6-6346	FAA West Taxilanes & Apron Cit	$16,779	$0	$0	$0	$0	$0	$0	0.00%
005-05-542-6-6450	CAPITAL IMPROVEMENTS	$22,920	$0	$9,452	$0	$0	$0	$9,452	0.00%
005-05-542-8-6303	FDOT Taxiway "E"CHO	$21,510	$0	$14,660	$1,632	$1,632	$0	$13,028	11.13%
005-05-542-8-6307	FDOT FUEL TRUCK PTGA G2340	$242,000	$0	$0	$0	$0	$0	$0	0.00%
005-05-542-8-6308	FAA West Taxilanes & Apron Fed	$755,061	$0	$17,000	$6,303	$6,303	$0	$10,697	37.07%
005-05-542-8-6310	Fed FAA Taxiway "E"cho	$193,590	$0	$131,925	$14,691	$14,691	$0	$117,234	11.13%
005-05-542-8-6311	FDOT RWY 9 Obstruction Tree Re	$575,000	$0	$539,479	$25,314	$25,314	$0	$514,165	4.69%
005-05-542-8-6312	FDOT Wildlife Hazard Assessmen	$25,000	$0	$8,600	$0	$0	$0	$8,600	0.00%
005-05-542-8-6314	FDOT Bulk Hangar (W1-3) Apron	$100,000	$0	$99,000	$0	$0	$0	$99,000	0.00%
005-05-542-8-6315	FDOT RWY 9/27 EXT feasibility	$100,000	$0	$100,000	$0	$0	$0	$100,000	0.00%
005-05-542-8-6316	FDOT Access Control & Gate Imp	$100,000	$0	$97,000	$1,513	$1,513	$0	$95,487	1.55%
005-05-542-8-6317	AIRPORT FDOT CORPORATE HANGAR	$262,500	$0	$262,500	$0	$0	$0	$262,500	0.00%
005-05-542-8-6318	FDOT Emergency Generators	$250,000	$0	$248,000	$4,125	$4,125	$0	$243,875	1.66%
005-05-542-8-6319	FAA AIRPORT AGIS SURVEY & MAPP	$0	$0	$137,025	$0	$0	$0	$137,025	0.00%
005-05-542-8-6320	FDOT AIRPORT AGIS SURVEY & MAP	$0	$0	$15,225	$0	$0	$0	$15,225	0.00%
005-05-542-8-6321	FDOT AIRPORT MASTER PLAN	$0	$0	$285,000	$0	$0	$0	$285,000	0.00%
	TOTAL CAPITAL OUTLAY	**$2,764,360**	**$0**	**$1,980,487**	**$53,578**	**$53,578**	**$0**	**$1,926,909**	**2.71%**
	NET OPERATING RESULTS	**($39,698)**	**$0**	**($9,451)**	**$0**	**$0**	**$0**	**$44,126**	