



U.S. Department
of Transportation
**Federal Aviation
Administration**

New England Region

1200 District Avenue
Burlington, MA 01803

February 23, 2024

Iftikhar Ahmad
Chief Executive Officer
Rhode Island Airport Corporation
2000 Post Rd
Warwick, RI. 02886

Via Email

Dear Mr. Ahmad:

On September 18-19, 2023, the Federal Aviation Administration (FAA) conducted a land use inspection at Westerly State Airport in Westerly, RI. We would like to thank you and your employees for the time you committed to our visit. The inspection is attached.

The purpose of the inspection was to determine whether the airport sponsor, the Rhode Island Airport Corporation (RIAC) is in compliance with the terms of its Federal obligations dealing with airport property use, lease agreements and property releases. The inspection included a review of airport property use in accordance with the current Exhibit-A and approved Airport Layout Plan (ALP).

We are providing you with a Land Use Inspection Report documenting our observations during the inspection. The compliance action items noted require the airport sponsor to submit a corrective action plan to this office 30 days from the date of this letter and an enforcement mechanism to this office 60 days from the date of this letter. Please provide a completion date for each corrective action.

Should you have any questions please contact Luke Garrison, Manager, Safety and Standards or myself.

Sincerely,

Amy E. Quam, C.M.
Airport Compliance Specialist

CC: Luke Garrison - FAA
John Carli – FAA
John Kirkendall – FAA
Nikolas Persson - RIAC

LAND USE INSPECTION REPORT

Westerly State Airport (WST) Westerly Rhode Island – September 18-19, 2023

Federal Aviation Administration, New England Region, Airports Division

Inspection Site Location:

Westerly State Airport (WST) Westerly, Rhode Island

Date of Inspection:

September 18-19, 2023

Purpose:

This inspection is part of the FAA’s compliance oversight of federally obligated Commercial Service and General Aviation Airports to assess if airport land uses comply with Federal requirements. The inspection was conducted as per Senate Report No. 106-55, dated May 1999, and per Compliance Guidance Letter 2002-01, dated May 15, 2002, *Regional Land Use Inspections*.

Individuals Conducting Inspection:

- Jorge Panteli, Regional Compliance and Land Use Specialist, New England Regional Office, ANE-600
- Samantha Smithies, Civil Engineer, New England Regional Office, ANE-620

Airport Owner/Operator:

- Owner/Operator – Rhode Island Airport Corporation
- Airport Manager – Iftikhar Ahmad

Airport Master Record:

Based Aircraft: 28	Operations:
Single Engine – 24	Air Carrier 0
Multi Engine – 3	Air Taxi 8,500
Jet – 0	GA Local 5,904
Helicopter – 1	GA Itinerant 3,194
	Military 50
	Total 17,648

As of 07/31/2023

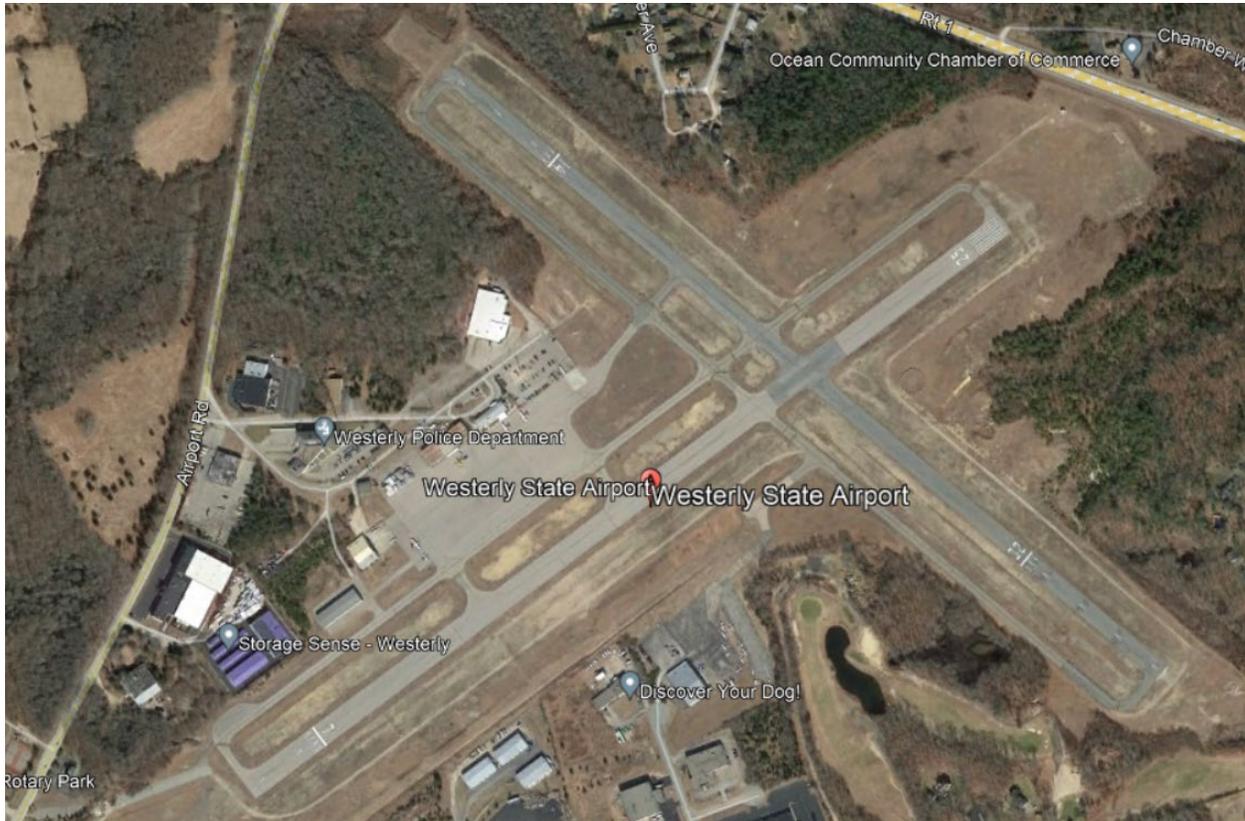
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Airport Federal Obligations:

- National Plan of Integrated Airports System (NPIAS)
- Grant Agreements under Airport Improvement Program (AIP), Federal-Aid Airport Program (FAAP), and Airport Development Aid Program (ADAP)
- Assurance pursuant to Title VI, Civil Rights Act of 1964



Background and History:

WST is an active General Aviation airport located about 50 miles south of Providence, Rhode Island off Interstate 95. The airport, owned and operated by the Rhode Island Airport Corporation, (RIAC) is located in the City of Westerly. RIAC is a subsidiary of the Rhode Island Commerce Corporation, a public corporation, and is a governmental agency and public instrumentality of the State of Rhode Island. Specifically, through a Lease and Operating Agreement with the State of Rhode Island dated June 25, 1993, as amended, RIAC maintains and operates WST. RIAC is identified by the Federal Aviation Administration (FAA) as the designated Sponsor of the airport and accepts federal grants and the associated grant assurances. The airport is identified in the National Plan of Integrated Airports System (NPIAS) with a service level of Primary.

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The airport has two runways. Runway 07-25 is 4,010' by 100' and is the primary runway. The runway has a non-precision instrument approach to Runway 25 and a Global Positioning System (GPS) RNAV non-instrument approach to Runways 07. Runway 14-32, which is 3,960' by 75', is the crosswind runway. This runway has visual approaches to either runway end.

Airport Sponsor's Compliance History with Federal Obligations:

Historical records show a 2011 Part 13 Complaint between an airport tenant, Simmons Aviation and a Through-the-Fence (TTF) FBO Operator, Dooney Aviation. The Part 13 complaint was in regard to Dooney Aviation refusing to fuel the aircraft of Simmons Aviation. Based on FAA documentation, the Airport Sponsor, RIAC was advised multiple times of the necessity to enforce Airport Minimum Standards, otherwise they could be violating their grant assurances. RIAC was concerned with safety implications to enforce airport minimum standards based on potential safety issues with one individual (Mark Simmons) from the complaining party. FAA received little from RIAC in the form of documentation of alleged safety issues with airport tenant. RIAC was informed of the requirement to justify safety concerns through documentation.

In 2005, a land release was approved to allow for the non-aeronautical use of the Westerly Police Station.

In 2021, RIAC received a court ruling in their favor allowing them to take aviation easements on private property that surrounds WST airport. The lawsuit had been ongoing for approximately five years and stemmed from RIAC's obstruction removal plans for all five general aviation airports. The obstruction removal is necessary due to the height of the trees, which is currently resulting in a runway threshold displacement for RWY 25. The ILS approach is also currently out of service due to the obstructions.

In the most recent past, RIAC has expressed concerns with the behavior of the same individual who was the focus of the safety concerns in the Part 13 from 2011. Additionally, the Boston Flight Standards Office (FSDO) had also expressed concern with the flight and ground operations of Simmons Aviation owned and operated by Mr. Simmons who was a party to the Part 13 complaint. The fact that this behavior seems to have gone unchecked over a decade shows the need for RIAC to create and enforce a policy for unsafe operations and problem tenants.

Action:

RIAC will develop a policy with an enforcement mechanism in writing for all GA airports and ensure consequences for violations of their policies, as well as safety infractions are enforced.

RIAC also to address issues with easement acquisitions at all GA airports. The ongoing program to obtain easements and eliminate obstructions needs to be outlined, with RIAC reporting on the current status and future milestones.

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Inspection Findings:

A. Airport Land Use Analysis & ALP Review

The current Airport Layout Plan (ALP) was dated 2009. The ALP does not show the access point for the current TTF operator, Dooney Aviation.

The Exhibit A is in good order, with the most recent copy dated 2015. The Exhibit A conforms to all of the current requirements of the Exhibit A 3.0 Standard Operating Procedure guidelines.

The ALP and the Exhibit A meet the following Grant Assurance:

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.

The ALP does not meet the following grant assurance:

29. Airport Layout Plan

a. 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 nonaviation 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,

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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. 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.

Action:

The ALP needs to be updated to show the TTF operator's access point to the Airport.

B. Airside and Landside Inspection Findings

There were multiple discrepancies found as part of the airside and landside inspection. A summary is provided below:

1. Site Inspection

Pavements

The airside facilities are in very poor shape and show evidence of neglect. At least half of the pavement at hangar areas is severely damaged and cracked. There is significant pavement damage between multiple hangars creating FOD.

The pavement on the aprons is also in poor condition, there are large cracks covering significant areas, with large cracking having developed at all tie-down locations. There are cracks as wide as 3 inches throughout the apron pavement with grass growing out of the cracks.

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A review of the Airside Pavement Management Plan (APMP) compiled in 2019 shows that the 55% of WST runway pavement has a pavement condition index (PCI) of 55%, while the remaining 45% is in poor condition. More than $\frac{3}{4}$ of the pavement on RWY 07/25 is shown as being in Poor condition, with a projection of more than $\frac{3}{4}$ of the RWY pavement being in very poor condition by 2025. Additionally:

- There is significant pavement cracking spanning the entirety of the runway, both latitudinal and longitudinal cracks several feet long.
- There are FOD issues due to existing cracks and poor attempts at crack seal repair.
- The Threshold light at RWY-7 end is crooked, one threshold light is out of service.
- The runway safety area (RSA) for RWY-7 is made of gravel, large rocks (2-4 inch), loose material creating a FOD issue; (an RSA should be a stable surface that can withstand jet blast and support an aircraft in dry conditions without surface variations).
- The VASI cable sign in RWY-7 safety area has a lip greater than 3 inches and should be corrected.
- There is significant cracking at TWY Alpha leading to the RWY-7 end
- There is a 3 inch lip at the TWY Charlie directional sign off RWY -25 and should be corrected
- There is a large hump/ridge off the RWY-25 end in the safety area that exceeds maximum grade standards
- The RWY-25 safety area is made of gravel, large rocks (2-4 inch) loose material creating a FOD issue.

RWY 14/32 is in better shape, showing fair condition. Additional findings show:

- There is significant fading of runway markings along the entirety of the runway
- There is a displaced threshold at RWY 32 end (RWY designation numbers, arrows and threshold markings) are extremely faded and difficult to see even in daylight.
- There are visibility concerns, there is severe fading of the white markings and no glass beads leftover.
- The RWY 32 safety area is made of gravel, large rocks (2-4 inch) loose material creating a FOD issue
- There was gravel found in the immediate shoulders along TWY Foxtrot on the RWY 32 end

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- There are lips exceeding 3 inches found at displaced threshold lights on RWY 14 end.

The taxiways are listed as 40% in satisfactory condition, 43% in fair condition and 17% in poor or worse condition. The APMP describes the apron pavement as 20% in good or satisfactory condition, 64% in fair condition with the remaining 16% in poor or worse condition.

The airfield PAPI's are temporarily out due to runway obstructions.

RIAC's CIP shows a reconstruction of Runway 7-25 planned for WST in 2026 and an apron reconstruction in 2028. With the current PCI for the pavements, it is not clear if the pavement will be useable past year 2025.

All of the GA airports inspected, WST's pavements were in the worst shape.

Action:

The airport should review the pavement items noted above and correct those findings. Some of those findings can be done in the short term while others can be incorporated into current pavement maintenance plans or future pavement rehabilitation or reconstruction. RIAC is requested to provide a plan to address the pavement findings above.

A program needs to be developed to ensure airfield markings are maintained on an annual basis. RIAC has the marking painting machines to refresh all airfield markings. This program is to be submitted to ANE compliance on an annual basis.

RIAC should continue to plan for the RWY reconstruction (RWY 7/25) and the apron reconstruction on the CIP for the years 2026 and 2027.

The condition of the pavement is directly related to Grant Assurance 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;*

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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.

Hangar Inspection

It was requested in the land use inspection notification to inspect the hangars on airport to ensure that there was no non-aviation uses in the hangars. RIAC had keys to all RIAC owned hangars, however, Flight Level, who manages 6 T-hangars, did not have access to their hangars. As such all but 6 T-hangars were inspected, and a return visit was required in mid December 2023 in order to tour the remaining hangars. It was clear from the inability to inspect all hangars on the initial visit that coordination was not performed with FlightLevel.

During the hangar inspection, there were also a number of non-aeronautical uses of hangars found, in addition to clear violations of the RIAC leasing policy.

Mark Simmons hangar

- Bus is parked in hangar
- Boat is parked in hangar
- Two motorcycles are parked in the hangar
- There was a large stack of vehicle tires in hangar
- The “Pilot Lounge” (an RV) is parked outside of the hangar on a verbal month to month agreement with Flight Level Aviation – (listed in lease as “temporary” office)
- Four aircraft parked outside of hangar that are not part of the lease agreement and are on a month to month
- There are two inoperable aircraft stored within the hangar

In a green hangar (Lauren’s hangar)

- There is a motorcycle parked in the hangar
- There is a motorcycle frame in the back of the hangar

T Hangar

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- There is an orange corvette parked in the hangar with Connecticut plates
- There are boat trailer and surfboards stored in the back of the hangar

Additionally, the Westerly Police Department still occasionally parks vehicles on a small portion of airport property.

Action:

RIAC will develop a hangar inspection program that includes RIAC and non-RIAC hangars. Keys will be collected and be available at any time to properly inspect all hangars to ensure they are used according to the FAA hangar policy. RIAC will provide letters and a recheck for hangars found in non-compliance during the hangar inspections. RIAC will be required to submit an annual report to ANE compliance once the program has been reviewed and approved by ANE compliance.

The airport needs to enter into an agreement with the Westerly Police Department for the portion of airport property currently being used to store vehicles.

Approach Obstructions

In 2021, RIAC received a court ruling in their favor allowing them to take avigation easements on private property that surrounds WST airport.

The airport's PAPI is currently out of service due to the obstructions.

Maintaining existing approaches and ensuring they are clear is outlined in Grant Assurance 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.

Action:

RIAC is in the process of identifying and addressing easements to be acquired as well as removing those obstructions. RIAC is requested to provide an update for WST noting the schedule to acquire easements as well as when obstructions will be removed.

RIAC will provide and update a memorandum outlining the actions to identify and acquire easements necessary to maintain the approaches to all airports under RIAC control and a schedule to remove the temporary displacements. This analysis will be updated and submitted to ANE Compliance biannually until the easements have been acquired and displacements removed.

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2. Management Structure

The airport is owned by the State of Rhode Island and operated by the Rhode Island Airport Corporation. RIAC is a subsidiary of the Rhode Island Commerce Corporation, a public corporation, is a governmental agency and public instrumentality of the State of Rhode Island. Specifically, through a certain Lease and Operating Agreement with the State of Rhode Island dated June 25, 1993, as amended, RIAC maintains and operates WST as well as the other four General Aviation (GA) airports in Rhode Island.

FlightLevel Rhode Island LLC serves as the Fixed Base Operator (FBO) and provides parking, hangar storage and fuel (only 100LL) to the public. With the current wording of the Fixed Based Operator agreement, dated 7.1.18, Exhibit B, it is unclear if FlightLevel is also providing airport management services to RIAC for WST.

Action:

RIAC needs to provide clarification on who is performing airport management services for SFZ and a new stand alone management agreement developed if FlightLevel Rhode Island will be providing those services. This needs to be submitted to ANE compliance for review.

3. Leases

All of the leases were provided for review. The FAA does not approve leases, but when requested, will review leases for a variety of clauses. The clauses that are reviewed are outlined in FAA Order 5190.6B. Chapter 12, Section 12.3.

As part of the land use inspection, leases are reviewed to determine if they meet the recommendations of FAA Order 5190.6B. The following leases were reviewed:

Lease	Premises	Term	CPI Adjustments	Reversion	Subordination	Assignment
1. Commemorative Air Force	WST – T-Hangar Bay 3	Month to Month	No	Yes	Yes	No
2. Conrad Thomas	WST – T-Hangar Bay 1	Month to Month	No	Yes	Yes	No
3. FlightLevel Rhode Island, LLC	Demo and construct hangars – Parcel WST	30 Years	Yes	Yes	Yes	No

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	3					
4. John Bates	WST – T-Hangar Bay 6	Month to Month	No	Yes	Yes	No
5. Lauren Lee	WST – T-Hangar 7	Month to Month	No	Yes	Yes	No
6. New England Airlines	WST 4 and WST 5 – Exclusive with some exceptions	5 years – option of 3 additional 5 year periods – extension upon agreement of both parties	Yes	Yes	Yes	Yes, RIAC is required to be notified of a change in control and must agree in writing
7. Peter Alfonso	WST – T-Hangar 4	Month to Month	No	Yes	Yes	No
8. Ryan Gautier	WST – T-Hangar 5	Month to Month	No	Yes	Yes	No
9. Sam Watrous	WST – T-Hangar 2	Month to Month	No	Yes	Yes	No
10. Simmons Aviation Svc	Parcel WST 1	One year – option to extend for additional year by mutual written agreement by both parties	No	Yes	Yes	Yes, RIAC shall be notified in advance and agree in writing
11. Town of Westerly (Westerly Police)	Actual parcel never described or shown in lease	30 years with option for 2 30 year renewal terms (no mention of RIAC approval needed before renewal)	Yes	Yes	Yes	No
12. Steven C. Smith	WST 2 – non	5 year initial term with	Yes	Yes	Yes	Yes, RIAC shall be

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	aviation parcel	option of 3 additional 5 year periods after both parties and FAA agree				notified in advance and agree in writing
13. FlightLevel Rhode Island	OQU(building and ground) SFZ (building, cold storage and ground) UUU (Building and ground) WST (Building and ground)	Initial 5 year period -option for additional 5 years (through 2028)	Yes	Yes	No	With prior written consent of RIAC
14. Dooney Aviation (TTF)	RIAC Taxiway access	Month to Month	Yes	N/A	Yes	No

Generally, the leases were in good shape. RIAC has a leasing policy that was approved October 08, 2020. The leasing policy requires lessees to adhere to the minimum standards, and specifically calls out the prohibition of violating Grant Assurances 22 and 23. The leasing policy also requires any lease assignment, or subletting be approved by RIAC, includes a reversion clause and includes the FAA required lease provisions.

The reviewed leases all had prohibitions against non-aeronautical use of aeronautical facilities, as well as stipulations that aircraft must be airworthy. Lease extensions generally are required in writing by both parties.

In reviewing the leases, there are a number of grant assurances that are considered in the review. They include Grant Assurance 5 - Rights and Powers, Grant Assurance 22 - Economic Nondiscrimination, Grant Assurance 23 - Exclusive Rights, Grant Assurance 24 - Fee and Rental Structure, and Grant Assurance 25 - Airport Revenues.

As presented in the above table, there are 13 leases and one license agreement. In the review, the FAA looks a several aspects of the leases as presented in FAA Order 5190.6B,

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Chapter 12, Section 12.3 and include the purpose of the lease, the term, the rates, reversion at lease end, subordination, fee adjustments and assignment.

For the most part, the leases include most elements noted in Section 12.3 as noted in the table.

The monthly hangar leases were all redone in 2022. There were some monthly hangar leases that did not have the Lessee information included in the lease, other than the signature block. One monthly lease did not include an Exhibit A which shows the monthly rent due. The lease with the Town of Westerly (Westerly Police) did not describe or show the parcel included in the lease.

There was one lease in particular that requires additional clarification to the FAA.

FlightLevel Rhode Island LLC

A Full Service Fixed Base Operator Agreement was entered into with FlightLevel Rhode Island LLC (“FlightLevel”) on July 01, 2018.

Article 3 – Premises

Section 3.1 Discusses the Lease of Premises and states, “RIAC hereby leases to Company, for Company’s exclusive use, with certain exceptions, for the purposes described in this Agreement, the following premises located at the Airports and more particularly identified in Exhibit A.”

Article 5 – Permitted Uses

Section 5.1 discusses the Company’s ability to provide full and complete FBO service. This section goes on to state: “In furtherance of the foregoing, RIAC and Company have entered into an assignment and assumption of contract rights...”

Exhibit B – Assignment and Assumption of Contract Rights

Section 3 states: “RIAC does hereby assign, transfer and convey to Company all of RIAC’s right and interest in, and does hereby delegate to Company each of its duties of performance under, each of the agreements (and subject to stipulations) identified at Exhibit A...(collectively the contracts), except that RIAC shall not transfer or convey to Company its rights to collect any fees due and owing to RIAC under said Contracts prior to July 01, 2018.”

Attached to the FlightLevel FBO agreement is the First amendment of the agreement, which stipulates that FlightLevel will provide “aviation related services” at Block Island

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(BID). Exhibit A to the amendment, Section 1.7 states that RIAC will pay FlightLevel a management fee monthly.

This lease is the only lease reviewed that did not have a subordination clause. Consideration of including a subordination clause into a lease template would strengthen the lease.

Action:

RIAC needs to clarify the rights and responsibilities of FlightLevel under the FBO agreement. It is not clear what rights and obligations Flightlevel has in terms of managing RIAC's General Aviation Airports. In addition, the management contract for BID needs to be broken out from the FBO agreement and become a stand alone document.

RIAC also needs to develop a plan to ensure they notify the FAA if any future Federally Funded Project will be taking place on a leased area and if so, RIAC will need to properly amend the lease to eliminate the leasehold from the area receiving the funds.

Additionally, all leases should be reviewed and any references to 5190.6B updated to ensure the most recent copy of the document is being referenced.

4. Minimum Standards

The airport has both Minimum Standards as well as Rules and Regulations. Both documents were reviewed.

Minimum Standards

Although minimum standards are optional, the FAA highly recommends their use and implementation as a means to minimize the potential for violations of Federal obligations at federally obligated airports. The Minimum Standards for Commercial Operations outlines the requirements for aeronautical services provided on the airport. It outlines the facilities required to offer the services, licenses, staffing, and insurance requirements among others.

FlightLevel Rhode Island does not provide Jet A as required by the minimum standards. In addition, the minimum standards required 100% of General Aviation landing fees to be paid to RIAC, while the FlightLevel lease only requires 90% to be paid.

The TTF operator, Dooney Aviation does have Jet A fuel, which is causing the airport to lose this revenue stream. In addition, the TTF operator also provides aircraft maintenance, tiedowns and hangar occupancy, which are additional revenue streams the airport is losing.

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The TTF operator's agreement is currently month to month due to the fact that it is a TTF operator. This gives the airport the ability to terminate the agreement and enable the current FBO to provide the same services and increase revenue. RIAC has a minimum standards document that became effective on July 01, 2021. A portion of the document states, "All existing Operators shall become subject to the then-current Minimum Standards upon the modification, amendment, extension, or renewal of an existing agreement."

Attached to the FlightLevel agreement dated July 01, 2018 is Exhibit C, "Minimum Required Standards of Service Full Service Fixed Based Operators". These minimum standards differ from the minimum standards document dated July 01, 2018. As the FlightLevel agreement has been amended since the July 01, 2021 date of the most recent minimum standards, it is assumed that FlightLevel is now required to adhere to the most recent minimum standards document, however the previous standards have not been removed from their lease.

Rules and Regulations

Advisory Circular 5190.6B Airport Compliance Handbook provides guidance on the development of Rules and Regulations in Chapter 11, Section 11.6. Reasonable Rules and Regulations. Rules and Regulations are developed to ensure safe operations, preservation of facilities, and the protection of the public interest.

The review of the Rules and Regulations did not find any issues.

Action:

The clause referring to existing operators to be subject to then-current minimum standards is confusing. Under what circumstances would updated minimum standards be applied. Please provide clarification regarding the application of then-current and current minimum standards.

C. Financial Review

The financial records were reviewed for the past five years. The revenue/expense reports were detailed, and records well maintained. A review of the data did not find any discrepancies.

The airport meets the following Grant Assurance in regard to maintaining a separate account and detailed documentation of revenues and expenses specific to the 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*

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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 Section 47102 of title 49 United States Code), if the FAA determines the airport sponsor meets the requirements set forth in Sec. 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 Section 47107 of Title 49, United States Code.*

Action:

No action at this time.

LAND USE INSPECTION REPORT
Westerly State Airport (WST) Westerly Rhode Island – September 18-19, 2023
Federal Aviation Administration, New England Region, Airports Division

Conclusion:

The summary of the Land Use Inspection is that the Sponsor does not entirely meet grant obligations. The physical aspect of the airport is not well maintained. While the leases are in good shape, there were obvious violations of tenant leases that do not seem to be enforced. RIAC has no enforcement mechanisms that ensures problems and safety issues are documented and addressed. There were several items noted in this land use inspection that require further follow-up with the FAA. As such, the Sponsor is requested to provide a Corrective Action Plan that details actions and schedules to address FAA's findings. The Sponsor is asked to provide the Corrective Action Plan within 30 days of the transmittal letter date. As part of the Correction Action Plan, the Sponsor must also develop an enforcement mechanism with which it will ensure any safety issues are documented and addressed. This document must be provided to the FAA within 60 days of the transmittal letter date.