

March 25, 2024

Amy Quam FAA New England Region 1200 District Avenue Burlington, MA 01803

Re: Corrective Action Plan for General Aviation Airports

Dear Ms. Quam:

This letter responds to the three Land Use Inspection Reports each issued by the FAA on February 23, 2024, concerning (a) Westerly State Airport (WST), (b) North Central State Airport (SFZ), and (c) Newport State Airport (UUU).

The Rhode Island Airport Corporation (RIAC) takes its federal grant obligation very seriously and appreciates the opportunity to provide the FAA with a proposed corrective action plan to address the issues identified in the Reports. RIAC is providing a consolidated response and proposed corrective action plan to all three Reports, because many of the proposed corrective actions apply to all three airports.

1. Global Items Applicable to Two or Three Airports

a. Pavement, Electrical, and Airfield Marking Maintenance Plan

The FAA noted a variety of movement area pavement cracks, FOD, and faded airfield markings at all three airports and requested that RIAC prepare a plan to resolve these issues.

RIAC continuously monitors, maintains and plans repairs for the pavements at the 5 general aviation airports. RIAC will address the items noted and anticipates that all of the items identified in the plan will be resolved by RIAC's airfield maintenance staff no later than end of Fiscal Year 2025. RIAC will keep the FAA apprised of the repairs and progress to the noted areas. RIAC will provide a final update to the FAA once the items on the plan have been completed. Going forward, RIAC will continue to survey the airfield markings as part of its annual assessments and pavement maintenance plans.

RIAC anticipates that some of the items identified by the FAA may be beyond the scope of the pavement maintenance plan and must be addressed after completion of a further engineering assessment or as part of RIAC's existing or future Capital Improvement Plan. Those items are discussed individually below.

b. Easement Acquisition Plan

The FAA requested that RIAC provide a summary outlining the actions to identify and acquire easements protecting the airspace at all three airports.

RIAC completed airspace analyses for all six of its airports in 2019. Obstacle action plans were completed and submitted to FAA in 2022. The Environmental Assessments (EA) for the easement acquisition and obstruction removal actions were completed, and all airports received a finding of no significant impact (FONSI) in 2022, with the final FONSI issued in 2023. Following the FONSIs, the easement acquisition effort commenced. Please see attached for the current schedule to acquire easements and remove obstructions.

Because the easement acquisition process involves separate negotiations with each parcel owner, this schedule is fluid and RIAC cannot commit to acquisition of the easements on a specific timeline. RIAC will provide the FAA with an update on the status of the easement acquisitions every six (6) months until all easements have been acquired.

c. Hangar Inspections and Non-Aeronautical Uses

The FAA identified non-aeronautical use of two hangars at UUU and two hangars at WST. The FAA also requested that RIAC develop a hangar inspection program and acquire keys to non-RIAC hangars.

Within 30 days from this response, RIAC will issue notices to each hangar tenant identified in the LUI Reports, requiring that the tenant remove the non-aeronautical items within 45 days. If the tenants do not comply, RIAC will assess next steps on a case-by-case basis and provide an update to the FAA by July 1, 2024.

RIAC will keep the FAA apprised of the hangar inspection schedules and attempt to acquire keys to all hangars. RIAC will provide a copy to the FAA when the inspection schedule is complete and notify the FAA when all keys have been acquired.

d. Agreement with FlightLevel Services

The FAA raised questions regarding the scope of services addressed by the FlightLevel FBO agreement and requested that RIAC clarify the rights and responsibilities of FlightLevel under that agreement. The FAA also requested that RIAC separate the management contract for Block Island State Airport (BID) from the lease of property at RIAC's four other airports.

Under the FlightLevel FBO agreement, RIAC leases certain property and facilities to FlightLevel at four airports, including the three airports that are the subject of the LUI Reports. FlightLevel also provides commercial FBO services at those airports, including based and transient ramp parking, tiedowns, fueling, landing fee collections (to be remitted to RIAC), and certain snow removal. FlightLevel is also permitted to sublease certain RIAC facilities to aeronautical tenants and collect rental fees from those tenants in exchange for management and maintenance of those facilities. When the FlightLevel agreement was executed, RIAC assigned then-existing space leases at the four airports to FlightLevel. Exhibit "A" to the FlightLevel agreement contains an

inventory of those leases. The language in Exhibit "A" regarding "delegating" RIAC's performance under certain agreements to FlightLevel simply describes those lease assignments.

To be clear, FlightLevel does *not* provide airport management services at the four airports covered under the original FBO agreement. RIAC continues to oversee those airports, including onsite personnel, issuance of NOTAMs, pavement maintenance, and capital project oversight.

FlightLevel does provide certain airport management services at BID pursuant to the addendum to the FBO agreement. RIAC will engage FlightLevel in negotiations to develop a standalone management agreement for BID. RIAC will provide an update to the FAA on the progress of those negotiations on or about July 1, 2024.

e. Minimum Standards

The FAA raised questions regarding RIAC's Minimum Standards for Commercial Aeronautical Service Providers. The FAA requested that RIAC explain (a) why FlightLevel was not in compliance with the existing Minimum Standards given that it was not providing Jet A fuel or remitting 100% of user fees to RIAC, and (b) the circumstances under which an existing Operator would be required to comply with the new Minimum Standards.

The agreement with FlightLevel was originally executed in 2018 and included a required scope of services at Exhibit C. The Minimum Standards were adopted July 1, 2021. Although the agreement has been amended since July 1, 2021, the requirements of Exhibit C and the Minimum Standards are reasonably similar such that a formal, explicit acknowledgement of the application of the Minimum Standards has not been strictly necessary. FlightLevel has assured RIAC that they will be in compliance with the substance of the Minimum Standards regardless of whether it is contractually required to do so, and that Exhibit C sufficiently captures the relevant requirements.

First, please be advised that FlightLevel does provide Jet A fuel at UUU and SFZ and has informed RIAC that it will begin providing Jet A at WST beginning in May 2024. Thus, to the extent that FlightLevel is not in compliance with the Minimum Standards and/or Exhibit C because it is not currently providing Jet A at WST, this issue will be resolved by May 2024.

Second, the Minimum Standards require "the collection and remittance to RIAC of all general aviation landing fees, parking fees, and international facilities user fees, as applicable" by FBOs. This requirement speaks to FBO collection and remittance of all *categories* of relevant fees, not 100% of those fees. Under the FBO agreement, RIAC permits FlightLevel to retain 10% of those fees in exchange for the collection of the full fee and remittance to RIAC of the remaining 90%. If another FBO were to provide the same service at any of RIAC's airports, RIAC would apply the same structure.

When the existing agreement expires or is amended again, RIAC will contractually apply the current Minimum Standards to FlightLevel to resolve any ambiguities. RIAC will take this same approach with any other existing operator at any of the airports where the Minimum Standards apply.

f. Enforcement Mechanism for Safety Issues

The FAA requested that RIAC "develop a policy with an enforcement mechanism with which it will ensure any safety issues are documented and addressed." The FAA noted that the Boston Flight Standards Office has expressed concern with both the airborne and ground activities of a user at WST but requested that RIAC develop a policy applicable to all GA airports.

As a threshold matter, RIAC has limited to no jurisdiction over any airborne activities. RIAC does not intend to develop or address any enforcement mechanism applicable to airborne activities.

With respect to ground-based activities, RIAC has existing Rules and Regulations, which are set forth at 800-RICR-10-00-1 and were reviewed by the FAA as part of the land use inspection. These Rules and Regulations broadly address operational safety at RIAC's general aviation airports. Pursuant to Section 1.19 of the Rules and Regulations, the President/CEO referred to in 800-RICR-10-00-1 as "Director of RIAC" has the authority to "issue orders and take other action authorized under R.I. Gen. Laws Chapter[] 1-4." Under R.I. Gen. Laws §§ 1-4-12 and 1-4-19, the Director may conduct investigations and issue penalties for violations of the statute (and by extension, the Rules and Regulations).

Thus, an enforcement and penalty mechanism already exists. Additionally, within the next 60 days, RIAC will develop a safety reporting tool for the public or users to submit safety-related concerns. RIAC will maintain a log for each general aviation airport noting any safety issues identified through that reporting system or RIAC inspections or observations. RIAC will use reasonable efforts to resolve identified safety issues within an appropriate period of time depending on the nature of the issue. For safety violations committed by an aeronautical user (e.g., a vehicle incursion), RIAC will utilize a "three-strikes" policy consisting of a written warning, a monetary fine, and suspension/revocation of the user's airport credentials, if applicable.

g. References to FAA Orders

The FAA requested that RIAC update aeronautical leases to reference the most recent versions of FAA Orders.

RIAC will update these references in all new leases and address current leases as they are amended or expire and are renewed.

2. Specific Items at Westerly State Airport

a. Through-the-Fence Matters

The FAA requested that RIAC update the WST Airport Layout Plan to show the through-the-fence access point. RIAC will do so by August 1, 2024.

The FAA also stated that RIAC should consider whether to terminate or amend the through-the-fence agreement to allow RIAC to realize additional revenue from Jet A sales and/or other aeronautical services performed off-airport. RIAC will assess this internally and determine whether such action is warranted.

b. Pavement in Hangar and Tie-Down Areas

The FAA noted significant damage to the pavement in the hangar areas, as well as the aprons and tie-down areas.

RIAC plans to address the majority of these issues through the pavement maintenance plan noted above in Section 1. However, some repairs may be more significant and/or may be within leased areas and therefore the contractual responsibility of individual tenants. RIAC will assess the areas and determine (i) pavement that can be repaired by RIAC's airfield maintenance staff in the short term, (ii) pavement that is RIAC's responsibility but requires external resources to repair, and (iii) pavement that is the responsibility of individual tenants. RIAC will provide an update to the FAA on items (i) and (ii) within 90 days (i.e., together with the pavement maintenance plan noted above). For items captured under (iii), RIAC will notify the individual tenants and provide the FAA with an update on timelines for repair by July 1, 2024.

c. Pavement and Other Issues on Runways and Taxiways

The FAA noted some damage to Runways 7/25, 14/32, and connecting taxiways, including cracking, FOD, gravel, and broken signage and lighting.

RIAC expects that it will be able to address the majority of the items noted as part of the pavement maintenance plan by end of Fiscal Year 2025. Certain items may require additional time and/or external resources, and RIAC will advise the FAA accordingly if any of those items are identified.

d. Westerly Police Department Vehicles

The FAA noted that the Westerly Police Department appeared to be parking vehicles on WST property and that RIAC was not being compensated for that use.

RIAC will notify the Westerly PD to remove these vehicles within 15 days.

3. Specific Items at North Central State Airport (SFZ)

a. Ponding on Runway 23

The FAA noted ponding on Runway 23.

RIAC's 2019 Pavement Management Plan indicated that Runway 23 was in fair condition, with repairs recommended in the 2026 to 2030 timeframe. A repair of Runway 23 is not part of RIAC's current Capital Improvement Plan, which extends through 2029. RIAC will add Runway 23 to its Capital Improvement Plan for repair in 2030. RIAC will explore repair options prior to 2030 and provide an update to the FAA by October 1, 2024. RIAC will seek discretionary funding from the FAA to repair Runway 23.

b. Apron Rehabilitation

The FAA requested that RIAC clarify if the apron is anticipated to be rehabilitated in the next five years.

RIAC intends to make some repairs to the apron in spring and summer of 2024, as noted above in Section 1. A more comprehensive rehabilitation of the SFZ apron is scheduled for 2027.

c. NE Aviation Leasehold and AIP Funding

The FAA requested clarification on whether the portion of the ramp space at SFZ that was reconstructed with federal funding was part of the leasehold of NE Aviation at that time.

The reconstructed ramp space was and is part of the premises covered by NE Aviation's lease. Per e-mail exchanges with the FAA (attached), RIAC and NE Aviation amended the lease to remove the portion of the ramp planned for reconstruction from NE Aviation's "exclusive" leasehold. As of March 31, 2023, that portion of the ramp is part of NE Aviation's "non-exclusive" premises (see attached lease amendment). The grant for reconstruction of the ramp was executed August 30, 2023.

d. Ameresco Property

The FAA requested that RIAC submit a request for concurrence for non-aeronautical land use for the current parcels of land "under the Ameresco lease."

The current agreement between RIAC and Ameresco is not a lease. Ameresco holds *options* to lease certain property, but Ameresco has not exercised those options and the parties have not begun to negotiate the final terms of any resultant lease. When or if Ameresco exercises an option and the parties proceed to a final lease, RIAC will coordinate with the FAA and submit an appropriate request for concurrence. RIAC anticipates this may occur in June or July of 2024.

4. Specific Items at Newport State Airport (UUU)

a. Dip in Grade on Runway 16

The FAA noted a dip in the grade on Runway 16.

RIAC will conduct an engineering assessment on this dip to determine the appropriate method and timeline for repair. RIAC expects to conduct the engineering assessment within the next several months and will provide a proposed corrective action plan to the FAA by August 1, 2024. RIAC will seek discretionary funding from the FAA to repair Runway 16.

b. Robert Potter League for Animals Lease

The FAA noted several issues with RIAC's lease of property to the Robert Potter League for Animals. Specifically, the FAA raised issues with the length of the term and the rental rate and noted that FAA has not provided concurrence for the non-aeronautical use of the property.

RIAC understands the requirement to secure FAA concurrence for the non-aeronautical use of the property. RIAC intends to submit a formal request to the FAA by July 1, 2024.

RIAC will also explore options for renegotiation of the lease, engage in discussions with the tenant, and provide a more complete response to the FAA by July 1, 2024.

c. FlightLevel Services Lease and AIP Funding

The FAA requested that RIAC clarify whether a portion of the ramp improved with federal funding is currently under lease to FlightLevel Services.

It appears that a portion of the ramp presently leased to FlightLevel at UUU was improved using federal funds. Much as it did with NE Aviation at SFZ, RIAC will negotiate an amendment with FlightLevel to remove that portion of the ramp at UUU from FlightLevel's exclusive-use leasehold. RIAC will provide the FAA with the executed amendment or an update on the negotiations by July 1, 2024.

d. Website Inconsistency

The FAA noted an inconsistency between the number of tenants listed on the UUU website and the number of aeronautical leases provided to the FAA during the land use inspection.

The website contained an error. RIAC will update the website within 30 days.

e. Access Fee

The FAA stated that an "access fee" appears on the UUU financial records.

RIAC believes that the FAA is mistaken. There is no access fee applicable to UUU and none appears on the financial records. There is, however, an access fee paid by the through-the-fence operator at WST.

Again, RIAC appreciates the opportunity to respond to the LUI reports and to provide the above information regarding its planned corrective actions. Should you have any questions or wish to discuss these issues, please do not hesitate to let me know.

Sincerely,

Nikolas Persson

Vice President, Properties and Business Development Rhode Island Airport Corporation

Enclosures