



**OKLAHOMA AEROSPACE AND AERONAUTICS COMMISSION MEETING
WEDNESDAY, JANUARY 22, 2025 AT 9 AM
OKLAHOMA DEPARTMENT OF TRANSPORTATION
FIRST FLOOR COMMISSION ROOM
200 NE 21ST STREET, OKLAHOMA CITY, OK**

NOTE: The Oklahoma Aerospace and Aeronautics Commission may discuss, vote to approve, vote to disapprove, vote to table, decide not to discuss, or change the order of any item on the agenda. Any conflicts of interest must be disclosed prior to discussion, and the conflicted Commissioner must recuse from all discussion and votes pertaining to that item.”

AGENDA

- 1. ANNOUNCEMENT OF COMPLIANCE WITH THE OPEN MEETING ACT, FILING OF MEETING NOTICE, AND POSTING OF THE AGENDA — Chairman Blake Raney**
Pursuant to the Oklahoma Open Meeting Act, this meeting shall be held at the Oklahoma Department of Transportation (ODOT) First Floor Commission Room, 200 NE 21st Street in Oklahoma City, Oklahoma.

The Oklahoma Aerospace and Aeronautics Commission Meeting is open to the general public, but it is also available to watch through the link listed below:

To watch:

Public access meeting link: <https://video.ibm.com/channel/CKEfwftDGHZ>

Make sure the volume on your PC (or other device) and the Ustream volume are turned up.

The meeting will be electronically recorded, and audio livestreamed from 200 NE 21st St., Oklahoma City, Oklahoma 73105.

Public Access to complete Commission Packet: <https://oklahoma.gov/aerospace>

- 2. CALL TO ORDER AND RECORDING OF MEMBERS PRESENT AND ABSENT — Chairman Raney and Antonja Ceballos, Executive Assistant to Executive Director Grayson Ardies**

Action Required

- 3. APPROVAL OF THE MINUTES OF THE OKLAHOMA AEROSPACE AND AERONAUTICS COMMISSION MEETING ON DECEMBER 11, 2024 – Chairman Raney**

Action Required

- 4. FINANCIAL REPORT — Chris Wadsworth**

The Commission will be briefed on current financial figures.

Information Only

5. **LEGISLATIVE, CONGRESSIONAL AND REGULATORY UPDATE — Director Ardies and Sandra Shelton, Director of Government Affairs, Industry Development, and Communications**

Information Only

6. **ADMINISTRATIVE RULES FOR THE OKLAHOMA DEPARTMENT OF AEROSPACE AND AERONAUTICS — Michelle Bouziden, Senior Projects and Grants Manager**

The Commission will consider approving the recommended changes to the agency's administrative rules regarding Title 25. These changes are necessary to address funding and other program requirements implemented by items passed during the 2024 Legislative Session.

A. Chapter 15 – ODAA Airport Construction Grant Program

B. Chapter 25 – ODAA Education Grant Program

Action Required

7. **AIRPORT CONSTRUCTION GRANT PROGRAM CHANGE ORDERS – Michelle Bouziden, Senior Projects and Grants Manager**

A. The Commission will be briefed on an amendment to state grant F81-24-S to construct new taxiways at **Okemah Municipal Airport**. The amendment will allow for a line-item adjustment. Funding will be moved from construction to cover utility work. The amendment will not increase the Department's previously approved share.

Information Only

B. The Commission will consider approving an amendment to state grant OKM-24-FS to construct (2) 68'x56' executive box hangars at **Okmulgee Regional Airport**. The change order was necessary to remove unsuitable subgrade and replace it with dry material to meet the required compaction of the subgrade material. The estimated additional cost will be \$57,404 and will be funded with \$31,572 of federal grant funds, \$22,961.60 of state grant funds and \$2,870.40 of sponsor matching funds.

C. The Commission will consider approving an amendment to state grant O47-25-FS to construct (4) box hangars at **Prague Municipal Airport**. The change order was necessary since recent weather has caused the ground to be unstable for heavy equipment. An all-weather gravel access road from the gate to the hangar site will be constructed. The estimated additional cost will be \$30,126.40 and will be funded with \$16,569 of federal grant funds, \$12,050.56 of state grant funds and \$1,506.84 of sponsor matching funds.

Action Required

8. **FIVE-YEAR AIRPORT CONSTRUCTION PROGRAM – Nick Young, Airports Division Manager**

A. The Commission will consider approving an amendment to the five-year Airport Construction Program (ACP) to add a project for the **Perry Municipal Airport**. The project will include constructing (4) 50' x 50' hangars. The total project cost is estimated at \$1,100,000 and will be funded with \$440,000 of state funds, \$605,000 of federal funds and \$55,000 of sponsor matching funds.

Action Required

9. AIRPORT CONSTRUCTION GRANT PROGRAM CONSENT DOCKET – Nick Young

Any Commissioner may request that any or all of these items be considered individually.

- A.** The Commission will consider approving a state grant for a project that is currently identified in the Department’s approved Airport Construction Program at **EI Reno Regional Airport**. The project consists of constructing a terminal building. Based on bids, the total project cost is \$2,500,500 and will be funded with \$1,000,000 of state grant funds and \$1,500,500 of sponsor matching funds. Approval is contingent upon the Department receiving an acceptable grant application.
- B.** The Commission will consider approving design costs for a project that is currently identified in the Department’s approved Airport Construction Program at **Perry Municipal Airport**. The project consists of constructing (4) 50’x50’ box hangars. The estimated cost of the design phase of the project is \$85,800 and will be funded with \$47,190 of federal funds, \$34,329 of state grant funds and \$4,290 of sponsor matching funds.

Action Required

10. AIRPORT PROJECT CONSULTANT APPROVAL CONSENT DOCKET – Nick Young

Any Commissioner may request that any or all of these items be considered individually.

- A.** The Commission will consider approving staff to enter into a contract for a single task order agreement as part of the Department’s acting as agent role for the City of Hugo and supporting their infrastructure investment plans for the **Stan Stamper Municipal Airport (Hugo)**. The project consists of drafting a preliminary engineering report for the rehabilitation of Runway 17/35. Based on estimates, the total cost for the preliminary engineering report is \$58,317.95 and will be funded with \$58,317.95 of state funds.
- B.** The Commission will consider approving staff to enter into a contract for a single task order agreement as part of the Department’s acting as agent role for the City of Tahlequah and supporting their infrastructure investment plans for the **Tahlequah Municipal Airport**. The project consists of constructing a 9-unit T-hangar, taxilane, and relocation of the AWOS. The estimated cost of the design phase of the project is \$276,900 and will be funded with \$249,210 of federal funds, \$13,845 of state grant funds and \$13,845 of sponsor matching funds.

Action Required

11. 5010 AIRPORT MASTER RECORD INSPECTION UPDATE – Thomas Galloway, Aviation Program Manager

The Commission will be briefed on the 5010 Airport Master Record inspections completed in calendar year 2024.

Information Only

12. AIRCRAFT PILOT AND PASSENGER PROTECTION ACT (APPPA) UPDATE — Thomas Galloway

The Commission will be briefed on the number of APPPA permits that have been issued or denied and other APPPA actions that have occurred during 2024.

Information Only

13. WIND ENERGY DEVELOPMENT ACT COMPLIANCE UPDATE – Nick Young

The Commission will be briefed on the 2024 submittals in compliance with Title 17 requirements.

Information Only

14. 2024 AIRPORT CONSTRUCTION PROGRAM UPDATE — Katie Stachowiak, Airport Engineer

The Commission will be briefed on the projects in the Airport Construction Program that were completed during 2024 and updated on the year’s engineering efforts for Federal and State funded projects.

Information Only

15. PROGRESSING RURAL ECONOMIC PROSPERITY (PREP) FUND UPDATE – Director Ardies

The Commission will be briefed on PREP funds allocated for certain infrastructure projects at Oklahoma airports.

Information Only

16. AEROSPACE & AVIATION EDUCATION PROGRAM UPDATE – Paula Kedy, Statewide Aerospace STEM Education Manager

- A. School Visits: Marlow Public Schools, Woodward Public Schools, Laverne Public Schools, Goodwell Public Schools, Guymon Public Schools, Hilldale Public Schools, Glenpool Public Schools.
- B. Oklahoma Aviation Students of the Month
 - i. Nicholas Rowland – Pryor High School
 - ii. Emy Tucker – Piedmont High School
- C. Upcoming Education Events
 - i. OKC Thunder Aero Day – January 23
 - ii. Bessie Coleman Aviation All-Star After School Program – Beginning February 5
 - iii. Flight Safety International Simulator Training for Teachers—February 10-11

Information Only

17. PREVIEW OF UPCOMING AVIATION AND AEROSPACE EVENTS – Sandra Shelton

The Commission will be briefed on upcoming events.

Information Only

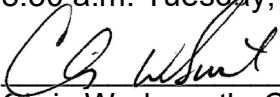
18. DIRECTORS REPORT – Director Ardies

- A. Meeting with Lufthansa Technik – December 13
- B. Shawnee City Commission Meeting – December 16
- C. Meeting with CAE – December 20
- D. Senate Budget Hearing – January 15

Information Only

19. **CONCLUDING REMARKS REGARDING AGENDA ITEMS — Director Ardies and Commissioners**
20. **ANNOUNCEMENT OF NEXT MEETING — Chairman Raney**
The Commission will announce the date, time, and place for the next Commission meeting.
21. **NEW BUSINESS (“any matter not known about, or which could not be reasonably foreseen 24 hours before the meeting”)**
22. **ADJOURNMENT**

This notice was posted prominently and publicly at the principal offices of the Oklahoma Department of Aerospace and Aeronautics at 110 N. Robinson, Suite 200, Oklahoma City, Oklahoma 73102, the Oklahoma Department of Transportation at 200 NE 21st Street, Oklahoma City, Oklahoma 73105, and the Oklahoma Department of Aerospace and Aeronautics website at 8:30 a.m. Tuesday, January 21, 2025.



Chris Wadsworth, Chief of Staff

01.21.2025 7:25 AM



OKLAHOMA Aerospace & Aeronautics

**OKLAHOMA AEROSPACE AND AERONAUTICS COMMISSION MEETING
WEDNESDAY, DECEMBER 11, 2024, AT 10:00 AM
OKLAHOMA DEPARTMENT OF TRANSPORTATION
FIRST FLOOR COMMISSION ROOM
200 NE 21ST STREET, OKLAHOMA CITY, OK**

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DRAFT MINUTES

1. ANNOUNCEMENT OF COMPLIANCE WITH THE OPEN MEETING ACT, FILING OF MEETING NOTICE, AND POSTING OF THE AGENDA —Chairman Charles Ortega and Chris Wadsworth, Chief of Staff

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2. CALL TO ORDER AND RECORDING OF MEMBERS PRESENT AND ABSENT — Chairman Ortega and Antonja Ceballos, Executive Assistant to the Executive Director

Antonja Ceballos called roll and recorded the following Commissioners present and absent:

Present

Jerry Hunter	Commissioner (At-Large)
Lindy Ritz	Commissioner (District 4)
Blake Raney	Vice Chair (District 5)
Seth Phillips	Commissioner (District 1)
Charles Ortega	Chairman (District 3)
Kevin Potter	Secretary (District 2)

Absent

Jim Putnam

Commissioner (At-Large)

The meeting was called to order at 10:00 a.m. with 6 of 7 Commissioners present.

3. APPROVAL OF THE MINUTES OF THE OKLAHOMA AEROSPACE AND AERONAUTICS COMMISSION MEETING ON OCTOBER 9, 2024 — Chairman Ortega

Action Required

Commissioner Phillips made a motion to approve the minutes as presented. Commissioner Ritz seconded the motion. Chairman Ortega called for the vote, and the votes were recorded as follows:

Ayes - Commissioner Hunter
Commissioner Ritz
Commissioner Raney
Commissioner Phillips
Commissioner Ortega
Commissioner Potter

Nays -

Abstain -

The motion carried 6-0.

4. INTRODUCTION OF NEW STAFF MEMBER – Grayson Ardies, Executive Director

Information Only

The Commission was informed of the Department’s new Aviation Program Manager, Nancy Chaney, who started with the Department on December 2, 2024.

5. ELECTION OF OFFICERS FOR CALENDAR YEAR 2025 – Chairman Ortega

Action Required

The Commission selected a new chairman, vice chairman, and secretary to serve during calendar year 2025.

Commissioner Ritz made a motion to elect Blake Raney as Chairman, Kevin Potter as Vice Chair, and Seth Phillips as Secretary. Commissioner Hunter seconded the motion. Chairman Ortega called for the vote, and the votes were recorded as follows:

Ayes - Commissioner Phillips
Commissioner Ortega
Commissioner Ritz
Commissioner Hunter
Commissioner Potter

Commissioner Raney

Nays - None

Abstain - None

The motion carried 6-0.

6. FINANCIAL REPORT — Chris Wadsworth

Information Only

The Commission was briefed on current financial figures.

7. LEGISLATIVE, CONGRESSIONAL AND REGULATORY UPDATE — Director Ardies and Sandra Shelton, Director of Government Affairs, Industry Development, and Communications

A. *The Commission was briefed on legislation and public policy issues concerning airports, aviation and aerospace and Commission legislative initiatives for the 2025 Legislative session.*

Information Only

B. *The Commission was asked to consider approving additional legislative initiatives for the 2025 Legislative session:*

- Updates to engine test cell program.
- Engineering tax credits for aerospace renewal

Action Required

Commissioner Ritz made a motion to approve the legislative initiatives for 2025. Commissioner Raney seconded the motion. Chairman Ortega called for the vote, and the votes were recorded as follows:

Ayes - Commissioner Hunter
Commissioner Ritz
Commissioner Raney
Commissioner Phillips
Commissioner Ortega
Commissioner Potter

Nays -

Abstain -

The motion carried 6-0.

8. AIRPORT CONSTRUCTION GRANT PROGRAM CHANGE ORDER – Michelle Bouziden, Senior Projects and Grants Manager

A. The Commission was briefed on an amendment to grant 90F-23-S to install a self-service fuel system at **Broken Bow Municipal Airport**. The amendment will allow for additional work due to the removal of unsuitable soil and the addition of an SPCC

plan. Funding would be moved from field survey to construction and grant administration. The additional cost will be \$12,280.25 and will be funded with \$ 6,140.12 of state grant funds and \$6,140.13 of sponsor matching funds.

Information Only

9. **FIVE-YEAR AIRPORT CONSTRUCTION PROGRAM – Nick Young, Airports Division Manager**

- A. The Commission was asked to consider approving an amendment to the five-year Airport Construction Program (ACP) to add a project for the **Alva Regional Airport**. The project will include the construction of a 120' x 100' hangar. The total project cost is estimated at \$1,600,000 and will be funded with \$594,060 of federal grant funds, \$640,000 of state grant funds and \$365,940 of sponsor matching funds.
- B. The Commission was asked to consider approving an amendment to the five-year Airport Construction Program (ACP) to add a project for the **Claremore Regional Airport**. The project will include the purchase of a 3,000-gallon Jet-A Fuel Truck. The total project cost is estimated at \$304,790 and will be funded with \$152,395 of state grant funds and \$152,395 of sponsor matching funds.
- C. The Commission was asked to consider approving an amendment to the five-year Airport Construction Program (ACP) to add a project for the **Tulsa International Airport**. The project will be the construction of a plane spotting and viewing area near the terminal to include educational elements, signage, and playground equipment. The total project cost is estimated at \$750,000 and will be funded with \$100,000 of state funds and \$650,000 of sponsor matching funds.

Action Required

Commissioners discussed Item B at length, with Commissioners Hunter, Phillips, and Potter stating their confusion and disapproval of funding the fuel truck for the Claremore Airport. The Commission heard from Airport Manager, Cody Linder, who provided details on the condition of their current fuel truck and the need for a new one. After lengthy discussion regarding item B, the Commission requested that it be considered separately.

Commissioner Phillips made a motion to approve the Five-Year Construction Program Items A and C. Commissioner Ritz seconded the motion. Chairman Ortega called for the vote, and the votes were recorded as follows:

Ayes - Commissioner Hunter
Commissioner Ritz
Commissioner Raney
Commissioner Phillips
Commissioner Ortega
Commissioner Potter

Nays -

Abstain -

The motion carried 6-0.

The Commission discussed Item B further and made a motion to approve the project, honoring the rules as they stood, with the caveat that the Administrative Rule regarding the

purchase of fuel trucks be revisited at a later date. After discussing with Nick and Director Ardies, the Commission moved to vote on Item B.

Commissioner Potter made a motion to approve the Five-Year Construction Program Item B. Commissioner Ritz seconded the motion. Chairman Ortega called for the vote, and the votes were recorded as follows:

Ayes -

Commissioner Ritz
Commissioner Raney
Commissioner Phillips
Commissioner Ortega
Commissioner Potter

Nays - Commissioner Hunter

The motion carried 5-1.

10. AIRPORT CONSTRUCTION GRANT PROGRAM CONSENT DOCKET – Nick Young, Airports Division Manager

Any Commissioner may request that any or all of these items be considered individually.

- A.** The Commission will consider approving a state grant for a project that is currently identified in the Department’s approved Airport Construction Program at **Broken Bow Municipal Airport**. The project consists of rehabilitating Runway 17/35. Based on bids, the total project cost is \$1,268,300 and will be funded with \$1,204,885 of state grant funds and \$63,415 of sponsor matching funds. An approval is contingent upon the Department receiving an acceptable grant application.
- B.** The Commission will consider approving a state grant that is currently identified in the Department’s approved Airport Construction Program at **Claremore Regional Airport**. The project will include the purchase of a 3,000-gallon Jet-A Fuel Truck. The total project cost is estimated at \$304,790 and will be funded with \$152,395 of state grant funds and \$152,395 of sponsor matching funds.
- C.** The Commission will consider approving design costs for a project that is currently identified in the Commission’s approved Airport Construction Program at **Okmulgee Regional Airport**. The project consists of rehabilitating the lighting and signage for runway 18/36. The estimated cost of the design phase of the project is \$41,500 and will be funded with \$39,425 of state grant funds and \$2,075 of sponsor matching funds.
- D.** The Commission will consider approving design costs for a project that is currently identified in the Commission’s approved Airport Construction Program at **Prague Municipal Airport**. The project consists of a crack seal and seal coat of runway 17/35. The estimated cost of the design phase is \$56,000 and will be funded with \$53,200 of state grant funds and \$2,800 of sponsor matching funds.
- E.** The Commission will consider approving a state grant for a project that is currently identified in the Department’s approved Airport Construction Program at **The University of Oklahoma’s Max Westheimer Airport (Norman)**. The project consists of constructing a new air traffic control tower. Based on bids the total project cost is \$14,871,118.92 and will be funded with \$14,258,208.50 of federal grant funds, \$306,455.21 of state grant funds, and \$306,455.21 of sponsor matching funds. An approval is contingent upon the Department receiving an acceptable grant application.

Action Required

The Commission discussed items A-E. Commissioner Hunter stated that he would like Item B to be considered separately.

Commissioner Hunter made a motion to approve the Airport Construction Grant Program Consent Docket, Items A, C, D, and E. Commissioner Ritz seconded the motion. Chairman Ortega called for the vote, and the votes were recorded as follows:

Ayes - Commissioner Hunter
Commissioner Ritz
Commissioner Raney
Commissioner Phillips
Commissioner Ortega
Commissioner Potter

Nays -

Abstain -

The motion carried 6-0.

Commissioner Potter made a motion to approve the Airport Construction Grant Program Consent Docket, Item B. Commissioner Ritz seconded the motion. Chairman Ortega called for the vote, and the votes were recorded as follows:

Ayes - Commissioner Ritz
Commissioner Raney
Commissioner Phillips
Commissioner Ortega
Commissioner Potter

Nays - Commissioner Hunter

Abstain -

The motion carried 5-1.

11. AIRPORT PROJECT CONSULTANT APPROVAL CONSENT DOCKET – Nick Young

Any Commissioner may request that any or all of these items be considered individually.

- A.** The Commission will consider approving staff to enter into a contract for a single task order agreement as part of the Department's acting as agent role for **Carlton Landing Field Airport**. The project consists of the design phase for the installation of a partial perimeter fence on the west side of the airport to deter wildlife around the runway. The total cost of the agreement for the design phase of the project is \$45,200 and will be funded with \$45,200 of state funds.
- B.** The Commission will consider approving staff to enter into a contract for a single task order agreement as part of the Department's acting as agent role for the City of Pauls Valley for a project that is currently identified in the Department's approved Airport Construction Program at **Pauls Valley Municipal Airport**. The project consists of a rehabilitation and partial reconstruction of runway 17/35. Based on estimates, the design phase is \$582,900 and will be funded with \$524,610 of federal grant funds, \$29,145 of state funds, and \$29,145 of sponsor matching funds.

- C. The Commission will consider approving staff to enter into a contract for a single task order agreement as part of the Department's acting as agent role for the City of Shawnee and supporting their infrastructure investment plans for the **Shawnee Regional Airport**. The project consists of the design phase for taxiway to support their new Southeast development area. The total cost of the agreement for the design phase of the project is \$312,600 and will be funded with \$296,970 of state funds and \$15,630 of sponsor matching funds.
- D. The Commission will consider approving staff to enter into a contract for a single task order agreement as part of the Department's acting as agent role for the City of Shawnee and supporting their infrastructure investment plans for the **Shawnee Regional Airport**. The project consists of the design phase for two (2) 10-unit T-hangar buildings. The total cost of the agreement for the design phase of the project is \$121,500 and will be funded with \$115,425 of state funds and \$6,075 of sponsor matching funds.
- E. The Commission will consider approving staff to enter into a contract for a single task order agreement as part of the Department's acting as agent role for the City of Shawnee and supporting their infrastructure investment plans for the **Shawnee Regional Airport**. The project consists of the design phase for rehabilitation of the existing main taxilane and construction of a new T-hangar taxilane. The total cost of the agreement for the design phase of the project is \$225,700 and will be funded with \$214,415 of state funds and \$11,285 of sponsor matching funds.
- F. The Commission will consider approving staff to enter into a contract for a single task order agreement as part of the Department's acting as agent role for the City of Sallisaw and supporting their infrastructure investment plans for the **Sallisaw Municipal Airport**. The project consists of the design phase for the rehabilitation of runway 17/35. The total cost of the agreement for the design phase of the project is \$181,700 and will be funded with \$163,530 of FAA grant funds, \$9,085 of state funds and \$9,085 of sponsor matching funds.

Action Required

Commissioner Raney asked if the Shawnee T-Hangars was something new beyond what was damaged by the recent tornado. Nick confirmed that this would be for rebuilding what was lost.

Commissioner Raney made a motion to approve the Airport Project Consultant Approval Consent Docket. Commissioner Hunter seconded the motion. Chairman Ortega called for the vote, and the votes were recorded as follows:

Ayes -

- Commissioner Ritz
- Commissioner Raney
- Commissioner Phillips
- Commissioner Ortega
- Commissioner Potter
- Commissioner Hunter

Nays -

Abstain -

The motion carried 6-0.

12. CLINTON-SHERMAN CONTRACT APPROVAL CONSENT DOCKET – Nick Young

Any Commissioner may request that any or all of these items be considered individually.

- A.** The Commission will consider authorizing staff to enter into contracts for the construction of the second phase of a pavement rehabilitation project that is currently identified in the Department’s approved Airport Construction Program at **Clinton Sherman Airport (Burns Flat)**. The projects consist of pavement rehabilitation for the remaining portions of Runway 17R/35L. Based on bids the total project cost is \$3,195,874 and will be funded with \$3,195,874 of OSIDA’s PREP funds. Total project cost includes \$2,899,974 of construction costs and \$295,900 of construction administration and inspection costs.
- B.** The Commission will consider authorizing staff to enter into contracts for the construction of the runway lighting and signage rehabilitation project that is currently identified in the Department’s approved Airport Construction Program at **Clinton Sherman Airport (Burns Flat)**. The projects consist of updating all lighting and signage for Runway 17R/35L. Based on bids the total project cost is \$2,650,598 and will be funded with \$2,650,598 of OSIDA’s PREP funds. Total project cost includes \$2,490,298 of construction costs and \$160,300 of construction administration and inspection costs.

Action Required

Commissioner Hunter made a motion to approve the Clinton-Sherman Contract Approval Consent Docket. Commissioner Ritz seconded the motion. Chairman Ortega called for the vote, and the votes were recorded as follows:

Ayes -

- Commissioner Ritz
- Commissioner Raney
- Commissioner Phillips
- Commissioner Ortega
- Commissioner Potter
- Commissioner Hunter

Nays -

Abstain -

The motion carried 6-0.

13. ON-DEMAND AIRPORT CONSULTANT CONTRACT CHANGE ORDER – Nick Young

- A.** The Commission will consider authorizing staff to increase the current on-demand services contract with Huitt-Zollars for Independent Fee Estimates from \$20,000 to \$40,000.

Action Required

Commissioner Ritz made a motion to approve the On-Demand Airport Consultant Contract Change Order. Commissioner Potter seconded the motion. Chairman Ortega called for the vote, and the votes were recorded as follows:

Ayes -

- Commissioner Ritz
- Commissioner Raney

Commissioner Phillips
Commissioner Ortega
Commissioner Potter
Commissioner Hunter

Nays -

Abstain -

The motion carried 6-0.

14. AIR SERVICE DEVELOPMENT GRANT PROGRAM – Director Ardies

A. The Commission will consider approving a project for new commercial air service development at **Lawton-Fort Sill Regional Airport**. The grant award for this project will be used to conduct a catchment study to quantify capture and leakage to nearby airports. Lawton’s grant request amount is \$28,000 from the state and they have committed to \$7,000 in matching funds for a total project cost of \$35,000. An approval is contingent upon the Department receiving an acceptable final grant application.

Action Required

Commissioner Potter made a motion to approve the Air Service Development Grant Program. Commissioner Phillips seconded the motion. Chairman Ortega called for the vote, and the votes were recorded as follows:

Ayes -

Commissioner Ritz
Commissioner Raney
Commissioner Phillips
Commissioner Ortega
Commissioner Potter
Commissioner Hunter

Nays -

Abstain -

The motion carried 6-0.

15. PROGRESSING RURAL ECONOMIC PROSPERITY (PREP) FUND UPDATE – Director Ardies

The Commission will be briefed on PREP funds allocated for certain infrastructure projects at Oklahoma airports.

Information Only

Director Ardies provided update on PREP funds allocation.

16. UNMANNED AIRCRAFT SYSTEMS INFRASTRUCTURE INVESTMENT PROGRAM – Director Ardies

The Commission will consider approving a partnership with the Oklahoma National Guard to support their investment in the development of a UAS test site at Camp Gruber for up to

\$2.5M to be funded with state funds from the Department's UAS/AAM infrastructure appropriations. The first phase of the project will be a master plan and site development study with a cost of \$88,786.

Action Required

Commissioner Phillips made a motion to approve the Unmanned Aircraft Systems Infrastructure Investment Program. Commissioner Potter seconded the motion. Chairman Ortega called for the vote, and the votes were recorded as follows:

Ayes -

Commissioner Ritz
Commissioner Raney
Commissioner Phillips
Commissioner Ortega
Commissioner Potter
Commissioner Hunter

Nays -

Abstain -

The motion carried 6-0.

17. AEROSPACE & AVIATION EDUCATION PROGRAM UPDATE – Paula Kedy, Statewide Aerospace STEM Education Manager

- A. Lt. Governor's Workforce Development Tour/Collinsville - October 15, 2024
- B. Oklahoma Aviation Academy Groundbreaking - October 23, 2024
- C. Collaborative Meeting/OKC Public Schools and Rose State College - October 25, 2024
- D. School Visits: Emerson South High School/OKCPS, Stringtown Public Schools, Sayre Public Schools, Clinton Public Schools, Davis Public Schools, Mosely Public Schools, Mounds Public Schools, Elk City Public Schools, Blair Public Schools, Bishop McGuinness High School, Tecumseh Public Schools
- E. AOPA National High School Aviation STEM Symposium/Atlanta, GA - November 16-19, 2024

Information Only

18. BESSIE COLEMAN AVIATION ALL-STARS PROGRAM – Paula Kedy, Statewide Aerospace STEM Education Manager

The Commission was asked to consider approval of a \$2,500 partnership with The Bessie Coleman After-School Aviation All-Star Program to implement an after-school aviation program for 5th and 6th grade students enrolled in the Ada Public Schools and McAlester Public Schools. Students enrolled in the program will learn about aviation careers and will participate in hands-on aviation projects that have been designed to create interest in aerospace and aviation.

Action Required

Commissioner Hunter made a motion to approve the Bessie Coleman Aviation All-Stars Program. Commissioner Raney seconded the motion. Chairman Ortega called for the vote, and the votes were recorded as follows:

Ayes -

Commissioner Ritz
Commissioner Raney
Commissioner Phillips
Commissioner Ortega
Commissioner Potter
Commissioner Hunter

Nays -

Abstain -

The motion carried 6-0.

19. 2025 SPONSORSHIPS AND MEMBERSHIPS CONSENT DOCKET - Director Ardies and Sandra Shelton

Any Commissioner may request that any or all of these items be considered individually.

A. Oklahoma Airport Operators Association

The Commission will consider renewing its annual membership in the Oklahoma Airport Operators Association for calendar year 2025 and serving as a sponsor for the OAOA Annual Conference to be held March 30 – April 2, 2025, in Monkey Island, Oklahoma. The cost is \$6,500.

B. Select Oklahoma

The Commission will consider approving a \$2,500 membership to Select Oklahoma for calendar year 2025.

C. Aero Oklahoma Day

The Commission will consider approving up to \$10,000 for sponsorship of Aero Oklahoma Day at the Capitol scheduled for April 2, 2025, from 9:30 a.m. – 2:00 p.m.

D. 2025 Oklahoma National Guard Launched Effects Symposium

The Commission will consider approving up to \$10,000 for sponsorship of the Oklahoma National Guard's Launched Effects Symposium scheduled for January 21, 2025, in Oklahoma City, OK.

Action Required

The Commission was briefed on items A-D and asked to consider approval.

Commissioner Ritz made a motion to approve the 2025 Sponsorships and Memberships Consent Docket. Commissioner Hunter seconded the motion. Chairman Ortega called for the vote, and the votes were recorded as follows:

Ayes -

Commissioner Ritz
Commissioner Raney
Commissioner Phillips
Commissioner Ortega

Commissioner Potter
Commissioner Hunter

Nays -

Abstain -

The motion carried 6-0.

20. PARTNERSHIPS WITH THE OKLAHOMA DEPARTMENT OF COMMERCE FOR 2025 CONFERENCES AND TRADE SHOWS CONSENT DOCKET – Director Ardies

Any Commissioner may request that any or all of these items be considered individually.

A. VERTICAL ASSOCIATION INTERNATIONAL HELI-EXPO

The Commission will consider approving a \$5,000 partnership/sponsorship with the Oklahoma Department of Commerce for a state exhibit booth at the MRO Americas Conference, March 10-13, 2025, in Dallas, TX.

B. SPACE SYMPOSIUM

The Commission will consider approving a \$5,000 partnership/sponsorship with the Oklahoma Department of Commerce for a state exhibit booth at the Space Symposium Conference, April 7-10, 2025, in Colorado Springs, CO.

C. MRO AMERICAS CONFERENCE

The Commission will consider approving a \$5,000 partnership/sponsorship with the Oklahoma Department of Commerce for a state exhibit booth at the MRO Americas Conference, April 8 - 10, 2025, in Atlanta, GA.

D. ASSOCIATION FOR UNCREWED VEHICLE SYSTEMS INTERNATIONAL (AUVSI) XPONENTIAL

The Commission will consider approving a \$5,000 partnership/sponsorship with the Oklahoma Department of Commerce for a state exhibit booth at the AUVSI XPONENTIAL Conference & Expo, May 19 -22, 2025, in Houston, TX.

E. PARIS INTERNATIONAL AIRSHOW

The Commission will consider approving a \$10,000 partnership/sponsorship with the Oklahoma Department of Commerce and other Oklahoma-based companies and organizations for a state exhibit booth at the Paris International Airshow, June 16-22, 2025 in Paris, France.

F. EXPERIMENTAL AIRCRAFT ASSOCIATION (EAA) AIRVENTURE/OSHKOSH

The Commission will consider approving a \$5,000 partnership/sponsorship with the Oklahoma Department of Commerce for a state exhibit booth at the EAA AirVenture event in Oshkosh, WI, July 21-27, 2025.

G. NATIONAL BUSINESS AVIATION ASSOCIATION – BUSINESS AVIATION CONFERENCE & EXPO (NBAA-BACE)

The Commission will consider approving a \$5,000 partnership/sponsorship with the Oklahoma Department of Commerce for a state exhibit booth at the NBAA-BACE, Oct. 14 - 16, 2025, in Las Vegas, NV.

Action Required

The Commission was briefed on partnerships and tradeshow that the Department recommends participation in for 2025. The Commission discussed the return on investment on attending these events. Commissioner Hunter stated that he would vote to approve the docket under the circumstance that the Department of Commerce provide details regarding the success of the events and how many companies are recruited to Oklahoma.

Commissioner Potter made a motion to approve the Partnerships with the Oklahoma Department of Commerce for 2025 Conferences and Trade Shows Consent Docket. Commissioner Ritz seconded the motion. Chairman Ortega called for the vote, and the votes were recorded as follows:

Ayes -

Commissioner Ritz
Commissioner Raney
Commissioner Phillips
Commissioner Ortega
Commissioner Potter
Commissioner Hunter

Nays -

Abstain -

The motion carried 6-0.

21. REVIEW OF AEROSPACE CONFERENCES AND TRADESHOWS – Director Ardies and Sandra Shelton

- A. National Business Aviation Association Annual Conference – October 22-24
- B. Oklahoma Aerospace Forum – November 12

The Commission received a review of the Aerospace Conferences and Trade Shows that the Department had attended.

Information Only

22. REVIEW OF AEROSPACE EVENTS AND ACTIVITIES – Director Ardies, Chris Wadsworth, and Sandra Shelton

- A. Oklahoma Commanders Summit – October 24
- B. Enid-Woodring Groundbreaking – November 20

Information Only

The Commission received a review of the Aerospace Events and Activities that the Department participated in.

23. Oklahoma Women in Aviation & Aerospace Day – Sandra Shelton, Katelyn Wade

The Commission will be briefed on this year's Women in Aviation and Aerospace Day event hosted at the 138th Fighter Wing in Tulsa on December 6th.

Information Only

The Commission received a review of the Oklahoma Women in Aviation & Aerospace Day event the Department had produced on December 6. Commissioner Ritz commented on how well the event was planned and executed as well as the importance of continuing such events in the future as it greatly impacts the State Aerospace community.

24. PREVIEW OF UPCOMING AVIATION AND AEROSPACE EVENTS – Sandra Shelton

The Commission will be briefed on upcoming events.

Information Only

The Commission received a review of upcoming Aviation and Aerospace Events.

25. DIRECTORS REPORT – Director Ardies

Information Only

The Commission was briefed on the following events from the Directors calendar.

- A.** Blue Side Up Conference – FAA Southwest Region – August 6
- B.** Weatherford Rotary Lunch Speaking Engagement – August 28
- C.** New Mexico Aviation Division – September 13
- D.** Norman Chamber of Commerce Annual Aviation Breakfast – September 27
- E.** McAlester Site Visit – September 27
- F.** Flight Safety Reception and Open House – October 7

26. POSSIBLE EXECUTIVE SESSION PURSUANT TO 25 O.S. § 307(B)(4) AND CONSISTENT WITH 2005 OK AG 29, ¶13, FOR THE PURPOSE OF CONFIDENTIAL COMMUNICATIONS BETWEEN THE BOARD AND COUNSEL FROM THE OKLAHOMA OFFICE OF THE ATTORNEY GENERAL CONCERNING HUTCHINSON VS. STATE WHERE COUNSEL HAS DETERMINED THAT DISCLOSURE OF INFORMATION RELATED TO LITIGATION WILL SERIOUSLY IMPAIR THE ABILITY OF THE BOARD TO PROCESS OR CONDUCT LITIGATION IN THIS MATTER, PROVIDED THAT ANY ACTION TAKEN SHALL BE IN OPEN SESSION. – Chairman Ortega

The Commission voted to convene in Executive Session.

- A.** Vote to Convene in Executive Session

Action Required

Commissioner Hunter made a motion to convene in Executive Session. Commissioner Phillips seconded the motion. Chairman Ortega called for the vote, and the votes were recorded as follows:

Ayes -

- Commissioner Ritz
- Commissioner Raney
- Commissioner Phillips
- Commissioner Ortega
- Commissioner Potter
- Commissioner Hunter

Nays -

Abstain -

The motion carried 6-0.

The Commission met in Executive Session.

B. Vote to Acknowledge Return to Open Session

Action Required

Commissioner Potter made a motion to reconvene in Open Session. Commissioner Phillips seconded the motion. Chairman Ortega called for the vote, and the votes were recorded as follows:

Ayes -

Commissioner Ritz
Commissioner Raney
Commissioner Phillips
Commissioner Ortega
Commissioner Potter
Commissioner Hunter

Nays -

Abstain -

The motion carried 6-0.

No Action requiring voting after returning to open session.

27. CONCLUDING REMARKS REGARDING AGENDA ITEMS — Chris Wadsworth and Commissioners

28. ANNOUNCEMENT OF NEXT MEETING —Chairman Ortega

Chairman Ortega announced that the next meeting will be at 9:00 a.m. on Wednesday, January 22, 2025, at the Oklahoma Department of Transportation First Floor Commission Room, 200 Northeast 21st Street in Oklahoma City.

29. NEW BUSINESS (“any matter not known about or which could not be reasonably foreseen 24 hours before the meeting”)

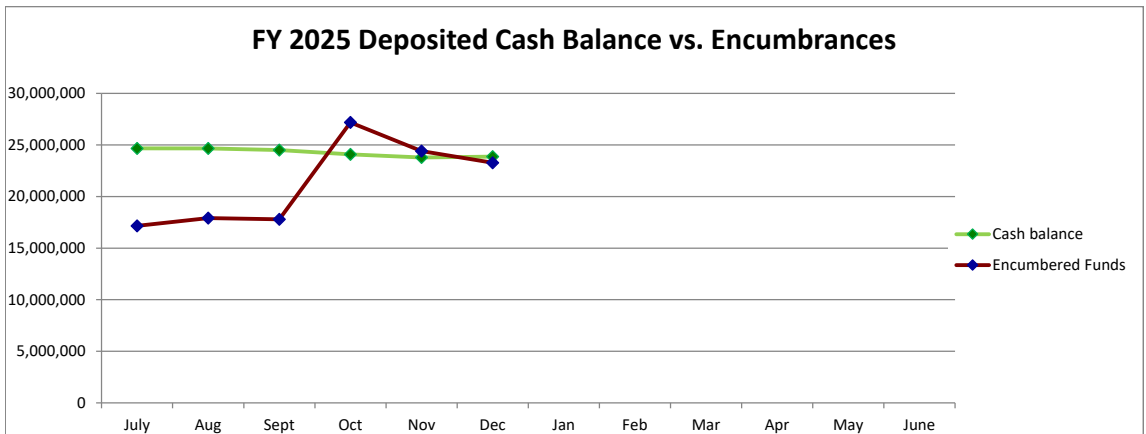
No new business.

30. ADJOURNMENT

Chairman Ortega requested a motion to adjourn. Commissioner Phillips made a motion to adjourn. Commissioner Potter seconded. Chairman Ortega declared the meeting adjourned at 12:31pm.

**Oklahoma Department of Aerospace & Aeronautics
Financial Summary as of 12/31/24**

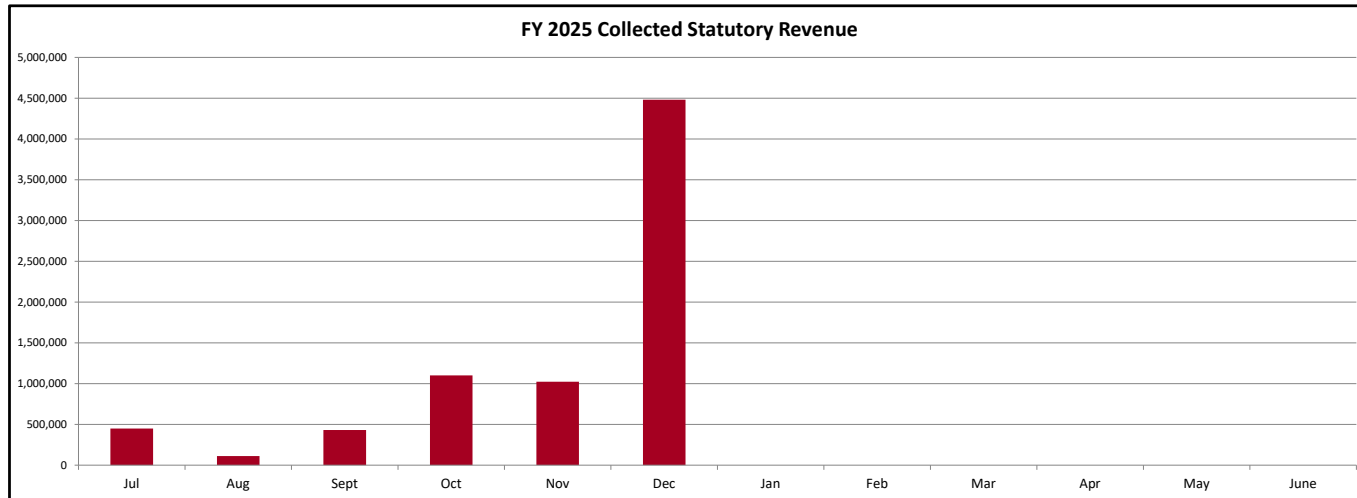
CASH BALANCES:	
Fund 194 (FY24 Appropriation)	3,199,504.12
Fund 195 (FY25 Appropriation)	1,457,450.65
Fund 200 (Revolving Fund)	14,888,307.35
Fund 215 (Long-Term Infrastructure Fund)	3,796,860.23
Fund 400 (Federal Reimbursement Fund)	536,349.04
Total Cash	\$23,878,471.39
ENCUMBRANCES:	
Operations and Maintenance	595,792.87
Aviation Education	867,768.10
UAS/AAM	1,339,407.14
Fund 400 FAA Grants	396,674.00
Airport Construction Program	20,070,692.89
Total Encumbered	(\$23,270,335.00)
UNENCUMBERED CASH BALANCE:	
	\$608,136.39
REMAINING EXPECTED REVENUE FOR FY 2025:	
Balance of FY25 Appropriation	7,500,000.00
Balance of 3 Yr. Average of Estimated Aircraft Excise Tax	3,000,000.00
Balance of 3 Yr. Average of Estimated Aircraft Registration Fees & Fuel Tax	904,391.11
APPPA Permit Fees	8,100.00
Total Remaining Expected Revenue for FY 2025	\$11,412,491.11
REMAINING EXPECTED REIMBURSEMENTS:	
Non-Primary Entitlement Reimbursement on funds	0.00
Sponsor Reimbursements on State Grants	2,200,161.15
FAA Grant Reimbursements	1,280,224.00
Total Remaining Expected Reimbursements for FY 2025	\$3,596,929.75
REMAINING POSSIBLE ENCUMBRANCES FOR FY 2025:	
Airport Construction Program (pre-encumbered projects)	0.00
Airport Construction Program (FY 2024/2025 granted, but not yet fully executed)	8,647,502.00
Airport Construction Program (scheduled for FY 2025 - not yet granted)	10,430,690.00
Operations/Aviation Education/UAS (budgeted but not encumbered/spent)	7,633,464.27
Total Remaining Possible Encumbrances for FY 2025	(\$26,711,656.27)
AVAILABLE CASH AFTER ENCUMBRANCES & EXPECTED INCOME:	
	(\$11,094,099.02)
YTD EXPENDITURES DURING FY 2025:	
Operations and Maintenance	655,571.42
Aviation Education	493,511.28
UAS/AAM	1,207,135.36
Airport Construction Program	9,311,154.30
Total YTD Expenditures During FY 2025	\$11,667,372.36



COMPLETION TIME OF PROJECTS ON THIS WORKPAPER ARE SPECULATED FOR ILLUSTRATION TO THE COMMISSION.

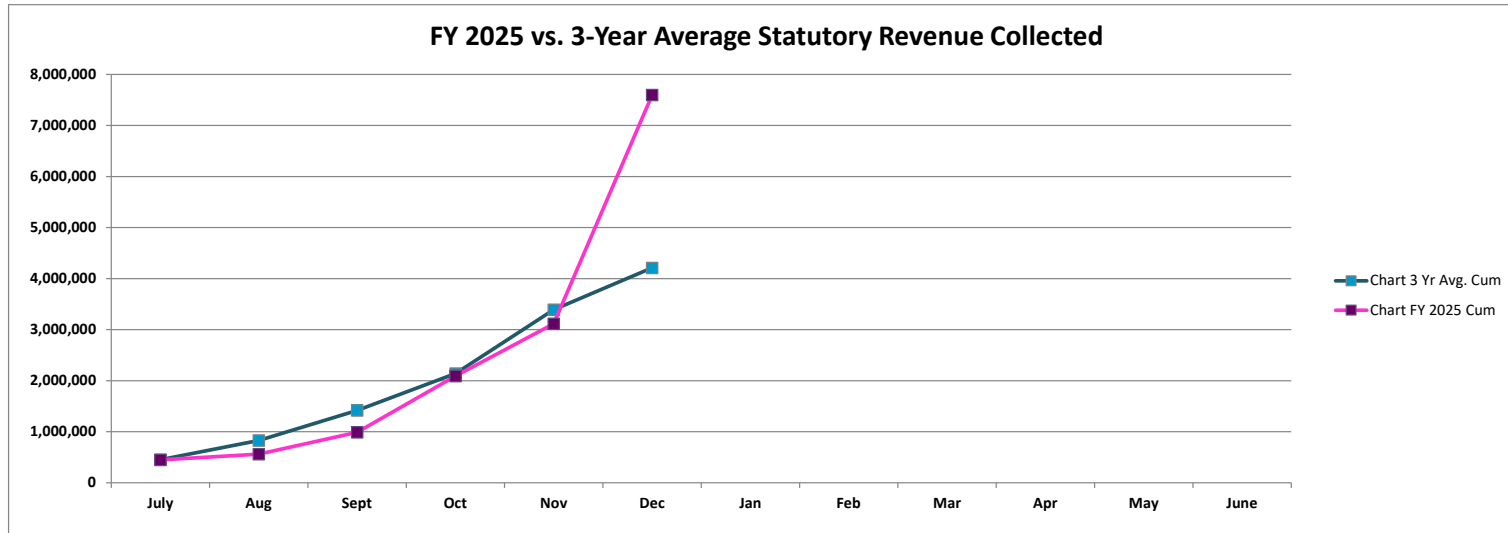
FY 2025 OKLAHOMA DEPARTMENT OF AEROSPACE & AERONAUTICS COLLECTED REVENUE BY MONTH & SOURCE

	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD Received FY 2025	YTD Comparison FY 2024
200 STATUTORY REVENUE:														
423453 Speciality License Plate	1,704.00	984.00	1,512.00	1,464.00	456.00	576.00							6,696.00	5,616.00
415509 Gasoline Excise Tax	8,524.05	8,436.27	7,859.01	7,859.53	8,306.11	7,783.73							48,768.70	44,503.42
417171 Aircraft Excise Tax	430,463.00	65,161.00	405,625.00	1,076,710.00	922,957.00	4,431,223.00							7,332,139.00	3,833,902.07
428101 Aircraft Registration Fees	0.00	0.00	0.00	0.00	75,127.21	25,949.44							101,076.65	584,705.08
428911 APPPA Permit Fee	400.00	400.00	0.00	200.00	400.00	0.00							1,400.00	400.00
454102 Funds Previously Disbursed - Cities	0.00	0.00	0.00	0.00	11,597.37	6,990.01							18,587.38	61,281.22
458101 & 479199 Funds Previously Disbursed - Misc	0.00	0.00	0.00	14,500.00	3,731.89	0.00							18,231.89	15,034.33
458105 Funds Previously Disbursed - GCR	7,776.93	36,746.98	15,425.39	0.00	0.00	9,100.00							69,049.30	23,065.33
TOTAL STATUTORY REVENUE	448,867.98	111,728.25	430,421.40	1,100,733.53	1,022,575.58	4,481,622.18	0.00	0.00	0.00	0.00	0.00	0.00	7,595,948.92	4,568,507.45
400 FEDERAL FUNDS:														
455101 FAA Reimbursement Draws	0.00	74,912.00	0.00	0.00	0.00	137,882.00							212,794.00	166,976.33
TOTAL FEDERAL FUNDS	0.00	74,912.00	0.00	0.00	0.00	137,882.00	0.00	0.00	0.00	0.00	0.00	0.00	212,794.00	166,976.33
GRAND TOTAL: ALL FUNDS	448,867.98	186,640.25	430,421.40	1,100,733.53	1,022,575.58	4,619,504.18	0.00	0.00	0.00	0.00	0.00	0.00	7,808,742.92	4,735,483.78



FY 2025 vs. 3 Year Average Collected Statutory Revenue Comparison

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Totals
FY 2022	434,517	164,080	372,637	629,392	803,856	763,893	331,556	421,811	367,803	187,473	328,866	691,862	\$5,497,746
FY 2023	666,796	167,776	464,676	1,007,709	2,108,923	580,632	1,659,987	245,228	768,137	1,264,115	192,689	832,412	\$9,959,081
FY 2024	255,275	796,231	927,939	530,593	842,553	1,116,136	2,247,779	584,011	1,119,157	202,216	202,212		\$8,824,102
Totals	1,356,589	1,128,088	1,765,252	2,167,695	3,755,331	2,460,661	4,239,322	1,251,050	2,255,097	1,653,804	723,767	1,524,273	
3 Year average	452,196	376,029	588,417	722,565	1,251,777	820,220	1,413,107	417,017	751,699	551,268	241,256	508,091	\$8,093,643
FY 2025	448,868	111,728	430,421	1,100,734	1,022,576	4,481,622							\$7,595,949
Chart 3 Yr Avg. Cum	452,196	828,225	1,416,643	2,139,208	3,390,985	4,211,205							
Chart FY 2025 Cum	448,868	560,596	991,018	2,091,751	3,114,327	7,595,949							



**TITLE 25. OKLAHOMA DEPARTMENT OF AEROSPACE AND AERONAUTICS
CHAPTER 15. AIRPORT CONSTRUCTION PROGRAM**

25:15-1-1. Purpose

The purpose of this chapter is to set forth the requirement for participation in the airport grant program administered by the Oklahoma Department of Aerospace and Aeronautics, and to establish the procedures to be followed by the Department in the administration and enforcement of its duties under Title 3, Oklahoma Statutes, Section 81-93 and Title 68, Oklahoma Statutes, Section 6003.1.

25:15-1-2. Definitions

The following words or terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

"Administrative official" means an official of the airport sponsor who is authorized to legally bind the airport sponsor.

"Airport Construction Program" means a list of airport construction projects approved by the Commission for implementation within a five-year programming horizon showing a description of the project, the cost of each phase of the project, when the project is expected to occur, and the sources of funding.

"Airport Development Worksheet" means a listing of the capital infrastructure projects needed at an airport over a twenty-year planning horizon together with the estimated cost, construction type, and airport component for each project. Projects identified for a particular airport must be consistent with the service level, functional classification, design standard, and airport reference code identified for the airport in the Oklahoma Airport System Plan. An airport development worksheet is developed and maintained for each system plan airport that is not part of the National Plan of Integrated Airport Systems (NPIAS) cooperatively by the airport sponsor and the Department staff.

"Airport layout plan/drawing" means the basic plan for the layout of an airport that shows, at a minimum, the present boundaries of the airport, the areas that the airport sponsor owns or controls for airport purposes, and any proposed areas that will be acquired by the airport sponsor in the future. It will include the location and nature of existing and proposed airport facilities such as runways, taxiways, aprons, terminal buildings, hangars, roads, and other vital airport infrastructure items. Also, it will provide the location of existing and proposed uses of property under control by the airport sponsor. The full airport layout plan-set is a combination of many pages of documents, including items such as instrument approach path details, terminal area maps, property maps, and the page that is identified as the airport layout drawing. Not every airport will have a full plan-set and may only have an airport layout drawing which will detail most of the above information on a single page drawing.

"Airport Sponsor" or "Municipality" is used interchangeably throughout this chapter. Either term means any incorporated city, village, or town of this state, any public institution of higher education, and any county or political subdivision or district of this state, or any public trust thereof, which is, or may be, authorized by law to acquire, establish, construct, maintain, improve, and operate airports, airstrips, and aeronautical facilities. To be eligible for the state grant program, the airport sponsor must be one of

the governmental entities referenced in the preceding sentence and included in the Oklahoma Airport System Plan that has been adopted by the Commission. Nothing herein precludes two or more of these entities from acting jointly as an airport sponsor. In the event a public trust is the airport sponsor, the beneficiary of that public trust must also be a record owner of the airport property.

"Airport Sponsor Matching Share" means any funds provided by the airport, municipality or public trust, or any other source of funding that is not FAA.

"Commission" means the seven members of the Oklahoma Aerospace and Aeronautics Commission as appointed by the governor.

"Department" means the Oklahoma Department of Aerospace and Aeronautics, the state agency responsible for administering airport grant programs for the State of Oklahoma and the Federal Aviation Administration.

"Emergency" means a condition that could not have been foreseen and which affects the safety of the airport sufficiently that the airport or runway may need to be closed if the situation is not remedied.

"FAA" means the Federal Aviation Administration, a unit of the U.S. Department of Transportation.

"Letter of Interest" means a letter expressing the desire of an airport sponsor to have one or more projects included in the Airport Construction Program.

"Non- Primary Entitlement (NPE) funds" ~~are~~ means FAA Airport Improvement Program (AIP) funds set aside for general aviation airports listed in the National Plan of Integrated Airport Systems.

"Notification Letter" means correspondence prepared by the Department staff informing an airport sponsor that one or more of their projects have advanced to the current year of the Airport Construction Program. The letter sets forth the terms the Department imposes on airport sponsors participating in the state grant program, describes the project, authorizes the airport sponsor to begin engineering work for the project and directs the sponsor to prepare a grant application once project bids have been received.

"Oklahoma Airport System Plan" means the plan, adopted by the Commission, which identifies the airports included in the State's airport system and identifies the service level, functional classification, design standard, and airport reference code for each system airport.

"Project Sketch" means the sketch shown in color the area and location of proposed construction or rehabilitation work for the accompanying construction grant application. ~~ies the se~~

25:15-1-3. Planning

(a) Planning and Programming Process.

(1) The Department staff shall, in consultation with airport sponsors, prepare and maintain the Oklahoma Airport System Plan. The Commission shall adopt and approve changes to the plan.

(2) The Department staff shall assist publicly owned, publicly used airports in identifying airport needs and deficiencies. Airport sponsors eligible to participate in grant or loan programs are sponsors of publicly owned, public use airports included in the Oklahoma Airport System Plan. The Department staff shall, in

consultation with each airport sponsor, prepare and maintain an airport development worksheet for each airport included in the Oklahoma Airport System Plan. The airport development worksheet shall be reviewed and updated at least once every three years. The airport development worksheet shall identify the capital projects needed at the airport over a 20 year planning horizon, together with the estimated cost, construction type, objective code, and airport component for each project. The identified projects shall be consistent with the service level, functional classification, design standard, and airport reference code identified for the airport in the Oklahoma Airport System Plan.

(3) The Department staff shall, in consultation with airport sponsors, prepare and update annually the Airport Construction Program. The Commission shall approve the Airport Construction Program.

(b) **Airport Construction Program Content.**

(1) The Airport Construction Program shall contain a list of proposed State and FAA funded projects that can be implemented with forecast revenues within the five year programming horizon.

(2) Projects included for an airport in the Airport Construction Program shall be consistent with service level, functional classification, design standard, and airport reference code identified for the airport in the Oklahoma Airport System Plan.

(3) The Airport Construction Program shall show the proposed sources of funding for each project.

(4) The Airport Construction Program shall show the proposed implementation schedule for each project.

(5) The Airport Construction Program shall include other priorities, policies, and procedures as adopted by the Commission.

(c) **Airport Construction Program Projects.**

(1) To be included in the Airport Construction Program a project must be eligible to receive airport grant or loan funding from the Department. To be eligible a project must be conducted on active public-use areas of an airport or to support those public-use areas of an airport. Types of projects considered eligible are listed below:

(A) Maintenance: this type of work is limited to pavement maintenance of runways, taxiways, and aprons and can include routine cleaning, filling, or sealing of cracks/joints, maintenance of pavement drainage systems, patching pavement, and remarking of the above mentioned pavement areas. Items not considered maintenance are applying herbicide to prevent grass encroachment, mowing of airport grass, FOD sweeping, replacing light bulbs, replacing light fixtures due to damage from a manmade source, re-topping of trees that had been previously topped in a Department project, and other similar type activities.

(B) Rehabilitation: this type of work is a more comprehensive restoration of an item to its original functionality. Items such as pavement sealcoats, overlays, reclamation, replacement of an entire set of lighting fixtures, refurbishment/remodel and expansion of a terminal building, refurbishment

of a sponsor owned hangar would be considered a project under the rehabilitation category.

(C) Reconstruction: this type of work is a complete restoration of an item to its original functionality once it has reached the end of its useful life. This results in a virtually new piece of pavement, electrical system, or building.

(D) New Construction/Installation: this type of work would construct new pavement such as a runway widening or extension, hangar taxiway area, or apron expansion, or construct new structures such a terminal building or hangar, or construct new drainage structures to support the removal of water from the airport. This work item would also include the installation of new navigational aids that weren't previously at an airport such a precision approach path indicator, runway edge lighting, omnidirectional approach light system, weather observation system, or similar item.

(E) Planning/Design: this type of work includes the engineer design and associated support work with any of the eligible project types. This could also include planning projects such as master plans, airport layout plans, specialty planning studies, and obstruction/approach surveys.

(F) Off-airport: this type of work is typically for the support of on-airport operations. This work item could include items such as obstruction removal, land acquisition, drainage improvements, relocation of roads and utilities, installation of navigational aids, or similar projects.

(2) The following are three basic tests that must be met to determine if a project is justified for inclusion in the Airport Construction Program:

(A) The project advances Department policy laid out in 3 O.S. § 85 and the adopted Oklahoma Airport System Plan. The basic goals and objectives in these policies include airport safety, security, economic enhancement, and capacity, meeting FAA or Department standards, preserving and improving airport infrastructure that is for the use and benefit of the public, airport planning, and other similar projects.

(B) The Department must determine if there is an actual need for the project at the airport within the five-year horizon.

(C) The project scope is appropriate. The Department must determine that all the elements of the project are necessary to obtain the project scope's overall goal. Any elements that do not meet this criteria must stand on their own separate merit and justification.

(3) For hangar construction projects, special selection criteria and requirements will be implemented to include the following:

(A) Preference will be given to hangar projects which will support new businesses, expansion/enhancement of existing on-airport businesses, and new aircraft being brought to the state. Preference will also be given to hangar projects which help an airport sponsor increase their based aircraft for potential inclusion into the NPIAS or to attain classified status within the NPIAS.

(B) An airport sponsor must show a valid hangar waiting list for those potential occupants of the hangars to be constructed or an acceptable

plan on how they will advertise for the available hangar space once constructed.

(C) Airport sponsors will need to provide a plan to charge fair market aeronautical rates for hangars that are constructed as a part of this program.

(4) For a project to be considered for inclusion in the Airport Construction Program, the airport sponsor must submit a letter of interest to the Department detailing the basic scope and estimated cost of the project that they want to have included in the Airport Construction Program.

(d) **Airport Construction Program Development.**

(1) The Airport Construction Program lists projects for which expenditures are expected to begin within the five year programming horizon.

(2) On a two-year cycle, the Department staff shall update the NPIAS needs database and the ADWS database (for Non-NPIAS airports). To update the Department's database, sponsors will use FAA's Overall Development Objective (ODO) data sheet or similar document for each requested project.

(3) The Department staff shall evaluate projects in the NPIAS and ADWS databases and recommend projects for inclusion in the Airport Construction Program based on:

(A) Airport system development priorities, policies, and procedures adopted by the Commission and/or the FAA.

(B) Multi-year on-going projects that are currently identified in the approved Airport Construction Program will be given higher priority during the development of the Airport Construction Program.

(C) The airport's pavement condition index, pavement life-cycle consideration as developed by the pavement management program.

(D) The National Priority Rating System developed by FAA and included in FAA's Order 5090.5 titled "Formulation of the National Plan of Integrated Airport Systems (NPIAS) and the Airports Capital Improvement Plan (ACIP)".

(E) The amount of aviation activity, the types of airplanes served, the numbers of based airplanes at the airport, and the population included in the airport's service area.

(F) Other factors as may be relevant (for example, the services provided at the airport, the sponsor's demonstrated ability to maintain and operate the airport, the sponsor's ability to address safety inspection deficiencies, etc.)

(G) An emergency project request, with verifiable justification, may be submitted to the Department for inclusion in the Airport Construction Program at any time.

(4) The five year programming horizon of the Airport Construction Program shall be broken down into three general time periods (Appendix A): near-term program, transition year, and the extended program.

(A) Near-term program: This shall be the current year plus years two and three. Projects in this time period are considered to be of low flexibility.

(B) Transition year: This shall be year four. Projects in this time period are considered to be of moderate flexibility.

(C) Extended program: This shall be year five. Projects in this time period are considered to be flexible.

25:15-1-4. Programming Implementation Airport Grant and Loan Program Requirements and Procedures

(a) **Contingency.** Implementation of an airport grant program or loan program is contingent upon funding being available to the Department for this purpose.

(b) **Notification to Proceed.**

(1) As funding becomes available, the Department staff shall send a notification letter to each airport sponsor that has a capital project included in the approved Airport Construction Program as described in 25:15-1-3.

(2) The notification letter shall:

(A) Advise the airport sponsor of the proposed cost sharing for the project and identify project development items eligible for funding.

(B) Authorize or direct the airport sponsor to:

(i) confirm in writing within 30 days the airport sponsor's intention to proceed with the project as programmed;

(ii) select an engineering consultant and provide a copy of the contract entered into with the consultant;

(iii) prepare project plans and specifications and to coordinate the project design with the Department staff;

(iv) prepare to meet the federal and state administrative requirements depending upon the proposed funding sources;

(v) provide updated project costs after the final design is completed;

(vi) proceed to bid when directed by the Department's staff; and

(vii) submit a grant application for the Department's consideration and approval.

(c) **Grant Application or Loan Application; General Information.**

(1) The airport sponsor shall submit a complete grant or loan application for a capital project for:

(A) Reimbursement of the cost of planning and engineering; and/or

(B) Reimbursement for the cost of construction based on the bids received by the airport sponsor.

(2) The airport sponsor's administrative official must sign the grant or loan application form(s). If the administration and/or operation of the airport is performed by a Trust, the Chairman of the Trust must also sign the grant or loan application.

(3) The Department shall consider all grant or loan applications in accordance with 25:15-1-3(c).

(4) Reimbursement for the cost of engineering is contingent upon submission of the final set of plans and specifications to the Department staff.

(d) **Grant or Loan Application; Funding Information.**

(1) Each airport sponsor must state in its application that it has on hand funds to pay all estimated costs of the proposed project that are not borne by the Department or any other state or federal agency. As part of this requirement, each airport sponsor is required to provide written verification in the grant or loan application (designated as Exhibit E) to the Department that the airport sponsor's share of the project has been reserved in an account that will be used for defraying the costs of the project.

(2) If any of the funds for the project are to be furnished by another state or federal agency, the airport sponsor must provide evidence that the funds are available with the grant or loan application.

(e) **Information Regarding State Level of Participation and Required Matches.**

(1) For state grants, the maximum level of participation for the Department shall not exceed 95 percent. The airport sponsor is required to provide a minimum of 5 percent of the project funding for the airport sponsor matching share.

(2) For FAA grants for projects identified in the Department's Airport Construction Program, the Department may provide half of the match that is required from the airport sponsor.

(3) For FAA grants for projects identified in the Department's Airport Construction Program, the Department may provide supplemental state grant funding for project items. The maximum level of participation for the Department in such supplemental funding shall not exceed 95 percent. The airport sponsor is required to provide a minimum of 5 percent of the supplemental project funding for the airport sponsor matching share.

(4) For non-primary entitlement (NPE) grants or special federal earmarks not identified in the Department's Airport Construction Program, the Department will not provide half the match that is required from the airport sponsor. If NPE grant funds are transferred from other airport sponsors to an airport sponsor for a project identified in the Department's Airport Construction Program, the Department may assist with half of any required match from the receiving airport sponsor so long as it will save the Department state funds.

(5) For terminal building projects, the Department's maximum cost-share level shall be 50 percent and shall not exceed \$1,000,000. The airport sponsor is required to provide a dollar-for-dollar airport sponsor matching share for every dollar the Department provides. Remaining share to complete the project could come from any available source. New construction or complete reconstruction of an existing terminal building are considered eligible projects under this item. At the Department's sole discretion a rehabilitation and expansion of a terminal building may also be considered as eligible under this item.

(6) For hangar construction projects, the Department may provide funding via grant or loan. Priority shall be given to construction of new hangars, but the Department may consider rehabilitation of existing sponsor owned hangars if it enhances the longevity of the hangars and provides for additional revenue for the airport.

(A) For state grants the -Department's maximum cost-share level of participation shall not exceed 40 percent. The airport sponsor is required to provide a minimum 5 percent for the airport sponsor matching share.

Remaining share to complete project could come from any available source.

(B) For state loans the maximum cost-share level of participation shall be not exceed 70 percent. The airport sponsor is required to provide a minimum 5 percent for the airport sponsor matching share. Remaining share to complete project could come from any available source.

(7) For fuel system construction projects, the Department's maximum cost-share level shall be 50 percent and shall not exceed ~~\$300,000~~ \$500,000 per system type (fixed or mobile) per fuel type (e.g Jet-A, AvGas). Fuel systems must be in new condition and acquired in compliance with local procurement procedures and/or laws in place that govern the municipality/airport. The airport sponsor is required to provide a minimum of 5 percent for the airport sponsor matching share. Remaining share to complete project could come from any available source.

(8) For funding directed to the Department as a part of the Preserving Rural Economic Prosperity (PREP) program or other similar state funding program created by the legislature for specifically identified site locations and infrastructure projects ~~of a non-competitive nature~~ within the Oklahoma Airport System the Department may provide funds at a 100 percent level.

(f) **Grant Application; Project Information.** The airport sponsor will provide the following information:

(1) The airport sponsor shall submit an Airport Layout Drawing or project sketch (designated as Exhibit A) indicating the location of the proposed construction work with all grant applications.

(2) The airport sponsor shall submit final project plans and specifications with the grant application (designated as Exhibit B).

(3) The airport sponsor shall submit a project narrative with the grant application describing the items of airport development for which the airport sponsor is requesting assistance (designated as Exhibit B-1).

(4) The airport sponsor shall submit a line-item project cost list with the grant application that provides a detailed cost breakdown of the project (designated as Exhibit B-2). This list will be based on the bid awarded by the airport sponsor. The amounts on this list are considered not to be exceeded amounts without prior approval. Any expenditure over these line-item amounts will not be considered for reimbursement unless approval has been received as described in 25:15-1-4(h).

(5) The airport sponsor shall submit the engineering contract for the project scope and the project engineering fees with the grant application (designated as Exhibit B-3).

(6) The Sponsor will submit a certification stating compliance with FAA standards unless an approved Modification to Standards for state standards has been received from the appropriate funding agency.

(7) The airport sponsor shall submit the contract for on-site construction observations (designated Exhibit B-4).

(8) The airport sponsor shall provide a signed statement in the grant application that the airport sponsor is not currently in default to any state agency for any

obligation related to the development, operation or maintenance of the airport (designated as Exhibit C).

(9) The airport sponsor shall provide a signed statement with the grant application that the airport sponsor will not award any contract to any contractor who is currently suspended or disbarred by any federal agency, the Oklahoma Department of Central Services or the Oklahoma Department of Transportation for the project contemplated under the grant application (designated as Exhibit C-1).

(10) The airport sponsor shall provide an affidavit with the grant application that states the person signing is the administrative official for the sponsor, that the sponsor has not provided any compensation, donation or gift to an officer or employee of the state in procuring the grant, that any employee of the state compensated by the airport sponsor involved in the development of the grant will not provide any services in the project, and that this project will not result in any duplication of previous grant requests or awards (designated as Exhibit C-2).

(g) **Hangar Loan Application; Project Information.** The airport sponsor will provide the following information:

(1) The airport sponsor shall submit an Airport Layout Drawing or project sketch (designated as Exhibit A) indicating the location of the proposed construction work with all loan applications.

(2) The airport sponsor shall submit final project plans and specifications with the loan application (designated as Exhibit B).

(3) The airport sponsor shall submit a project narrative with the loan application describing the items of airport development for which the airport sponsor is requesting assistance (designated as Exhibit B-1).

(4) The airport sponsor shall submit a line-item project cost list with the loan application that provides a detailed cost breakdown of the project (designated as Exhibit B-2). This list will be based on the bid awarded by the airport sponsor. The amounts on this list are considered not to be exceeded amounts without prior approval. Any expenditure over these line-item amounts will not be considered for reimbursement unless approval has been received as described in 25:15-1-4(h).

(5) The airport sponsor shall submit the engineering contract for the project scope and the project engineering fees with the loan application (designated as Exhibit B-3).

(6) The Sponsor will submit a certification stating compliance with FAA standards unless an approved Modification to Standards for state standards has been received from the appropriate funding agency.

(7) The airport sponsor shall submit the contract for on-site construction observations (designated Exhibit B-4).

(8) The airport sponsor shall provide a signed statement in the loan application that the airport sponsor is not currently in default to any state agency for any obligation related to the development, operation or maintenance of the airport (designated as Exhibit C).

(9) The airport sponsor shall provide a signed statement with the loan application that the airport sponsor will not award any contract to any contractor

who is currently suspended or disbarred by any federal agency, the Oklahoma Department of Central Services or the Oklahoma Department of Transportation for the project contemplated under the loan application (designated as Exhibit C-1).

(10) The airport sponsor shall provide an affidavit with the loan application that states the person signing is the administrative official for the sponsor, that the sponsor has not provided any compensation, donation or gift to an officer or employee of the state in procuring the loan, that any employee of the state compensated by the airport sponsor involved in the development of the loan will not provide any services in the project, and that this project will not result in any duplication of previous grant or loan requests or awards (designated as Exhibit C-2).

(11) The airport sponsor shall provide a signed Loan Agreement with the loan application that confirms the airport sponsor agrees to the terms established in the Loan Agreement.

(A) The interest rate will be determined by the Department at the time a loan is issued but will be more competitive than what is available in the traditional loan market and allow for the Department to recover costs associated with administering the loan.

(B) The payback period for a hangar loan will be a year term with annual payments.

(C) The first payment will be due no later than the last day of the month beginning two months after completion and final acceptance of the project and continuing each subsequent year by the last day of that same month for the entire loan term.

(h) **Change Orders.** As described in 25:15-1-4(f) and 25:15-1-4(g) the B-2 form lists line-item project costs that cannot be exceeded. During the course of the construction of a project, change orders and/or supplemental agreements may be necessary to increase or decrease bid or line-item amounts and quantities due to unknown or unforeseen circumstances. A change order and/or supplemental agreement shall be sent to the Department along with a request to amend the approved grant's B-2 line-item or bid item.

(1) For change orders and/or supplemental agreements that will not increase the Department's overall share for the project the Director may approve such an amendment to the grant application. Change orders and/or supplemental agreements approved by the Director shall be presented to the Commission at its next regular or special business meeting stating the reasons for the change order and/or supplemental agreement with such information as the Commission may require.

(2) For change orders and/or supplemental agreements involving a total increase to the Department's overall share for the project not to exceed Ten Thousand Dollars (\$10,000) the Director may approve such an amendment to the grant application. Such change orders and/or supplemental agreements approved by the Director shall be presented to the Commission at its next regular or special business meeting stating the reasons for the change order and/or supplemental agreement with such information as the Commission may require.

(3) Change orders and/or supplemental agreements involving a total increase to the Department's overall share for the project in excess of Ten Thousand Dollars (\$10,000) must be presented to and approved by the Commission before such an amendment can be made to the grant application.

(i) **Grant or Loan Application; Height Hazard Zoning and Land Use.** Each airport sponsor shall indicate within the application that it has taken action 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 take-off of aircraft, and assuring the protection or control of the aerial approaches to the airport (designated as Exhibit D). The adoption and enacting of these zoning regulations is outlined in Title 3, Section 103 through 116, of the Oklahoma State Statutes.

(j) **Grant or Loan Application; Assurances.** The airport sponsor, upon signing the grant or loan application, agrees to the following assurances:

(1) Upon the approval of the grant or loan by the Commission, the ~~capital~~ project will be completed within a maximum of two years unless otherwise explicitly authorized by the Commission.

(2) The airport sponsor agrees to the following conditions regarding the users of the airport:

(A) Neither the airport sponsor nor the occupant of any of the airport facilities shall discriminate against any person or a class of persons in the use of any facility provided to the public on airport property.

(B) The airport sponsor shall operate the airport in such a manner that the airport is open to all types and classes of users and establish such non-discriminatory conditions required for the safe and efficient operation of the airport.

(C) Any agreement, contract, lease or other arrangement that the airport sponsor enters into shall include provisions that such services meet the demands of all users of the airport, that services shall be provided on a non-discriminatory basis, that charges for goods and services shall be fair and reasonable, that services allow any user of the airport to perform any and all services to their own aircraft, and that essential facilities will be operated in a manner that these facilities shall be available to all users of the airport. In addition, if the airport sponsor provides any or all of these services, the airport sponsor agrees to the same provisions.

(3) The airport sponsor certifies that it has the legal authority to carry out all provisions of the grant or loan application in conformity with State and Federal Statutes, Acts, and Regulations.

(4) The airport sponsor shall reserve sufficient powers and authority when entering into any transaction or arrangement to perform any of the covenants expressed in the grant or loan application.

(5) The airport sponsor shall provide the following minimum essential facilities: a landing area and an aircraft parking area.

(6) The airport sponsor shall agree to properly maintain the airport under the following conditions:

(A) The airport sponsor will operate and maintain the airport and all facilities to meet the needs of all users of the airport.

(B) The airport sponsor shall not permit the airport to be used for an activity that would impede or obstruct aeronautical activity.

(C) The airport sponsor shall appropriate the funds required to properly maintain the airport to prevent deterioration of the facilities. Failure to have a documented pavement maintenance program shall be cause for the Department to disqualify the airport sponsor for additional funds. In addition, failure to have a documented pavement maintenance program shall be considered a breach of these assurances.

(7) The airport sponsor shall maintain an updated Airport Layout Plan that has been prepared in accordance with the FAA's regulations and shall not make any alterations to the airport other than those outlined in the approved Airport Layout Plan, or approved by the FAA or the Department in writing.

(8) The Department shall prepare a financial report of income and expenditures of all project funds. All project records shall be maintained by the airport sponsor for not less than three (3) years from the final acceptance of the project by the Department, and the airport sponsor shall provide access to these records upon request of the Department or the FAA. This provision shall in no way affect any requirement imposed upon the airport sponsor by the Oklahoma Open Records Act or any other state or federal law. These records shall include such documentary evidence as invoices, cost estimates, payrolls, vouchers, cancelled checks or warrants, and receipts for cash payments that support each item of project costs. The final 10% of state grant or loan funds will not be released until a satisfactory financial report has been completed and accepted by the Department staff.

(9) The Department shall not pay or be obligated to pay for any work on the project that has been incurred prior to the grant or loan application being submitted to and awarded by the Department except for planning and/or engineering costs incurred pursuant to submitting a completed grant or loan application. In addition, any funds approved by the Commission shall only be used for project costs identified in the grant or loan application unless approval has been obtained as described in 25:15-1-4(g).

(10) The airport sponsor understands that fuel systems funded by the Department must be operated by the public airport sponsor and not a third party entity or contractor.

(11) The airport sponsor certifies that it will take the necessary and appropriate action, to the furthest extent possible, including the potential acquisition of property, 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 the landing and takeoff of aircraft. In addition, an airport sponsor shall take the necessary and appropriate action to assure that such terminal airspace as is required to protect instrument and visual operation to the airport will be adequately cleared and protected by removing, lowering, marking, lighting, or otherwise mitigating existing airport hazards and by preventing the establishment or creation of new airport hazards.

(k) **Grant or Loan Agreement; Terms and Conditions.** Upon approval by the Commission, the completed grant or loan application shall constitute an agreement

between the Department and the airport sponsor. Both the Department and the airport sponsor are bound to all the requirements of the grant or loan agreement. In addition, all grants or loans of the Department shall be subject to the following terms and conditions:

(1) The time period of the grant or loan agreement between the airport sponsor and the Department shall be twenty (20) years from the date of the airport sponsor's acceptance and/or the life of the improvements contemplated under the grant or loan application, whichever is longer.

(2) The airport and all visual navigational aids shall be under the control of and maintained by the airport sponsor for the period covered by the grant or loan agreement.

(3) For the purposes of the grant or loan agreement, the airport sponsor must have title free and clear of any reversionary interest, lien, easement, lease, or other encumbrance for all property to be constructed on during the grant or loan agreement. If the property is leased, the airport sponsor asserts that the lease will be maintained no less than the time period of the grant or loan agreement, and in both circumstances, asserts that the property will not be used for any purpose other than the operation of the airport. In addition, airport property as defined in the airport layout plan cannot be transferred by the airport sponsor without the written approval of the Department.

(4) The airport and all visual navigational aids shall be made available to all classes of aeronautical users without discrimination by airport sponsor with adequate access at all times.

(5) The airport sponsor will not grant or permit, either directly or indirectly, any exclusive right to any person, firm or corporation for any aeronautical activities, and will terminate any existing exclusive rights now existing before accepting a grant from the Department.

(6) The airport sponsor shall complete the project in accordance with FAA's standard specifications unless prior written modification to standards has been approved by the FAA (for federally funded projects) or the Department (for state only projects). The airport sponsor shall provide the following reports to the Commission:

(A) A weekly progress report using the appropriate FAA form;

(B) A copy of all acceptance tests shall be provided by the acceptance testing laboratory as soon as they are available; and

(C) An acceptance test summary report shall be provided to the Department upon completion of the project.

(7) The airport sponsor, upon request by the Department, shall provide annual statements of airport revenues and expenses.

(8) The airport sponsor shall comply with the Municipal Airports Act, Title 3, Section 65, and the provisions thereafter, of the Oklahoma State Statutes, specifically Section 65.12, that requires that revenues from airport operations be deposited in a separate fund and used exclusively for the airport.

(9) All airport development using grant or loan funds shall be consistent with the Airport Layout Plan approved by the FAA. A copy of the approved Airport Layout Plan, with any modifications, will be filed with the Department.

(10) The airport sponsor shall comply with all applicable provisions of Title 61 of the Oklahoma State Statutes which governs competitive bidding for public construction contracts.

(11) The airport sponsor shall provide a tabulation of all bids signed by the Engineer-of-record for the project with the grant or loan application.

(12) The airport sponsor shall operate lighting for the airport when such lighting is included in the project.

(13) The Department and/or the state are not parties to any contract entered into by the airport sponsor to accomplish the project.

(14) The airport sponsor shall understand and agree that should the airport sponsor fail to abide by all of the terms and conditions of the grant or loan agreement, then the funds provided by the Department shall be withdrawn. In addition, the airport sponsor shall notify the Department of any delays or problems with the project and request an extension or deviation from the Department.

(15) The airport sponsor shall understand and agree that should the airport sponsor fail to submit timely loan payments during the course of the 10 year loan payback period, the airport sponsor will be prohibited from receiving any additional grants or loans until such payments are made and may have existing federal and state projects programmed in the 5-year Airport Construction Program delayed or removed.

(l) **Grant or Loan Agreement; Payments.**

(1) The airport sponsor shall request reimbursement for project costs from the Department on a monthly basis upon initiation of the project. The Department shall reimburse the sponsor only for bid items at the bid unit price. The Department will only process the request for reimbursement when accompanied by the following documentation:

(A) For federal participation grants, a copy of a FAA Invoice Summary Worksheet and a Cost Distribution Worksheet based upon the line items in the executed grant or loan.

(B) For non-federal participation grants, an Invoice Summary Worksheet based upon line items in the executed grant or loan.

(C) Copies of all vendor invoices.

(D) A construction quantities report from the primary contractor signed by the Engineer-of-record.

(E) All test invoices.

(2) The Department shall process the monthly requests for reimbursement until 90% of the grant or loan awarded by the Department is expended or 90% of the Department's total project cost is expended in the event the project comes in under budget. The final 10% will be released upon the completion of the following items:

(A) The summary of acceptance testing report and if required by the specifications, the calculated lot-wise percentage within limits (PWL) of the project. The report shall document the results of all acceptance tests performed, the construction lot, location of the material tested and the quantity represented.

(B) A report submitted by the Resident Inspector or Engineer-of-Record detailing those acceptance tests that were out-of-tolerance and include the pay reductions applied and reasons for accepting any out-of-tolerance material.

(C) All final acceptance and close-out forms for the project have been submitted to the Department.

(D) For federal participation grants, a copy of the final signed FAA form SF 271 Outlay Report.

(E) A satisfactory financial report has been completed by the Department.

(m) **Endorsement by the Commission:**

(1) Upon receipt of the fully executed and complete grant or loan application, the Department staff shall verify compliance with the terms of the notification letter.

(2) If the grant or loan application is found to be in compliance with the terms of the notification letter, the Department staff shall forward the grant or loan application to the Commission for action.

(3) If the Commission approves the grant or loan application, the Department staff shall communicate that approval to the airport sponsor with authorization to proceed.

(4) If the Department staff finds that the grant or loan application is not in compliance with the terms of the notification letter, the Department staff shall notify the airport sponsor of the non-compliance and suggest possible remedies.

(5) Upon receipt of the Department staff's finding of non-compliance, the airport sponsor may:

(A) Modify the grant or loan application to bring it into compliance with the terms of the notification letter; or

(B) State the reason that the airport sponsor believes it is in compliance and request that the grant or loan application be forwarded to the Commission for action; or

(C) Agree that it is not in compliance and request that the grant or loan application be forwarded to the Commission as is.

(D) Request the grant or loan application not be forwarded to the Commission.

(6) The Department staff shall notify the airport sponsor of the Commission's action.

25:15-1-5. Airport Compliance

It is the Department's goal to use the most effective means to maintain airports in full compliance of grant assurance and terms and conditions requirements. Airports must remain in compliance ~~with all grant assurances~~ to remain eligible for grant funding from the Department. When the Department is working with airports to correct a grant assurance violation, the Commission, as the governing body of the Department, may elect to move the airport's compliance status to conditional compliance. Conditional compliance status means an airport may continue to receive grant funding in the future and does

not necessitate the immediate removal of any currently awarded grant funding provided the airport is complying with the conditions that the Commission has stipulated and is actively working to correct the grant assurance violation. The Commission may elect to move an airport's compliance status to non-compliance if a grant assurance has been violated. Non-compliance status means that an airport will not be eligible to receive grant funds from the Department in the future and may, at the Commission's sole discretion, require the repayment of previously awarded grant funding.

**TITLE 25. OKLAHOMA DEPARTMENT OF AEROSPACE AND
AERONAUTICS
CHAPTER 15. AIRPORT CONSTRUCTION PROGRAM**

- A. The proposed permanent rules are necessary to address funding and other program requirements implemented by items passed during the 2024 Legislative Session. Refurbishment, remodel, and expansion of a terminal building and refurbishment of a sponsor owned hangar have been added as acceptable rehabilitation projects under the airport construction program with new construction or complete reconstruction of an existing terminal building considered eligible for funding and state level and sponsor match requirements identified. Selection criteria for hangar construction projects has been modified to include that an airport sponsor must demonstrate an acceptable plan on how they will advertise for available hangar space once constructed. Maximum state level participation on fuel system projects was increased and the requirement that they be in new condition and in compliance with local procurement procedures was added. Airport compliance was modified to reference terms and conditions and definitions were clarified on non-primary entitlement funds and project sketch.
- B. Those most likely to be affected by the proposed rule are Oklahoma airport sponsors, principally Oklahoma's municipalities that own public airports, that receive airport grant funding from the Department.
- C. Those who will benefit most from the proposed rule are Oklahoma airport sponsors, principally Oklahoma's municipalities that own public airports, that receive airport grant funding from the Department.
- D. There will be no known negative economic impacts regarding the proposed rule.
- E. There will be no change in costs to the agency. The Department is funded by users of the Oklahoma Airport System and the Legislature through aircraft excise and aviation fuel taxes, aircraft registration fees, and appropriated funds.
- F. There will be no known negative economic impacts on any political subdivisions or require their assistance in implementing or enforcing the rule changes.
- G. The proposed rule will not have an adverse economic effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act.
- H. There will be no compliance costs associated with the proposed rule.
- I. There will be no known effect of the proposed rule on the public health, safety or the environment.
- J. There will not be a detrimental effect on public health, safety, or the environment if the proposed rule is implemented.
- K. This Rule Impact Statement was prepared on December 16, 2024.

TITLE 25. OKLAHOMA DEPARTMENT OF AEROSPACE AND AERONAUTICS

CHAPTER 25. AEROSPACE AND AVIATION EDUCATION GRANT PROGRAM

25:25-1-1. Purpose

The purpose of this chapter is to set forth the requirements and criteria for various aerospace and aviation education programs to receive funding from the Oklahoma Department of Aerospace and Aeronautics, and to establish the procedures to be followed by the Department in the administration and enforcement of its duties under Title 3, Oklahoma Statutes, Section 85.

25:25-1-2. Requirements for receiving funding for an Aerospace and Aviation Education Grant Program

- (a) The Oklahoma Department of Aerospace and Aeronautics shall identify and award grants to public schools, colleges, and universities, and shall execute contracts with private entities to promote aviation, aerospace, and STEM (science, technology, engineering and mathematics) education programs that have direct application to aviation and promote careers in aviation and aerospace among Oklahoma students. All grant proposals must demonstrate a direct application to aviation.
- (b) Each school, college, university, teacher or private entity must complete the Aerospace and Aviation Education Grant application located on the website of the Department.
- (c) A private entity or organization must also complete the Aerospace and Aviation Education Grant application and if their application is selected, must enter into a contract with the Oklahoma Department of Aerospace and Aeronautics for the project. Additional contractual forms will also need to be completed.
- (d) Applications must be submitted electronically to the email address on the application or postmarked no later than May 31st in order to be considered for the following fiscal year which starts July 1st. If May 31st occurs on a weekend or holiday, applications may be submitted on the next business day following the weekend or holiday.
- (e) Applicants who receive approval must provide a Financial Report, corresponding receipts, final invoice and a Completion Report to the Oklahoma Department of Aerospace and Aeronautics which documents the usage of funds and gives a detailed description of the program's implementation. This documentation is due within ~~sixty (60)~~ thirty (30) days of the completion of the program.
- (f) If the Financial Report, corresponding receipts, final invoice and the Completion Report are not ~~turned in~~ submitted within the ~~sixty (60)~~ thirty (30) day period, the applicant forfeits ~~the remaining twenty percent (20%) or any outstanding balances~~ remaining grant funds.
- (g) If an applicant forfeits money, the applicant is prohibited from applying for a grant the following year.
- (h) Applicants may request a thirty (30) day extension if they are unable to submit the Financial Report, corresponding receipts, final invoice and the Completion Report within the ~~sixty (60)~~ thirty (30) day period.
- (i) The thirty (30) day extension request must be received in writing within ~~sixty (60)~~ thirty (30) days of the completion of the program. Approval for the extension is within the

discretion of the Executive Director of the Oklahoma Department of Aerospace and Aeronautics and will be considered on a case-by-case basis.

(j) The maximum cost share of any grant or contract awarded by the Department shall not exceed 50% of the total program cost unless the funding request by the applicant is less than \$3,000, in which case the maximum cost share shall be 90%.

(k) For start-up or new programs, Department funding cannot be provided until all other funding sources necessary to complete the program have been identified and a clear and detailed program is outlined.

(l) Teacher and or instructor salary may not to be covered with grant funds paid by the Department, however, may be shown as in-kind or sponsor funded to be included toward the applicant match.

25:25-1-3. Criteria selection for applicants

(a) An applicant's program must have a direct application to aviation with the purpose of increasing aerospace and aviation awareness by promoting science, technology, engineering, and mathematics (STEM) education, or encourage Oklahoma students to pursue a career in the aviation/aerospace industry.

(b) Applications will be rated based on, but not limited to, information provided in the application packet, information obtained from an organization's readily available public information, website, or social media, and from the applicant's past history of administering any aerospace and aviation education grants the organization applicant may have received from the Department. The following criteria will be utilized to rate an applicant:

- (1) Program description to include the ability of the program to energize students into joining the aviation/aerospace workforce.
- (2) Number of students involved
- (3) Program goals and objectives, (items to be funded by the Department must be directly linked to aerospace and aviation).
- (4) Program relevance to current aviation/ and aerospace industry issues and workforce demands.
- (5) Curriculum/subject areas covered
- (6) Desired learning outcomes, (items to be funded by the Department must be directly linked to aerospace and aviation)
- (7) Ability of the program to determine measurements of success for students who complete the program. Ability of the program to track students' successes, career ~~path~~ paths, ~~level~~ levels of education, or similar measure after completing the program.
- (8) Justification of need for the funding
- (9) Ability of the program to achieve geographic/demographic diversity among the students who participate in the program.

(c) Applications will also be rated according to the following financial information provided by the applicant:

- (1) Total budget of the organization
- (2) Total budget of the program
- (3) Other contributors and the amount contributed

- (4) Percentage of the program that the Oklahoma Department of Aerospace and Aeronautics is being asked to fund
- (5) Cost of the program per student or for fixed, one-time expenditures, projected benefit and estimated longevity of the program.

25:25-1-4. Procedures for awarding funding to an Aerospace and Aviation Education Grant Program

- (a) Staff will take up to sixty (60) days after the May 31st deadline date to review the applications based upon the above mentioned criteria and make a set of recommendations to the Commission. Applications will then be submitted to the Commission for approval at the next regularly scheduled Commission meeting. The start date of the program cannot be prior to the date the application is taken before the Commission for approval. Any costs incurred prior to this date are not eligible for reimbursement.
- (b) The Oklahoma Department of Aerospace and Aeronautics Commission will make a partial payment of eighty percent (80%) upon completion of the program. The remaining twenty percent (20%) will be paid upon receipt of the Financial Report, corresponding receipts, final invoice and the Completion Report. The start date of the program cannot be prior to the date the application is taken before the Commission for approval. Any costs incurred prior to this date are not eligible for reimbursement or to count towards the applicant's share/match.
- (c) Programs must be completed within one (1) calendar year of Commission approval unless explicitly approved by the Commission.
- (d) Staff may identify specific items contained within an applicant's budget section of their grant application that grant funds may be used towards. After an application is awarded, significant item changes must be approved by the Department prior to purchase.
- (e) Items are expected to be purchased and utilized during the year awarded. Upon award, applicants are expected to make a conscious effort to begin making timely purchases so that students benefit throughout the length of the program dates.
- (f) The Oklahoma Department of Aerospace and Aeronautics will make a partial payment of eighty percent (80%) upon expenditure of funds and receipt of an invoice and corresponding receipts. The remaining twenty percent (20%) will be paid upon completion of the program, receipt of the Financial Report, corresponding receipts, final invoice and detailed Completion Report.
- (g) Changes or amendments to program reach, scope, or educational content without the Department's prior approval may result in a forfeiture of grant funds.
- (h) Any unmanned aircraft systems that are purchased with grant funds will need to comply with applicable State and Federal law during operations conducted by the applicant.

25:25-1-5. Procedures for requesting reimbursement of an Aerospace and Aviation Education Grant

- (a) Within thirty (30) days of completion of the program, the applicant will electronically submit the Financial Report, corresponding receipts, invoice and detailed Completion Report.

- (b) Financial Report should include the entire program budget.
- (c) Invoices should include only those items that will be reimbursed with grant funds.
- (d) Corresponding receipts are required for items that will be purchased with grant funds. A packing slip or vendor invoice with a balance due is not sufficient proof of purchase for an item.
- (e) Completion Report should provide a detailed description of the program's implementation and document usage of grant funds.

25:25-1-6. Requirements for receiving funding for an Aerospace and Aviation Classroom Laboratory Development Grant

- (a) The Oklahoma Department of Aerospace and Aeronautics shall identify and award classroom laboratory development and improvement grants to secondary schools and universities for the purpose of implementing aerospace and aviation education programs.
- (b) Each school, college or university must complete the Aerospace and Aviation Education Classroom Laboratory Development Grant application located on the website of the Department.
- (c) The Department may make this Classroom Laboratory Development Grant opportunity available at any time during a fiscal year in which funds are available for the program. Applications must be submitted electronically by the deadline identified on the application.
- (d) Applicants who receive approval must provide a Financial Report, corresponding receipts, invoice and a Completion Report to the Oklahoma Department of Aerospace and Aeronautics which documents the usage of funds and gives a detailed description and pictures of the laboratory improvement. This documentation is due within thirty (30) days of program completion.
- (e) If the Financial Report, corresponding receipts, final invoice and the Completion Report are not submitted within the thirty (30) day period, the applicant forfeits any remaining grant funds.
- (f) Secondary schools and universities offering aerospace and aviation coursework may request \$10,000 - \$100,000 for the purpose of upgrading or developing an aviation and aerospace laboratory.
- (g) Applicants must demonstrate a match of at least 20% of the total grant request.
 - (1) Matching funds may not:
 - (A) reflect purchases made before the onset of grant implementation
 - (B) reflect operational cost such as salaries or utilities
 - (2) Suggested budget requests include, but are not limited to:
 - (A) paint, flooring, electrical drops
 - (B) laboratory tables, chairs, appropriate furniture
 - (C) larger equipment such as flight simulators, wind tunnels, tool sets
 - (3) Budget requests should not reflect:
 - (A) consumable materials or supplies
 - (B) equipment such as drones
 - (C) field trips, travel, professional development

(h) Should an entity decide to discontinue its aerospace and aviation programming, the entity will be required to repay expended grant funds to the Oklahoma Department of Aerospace and Aeronautics on a pro-rated basis.

(i) A recipient that expends grant funds for the purchase of flight simulators will be required to sign an agreement that reflects the requirement for the entity to return the simulators to the Oklahoma Department of Aerospace and Aeronautics should the entity discontinue its aerospace and aviation programming.

(j) The program receiving grant funds must be completed within one (1) calendar year from the date the funds are formally allocated for the approved application.

25:25-1-7. Requirements for receiving funding for an internship or apprenticeship program.

(a) The Department may, at the discretion of the Commission based upon available funds in a given year, offer a program to support students that are currently enrolled in or that are expected to enroll in aerospace and aviation education programs at the high school or post-secondary level with a goal of providing a more workforce ready student to enter the aerospace and aviation industry. The Department may financially assist internship and apprenticeship programs at qualified aerospace and aviation companies by providing 50% of the cost of the intern or apprentice position up to \$10,000 per student.

(b) The Department may make this internship/apprenticeship opportunity available at any time during a fiscal year in which funds are available for the program.

(c) If awarded, an aerospace or aviation entity must enter into a contract with the Department and have the financial capability to fund the internship/apprenticeship in its entirety. Upon completion of the program the Department will reimburse the cost of the intern/apprentice upon the receipt of the following information:

(1) Financial Report which includes the internship/apprenticeship program budget.

(2) Invoice for the Department's share of the agreed upon cost of the internship/apprenticeship.

(3) Completion Report should provide a detailed description of the program's implementation and successes.

**TITLE 25. OKLAHOMA DEPARTMENT OF AEROSPACE AND
AERONAUTICS
CHAPTER 25. AEROSPACE AND AVIATION EDUCATION GRANT
PROGRAM**

- A. The proposed permanent rules are necessary to address funding and other program requirements implemented by items passed during the 2024 Legislative Session. The deadline for an applicant to submit closeout paperwork for a grant award was adjusted and clarification on extension requests was given. Clarification on what grant funds can be used toward was identified, including the start date and length of a program, eligible items, details of payments, changes in scope of a program and unmanned aircraft system requirements. Procedures for requesting reimbursement have been identified. A new classroom laboratory development grant and internship or apprenticeship program have also been added with details of eligibility and requirements for applying for each based on available budget.
- B. Those most likely to be affected by the proposed rule are Oklahoma aerospace and aviation education programs that receive grant funding from the Department.
- C. Those who will benefit most from the proposed rule are Oklahoma aerospace and aviation education programs that receive grant funding from the Department.
- D. There will be no known negative economic impacts regarding the proposed rule.
- E. There will be no change in costs to the agency. The Department is funded by users of the Oklahoma Airport System and the Legislature through aircraft excise and aviation fuel taxes, aircraft registration fees, and appropriated funds.
- F. There will be no known negative economic impacts on any political subdivisions or require their assistance in implementing or enforcing the rule changes.
- G. The proposed rule will not have an adverse economic effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act.
- H. There will be no compliance costs associated with the proposed rule.
- I. There will be no known effect of the proposed rule on the public health, safety or the environment.
- J. There will not be a detrimental effect on public health, safety, or the environment if the proposed rule is implemented.
- K. This Rule Impact Statement was prepared on December 16, 2024.

Perry Municipal (F22)

Regional Business Airport

Businesses Utilizing the Airport:

•Chaparral Energy •Ditch Witch •Emdle Aircraft •Reim Spraying

Proposed Project

The Overall Development Objective (ODO) of the proposed project is to construct up to four (4) new 50' x 50' box hangars as part of the 2023 Statewide Hangar Program.

CY 2025: Design and Construct ODO.

Project Justification

This project consists of constructing up to four (4) new 50' x 50' box hangars. This is in support of a statewide effort to increase revenue-generating aircraft storage facilities at airports across the state.

Airport Information

- NPIAS: Local
- Based Aircraft & Operations: 21 & 35,000
- Runway 17/35: 5,103' x 75'

Selection Criteria

- Pavement Management: NA
- NPS: Construct Hangars:
- OASP Goals: Meet Aviation Demand



Agency Fiscal Year	FY 2024	FY 2025	FY 2026	Total
Commission			\$440,000	\$440,000
FAA State Apportionment				
FAA Discretionary				
FAA Non-Primary Entitlement		\$150,000		\$150,000
FAA AIG/BIL		\$455,000		\$455,000
Sponsor			\$55,000	\$55,000
Total		\$605,000	\$495,000	\$1,100,000

Federal grants require 10% matching funds while state grants require 5% matching funds. Commission funding is dependent on availability of State funds.