Airport Governance Advisory Committee Agenda

• Roll Call

• Public Comment

• Approval of Meeting Minutes

• Today’s Discussion
  – TVC Governance Transfer Process
  – Key Documentation Supporting FAA Requirements
  – Reporting Process to Airport Commission and Counties

• Public Comment

• Adjournment
TVC Governance Transfer Process

- FAA Part 139 Sponsorship Transfer Process
- Key Actors
- Key Documents
- Schedule
The Process

• Process begins with the passage of resolutions by Leelanau and Grand Traverse County of “Notice of Intent to Form an Airport Authority”

• “Notice of Intent” is followed by laying out plans for an orderly transition from one Federal airport sponsor (NRAC) to the next (Authority)

• An involved process of developing key documents in coordination with all involved parties
**Simplified Process**

1. **Coordination Meeting with the FAA (DC)**
2. **Agree to Process, Checklist, and Timeline**
3. **Develop Application Documents Among Key Parties**
4. **Submit Application**
5. **Coordinated Operational and Financial Obligations / Define Reconciliation Processes**
6. **FAA Approval 90 days from Submission of Complete Application**
Key Actors

• Including but not limited to:
  – NRAC
  – Leelanau County
  – Grand Traverse County
  – FAA
Roles (Representative)

- **Leelanau and Grand Traverse Counties**
  - Notice of Intent to Form Authority
  - Public Hearing
  - Development of agreements including
    - Articles of Incorporation
    - Property Conveyance
    - Assignment and Assumption
    - Services Agreements (if any)

- **NRAC**
  - Serve to manage overall process
  - Assignment and Assumption
  - Services Agreements (if any)
  - Grant Reconciliation process

- **FAA**
  - Consultation regarding application and format
  - Grant Reconciliation
  - Application review and approval
FAA Coordination

FAA – Detroit ADO
- Grant Standing and Reconciliation Process
- Good Title
- Exhibit A

FAA – Great Lakes Region
- Issuance of FAR Part 139 Certificate upon HQ approval of transaction

Washington HQ
- Overall coordination and approval of transfer by the Secretary of USDOT
FAA Focus Areas

• **FAA Key Concerns:**
  – Assurance 4. Good Title
  – Assurance 5. Preserving Rights and Powers
  – Assurance 22. Economic Non-Discrimination
  – Assurance 23. Exclusive Rights
  – Assurance 24. Fee and Rental Structure
  – Assurance 25. Protect from Diversion of Airport Revenue

• **FAA Orders**
  – Order 5100.38B Airport Improvement Program
  – Order 5190.6B – Airport Certification Manual
### Key Documentation

- **Application Outline & Documents**
  - Introduction
  - Form 5280-1
  - Governing Documents
  - Enabling Act/Articles
  - Agreements
  - Opinion of Counsel
  - Report of Airport Consultant
  - Exhibits
• **Additional Supporting Documentation**
  - Enabling Legislation
  - Articles of Incorporation
  - Property Conveyance
  - Services Agreement, if desired
  - Assignment and Assumption Agreement
  - FAA Part 139 Application
  - Supporting resolutions
• **Articles of Incorporation**
  – Creates the Authority under Michigan law
  – Establish the parameters under which the Authority operates including its powers and any restrictions
  – Establishes memberships, appointments, and qualifications to serve
  – Define responsibilities between the Counties and the Authority, including reversionary clauses
• **Property Conveyance**
  – Land lease issued by both Counties
  – Fee simple transfer
  – Restrictions and covenants
Assignment and Assumption Agreement

- Assigns all responsibility, rights, and privileges from NRAC to the Authority
  - Grant Obligations
  - Property rights and equipment interest
  - Past and future liabilities
- Establishes Authority as official airport sponsor under FAA guidelines
Key Documentation

• **Opinion of Council**
  – Legality of proposed transaction and compliance with State and Federal laws and regulations
Key Documentation

- **Consultant Report**
  - Official Record of the Transaction
  - Compliance with FAA Grant Assurances and FAA Orders
  - Preparedness of Authority under Part 139
Complete Application
U.S. Department of Transportation
Federal Aviation Administration

Airport Operating Certificate

This certifies that the Northwestern Regional Airport Commission as owner and operator of Cherry Capital Airport, Traverse City, Michigan has met the requirements of the Title 49 USC, Subtitle VII – Aviation Program, and the rules, regulations, and standards prescribed thereunder for the issuance of this certificate, and is hereby authorized to operate as a certificated airport in accordance with and subject to said statute and the rules, regulations, and standards prescribed thereunder, including but not limited to 14 CFR Part 139, and any additional terms, conditions, and limitations contained herein or in the approved Airport Certification Manual on file with the Federal Aviation Administration.

This certificate is not transferable and, unless sooner surrendered, suspended or revoked, shall continue in effect.

Effective Date: May 21, 1973
Reissue Date: April 29, 2005
Issued at: 2300 East Devon Avenue
Des Plaines, Illinois  60018

By Direction of the Administrator:

Manager, Airports Division
Next Steps – Reporting Process

AGAC  NRAC  Counties
Next Steps – Reporting Process

• **Airport Governance Advisory Committee**
  – Form recommendations and draft report
  – Send report to NRAC with supporting resolution

• **NRAC**
  – Review report and recommendations
  – Send to Counties for further consideration

• **Counties**
  – Hold study sessions to review the report and field Q&A
  – Decide to form regional Authority or renegotiate lease with NRAC
Schedule

AGAC Public Invitation to Comment
• September 2019

NRAC Resolution to send report to Counties
• November 2019

Counties pass Resolution to form Authority
• January 2020

Develop Application Documents
• February – August 2020

Issuance of Airport Operating Certificate
• December 2020

AGAC Resolution to forward report to NRAC
• October 2019

Counties review report in study sessions
• December 2019

Initial FAA Consultation
• February
• 2020

Submit Application
• September 2020
• Q&A

• Next Meeting
Thank You