Office of Airports Central Region 901 Locust, Room 364 Kansas City, MO 64106

April 15, 2025

Via Electronic Mail

Skyhaven Airport
Atten: Sarah Craig craig@ucmo.edu
Director, Office of Sponsored Programs & Research Integrity
University of Central Missouri
P.O. Box 800
Warrensburg, MO 64093

Notice of Potential Noncompliance and Request for Corrective Action

Dear Airport Sponsor:

The Federal Aviation Administration (FAA) has completed its investigation of allegations that the Skyhaven Airport is being operated in a manner inconsistent with its applicable federal obligations. (The current Airport Sponsor Obligations ("Grant Assurances") the University of Central Missouri are attached).

To investigate this complaint, our office requested a written response from the airport, and conducted follow-up discussions with the airport, the airport's attorney, Michael Jones, Martin Pringle Attorneys at Law, and the complainants' attorney,

Additionally, we received several emails and phone calls from various airport users and licensees.

The complaint alleged:

II. "22.f. Aircraft Owner/Operator Right to Self Service through the prohibition on owner conducted maintenance if the assistance of an aircraft mechanic required under Article 4. Use of Premises of the lease agreement. This clause would potentially ground and/or strand any aircraft requiring non-owner provided maintenance at Skyhaven."

Based on our evaluation of the allegations, we conclude the following:

After clarification and amendments to "AIRPORT RULES AND REGULATIONS Including MINIMUM STANDARDS FOR COMMERCIAL AERONAUTICAL ACTIVIES", it is our understanding self-fueling and self-service are not prohibited on the airport. Therefore, we find no potential for grant assurance violation on this part of the complaint.

The complaint alleged:

"UCM requires all tenants of airport Hangars to sign the Airport Building and License Agreement ("Agreement") ... The Agreement contains multiple violations of 49 U.SC. §§47107, 40103(e), and the following AIP Grant Assurances:

I. 22a. Economic Nondiscrimination through the prohibition on any "commercial business under Article 4, Use of the Premises of the lease agreement. This clause would immediately put any mechanic, flight instructor, or other business at Skyhaven out of business.

UCM operates multiple university-level pilot and aviation programs at Skyhaven Airport... Part of that operation is the maintenance and operation of its own fleet of training aircraft for flight instruction. As such UCM employs flight instructor[s] and Airframe and Powerplant (A&P) mechanics of its own aircraft. In addition to the hangars and buildings used for flight instruction, UCM is the lessor of multiple private use hangars leased to the general public. UCM requires all tenants of airport hangars to sign the Agreement."

"III. 22.g, Sponsor Commercial Services (Proprietary Rights) through the refusal to provide A&P mechanic services to Skyhaven tenants under current UCM policy which refuses maintenance support to non-UCM aircraft."

"IV. 23. Exclusive Rights through the granting of exclusive rights to provide maintenance at Skyhaven to UCM personnel or selected individuals to prohibit competition."

Based on our evaluation of the allegations, we conclude the following:

While we do not have a requirement for or an approval action of the airport's license agreements and minimum standards documents, we provided guidance and review comments throughout the development and/or editing of airport documents. We recognize the intent and the establishment of minimum standards and airport regulations is to contribute to nondiscriminatory treatment of airport licensees and users. These documents may also help the sponsor avoid granting an exclusive right. During our reviews and communications, we raised concerns about the application of the Commercial Operations Vendor Agreement – specifically, the following statement found in "AIRPORT RULES AND REGULATIONS Including MINIMUM STANDARDS FOR COMMERCIAL AERONAUTICAL ACTIVIES" ("Rules") 3-1. GENERAL. "These Minimum Standards are only applicable to those commercial operations that have a dedicated physical presence and are not applicable to commercial operations, which may use the Skyhaven Airport facilities to conduct business related activities such as using runways or pilot space in the terminals to meet clients, etc.". The airport must ensure the standards apply uniformly to all similarly situated providers of aeronautical services and are reasonable, not unjustly discriminatory, attainable, and reasonably protect providers of aeronautical services from unreasonable competition.

Below are three instances that we want to specifically address regarding the airport's newly established rules, agreements, and processes.

1. Throughout our investigation, Skyhaven has ensured us they have an application process in place for commercial users of the airport that follows the guidance in the "Rules" document and does not violate the federal obligations to the FAA.

Unfortunately, we recently received notification that Mr. has made two attempts to apply for a Commercial Operations Vendor Agreement but was notified the agreement is not required and Mr. Suhr was provided with a reference to the "Rules" document section 3-1. Mr. second attempt at a Commercial Operations Vendor Agreement was also returned even though Mr. stated in his second application he will be using his two licensed hangars and the terminal building to conduct flight instruction (which is listed as an Aviation Related Operation in the "Rules" and by use of his two licensed hangars create a physical presence as defined in the "Rules") and will not be using any pilot space. Again, his application was returned as not required.

To date, and to the best of our knowledge, Mr. application to perform "aircraft maintenance, minor and major alterations & repairs[,] Avionics installations[,] 100 Hr & Annual inspections: in the "old A&P hangar E-3/E-4" has been in review in excess of thirty days, as of the writing of this determination. Mr. has not received any indication of when he will receive his Commercial Operations Vendor Agreement or if there are additional requirements he must meet.

We have also heard from most, if not all, of the airport's licensees and several users of the airport in support of Mr. business. We are concerned that the process the airport says they have established has does not appear to have clear requirements nor procedures and lacks an expected completion date for Mr. application review. The Airport has stated several times to us that licensees only needed to request the Commercial Operations Vendor Agreement to open a dialog and negotiations. However, the agreements, to our knowledge, were not created nor available until after our Part 13 investigation started. Additionally, while working with the airport on the creation and editing of these documents, specifically addressing the airports stance of that the lack of a "physical presence" does not require licensing and unclear processes for application and approval of commercial agreements, we advised that an exclusive right may be conferred either by express agreement, by imposition of unreasonable standards or requirements or by another means. Such a right conferred on one or more parties, but excluding others from enjoying or exercising a similar right or rights, would be an exclusive rights violation.

2. The airport has responded to our inquiries regarding the college's use of the airport. Their response stated, in part, "...the University of Central Missouri has three main organizations under its umbrella that operate at the Airport; Airport Operations, the Flight School, and Aircraft Maintenance (the University operates an aircraft maintenance

¹ 3-1. A. AVIATION RELATED OPERATIONS. Any activity which involves or makes possible the operation of an aircraft or aerial vehicle that would use the airport as well as any operation performed in the function of contributing to or as required for the safe operations of aircraft or aerial vehicles that include, but are not limited to the following: Air Carrier Operations - Charter Operations - Flight Training - Aircraft Rental - Scenic Flights - Aerial Photography - Agricultural Applications - Aerial Advertising - Aerial Surveying/Search & Rescue - Aircraft Sales - Aircraft Maintenance - Aircraft Painting - Aviation Petroleum Sales - Aircraft Parts Sales - Avionics Repair/Sales - Activities Directly Related To Operating Aircraft

hangar and mechanics shop for educational purposes as part of the aviation program and to service flight school aircraft only, that is separate from hangars available to licensees)."² The response also states "the operations and function of the Airport are unique because the Airport is owned and operated by the University of Central Missouri. The Airport serves as the educational facility for UCM's Aviation Program which includes flight instruction and maintenance instruction. Additionally, the Airport is open for use by the public which includes fuel sales, use of public spaces such as the terminal, licensing of hangar spaces or tie-down spaces, etc."³

While we understand and appreciate the airport sponsor, as a public university, may have internal overlap of duties or activities, our concerns are solely focused on the airport and its operations in relation to the federal obligations the University has accepted, when federal funds were expended at the airport, and its treatment of similarly situated airport users. The University's organizations (the Flight School and Aircraft Maintenance) should not be allowed to conduct business at the airport in a manner that is different than that prescribed to public users of the airport⁴ which includes, but is not limited to, the "Commercial Operations Vendor Agreement", "Airport Building and License Agreement", and "AIRPORT RULES AND REGULATIONS Including MINIMUM STANDARDS FOR COMMERCIAL AERONAUTICAL ACTIVIES". Such agreements with these university entities should also include the rates and charges for real property and/or land lease agreements and tie-down fees for these entities of the university, as applied to all other users of the airport.

The "uniqueness" the University sites is no different than a city who has accepted federal funds and the associated sponsor assurances. If a city wants to house its street operations department at their airport, the department would be subject to the same assurances as applied to all of the other users of the airport. The federal funds were accepted and provided to operate and maintain the airport in a safe and serviceable condition, to not grant exclusive rights, to mitigate hazards to airspace, and to use airport revenue properly. The University's aviation departments are tenants (or "licensees") of the airport and are not exempt from the airport's rules, minimum standards, agreements, waivers, etc.

3. We have been alerted to the use of the university's facilities by students and university staff to conduct after-hours commercial business from eye-witness observations and a transcript of deposition of Mr. Joel Korman, Interim Director of Maintenance, University of Central Missouri. We have alerted the airport to these situations and want to emphasize the importance of the uniform application of the airport's rules to all similarly

², ³ Letter from Michael G. Jones, Martin Pringle Attorneys at Law, dated March 14, 2025, to the FAA.

⁴ "AIRPORT RULES AND REGULATIONS Including MINIMUM STANDARDS FOR COMMERCIAL AERONAUTICAL ACTIVIES" 1-9. UNIVERSITY DEPARTMENT OF AVIATION: The University Department of Aviation has utilization rights to the following buildings owned by the University: Hangar Three, T-Hangars 1-10, T-Hangars 13, 14, 22, and 24, Open T-Hangars E-2, E-4, W-1, and W-10. Tie-Down parking will be provided on the Airport Apron for at least 19 aircraft in consecutive order segregating the University Department of Aviation's aircraft from the other Airport users and transient aircraft. The University Department of Aviation provides fuel and pilot supplies to students and the public.

situated entities. Employees and students are also subject to the same "Commercial Operations Vendor Agreement", "Airport Building and License Agreement", and "AIRPORT RULES AND REGULATIONS Including MINIMUM STANDARDS FOR COMMERCIAL AERONAUTICAL ACTIVIES" which should also include the rates and charges for real property agreements.

Additionally, the airport has repeatedly advised us the restriction in the Airport License Agreement, Article 4 Use of Premises⁵ was implemented for safety reasons. On approximately October 7, 2024, Mr. Slone's initial request was for a copy of the "UNIVERSITY Rules and Minimum Standards" referenced in the new license agreement he was given to sign. The airport sent Mr. Slone NFPA standards and FAA's Advisory Circular 150/5230-4C "Aircraft Fuel Storage, Handling, Training, and Dispensing on Airports". In our initial discussions with the airport, safety concerns were highlighted regarding the need for these additional waivers, agreements, and a designated maintenance hangar followed along the line of ensuring safety. However, as the documents evolved and more waivers and agreements were created, we questioned the airport's restrictions based upon safety. Allowing a waiver for a licensee to contract for and conduct maintenance on their aircraft while parked inside of their licensed hangar does not support the argument of safety the airport is presenting. Additionally, we have asked several times what improvements the airport has made to the newly established maintenance hangar available for aircraft repairs. It is our understanding this maintenance hangar is in the center of a row of T-hangars and the original reason given to us, regarding the prohibition of commercial activities in privately licensed hangars, was on the grounds of safety. We appreciate the need to control access of commercial vendors and to enact safety protocols at the airport, however, these actions must be accomplished in a manner that does not create discriminatory treatment of airport tenants ("licensees") and users.

In our correspondence to the Airport, dated January 14, 2025, we advised that "[w]e caution the appearance of the imposition of unreasonable standards or requirements on commercial activities that appear to be presented in the "Rules" and various agreements with RCM. Again, this would be a violation of Grant Assurance 23. Exclusive Rights. Per 5190.6B Change 4 — "An exclusive right is defined as a power, privilege, or other right excluding or debarring another from enjoying or exercising a like power, privilege or right. An exclusive right may be conferred

AIRPORT HANGAR LICENSE AGREEMENT - ARTICLE 4 USE OF PREMISES - (fourth paragraph) The LICENSEE covenants and agrees not to use said Premises for commercial aviation activity or any part of said Premises for commercial aircraft maintenance for hire. This includes the operation of commercial businesses within the Premises. This clause in no way prohibits LICENSEE from using the airport for commercial aviation, but rather restricts it only within the Premises unless otherwise allowed by separate agreement between UNIVERSITY and LICENSEE. LICENSEE will be permitted to conduct minor maintenance on LICENSEE's aircraft within the Premises as would normally be performed by an aircraft owner without the benefit of an aircraft mechanic. Repairs requiring the service of a hired aircraft mechanic may be performed at the Airport and in designated locations. If the services must be performed inside the Premises, the LICENSEE may do so with a separate agreement between UNIVERSITY and LICENSEE via a temporary Maintenance Waiver.

⁶ 3-1. GENERAL. Business and Business Owners who propose to operate a commercial operation within a licensed hangar or a dedicated physical space at the airport are expected to comply with the Airport Rules and Regulations and these Minimum Standards for Commercial Aeronautical Activities. These Minimum Standards are only applicable to those commercial operations that have a dedicated physical presence and are not applicable to commercial operations, which may use the Skyhaven Airport facilities to conduct business related activities such as using runways or pilot space in the terminals to meet clients, etc. Such use of the Skyhaven Airport facilities does not require other such Airport users to comply with the Minimum Standards, however, all users are still subject to the Airport Rules and Regulations. The uniform application of these Minimum Standards, containing the minimum levels of service that must be offered by the prospective service provider who operates their business with a physical presence at the Skyhaven Airport, relates primarily to the public interest and discourages substandard entrepreneurs, thereby protecting both the established aeronautical activity and the Skyhaven Airport patrons.

either by express agreement, by imposition of unreasonable standards or requirements or by other means. Such a right conferred on one or more parties, but excluding others from enjoying or exercising a similar right or rights would be an exclusive right. The prohibition on exclusive rights extends to all aeronautical activities."

Based on the facts presented in this investigation, the University of Central Missouri may be in violation of:

Grant Assurance 22. Economic Nondiscrimination. –

a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.

Grant Assurance 23. Exclusive Rights. –

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public.

Grant Assurance 24. Fee and Rental Structure. –

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

We request the University of Central Missouri develop a corrective action plan which addresses each of our conclusions listed above.

Your corrective action plan should be completed and submitted to the Central Region Office of Airports for approval within thirty (30) days from the date of this letter. Once the corrective action plan is approved by our office, please update the Central Region of the status of the corrective action plan at two-week intervals prior to completion. Failure to take corrective action could result in the initiation of FAA enforcement action through the issuance of a notice of investigation under 14 CFR part 16, subpart D, Special Rules Applicable to Proceedings Initiated by the FAA.

This is a preliminary determination and is not a final agency decision subject to judicial review. If you have any questions or if you believe this office has erred, you may contact Angie Muder, Compliance Specialist, at (816) 329-2620 or <a href="mailto:agence-name

Sincerely,

RODNEY N JOEL Digitally signed by RODNEY N JOEL Date: 2025.04.15 14:46:27 -05'00'

Rodney Joel Director, Central Region

cc:

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Regional Compliance

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