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

June 3, 2025

Via Electronic Mail

June 2, 2025

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

Non-Compliance with Federal Grant Assurances – Urgent Follow-Up to Part 13 Determination and Corrective Action Plan Request, Skyhaven Airport

Dear Ms. Craig,

On April 15, 2025, the Federal Aviation Administration (FAA), Central Region Airports Division, issued a preliminary determination under 14 CFR Part 13, Section 13.3, following an informal complaint investigation at Skyhaven Airport. The determination identified potential violations of Federal Grant Assurances 22 (Economic Nondiscrimination), 23 (Exclusive Rights), and 24 (Fee and Rental Structure), specifically regarding: (1) the unclear and inconsistent application process for Commercial Operations Vendor Agreements, (2) preferential treatment of the University of Central Missouri's (UCM) Flight School and Aircraft Maintenance operations, and (3) unauthorized after-hours commercial maintenance activities. We requested that UCM, as the airport sponsor, submit a Corrective Action Plan (CAP) by May 15, 2025, to address these concerns and restore compliance with federal obligations under 49 U.S.C. § 47107.

We received your response, dated May 15, 2025, from Michael G. Jones, Martin Pringle Attorneys at Law, asserting that the FAA found "no violations" and expressing UCM's pleasure at this outcome. We must clarify that the April 15, 2025, determination did not find Skyhaven Airport in compliance. Instead, it concluded that UCM may be in violation of the referenced grant assurances, as detailed in our letter. Furthermore, your response did not include a CAP, nor has UCM provided evidence of corrective actions to resolve the identified issues. Since May 15, 2025, we have received notice from airport users, not parties to the original Part 13 complaint, that after-hours commercial activities continue in UCM facilities, further indicating unresolved violations.

The FAA's concerns remain unresolved, as follows:

- 1. Commercial Operations Vendor Agreement Process: Your response indicates staff training and communication with applicants (e.g., but applications were returned as "not required" despite his use of hangars and terminal space for flight instruction and the requirement in the airport's rules document. Mr maintenance application remains pending without a clear timeline or requirements. This lack of transparency and uniformity risks conferring an exclusive right, violating Grant Assurance 22 and Grant Assurance 23.
- 2. Preferential Treatment of UCM Entities: You claim UCM's Flight School and Aircraft Maintenance pay equivalent rates but are exempt from agreements like the Commercial Operations Vendor Agreement, citing intra-departmental accounting. This exemption creates unequal treatment compared to public users, violating Grant Assurance 22, Grant Assurance 23, and potentially Grant Assurance 24.
- 3. After-Hours Maintenance: While you note instructions to use the designated maintenance hangar, no evidence confirms enforcement, and new reports of after-hours commercial activities in UCM facilities suggest ongoing discriminatory treatment under Grant Assurance 22 and Grant Assurance 23.

The proposed Frequently Asked Questions (FAQ) page and ongoing discussions are wholly inadequate without specific corrective measures addressing these violations. UCM's failure to submit a CAP and correct these issues places Skyhaven Airport in non-compliance with its federal obligations, jeopardizing its eligibility for federal funding.

The FAA Central Region, through the Missouri Department of Transportation Aviation Department, is preparing to issue grants for a fuel farm and access road project at Skyhaven Airport beginning in Fiscal Year 2025. UCM has requested federal funding and is awaiting a grant agreement. It is imperative that Skyhaven Airport resolve the non-compliance issues outlined in our April 15, 2025, letter immediately to avoid severe funding restrictions. **The FAA will include a zero-pay special condition in the proposed grants if these matters remain unresolved at the time of grant issuance.** This condition will prohibit UCM from seeking any financial reimbursement of project costs until all violations are fully addressed to the FAA's satisfaction. Furthermore, persistent non-compliance may lead to the denial of grant applications or suspension of discretionary Airport Improvement Program (AIP) funding, as the FAA is committed to protecting federal investments by ensuring strict adherence to grant assurances under 49 U.S.C. § 47111(d).

To restore compliance, we request that UCM take the following steps by June 13, 2025:

- 1. Submit a detailed Corrective Action Plan addressing each concern, including:
 - A transparent, timely process for Commercial Operations Vendor Agreements, applied uniformly to all applicants (e.g., 30-day review timelines, clear criteria, and approval procedures).
 - Application of all agreements (e.g., Commercial Operations Vendor Agreement, Airport Building and License Agreement) to UCM's Flight School and Aircraft Maintenance, with identical rates and conditions as public users.
 - Enforcement mechanisms to prevent unauthorized after-hours maintenance, including monitoring protocols and penalties for non-compliance.

- 2. Provide evidence of implemented corrective measures (e.g., approved agreements for and all others operating commercial ventures at the airport, revised rules, compliance monitoring reports).
- 3. Submit copies of all temporary and permanent commercial licenses issued by Skyhaven Airport (e.g., Commercial Operations Vendor Agreements, temporary maintenance waivers) to verify uniform application of rules and compliance with grant assurances.

Please submit your response to Angie Muder, Compliance Specialist, at 901 Locust, Room 364, Kansas City, MO 64106, or via email at angela.muder@faa.gov. Failure to respond adequately by June 13, 2025, will likely result in administrative sanctions, including suspension of discretionary AIP funding or denial of grant applications, as authorized by 49 U.S.C. § 47111(d).

We strongly urge UCM to collaborate with the FAA to resolve these matters promptly to avoid potential delays in grant reimbursement or further enforcement actions. For assistance in developing your CAP, please contact Ms. Muder at (816) 329-2620 or angela.muder@faa.gov. The FAA remains committed to supporting Skyhaven Airport's compliance with federal obligations while ensuring safe and non-discriminatory operations.

Sincerely,

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Director, Central Region Airports Division

cc:

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