

602 KAR 15:020. State aid for airport development projects.

RELATES TO: KRS 183.120, 183.505, 183.764

STATUTORY AUTHORITY: KRS 183.024, 183.505

NECESSITY, FUNCTION, AND CONFORMITY: This administrative regulation defines the procedure that must be followed in order to obtain financial aid from the Transportation Cabinet for an airport maintenance project or an airport development project (as defined in KRS 183.011(14)) for a public airport owned by another state agency, an airport board appointed pursuant to KRS 183.132 or a city and/or county government.

Section 1.

(1) To be eligible for financial aid from the airport development fund under this administrative regulation for the airport must meet the following criteria:

- (a) The airport shall be publicly-owned;
- (b) The airport shall be available for public use;
- (c) The proposed development project shall be consistent with the airport type and degree of facility development contained in the state airport system plan;
- (d) The proposed development project shall either be in accordance with the airport's approved master plan or be to prepare or update the airport's master plan; and
- (e) The airport shall be in compliance with the minimum safety standards set forth in 602 KAR 20:010 to 602 KAR 20:110 or the proposed development project shall bring the airport in compliance with those standards.

(2) To be eligible for financial aid from the airport maintenance program under this administrative regulation the airport owner shall meet the following criteria:

- (a) The airport shall be publicly-owned;
- (b) The airport shall be available for public use;
- (c) The airport shall not have scheduled air carrier service but may be served by an air commuter airline;
- (d) The proposed maintenance project shall be limited to pavement seal coats or pavement preservations and remarking; obstruction removal or approach clearing; drainage repair; lighting or navigation aid repairs or replacement; fence, building or structure repairs; and major maintenance equipment;
- (e) The airport shall be in compliance with the minimum safety standards set forth in 602 KAR 20:010 through 21:070 or the proposed maintenance project shall bring the airport in compliance with those standards;
- (f) The Transportation Cabinet's share of maintenance projects cost shall not exceed \$10,000 in any fiscal year;
- (g) The airport owner shall pay at least fifty (50) percent of the maintenance project costs.

Section 2.

(1) An airport owner may apply for state aid for airport maintenance or development projects. Airport development is defined in KRS 183.011(14).

(2) To apply for state airport maintenance or development funds, the airport owner shall submit a request for state funds for airport development on forms prescribed and furnished by the Transportation Cabinet. The forms shall be submitted to the Transportation Cabinet, Office of Aeronautics, Frankfort, Kentucky 40622. The application form shall be completed and shall contain the project description, the reason for the project, the estimated cost of the project, and the anticipated funding sources. This form is available from the Office of Aeronautics.

Section 3. If a project application is approved for funding by the Transportation Cabinet, a tentative allocation may be issued to the airport owner. The tentative allocation shall show

the amount of state funds reserved for the project, the scope of the approved project and the time frame for which it is being considered. The Transportation Cabinet reserves the right to limit the scope of a project and cost estimates as necessary to conform to available funds.

Section 4.

(1) If not already prepared, the airport owner is responsible for the preparation of the engineer's report which explains the design criteria, design plans, and specifications, subsequent to the issuance of the tentative allocation. The design plans and specifications shall be submitted for approval to the Transportation Cabinet and where appropriate, shall incorporate but not be limited to the following:

(a) "Standard Specifications for Road and Bridge Construction" published in 1985 by the Transportation Cabinet, Department of Highways;

(b) Federal Aviation Regulations Part 139; and

(c) Federal Aviation Administration Advisory Circulars in the 150 series. Copies are available for viewing in the Office of Aeronautics.

(2) After the design plans and specifications have been approved, in order to establish reimbursable costs, the airport owner shall adhere to the applicable procurement standards outlined in KRS Chapters 45, 45A and 56.

Section 5. After the reimbursable costs have been established for the project, the airport board may submit a project application request to the cabinet on forms prescribed and furnished by the cabinet. This application form shall be completed and shall contain the revised scope of project, the elements of cost, the source of funds, and an assurance that the airport board shall not discriminate against any person or class of persons by reason of race, color, creed or national origin in the operation of the airport.

Section 6.

(1) After the Transportation Cabinet has approved the submitted project or a portion thereof, a state grant for airport development shall be issued to the airport owner. The grant form shall show the scope of the project as finally approved and the amount of state funds obligated to the project. If the airport owner agrees to the terms of the state grant, it may accept the grant form and must return an executed copy to the Transportation Cabinet.

(2) The execution of the grant form is the airport owner's authorization from the Transportation Cabinet to have the contractor proceed. Unless otherwise agreed to, no construction costs incurred prior to the execution of the grant agreement are eligible for state participation. A copy of the notice to proceed to each contractor shall be furnished to the cabinet.

(3) Land acquisition, administrative, legal and engineering costs incurred prior to the execution of the grant form may be eligible for state participation at the discretion of the Transportation Cabinet.

Section 7.

(1) To receive the state's share of the project costs the airport board shall submit to the Transportation Cabinet copies of the bills from the contractors, suppliers, engineers, attorneys, and others involved in the project and attach said copies to a completed standard invoice form which is prescribed and furnished by the cabinet.

(2) Final payment from the Transportation Cabinet shall not be sent to the airport board until after audit of the project cost performed in accordance with the standards set forth in OMB Circular A 128, dated April 12, 1984. Copies of the standards are available for viewing in the Transportation Cabinet, Office of Aeronautics.

Section 8. If the final project costs exceed the total amount agreed to in the grant Transportation Cabinet shall incur no obligation to bear any portion of the increased project

cost.

Section 9. By acceptance of such airport development grant funds, the airport owner shall agree to make the airport on which the funds were expended available for public use for a minimum period of twenty (20) years. Failure to comply with this requirement shall be just cause for the Transportation Cabinet to seek refunding or returning of all funds furnished in the last twenty (20) years for all of the airport development projects associated with the subject airport.

(11 Ky.R. 344; 549; eff. 9-11-1984; 14 Ky.R. 263; eff. 9-10-1987; Crt eff. 3-26-2019.)