

May 16, 2025, Nebraska Aeronautics Commission Meeting
Agenda Item: State Reimbursable Agreement for Flight Checks – Update

Overview

In November 2024, the State of Nebraska executed a Reimbursable Agreement (RA) with the FAA for flight checks. The agreement established a \$100,000 account to cover flight check costs for eligible airport projects across the state. This centralized approach allows for more efficient coordination and payment processing through the state rather than requiring individual airport sponsors to manage their own reimbursable agreements.

Project Participation and Status

To date, seven airport projects have been entered into the agreement: Broken Bow (BBW), Hartington (OB4), Gordon (GRN), Norfolk (OFK), Stuart-Atkinson (8V2), Alliance (AIA), and Tekamah (TQE).

Of the seven projects entered into the agreement, four flight checks have been completed, and all passed. Two of these projects, Broken Bow and Hartington, have received their FAA Flight Check Final Inspection Reports, allowing consultants to submit closeout documentation to both the State and the FAA.

The current status of each project is summarized below:

- Broken Bow and Hartington: Flight check processes are complete, and final reports have been received.
- Gordon: The PAPIs on Runway 4/22 were flown on March 12, 2025. The REILs are scheduled for May 20, 2025.
- Norfolk and Stuart-Atkinson: Flight inspections were completed in March, and we are currently awaiting Final Inspection Reports from the FAA.
- Alliance and Tekamah: These projects have been entered into the agreement, with construction scheduled to begin in 2026.

Flight Check Process

The typical flight check process includes the following steps:

1. Project is entered into the RA account's "checkbook"
2. Flight check is requested and scheduled with FAA
3. FAA conducts the flight check
4. Final cost is deducted from the RA account
5. FAA issues the Final Inspection Report (generally within 60 days)

The FAA flight inspection team typically completes reports within 60 days, although some have been returned ahead of schedule.

Process Improvements

While the scheduling process for flight checks remains unchanged, the financial processing has improved significantly under the new State-level Reimbursable Agreement.

Previously, each airport sponsor was required to execute a separate reimbursable agreement with the FAA. This involved exchanging drafts, finalizing agreements, completing financial forms, transferring funds, and waiting for FAA confirmation, all of which had to occur before a flight check could even be scheduled. The process often took several months, followed by additional delays in scheduling and reimbursement of unused funds.

Now, with a single State-managed agreement and a standing account balance, we can immediately add airport projects to the agreement and coordinate flight checks directly with FAA schedulers, without waiting on individual financial transactions. Once the inspection is completed, the FAA simply deducts the applicable costs from the state account on a monthly basis. This has greatly reduced the time required to move from construction completion to project closeout.

Demonstrated Time Savings

- Broken Bow (3-31-0013-016): Final project documents were submitted to the FAA and the final progress estimate was approved 31 days after the flight check. The FAA requested final financials on April 16.
- Hartington (3-31-0106-014/015): Final documents were submitted and the progress estimate approved 36 days after the flight check. The FAA requested final financials on May 1.

Once financial data is submitted for both projects, the FAA will be able to proceed with closing out the associated grants.

Financial Summary

As of May 16, 2025, a total of \$28,411.56 has been withdrawn from the State RA account to cover five completed flight checks. With an initial balance of \$100,000, this leaves a remaining balance of \$71,588.44 for future use.

Cost Breakdown by Project:

- Broken Bow (BBW) AIP 3-31-0013-016: Runway 14/32 PAPIs
 - Actual Cost: \$4,675.32

- Estimated Cost: \$14,385.60
- Gordon (GRN) AIP 3-31-0031-014: Runway 4/22 PAPIs (REILs pending)
 - Actual Cost: \$5,394.60 (PAPIs Only)
 - Estimated Total Cost: \$19,780.20 (PAPIs and REILs)
- Norfolk (OFK) AIP 3-31-0058-027/028: Runway 20 REIL and Runway 14/32 MIRL
 - Actual Cost: \$5,394.60
 - Estimated Cost: \$8,991.00
- Stuart-Atkinson (8V2) AIP 3-31-0079-014: Runway 11/29 PAPIs and REILs
 - Actual Cost: \$7,552.44
 - Estimated Cost: \$19,780.20
- Hartington (OB4) AIP 3-31-0106-014/015: Runway 13/31 PAPIs and MIRLs
 - Actual Cost: \$5,394.60
 - Estimated Cost: \$16,183.80

Conclusion

The State Reimbursable Agreement for Flight Checks has proven to be an efficient, cost-effective mechanism for supporting airport development projects across Nebraska. It has reduced administrative delays, improved coordination with FAA, and helped accelerate the project closeout process.

Ongoing monitoring of expenditures and coordination efforts will continue, and updates will be provided at the next meeting.