

NEBRASKA

Good Life. Great Journey.

DEPARTMENT OF TRANSPORTATION



STATE AID GRANT PROGRAM Commission Approved May 16, 2025

Nebraska Department of Transportation
(NDOT) Division of Aeronautics

STATE AID GRANT PROGRAM

TABLE OF CONTENTS

- I. PROGRAM OVERVIEW AND INTENT.....1
- II. WHO IS ELIGIBLE?1
- III. WHAT IS ELIGIBLE?.....1
- IV. FUNDING LIMITS.....3
- V. GENERAL REQUIREMENTS AND CONDITIONS.4
- VI. APPLICATION.4
- VII. HOW THE PROGRAM WORKS.....5



STATE AID GRANT PROGRAM

I. PROGRAM OVERVIEW AND INTENT

The intent of the State Aid Grant Program is to assist in the development of public-use aviation facilities in Nebraska. This program includes state aid provided as part of a federally funded project.

The Nebraska Aeronautics Commission has two types of funds to allocate state grants: the Project Grant Fund, funded through the aviation fuels tax, and the Aeronautics Capital Improvement Fund, funded through a tax on the sales and use of aircraft.

Primary airports with scheduled, non-subsidized, commercial service are eligible to receive up to \$250,000 allocation in state aid per year in recognition of the substantial economic impact these facilities have in generating the funds used to provide state grants. Note: This allocation will be evaluated based on available funds for a given year.

Project approval and funding limits are determined by the Nebraska Aeronautics Commission. The Commission has the right to fund projects outside the scope of this program at their discretion.

II. WHO IS ELIGIBLE?

- A. ANY MUNICIPALITY operating a public-use airport. A municipality can be an airport authority, city, county, or village.
- B. Airports must have a current state license and have no licensing violations unless the request being made is to correct licensing violations.

III. WHAT IS ELIGIBLE?

To be eligible for the state aid program, the following requirements should be met:

- The project is reasonably consistent with the Nebraska System Plan for the development of the area in which the airport is located.
- The project can be completed without undue delay on the sponsor's part.
- The sponsor has sufficient funds to cover their share of the project.

The following are examples of eligible and ineligible projects. This is only a partial listing of projects. For questions on whether a project would be eligible for funding under this program, contact NDOT, Division of Aeronautics at 402-471-2371 or NDOT.AeroEngineering@nebraska.gov

STATE AID GRANT PROGRAM

A. ELIGIBLE UNDER THIS PROGRAM

1. All federal grants (AIP, BIL, etc.) are eligible for state grant matching funds, apart from hangars, fuel storage, access roads and parking lots.
2. Grading, paving, and pavement rehabilitation, including seal coating and crack sealing of runways, taxiways, and aprons.
3. Lighting of eligible paved or graded items, including a vault, electrical equipment, beacon, standby generator, reflective markers, airport lighting, etc.
4. Visual Navigational Aids (Nav aids) - PAPI, REIL, ALS, etc. and AWOS. Emphasis will be placed on nav aids for instrument runways and on those needed for obstacle clearance.
5. Airport layout plans (ALP), Environment Assessment Reports (EA), and other planning studies.
6. Obstruction mitigation or removal of objects in the runway protection zones and objects violating state licensing or Part 77 obstruction standards.* Includes the relocation of roads to allow necessary airport development.
7. Land and easement acquisition for all airport developments, including fencing and relocation.
8. Administration and terminal buildings - public-use areas only. Areas rented or reserved for private use are not eligible. Airport offices such as the manager's office or the authority's meeting room are eligible. The eligible amount will be determined by prorating the actual square feet of each area.
9. Related Items (listed below) are eligible at the same rate of participation as the item to which they are related.
 - a) Consulting and other fees, such as engineering, testing, advertising, administrative and legal fees. These fees are only eligible when the project they are related to is completed within a reasonable time. Typically, the fees are not reimbursed until after the construction/acquisition contracts are executed.
 - b) Related construction items like pavement repairs, utility relocation, incidental fencing, marking, seeding, drainage structures, ducts, etc.
10. Preliminary engineering for large projects (greater than \$1,000,000) to include 30% design, scope, pavement section and cost estimate. There are no guarantees of future funding to complete the project.

STATE AID GRANT PROGRAM

B. NOT ELIGIBLE UNDER THIS PROGRAM

Not eligible under state-aid only grant program:

- a. Security (TSA Part 1542) and guidance signs (FAR Part 139).
- b. Vehicles (SRE and ARFF) and associated buildings.
- c. Passenger lifts for commuter aircraft.
- d. Emergency Repairs. Note: Missing the standard deadline does not constitute an emergency.
- e. Other regular maintenance items to include tree trimming and removal on airport property.
- f. Paving access roads and parking lots and other landside needs.
- g. Runway development not shown on an approved ALP.
- h. Previously funded obstruction mitigation or removal. *
- i. Previously completed projects.
- j. Hangars. **
- k. Fuel storage. **

* The Aeronautics Commission will fund obstruction removal only once per area. For example, if a tree is removed as an obstruction but later regrows, removal will not be funded a second time.

** Hangars and Fuel storage are eligible under the state loan programs.

IV. FUNDING LIMITS.

State grants typically reimburse eligible project expenses at the following percentages:

- State Projects: up to 90% state funds
- State Projects acquiring land, terminal buildings or preliminary engineering: up to 50% state funds.
- Federal Projects: up to 2% state matching funds

State aid-only grants, funds are limited to \$250,000 per airport per fiscal year, except that runway rehabilitation/re-construction for state-aid only projects are limited to \$1,000,000. State matching funds requests allocated for a federal project are limited to a total of \$100,000. A federal project includes the entire scope of the federal grant. Multiple federal grants which are used to finance the same scope of work are considered one project.

A federally funded project with the same scope of work can receive funding for different phases (e.g., engineering and construction), but the total funding is capped at \$100,000. Multiple grant

STATE AID GRANT PROGRAM

applications are allowed, but the total awarded cannot exceed this cap. Funding for one phase does not guarantee funding for future phases.

These provisions do not affect the primary airport allocations outlined in Section I.

V. GENERAL REQUIREMENTS AND CONDITIONS.

- A. The existing airport and the proposed project must meet the Aeronautics licensing standards. The airport must have an approved airport layout plan (ALP), and the proposed project must follow the ALP. If not, 25% of state funds will be withheld from the sponsor until this is corrected.
- B. Any work completed prior to Commission approval must be essential to the development of the requested project and comply with the specifications in Section VII to be eligible for state aid-only grants.
- C. The sponsor must comply with all program requirements and state grant agreement assurances and conditions.

VI. APPLICATION.

- A. APPLICATION. The airport sponsor must apply for funding on a form provided by Aeronautics. A grant application form entitled "Request for a State Aid Project Application Form" is available from the Aeronautics website or by mail upon request to Aeronautics.

A completed application consists of the form, sketches, photos, supporting information, and letters of support.

The Aeronautics Engineering Division will respond with recommendations and requirements. Additional information may be requested from the sponsor.

B. DEADLINES AND ALLOCATION DATES

- 1. Applications for state aid are **due September 1**. Submission can be electronic or by mail.
- 2. Project hearings will be held at the Aeronautics Commission meeting in October. For State Aid only, you should plan on attending the October meeting in-person or on-line to present the project.
- 3. Exceptions. None.
- 4. Availability of State Funds. State funds will be available upon Commission approval as soon as the airport sponsor has completed steps A through I listed in Section VII.
- 5. One-year deadline for projects to be underway. State funds will be automatically

STATE AID GRANT PROGRAM

withdrawn, without prejudice, if a state project does not have an executed construction contract one year after the allocation of state funds. For land acquisition projects, legal notice to landowners must be sent within one year. Airport sponsors can request Commission approval for an extension to the one-year deadline if circumstances warrant it.

State funds allocated to a federal project can be carried into the next fiscal year if the project has been delayed due to unforeseen federal funding delays that are no fault of the sponsor. For these projects, the funds will expire two years from the allocation date. As stated for state projects, the sponsor can request an extension past the two-year deadline.

VII. HOW THE PROGRAM WORKS.

- A. APPLICATION is made to Aeronautics on the form referenced in Section VI.
- B. COMMISSION APPROVAL. The Nebraska Aeronautics Commission must approve all projects. Sponsors must generally present their request for aid to the Aeronautics Commission. If a Sponsor is unable to attend, either in-person or virtually, Aeronautics staff, or the Sponsor's consultant may present a project on behalf of a sponsor.
- C. STATE PRIORITIZATION METHODOLOGY MATRIX. Aeronautics runs every proposed eligible (IAW Section III A of this Program) project through the currently approved state prioritization methodology matrix. The resulting ranking of projects is used by the Nebraska Aeronautics Commission to assist in allocating state grant funds.
- D. If a proposed project DOES NOT MEET CRITERIA, it will be documented as such, excluded from the State approved prioritization methodology matrix and marked as INELIGIBLE in the materials presented to the Aeronautics Commission. The Aeronautics Commission will determine whether to address ineligible projects.
- E. LAND ACQUISITION. The sponsor must follow FAA guidelines if the airport is eligible for future federal funds. Aeronautics has a handout available on these guidelines. If the airport is not eligible for federal funds, the land must be appraised, and the appraisal must be acceptable to Aeronautics.

Once the land has been purchased, the sponsor must provide a copy of the recorded deed and either proof of title insurance or a title opinion showing the city or county as owner. Aeronautics can reimburse for the land costs only after approving these documents. No construction can begin on the new property until Aeronautics approves the title insurance document of the title opinion.

STATE AID GRANT PROGRAM

F. ENGINEER, ARCHITECT or CONSULTANT

1. Selection. Aeronautics has no formal selection requirements. Aeronautics suggests that the sponsor contact two or more consultants before hiring a qualified consultant.
2. Contract. A written contract is required, and sample contracts are available. Aeronautics must approve the contract if the costs are to be eligible.
3. Eligible Costs. Only the consulting work related to eligible construction items, or the approved scope of work is eligible for reimbursement. If ineligible construction items are built, a prorated share of the engineering costs also will be ineligible. If a construction item is designed but not built, the engineering design costs for that item are ineligible.

G. PLANS, SPECIFICATIONS AND MAINTENANCE PLAN. Aeronautics requires plans and specifications for all construction contracts exceeding \$49,999 per the Nebraska State Procurement Act (Nebraska Rev. Stat. § 73-802 through 73-819). A maintenance plan for the item being built is required for all paving projects.

1. Standard Specifications. For state-aid only projects, Aeronautics recommends using the NDOT Standard Specifications for Highway Construction and the Aeronautics general provisions.
2. Preparation. The sponsor must hire a registered engineer or architect with the appropriate qualifications to prepare these. The plans and specifications must be approved by Aeronautics before advertisement.
3. Maintenance Plan. Aeronautics will prepare a maintenance plan for the new pavement, to include the anticipated maintenance items, estimated costs and the years in which the maintenance should occur. The sponsor can use this plan or submit their own plan, which must be approved by the Aeronautics Engineering Division. A condition in the state grant agreement requires the sponsor to follow the plan.

Note: Eligible maintenance includes actions that slow the deterioration of airport infrastructure by identifying and addressing specific deficiencies. Throughout the infrastructure's useful life, the sponsor is responsible for budgeting and performing regular maintenance to maximize longevity and prevent major failures.

H. BIDDING. For construction contracts estimated to exceed \$49,999 (\$50,000 or greater), the airport sponsor must advertise for bids in the local paper. Aeronautics generally recommends that the project is advertised three times. For construction contracts that are \$49,999 or less, the sponsor may solicit informal bids. The sponsor opens the bids and then sends Aeronautics a bid tabulation with their intent to award the contract subject to Aeronautics concurrence.

STATE AID GRANT PROGRAM

- I. STATE GRANT AGREEMENT. Aeronautics will prepare a state grant based on known prices, after receiving the:
 1. bids on a construction project; or
 2. signed consultant contract on a planning project; or
 3. appraisals on a land project.
- J. EXECUTED CONTRACT. Aeronautics must concur in the award of contract. The signed contract must be bound with the proposal, bonds, specifications, etc. and one copy sent to Aeronautics.
- K. PAYING FOR THE PROJECT. The sponsor pays all costs as the work progresses. Aeronautics reimburses the sponsor upon receipt of the following documents.
 1. Engineering, Testing and Construction Charges. For state-aid only grants, these billings must be on Aeronautics' progress estimate form. A copy of the estimates, signed by the project engineer, must be sent to Aeronautics for approval. Aeronautics will check the estimates against the terms of the contract. Aeronautics recommends that the sponsor not pay these costs until Aeronautics has approved them.
 - a) Engineering & Testing. Billings based on actual charges and unit costs must be supported with time sheets, car logs, receipts, etc. If the testing is billed separately, a contract with the laboratory is required.
 - b) Construction. Aeronautics will check that time limitations and test results comply with the contract.
 - c) Change Orders. Changes to any contract must have Aeronautics approval or the costs may not be eligible. Change orders should be approved prior to implementation of the change. Failure to do so will affect eligibility.
 2. Other Charges. Generally, one copy of an itemized statement is required.
 - a) Publication. Proof of publication is required.
 - b) Legal. The statement must itemize the dates worked, who did the work, what was done, how many hours were worked on that date and the rate per hour. Expenses also must be itemized.
 - c) Appraisal. A contract and an itemized statement are required.
 3. Aeronautics Administration. Aeronautics administrative charges are actual staff time and expenses spent on each project. These charges can vary considerably depending

STATE AID GRANT PROGRAM

on the project's complexity. Aeronautics does not bill the administrative costs but subtracts them from the state grant funds. These costs are eligible for reimbursement. **NO CHARGES FOR STAFF TIME WILL BE MADE FOR WORK DONE ON PROJECTS AFTER JULY 1, 2023.**

4. Summary of Project Costs. Aeronautics will prepare a Summary of Project Costs when sufficient charges are accumulated. The Statement will list all project costs submitted to date, ineligible costs, and the state's share of these costs. Aeronautics subtracts their project specific expenses from the state's share instead of billing the sponsor separately. The sponsor must return the signed Statement before state funds can be forwarded.

All funds are sent electronically to the Sponsor's designated bank account. The Sponsor completes a W9 ACH Enrollment Form provided by Aeronautics identifying the account. It normally takes 5 to 7 business days from receipt of the Statement of Cost until the funds are sent.

L. PROJECT CLOSE OUT.

1. Final Construction Progress Estimates must include:
 - a) As-built plans (one set).
 - b) Explanation of overruns and underruns.
 - c) Final working/calendar day count.
 - d) As-built airport layout plan, if necessary.
2. Upon receipt of these items, Aeronautics will send a Certificate of Completion and Release to the contractor for signature. The contractor also must send in a Department of Labor Form 16 showing payment of all unemployment insurance. Aeronautics will not approve the final estimate until receipt of all items.
3. Final Costs. After all final construction estimates are approved, Aeronautics will send a worksheet to the sponsor listing all grant costs. The sponsor will have 30 to 45 calendar days to submit any additional costs previously overlooked. The sponsor also must send in copies of the cancelled checks (front & back) written for the grant.
4. Project Overruns. If costs have exceeded the approved state funds, the sponsor may request from the Commission at the scheduled October meeting an increase in funding of up to fifteen percent (15%). Overruns must be carefully and thoroughly justified.
5. Final Statement of Cost. The sponsor's signature on this shows their agreement of the

STATE AID GRANT PROGRAM

settlement of all costs. Aeronautics will close the grant when the final funds are sent to the sponsor.

6. Grant Closeout. State-aid only grants are officially closed by vote of the Aeronautics Commission.