



September 22, 2020

Commissioner Clay Bright  
Tennessee Department of Transportation  
James K. Polk Bldg., Suite 700  
505 Deaderick Street  
Nashville, TN 37243

**RE: Transfer of AEDF awards from MKAA to the City of Oak Ridge**

Dear Commissioner Bright:

On July 21, 2020 the Oak Ridge City Council took actions authorizing the continued application and development of the Oak Ridge General Aviation Airport as well as an indication of the desire to transfer primary sponsorship from Metropolitan Knoxville Airport Authority (MKAA) to the City of Oak Ridge. The MKAA board has agreed to that transfer. The MKAA resolution as well as a resolution of the Oak Ridge City Council is attached.

By this letter we ask the Tennessee Department of Transportation to consider and approve the transfer of 2018, 2019 and 2020 AEDF awards from MKAA to the City of Oak Ridge and to approve the City of Oak Ridge as the primary sponsor.

As an authorized representative of the City of Oak Ridge, I understand the eligibility requirements and affirm that, if accepted, the City is prepared to meet all financial and time expectations in order to participate. On behalf of the City, I affirm that the information provided in this application and any ancillary documents is true and accurate; Further, on behalf of the City, I affirm that the City is eligible to receive funds, is in good standing with the State of Tennessee, will serve as a conduit for the associated grant, and has the financial resources required for the proposed project.

On behalf of the City, I further acknowledge and understand that TDOT will not reimburse any costs incurred prior to the execution and approval of a contract. TDOT will notify the recipient when the contract is approved.

I understand that the AEDF grants awarded to MKAA in 2019 and 2020 totaling \$4,000,000 will require a minimum match of 10%. We anticipate providing that match through the value of the fifteen (15) acres being donated to the City by the Community Reuse Organization of East Tennessee (CROET).

We look forward to working with your Aeronautics Division staff on this important project.

Sincerely yours,

A handwritten signature in cursive script that reads "Mark S. Watson".

Dr. Mark S. Watson  
City Manager

Cc: Michelle Frazier TAD Director  
Lieutenant Governor Randy McNally  
Senator Ken Yeager

Representative Ken Calfee  
Mayor Warren Gooch

ATTACHMENTS

**RESOLUTION**

**A RESOLUTION AUTHORIZING ACTIONS FOR THE CONTINUED APPLICATION AND DEVELOPMENT OF THE OAK RIDGE GENERAL AVIATION AIRPORT, INDICATION OF THE TRANSFER TO THE CITY OF OAK RIDGE AS PRIMARY SPONSORING PARTY FROM METROPOLITAN KNOXVILLE AIRPORT AUTHORITY (MKAA), AND AUTHORIZING THE CITY MANAGER TO TAKE ANY NECESSARY ACTIONS TO PURSUE FEDERAL AVIATION ADMINISTRATION (FAA), TENNESSEE AERONAUTICS DIVISION (TAC), AND APPALACHIAN REGIONAL COMMISSION (ARC) IMPLEMENTATION OF THE PROJECT.**

**WHEREAS, by Resolution 7-71-09, City Council supported the efforts of the Community Reuse Organization of East Tennessee (CROET) to study the feasibility of bringing a general aviation airport to Oak Ridge to be located on property which was either currently owned by CROET or slated to be transferred to CROET from the U.S. Department of Energy (DOE), with no intent by CROET to request funding from the City; and**

**WHEREAS, by Resolution 6-49-2012, City Council supported the creation of a general aviation airport at the East Tennessee Technology Park (ETTP), identified the Metropolitan Knoxville Airport Authority (MKAA) as the lead agency with situs support from CROET, specified an intent of the City to relinquish any claim of ownership to the proposed aviation facilities, and specified the local funding match would be provided by MKAA; and**

**WHEREAS, through recent meetings between the City Manager and MKAA, the City has been advised that MKAA has now reached the end of the planning phase of the new airport development project, and, it is determined in the best interest of the development and operation of the proposed airport to designate the City as the sponsoring agent and affirmed by reciprocal action supporting such by the MKAA Board in August, 2020 in support of this change, and**

**WHEREAS, City Council finds the creation of a general aviation airport at ETTP to be a benefit to local economic development; and**

**WHEREAS, approximately \$22 million in funding is currently available and allocated for the airport project through the Appalachian Regional Commission and the Tennessee Department of Transportation Aviation Division's Aeronautics Economic Development Fund, as well as in-kind funding from DOE and CROET for the value of land to be transferred at no cost for this project, and an additional \$11 million in State funding is contingent upon approval by the Federal Aviation Administration (FAA); and**

**WHEREAS, for the project to proceed with the City as the responsible party for the airport, the FAA requires the transfer of sponsorship from MKAA to the City; and**

**WHEREAS, City Council desires to authorize the City Manager to continue the development of a general aviation airport at ETTP utilizing current existing funding, seeking various approvals to reach a capital constitution stage.**

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF OAK RIDGE, TENNESSEE:**

**That City Council hereby renews the City's support for the creation of a general aviation airport at the East Tennessee Technology Park (ETTP) and expresses the City's intent to become the responsible sponsoring party for the airport project.**

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to facilitate the development of a general aviation airport at ETPP, including the following actions:

- Execute the appropriate legal instruments with the Federal Aviation Administration (FAA) to request the transfer of sponsorship from the Metropolitan Knoxville Airport Authority (MKAA) to the City of Oak Ridge, Tennessee.
- Initiate the transfer of existing and future allocated funds from state and federal sources from MKAA to the City as the beneficiary of said funds.
- Request, and accept, no-cost land transfers from the U.S. Department of Energy (DOE), the Community Reuse Organization of East Tennessee (CROET), and other private landowners for the necessary real property to operate a general aviation airport at ETPP.
- Create a new department at the City, to be called the Aviation Department, which department's focus shall be to develop the airport and shall report directly to the City Manager.
- Submit the Cost Benefit Analysis of this project in conjunction with the President of MKAA.
- Support changes of federal and state documents to recognize the City of Oak Ridge as principals on this project.

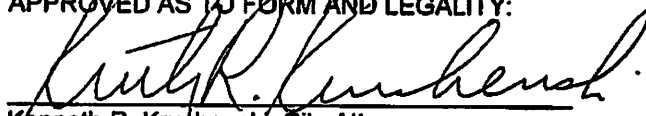
BE IT FURTHER RESOLVED that any commitment of City funds in excess of the City Manager's signature authority shall require additional City Council action and approval for such matters as contracts, bids, and in-kind service match.

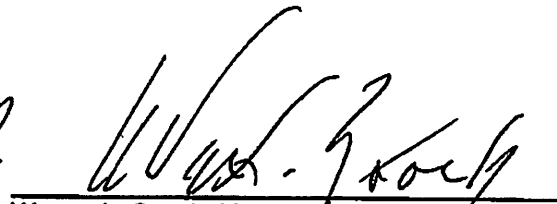
BE IT FURTHER RESOLVED that this resolution supersedes Resolution 7-71-09 and Resolution 6-49-2012 to the extent of any conflicts, specifically the City's original intent to not contribute funding for this project, the City's intent to relinquish ownership of the airport facilities, and MKAA's intent to pursue this project as the sponsoring organization with the FAA.

BE IT FURTHER RESOLVED that the Mayor and/or City Manager are hereby authorized to execute the appropriate legal instruments to accomplish the same.

This the 21st day of July 2020.

APPROVED AS TO FORM AND LEGALITY:

  
Kenneth R. Krushenski, City Attorney

  
Warren L. Gooch, Mayor

  
Mary Beth Hickman, City Clerk

**RESOLUTION NO. 20-02**

**A RESOLUTION APPROVING THE TRANSFER OF SPONSORSHIP OF THE DEVELOPMENT OF THE OAK RIDGE GENERAL AVIATION AIRPORT TO THE CITY OF OAK RIDGE, AS THE PRIMARY SPONSORING PARTY, AND AUTHORIZING THE AIRPORT AUTHORITY'S OFFICERS TO TAKE SUCH ACTIONS AS ARE NECESSARY OR APPROPRIATE TO FACILITATE SUCH TRANSFER AND THE AIRPORT AUTHORITY'S STAFF TO PROVIDE ADVISORY SERVICES TO THE CITY OF OAK RIDGE IN CONNECTION WITH SUCH TRANSFER**

WHEREAS, in 2009, the Community Reuse Organization of East Tennessee ("CROET") investigated the possibility of establishing a general aviation airport (the "Project") in the City of Oak Ridge, Tennessee (the "City") on sites previously operated by the United States Department of Energy; and

WHEREAS, in July 2009, CROET approached the Metropolitan Knoxville Airport Authority ("MCAA") to assist with acquiring funding for a feasibility study with respect to the Project; and

WHEREAS, MCAA was asked to examine the feasibility of the construction of the Project, which Project is intended to be used for corporate and private aircraft and would improve general aviation access to the City; and

WHEREAS, between 2010 and 2019, MCAA completed a sequence of planning steps to evaluate the feasibility of the Project; and

WHEREAS, in March 2019, Federal Aviation Administration ("FAA") approved the proposed Airport Layout Plan for the Project in the East Tennessee Technology Park within the City; and

WHEREAS, MCAA has invested MCAA funds of approximately \$1,500,000 in direct expenditures and additional MCAA staff time with a cost of over \$500,000 in connection with the planning phase of the Project; and

WHEREAS, MCAA has successfully taken the Project to the end of the planning phase; and

WHEREAS, with the completion of the planning phase, MCAA and the City have been working together to determine the most advantageous path for the continued development and operation of the Project; and

WHEREAS, the parties determined that because the proposed airport site is within the City, the City is in the best position to direct the long-term development, ownership and operation of the Project to meet the specific needs of the Oak Ridge community; and

WHEREAS, on July 21, 2020, the City Council of the City unanimously approved a resolution that renews the City's support for the creation of a general aviation airport at the East Tennessee Technology Park and expresses the City's desire and intent to become the responsible sponsoring party for the Project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Metropolitan Knoxville Airport Authority that:

1. The Board of Commissioners of MKAA (the "Board") hereby states its support for the City to become the responsible sponsoring party for all aspects of the Project, including the design, construction, ownership, and operation of the Project, as successor to MKAA.

2. In connection with the transfer of the sponsorship of the Project to the City, the Board hereby states its desire for the approximately \$3,200,000 of federal grant funds previously awarded to MKAA for the Project by the Appalachian Regional Commission and all obligations relating thereto be assigned and transferred to the City and that the Chairman and/or the President of MKAA be authorized to execute all documents deemed necessary or appropriate to effectuate such assignment and transfer.

3. In connection with the transfer of the sponsorship of the Project to the City, the Board hereby states its desire for the approximately \$19,000,000 of state grant funds that MKAA expects to receive in grants for the Project from the Tennessee Department of Transportation Aeronautics Division ("TDOT") (which consists of three separate Economic Development Fund grants) and all obligations relating thereto be assigned and transferred to the City and that the Chairman and/or the President of MKAA be authorized to execute all documents deemed necessary or appropriate to effectuate such assignment and transfer.

4. In connection with the transfer of the sponsorship of the Project to the City, the Board hereby states its desire for all rights and obligations of MKAA as a sponsor the Project for purposes of the requirements, policies and regulations of the Federal Aviation Administration (the "FAA") be assigned and transferred to the City and that the Chairman and/or the President of MKAA be authorized to execute all documents deemed necessary or appropriate to effectuate such assignment and transfer.

5. In order to assist the City with the continued undertaking of the Project, the Board authorizes MKAA staff to provide advisory services to the City, at no cost to the City, to support the transition of the Project to the City through the undertaking of the following:

- a. Transfer all previously completed planning studies, associated data, and Project background information to the City;
- b. Assist with the transfer of the grants, rights and obligations described above to the City with respect to the FAA, TDOT, and the Appalachian Regional Commission, and serving as a liaison between the FAA, TDOT and the Appalachian Regional Commission and the City in order to effectuate efficiently the transfers and assignments described above; and
- c. Provide general advisory support during this transition process to the City with respect to FAA and TDOT procedures relating to grants for airport capital improvements.

Adopted this 19<sup>th</sup> day of August, 2020.

  
Chairman

Attest:

  
Secretary

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