



U.S. Department  
of Transportation  
**Federal Aviation  
Administration**

Office of Airport Compliance  
and Management Analysis

800 Independence Ave, SW.  
Washington, DC 20591

September 23, 2021

Mr. Edward A. Hadley  
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Mr. Logan A. Klauss  
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Mr. Michael R. Marshall  
Evans Petree, PC  
1715 Aaron Brenner Drive, Suite 800  
Memphis, TN 38120

Re: CTI Aviation Services, LLC v. Millington Airport Authority, FAA Docket No. 16-20-02

Dear Messrs. Hadley, Kinney, Cresswell, Klauss and Marshall:

Enclosed is a copy of the Federal Aviation Administration (FAA) determination with respect to the above-referenced matter, FAA Docket No. 16-20-03.

We find that the Millington Airport Authority, owner and operator of the Millington Memphis Airport, is not currently in violation of its federal obligations regarding Grant Assurance 22, *Economic Nondiscrimination*, Grant Assurance 23, *Exclusive Rights*, and Grant Assurance 24, *Fee and Rental Structure*.

As set forth in its airport grant assurances and existing federal statutes with respect to its application of its minimum standards between tenants, fuel tank lease, and rent and fees for commercial aeronautical and non-aeronautical business operating on airport, respectively. Accordingly, the above-referenced matter is dismissed.

The reasons for dismissal are set forth in the enclosed Director's Determination.

Sincerely,

**KEVIN  
WILLIS**

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Kevin C. Willis  
Director, Office of Airport Compliance  
and Management Analysis

Enclosure

**UNITED STATES DEPARTMENT OF TRANSPORTATION  
FEDERAL AVIATION ADMINISTRATION  
WASHINGTON, DC**

**CTI Aviation Services, LLC,**

**Complainant,**

**v.**

**Millington Airport Authority, Tennessee,**

**Respondent.**



**FAA Docket No. 16-20-02**

**DIRECTOR'S DETERMINATION**

**I. INTRODUCTION**

This matter is before the Federal Aviation Administration (FAA) on the complaint filed by Crew Training International (CTI) Aviation Services, LLC (Complainant or CTI) against Millington Airport Authority (Respondent or Authority), sponsor and operator of Millington-Memphis Airport (Airport) in Tennessee, under the FAA's *Rules of Practice for Federally Assisted Airport Enforcement Proceedings*, 14 CFR Part 16 on May 8, 2020. CTI alleges the Authority violated Grant Assurance 22, *Economic Nondiscrimination*, Grant Assurance 23, *Exclusive Rights*, and Grant Assurance 24, *Fee and Rental Structure*.

CTI claims the Authority imposed excessive, unreasonable, and discriminatory charges without any basis or support [Item 1, pp.2-6; Item 4, pp.6-7; Item 13, pp.1-8; Item 14, pp.1-6; Item 17, pp.1-18]. CTI claims that the Authority subjected it to fire inspection repairs of its facilities while the Authority did not require Tulsair Beechcraft/Memphis, Inc. (Tulsair), the first fixed base operator (FBO) operating at the Airport, to pay for the same repairs at Tulsair's facilities [Item 1, pp.2-7, Exhibit B]. CTI also alleges the Authority failed to collect all overdue rents and fuel flowage fees from Tulsair [Item 1, pp.3-4; Exhibit B]. Further, CTI alleges it had to pay overtime to its own employees because the Authority did not enforce the minimum standards requiring Tulsair to meet certain staffing levels [Item 1, pp.8-9; Exhibit B]. CTI finally alleges that the Authority wrongfully denied CTI the right to lease the 40,000 gallon fuel tank based on the Authority's alleged invalid fuel tank lease with Tulsair [Item 1, Exhibit A; Item 4, Exhibit H]. CTI claimed it had to spend hundreds of thousands of dollars to purchase its own fuel tanks, including a self-service AvGas tank, after being denied the use of the Airport's fuel tanks [Item 10, Exhibit B; Item 17, pp.3-5].

The Authority responded that it has treated CTI and Tulsair the same at the Airport. The Authority also responded that it has not forgiven any of Tulsair's outstanding debt that it is

owed. The Authority denied CTI's assertions because the Authority claimed it was evicting Tulsair from the Airport, which would allow the Authority to obtain a judgment for all past due Tulsair fees and rents [Item 9, pp.1-9; Item 10, pp.3-10]. The Authority confirmed that it obtained a consent order from Tennessee state court evicting Tulsair from the Airport on September 25, 2020 [Item 18, pp.1-7, Exhibit A]. Based on the evidence of the record in this proceeding, the Director, FAA Office of Airport Compliance and Management Analysis (Director) finds that the Authority is not in violation of Grant Assurance 22, *Economic Nondiscrimination*, Grant Assurance 23, *Exclusive Rights*, or Grant Assurance 24, *Fee and Rental Structure*.

## II. PARTIES

### A. Complainant

CTI, a Florida-based company, is an FBO at the Airport [Item 1, p.1]. The Authority selected CTI as the second FBO at the Airport in 2015. CTI provides a wide range of airport-related services including, but not limited to, aircraft fueling services, ground handling services, and flight training [Item 3, Exhibit G; Item 4, pp.1-3, Exhibit D].

### B. Respondent

Millington Airport Authority is the owner and sponsor of Millington-Memphis Airport in Tennessee. The Authority has an eleven-member board that guides the operation of the Airport. The Airport is a general aviation, public-use airport. It is the base of operations for 73 aircraft, including single, jet and multi-engine aircraft and helicopters, and accounts for well over 31,000 operations each year.<sup>1</sup>

The Authority receives federal grant assistance for airport improvements through the State of Tennessee State Block Grant Program. The planning and development of the Airport has been financed, at least in part, with funds provided by the FAA under the Airport Improvement Program ("AIP"), authorized by the Airport and Airway Improvement Act of 1982 ("the Act"), as amended, 49 U.S.C. § 47101, et seq. The Authority has received AIP grants totaling \$2,526,799.00 in 1996 and 1997, respectively.<sup>2</sup> Additionally, the Authority from 2013 to 2020 has grants totaling well over \$25,000,000.00 from a combined AIP grants and state block program.<sup>3</sup> The Airport is also obligated by Surplus Property obligations under Regulation 16-WAA (War Assets Administration) or Public Law 80-289.<sup>4</sup>

The Authority is currently obligated under airport development grant agreements through 2022 and incurs obligations in the form of restrictive deed covenants that arise from the 1947

<sup>1</sup> FAA Form 5010 "Airport Master Record" for Millington-Memphis Airport, Tennessee, dated March 25, 2021; See also: <http://www.adip.faa.gov/agis/public/#/airportData/NQA>.

<sup>2</sup> Millington-Memphis Airport is a participant in the State Block Grant Program.

<sup>3</sup> Tennessee Department of Transportation Retention File policies underscore the data only dates back to a maximum of ten years. The State Block Grant agreements allow states to destroy grant making records after 10 years.

<sup>4</sup> See FAA Order 5190.2R List of Public Airports Affected by Agreements with the Federal Government, April 30, 1990. Prior to the amendment of the Surplus Property Act in 1947 by P.L. 80-289, surplus federal properties were conveyed for airport purposes under the procedures of War Assets Administrator (WAA) Regulation 16.

and 1948 conveyances of land under quitclaim deeds executed under the powers and authority contained in the provisions of the Surplus Property Act of 1944 (Public Law 80-289), as amended, 49 U.S.C. § 47151-153.

### **III. PROCEDURAL HISTORY**

1. May 8, 2020 - CTI Aviation Services, LLC files Complaint [Item 1].
2. May 28, 2020 - FAA issues Notice of Docketing [Item 2].
3. May 29, 2020- CTI files Motion to Amend Complaint [Item 3].
4. June 5, 2020 - CTI files First Amended Complaint [Item 4].
5. June 12, 2020 Authority files Motion for Definite or Additional Time to Respond to First Amended Complaint [Item 5].
6. June 25, 2020 - FAA issues Order of Extension of Time until July 10, 2020 [Item 6].
7. July 1, 2020 - Authority files Notice of Appearance on Behalf of Millington Airport Authority [Item 7].
8. July 10, 2020 - Authority files Motion for Summary Judgment, Designation of Person to Receive Service [Item 8].
9. July 10, 2020 - Authority files Memorandum of Law and Facts in Support of Motion for Summary Judgment [Item 9].
10. July 10, 2020 - Authority files Statement of Undisputed Material Facts in Support of its Motion for Summary Judgment [Item 10].
11. July 20, 2020 - CTI files Response in Opposition to the Authority's Motion for Summary Judgment [Item 11].
12. July 20, 2020 - CTI files Responses to the Authority's Statement of Undisputed Material Facts in Support of its Motion for Summary Judgment [Item 12].
13. July 20, 2020 - CTI files Statement of Material Facts to which it Contends there is a Genuine Issue [Item 13].
14. July 20, 2020 - CTI files Affidavit of Sarah Bryan [Item 14].
15. September 8, 2020 - Authority files Answer to the First Amended Complaint [Item 15].

16. September 17, 2020 - FAA issues Order of Extension of Time, until October 21, 2020 [Item 16].
17. October 1, 2020 - CTI files Reply to the Authority's Answer to the First Amended Complaint [Item 17].
18. October 21, 2020 - Authority files Rebuttal in Response to CTI's Reply to its Answer to CTI's First Amended Complaint [Item 18].
19. February 10, 2021 - FAA issues Order of Extension of Time until April 7, 2021 [Item 19].
20. February 5, 2021 - FAA issues Order of Extension of Time until May 7, 2021 [Item 20].
21. May 4, 2021 - FAA issued Order of Extension of Time until July 7, 2021 [Item 21].
22. June 24, 2021 - FAA issued Order of Extension of Time until September 21, 2021 [Item 22].

#### **IV. BACKGROUND**

The complainant raises the following facts that are relevant to this matter:

1. CTI submitted a Business and Marketing Plan to the Authority to begin operation as an FBO at the Airport in July 2015 [Item 7, Exhibit E, pp.5-12].
2. In September 2015, CTI signed a lease with the Authority to operate as the second FBO at the Airport with Tulsair already operating on the Airport. CTI asserted that it had expressed an interest in using the existing 40,000-gallon fuel tanks at the Airport [Item 4, pp.2-4]. CTI further alleged that instead of allowing CTI to bid on use of the Airport's fuel tanks, the Authority relied on its existing "exclusive lease" with Tulsair denying CTI the right to rent the Airport's fuel tanks [Item 4, pp.4-10].
3. In January 2019, the Fire Chief conducted an inspection of Tulsair's hangar for compliance with the International Fire Code. The Fire Chief cited numerous violations on which Tulsair failed to take correction action, and the Fire Chief issued an inspection report and noted that fines and/or imprisonment would be levied as a result of non-compliance by Tulsair [Item 13, p.7, Exhibit I; Exhibit J; Item 17, pp.1-12].
4. In May 2019, the Authority's Executive Director sent a letter to Tulsair stating that if it did not complete the required repairs, the Authority would hire a contractor to make the repairs and bill Tulsair for the completed work. Tulsair did not respond to Mr. Remington's notice and the Authority hired a contractor to make the repairs [Item 10, p.7, Exhibit J Item 4, p.1-4, Exhibit I]. CTI alleges that Tulsair ignored and failed to pay the Authority for the work

completed as a result of the Fire Inspection report. The Fire Chief also ordered CTI to act and CTI, unlike Tulsair, complied with Fire Chief's order.

5. The Authority began on January 28, 2020 to "actively" terminate Tulsair's lease agreements and recover all past rent and fees owed to the Authority [Item 18, pp.7-10, Exhibit B; Item 4, Exhibit L; Item 15, pp.1-3].
6. The situation remained unresolved until about October 2019, at which time Tulsair never paid the \$7,940.00 owed to the Authority. CTI asserted that the Authority has not made a good faith effort to collect the \$7,940.00 owed by Tulsair to bring their facility into compliance [Item 4, pp.3-4, Exhibit I; Item, Exhibit 17, pp.1-10].
7. The Authority sent a termination of lease agreements to Tulsair on January 28, 2020 to vacate the Airport leased areas by March 1, 2020 [Item 18, pp.1-9, Exhibit B].
8. The Authority subsequently filed actions against Tulsair for eviction from the Airport and also recovery of outstanding rent and fees owed to the Authority with the Circuit Court of Tennessee, thirtieth Judicial District at Memphis, on March 5, 2020 [Item 9, pp. 6-7; Item 10, pp.3-9].
9. On June 1, 2020, the Airport raised CTI's rent. CTI alleges that no other tenant at the Airport was subjected to a rent increase in a five year span when rent increase would have been assessed by the Authority. According to CTI the rent raise was improper and retaliatory. According to the airport, the rent raise was contemplated by the lease (Item 4, pp.5-7, Exhibit A; Item 9, pp.7-13, Exhibit B; Item 10, pp.8-9, Exhibit O, pp. 4-7; Item 14, pp.4-5; Item 17, pp.10-11].
10. The court evicted Tulsair from the Airport on September 25, 2020 and ordered Tulsair to appear on September 29, 2020 to stand in judgment for unresolved rent and fees owed to the Authority [Item 10, pp.8-10, Exhibit A].
11. CTI alleges that Tulsair had paid only \$33,000 of the outstanding \$96,000 in rental fees to the Authority [Item 17, pp.3-9].
12. CTI alleges that Tulsair failed to maintain a current Certificate of Insurance at the Airport [Item 17, pp.4-15].

## V. ISSUES

CTI alleges the following three issues:

**Issue 1 - Whether the Authority currently is in violation of Grant Assurance 22, *Economic Nondiscrimination*, by failing to apply its Minimum Standards consistently between FBO tenants.**

**Issue 2 - Whether the Authority currently is in violation of Grant Assurance 23, *Exclusive Rights*, by unreasonably restricting the right for CTI to lease the 40,000-gallon fuel tank based on the Authority’s alleged invalid fuel tank lease extensions (Letter of Agreement) with Tulsair.**

**Issue 3 - Whether the Authority currently is in violation of Grant Assurance 24, *Fee and Rental Structure*, by failing to collect outstanding rents and fees for commercial aeronautical and non-aeronautical business operating on the Airport.**

## **VI. APPLICABLE FEDERAL LAW AND POLICY**

### **A. Airport Sponsor Grant Assurances**

As a condition precedent to providing airport development assistance under the AIP, the FAA must receive certain assurances from the airport sponsor. Title 49 U.S.C. § 47107(a) sets forth certain sponsorship requirements to which an airport sponsor receiving federal financial assistance must agree. The FAA has a statutory mandate to ensure that airport owners comply with these sponsor assurances [See U.S. DOT/FAA –Grant Assurances (16-14-08), for a list of all the grant assurances].<sup>5</sup>

### **B. FAA Enforcement Responsibilities**

The Federal Aviation Act of 1958, as amended, 49 U.S.C. § 40101, assigns the FAA Administrator broad responsibilities for the regulation of air commerce in the interests of safety, security, and development of civil aeronautics. Commitments assumed by airport owners or sponsors in property conveyance or grant agreements are important factors in maintaining a high degree of safety and efficiency in airport design, construction, operation and maintenance, as well as ensuring the public reasonable access to the airport. Pursuant to 49 U.S.C. § 47122, the FAA has a statutory mandate to ensure that airport owners comply with their federal grant assurances.

### **C. The Complaint and Investigative Process**

Pursuant to 14 CFR § 16.23, a person directly and substantially affected by any alleged noncompliance may file a complaint with the FAA. The complainant should provide a concise but complete statement of the facts relied upon to substantiate each allegation and describe how the complainant was directly and substantially affected by the things done or omitted by the respondents. The regulations governing Part 16 proceedings provide that, if the parties’ pleadings supply “a reasonable basis for further investigation,” the FAA should investigate “the subject matter of the complaint,” 14 CFR § 16.29(a).

In accordance with 14 CFR § 16.33(b) and (e), “a party adversely affected by the Director’s Determination may file an appeal with the Associate Administrator for Airports within 30 days after the date of service of the initial determination.” If no appeal is filed within the

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<sup>5</sup> See U.S. DOT/FAA-Grant Assurances (16-14-08). See also <https://www.regulations.gov/document/FAA-2015-0031-0033>.



time period specified in paragraph (b) of this section, the Director's Determination becomes the final decision and order of the FAA without further action.

## VII. ANALYSIS

### **Preliminary Matter – Authority Motion to Dismiss**

The Authority contends that CTI's arguments are without merit because the Authority has treated CTI and Tulsair the same [Item 9, pp.1-2]. The Authority also claims CTI did not allow time for it to take corrective action against Tulsair and that Tulsair has been evicted from the Airport [Item 18, pp.1-9, Exhibit A; Exhibit B]. As a result, the Authority contends the matter is moot.

CTI filed its Response in Opposition to the Authority's Motion for Summary Judgment on July 20, 2020 [Item 11]. CTI asserts that there are genuine claims still existing regarding whether the Authority currently is still in violation of its grant assurances even though it filed an eviction claim against Tulsair [Item 11, pp.1-2]. The Director never ruled on this motion.

**Issue 1 - Whether the Authority currently is in violation of Grant Assurance 22, *Economic Nondiscrimination*, by failing to apply its Minimum Standards consistently between FBO tenants.**

#### **CTI's Position:**

CTI alleges that the Authority is violating Grant Assurance 22, *Economic Nondiscrimination*, in several ways. First, CTI alleges that the Authority did not enforce its Minimum Standards fairly between Tulsair and CTI [Item 1, pp.4-7]. Second, CTI alleges that the Authority has not made a good faith effort to collect the \$7,940.00 owed by Tulsair as reimbursement for fire inspection repairs that the Authority implemented on its behalf. CTI alleges this is discriminatory treatment because CTI had to pay for its own fire inspection repairs [Item 1, p.5]. Third, CTI alleges that the Authority failed to routinely collect fuel flowage fees from Tulsair while CTI has paid its fuel flowage fees [Item 1, p.6]. Additionally, CTI alleges that it has consistently paid its rent, while the Authority has acquiesced to Tulsair's history of missed or late rent payments.

CTI also alleges that it has paid overtime to its own employees to service Tulsair's customers due to Tulsair not having the required staffing during business hours consistent with the Minimum Standards. CTI further alleges that the Authority did not require Tulsair to have a current certificate of insurance [Item 3, p.2]. CTI also alleges that since the filing of their Part 16 Complaint, the Authority notified CTI that its rent would increase on June 1, 2020. CTI provides that the Authority has not raised other commercial tenant rents in the last five years, and this increase is retaliation for filing the Part 16 complaint [Item 3, p.1; Item 18, pp.7-8].

### Authority's Position:

The Authority answered that it investigates any reported Minimum Standards violations and takes appropriate action. The Authority indicated that Tulsair's owner died in November 2019 [Item 18, p.6]. Although the Authority wanted to work with the new owners, Tulsair remained delinquent on its past payments for rents and reimbursement for the fire code repairs [Item 9, pp.1-6]. The Authority also asserts that it repeatedly requested from Tulsair a current certificate of insurance [Item 10, p.7-9, Exhibit O]. The Authority sued in state court to evict Tulsair and collect for past rents and reimbursement for the fire code repairs on March 5, 2020 [Item 9, pp.6-7]. The Authority successfully evicted Tulsair from the Airport by September 25, 2020, and is attempting to recover the outstanding rents, fees, and reimbursement for the fire code repairs that Tulsair owes to the Authority [Item 18, pp.5-7, Exhibit A].

According to the Authority, the Record shows that the Authority took action when CTI brought their claims of Tulsair's violations of Minimum Standards to the Authority's attention [Item 9, pp.5-9]. The Authority filed with the state court to evict Tulsair and collect the revenue that Tulsair owes to it. The Authority obtained a Consent Order evicting Tulsair from the Airport on September 25, 2020, and the court found that the Tulsair-leased property already had been returned to the Authority [Item 18, pp.5-10, Exhibit A]. On October 29, 2020, there was a trial on the appeal of the monetary judgment for Tulsair to pay past rents, fees, and reimbursement for the fire code repairs to the Authority [FAA Exhibit 18, pp.6-7, Exhibit A].

### Director's Determination:

The Director's focus in a Part 16 process is on the airport sponsor's current compliance, not on the airport sponsor's alleged or potential past noncompliance [See *U.S. Aerospace, Inc. v. Millington Mun. Airport Auth.*, FAA Docket No. 16-98-06, Director's Determination (1998), p.19]. The Record shows that the Authority took reasonable action when there was a claim that Tulsair was in violation of the Minimum Standards. The Authority attempted to work with Tulsair in order to maintain competition at the Airport, and it offered accommodations to Tulsair when its owner died that, according to the Authority but disputed by CTI, were similar to those previously offered to CTI [Item 9, p.12]. When it became evident that Tulsair was unwilling or unable to pay monies owed to the Authority, the Authority ultimately sued Tulsair [Ibid]. It filed an eviction action on March 25, 2020, and the court ordered Tulsair evicted on September 25, 2020. During the COVID lockdown, this length of time appears to be reasonable for a court action [Item 10, pp.8-9, Exhibit L; Exhibit M; Exhibit O, p.6; Item 18, pp.4-5].

In addressing allegations of noncompliance, the FAA will make a determination as to whether an airport sponsor is currently in compliance with the applicable federal obligations [See *Desert Wings Jet Ctr., LLC v. City of Redmond*, FAA Docket No. 16-09-07, Final Agency Decision and Order (2012), p.13; *Wilson Air Center v. Memphis-Shelby County Airport Authority*, FAA Docket No. 16-99-10, Final Agency Decision and Order (2001), p.5]. Consequently, the FAA will consider the successful action by the airport sponsor to cure any

alleged or potential past violation of applicable federal obligations to be grounds for dismissal of such allegations [See *Royal Air, Inc., v. City of Shreveport*, FAA Docket No. 16-02-06, Director's Determination (2004), p.10]. The Authority took reasonable corrective actions to address the situation with Tulsair. Moreover, even if FAA or another airport sponsor may have reacted differently over time - even if such hypothetical action would have resulted in enhanced compliance - we still find no violation where the airport has taken action to resolve the violation. The Authority's lawsuit to recover the amounts owed it by Tulsair, coupled with its eviction of Tulsair, adequately resolve the violations alleged.

To the extent CTI claims that it has suffered financial harm from the actions of the Authority vis-à-vis Tulsair, an assertion upon which the FAA need not rule, there is no remedy that falls within Part 16 for such a claim. FAA has enforcement authority over an airport sponsor and it does not award damages to persons subjected to an airport sponsor's noncompliance with its grant assurances [*Consolidated Services Engineers & Constructors, Inc. v. City of Palm Springs, California*, FAA Docket 16-03-05, Director's Determination (2004), p.26].

Additionally, we find no improper retaliatory action that would violate the terms of Grant Assurance 22 associated with the increase in rent for CTI. The Authority has explained that the rent increase was contemplated by the lease, a fact that CTI has not refuted. Moreover, increases in rent from time to time are consistent with the Airport's sustainability obligations. The Director declines to find a rent increase improper when it was specifically contemplated by the lease. For the reasons stated above, the Director dismisses the allegations under Grant Assurance 22, *Economic Nondiscrimination*.

**Issue 2 - Whether the Authority currently is in violation of Grant Assurance 23, *Exclusive Rights*, by unreasonably restricting the right for CTI to lease the 40,000-gallon fuel tank based on the Authority's alleged invalid fuel tank lease extensions (Letter of Agreement) with Tulsair.**

CTI's Position:

CTI argued that the Authority Letter of Agreement dated August 1, 2000 (and Amendment to Letter of Agreement with Tulsair) granted Tulsair "exclusive rights" to the fuel storage tanks at no additional rental [Item 4, pp.4-9; Exhibit H; Item 11, pp.2-14; Item 14]. CTI also claims that prior to its operation at the Airport as an FBO, CTI expressed interest in using the fuel tanks at the Airport. CTI alleges that the Authority had established an "exclusive lease" denying CTI the opportunity to occupy the fuel tank at the Airport [Item 4, pp.4-8, Exhibit H; Item 14].

CTI stated that its FBO competitor, Tulsair, entered into an "exclusive lease" with the Authority regarding the usage of the fuel tanks in 1999 when it initiated operation at the Airport. At that time, Tulsair was the sole FBO at the Airport. When CTI submitted its Marketing and Business Plan to the Authority to operate an FBO at the Airport on July 13, 2015, CTI contends it requested the use of the fuel tank, aware that the other FBO operator had established usage of the fuel tank. The Authority denied CTI's request of the Airport's fuel tank [Item 10, pp.2-6, Exhibit O, pp.2-4]. CTI argued that the Authority

granted special rights or privileges to other FBOs and has been denied this same right given to Tulsair [Item 11, pp.14-15; Item 13, pp.2-5; Item 14].

Authority's Position:

The Authority responds that CTI built their own state of the art fuel tank, and that Tulsair's use of the Airport's fuel tank does not constitute an impermissible exclusive right. [Item 9, pp.14-18; Item 10, pp.2-5, Exhibit O, pp.1-3]. The Authority contends that "CTI never formally asked in writing to use the Airport's fuel tank" [Item 10, p. 4, Exhibit B, p. 22 Exhibit D, pp.1-3]. In support of this point, the Authority provides that CTI expressed its desire to build its own "state-of-the art fuel farm tank" [Item 10, p. 4, Exhibit O, pp.1-4]. To compensate CTI for the cost of building its own tank, the Authority has stated that it charges CTI a lower fuel flowage fee [Item 4, pp.4-6, Exhibit H; Item 9, pp.2-4; 10-11; 16-17].

The Record shows that both parties agreed that the tank cannot be shared. Both CTI and Tulsair use different fuel vendors [Item 9, pp.1-4; Item 10, pp.3-5; Item 12, pp.7-8]. The Authority also allowed CTI to construct a fully self-fueling 100LL AvGas pump at which small aircraft users can refuel [Item 10, p.4].

The Record shows CTI did work with the Authority to construct its own state-of-the-art fuel tank when it submitted its Marketing and Business Plan indicating such plans on July 13, 2015. The Authority allowed CTI to construct its own fuel tanks on Airport property. In constructing a new fuel tank and a self-service fueling pump, CTI itself stated that these actions will make it competitive with Tulsair for customers [Item 10, pp.2-9, Exhibit O, pp.2-4]. Consequently, CTI has been able to sell fuel and compete with Tulsair at the Airport.

Director's Determination:

The FAA has previously held that the purpose of the grant assurances is to protect the public interest in the operation of federally assisted airports. The purpose is not to provide alternative or supplemental rights to those normally available to commercial tenants in disputes with their landlords, i.e., negotiation or commercial litigation under applicable state laws. The FAA does not consider that Congress intended grant assurances and the FAA's compliance process to provide a device by which a commercial aeronautical tenant can abrogate an otherwise valid commercial lease with a sponsor. [See *Appalachian Star Ventures, Inc. v. Tri-Cities Airport Commission*, FAA Docket No. 16-96-02, Final Decision and Order (1997), p.10].

In the circumstances at issue here, the Authority provided reasonable access to CTI without adversely affecting CTI's ability to provide fueling services at the Airport. CTI has failed to demonstrate how Tulsair obtained an exclusive right where CTI itself was not denied the ability to provide fueling services at the Airport [Item 18, pp. 8-10]. CTI built its own tank in accordance with its Business and Marketing Plan, was afforded a lower fuel flowage fee than Tulsair, and at no time was barred from providing fueling services at the Airport [Item 4, pp.3-4; 8-9, Exhibit D, pp.9-10]. Where both FBOs had fuel tanks, and where both were

able to provide fueling services, the Director declines to find an exclusive right where the tenant that was first-in-time had exclusive access to the Airport's tank [Item 18, pp.7-8]. Further, the Director has not found an exclusive right to exist where a tenant has been evicted from the Airport, as "the eviction effectively terminate[s] any exclusive right that might have been granted" [See *U.S. Aerospace, Inc. v. Millington Mun. Airport Auth.*, FAA Docket No. 16-98-06, Director's Determination (1998), p.19]. The Record shows that Tulsair has been evicted from the Airport [Item 18, pp.1-10, Exhibit B; Item 18, pp.1-8, Exhibit G], and as a result CTI is the sole FBO operating on the Airport.<sup>6</sup> Any claim that the Authority violated Grant Assurance 23, *Exclusive Rights*, is therefore moot. Even if Tulsair had, prior to its eviction, been operating under an exclusive right in violation of Grant Assurance 23, the FAA's focus in a Part 16 process is on current compliance, not on providing a complainant with a means of redress for perceived injuries from past noncompliance [*U.S. Aerospace, Inc.*, FAA Docket No. 16-98-06, Director's Determination (1998), p.19]. Further, the FAA will consider as grounds for the dismissal of allegations in a Part 16 process the successful action by the Airport to cure any alleged or potential past violations of the federal grant assurances made subsequent to receiving a Part 16 complaint and prior to issuing a final decision and order [See *Royal Air, Inc., v. City of Shreveport*, FAA Docket No. 16-02-06, Director's Determination (2004), p.10]. The Authority has successfully evicted Tulsair and therefore has cured any alleged or potential past violation of Grant Assurance 23. Based on CTI's allegations, the Director does have concern that the lease with Tulsair may have violated the grant assurances due to its duration and because it, apparently, gave Tulsair the sole discretion to set the leasehold term. However, we need not rule on this issue given that Tulsair has been evicted.

For the reasons stated above, the Director dismisses the allegations under Grant Assurance 23, *Exclusive Rights*.

**Issue 3 - Whether the Authority currently is in violation of Grant Assurance 24, *Fee and Rental Structure*, by failing to collect outstanding rents and fees for commercial aeronautical and non-aeronautical business operating on the Airport.**

CTI's Position:

CTI contends that the Authority has violated Grant Assurance 24, *Fee and Rental Structure*. CTI claims that the Authority's budget relies, in part, on rents and fees from its two FBOs - Tulsair and CTI. CTI argued that the Authority has been unsuccessful in collecting some, if not all, rent fees from Tulsair. Additionally, CTI also alleges that the Authority's budget for the Airport relies, in part, on having access to insurance coverage [Item 4, pp.8-9]. CTI alleges that even with Tulsair's Certificate of Insurance expired, the Authority made no effort to bring Tulsair into compliance with its insurance obligations [Item 4, p.5, Exhibit B; Item 11, pp.11-13; Item 13, p.8, Exhibit F].

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<sup>6</sup> See Item 18, Exhibit A, *Consent Order on Plaintiff's Motion for Immediate Writ of Possession*, which indicated the Authority obtained possession of the premises from Tulsair on Sept. 25, 2020.



### Authority's Position:

The Authority responded that it filed with the Tennessee court for judgment for unpaid rent and fees and to evict Tulsair from the Airport because Tulsair is still “delinquent” in rent payments [Item 18, pp.1-3, Exhibit A; Item 4, pp.7-8; Item 10, pp.7-9, Exhibit O, pp.5-7; Item 14, pp.8-9]. The Authority also argued that it followed up on May 4, 2020, and requested Tulsair provide a current certificate of insurance since the previous one expired on May 1, 2020 [Item 9, p.7-14].

Part 16 provides that “the burden of proof is on the complainant to show noncompliance with an Act or any regulation, order, agreement or document of conveyance issued under the authority of an Act” [(14 CFR § 16.23(k)(1))]. The Record shows that the Authority took action that demonstrates that it addressed issues raised by CTI. Finally, the Authority evicted Tulsair for noncompliance with the terms of its lease agreements on September 25, 2020 [Item 18, pp.1-8, Exhibit A].

### Director's Determination:

The FAA looks at current compliance of the airport sponsor, and not at past violations of its federal obligations [See *U.S. Aerospace, Inc. v. Millington Mun. Airport Auth.*, FAA Docket No. 16-98-06, Director's Determination (1998), p.19]. The Authority filed an eviction action on March 25, 2020, and the court order for eviction was completed on September 25, 2020. During COVID pandemic, this amount of time appears to be reasonable for a court action. In addressing allegations of noncompliance, the FAA will make a determination as to whether an airport sponsor is currently in compliance with the applicable federal obligations [See *Desert Wings Jet Ctr., LLC v. City of Redmond*, FAA Docket No. 16-09-07, Final Agency Decision and Order (2012), p.13; *Wilson Air Center v. Memphis-Shelby County Airport Authority*, FAA Docket No. 16-99-10, Final Agency Decision and Order (2001), p.5]. Consequently, the FAA will consider the successful action by the airport sponsor to cure any alleged or potential past violation of applicable federal obligation to be grounds for dismissal of such allegations. The Authority is taking appropriate corrective action to address Tulsair's breach of the lease agreements and recover the outstanding debt that Tulsair owes to the Authority.

As the FAA previously held in other cases, “The FAA will not attempt to negotiate a remedy to a dispute between [airport tenants and the airport sponsor]. The FAA does not mediate disputes through the Part 16 complaint process.” Nor does the FAA enforce contract terms of agreements between airports and tenants. Rather, the FAA enforces the agreements it enters into with airport sponsors [See *AmAv, Inc. v. Maryland Aviation Administration*, FAA Docket No. 16-05-12, Director's Determination (2006), p.23].

Our resolution of this issue is based on the same analysis in Issue 1. It is not the FAA's role to resolve disputes between airport tenants and the airport sponsor. The FAA's focus is on current compliance with the grant assurances. Here, the violations, to the extent they ever existed, are resolved by the actions taken by the airport sponsor to both evict Tulsair and recover amounts due.

Therefore, the Director dismisses the allegations under Grant Assurance 24, *Fee and Rental Structure*.

## **VIII. CONCLUSION AND FINDINGS**

Upon consideration of the submissions, responses by the parties, the record herein, applicable law and policy, and for the reasons stated above, the Director finds that the Millington Airport Authority is currently not in violation of:

- Grant Assurance 22, *Economic Nondiscrimination*
- Grant Assurance 23, *Exclusive Rights*
- Grant Assurance 24, *Fee and Rental Structure*

## **ORDER**

The respondent is found to be in compliance,

ACCORDINGLY, it is ordered that:

1. The Complaint is dismissed.
2. All Motions not expressly granted in this Determination are denied.

## **RIGHT OF APPEAL**

This Director's Determination under FAA Docket No. 16-20-02 is an initial agency determination and does not constitute final agency decision and order subject to judicial review under 49 U.S.C. § 46110 14 CFR § 16.247(b)(2). A party to this proceeding adversely affected by the Director's Determination may file an appeal with the Associate Administrator within 30 days after the date of service of the initial determination. If no appeal is filed within the time period specified, the Director's Determination becomes the final decision and order of the FAA without further action. A Director's Determination that becomes final because there is no administrative appeal is not judicially reviewable [14 CFR § 16.33].

Pursuant to 14 CFR Part 16, the Authority may request a subpart F hearing under subpart E of Part 16 within 20 days after service of the Director's Determination [14 CFR §§ 16.31(d) and 16.109(c)(1)] the Authority may waive a hearing and appeal the Director's Determination directly to the FAA Associate Administrator [14 CFR §§ 16.31(c), 16.33, and 16.109(c)(2)]. In the alternative to a hearing or an appeal, the Authority may file, jointly with the Complainant, a motion to withdraw the complaint and to dismiss the proposed compliance action; or submit jointly with an FAA attorney a proposed consent order [14 CFR § 16.243].

**KEVIN  
WILLIS**

Digitally signed by  
KEVIN WILLIS  
Date: 2021.09.23  
13:06:50 -04'00'

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Kevin C. Willis  
Director, Office of Airport Compliance  
and Management Analysis

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Date



Crew Training International Aviation Services, LLC, Complainant,  
v.  
Millington Airport Authority, Tennessee, Respondent.  
Docket No. 16-20-02

### INDEX OF ADMINISTRATIVE RECORD

The following items constitute the administrative record in this proceeding:

#### FAA Exhibit 1

- |           |   |
|-----------|---|
| Item 1    | CTI Aviation Services, LLC (“CTI”) filed Complaint against Millington Airport Authority (“Authority”), dated May 8, 2020.   |
| Exhibit A | Mr. Alan Mullen, President and Chief Executive Officer (CEO), CTI Professional Flight Training, LLC, E-mail regarding Further Information Requests to Mr. Roy Remington, Executive Director, Millington Airport Authority, dated January 10, 2020.  |
| Exhibit B | Mr. Alan Mullen, President and CEO, Crew Training International, Inc., Letter regarding Concerns with the state of the Millington Airport Authority to Honorable Terry Jones, Mayor of Millington, TN, dated January 20, 2020.  |
| Exhibit C | <p>Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, E-mail regarding Meeting Request to Ms. Tanya Bowley, Interim Chairman, Millington Airport Authority, dated January 26, 2020.</p> <ol style="list-style-type: none"> <li>1. Ms. Tanya Bowley, Interim Chairman, Millington Airport Authority, E-mail to Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, regarding Meeting Request, dated January 24, 2020.</li> <li>2. Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, E-mail regarding Meeting Request to Ms. Tanya Bowley, Interim Chairman, Millington Airport Authority, dated January 23, 2020.</li> </ol> |
| Exhibit D | Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, E-mail regarding Millington Airport Authority February Board Meeting – Agenda Request to Ms. Tanya Bowley, Interim Chairman, Millington Airport Authority, dated February 5, 2020.   |

1. Ms. Tanya Bowley, Interim Chairman, Millington Airport Authority, E-mail regarding Millington Airport Authority February Board Meeting – Agenda Request to Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, Millington Airport Authority, dated February 3, 2020.
2. Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, E-mail regarding Unfair Tenant Treatment to Ms. Tanya Bowley, Interim Chairman, Millington Airport Authority, dated January 30, 2020.

Exhibit E            Mr. Mike Marshall, General Counsel, Millington Airport Authority, E-mail regarding Millington Airport Authority to Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, dated March 4, 2020.

Item 2                FAA issues Notice of Docketing, dated May 28, 2020.

Item 3                CTI files Motion to Amend Complaint, dated May 29, 2020.

Exhibit A            Mr. Roy Remington, Executive Director, Millington Airport Authority, Letter regarding Rent Increase to Mr. Kyle Mullen, Managing Director, Flight Training and Aviation Services, CTI Professional Flight Training, LLC, dated May 15, 2020.

Exhibit B            Mr. Roy Remington, Executive Director, Millington Airport Authority, E-mail regarding Records Request to Mr. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, dated May 19, 2020.

1. Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, E-mail regarding Records Request to Mr. Roy Remington, Executive Director, Millington Airport Authority, dated May 18, 2020.
2. Mr. Roy Remington, Executive Director, Millington Airport Authority, E-mail regarding Records Request to Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, dated May 18, 2020.
3. Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, E-mail regarding Records Request to Mr. Roy Remington, Executive Director, Millington Airport Authority, dated May 18, 2020.

Exhibit C	Certificate of Insurance, Tulsair Beechcraft, Inc. and Tulsair Beechcraft-Memphis, Inc., dated May 6, 2019.
Exhibit D	Minimum Standards for Aeronautical Service Providers, Millington Regional Jetport, The Millington Airport Authority, Millington Regional Jetport, dated June 16, 2015.
Exhibit E	AIRNAV: Tulsair Beechcraft – Memphis, Millington-Memphis Airport, dated May 29, 2020.
Exhibit F	<p>Mr. Roy Remington, Executive Director, Millington Airport Authority, E-mail regarding Minimum Hours to Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, dated May 18, 2020.</p> <ol style="list-style-type: none"> <li>1. Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, E-mail to Mr. Roy Remington, Executive Director, Millington Airport Authority, regarding Minimum Hours, dated May 18, 2020.</li> </ol>
Exhibit G	AIRNAV: CTI Aviation Services at Millington-Memphis Airport, dated May 29, 2020.
Item 4	CTI files First Amended Complaint, dated June 5, 2020.
Exhibit A	Mr. Roy Remington, Executive Director, Millington Airport Authority, Letter to Mr. Kyle Mullen, Managing Director, Flight Training and Aviation Services, CTI Professional Flight Training, LLC, regarding Rent Increase, dated May 15, 2020.
Exhibit B	<p>Mr. Roy Remington, Executive Director, Millington Airport Authority, E-mail to Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, regarding Records Request, dated May 19, 2020.</p> <ol style="list-style-type: none"> <li>1. Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, Email regarding Records Request to Mr. Roy Remington, Executive Director, Executive Director, Millington Airport Authority, dated May 18, 2020.</li> <li>2. Mr. Roy Remington, Executive Director, Millington Airport Authority, E-mail regarding Records Request to Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, dated May 18, 2020.</li> </ol>

3. Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, E-mail regarding Records Request to Mr. Roy Remington, Executive Director, Millington Airport Authority, dated May 18, 2020.

Exhibit C Certificate of Insurance, Tulsair Beechcraft, Inc. and Tulsair, dated May 6, 2019.

Exhibit D Minimum Standards for Aeronautical Service Providers, Millington Regional Jetport, The Millington Airport Authority, Millington Regional Jetport, dated June 16, 2015.

Exhibit E AIRNAV: Tulsair Beechcraft – Memphis Millington-Memphis Airport, dated May 29, 2020.

Exhibit F Mr. Roy Remington, Executive Director, Millington Airport Authority, E-mail regarding Minimum Hours to Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, dated May 18, 2020.

1. Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, E-mail regarding Minimum Hours to Mr. Roy Remington, Executive Director, Millington Airport Authority, dated May 18, 2020.

Exhibit G AIRNAV: CTI Aviation Services at Millington-Memphis Airport, dated May 29, 2020.

Exhibit H Mr. Alan Muller, President and CEO, Crew Training International, Inc., E-mail regarding Further Information Requests to Mr. Roy Remington, Executive Director, Millington Airport Authority, dated January 10, 2020.

Exhibit I Mr. Alan Mullen, President and CEO, Crew Training International, Inc., Letter regarding Concerns with the state of the Millington Airport Authority to Honorable Terry Jones, Mayor of Millington, TN., dated January 20, 2020.

Exhibit J Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, E-mail regarding Meeting Request to Ms. Tanya Bowley, Interim Chairman, Millington Airport Authority, dated January 26, 2020.

1. Ms. Tanya Bowley, Interim Chairman, Millington Airport Authority, E-mail regarding Meeting Request to Ms. Sarah

Bryan, General Counsel, CTI Professional Flight Training, LLC, dated January 24, 2020.

2. Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, E-mail regarding Meeting Request to Ms. Tanya Bowley, Interim Chairman, Millington Airport Authority, dated January 23, 2020.

- Exhibit K      Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, E-mail regarding February Board Meeting – Agenda Request to Ms. Tanya Bowley, Interim Chairman, Millington Airport Authority, dated February 5, 2020.
1. Ms. Tanya Bowley, Interim Chairman, Millington Airport Authority, E-mail regarding February Board Meeting – Agenda Request, to Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, dated February 3, 2020.
  2. Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, E-mail regarding Unfair Tenant Treatment to Ms. Tanya Bowley, Interim Chairman, Millington Airport Authority, dated January 30, 2020.

- Exhibit L      Mr. Mike Marshall, General Counsel, Millington Airport Authority, E-mail regarding Millington Airport Authority to Ms. Sarah Bryan, General Counsel, CTI Professional Flight Training, LLC, dated March 4, 2020.

- Item 5      Authority files Motion for Definite or Additional Time to Respond to First Amended Complaint, dated June 12, 2020.
- Item 6      FAA issues Order for Extension of Time for MAA to Answer the First Amended Complaint to July 10, 2020, dated June 25, 2020.
- Item 7      Authority files Notice of Appearance on Behalf of Millington Airport Authority by Mr. James L. Creswell, Jr. and Mr. Logan A. Klauss, and the Law Firm of Petkoff and Feigelson, PLLC, dated July 1, 2020.
- Item 8      Authority files Motion for Summary Judgment, dated July 13, 2020.
- Item 9      Authority files Memorandum of Law and Facts in Support of Motion for Summary Judgment, dated July 13, 2020.
- Item 10      Authority files Statement of Undisputed Material Facts in Support of its Motion for Summary Judgment, dated July 13, 2020.

Exhibit A	Fixed Base Operator's Lease Agreement, State of Tennessee, County of Shelby, Millington Municipal Airport Authority, Tulsair Beechcraft, Inc., dated July 23, 2020.
Exhibit B	Millington Municipal Airport Authority, Letter of Agreement between the Authority and Tulsair Beechcraft, Inc., regarding Aviation Fuel Storage Tanks, dated August 1, 2000.
Exhibit C	Shelby County, Tennessee, General Sessions Court Judgment between Millington Airport Authority v. Tulsair Beechcraft-Memphis, Inc., Honorable Deborah Henderson, General Sessions Judge, dated February 8, 2011.
Exhibit D	Signed Fourth Amendment to Amended Fixed Base Operator's Lease Agreement and Amendment to Letter of Agreement dated August 1, 2000 between Millington Airport Authority and Tulsair Beechcraft-Memphis, Inc., dated August 1, 2000.
Exhibit E	CTI Professional Flight Training, Business and Marketing Plan, Millington Regional Jetport Application to Conduct Aeronautical Service, dated July 15, 2015.
Exhibit F	Lease Agreement between Millington Airport Authority and CTI Professional Flight Training, LLC, Ms. Kathryn Zielinski, Chief Financial Officer, CTI Professional Flight Training, LLC, dated September 14, 2015.
Exhibit G	Mr. Roy Remington, Executive Director, Millington Airport Authority, Letter regarding Tulsair FBO Operating to Mr. Robert Antis, General Manager, Tulsair Beechcraft-Memphis, Inc., dated May 29, 2019.
Exhibit H	Mr. Robert Antis, General Manager, Tulsair Beechcraft-Memphis, Inc., Letter regarding Tulsair FBO Operating Agreement to Mr. Roy Remington, Executive Director, Millington Airport Authority, dated January 16, 2019.
Exhibit I	Mr. Mike A. Gill, Fire Chief, Millington-Memphis Airport, Letter regarding Fire Safety Inspection Report No: 19-0005 to Tulsair Beechcraft-Memphis, Inc., dated February 5, 2019.
Exhibit J	Mr. Roy Remington, Executive Director, Millington Airport Authority, Letter regarding Fire Safety Inspection Report No: 19-0005 to Mr. J.J. Lester, President, Tulsair Beechcraft, Inc., dated May 8, 2019.

1. Mr. Mike A. Gill, Fire Chief, Millington-Memphis Airport, Letter regarding Fire Safety Inspection Report No: 19-0005 to Tulsair Beechcraft-Memphis, Inc., dated February 5, 2019.
  2. Mr. DaRay Fox, Inspection Department Manager/Sales, Security Fire Protection, Report regarding Tulsair Time Protect Inspection to Mr. Robert Antis, General Manager, Tulsair Beechcraft-Memphis, Inc., dated February 12, 2019.
- Exhibit K      Mr. Roy Remington, Executive Director, Millington Airport Authority, Letter regarding Tulsair FBO Operating Agreement to Mr. Robert Antis, General Manager Tulsair Beechcraft-Memphis, Inc., dated May 29, 2019.
- Exhibit L      Order Suspending In-Person Court Proceedings in The Supreme Court of Tennessee at Nashville regarding Covid-19 Pandemic, Honorable Jeffrey S. Bivins, Chief Justice, dated March 13, 2020.
- Exhibit M      Order Extending State of Emergency and Easing Suspension of In-Person Court Proceedings, The Supreme Court of Tennessee at Nashville regarding Covid-19 Pandemic, Honorable Jeffrey S. Bivins, Chief Justice, dated May 26, 2020.
- Exhibit N      Report Selection Criteria, Millington Airport Authority v. Tulsair Beechcraft Inc., dated July 9, 2020.
- Exhibit O      Affidavit of Roy Remington, Executive Director, Millington Airport Authority, dated July 10, 2020.
- Item 11          CTI files Response in Opposition to the Authority's Motion for Summary Judgment, dated July 20, 2020.
- Item 12          CTI files Responses to the Authority's Statement of Undisputed Material Facts in Support of its Motion for Summary Judgment, dated July 20, 2020.
- Item 13          CTI files Statement of Material Facts to which it contends there is a Genuine Issue, dated July 20, 2020.
- Exhibit A      Mr. Kyle Mullen, Managing Director, Flight Training and Aviation Services, CTI Professional Flight Training, LLC, E-mail regarding CTI Issues at N7 to Ms. Sarah Bryan, General Counsel, CTI Aviation Services, LLC, dated July 14, 2020.
- Exhibit B      Mr. Kyle Mullen, Managing Director, Flight Training and Aviation Services, CTI Professional Flight Training, LLC, Meeting Agenda

regarding CTI Professional Flight Training Meeting Agenda, Notice of Lease Default Resolution to Mr. Roy Remington, Executive Director, Millington Airport Authority, dated August 22, 2019.

Exhibit C Mr. Kyle Mullen, Managing Director, Flight Training and Aviation Services, LLC, E-mail regarding FBO Staffing and Tulsair Closures to Ms. Sarah Bryan, General Counsel, CTI Aviation Services, LLC, dated July 14, 2020.

Exhibit D AIRNAV: Tulsair Beechcraft – Memphis at Millington-Memphis Airport, dated July 16, 2020.

Exhibit E Mr. Roy Remington, Executive Director, Millington Airport Authority, E-mail regarding December Rent – 2019 Renewal Notice to Mr. J.J. Lester, President, Tulsair Beechcraft, Inc., dated December 17, 2018.

1. Mr. Roy Remington, Executive Director, Millington Airport Authority, E-mail regarding November Rent/Fuel to Mr. J.J. Lester, President, Tulsair Beechcraft, Inc., dated November 28, 2018.
2. Mr. Roy Remington, Executive Director, Millington Airport Authority, E-mail regarding October Rent to Mr. J.J. Lester, President, Tulsair Beechcraft, Inc., dated November 5, 2018.
3. Mr. Roy Remington, Executive Director, Millington Airport Authority, E-mail regarding Draft Lease Abdication to Mr. J.J. Lester, President, Tulsair Beechcraft, Inc., dated September 17, 2018.
4. Mr. Roy Remington, Executive Director, Millington Airport Authority, E-mail regarding Draft Lease Abdication to Mr. J.J. Lester, President, Tulsair Beechcraft, Inc., dated August 29, 2019.
5. Mr. Roy Remington, Executive Director, Millington Airport Authority, E-mail regarding January Rent – 2019 Renewal Notice to Mr. J.J. Lester, President, Tulsair Beechcraft Inc., dated February 6, 2019.

Exhibit F Global Aerospace Aviation Insurance Certificate, dated July 16, 2020.

Item 14

CTI files Affidavit of Sarah Bryan, dated July 20, 2020.



- Item 15 Authority files Answer to the First Amended Complaint, dated September 8, 2020.
- Exhibit A Court Report Selection Criteria regarding CT-3474-20, Millington Airport Authority vs Tulsair Beechcraft – Non-jury Trial, dated September 2, 2020.
- Exhibit B Mr. Roy Remington, Executive Director, Millington Airport Authority, Letter regarding rent increase to Mr. Kyle Mullen, Managing Director, CTI Flight Training and Aviation Services, LLC, dated July 14, 2020.
- Item 16 FAA issues Order of Extension of Time for until October 1, 2020, dated September 17, 2020.
- Item 17 CTI files Reply to the Authority’s Answer to the First Amended Complaint, dated October 1, 2020.
- Exhibit A Millington Airport Authority Customer Quick Report – July 2017-June 2018, dated January 17, 2020.
- Exhibit B Millington Airport Authority Invoices for Tulsair-Beechcraft – July 2019-June 2020, dated January 9, 2020.
- Exhibit C Mr. Roy Remington, Executive Director, Millington Airport Authority, E-mail regarding 30-Day Extension to Mr. Kyle Mullen, Managing Director, CTI Flight Training and Aviation Services, LLC, dated December 31, 2015.
- Exhibit D Mr. Kyle Mullen, Managing Director, CTI Flight Training and Aviation Services, LLC, E-mail regarding Millington Airport – Rent Increase to Ms. Sarah Bryan, General Counsel, CTI Aviation Services, LLC, dated September 8, 2020.
- Exhibit E Mr. Kyle Mullen, Managing Director, CTI Flight Training and Aviation Services, LLC, E-mail regarding Balance Due June-July 2020 Rent to Ms. Sarah Bryan, General Counsel, CTI Aviation Services, LLC, dated September 9, 2020.
- Exhibit F Fixed Base Operator’s Lease Agreement, State of Tennessee, County of Shelby July 23, 1999 between Millington Airport Authority and Tulsair Beechcraft, Inc., dated July 23, 1999.
- Exhibit G Mr. Robert Antis, General Manager, Tulsair Beechcraft-Memphis, Inc., E-mail regarding Ramp Service to Mr. Roy Remington,

Executive Director, Millington Airport Authority, dated July 14, 2019.

- Exhibit H Mr. Roy Remington, Executive Director, Millington Airport Authority, E-mail regarding Terminal and Tank Lease Discussion Request to Mr. Kyle Mullen, Managing Director, CTI Flight Training and Aviation Services, LLC, dated September 16, 2020.
- Item 18 Authority files Rebuttal in Response to CTI's Reply to its Answer to CTI's First Amended Complaint, dated October 22, 2020.
- Exhibit A Consent Order on Plaintiff's Motion for Immediate Writ of Possession, in the Circuit Court of Tennessee for the Thirtieth Judicial District at Memphis, dated September 25, 2020.
- Exhibit B Mr. Charles W. Cavagnaro, Jr., General Counsel, Millington Airport Authority, Letter regarding Termination of Lease Agreements to Mr. J.J. Lester, President, Tulsair Beechcraft, Inc., dated January 28, 2020.
- Exhibit C Mr. Roy Remington, Executive Director, Millington Airport Authority, Letter regarding Tulsair FBO Operating Agreement to Mr. Robert Antis, General Manager, Tulsair Beechcraft – Memphis, Inc.
- Exhibit D Mr. Robert G. Antis, General Manager, Tulsair Beechcraft – Memphis, Inc., Letter regarding FBO Operating Agreement to Mr. Roy Remington, Executive Director, Millington Airport Authority, dated January 16, 2019.
- Exhibit E Mr. Roy Remington, Executive Director, Millington Airport Authority, Letter regarding Tulsair FBO Operating Agreement to Mr. Robert G. Antis, General Manager, Tulsair Beechcraft – Memphis, Inc., dated May 29, 2020.
- Exhibit F Mr. Robert Antis, General Manager, Tulsair Beechcraft – Memphis, Inc., E-mail regarding Tulsair Early Closure Letter to Mr. Roy Remington, Executive Director, Millington Airport Authority, dated May 30, 2020.
- Exhibit G Supplemental Affidavit of Roy Remington, dated October 20, 2020.
- Exhibit H Mr. Roy Remington, Executive Director, Millington Airport Authority, E-mail regarding Millington Airport Rent Increase to

Mr. Kyle Mullen, Managing Director, CTI Flight Training and Aviation Services, LLC.

- Exhibit I      Mr. Roy Remington, Executive Director, Millington Airport Authority, Letter regarding Rent Increase to Mr. Kyle Mullen, Managing Director, CTI Flight Training and Aviation Services, LLC, dated July 14, 2020.
- Exhibit J      Millington Airport Authority Balance Details for CTI Professional Flight Training – All Transactions, dated September 4, 2020.
- Item 19      FAA issues a Notice of Extension of Time until April 7, 2021, dated February 10, 2021.
- Item 20      FAA issues a Notice of Extension of Time until May 7, dated April 6, 2021.
- Item 21      FAA issues a Notice of Extension of Time until July 7, 2021, dated May 4, 2021.
- Item 22      FAA issued Order of Extension of Time until September 21, 2021, dated June 24, 2021.

## **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on September 23, 2021, I sent via electronic mail and via FedEx a true copy of the foregoing Director's Determination for FAA Docket No. 16-20-02 addressed to:

### FOR COMPLAINANT

Mr. Edward A. Hadley  
Mr. Brent A. Kinney  
North, Pursell & Ramos, PLC  
414 Union Street, Suite 1850  
Nashville, TN 37219

Mr. James L. Cresswell, Jr.  
Mr. Logan A. Klauss  
Petkoff and Feigelson, PLLC  
80 Monroe Avenue, Suite 415  
Memphis, TN 38103

### FOR RESPONDENT

Mr. Michael R. Marshall  
Evans Petree, PC  
1715 Aaron Brenner Drive, Suite 800  
Memphis, TN 38120

Copy to:

FAA Part 16 Airport Proceedings Docket (AGC-600)  
FAA Office of Airport Management and Management Analysis (ACO-100)  
FAA Southern Region Airports Division (ASO-600)



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Viola Cijntje  
Office of Airport Compliance  
and Management Analysis