

Grant Process

Everything you need
from start to finish?

Presented to: 2010 Bismarck ADO Fall Seminar

By: Dave Anderson, Program Manager

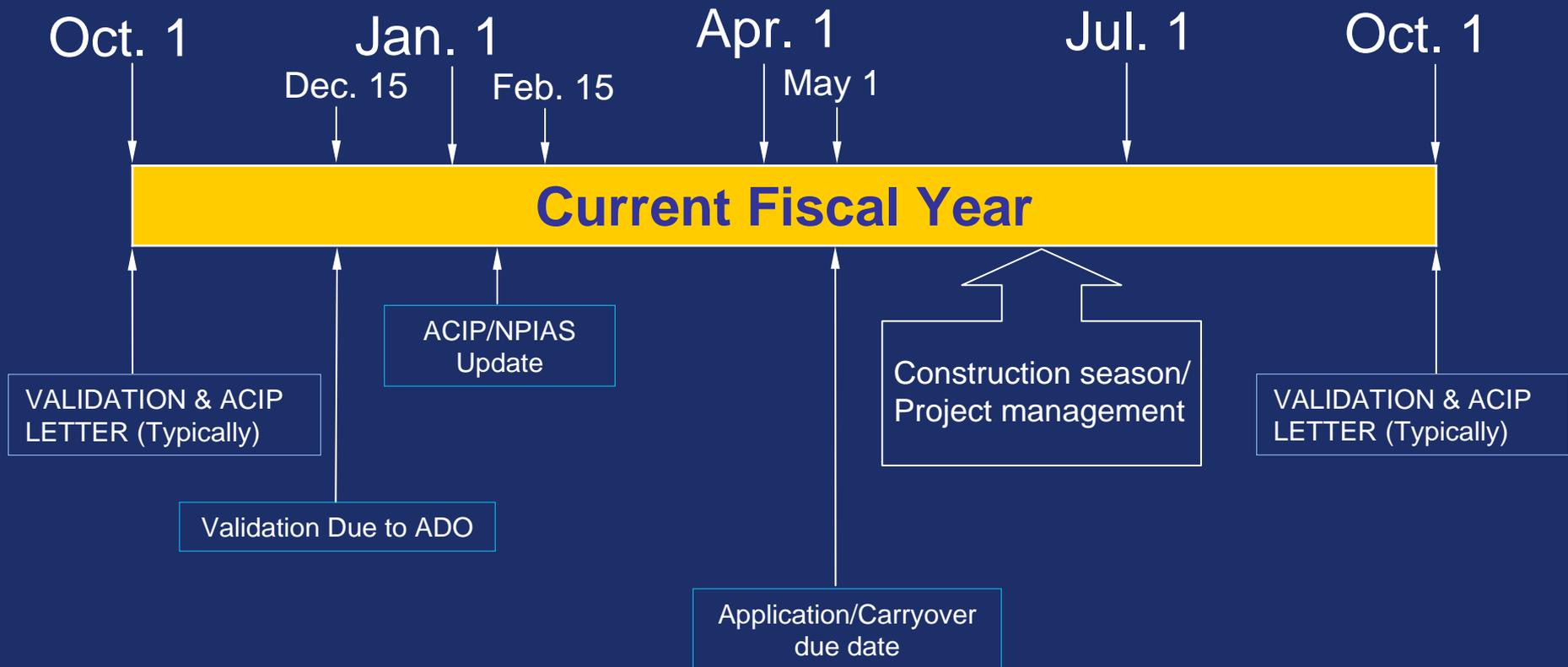
Date: October 27 and 28, 2010



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“Typical” Project Timeline



Grant Process

Grant Application

(items needed 2 ½ years before)

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Reimbursable Agreement

- **Required whenever an AIP project impacts an FAA-owned facility**
- **Typically, ILS or approach lights**
- **May require 2 years or more to complete the agreement.**



Reimbursable Agreement

- A minimum of 2 ½ years prior to the NAVAID impact, the Sponsor required to provide notice
- The ADO will forward the “letter of request” to the appropriate Air Traffic Organization (ATO) office.
- ATO will contact the Sponsor to develop an agreement

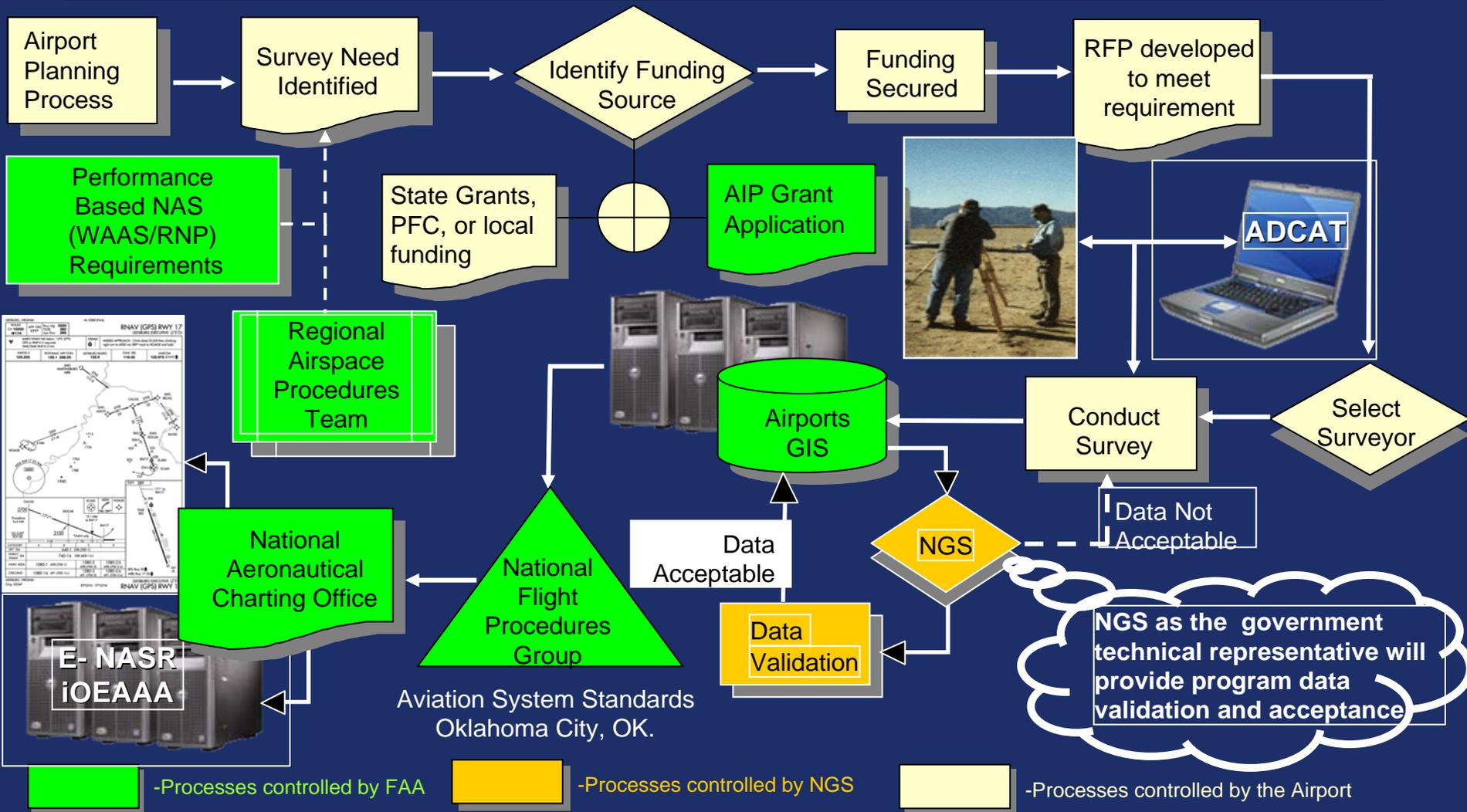


Approach Coordination

- When a project is going to impact an approach (location, elevation of a runway threshold, runway identifiers, airport name), the approach may be impacted and lost if not previously coordinated.
- Even if just preliminary data (usually from an ALP), it should be submitted 2 ½ years prior to the project.
- The data will be used to initiate development of a new approach by the Flight Procedures Office (FPO).
- Approaches are on a first come first serve basis
- Sponsors should provide requests for approaches as soon as possible.
- Requests can be made through the Bismarck Airports District Office.



Airport Surveying Process



Approaches

- New approach request form
- Regional Airspace and Procedure Team (RAPT) will prioritize schedule
- It takes 18 to 24 months to publish an approach



Grant Process

Discretionary Request Requirements

(items needed before May 1st of
previous year)

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Environmental Documentation



- **Sponsors wishing to receive discretionary funding must have an approved CATEX or EA/FONSI by May 1 of the Federal Fiscal Year (FY) prior to the proposed discretionary grant Federal FY.**

Airport Layout Plan (ALP)

- Justification for projects on an airport requires an approved ALP.
- Major changes to the ALP (widen runway, add parallel taxiway, runway extensions, etc) require a formal update to the ALP.
- Minor ALP changes may be approved by a FAA letter or notice through the airspace process (small changes to taxiways, aprons, and addition of buildings)



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(items needed before August 1st
of previous year)

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Disadvantaged Business Enterprises (DBE)

- DBE is required for Sponsors that are anticipating awarding more than \$250,000 in prime contracts (Federal fiscal year)
- DBE Goal Updates are required by August 1 on a 3 year cycle (new)
- Accomplishments due in DOORS website by December 1
- Submit DBE Goals to the Regional Civil Rights Office:

Ms. Nancy Cibic, DBE Program Specialist
FAA Civil Rights Staff, Room 440
2300 E. Devon Avenue
Des Plains, IL 60018
847-294-7182
Nancy.Cibic@faa.gov



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Grant Application

(items needed 6 months before)

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Benefit Cost Analysis (BCA)



Capacity projects (more than \$5,000,000.00 discretionary)

Projects that increase an airport's ability to handle more aircraft or larger aircraft, or increase the number of passengers are considered capacity projects. Consult the ADO to determine if a BCA is required.

AWOS with more than the standard AWOS A sensors

This is further explained in Program Guidance Letter 08-05 which can be downloaded at:

http://www.faa.gov/airports/aip/guidance_letters/media/PGL_08_05.pdf.

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(items needed 90 days before)

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Modification to Standards

- Construction Modification to Standards must be approved prior receiving the grant.
- Only requests with a clear and compelling reason will be considered for approval.
- Such requests must document at a minimum:
 - What standard is being modified.
 - Why the standard cannot be met.
 - A description of the proposed change and alternatives considered.
 - How the proposed change will affect the quality of the project.
 - What is the benefit of the proposed change.



Modification to Standards

- Construction Modification to Standards can not be approved after the construction has occurred. Requests must be submitted in the format identified in Regional Guidance Letter (RGL) 5320.1G “General Processing of Modifications of Agency Airport Design and Construction Standards.” The RGL can be downloaded at:

[http://www.faa.gov/airports/great_lakes/airports_resources/ppms/.](http://www.faa.gov/airports/great_lakes/airports_resources/ppms/)

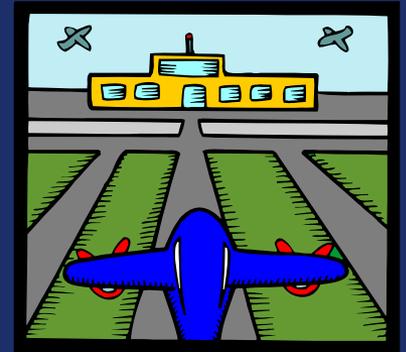
Passenger Terminal Plan

- Commercial Terminals
- Only public areas associated with the handling of passengers or baggage are eligible.
- The percentage of Federal participation is normally determined by establishing a ratio of eligible and ineligible costs.
- Percentage is determined through a review of drawings to identify use and function.



Passenger Terminal Plan

- General Aviation (GA) Terminal
- GA terminals are limited to 500 square feet
- Only non-primary entitlements
- The BIS ADO policy and guidelines are available on our website



Proration Documentation for Ineligible Work

- An airport may occasionally wish to expand an AIP-funded project to include elements that are ineligible.
- It is acceptable for the airport to include this type of work in the construction contract for the AIP project.
- The work must be clearly identified in the justification and the cost tracked separately



Grant Process

Grant Application

(items needed 30 days before)

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Life-Cycle Cost

- A life-cycle cost analysis is used to compare long term costs of alternatives to evaluate the most cost effective solution.
- Examples are a comparison of concrete pavement to asphalt, or geothermal heating vs. propane.
- Life-cycle cost analysis must be submitted to the FAA for review and approval.
- If used in determining the successful bidder on a project, the process for comparing costs must be included in the bid request.



Force Account



- A force is work done by the sponsor on an AIP project and the sponsor is reimbursed for their expenses.
- Approval is required before the grant is issued.

Force Account

- The proposal must be fully documented and should contain as a minimum:
 - (a) Justification for doing the work by force account rather than by contract
 - (b) Estimate of costs
 - (c) Information on sponsor's resources, workload, and project schedule
 - (d) Plans and specification for work to be performed with force account
 - (e) Benefit of using force account over competitive bidding



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Validation

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What has the ADO Changed for 2011?

- **Virtually the same as last year.**
- **Added project description area.**
- **We will put on our website or ask us for an e-mail.**
- **If you are using last years you don't need to go back and change the completed validations.**



Why do a Validation?

- **Validation process allows airport sponsors to revise ACIP due to unforeseen issues.**
- **Ensure proper planning is done and allows time for engineers to get project “shelf ready”.**
- **Prevent misunderstanding between sponsor and ADO.**



Why do Validation?

- **Prevent last minute surprises**
 - What, I need to do an EA?
 - What, the ALP isn't done yet?
 - Do I really need a S/P plan?

- **Used by the FAA as a placeholder for your project.**



Why do Validation?

- **After validation season closes, your respective officials will put together the Airport Improvement Program for the current year.**



Validation Worksheet / Checklist



- **Designed to help all of us with timely document submission.**
- **Should help keep the project “On Task”.**

Application Sketch



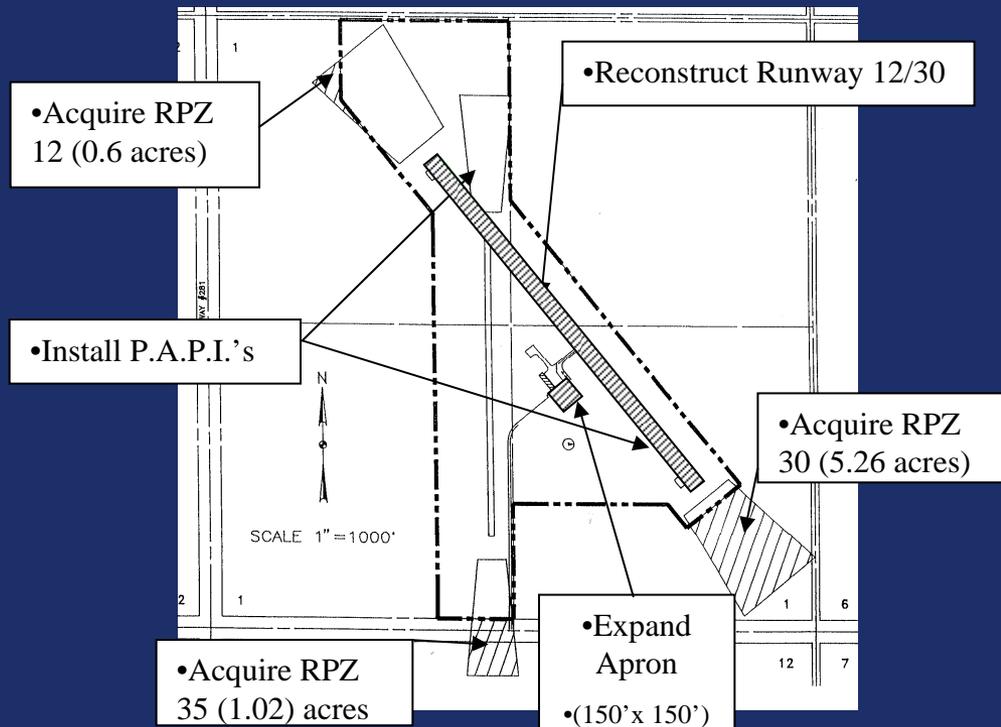
- A map of what the project is funding.
- Should contain major aspects of the project (land, rehabilitation, apron expansion, etc.).
- Does not need to show elements such as environmental, Airport Layout Plans, Master Plans.

Application Sketch

CLAYTOWN INTERNATIONAL AIRPORT

CLAYTOWN, SD

3-46-0099-057-2010



Project Description:

Reconstruct Runway 12/30; Install P.A.P.I.'s for Runway 12/30;
Update ALP; Land Acquisition (RPZ's).

Justification

- **What does it look like?**
 - Short narrative explaining what is needed and why
 - Estimated costs
- **Why is it needed?**
 - FAA requires it for funding.
 - NO JUSTIFICATION – NO MONEY
 - FAA communicates needs to public and congressional delegates.



Cost Estimate



- **Provides a breakdown of different items (Construction, Engineering, Land, Environmental, etc.).**
- **Please note that all state apportionment or discretionary requests must be coordinated with the State Aeronautics and the Bismarck Airports District Office in advance.**

ANYTOWN MUNICIPAL AIRPORT

ANYTOWN, ND/SD

3-38/46-0099-057-2010

Project Description:

**Reconstruct Runway 12/30; Install P.A.P.I.'s for Runway 12/30;
Update ALP; Land Acquisition (RPZ's).**

Reconstruct Runway 12/30	\$1,200,000.00
Land Acquisition	\$150,000.00
Expand Apron	\$160,000.00
Install PAPIs	\$30,000.00
Update ALP	\$45,000.00
Basic Engineering	\$45,000.00
Inspection	\$35,000.00
Testing	\$15,000.00
Closeout	\$4,000.00
Administration	\$1,000.00
Total	\$1,685,000.00
Local	\$42,125.00
State	\$42,125.00
Federal	\$1,600,750.00



Construction Safety Phasing Plan (CSPP) / 7460-1

- At Validation (if available) - Submit Airspace for Study
 - On-line submission of airspace studies (except ALP's) will be the only accepted method for the 2011 grant season and beyond.

PAPI / REIL Form

- PAPIs and REILs need to have an airspace review and a flight checked prior to being activated.
- PAPIs need a drawing and a PAPI Data Form dated AUG 18 2005.
- REILs need a drawing and FAA Form NF-4LV.
- Once the PAPIs and/or REILs are installed, the airport will notify the Airports District Office to schedule a flight check.

Environmental Documentation

- A CATEX is a determination by the FAA that a category of projects (an actual list of projects), which would otherwise require a complete environmental review, is “categorically excluded from such review”.
- The validation submittal shall include the CATEX if it is applicable to the project. The CATEX shall be complete except for the FAA signature:
 - CATEX description shall match the proposed grant description
 - CATEX shall have original signatures of the consultant and the airport sponsor
 - CATEX shall include the appropriate “project sketch”
 - Include applicable Federal/State/Local coordination.
- If an EA was developed, please include the FONSI

Business Plan

- A business plan must be submitted for revenue producing facilities before the project can be approved for AIP funding.
- Documents the operational costs the sponsor will incur in maintaining the facility.
- The plan must also document the projected income for the facility and basis for the projection to insure that the facility will produce revenue for the airport.
- Will not be approved if the airport's CIP shows airside needs
- No discretionary funding or state apportionment in the succeeding two years.
- Consult the ADO on eligibility of the project.



Grant Process

Grant Application

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What has the ADO Changed for 2011?

- Checklist for submittal of application.
- We will put on our website or ask us for an e-mail.
- Trying to limit chasing of missing documentation.



Where Do We Start?

- No project grant application may be approved unless the Secretary is satisfied that:
 - **(1)** The project sponsorship requirements have been met;
 - **(2)** The project is reasonably consistent with the plans of planning agencies for the development of the area in which the airport is located;
 - **(3)** Sufficient funds are available for that portion of the project not paid for by the United States;
 - **(4)** The project will be completed without undue delay;
 - **(5)** The airport location is included in the current version of the NPIAS; and
 - **(6)** The project involves more than \$25,000 in AIP funds unless, in the judgment of the responsible Airports office, it would be in the best interest of the Government to award a grant of a lesser amount.



FORM SF 424

Application for Federal Assistance

- “Grant Application”
- If you are using a consultant, generally they will complete this process for you
- Make sure you have the form completely and accurately populated



FORM SF 424

Application for Federal Assistance

- North Dakota Airports – Submit the Grant Application directly to the Bismarck ADO.
- South Dakota Airports – Submit the Grant Application to SDDOT. They will review, approve, and forward to the Bismarck ADO.



Cost Summary



- **Provides a breakdown of different funding items in the grant (Construction, Engineering, Land, Environmental, etc.).**
- **Based on bids and agreements.**

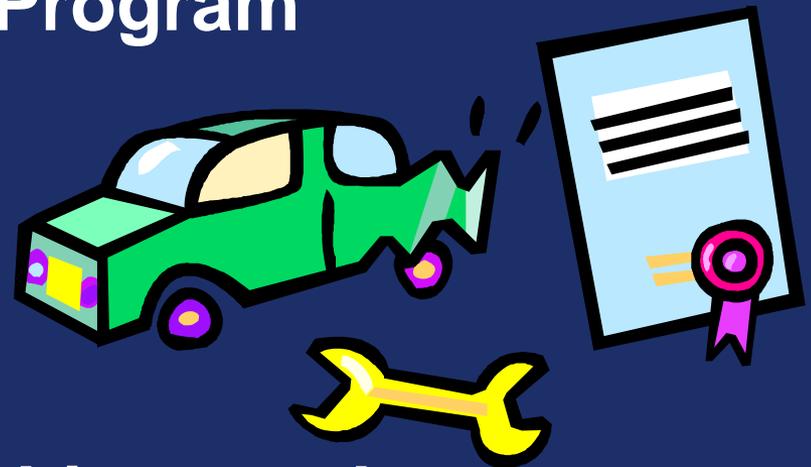
Application Sketch



- Usually the project has slightly changed from validation
- Should contain major aspects of the project (land, rehabilitation, apron expansion, etc.).
- Does not need to show elements such as environmental, Airport Layout Plans, Master Plans.

Justification

- **Use Pavement Conditions Index from the Pavement Management Program run by your State.**



- **Give reasons why something needs replacing such as “The lightings system is 25 years old” or “The cost to repair the equipment is more than the equipment value”.**

Pre-Construction Photos

- **Documenting the need for construction.**
- **Enough pictures to adequately show what needs to be accomplished (items in the project descriptions).**



Pre-Construction Photos

- Includes items such as:
 - Equipment Replacement
 - Terminal Rehabilitation
 - any project that is replacing or rehabilitating airport infrastructure

Bid Tabs / Solicitation / Engineering Contracts

- **Bid tabs are required for all projects (unless preapproved by ADO)**
- **Projects based on estimates will be limited to emergencies and end of the year discretionary funding projects.**
- **Items costing less than \$100,000.00, solicitations can be used.**
- **A minimum of three solicitations should be obtained.**
- **Executed copy of any engineering agreement that the grant is funding.**



Buy American Law

- Buy American preference requires projects to have 100% American made steel or manufactured products.
- Includes subcomponents.
- If you need a waiver, please include the signed waiver and supporting documentation with your grant application.
- The Buy American preference is law under Title 49 United States Code, Chapter 501, and is downloadable at <http://uscode.house.gov/download/pls/49C501.txt>. Unique to AIP (Buy American Preference)



Buy American Exempt Items

- Many common airport products have received a waiver for the “Buy American” and can be treated as 100% American products.
- The current list for the waived equipment can be found at the website listed below:

http://www.faa.gov/airports/aip/procurement/federal_contract_provisions/media/buy_american_waiver.xls



ECONOMIC NECESSITY LETTER



- **Used to justify federal funds for pavement maintenance issues.**

CONSTRUCTION MANAGEMENT PLAN

(if available at time of application)

- **A detailed construction management plan is required before the start of construction on all grants which contain paving work estimated to exceed \$250,000.**
- **The paving work estimated cost includes the subgrade, base courses, and pavement.**
- **Used to comply with the quality control provisions of the construction contract.**



Grant Process

Ongoing Grant Requirements

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What are Ongoing Grant Requirements?

- Reports



- Timely Payments



- Grant Amendments



Construction Progress and Inspection (5370-1)



- **Advisory Circular 150/5370-6D**
- **Needs to be completed by the engineer to documents construction activities.**

Construction Progress and Inspection (5370-1)



- ADO can request a copy of the report, but at this time we do not require the 5370-1.
- The 5370-1 is a good report for the Sponsor and the State to keep current on construction activities.

Quarterly Performance Report

- Quarters end on Sept. 30, Dec. 31, Mar. 31, June 30.
- Keeps the FAA informed on grant progress and project timing.
- Due 30 days after end of quarter
- We are still missing lots of reports.



Construction Change Orders

- **We are generally not concerned if:**
 - If it involves changes required to complete project
 - Small dollar figures that won't need a grant amendment



Construction Change Orders

- **We are generally concerned if:**
 - If the eligibility of the change order is questionable
 - Big dollar figures that will need a grant amendment



Construction Change Orders

All change orders have to be justified
and related to the project!



Timely Payments



- **Grant recipients are encouraged to make timely draw down of funds.**
- **Inactive for 12 months, 18 months, and 24 months.**

Grant Amendments

- Amendments are usually issued at closeout time.
- Grant amendments are only available if there is money to fund it.
- Can't amend planning grants or if combined we can only amend 15% of the construction amount
- Maximum of 15%.



Environmental Ongoing Requirements



Photograph provided by Kansas DW&P

Post-Construction Photos

- **Documents what has been completed.**
- **Try to take pictures of the same area for comparison.**
- **Enough pictures to adequately show what was accomplished (Should be items in the project descriptions).**

Grant Process

Closeouts

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Closeouts

- **Certifies compliance with and adherence to specifications and procedures**
- **Summarizes:**
 - Project history
 - Eligible costs
 - Adherence to specifications
 - Corrective actions taken



Bottom Line

- **Not complex**
- **Show invoices or contracts for all expenses**
- **“If we can’t find it, it’s not eligible”**



New Process

- **Start of each fiscal year (October)**
- **Letter to consultants/states/sponsors**
- **Identify:**
 - Inactive grants (no payments for 9-12 months)
 - Grants with \$0 balances
 - Grants that are 3 to 4 years old



QUESTIONS?

