

Memorandum

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Subject: ACTION: Program Guidance Letter 93-4

Date: MAY 2 4 1993

From: Manager, Airports Financial Assistance Division, APP-500

Reply to Attn. of:

To: PGL Distribution List

93-4.1 Relocation of Air Traffic Control Towers and Navaids (including radar) under AIP - Interim Guidance - Leslie Haener (202) 267-5879 and Jim Borsari (202) 267-8822.

Section 112(b) of Public Law 102-581 amends the definition of airport development in Section 503(a)(2) of the AAIA to include the relocation, after December 31, 1991, of an air traffic control tower and any navigational aid (including radar) if such relocation is necessary to carry out a project approved by the Secretary under the AIP. Such a project, therefore, is eligible airport development under the AIP.

This provision applies in those circumstances where the facility physically impedes the construction or future use of an approved AIP project (i.e., shown on an approved airport layout plan and environmentally approvable as well). Relocation of ATCT's just for reasons of existing line-of-site problems would not be eligible. Also, the AAIA is specific in using the term "air traffic control tower." Therefore, TRACONS, ARTCC's and FSS/AFSS are not eligible for relocation; an ILS or TVOR is eligible.

Communication facilities, such as RTR's, which provide the communication link between aircraft and the ATCT are considered an integral part of the ATCT whether collocated with or remote from the ATCT, and are eligible for relocation. If the communication facility is not used to provide the link between the aircraft and the tower, it is not eligible for relocation. Other tower support equipment such as low level wind shear equipment and other similar support equipment which are not accessed directly by aircraft and are not considered NAVAIDS under the definition contained in Section 503(a)(2)(B)(i) of the AAIA, and are not eligible for relocation.

Allowable costs under the AIP are limited to the costs incurred by an in-kind relocation; costs incurred for any upgrade in equipment or facility size are not eligible. Also, during this period of interim guidance, AIP funds will not be used to relocate an ATCT or navigational aid (including radar) which is presently included in the Facilities and Equipment (F & E) budget or CIP for the current and next 3 fiscal years.

A project for ATCT or navaid relocation is eligible retroactively where costs were incurred in calendar year 1992, or later, when such relocation was necessary to carry out an approved AIP project. A sponsor may be issued a separate grant, or an existing grant may be amended, to reimburse such relocation costs, provided the airport sponsor has complied with all procurement and contracting requirements associated with AIP projects. That is, these projects should be bid competitively and awarded to the low bidder.

The programming priority of facility relocation will be the same as the project for which it is required. The AIP participation rate for such relocation should be the same as for the development item with which it is associated; i.e., the rate would be 75 percent for relocation to accommodate terminal development at a large primary airport, and 90 percent if done in conjunction with construction of a runway at a reliever airport.

AIP funds may be used for relocation of an ATCT or navaid only if the project which necessitated this relocation is funded under AIP. PFC funds may be used to finance the relocation if the primary project was funded under AIP; PFC revenue may not be used for relocations needed for PFC-financed projects.

The eligibility established by this provision should be interpreted conservatively and not viewed as a cure-all for impediments to future airport development. Further, it will place additional emphasis on the importance of the inter-divisional coordination process, especially in regard to airport layout plan reviews.

The Fee and Rental Structure assurance of the Airport Sponsor Assurances states, in part, that "No part of the Federal share of an airport development, airport planning or noise compatibility project for which a grant is made under the Airport and Airway Improvement Act of 1982, the Federal Airport Act of the Airport and Airway Development Act of 1970 shall be included in the rate base in establishing fees, rates, and charges for users of that airport." The airport sponsor is allowed to recoup only that portion of the project costs of relocating the air traffic control tower not covered

by AIP when establishing the rental cost to the FAA for the operation of the relocated air traffic control tower. Sponsors and FAA offices should be briefed on this provision before approval of a relocation project so as to ensure that any leases take this provision into account.

This interim guidance is being coordinated with the Budget Office and the Executive Director for System Operations in FAA Headquarters. We intend to revise this guidance based on comments received through that coordination and on field experience. During this interim period, please contact APP-510 if an airport sponsor applies, or intends to apply, for a grant to relocate an ATCT or navaid. We will review these proposed relocations on a case-by-case basis to further refine our guidance.

Lowell H. Johnson