



Moore County Airport Authority, Public Meeting Agenda

Tuesday, May 10th, 2016

CALL TO ORDER

- A. **CLOSED SESSION**
(None)
- B. **OPEN SESSION: INQUIRY MADE BY CHAIRMAN:**
Does any Authority member have a conflict of interest concerning agenda items the Board will address in this meeting?
- C. **APPROVAL OF PREVIOUS MEETING MINUTES**
 - 1. Moore County Airport Authority Meeting **Minutes, April 12th, 2016.**
- D. **PUBLIC COMMENTS** – Moderated by the Chairman, William Bateman *(Procedures are attached)*
- E. **PRESENTATIONS**
(None)
- F. **PUBLIC HEARING**
(None)
- G. **REPORTS**
 - 1. **Financial Report** – Financial Administrator **(100LL Comparison) (Jet Comparison)**
 - 2. **Director's Report** – Executive Director
 - 3. **Operation's Report** – Director of Operations
 - 4. **Flight Center Report** – Executive Director **(Statistics)**
- H. **ADDITIONAL AGENDA ITEMS (IF ANY)**
- I. **UNFINISHED BUSINESS**
 - 1. Formal approval requested for Chairman to sign the Airfield Storm Drain Pipe Inspection & Rehabilitation **Grant Agreement. (Assurances) (Certification & Disclosure)**
 - 2. Progress update from Chairman, Bill Bateman, of the Professional Pilot's Program with Sandhills Community College.
 - 3. Discuss the purchase of a Complex Aircraft and provide guidance to staff. **(Aircraft Info) (Photos)**
 - 4. Formal request to implement into the By-Laws the Agenda protocols and publication.
 - 5. Review Executive Director's budget approval limit and/or to amend the Executive Director's staffing protocols.
- J. **NEW BUSINESS**
 - 1. Approve Rank Order on the **Airport Projects List** for NC DOA.
 - 2. NCAA Conference Synopsis provided by Secretary, Mike Jones.
 - 3. Discuss FAA AC 150/5100-14E Architectural, Engineering, and Planning Consultant Services for Airport Grant Projects, led by Bob Zschoche. **(Advisory Circular)**
- K. **ANNOUNCEMENTS**
 - 1. The Moore County Airport Authority meeting will be held at 10:00 a.m. in the Terminal Conference Room at the Moore County Airport on Tuesday, June 14th, 2016.
- L. **ADJOURNMENT**

PROCEDURES FOR PUBLIC COMMENTS MOORE COUNTY AIRPORT AUTHORITY

The Moore County Airport Authority is committed to allowing members of the public an opportunity to offer comments and suggestions. All comments and suggestions addressed to the Authority during the Public Comment Period shall be subject to the following procedures:

- 1. The comment period will be limited to a maximum of thirty minutes.*
- 2. Persons who wish to speak should register on a sign-up sheet made available thirty (30) minutes before the Authority meeting commences, indicating contact information and topic of comment(s). In order to be acknowledged by the Authority Chairman during the public comments portion of the meeting, you must indicate your intent to speak on the sign-in sheet.*
- 3. Each person signed up to speak will have three (3) minutes to make his/her remarks. Each person signed up to speak will only be entitled to the time allotted to each speaker and one additional time period which may be yielded to him/her by another individual who has also signed up to speak on a particular topic.*
- 4. Speakers will be acknowledged by the Authority Chairman in the order in which their names appear on the sign-up sheet. Speakers will address the Authority from the podium and begin their remarks by stating their name and address.*
- 5. This public comment period is not intended to require the Authority to answer any impromptu questions; however, the Authority reserves the right to respond. Speakers will address all comments to the Authority as a whole and not one individual member. Discussions between speakers and others in attendance at the meeting will not be allowed.*
- 6. Speakers will be courteous in their language and presentation. Matters or comments which are harmful, discriminatory or embarrassing to any citizens, official or employee shall not be allowed. Speaker must be respectful and courteous in their remarks and must refrain from personal attacks and the use of profanity.*
- 7. Only one speaker will be acknowledged at a time.*
- 8. Speakers who have prepared written remarks or supporting documents are encouraged to leave a copy of such remarks and documents with staff.*
- 9. Speakers shall not discuss any of the following: matters which concern the candidacy of any person seeking public office, including the candidacy of the person addressing the Board; matters which are closed sessions matters, including but not limited to matters within the attorney-client privilege, anticipated or pending litigation, personnel, property acquisition, matters which are made confidential by law; matters which are the subject of public hearings.*
- 10. Actions on items brought up during the Public Comment Period will be at the discretion of the Authority.*

(9/1/2014)



Moore County Airport Authority
Tuesday, April 12th, 2016
Public Board Meeting – 10:00 a.m.
Minutes

The Moore County Airport Authority met in regular session on April 12th, 2016 at 10:00 a.m. at the Moore County Airport Terminal Conference Room.

Authority Members Present: William Bateman, Chairman – (Arrived during Open Session)
George Parker, Vice Chairman
Mark Brenner, Treasurer
Michael Jones, Secretary
Bob Zschoche, Member

Authority Members Absent: **(None)**

Staff Present: Steve Borden, Executive Director
Bobbie Cox, Operations Director
Kristin Klug, Finance Administrator
Crystal Meyers, Administrative Assistant

Others Present: Mike Allen
Preston Allen
Bernie Blake
Charles Mirman
Barry Lerman

CALL TO ORDER

Open Session – Vice Chairman, George Parker, opened session.

A. Closed Session – (Closed Session was heard after the conclusion of Open Session)

Note: Per the Vice Chairman's request and the agreement of present Authority members, Closed Session will be postponed until the conclusion of Open Session.

1. *I hereby move that, pursuant to N.C. Gen. Stat. § 143-318.11(a) (4), the Board meets in closed session for the purpose of discussing matters relating to the location or expansion of business in the area served by this body. Subject: Aircraft Maintenance Services Contract Review*

2. *and Pursuant to N.C.G.S. 143-318.11(a) (5) establish or instruct the staff or agent concerning the negotiation of the price and terms of a contract concerning the acquisition of real property. Subject: Cockman Property*

- Upon motion made by Treasurer, Mark Brenner, and seconded by Vice Chairman, George Parker, the Authority voted 5 to 0 to enter Closed Session.
- Upon motion made by Vice Chairman, George Parker, and seconded by Secretary, Mike Jones, the Authority voted 5 to 0 to return to Open Session.

B. Open Session: Inquiry made by Vice Chairman: *Does any Authority member have a conflict of interest concerning agenda items the Board will address in this meeting?*

(None)

C. Public Comments – Moderated by Chairman, William Bateman:

1. Charles Mirman provided a copy of the comments and concerns he discussed with the Airport Staff during the April 2016 Base Customer Meeting.

D. Presentations

1. Star Aviation provided background information of their Aircraft Maintenance Services Company and individual credentials of each partner. Concerns were expressed regarding the move to Moore County Airport due to the unkind reception received from some encountered based customers and the uncertainty of their services being embraced and utilized at this location. The Airport Authority offered promotion support to assist with marketing to local customers. The goal is to have Star Aviation on board as the Moore County Airport Aircraft Maintenance Service provider by May 2016.

E. Public Hearing

1. Budget Summary was provided by Financial Administrator, Kris Klug.
 - It was reported the Total Budget of \$3,011,598 for FY16/FY17, \$871K below the current budget, a 22 % decrease, due to not having Aircraft Maintenance, lower fuel costs, and less Capital outlay. To balance the FY 16/FY17 Budget \$228K will be pulled from retained earnings, which is \$296K below the unrestricted funds the Authority has available. The Budget is on a modified accrual basis.
 - Reported was the fee schedule increases included in the FY16/FY17 Budget of 3% on Hangar/Ramp/Storage/Offices Rentals and a 10% increase on Transient landing, ramp, GPU, LAV, after hours rates for out-of-season rates. The in-season rates will remain the same. The Aircraft Rental rates will also increase by \$5.00 per hour beginning July 1, 2017.
 - Highlighted expense assumptions in the FY16/FY17 include a 3% COLA, two (2) additional Full-Time employees, \$17K for the Non-Primary Entitlement match, \$10K for Community Events, \$125K for a Complex Aircraft and \$10K for Miscellaneous Capital Outlay.
2. Public Comments on the FY16/FY17 Budget: Chairman opened Public Hearing

- Charles Mirman provided brief points of concern to the Authority regarding a few budget decisions. The first being the 3% annual increase on Hangar rents is disincentive for expense containment or expense reduction. Mr. Mirman also inquired about the demand for a flight program through the College and if a study has ever been conducted. He explained his disagreement with the need for such a program.

F. Approval of previous meeting minutes:

1. Requested formal approval of the Moore County Airport Authority March 8th, 2016 Meeting Minutes.
 - Upon motion made by Secretary, Mike Jones, and seconded by Treasurer, Mark Brenner, the Authority voted 4 to 0 to approve the Moore County Airport Authority March 8th, 2016 Meeting Minutes.

G. Additional Agenda Items

1. (None)

H. Reports

1. *Financial Report* – Kris Klug reviewed the financial activities for March 2016:
 - February fuel sales were \$15K lower than the previous March and \$28K above the prior month. Volume was up by 174 gallons from last March and 9,722 gallons above the prior month. The margin by percent of sales is 5.8% higher than the prior year. Receipts were \$18K higher than last March.
 - A monthly report of surrounding Airport fuel sale prices within 100 nautical miles of KSOP was provided. Base AVGAS is 5th among competitors, Transient AVGAS 14th among competitors. Base Jet is 4th among competitors, and Transient Jet 14th among competitors.
2. *Director's Report* – Executive Director, Steve Borden, reported:
 - Holding an employee meeting on Friday, March 18, 2016. The agenda included a presentation on the Airport's Emergency Plan and the Quarterly Safety and Health meeting.
 - Holding a meeting with the base customers on Tuesday, April 5, 2016 discussing better ways the Airport can better serve its customer's needs. The Blue Pig catering food truck was on-site during the meeting. Mr. Borden reported a favorable turn-out along with valuable suggestions and comments. Responses and corrective actions have been drafted, are being reviewed, and will be distributed to the Airport Base Customers.
 - The Blue Pig Catering to begin serving lunch at the Airport beginning in May 2016, on the 3rd Thursday of each month.
 - Hiring a new part-time resource CSR, Ms. Amber Faull, and a new flight instructor, Mr. Bob Deen.
 - Attending the Board of Commissioners' Budget Task Force meeting on March 23, 2016 to present the FY 2017 Airport Budget.

- The Authority Chairman and Airport Executive Director meeting with Dr. Dempsey and Dr. Roush from SCC and the Board of Commissioners to present the Professional Pilot program and discussed the partnership between the Airport and the College. Additional information will be presented later in the meeting.
- The Harley H. Pope Flight of the Order of Daedalians is sponsoring a Cadet from the local AF JROTC Detachment at Pinecrest High School to participate in the Cadet Flight Indoctrination Program. This program is jointly funded by the National Order of Daedalians and the local flight to pay for the selected Cadet's flight training up to initial solo. This year's selection was Pinecrest High School Student, John Hall.
- Hosting the 1st Squadron, 73d Cavalry Regiment from Fort Bragg for a Leadership Professional Development seminar at the airport.

Note: Chairman, William Bateman, arrived.

- The FAA completing significant upgrades to the AWOS. The system was down for two weeks for the upgrades and is now on line. The AWOS is now an AWOS-2 with a precipitation discriminator and will provide information regarding any detected precipitation on the Airfield.
- The next EAA Young Eagles day is scheduled for Saturday, May 7, 2016 from 10:00am – 2:00pm. A flyer is posted on the events page of the Airport website.

3. *Operation's Report* – Director of Operations, Bobbie Cox, reported:

- Providing an Airport tour to the Little Promisers Preschool class on Thursday, March 10th, 2016, for approximately 80 students and parents.
- Purchasing a replacement Dodge Grand Caravan and placing it into service on March 29, 2016.

4. *Flight Department Report* – Executive Director, Steve Borden, reported:

- Total Flight hours for the month of March was 105.5, up from 65.1 in February 2016.
- Reported the Flight Center Student/Customer Statistics for the Month of **March:**

Current Actively Flying Students:	11
Flight School New Inquiries:	9
Flight School Enrollments:	7
Total Student Flights:	48
Owner Aircraft Instr. Students:	2
Rental Flights:	6
Flight Review/Check-out:	6
Scenic Flights:	3
Gift Certificates Purchased:	0
Gift Certificates Utilized:	1
- N291KF down for 100 hour service, N139ME due for 100 hour service.
- The Chief Flight Instructor recruitment is on-going.

I. Old Business

1. Announced the Aircraft Maintenance Service Provider selected is Star Aviation and requested formal approval for Chairman to sign Contract Agreement.
 - **Chairman postponed vote until contract review takes place in Closed Session.** (See Section K, Postponed Agenda Items.)
2. Requested formal approval to donate Airport Fire Truck to Pitt-Greenville Airport.
 - Upon motion made by Vice Chairman, George Parker, and seconded by Secretary, Mike Jones, the Authority voted 5 to 0 to donate the Airport Fire Truck to Pitt-Greenville Airport.
3. Requested formal approval on the Moore County Airport Personnel Policy updates.
 - Upon motion made by Secretary, Mike Jones, and seconded by Vice Chairman, George Parker, the Authority voted 5 to 0 to approve the Moore County Airport Personnel Policy updates.
4. Requested formal approval of the FY16/FY17 Budget, which includes the updated Airport Personnel Policy.
 - Upon motion made by Vice Chairman, George Parker, and seconded by Secretary, Mike Jones, the Authority voted 5 to 0 to approve the FY16/FY17 Airport Budget, including the updated Airport Personnel Policy.
5. Progress update was provided by Chairman, Bill Bateman, on the Professional Pilot's Program at Sandhills Community College.
 - Chairman reported meeting with the Moore County Commissions along with Sandhills Community College Representatives. The presentation was well received and reported being satisfied with the outcome of the meeting. Chairman also reported upcoming meetings scheduled to continue with efforts to move forward with the program.

J. New Business

1. Requested formal approval to surplus Aircraft Maintenance Inventory and offer to incoming Aircraft Maintenance Services Provider.
 - **Chairman postponed vote until selection of Aircraft Service Provider is determined and announced after Closed Session.** (See Section K, Postponed Agenda Items)
2. Requested formal approval for a Full-Time Line Service Technician position or equal employ to maintain operational hours.
 - Member, Bob Zschoche, suggested increasing the budget limit the Executive Director is granted to approve from \$5,000 to \$10,000, or to allow the Executive Director complete overview to employ adequate staff to maintain Airport operational hours.

- Upon motion made by member, Bob Zschoche, and seconded by Vice Chairman, George Parker, the Authority voted 5 to 0 to approve an additional Full-Time Line Service Technician position or equal employ to maintain operational hours.
3. Discussed Agenda protocols and the release of meeting materials to the public.
- Member, Bob Zschoche, presented a draft document outlining procedures and timelines to create and release the Authority Agendas and Meeting Packets.
 - Discussion took place among board members regarding public comments, additional agenda items, and the timeline in which to release the Agenda for review by Authority members.
 - Authority members agreed to have Mr. Zschoche's draft document reflect the changes discussed during this meeting and to have available for presentation to the Authority members during the next Authority meeting for adoption.

Chairman called for 5 minute recess.

K. Postponed Agenda Items

1. The formal announcement was made for the selection of an Aircraft Maintenance Service Provider at KSOP as Star Aviation, LLC as the KSOP Aircraft Maintenance Services Provider.
2. Requested formal approval of the Aircraft Maintenance Service Provider contract between Star Aviation, LLC and the Moore County Airport Authority, to be signed by the Airport Authority Chairman.
 - Upon motion made by Treasurer, Mark Brenner, and seconded by Vice Chairman, George Parker, the Authority voted 5 to 0 to approve the contract, as presented by Executive Director, Steve Borden, between Star Aviation, LLC and the Moore County Airport Authority, to be signed by the Airport Authority Chairman.
3. Requested formal approval to surplus Aircraft Maintenance Inventory and offer the inventory to the incoming Aircraft Maintenance Services Provider.
 - Upon motion made by Vice Chairman, George Parker, and seconded by Treasurer, Mark Brenner, the Authority voted 5 to 0 to approve surplus of the Aircraft Maintenance Inventory and offer the inventory to the incoming Aircraft Maintenance Services Provider.

L. Additional Agenda Items

1. Treasurer, Mark Brenner, asked the Authority if there was interest in pursuing more information on the 501C3 program. The members agreed to have Dr. Brenner move forward with his inquiries into the program.

M. Announcements/Adjournment

1. Chairman, William Bateman, adjourned the meeting of the Moore County Airport Authority and announced the next regular meeting scheduled for Tuesday, May 10th, 2016, at 10:00 a.m. in the Terminal Conference Room at the Moore County Airport.
2. Chairman, Bill Bateman, adjourned the meeting.

William Bateman, Chairman
Moore County Airport Authority

Michael Jones, Secretary
Moore County Airport Authority

**Moore County Airport
Financial Statement Comments
April 2016**

Fuel sales were \$15K lower than the previous April and \$67K above the prior month.

- Volume was up by 495 gallons from last April and 18,726 gallons above the prior month.

Other Operations

- Receipts were \$9K higher than last April.
 - +\$2K Facility Rental
 - +\$2K Aircraft Services – GPU, landing and ramp fees up versus prior year
 - +\$5K Flight Training – 106.4 hours of flight time vs. last April 70.5
- Overhead expenses were \$9K lower than the previous April.
 - \$9K Admin - \$8K lower legal fees
 - \$2K Facility Maintenance –Utilities \$4K lower due to timing and \$2K higher for building maint
 - +\$7K Aircraft Maintenance – Timing of parts billing
 - \$5K Aircraft Services - \$2K lower for vehicle fuel (timing) and \$3K lower salaries and benefits

Income from Operations was a gain of \$42K compared to last April's gain of \$16K. Sales margin of \$8K, additional receipts of \$9K and lower legal fees are the main contributors to the difference in income from operations.

Year-To-Date

Fuel sales are \$161K lower than the prior year.

- Volume is up 15.8% from the prior year (46,118 gallons)
- Margin on sales is 6.3% higher than the prior year

Other Operations

- Receipts are \$64K higher than the prior year
 - \$21K Facility Rental
 - +\$80K Aircraft Maintenance
 - +\$4K Aircraft Services
 - +\$2K Flight Training
- Overhead Expenses are \$44K higher than the prior year.
 - \$32K Admin –\$46K lower for legal fees, \$5K higher for grant expenses, \$5K higher for salaries and benefits and \$2K higher for equip
 - +15K Depreciation
 - \$6K Facility Maintenance - \$4K higher for salaries and benefits and \$10K lower for utilities
 - +\$115K Aircraft Maintenance
 - \$18K Aircraft Services–\$11K lower salaries and benefit, \$7K lower for vehicle fuel, \$3K lower for equipment repairs and \$4K higher customer appreciation
 - \$30K Flight – \$25K lower for salaries and benefits and \$6K lower for fuel

Income from Operations through April was a loss of \$19K versus a loss of \$58K the prior year.

Net Income for the year on the modified accrual basis is a loss of \$16K. The prior year was a loss of \$78K.

Net Income on the full accrual basis is a gain of \$1K through April versus a gain of \$58K for the prior year.

**Moore County Airport
Financial Statement
April 2016 versus April 2015
Unaudited Numbers**

	April 2016	April 2015	April *B/(W)	YTD April 2016	YTD April 2015	YTD *B/(W)
Fuel						
Fuel Sales	153,998	169,512	(15,514)	1,150,106	1,311,147	(161,041)
Fuel Expense	<u>82,588</u>	<u>106,316</u>	<u>23,728</u>	<u>697,347</u>	<u>877,468</u>	<u>180,120</u>
Fuel Margin	71,410	63,196	8,214	452,759	433,679	19,080
Margin % of Sales	46.4%	37.3%	9.1%	39.4%	33.1%	6.3%
Receipts from Operations Less Fuel						
Facility Rental Income	\$ 33,126	\$ 31,102	\$ 2,024	\$ 351,611	\$ 372,962	\$ (21,351)
Aircraft Maintenance	35	-	35	80,096	-	80,096
Aircraft Services	22,262	20,275	1,988	132,883	128,615	4,267
Flight Training	17,353	12,013	5,340	112,706	110,489	2,217
Miscellaneous	<u>517</u>	<u>961</u>	<u>(444)</u>	<u>5,227</u>	<u>6,041</u>	<u>(814)</u>
Receipts	73,293	64,350	8,943	682,524	618,108	64,416
Expenses from Operations Less Fuel						
Administration	32,568	41,575	9,008	361,540	393,801	32,261
Depreciation	18,984	18,984	0	189,840	174,552	(15,288)
Facilities Maintenance	6,212	8,252	2,041	108,471	114,475	6,004
Aircraft Maintenance	7,298	-	(7,298)	114,655	-	(114,655)
Aircraft and Customer Services	25,090	30,458	5,368	279,530	297,054	17,525
Flight Training	<u>12,344</u>	<u>12,484</u>	<u>140</u>	<u>100,233</u>	<u>129,931</u>	<u>29,698</u>
Expenses	102,495	111,753	9,258	1,154,268	1,109,814	(44,455)
Total Receipts Including Fuel	227,291	233,862	(6,571)	1,832,630	1,929,254	(96,625)
Total Expenses Including Fuel	185,083	218,069	(32,986)	1,851,615	1,987,281	135,666
Income (Loss) from Operations	42,208	15,793	26,415	(18,986)	(58,027)	39,041
Non Operating Receipts						
Transfer from Cnty General Fund	-	-	-	309	141,668	(141,359)
Transfer from Airport Project Fund	-	-	-	31,178	-	31,178
Insurance Funds	-	-	-	2,882	6,319	(3,437)
Interest Income	562	231	332	2,113	1,183	930
USDOT Reimbursement	-	-	-	-	-	-
Non Operating Expenses						
Hangar Debt Principal	-	-	0	-	113,202	113,202
Hangar Debt Interest	-	3,316	3,316	-	33,163	33,163
Transfer to County	-	-	-	-	-	0
Transfer to Capital	-	-	0	16,667	-	(16,667)
Capital Outlay	-	-	0	16,886	22,783	5,897
DAL Revenue Guarantee	-	-	-	-	-	0
Net Income (Loss)	\$ 42,770	\$ 12,708	\$ 30,063	\$ (16,057)	\$ (78,004)	\$ 61,948

*B/(W) = Better/(Worse)

Full Accrual

Modified Accrual	\$ 42,770	\$ 12,708	\$ (16,057)	\$ (78,004)
Hangar Debt Principal	-	-	-	113,202
Transfer to Capital	-	-	-	-
Capital Outlay	-	-	16,886	22,783
Prior Year Adjustment for DAL	-	-	-	-
Transfer from Airport Project Fund	-	-	-	-
Net Income Full Accrual	\$ 42,770	\$ 12,708	\$ 829	\$ 57,980

Breakdown by Area

	April '16	April '15	April B/(W)	April '16 YTD	April '15 YTD	YTD B/(W)
Administration						
Rental Income	33,126	31,102	2,024	351,611	372,962	(21,351)
Expenses	<u>51,552</u>	<u>60,559</u>	<u>9,008</u>	<u>551,380</u>	<u>568,353</u>	<u>16,973</u>
P/(L)	(18,426)	(29,458)	11,032	(199,769)	(195,391)	(4,378)
Facilities Maintenance						
Expenses	6,212	8,252	2,041	108,471	114,475	6,004
Aircraft Maintenance						
Receipts	35	0	35	80,096	0	80,096
Expenses	7,298	0	(7,298)	114,655	0	(114,655)
P/(L)	(7,263)	0	(7,263)	(34,559)	0	(34,559)
Line/Customer Service						
Fuel Receipts	153,998	169,512	(15,514)	1,150,106	1,311,147	(161,041)
Fuel Expenses	82,588	106,316	23,728	697,347	877,468	180,120
Other Receipts	22,262	20,275	1,988	132,883	128,615	4,267
Other Expenses	25,090	30,458	5,368	279,530	297,054	17,525
Line Service Totals						
Receipts	176,260	189,786	(13,526)	1,282,989	1,439,762	(156,773)
Expenses	<u>107,678</u>	<u>136,773</u>	<u>29,095</u>	<u>976,877</u>	<u>1,174,522</u>	<u>197,645</u>
P/(L)	68,582	53,013	15,569	306,112	265,240	40,872
Flight Training						
Receipts	17,353	12,013	5,340	112,706	110,489	2,217
Expenses	<u>12,344</u>	<u>12,484</u>	<u>140</u>	<u>100,233</u>	<u>129,931</u>	<u>29,698</u>
P/(L)	5,009	(470)	5,480	12,474	(19,442)	31,915
Miscellaneous						
Receipts	517	961	(444)	5,227	6,041	(814)
Total Operating Receipts	227,291	233,862	(6,571)	1,832,630	1,929,254	(96,625)
Total Operating Expenses	<u>185,083</u>	<u>218,069</u>	<u>32,986</u>	<u>1,851,615</u>	<u>1,987,281</u>	<u>135,666</u>
P/(L) from Operating	42,208	15,793	26,415	(18,986)	(58,027)	39,041
Other Items						
Receipts	562	231	332	36,482	149,170	(112,688)
Expenses	<u>0</u>	<u>3,316</u>	<u>3,316</u>	<u>33,553</u>	<u>169,148</u>	<u>135,595</u>
P/(L) from Other Items	562	(3,086)	(2,985)	2,929	(19,978)	(248,283)
Net Income/(Loss)	42,770	12,708	30,063	(16,057)	(78,004)	61,948

**MOORE COUNTY AIRPORT
FINANCE MEASURABLES
Apr-16**

	<u>2016</u>	<u>2015</u>	<u>%</u>	<u>Historical</u>
Unrestricted Net Assets per audit 6/30/15	1,296,295			
Less Fund Balance Policy Restriction	(1,000,000)			
Available from Unrestricted Net Assets	296,295			

Accounts Receivable

Current	49,977.29	52,630.73
31-60	4,539.79	6,497.83
61-90	2,403.18	952.43
91 Plus	223.31	534.74
Total A/R	57,143.57	60,615.73

Fuel

Jet A Gallons April	40,480	39,246	3.1%	
Avgas Gallons April	6,747	7,486	-9.9%	
Fuel Gallons Pumped April	47,227	46,732	1.1%	
Jet Fuel YTD	276,607	235,310	17.6%	
Fuel Gallons Pumped YTD FY2016				338,162
Fuel Gallons Pumped YTD FY2015				292,044
Fuel Gallons Pumped YTD FY2014				289,056
Fuel Gallons Pumped YTD FY2013				280,124
Fuel Gallons Pumped YTD FY2012				301,214
Fuel Gallons Pumped YTD FY2011				297,511
Fuel Gallons Pumped YTD FY2010				269,780
Fuel Gallons Pumped YTD FY2009				299,266

Fuel by Customer Type

Jet Base	8,210	4,908	67.3%
Jet Transient	32,270	34,338	-6.0%
Total Jet for April	40,480	39,246	3.1%
Avgas Base	3,364	3,783	-11.1%
Avgas MCA	989	468	111.3%
Avgas Transient	2,394	3,235	-26.0%
Total Avgas for April	6,747	7,486	-9.9%

Landings

Single Engine Landings	204	260	-21.5%
Multi Engine Landings	51	55	-7.3%
Jet Landings	107	119	-10.1%
Helicopter Landings	5	4	25.0%
MCA Landings	56	69	-18.8%
Total Landings April	423	507	-16.6%
Base Aircraft Landings April (Less MCA)	148	193	-23.3%
Transient Aircraft Landings April	219	245	-10.6%
Jet Landings YTD	829	738	12.3%
Total Landings YTD	4,254	4,525	-6.0%



Search

Base Jet \$3.08
Trans Jet \$3.62

» Home » Contact Us » Search Help » Link To Us » About 100LL.com

Jet-A Fuel Prices within 100NM of KSOP (48 results found)

[Back to KSOP](#)

100 LL

Jet-A

Sort by: Jet-A Full

Airport	FBO Name	Jet-A Self	Jet-A Full	Last Updated	Dist/Brg from KSOP
KEYF	Taylor Aviation-EYF	\$2.44	\$2.44	Apr 26, 2016	63NM @ 133°
KJNX	Johnston County Airport		\$2.88	Apr 26, 2016	60NM @ 69°
KHRJ	Warren Aviation		\$2.99	May 2, 2016	38NM @ 75°
KDPL	Duplin County Airport	\$3.039	\$3.039	Apr 26, 2016	81NM @ 101° ← BC
KIGX	Horace Williams Airport		\$3.19	Apr 18, 2016	51NM @ 20°
KAFP	Anson County Airport		\$3.29	May 2, 2016	41NM @ 248°
KLBT	Lumberton Regional Airport		\$3.35	May 2, 2016	47NM @ 156°
KDAN	General Aviation		\$3.40	May 2, 2016	92NM @ 1°
KVUJ	Stanly County Airport		\$3.45	Apr 26, 2016	44NM @ 286°
KGWW	Wayne Executive Jetport	\$3.12	\$3.45	May 1, 2016	81NM @ 79°
KRCZ	Richmond County Airport		\$3.50	May 2, 2016	31NM @ 221°
KMEB	Scotland Aero Services		\$3.57	Apr 26, 2016	30NM @ 177° ← TR
KTТА	Raleigh Executive Jetport		\$3.62	Apr 29, 2016	28NM @ 34°
KCTZ	Clinton Flying Service, Inc.		\$3.70	Apr 26, 2016	60NM @ 107°
KEXX	Fly High Lexington LLC		\$3.78	Apr 25, 2016	63NM @ 306°
KBBP	Rare Air, Inc.		\$3.89	Apr 25, 2016	46NM @ 204°
KSVH	Statesville Flying Service		\$3.97	Apr 26, 2016	95NM @ 292°
KRUQ	Rowan County		\$3.99	Apr 26, 2016	69NM @ 293°
KTDF	Red Mountain Aviation, Inc.		\$3.99	May 2, 2016	75NM @ 17°
KSCR	Cardinal Air		\$3.99	Apr 26, 2016	32NM @ 348°
KHNZ	Aircobra Corp.		\$3.99	May 2, 2016	91NM @ 31°
KEQY	Charlotte-Monroe Executive Airport	\$3.60	\$3.99	Apr 26, 2016	71NM @ 257°
KHBI	Cardinal Air		\$3.99	Apr 26, 2016	40NM @ 315°
KUDG	Darlington County Airport		\$4.00	Apr 25, 2016	61NM @ 207°
KSIF	Rockingham County / Shiloh Airport		\$4.01	May 2, 2016	86NM @ 342°
KW03	Carolina Air Center, LLC		\$4.15	May 2, 2016	87NM @ 65°
KFLO	Precision Air		\$4.20	Apr 21, 2016	75NM @ 194°
KJQF	Concord Regional Airport -- City Of Concord		\$4.32	May 2, 2016	75NM @ 277°
KCDN	Camden Jet Center		\$4.43	May 2, 2016	93NM @ 225°
KLHZ	Triangle North Executive Airport		\$4.49	Apr 26, 2016	80NM @ 47°
KRWI	Air Care, Inc.		\$4.49	Apr 26, 2016	94NM @ 63°
KBUY	Sky South Aviation		\$4.50	Apr 26, 2016	56NM @ 355°

KCLT	Wilson Air Center		\$4.57	Apr 28, 2016	88NM @ 268°
KLKR	Lancaster County Airport	\$4.47	\$4.75	May 2, 2016	90NM @ 246°
K2A5	Causey Aviation Service		\$4.93	May 2, 2016	48NM @ 344°
KFAY	Signature Flight Support		\$4.97	May 2, 2016	33NM @ 120°
K14A	Race City Flight Operations		\$4.99	Apr 26, 2016	88NM @ 287°
KCQW	Hall Aviation		\$5.00	Apr 25, 2016	48NM @ 221°
KGSO	Signature Flight Support		\$5.50	Apr 12, 2016	67NM @ 332°
K5W4	(Skydive) Paraclete Aviation		\$5.50	May 2, 2016	18NM @ 143°
KRDU	Tac Air		\$5.57	May 2, 2016	55NM @ 37°
KGSO	Signature Flight Support		\$5.59	May 2, 2016	67NM @ 332°
KRDU	Signature Flight Support		\$5.70	May 2, 2016	55NM @ 37°
KINT	Signature Flight Support		\$6.08	May 2, 2016	77NM @ 322°
KHVS	Skyline Aviation Services		\$4.45*	Jul 1, 2015	70NM @ 215°
KACZ	Wallace Henderson Field Airport	\$2.99		May 2, 2016	86NM @ 114°
KW40	Bass Aviation, Inc.	\$2.82		Apr 26, 2016	76NM @ 90°
KHYW	Conway Aviation	\$2.83		Apr 25, 2016	98NM @ 171°

* Fuel prices marked in RED are over 30 days old, and are deliberately ranked lower in the search results.

100LL.com

Kansas City

Search 100LL.com

©2012 Aviation Fuel Data LLC [Privacy Policy](#)



Search

Base 100LL \$3.76
Trans 100LL \$4.01

» Home » Contact Us » Search Help » Link To Us » About 100LL.com

100LL Fuel Prices within 100NM of KSOP (57 results found)

[Back to KSOP](#)

100 LL

Jet-A

Sort by: 100LL Full ▼

Airport	FBO Name	100LL Self	100LL Full	Last Updated	Dist/Brg from KSOP
KHRJ	Warren Aviation	\$3.49	\$3.49	May 2, 2016	38NM @ 75°
KLBT	Lumberton Regional Airport	\$3.50	\$3.50	May 2, 2016	47NM @ 156°
KEYF	Taylor Aviation-EYF	\$3.59	\$3.59	Apr 26, 2016	63NM @ 133°
KT73	Kirk Air Base		\$3.60	May 2, 2016	82NM @ 242°
KCPC	Columbus County Airport	\$3.65	\$3.65	Apr 28, 2016	76NM @ 150°
KDPL	Duplin County Airport	\$3.659	\$3.659	Apr 26, 2016	81NM @ 101°
KMAO	Marion County Airport		\$3.769	May 2, 2016	73NM @ 177° ← BC.
KSCR	Cardinal Air	\$3.83	\$3.83	Apr 26, 2016	32NM @ 348°
KHBI	Cardinal Air	\$3.83	\$3.83	Apr 26, 2016	40NM @ 315°
KGWW	Wayne Executive Jetport	\$3.53	\$3.85	May 1, 2016	81NM @ 79°
KCTZ	Clinton Flying Service, Inc.		\$3.88	Apr 26, 2016	60NM @ 107°
KRCZ	Richmond County Airport	\$3.90	\$3.90	May 2, 2016	31NM @ 221°
KJNX	Johnston County Airport		\$3.93	Apr 26, 2016	60NM @ 69° ← TR
KVUJ	Stanly County Airport	\$3.61	\$4.02	Apr 26, 2016	44NM @ 286°
KIGX	Horace Williams Airport		\$4.09	Apr 18, 2016	51NM @ 20°
KHNZ	Aircobra Corp.		\$4.29	May 2, 2016	91NM @ 31°
KEQY	Charlotte-Monroe Executive Airport	\$3.70	\$4.40	Apr 26, 2016	71NM @ 257°
KFLO	Precision Air		\$4.45	Apr 21, 2016	75NM @ 194°
KRUQ	Rowan County	\$3.85	\$4.45	Apr 26, 2016	69NM @ 293°
KSIF	Rockingham County / Shiloh Airport	\$4.38	\$4.53	May 2, 2016	86NM @ 342°
KBUY	Burlington Aviation		\$4.602	May 2, 2016	56NM @ 355°
KJQF	Concord Regional Airport -- City Of Concord		\$4.65	May 2, 2016	75NM @ 277°
KDAN	General Aviation		\$4.65	May 2, 2016	92NM @ 1°
KSVH	Statesville Flying Service		\$4.68	Apr 26, 2016	95NM @ 292°
KLKR	Lancaster County Airport	\$4.14	\$4.68	May 2, 2016	90NM @ 246°
KLHZ	Triangle North Executive Airport		\$4.69	Apr 26, 2016	80NM @ 47°
KBUY	Sky South Aviation		\$4.70	Apr 26, 2016	56NM @ 355°
K14A	Race City Flight Operations		\$4.70	Apr 26, 2016	88NM @ 287°
KRWI	Air Care, Inc.		\$4.80	Apr 26, 2016	94NM @ 63°
KW03	Carolina Air Center, LLC		\$4.85	May 2, 2016	87NM @ 65°
K2A5	Causey Aviation Service		\$4.87	May 2, 2016	48NM @ 344°
KEXX	Fly High Lexington LLC	\$3.895	\$4.90	Apr 25, 2016	63NM @ 306°

KTDF	Red Mountain Aviation, Inc.		\$4.99	May 2, 2016	75NM @ 17°
KCQW	Hall Aviation		\$5.00	Apr 25, 2016	48NM @ 221°
KTTA	Raleigh Executive Jetport	\$4.91	\$5.01	Apr 29, 2016	28NM @ 34°
KCDN	Camden Jet Center		\$5.12	May 2, 2016	93NM @ 225°
KCLT	Wilson Air Center		\$5.20	Apr 28, 2016	88NM @ 268°
KBBP	Rare Air, Inc.		\$5.30	Apr 25, 2016	46NM @ 204°
KFAY	Signature Flight Support		\$5.40	May 2, 2016	33NM @ 120°
KBQ1	Gilliam McConnell Airfield		\$5.50	Apr 26, 2016	7NM @ 339°
KGSO	Signature Flight Support	\$4.88	\$5.55	Apr 12, 2016	67NM @ 332°
KGSO	Signature Flight Support	\$4.88	\$5.55	May 2, 2016	67NM @ 332°
K5W4	(Skydive) Paraclete Aviation		\$6.00	May 2, 2016	18NM @ 143°
KINT	Signature Flight Support	\$4.00	\$6.35	May 2, 2016	77NM @ 322°
KRDU	Tac Air		\$6.50	May 2, 2016	55NM @ 37°
KRDU	Signature Flight Support		\$6.52	May 2, 2016	55NM @ 37°
KHVS	Skyline Aviation Services		\$4.55*	Jul 1, 2015	70NM @ 215°
KACZ	Wallace Henderson Field Airport	\$3.65		May 2, 2016	86NM @ 114°
K8A7	Star Aircraft	\$3.99		Apr 12, 2016	76NM @ 307°
KAFP	Anson County Airport	\$3.88		May 2, 2016	41NM @ 248°
KPYG	Town of Pageland	\$4.75		May 2, 2016	64NM @ 237°
KHYW	Conway Aviation	\$4.19		Apr 25, 2016	98NM @ 171°
K52J	Lee County	\$3.80		Apr 18, 2016	83NM @ 215°
KUDG	Darlington County Airport	\$4.30		Apr 25, 2016	61NM @ 207°
KW40	Bass Aviation, Inc.	\$4.95		Apr 26, 2016	76NM @ 90°
KMEB	Scotland Aero Services	\$4.68		Apr 26, 2016	30NM @ 177°
K2GC	Cape Fear Aviation	\$4.00		Apr 26, 2016	38NM @ 127°

* Fuel prices marked in RED are over 30 days old, and are deliberately ranked lower in the search results.

100LL.com

Kansas City

Search 100LL.com

©2012 Aviation Fuel Data LLC Privacy Policy

Moore County Airport-Update: 13 April 2016 – 10 May 2016
(Highlights only)

1. Star Aviation, LLC has established an aircraft maintenance FBO and they are now open for business at the airport. They will be operating out of the offices and shop in Hangar 1 and anyone that would like to schedule their aircraft for an inspection or other maintenance should contact Mike, Bernie, or Preston at (910) 585-2020.
2. Met with Dr. Roush who chaired the second Career Pilot Program Advisory Committee Meeting. The committee discussed the program curriculum to include required courses and the curriculum in general.
3. We attended the annual NCAA Conference in Wilmington NC. The agenda this year allowed participants to attend all of the seminar sessions instead of having to choose between sessions running concurrently. There were a total of 8 seminar sessions over the two days and speakers included the NC Secretary of Transportation, Senators Bill Rabon and Rick Gunn, Dennis Roberts FAA Regional Administrator for the Southern Region and Phillip Braden FAA Memphis Airports District Office.
4. Attended the Moore County Transportation Committee meeting on 20 April 2016. The agenda included a discussion of the NC DOT Prioritization 4.0 Project rankings. Our hangar development project earned a good score from NC DOT and as of this meeting it has a reasonable chance of being funded.
5. Looked at a possible complex aircraft, a Piper Arrow. This will be discussed in more detail later in the meeting.
6. The airport hosted an EAA Young Eagles day on Saturday 7 May 2016 from 1000 – 1400.
7. Continue to work with Talbert & Bright on a possible LED upgrade to the ramp lighting. We are expecting to receive a quote for the cost to upgrade the lighting from the contractor that originally installed the ramp lights.
8. Hosted the NC DOT Division 8 Engineer, Brandon Jones for an airport familiarization tour on 28 April 2016. We discussed the airport infrastructure, reviewed some of the upcoming projects and went on a windshield tour of the airfield to provide some perspective on our operations and also to allow for a first-hand look at the topics we discussed.
9. We would like to remind everyone that has access to the airside of the airport via the main gate to please ensure you wait for the gate to close after proceeding through when entering/exiting the airfield. Additionally, we have noticed several instances of excessive speed on the ramp. Please remember for safety reasons the speed limit on aircraft ramp is 15 MPH.

May 2016 Operations Report:

1. On Tuesday April 19, 2016 Matt Johnson with the Pitt Greenville airport came by and picked up the Fire Truck and all the gear.
2. T-hangar # 30 opened up on May 1, 2016 and was rented to Jim Truemper who had a Cirrus on a tie-down with us.
3. T-hangar # 64 had bird wire installed to keep the birds out.
4. T-hangar # 68 had bird wire installed to keep the birds out and a piece of loose weather stripping was re-glued.
5. On Wednesday May 4, 2016 Carl refreshed and planted new flowers in all of the flower pots.

Flight Department

Based on Accounting Month

Apr '15 May '15 June '15 July '15 Aug '15 Sep '15 Oct '15 Nov '15 Dec '15 Jan '16 Feb '16 Mar '16 Apr '16

Hours

N292KF	29.5	22.2	31.5	11.4	19.3	11.4	10.5	16.7	11.7	20.2	11.9	26.1	35.5
N291KF	14.1	39.2	13.3	10.0	10.3	17.2	32.5	11.6	19.7	5.8	13.5	33.2	38.4
N139ME	20.7	10.9	18.5	17.2	36.8	13.3	9.4	15.5	22.6	15.3	23.4	43.4	21.3
Simulator	1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Owner Aircraft	2.3	7.0	0.0	0.8	2.2	11.4	0.0	23.8	15.4	16.0	16.3	8.7	10.1
Flight Department (Non Revenue)	2.1	0.0	0.0	2.1	1.8	5.7	9.5	0.3	0.0	0.0	0.0	2.8	1.1
Total Hours of Flight Time	70.5	79.3	63.3	41.5	70.4	59.0	61.9	67.9	69.4	57.3	65.1	114.2	106.4

of Solo Hours Included Above

N292KF	1.8	2.9	5.4	0.0	5.0	1.7	4.1	3.3	3.4	1.5	1.8	7.8	5.4
N291KF	3.2	16.5	6.9	4.6	2.2	1.4	7.0	5.1	3.3	5.0	6.5	7.4	12.6
N139ME	5.2	2.8	11.6	2.6	10.8	4.1	0.0	1.0	5.0	2.3	9.0	9.1	1.7
Total # of Solo Hours	10.2	22.2	23.9	7.2	18.0	7.2	11.1	9.4	11.7	8.8	17.3	24.3	19.7

Instructor Time (Includes Ground Time)

K. Brannum	32.7	35.2	13.0	4.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Thompson	12.4	3.5	0.0	0.0	6.0	36.9	41.9	19.6	26.1	23.1	18.0	38.2	44.2
Stevens	28.1	30.4	51.0	48.9	67.0	28.3	43.3	65.5	39.8	55.5	49.1	66.1	49.5
N. Brannum (Left)	17.0	6.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Buffton	0.0	0.0	0.0	0.0	8.6	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0
Borden	0.0	1.4	0.0	1.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.7	0.0
Cook	0.0	0.0	0.0	0.0	0.0	0.0	3.1	15.0	27.8	11.2	18.8	20.6	18.7
Deen	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.8	25.5
Total Instructor Time	90.2	76.7	64.0	55.1	81.6	65.2	89.3	100.1	93.7	89.8	85.9	127.4	137.9

Flight Center Statistics

Current Actively Flying Students for Month of April: 12

Month/Year	Flight School/ Rental Inquires	Flight School Enrollments	Active Flight School Students	Total Student FLTS	Owner Aircraft Instruction Students	Renters Total FLTS	Fit Review/ Rental ✓ -Outs Total FLTS	Scenic FLTS	Gift Certificate	
									Purchased	Used
Jan 2016/ # Students: 16	20	10	16	18	3	11	3	2	0	2
Feb 2016/ # Students: 12	8	4	12	23	2	5	2	1	0	1
March 2016/ # Students: 11	9	7	11	48	2	6	6	3	0	1
April 2016/ # Students: 12	8	5	12	53	3	5	4	4	0	2
May 2016/ # Students:										
June 2015 # Students:										
July 2016/ # Students:										
August 2016/ # Students:										
Sept 2016/ # Students:										
October 2016/ # Students:										
Nov 2016/ # Students:										
Dec 2016/ # Students:										
Totals:	45	26	51	142	10	27	15	10	0	6

Flight Center Statistics

Current Actively Flying Students for Month of December: 9

Month/Year	Flight School Inquires	Flight School Enrollments	Active Flight School Students	Total Student FLTS	Owner Aircraft Instruction Students	Renters Total FLTS	Flt Review/ Rental ✓-Outs Total FLTS	Scenic FLTS	Gift Certificate	
									Purchased	Used
April 2015/ # Students: 9	10	6	1	42	4	6	0	3	6	2
May 2015/ # Students: 7	12	6	1	39	0	12	2	5	0	0
June 2015 # Students: 7	10	4	3	30	0	10	6	1	0	0
July 2015/ # Students: 10	11	7	5	23	1	1	4	3	0	1
August 2015/ # Students: 6	18	2	2	29	1	9	9	3	3	0
Sept 2015/ # Students: 8	17	6	5	23	5	4	6	1	1	0
October 2015/ # Students: 10	7	2	1	30	3	6	4	3	1	0
Nov 2015/ # Students: 7	4	1	1	17	2	6	1	1	0	2
Dec 2015/ # Students: 9	14	2	9	17	1	10	3	6	12	2
Totals:	103	36	28	250	17	64	35	26	23	7



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

PAT MCCRORY
GOVERNOR

NICHOLAS J. TENNYSON
SECRETARY

April 29, 2016

William Bateman
MOORE COUNTY AIRPORT AUTHORITY
PO Box 5809
PINEHURST NC 28374

Request for Aid(Application) #: 1000003968

SUBJECT: APPROVAL OF REQUEST FOR AID APPLICATION

Dear William Bateman:

The NCDOT Division of Aviation has completed its final review of your above Request for Aid # 1000003968 form for Moore County in the amount of \$ 143,014.00 and it is approved to proceed to the next stage of the funding process.

1. Attached to the online Request for Aid application is the grant agreement for the funding of Project 36237.67.7.1 including the State and Federal Assurances, for Federal Block Grants. **Please print two (2) originals of everything (preferably on bond paper).** The appropriate governmental body must execute these agreements. Upon completion, both original copies of the agreement must be returned to this office. **Please remember that all signatures and seals must be original and not reproduced copies.** The Department will fill in the date on the first page of the agreement once the Secretary of Transportation signs the documents.

2. The next step of the funding process is the Acceptance of Assurances, and the Pinning of the above Request for Aid (Application) form online through the Partner Connect - Grant Management System: <https://partner.ncdot.gov/irj/portal>

Should you have any questions, please do not hesitate to contact the Division of Aviation Grant Administrator or your regional Airport Project Manager. The NCDOT Division of Aviation appreciates your commitment and contribution to our state aviation system. With aviation partners like you, North Carolina will continue to be First in Flight.

Sincerely,
Bobby Walston, PE
Director of Aviation

MAILING ADDRESS:
NC DEPARTMENT OF TRANSPORTATION
DIVISION OF AVIATION
1560 MAIL SERVICE CENTER
RALEIGH NC 27699-1560

TELEPHONE: 919-814-0550
Fax: 919-840-9267
WEBSITE: WWW.NCDOT.GOV

LOCATION:
RDU AIRPORT
1050 MERIDIAN DRIVE
MORRISVILLE, NC 27560



Airport Name	Moore County	Application Number	1000003968
Airport ID	SOP	Vendor ID	1000024274
Project Request	00002501	WBS	36237.67.7.1
Description	AIRFIELD STORMDRAIN PIPE INSPECTION AND REHABILITATION - PHASE I, PART 1 INVESTIGATION		
Long Description	Perform preliminary engineering and inspection (video inspect pipe/structures, perform GPR/EMI testing to identify possible voids, perform limited geotech inspection, and perform visual inspection of structures) of existing airfield stormdrain pipe (some dating to original airport construction). The airport has experienced settlement over/around two pipe structures in the ROFA, indicating possible leaking joints; the Airport has had to make repeated emergency repairs at one location at a storm drain inlet where deep voids continue to develop. This presents a potential safety hazard if these holes develop in airfield pavements or safety areas. Part 1 of the Phase 1 project will inspect all of the older SD pipe on the airfield (indicated in red and green on attached exhibits). Part 2 of Phase 1 (project		

Request For Aid

Sponsor	Name of Agency	MOORE COUNTY AIRPORT AUTHORITY		
	Contact Person	William Bateman		
	Address	PO Box 5809 PINEHURST, NC 28374		
	Telephone Number	+1 (910) 692-3212	Email	batesf16@nc.rr.com
Accounting	Name of Budget Official *	Caroline Xiong		
	Title *	Finance Director, Moore County		
	Address *	PO Drawer 5809 Pinehurst, NC 28374		
	Telephone Number *	(910) 692-3212	Email *	(910) 693-4378
Consultant	Name of Firm	Talbert & Bright, Inc		
	Project Manager	Amy Moore, PE		
	Address	4810 Shelley Drive Wilmington, NC 28405		
	Telephone Number	(910) 763-5350	Email	amclane@tbiilm.com

Certification of Local Funds and Accounting Information

☐ STATE AID AIRPORTS PROJECT

☐ STATE MATCH/AIP GRANT

☒ FEDERAL BLOCK GRANT PROGRAM

Approved Project Cost	\$158,905			
Local Matching Funds Required:	\$15,891.00	representing a	10.00%	local share of the project
Fiscal Yr:	2	0	1	6
If this is a Federal Aid (AIP) Project indicate Federal Project Number				

WORK ELEMENTS AND FUNDS REQUESTED (round funds to the nearest dollar)

Work Element	State Aid Requested	FAA Funds Proposed	Local Funds Committed	Total Estimated Cost
Stormdrain Pipe Inspection & Rehabilitation Phase I		\$143,014.00	\$15,891.00	\$158,905.00
TOTALS		\$143,014.00	\$15,891.00	\$158,905.00

Airport Name	Moore County	Application Number	1000003968
Airport ID	SOP	Vendor ID	1000024274
Project Request	00002501	WBS	36237.67.7.1

Code & Category of Expenditure		Estimated Cost
Remaining Amount (Informational Only)		\$0.00
A101 - Administrative Expense		\$1,491
A102 - Preliminary Eng., Planning, Testing		\$126,840
A103 - Land Acq., Str./Utility Relocation		
A104 - Engineering Services Basic Fees		\$30,574
A105 - Project Inspection, QA, Testing		
A106 - Const. & Project Improvement Cost		
A107 - Equipment(i.e. nav aids, Fire Truck		
A108 - Miscellaneous(specify)		
A109- In-Kind		
Expenditure & In-Kind Total		\$158,905

☒ Billable ☐ Non-Billable

Estimated Project Funding	Percent	Project Req Amt	Amount
FEDERAL	90.00%	\$143,014.00	\$143,014.00
STATE		\$0.00	\$0.00
LOCAL	10.00%	\$15,891.00	\$15,891.00

<input checked="" type="checkbox"/>	<p>I hereby certify that the local matching share for this project has been officially approved, placed into the budget of the Sponsoring local governmental unit and will be available for expenditure upon execution of the State Aid to Airports Grant Agreement and start of this project. I further certify that the authority of the Sponsoring local governmental unit to enter into contracts with the state of North Carolina has been reviewed by the governmental attorney and, in his opinion, the Sponsoring local governmental unit is duly authorized to commit the Sponsor to an Agreement with the North Carolina Department of Transportation.</p> <p>I further certify that all expenditures of this project will be accounted for in a manner consistent with the requirements of the State Auditor, that the Sponsor has made appropriate arrangements to have its accounts audited on an annual basis in conformance with the Single Audit Act of the State of North Carolina, and that each annual Single Audit will contain the required information about this project.</p>
<input checked="" type="checkbox"/>	<p>I certify that, to the best of my knowledge, the estimated costs shown above were derived from careful analysis of the project, include all anticipated project expenses, and represent the intended budget of the Sponsor for this project.</p>
<input checked="" type="checkbox"/>	<p>I acknowledge the above DBE/MBE/WBE goal and certify that it was used in the bid documents for the project according to applicable federal law CFR Title 49 Part 26 and state statutes GS 136-28.4; EO 106: GS 143-48; GS 136-28.10.</p>
<input type="checkbox"/>	<p>I certify that terms and conditions/agreement along with assurances are attached herewith.</p>



Airport Name	Moore County	Application Number	1000003968	
Airport ID	SOP	Vendor ID	1000024274	
Project Request	00002501	WBS	36237.67.7.1	
	Name	Title	Pin	Date
Sponsor Representative	Steve Borden	Executive Director	****	04/05/2016
Sponsor Authorization				04/29/2016

Pin & Save

BLOCK GRANT/NON PRIMARY ENTITLEMENT AGREEMENT

STATE AID TO AIRPORTS BLOCK GRANT
BETWEEN
THE N. C. DEPARTMENT OF TRANSPORTATION,
AN AGENCY OF THE STATE OF NORTH CAROLINA

AIRPORT: **MOORE COUNTY**
AIRPORT

AND
MOORE COUNTY AIRPORT AUTHORITY

PROJECT NO: **36237.67.7.1**

THIS AGREEMENT made and entered into this the ____ day of _____, 20____, by and between the NORTH CAROLINA DEPARTMENT OF TRANSPORTATION (hereinafter referred to as "Department") and **MOORE COUNTY AIRPORT AUTHORITY**, the owner of **MOORE COUNTY AIRPORT** (hereinafter referred to as "Sponsor").

W I T N E S S E T H

WHEREAS, Chapter 63 of the North Carolina General Statutes authorizes the Department to administer a program of State Aid to Airports, subject to the limitations stated in that Chapter; and

WHEREAS, the Department has received the approval of the Federal Aviation Administration to administer certain Airport Improvement Program Funds in North Carolina under the provisions of the State Block Grant Program in accordance with Chapter 63-71; and the FAA Modernization and Reform Act of 2012; and

WHEREAS, the Department has approved a grant of funds to the Sponsor for State Block Grant and *Non Primary Entitlement* Program funds.

NOW THEREFORE, the Department and the Sponsor do hereby mutually agree as follows:

- 1) That the approved scope of this project shall consist of:

**AIRFIELD STORMDRAIN PIPE INSPECTION AND REHABILITATION - PHASE I, PART 1
INVESTIGATION**

- 2) That the Grant of funds shall include maximum funding obligations for federal funds which shall be:

State Block Grant Program: **\$143,014** (not to exceed **90%** of the final total costs)

- 3) That the funding obligations referenced in (2) above shall be the maximum obligations based on the final cost of eligible work items in the approved project, as certified by the Sponsor

- 4) That the Sponsor shall promptly undertake the Project and complete all work on the Project no later than the **1st** day of **JULY 2017**, unless a written extension of time is granted by the Department.

- 5) That all work performed on the Project shall conform to the approved scope of work referenced in this Agreement. Any amendments or modifications to the approved scope of work, approved grant amounts, or this Agreement shall not be authorized by the Department unless they are contained in a written modification to this Agreement and fully executed by both the Sponsor and the Department.
- 6) Debarment and Suspension: The Grantee agrees to comply, and assures the compliance by each of its third party contractors and subrecipients at any tier, with the provisions of Executive Orders Nos. 12549 and 12689, "Debarment and Suspension," 31 U.S.C. § 6101 note, and U.S. DOT regulations on Debarment and Suspension at 49 C.F.R. Part 29.
- 7) The Sponsor certifies that it has adhered to all applicable laws, regulations, and procedures in the application for and Sponsor's approval of this Grant.
- 8) For a material breach of this Agreement or the Sponsor's Assurances, the Sponsor shall be liable to the Department for the return of all grant monies received.
- 9) The Sponsor agrees to adhere to the standards and procedures contained in the State Aid to Airports Program Guidance Handbook (third edition, dated January 1997), unless the Department issues a written waiver to the contrary.
- 10) The Sponsor agrees to adhere to and be bound by the Grant Assurances of the Federal Aviation Administration, said Grant Assurances contained in Appendix I of this Grant Agreement. Further, the Sponsor agrees that it shall be responsible to the Federal Aviation Administration, or its designated agent, for enforcement of such Grant Assurances including any penalties, sanctions, or other actions which may be legally enforceable for lack of compliance with said Grant Assurances.
- 11) The Sponsor agrees to comply with the "Sponsor Assurances" contained as part of this Agreement.
- 12) N.C.G.S. § 133-32 and Executive Order 24 prohibit the offer to, or acceptance by, any State Employee of any gift from anyone with a contract with the State, or from any person seeking to do business with the State. By execution of any response in this grant agreement, you attest, for your entire organization and its employees or agents that you are not aware that any such gift has been offered, accepted, or promised by any employees of your organization.

IN WITNESS WHEREOF, THE PARTIES HERETO EXECUTED THIS GRANT AGREEMENT THE DAY AND YEAR FIRST WRITTEN ABOVE:

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION:

NCDOT SEAL

BY: _____
Deputy Secretary for Transit

ATTEST: _____

SPONSOR:

Signed: _____

Title: _____

SPONSOR SEAL

Attest: _____

STATE OF NORTH CAROLINA, COUNTY OF _____

I, _____, a Notary Public in and for the County and State aforesaid, do hereby
certify that _____ personally came before me this day and
acknowledged that he is _____ of the _____
(Title) (Sponsor)

(hereinafter referred to as "Sponsor" and by authority duly given and as an act of said Sponsor, the foregoing instrument was
signed by him, attested by _____ of the Sponsor, and
(Name and Title)

Seal of the Sponsor affixed hereto.

WITNESS my hand and Notarial Seal, this the _____ day of _____ 20_____

Notary Public (Signature)

My Commission expires: _____

SEAL

RESOLUTION

A motion was made by _____ and seconded by _____

(Name and Title)

_____ for the adoption of the following resolution, and upon being put to a

(Name and Title)

vote was duly accepted:

WHEREAS, a Grant in the amount of **\$143,014** has been approved by the Department based on total estimated cost of **\$158,905**; and

WHEREAS, an amount equal to or greater than **ten percent (10%)** of the total estimated project cost has been appropriated by the Sponsor for this Project.

NOW THEREFORE, BE AND IT IS RESOLVED THAT THE _____

(Title)

of the Sponsor be and he hereby is authorized and empowered to enter into a Grant Agreement with the Department, thereby binding the Sponsor to the fulfillment of its obligation incurred under this Grant Agreement or any mutually agreed upon modification thereof.

I _____ of the
_____ (Name and Title)

_____ do hereby certify that
_____ (Sponsor)

the above is a true and correct copy of an excerpt from the minutes of the

_____ of a meeting
_____ (Sponsor)

duly and regularly held on the _____ day of _____, 20_____.

This, the _____ day of _____, 20_____.

SPONSOR SEAL

Signed: _____

Title: _____

Of The: _____

SECTION A: SPONSOR'S ASSURANCES: GENERAL CONDITIONS

A-1. The Sponsor certifies that it holds fee simple title to the property on which this project is to be constructed. In the event any work is proposed on property which has an easement or lease in the Sponsor's name, the Sponsor agrees that it will comply with the Department's conditions and receive written approval prior to any construction on such lease or easements. This condition does not apply to planning projects.

A-2. The Sponsor agrees to operate the Airport for the use and benefit of the general public and shall not deny reasonable access to public facilities by the general public.

A-3. The Sponsor agrees to operate, maintain, and control the Airport in a safe and serviceable condition for a minimum of twenty (20) years following the date of this Agreement and shall immediately undertake, or cause to be undertaken, such action to correct safety deficiencies as may be brought to its attention by the Department.

A-4. The Sponsor agrees that any land purchased, facilities constructed, or equipment acquired under this Agreement shall not be sold, swapped, leased or otherwise transferred from the control of the Sponsor without written concurrence of the Department.

A-5. The Sponsor agrees that the state share of any land purchased, facilities constructed, or equipment acquired under this Agreement shall be credited to the Department in a manner acceptable to the Department in the event such land, facilities or equipment are subsequently disposed of through sale or lease.

A-6. Insofar as it is within its power and reasonable, the Sponsor shall, either by the acquisition and retention of property interest, in fee or easement, or by appropriate local zoning action, prevent the construction of any object which may constitute an obstruction to air navigation under the appropriate category of Federal Air Regulation Part 77, 14 CFR 77.

A-7. Insofar as it is within its power and reasonable, the Sponsor shall, restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and taking off of aircraft and the noise produced by such operations by adoption of zoning laws, by acquisition and the retention of property interest, in fee or easement.

A-8. Terminal building spaces constructed under this Grant Agreement shall be for the use of the general public. The Sponsor agrees that it will not use any space so constructed for private use, or charge fees for the use of such space, without the written approval of the Department.

SECTION B: SPONSOR'S ASSURANCES: PROJECT ADMINISTRATION

B-1. The Airport shall comply with all requirements of the State Aid to Airports Program Guidance Handbook (third edition, January 1997).

B-2. It is the policy of this State, to encourage and promote participation by disadvantaged minority owned and women owned businesses (MBE and WBE) in contracts let by the Department pursuant to GS 136-28.4 for the planning, design, preconstruction, construction, alteration, or maintenance of State transportation infrastructure construction, and in the procurement of materials for these projects. All State agencies, institutions, and political subdivisions shall cooperate with the Department of Transportation and among themselves in all efforts to conduct outreach and to encourage and promote the use of disadvantaged minority owned and women owned businesses in these contracts. This is designed to ensure minority MBEs and WBEs have maximum opportunity to participate in performance of NCDOT contracts let using state funding. The sponsor assures and certifies with respect to this grant that they will pursue these requirements as stipulated by the Department in the advertising, award and administration of all contracts, and require the same for all contractors, sub recipient or subcontractors.

MBE\WBE program is governed by G.S. 136-28.4 and administered in accordance with Title 19A Chapter 02 SubChapter D Section .1101 - .1112 of North Carolina Administrative Code (19A NCAC 02D.1101).

B-3. The Sponsor shall submit draft plans and specifications, or approved alternate, for the project for review by the Department prior to advertising for bids on the Project. Should bids not be required on the project, the Sponsor shall submit a detailed scope of work and estimated costs prior to requesting "Project Concurrence and Notice to Proceed" form (AV-CONCUR/AV-503) for undertaking the project. All plans (and alternate) shall be supported by engineer's report. A list of deliverable(s) from the Sponsor to the Department is as follows:

Planning Projects

1. Interim Planning Submittals – All Airport Layout Plan Sheets, Reports, Projections, Construction Cost Estimate, drawings, sketches and all other pertinent information – electronic copy: PDF format. Paper copy, if requested: bond copy – true half-size.
2. Final Submittal - All Airport Layout Plan Sheets, Reports, Projections, Construction Cost Estimate, drawings, sketches and all other pertinent information – electronic copies: PDF format and AutoCAD or MicroStation format - Paper copy: bond– true half-size for plan sheets / sketches
 - a. All reports, projections – PDF Format. Any element of the documents shall be delivered in its original electronic format (i.e. MSWord, Excel, AutoCAD...) if requested by the Department
 - b. Sketches and drawings – electronic copies: PDF format and AutoCAD or MicroStation format - Paper copy: bond – true half-size for plan sheets / sketches.

Construction Projects

1. Interim Design Submittals (i.e. 30%, 60%, 90%....) – Plan Sheets, Technical Specifications, Itemized Construction Cost Estimate and Engineers Report – electronic copy: PDF format. Paper copy, if requested: bond true half-size for plan sheets.
2. 100% Design and Issue for Bid Submittals – Plan Sheets, Technical Specifications, Itemized Construction Cost Estimate, Engineer's Report, and Bid Tab – Any element of the documents shall be delivered in electronic format (i.e. MS Excel and PDF format) and AutoCAD or MicroStation format and Paper copy: bond– true half-size for plan sheets.
3. As-built / Record Drawings
 - a. Contract Documents (Plan and Detail Sheets, Technical Specifications) – electronic copies: PDF format and AutoCAD or MicroStation format and Paper copy: bond– true half-size for plan sheets.
 - b. Technical Specifications – electronic copies: MS Word File and PDF format
 - c. Final Engineers Report – electronic copies: PDF format unless otherwise requested.

B-4. Bids will be taken in accordance with N. C. General Statute 143-129. Following bid opening or final contract negotiations, the Sponsor shall submit the "Project Concurrence and Notice to Proceed" (AV-CONCUR/AV-503) request along with the bid tabulations to the Department for review. The Department will take action on the request including the approval or disapproval of the Sponsor's Employment of specific contractors within ten (10) days of receipt. Approval will be communicated via a Contract Goal Requirements Letter sent directly to the Sponsor.

B-5. All contractor(s) who bid or submit proposals for contracts in connection with this project must submit a statement of non-collusion to the Sponsor.

B-6. The Sponsor shall not commence construction or award construction contracts on the project until a written "Project Concurrence and Notice to Proceed" (AV-CONCUR/AV-503) is co-signed by the Sponsor's Representative and the Department or alternate written approval is provided by the Department.

B-7. The Sponsor shall submit quarterly status reports (AV-STATUS/AV-502) to the Department, unless otherwise instructed, and will immediately notify the Department of any significant problems which are encountered in the completion of the project.

B-8. The Sponsor shall notify the Department of any significant meetings or inspections involving the Sponsor, his contractor(s), consultant(s), and/or federal funding agencies concerning Project.

B-9. The Sponsor shall notify the Department within thirty (30) days of completion of all work performed under this agreement for the purpose of final acceptance inspection and completion of audit requirements by the Department.

B-10. The Sponsor has full responsibility for assuring the completed Project meets the requirements of the Department and appropriate federal funding agencies. The Sponsor further certifies that all local, state, and federal requirements for the conduct of this Project shall be met.

B-11. It is the policy of the Department not to award contracts to contractors who have been removed from the Department's list of pre-qualified bidders without subsequent reinstatement. Therefore, no State funds will be provided for any work performed by the contractor(s), or sub-contractor(s) which had been removed from the Department's list of pre-qualified bidders without subsequent reinstatement as of the date of the signing of the construction contract. It shall be the responsibility of Sponsor to insure that only properly qualified contractors are given construction contracts for work.

SECTION C: SPONSOR'S ASSURANCES: PROJECT ACCOUNTING AND PAYMENT

C-1. The Sponsor shall record all funds received under this Agreement and shall keep the same in an identifiable Project account. The Sponsor, and his contractor(s) and/or consultant(s), shall maintain adequate records and documentation to support all Project costs incurred under this Grant. All records and documentation in support of the Project costs must be identifiable as relating to the Project and must be acceptable costs only. Acceptable costs are defined as those costs which are acceptable under "Federal Acquisition Regulations 1-31.6, 48 CFR (OMC Circular A-87)". Acceptable items of work are those referenced in the State Aid to Airports Program Guidance Handbook and North Carolina General Statutes. The Sponsor's accounting procedures which were established for work as set out in this Agreement must be reviewed and accepted by the Department prior to the final execution of this Agreement and payment of State funds, except for Sponsor reporting under OMB Circular A-133.

C-2. The Sponsor and his contractor(s) and/or consultant(s) shall permit free access to its accounts and records by official representatives of the State of North Carolina. Furthermore, the Sponsor and contractor(s) and/or consultant(s) shall maintain all pertinent records and documentation for a period of not less than five (5) years from the date of final payment.

C-3. In accordance with OMB Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations" (www.whitehouse.gov/wh/eop/omb), the Airport shall arrange for an independent financial and compliance audit of its fiscal operations. The Airport shall furnish the Department with a copy of the independent audit report within thirty (30) days of completion of the report, but not later than nine (9) months after the Airports fiscal year ends.

The Airport shall maintain all books, documents, papers, accounting records, and such other evidence as may be appropriate to substantiate costs incurred under this Agreement. Further, the Airport shall make such materials available at its office at all reasonable times during the contract period, and for five (5) years from the date of final payment under this agreement, for inspection and audit by the Department's Fiscal Section

C-4. Payment of the funds obligated under this Grant Agreement shall be made in accordance with the following schedule, unless otherwise authorized by the Department:

A. Payments from NCDOT to the Sponsor are made on a reimbursement basis. The Sponsor must pay all contractors/vendors prior to or within 3 business days of receipt of the Department's reimbursement.

B. Payments will be made on the basis of progress payments which may be requested by the Sponsor as costs are incurred, but not more frequently than monthly. Progress payments will be made provided the following requirements have been met.:

- (1) The Grant Agreement has been executed and a Project Concurrence (AV-CONCUR/AV-503) issued.
- (2) The Project has received an appropriate environmental finding.
- (3) The Sponsor has submitted a Proposed Project Budget (AV-BUDGET/AV-504) accurately reflecting costs to date.

The initial and revised AV-BUDGET/AV-504 shall be approved by the Department. With each AV-BUDGET/AV-504, the Sponsor shall provide the following documentation:

a) Scope of Services for the project, Consultant Fee - Man-hours Breakdown by task with hourly rates, Breakdown of Sub-consultant and / or Vendor Cost, Schedule of Deliverables, Estimated Construction Cost, Plan Sheet List

b) Actual Bidding Cost (once a project is bid) – Bid Tabulation / Bid Schedule, Recommendation for Award.

- (4) Additional information shall be provided as requested.
- (5) The Sponsor has submitted an executed Interim Payment Request (AV-PAY/AV-505) accurately reflecting costs incurred to date.
- (6) The Sponsor has complied with all applicable conditions of the State Aid to Airports Program Guidance Handbook

C. The submission of progress payments is expected to parallel the value of work actually completed and costs incurred. At such point the Sponsor has requested payments equaling 100% of the State Grant, it is expected that the approved Project will be 100% complete.

D. Upon receipt of 100% of the State Grant, the Sponsor will promptly complete Project acceptance and submit the Project Completion and Final Payment Request (AV-FINAL/AV-506).

C-5. If after the acceptance of the Project by the Department, the final State share of approved eligible items is less than the amount of State funds actually disbursed for the Project, the Sponsor shall reimburse the Department in an amount equal to the difference between the amount of State funds actually disbursed and the final State share of the final, audited, approved eligible Project costs within thirty (30) days of notification by the Department of the amount due.

C-6. If after the acceptance of the Project by the Department, the final State share of approved eligible Project costs shall be more than the amount of State funds obligated for the Project, the Sponsor may make application to the Department for a corresponding increase which will be considered for funding in accordance with their relative priority versus other applications for available State funds.

C-7. Under certain conditions, projects originally involving only state and local funds may subsequently be eligible for reimbursement from federal funding agencies. In such cases, the Sponsor shall notify the Department of its intent to apply for federal reimbursement and shall keep the Department informed of the status of such application. In the event federal funds are obtained for all or a portion of the Project, the Sponsor shall refund to the Department an amount equal to the difference between State funds originally disbursed for the work item(s) subsequently receiving federal funds and the final State share of the costs of the affected item(s) of work. Reimbursement will be made within ninety (90) days of the date of the final execution of the FAA Grant Agreement affecting the work elements in the approved Project.

C-8. For the purpose of calculating the State share of the Project, federal funds are defined as funds provided by an agency of the federal government for the specific purpose of undertaking the Project, including Block Grant funds administered by the Department.

SECTION D: SPONSOR'S ASSURANCES: REAL PROPERTY ACQUISITION

D-1. The acquisition of land, buildings, and other real property involving the use of State Airport Aid funds shall be in compliance with the provisions of this Section.

D-2. The Sponsor shall depict each parcel to be acquired on an airport property map containing the identity of the parcel and its metes and bounds.

D-3. The acquisition cost of each parcel, building, or other real property acquired with State financial assistance shall be based on the fair market value of the property as determined by an appraisal process acceptable to the Department.

D-4. For each parcel or building with an estimated cost of \$100,000 or less, fair market value shall be established by a single original appraisal and a review appraisal. For complex acquisitions, fair market value shall be established by two original appraisals and one review appraisal.

D-5. All original and review appraisals shall be conducted by qualified appraisers who have no financial or other interest in the property to be acquired.

D-6. The fair market value of a parcel will be established by the review appraiser based upon the information contained in the original appraisal or appraisals.

D-7. No negotiation for property acquisition shall be commenced between the Sponsor and the property owner until the fair market value of the property has been established. Initial negotiations shall be based upon the fair market value.

D-8. Negotiated values above the fair market value shall not be eligible for State funds unless, prior to the final agreement for acquisition, the Sponsor has received the concurrence of the Department for paying such negotiated values in lieu of the appraised fair market value.

D-9. Sponsors who adhere to the federal "Uniform Guidelines for the Acquisition of Property" shall be deemed to have conformed to the Department's guidelines, except that Paragraph 8 above shall also be applicable under such acquisitions.

D-10. In the event the Project is a low value, non-complex acquisition, the Department, at its option, may accept the original appraisal without the review appraisal. In such cases, all other provisions of this Section shall apply.

D-11. Failure to follow the requirements of this Section shall disqualify the property from State participation for any parcel which has not been acquired in accordance with such standards.

SECTION E: Sponsor's Acknowledgement of Executive Order 24, issued by Governor Perdue, and N.C. G.S. § 133-32

E-1 Sponsor acknowledges and agrees that it is unlawful for any vendor or contractor (i.e. architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor, supplier, or vendor), to make gifts or to give favors to any State employee of the Governor's Cabinet Agencies (i.e., Administration, Commerce, Correction, Crime Control and Public Safety, Cultural Resources, Environment and Natural Resources, Health and Human Services, Juvenile Justice and Delinquency Prevention, Revenue, Transportation, and the Office of the Governor). This prohibition covers those vendors and contractors who:

- (1) have a contract with a governmental agency; or
- (2) have performed under such a contract within the past year; or
- (3) anticipate bidding on such a contract in the future.

For additional information regarding the specific requirements and exemptions, vendors and contractors are encouraged to review Executive Order 24 and G.S. Sec. 133-32.

Revised 1/2/13



ASSURANCES

Airport Sponsors

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this grant agreement.

B. Duration and Applicability.

1. **Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.**

The terms, conditions and assurances of this grant agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. **Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.**

The preceding paragraph 1 also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. Airport Planning Undertaken by a Sponsor.

Unless otherwise specified in this grant agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 25, 30, 32, 33, and 34 in Section C apply to planning projects. The terms, conditions, and assurances of this grant agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements.

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance and use of Federal funds for this project including but not limited to the following:

Federal Legislation

- a. Title 49, U.S.C., subtitle VII, as amended.
- b. Davis-Bacon Act - 40 U.S.C. 276(a), et seq.¹
- c. Federal Fair Labor Standards Act - 29 U.S.C. 201, et seq.
- d. Hatch Act - 5 U.S.C. 1501, et seq.²
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title 42 U.S.C. 4601, et seq.^{1,2}
- f. National Historic Preservation Act of 1966 - Section 106 - 16 U.S.C. 470(f).¹
- g. Archeological and Historic Preservation Act of 1974 - 16 U.S.C. 469 through 469c.¹
- h. Native Americans Grave Repatriation Act - 25 U.S.C. Section 3001, et seq.
- i. Clean Air Act, P.L. 90-148, as amended.
- j. Coastal Zone Management Act, P.L. 93-205, as amended.
- k. Flood Disaster Protection Act of 1973 - Section 102(a) - 42 U.S.C. 4012a.¹
- l. Title 49, U.S.C., Section 303, (formerly known as Section 4(f))
- m. Rehabilitation Act of 1973 - 29 U.S.C. 794.
- n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.), prohibits discrimination on the basis of disability).
- p. Age Discrimination Act of 1975 - 42 U.S.C. 6101, et seq.
- q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- r. Architectural Barriers Act of 1968 - 42 U.S.C. 4151, et seq.¹
- s. Power plant and Industrial Fuel Use Act of 1978 - Section 403- 2 U.S.C. 8373.¹
- t. Contract Work Hours and Safety Standards Act - 40 U.S.C. 327, et seq.¹
- u. Copeland Anti-kickback Act - 18 U.S.C. 874.1
- v. National Environmental Policy Act of 1969 - 42 U.S.C. 4321, et seq.¹
- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended.
- x. Single Audit Act of 1984 - 31 U.S.C. 7501, et seq.²
- y. Drug-Free Workplace Act of 1988 - 41 U.S.C. 702 through 706.

- z. The Federal Funding Accountability and Transparency Act of 2006, as amended (Pub. L. 109-282, as amended by section 6202 of Pub. L. 110-252).

Executive Orders

- a. Executive Order 11246 - Equal Employment Opportunity¹
- b. Executive Order 11990 - Protection of Wetlands
- c. Executive Order 11998 – Flood Plain Management
- d. Executive Order 12372 - Intergovernmental Review of Federal Programs
- e. Executive Order 12699 - Seismic Safety of Federal and Federally Assisted New Building Construction¹
- f. Executive Order 12898 - Environmental Justice

Federal Regulations

- a. 2 CFR Part 180 - OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).
- b. 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [OMB Circular A-87 Cost Principles Applicable to Grants and Contracts with State and Local Governments, and OMB Circular A-133 - Audits of States, Local Governments, and Non-Profit Organizations].^{4, 5, 6}
- c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment
- d. 14 CFR Part 13 - Investigative and Enforcement Procedures 14 CFR Part 16 - Rules of Practice For Federally Assisted Airport Enforcement Proceedings.
- e. 14 CFR Part 150 - Airport noise compatibility planning.
- f. 28 CFR Part 35- Discrimination on the Basis of Disability in State and Local Government Services.
- g. 28 CFR § 50.3 - U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964.
- h. 29 CFR Part 1 - Procedures for predetermination of wage rates.¹
- i. 29 CFR Part 3 - Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States.¹
- j. 29 CFR Part 5 - Labor standards provisions applicable to contracts covering federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act).¹
- k. 41 CFR Part 60 - Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements).¹
- l. 49 CFR Part 18 - Uniform administrative requirements for grants and cooperative agreements to state and local governments.³
- m. 49 CFR Part 20 - New restrictions on lobbying.
- n. 49 CFR Part 21 – Nondiscrimination in federally-assisted programs of the Department of Transportation - effectuation of Title VI of the Civil Rights Act of 1964.
- o. 49 CFR Part 23 - Participation by Disadvantage Business Enterprise in Airport Concessions.

- p. 49 CFR Part 24 -- Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs.^{1 2}
- q. 49 CFR Part 26 -- Participation by Disadvantaged Business Enterprises in Department of Transportation Programs.
- r. 49 CFR Part 27 -- Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance.¹
- s. 49 CFR Part 28 -- Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities conducted by the Department of Transportation.
- t. 49 CFR Part 30 - Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors.
- u. 49 CFR Part 32 -- Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)
- v. 49 CFR Part 37 -- Transportation Services for Individuals with Disabilities (ADA).
- w. 49 CFR Part 41 - Seismic safety of Federal and federally assisted or regulated new building construction.

Specific Assurances

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this grant agreement.

Footnotes to Assurance C.1.

¹ These laws do not apply to airport planning sponsors.

² These laws do not apply to private sponsors.

³ 49 CFR Part 18 and 2 CFR Part 200 contain requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation and circular shall also be applicable to private sponsors receiving Federal assistance under Title 49, United States Code.

⁴ On December 26, 2013 at 78 FR 78590, the Office of Management and Budget (OMB) issued the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200. 2 CFR Part 200 replaces and combines the former Uniform Administrative Requirements for Grants (OMB Circular A-102 and Circular A-110 or 2 CFR Part 215 or Circular) as well as the Cost Principles (Circulars A-21 or 2 CFR part 220; Circular A-87 or 2 CFR part 225; and A-122, 2 CFR part 230). Additionally it replaces Circular A-133 guidance on the Single Annual Audit. In accordance with 2 CFR section 200.110, the standards set forth in Part 200 which affect administration of Federal awards issued by Federal agencies become effective once implemented by Federal agencies or when any future amendment to this Part becomes final. Federal agencies, including the Department of Transportation, must implement the policies and procedures applicable to Federal awards by promulgating a regulation to be effective by December 26, 2014 unless different provisions are required by statute or approved by OMB.

⁵ Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.

⁶ Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this grant agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this grant agreement which it will own or control.

4. Good Title.

- a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.
- b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

- a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this grant agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.

- b. It will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this grant agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this grant agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this grant agreement.
- c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.
- d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.
- e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.
- f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to insure that the airport will be operated and maintained in accordance Title 49, United States Code, the regulations and the terms, conditions and assurances in this grant agreement and shall insure that such arrangement also requires compliance therewith.
- g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.

6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where the project may be located.

8. Consultation with Users.

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. Public Hearings.

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. Metropolitan Planning Organization.

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. Pavement Preventive Maintenance.

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under section 44706 of Title 49, United States Code, and all the security equipment required by rule or regulation, and

has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. Accounting System, Audit, and Record Keeping Requirements.

- a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this grant, the total cost of the project in connection with which this grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.
- b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. Minimum Wage Rates.

It shall include, in all contracts in excess of \$2,000 for work on any projects funded under this grant agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this grant agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in Section 47112 of Title 49, United States Code. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this grant agreement, and, upon approval of the Secretary, shall be incorporated into this grant agreement. Any modification to the approved plans,

specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this grant agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

- a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.
- b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
- c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.
- d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
- e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.
- f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
- g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
- h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

- a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal,

state and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for-

- 1) Operating the airport's aeronautical facilities whenever required;
 - 2) Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
 - 3) Promptly notifying airmen of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.
- b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. Economic Nondiscrimination.

- a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.
- b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or

to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to-

- 1) furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
 - 2) charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
- c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.
 - d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.
 - e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.
 - f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees [including, but not limited to maintenance, repair, and fueling] that it may choose to perform.
 - g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.
 - h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
 - i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

- a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and
- b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

- a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:
 - 1) If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or

operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.

- 2) If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.
 - 3) Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at Section 47102 of title 49 United States Code), if the FAA determines the airport sponsor meets the requirements set forth in Sec. 813 of Public Law 112-95.
- b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.
 - c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of Section 47107 of Title 49, United States Code.

26. Reports and Inspections.

It will:

- a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;
- b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;
- c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this grant agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and

- d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:
 - 1) all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and
 - 2) all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that –

- a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or
- b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein, or rights in buildings of the sponsor as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

- a. It will keep up to date at all times an airport layout plan of the airport showing
 - 1) boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;
 - 2) the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and

roads), including all proposed extensions and reductions of existing airport facilities;

- 3) the location of all existing and proposed nonaviation areas and of all existing improvements thereon; and
 - 4) all proposed and existing access points used to taxi aircraft across the airport's property boundary. Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.
- b. If a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary (1) eliminate such adverse effect in a manner approved by the Secretary; or (2) bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any activity conducted with, or benefiting from, funds received from this grant.

- a. Using the definitions of activity, facility and program as found and defined in §§ 21.23 (b) and 21.23 (e) of 49 CFR § 21, the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by, or pursuant to these assurances.
- b. Applicability
 - 1) Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.
 - 2) Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.

- 3) Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

c. Duration.

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

- 1) So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or
- 2) So long as the sponsor retains ownership or possession of the property.

d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this grant agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

“The (Name of Sponsor), in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises and airport concession disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”

e. Required Contract Provisions.

- 1) It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the DOT, and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.
- 2) It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.
- 3) It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.
- 4) It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin, creed, sex, age, or handicap as a

covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:

- a) For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b) For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
- f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.
- g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

- a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order, (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund. If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.
- b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, (1) upon application to the Secretary, be reinvested or transferred to another

eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order: (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund.

- c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.
- d. Disposition of such land under (a) (b) or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

It will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services with respect to the project in the same manner as a contract for architectural and engineering services is negotiated under Title IX of the Federal Property and Administrative Services Act of 1949 or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications.

It will carry out the project in accordance with policies, standards, and specifications approved by the Secretary including but not limited to the advisory circulars listed in the Current FAA Advisory Circulars for AIP projects, dated _____ (the latest approved version as of this grant offer) and included in this grant, and in accordance

with applicable state policies, standards, and specifications approved by the Secretary.

35. Relocation and Real Property Acquisition.

- a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.
- b. It will provide a relocation assistance program offering the services described in Subpart C and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.
- c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its DBE and ACDBE programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1936 (31 U.S.C. 3801).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. Competitive Access.

- a. If the airport owner or operator of a medium or large hub airport (as defined in section 47102 of title 49, U.S.C.) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that-
 - 1) Describes the requests;
 - 2) Provides an explanation as to why the requests could not be accommodated;
and
 - 3) Provides a time frame within which, if any, the airport will be able to accommodate the requests.
- b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.

Special Conditions

Sponsor Type ¹	Type of Project	Special Conditions
Airport	Multi-year Grants/ Phased Projects	<p>MULTI-YEAR GRANTS - LETTER OF AGREEMENT: The maximum obligation for the current fiscal year stated in Condition 1 of this grant agreement may be increased by the additional amounts, if any, added by the FAA letter to the Sponsor discussed in the subparagraph below, but may not exceed the United States' share of the total estimated cost of completion, except as provided in 49 USC § 47108(b).</p> <p>Under 49 USC § 47108, as amended, and at the Sponsor's request, the FAA commits the United States to obligate an additional amount to this project for FY-[Enter Fiscal Year] pursuant to 49 USC § 47114 and subject to the restrictions on the use of such apportionments imposed on FAA by current or future statute or regulation.</p> <p>It is further understood by the Sponsor and the FAA that this commitment does not in itself obligate, preclude, nor restrict the FAA in the use of any funds made available for discretionary use to further aid the Sponsor in meeting the cost of this project under the terms of this grant agreement and limitations of the law.</p> <p>The exact amount of this commitment will be established for each fiscal year by the FAA in a letter to the Sponsor stating the current maximum obligation for this project. This letter will be issued to the Sponsor by the FAA when such computation and obligation can be made in FY-[Enter Fiscal Year]. The Sponsor and the FAA agree that upon its issuance, this letter will be considered incorporated by reference into this grant agreement.</p>
Airport	ARFF and SRE : Equipment Acquisition	<p>ARFF and SRE EQUIPMENT AND VEHICLES: The Sponsor agrees that it will:</p> <ol style="list-style-type: none"> 1) house and maintain the equipment in a state of operational readiness on and for the airport; 2) provide the necessary staffing and training to maintain and operate the vehicle and equipment; 3) restrict the vehicle to on-airport use only; 4) restrict the vehicle to the use for which it was intended; and 5) amend the Airport Emergency Plan and/or Snow and Ice Control Plan to reflect the acquisition of the vehicle and equipment.
Airport	Equipment Replacement such as ARFF and SRE	<p><u>[Choose the situation below that applies]</u></p> <p>EQUIPMENT OR VEHICLE REPLACEMENT: The Sponsor agrees that it will use the proceeds from the trade-in or sale of equipment being replaced by this project to reduce the total project costs.</p> <p>EQUIPMENT OR VEHICLE REPLACEMENT: The Sponsor agrees that it will use the Fair Market Value of equipment being replaced by this</p>

¹ Sponsor types include Airport Sponsor (Public and Private), Airport Sponsor (Private Only), Noise, and State or Local Government

Special Conditions

Sponsor Type ¹	Type of Project	Special Conditions
		<p>project to reduce the total project costs.</p> <p><u>EQUIPMENT OR VEHICLE REPLACEMENT:</u> The Sponsor and the FAA agree that the Fair Market Value of equipment being replaced by this project is less than \$5,000, and that reimbursement to the FAA for the value of the replaced equipment to reduce the total project costs</p>
Airport	ARFF Equipment - Off-Airport Storage	<p><u>OFF-AIRPORT STORAGE OF ARFF VEHICLE:</u> The Sponsor agrees that it will:</p> <ol style="list-style-type: none"> 1) house and maintain the vehicle in a state of operational readiness for the airport; 2) provide the necessary staffing and training to maintain and operate the vehicle; 3) restrict the vehicle to airport use only; 4) amend the Airport Emergency Plan to reflect the acquisition of the vehicle ; 5) within 60 days, execute an agreement with local government including the above provisions and a provision that violation of agreement could require repayment of grant funding; and 6) submit a copy of the executed agreement to the FAA.
Airport	AWOS	<p><u>AUTOMATED WEATHER OBSERVING SYSTEMS (AWOS):</u> The Sponsor agrees that it will:</p> <ol style="list-style-type: none"> 1) within 60 calendar days of grant acceptance, establish a Memorandum of Agreement (MOA) with the FAA; 2) develop an Operations Maintenance Manual to more specifically describe the operational, maintenance, and documentation requirements for the AWOS; 3) within 60 calendar days of installation, take the necessary actions to initiate the AWOS commissioning by the FAA; and 4) provide for the installation, commissioning, continuous operation, and maintenance of any Non-Federal AWOS funded under this grant for the useful life of the equipment. <p>The Sponsor further understands that the FAA will not take over the ownership, operation, or maintenance of any Sponsor-acquired equipment.</p>
Airport	ALP & AIP Funded Construction	<p><u>AIRPORT LAYOUT PLAN:</u> The Sponsor understands and agrees to update the Airport Layout Plan to reflect the construction to standards satisfactory to the FAA and submit it in final form to the FAA. It is further mutually agreed that the reasonable cost of developing said Airport Layout Plan Map is an allowable cost within the scope of this project.</p>
Airport	Lighting - Operation and Maintenance	<p><u>LIGHTING:</u> The Sponsor must operate and maintain the lighting system during the useful life of the system in accordance with applicable FAA standards.</p>

Special Conditions

Sponsor Type ¹	Type of Project	Special Conditions
Airport	Temporary NAVAIDS	TEMPORARY NAVAIDS: The Sponsor agrees that [Enter Type of Equipment] equipment is being acquired for temporary use to minimize disruptions to the airport during construction. The Sponsor further agrees that upon construction completion of this project or at the point when this equipment is no longer needed for its intended use (but no later than the construction completion of the project), that the Sponsor will house this equipment in an interior enclosure. The Sponsor further agrees to make this equipment available, without cost, to be transferred to another airport or as directed by the FAA.
Airport	Construction on land not yet acquired/ Good Title	NOTICE TO PROCEED - PROPERTY INTEREST ACQUIRED: The Sponsor understands and agrees that the FAA authorization for the Sponsor to issue a notice to proceed with construction work will not be given until the Sponsor has adequately certified that good title will be acquired on the land on which construction is to be performed.
Airport	Construction on land not yet acquired/ Good Title	TITLE EVIDENCE: The Sponsor understands and agrees that the FAA will not make nor be obligated to make any payments involving Parcel(s) [Enter parcel number(s) and other land identifying information] until title evidence has been submitted to, and found satisfactory by the FAA, subject to no liens, encumbrances, reservations or exceptions which in the opinion of the FAA might create an undue risk or interference with the use and operation of the airport.
Airport	DBE Plan	DBE PLAN: The Sponsor understands and agrees that the FAA will not make nor be obligated to make any payments on this grant until the Sponsor has received approval of its DBE Plan from the FAA Office of Civil Rights.
Airport	Environmental	ENVIRONMENTAL: The environmental approval for this project was issued on [Enter Approval Date] This project includes the following mitigation measures: [Enter Mitigation Measures] The Sponsor understands and agrees to complete the above-listed mitigation measures to standards satisfactory to the FAA. It is further mutually agreed that the reasonable cost of completing these mitigation measures is an allowable cost within the scope of this project.
Airport	EMAS	EMAS BLOCK PRE-PURCHASE: The Sponsor understands that it may request reimbursement for payment made by the Sponsor to the EMAS manufacturer for up to 90% of the cost of EMAS block manufacturing costs of EMAS blocks that remain in the manufacturer's care, custody and control provided that the Sponsor has provided a certification to the FAA as to quantity and condition of the EMAS blocks.

Special Conditions

Sponsor Type ¹	Type of Project	Special Conditions
		The remaining payment may be made after delivery to the Sponsor's location and acceptance by the Sponsor.
Airport	Equipment	EQUIPMENT ACQUISITION: The Sponsor understands and agrees that any equipment acquired through this grant is considered a <i>facility</i> as that term is used in the Grant Assurances. Further, the equipment must be only operated by the Sponsor. The Sponsor agrees that it will maintain the equipment and use it exclusively at the airport for airport purposes.
Airport	Equipment - Friction Measuring Device	FRICTION MEASURING DEVICES: The Sponsor agrees that it will properly calibrate, operate, and maintain the friction measuring equipment. The friction measuring equipment and tow vehicle (if applicable) must not be used for any other purpose other than for conducting friction measuring tests on airport pavement surfaces and directly related activities.
Airport	NAVAIDS - ILS Note that in general, Category I ILS are no longer being installed. Instead, RNAV approaches provide equivalent approach minima. Installation of a new ILS must follow the ILS policy and must have APP-1 approval.	INSTRUMENT LANDING SYSTEM AND ASSOCIATED EQUIPMENT IN PROJECT: The Sponsor agrees that it will: 1) Prior to commissioning, assure the equipment meets the FAA's standards; and 2) Remove, relocate, lower, mark, or light each obstruction to obtain a clear approach as indicated in the 14 CFR part 77 aeronautical survey.
Airport	Fence - Wildlife	WILDLIFE FENCE: The Sponsor understands that the fence is being installed to prevent wildlife from entering the airfield. The Sponsor agrees that it will maintain the integrity of the fence for its useful life, but no less than 20 years from the date of the grant was issued. The Sponsor understands that maintenance of the fence includes repair of damage to the fence or gates due to any purpose.
Airport	Land - Revise Exhibit "A" Property Map	UPDATE APPROVED EXHIBIT "A" PROPERTY MAP FOR LAND IN PROJECT: The Sponsor understands and agrees to update the Exhibit "A" Property Map to standards satisfactory to the FAA and submit it in final form to the FAA. It is further mutually agreed that the reasonable cost of developing said Exhibit "A" Property Map is an allowable cost within the scope of this project.
Airport	Land acquisition -Future Land	FUTURE DEVELOPMENT LAND: The Sponsor agrees to perform the airport development which requires this land acquisition within [Enter Number of Years (20 or less)] years of this grant agreement, and further agrees not to dispose of the land by sale or lease without prior consent

Special Conditions

Sponsor Type ¹	Type of Project	Special Conditions
		and approval of the FAA. In the event the land is not used within <u>[Enter Number of Years]</u> for the purpose for which it was acquired, the Sponsor will refund the Federal share of acquisition cost or the current fair market value of the land, whichever is greater.
Airport	Master Plan - Coordination	COORDINATION: The Sponsor agrees to coordinate this master planning study with the metropolitan planning organizations, other local planning agencies, and with the State Airport System Plan prepared by the State's Department of Transportation and consider any pertinent information, data, projections, and forecasts which are currently available or as will become available. The Sponsor agrees to consider any State Clearinghouse comments and to furnish a copy of the final report to the State's Department of Transportation.
Airport - Medium or Large Hub Only	New runway, new airport, or major extension -Coordination	COORDINATION: The Sponsor has made available to (or will make available to) and has provided (or will provide) upon request to the metropolitan planning organization, if any, in the area in which the airport is located, a copy of the proposed airport layout plan or ALP amendment to depict the project and a copy of any airport master plan in which the project is described or depicted.
Airport	NAVAIDS -Operations and maintenance	AIRPORT-OWNED VISUAL OR ELECTRONIC NAVIGATION AIDS IN PROJECT: The Sponsor agrees that it will: 1) Provide for the continuous operation and maintenance of any navigational aid funded under this grant agreement during the useful life of the equipment; 2) Prior to commissioning, assure the equipment meets the FAA's standards; and 3) Remove, relocate, lower, mark, or light each obstruction to obtain a clear approach as indicated in the 14 CFR part 77 aeronautical survey.
Airport	New or Replacement Airport	SITE SELECTION: The Sponsor understands and agrees that the Project cannot proceed beyond the site selection study until the Sponsor has received formal approval from the FAA to proceed.
Airport	Non-AIP Utility Proration ³	UTILITIES PRORATION: For purposes of computing the United States' share of the allowable project costs, the allowable cost of the <u>[Enter Utility Name]</u> included in the project must not exceed <u>[Enter Percent (Numerical Value)]</u> percent.
Airport	Utility Relocation	UTILITY RELOCATION IN PROJECT: The Sponsor understands and agrees that: 1) the United States will not participate in the cost of any utility relocation unless and until the Sponsor has submitted evidence satisfactory to the FAA that the Sponsor is legally responsible for payment of such costs; 2) FAA participation is limited to those utilities located on-airport or off-airport only where the Sponsor has an easement for the utility; and

Special Conditions

Sponsor Type ¹	Type of Project	Special Conditions
		3) the utilities exclusively serve the Airport;
Airport	Obstruction Removal	<p>OBSTRUCTION REMOVAL: The Sponsor agrees to clear Parcel(s) [Enter Parcel Numbers], as shown on Exhibit "A" Property Map, of the following obstructions: [Enter All Obstructions] prior to final payment under the project. The Sponsor also agrees that it will not erect, nor permit the erection of any permanent structures or obstructions on the airport except those required for aids to air navigation or those which have been specifically approved by the FAA.</p>
Airport	Pavement	<p>PAVEMENT MAINTENANCE MANAGEMENT PROGRAM: The Sponsor agrees that it will implement an effective airport pavement maintenance management program as required by Grant Assurance Pavement Preventive Management. The Sponsor agrees that it will use the program for the useful life of any pavement constructed, reconstructed, or repaired with federal financial assistance at the airport. The Sponsor further agrees that the program will</p> <ol style="list-style-type: none"> 1. follow FAA Advisory Circular 150/5380-6, "Guidelines and Procedures for Maintenance of Airport Pavements," for specific guidelines and procedures for maintaining airport pavements, establishing an effective maintenance program, specific types of distress and its probable cause, inspection guidelines, and recommended methods of repair; 2. detail the procedures to be followed to assure that proper pavement maintenance, both preventive and repair, is performed; 3. include a Pavement Inventory, Inspection Schedule, Record Keeping, Information Retrieval, and Reference, meeting the following requirements: <ol style="list-style-type: none"> a. Pavement Inventory. The following must be depicted in an appropriate form and level of detail: <ol style="list-style-type: none"> 1) location of all runways, taxiways, and aprons; 2) dimensions; 3) type of pavement, and; 4) year of construction or most recent major rehabilitation. b. Inspection Schedule. <ol style="list-style-type: none"> 1) Detailed Inspection. A detailed inspection must be performed at least once a year. If a history of recorded pavement deterioration is available, i.e., Pavement Condition Index (PCI) survey as set forth in the Advisory Circular 150/5380-6, the frequency of inspections may be extended to three years. 2) Drive-By Inspection. A drive-by inspection must be performed a minimum of once per month to detect unexpected changes in the pavement condition. For drive-

Special Conditions

Sponsor Type ¹	Type of Project	Special Conditions
		<p>by inspections, the date of inspection and any maintenance performed must be recorded.</p> <p>4. Record Keeping. Complete information on the findings of all detailed inspections and on the maintenance performed must be recorded and kept on file for a minimum of five years. The type of distress, location, and remedial action, scheduled or performed, must be documented. The minimum information is:</p> <ul style="list-style-type: none"> a. inspection date; b. location; c. distress types; and d. maintenance scheduled or performed. <p>5. Information Retrieval System. The Sponsor must be able to retrieve the information and records produced by the pavement survey to provide a report to the FAA as may be required.</p>
Airport	Pavement Exceeding \$250,000	<p><u>PROJECTS WHICH CONTAIN PAVING WORK IN EXCESS OF \$250,000:</u></p> <p>The Sponsor agrees to:</p> <ul style="list-style-type: none"> a. Furnish a construction management program to the FAA prior to the start of construction which details the measures and procedures to be used to comply with the quality control provisions of the construction contract, including, but not limited to, all quality control provisions and tests required by the Federal specifications. The program must include as a minimum: <ul style="list-style-type: none"> (1) The name of the person representing the Sponsor who has overall responsibility for contract administration for the project and the authority to take necessary actions to comply with the contract. (2) Names of testing laboratories and consulting engineer firms with quality control responsibilities on the project, together with a description of the services to be provided. (3) Procedures for determining that the testing laboratories meet the requirements of the American Society of Testing and Materials standards on laboratory evaluation referenced in the contract specifications (D 3666, C 1077). (4) Qualifications of engineering supervision and construction inspection personnel. (5) A listing of all tests required by the contract specifications, including the type and frequency of tests to be taken, the method of sampling, the applicable test standard, and the acceptance criteria or tolerances permitted for each type of test. (6) Procedures for ensuring that the tests are taken in accordance with the program, that they are documented daily, and that the proper corrective actions, where

Special Conditions

Sponsor Type ¹	Type of Project	Special Conditions
		<p>necessary, are undertaken.</p> <ul style="list-style-type: none"> b. Submit at completion of the project, a final test and quality control report documenting the results of all tests performed, highlighting those tests that failed or that did not meet the applicable test standard. The report must include the pay reductions applied and the reasons for accepting any out-of-tolerance material. An interim test and quality control report must be submitted, if requested by the FAA. c. Failure to provide a complete report as described in paragraph b, or failure to perform such tests, will, absent any compelling justification; result in a reduction in Federal participation for costs incurred in connection with construction of the applicable pavement. Such reduction will be at the discretion of the FAA and will be based on the type or types of required tests not performed or not documented and will be commensurate with the proportion of applicable pavement with respect to the total pavement constructed under the grant agreement. d. The FAA, at its discretion, reserves the right to conduct independent tests and to reduce grant payments accordingly if such independent tests determine that sponsor test results are inaccurate.
Airport	Preliminary Engineering – Pavement	<p><u>PRELIMINARY ENGINEERING:</u> This Phase 1 grant is being issued in order to [Enter Justification for Preliminary Engineering]. The Sponsor understands and agrees that within two (2) years from the execution of this grant agreement that the Sponsor will accept, subject to the availability of federal funding as identified in the Airport Capital Improvement Plan (ACIP), a grant to complete the final design phase for list project type in detail, i.e. the pavement rehabilitation or for the construction of the project in order to provide a useful and useable facility. The Sponsor also understands that if the FAA has provided federal funding to complete the final design for the project, and the Sponsor has not completed the final design within four (4) years from the execution of this grant agreement, the FAA may suspend or terminate grants related to the design.</p>
Airport - Nonprimary	State Highway Specifications - Pavement	<p><u>STATE HIGHWAY SPECIFICATIONS:</u> The Sponsor agrees that because State highway specifications will be used for airfield pavement construction instead of FAA standard specifications, it will not seek AIP grant funds for the rehabilitation or reconstruction of airfield pavement included in this grant agreement for a period of 10 years after construction is completed unless the FAA determines that the rehabilitation or reconstruction is required for safety reasons, per 49 USC § 47114(d)(5)(A).</p>

Special Conditions

Sponsor Type ¹	Type of Project	Special Conditions
Airport	Pavement maintenance grant	<u>MAINTENANCE PROJECT LIFE:</u> The Sponsor agrees that pavement maintenance is limited to those aircraft pavements that are in sufficiently sound condition that they do not warrant more extensive work, such as reconstruction or overlays in the immediate or near future. The Sponsor further agrees that AIP funding for the pavements maintained under this project will not be requested for more substantial type rehabilitation (more substantial than periodic maintenance) for a 5-year period following the completion of this project unless the FAA determines that the rehabilitation or reconstruction is required for safety reasons.
Airport	RPZ Acquisition	<u>PROTECTION OF RUNWAY PROTECTION ZONE:</u> The Sponsor agrees to prevent the erection or creation of any structure, place of public assembly, or other use in the runway protection zone, as depicted on the Exhibit "A": Property Map, except for NAVAIDS that are fixed by their functional purposes or any other structure permitted by the FAA. The Sponsor further agrees that any existing structures or uses within the Runway Protection Zone will be cleared or discontinued by the Sponsor unless approved by the FAA.
Airport	RPZ Acquisition	<u>PROTECTION OF RUNWAY PROTECTION ZONE:</u> The Sponsor agrees to take any and all steps necessary to ensure that the owner of the land within the designated Runway Protection Zone will not build any structure in the Runway Protection Zone that is an airport hazard or which might create glare or misleading lights or lead to the construction of residences, fuel handling and storage facilities, smoke generating activities, or places of public assembly, such as churches, schools, office buildings, shopping centers, and stadiums.
Airport	RPZ Future Acquisition	<u>ACQUISITION OF THE RUNWAY PROTECTION ZONE:</u> Future Interest in the Runway Protection Zone: The Sponsor agrees that it will acquire [Enter the Fee Title or Easement] in the Runway Protection Zones for runways that presently are not under its control within [Enter Number of Years] years of this Grant Agreement. The Sponsor further agrees to prevent the erection or creation of any structure or place of public assembly in the Runway Protection Zone, except for NAVAIDS that are fixed by their functional purposes or any other structure approved by the FAA. The Sponsor further agrees that any existing structures or uses within the Runway Protection Zone will be cleared or discontinued by the Sponsor unless approved by the FAA.
Airport – Not a large or medium hub	Discretionary Funds in project	<u>SMALL AIRPORT FUND:</u> The source of this grant may include funding from the Small Airport Fund.
Airport	VALE equipment	<u>LOW EMISSION SYSTEMS:</u> The Sponsor agrees that vehicles and equipment included in this grant:

Special Conditions

Sponsor Type ¹	Type of Project	Special Conditions
		<p>1) will be maintained and used at the airport for which they were purchased ;</p> <p>2) will not be transferred, relocated, or used at another airport without the advance consent of the FAA;</p> <p>3) will be clearly labeled using the FAA-designed VALE program emblem;</p> <p>4) will be replaced, at the Sponsor's own cost, any disabled or seriously damaged vehicle or equipment at any time during its useful life, with an equivalent vehicle or unit that produces an equal or lower level of emissions for the useful life of the vehicle or equipment, or life of Airport Emission Reduction Credits, whichever is longer.</p> <p>The Sponsor further agrees that it will maintain annual records on individual vehicles and equipment, project expenditures, cost effectiveness, and emission reductions.</p>
Airport	VALE Recharging System	<p>RECHARGING SYSTEM VALE-- USE AND OPERATION REQUIREMENTS:</p> <p>The Sponsor understands that it is obligated to earn emissions credits from the state air quality agency on a yearly basis for the use of this recharging system and the use of electric ground support equipment at the airport. The Sponsor understands and agrees that the Sponsor may be obligated to repay to the FAA some or all of the federal share of the recharging project if Sponsor does not earn the emissions credits that the Sponsor estimated in the project application.</p>
Airport or Noise	Building Allowable Costs (Prorate)	<p>BUILDING AIP PRORATION: For purposes of computing the United States' share of the allowable project costs of the project, the allowable cost of the [Enter Name of Work Item] included in the project must not exceed [Enter Percent (Numerical Value)] percent of the actual cost of the entire building.</p>
Airport or Noise	Noise Land	<p>ACQUISITION OF NOISE LAND: The Sponsor agrees that as part of the land acquisition in this project, it will prepare or update a Noise Land Inventory Map and Reuse Plan to standards satisfactory to the FAA and submit said documentation in final form to the FAA. It is further mutually agreed that the reasonable cost of developing or updating a Noise Land Inventory Map and Disposal Plan is an allowable cost within the scope of this project.</p>
Airport or Noise	Noise - Annual Report	<p>ANNUAL NOISE REPORT: As a condition of this Airport Improvement Program (AIP) grant, the Sponsor agrees to provide to the FAA, an annual report of funds expended and actions associated with this grant within 90 days following the end of each Federal fiscal year the grant remains open. The report must provide the following information:</p> <p>1) Total noise grant funds expended during the fiscal year.</p> <p>2) Amount of funds expended by Program Element(s) as identified in the Sponsor's Noise Compatibility Program (NCP).</p> <p>3) Number of parcels mitigated by DNL contour and Program Element</p>

Special Conditions

Sponsor Type ¹	Type of Project	Special Conditions
		<p>as identified in the Sponsor's NCP.</p> <p>4) Total number of people impacted by the Sponsor's NCP (by DNL contour) and total number of people mitigated during the fiscal year by DNL contour and Program Element as identified in the Sponsor's NCP.</p> <p>5) A graphic (map) depicting DNL contours and the location of mitigation action as defined by the Program Element(s) of the Sponsor's NCP, including a list by address for mitigation actions shown on the map.</p> <p>6) A written plan outlining actions being planned for the next year based on the Sponsor's priorities and the NCP.</p> <p>7) Other information as required by the FAA.</p>
All Sponsor Types	Plans and Specifications	<p>PLANS AND SPECIFICATIONS PRIOR TO BIDDING: The Sponsor agrees that it will submit plans and specifications for FAA review and approval prior to advertising for bids.</p>
All Sponsor Types	Plans and Specifications Certification	<p>PLANS & SPECIFICATIONS APPROVAL BASED UPON CERTIFICATION: The FAA and the Sponsor agree that the FAA approval of the Sponsor's Plans and Specification is based primarily upon the Sponsor's certification to carry out the project in accordance with policies, standards, and specifications approved by the FAA. The Sponsor understands that:</p> <p>1) The Sponsor's certification does not relieve the Sponsor of the requirement to obtain prior FAA approval for modifications to any AIP standards or to notify the FAA of any limitations to competition within the project;</p> <p>2) The FAA's acceptance of a Sponsor's certification does not limit the FAA from reviewing appropriate project documentation for the purpose of validating the certification statements;</p> <p>3) If the FAA determines that the Sponsor has not complied with their certification statements, the FAA will review the associated project costs to determine whether such costs are allowable under AIP.</p>
All Sponsor Types	Grants Based on Estimates	<p>GRANTS ISSUED ON ESTIMATES: The Sponsor understands and agrees that this Grant Offer is made and accepted based on estimates for [Enter Project Name]; and the parties agree that within [Enter Number of Days] days from the date of acceptance of this Grant Offer, the Sponsor will receive bids for [Enter Project Being Bid] contained within the grant description. If, after the Sponsor has received bids, the FAA determines that the maximum grant obligation of the United States exceeds the expected needs of the Sponsor by \$25,000.00 or five percent (5%), whichever is greater based on the actual bid prices received, the FAA can issue a letter to the Sponsor unilaterally reducing the maximum obligation. The Sponsor understands that amendment calculations will then be limited by this reduced maximum obligation.</p>
All Sponsor	Consultant Contract Cost	<p>CONSULTANT CONTRACT AND COST ANALYSIS: The Sponsor</p>

Special Conditions

Sponsor Type ¹	Type of Project	Special Conditions
Types	Analysis	understands and agrees that no reimbursement will be made on the consultant contract portion of this grant until the FAA has received the consultant contract, the Sponsor's analysis of costs, and the independent fee estimate.
All Sponsor Types	Design-Only Grants	DESIGN GRANT: This grant agreement is being issued in order to complete the design of the project. The Sponsor understands and agrees that within 2 years after the design is completed that the Sponsor will accept, subject to the availability of the amount of federal funding identified in the Airport Capital Improvement Plan (ACIP), a grant to complete the construction of the project in order to provide a useful and useable unit of work. The Sponsor also understands that if the FAA has provided federal funding to complete the design for the project, and the Sponsor has not completed the design within four (4) years from the execution of this grant agreement, the FAA may suspend or terminate grants related to the design.
All Sponsor Types	Force account	FORCE ACCOUNT: The Sponsor agrees that proposals to accomplish construction or engineering with the Sponsor's own personnel must receive approval from the FAA prior to Sponsor incurring costs and that no reimbursement payments will be made on that portion of this grant until the Sponsor has received FAA approval for the force account information.
All Sponsor Types	Land Acquisition - Revenue and Program Income	PROGRAM INCOME AND REVENUE FROM REAL PROPERTY: The Sponsor understands that all program income produced from real property purchased in part with Federal funds in this grant received while the grant is open will be deducted from the total cost of that project for determining the net costs on which the maximum United States' obligation will be based. The Sponsor further agrees that once the grant is closed, all net revenues produced from real property purchased in part with Federal funds in this grant must be used on the airport for airport planning, development, or operating expenses. This income may not be used for the Sponsor's matching share of any grant. The Sponsor's fiscal and accounting records must clearly identify actual sources and uses of these funds.
All Sponsor Types	Land acquisition - Relocation	UNIFORM RELOCATION ACT: The Sponsor understands and agrees that all acquisition of real property under this project will be in accordance with the 49 Code of Federal Regulations Part 24, Uniform Relocation Assistance And Real Property Acquisition For Federal And Federally Assisted Programs.
All Sponsor Types	Noise - mitigation	INELIGIBILITY OF PREVIOUSLY INSULATED STRUCTURES: The Sponsor understands and agrees that AIP funds may only be applied to noise insulate structures under 14 Code of Federal Regulations Part 150 one single time and that no structures in this grant have been previously

Special Conditions

Sponsor Type ¹	Type of Project	Special Conditions
		noise insulated using AIP funds.
All Sponsor Types	Noise Mitigation – Private Land	<p><u>NOISE PROJECTS ON PRIVATELY OWNED PROPERTY:</u> The Sponsor understands and agrees that no payment will be made under the terms of this Grant Agreement for work accomplished on privately owned land until the Sponsor submits the agreement with the owner of the property required by the Grant Assurance Number 5: Preserving Rights and Powers, and the FAA has determined that the agreement is satisfactory. As a minimum, the agreement with the private owner must contain the following provisions:</p> <p>1) The property owner must inspect and approve or disapprove the work on the project during and after completion of the measures as the FAA or Sponsor reasonably requests.</p> <p>2) The property owner is responsible for maintenance and operation of the items installed, purchased, or. Neither the FAA nor the Sponsor bears any responsibility for the maintenance, operation, or replacement of these items.</p> <p>3) If the Sponsor transfers Federal funds for the noise compatibility measures to a private property owner or agent, the property owner must agree to keep records and make those records available to the FAA and the Sponsor about the amount of funds received and the disposition of the funds.</p> <p>4) The property owner's right to sue for adverse noise impacts will be abrogated if the property owner deliberately or willfully reduces the effectiveness of the noise compatibility measures during the useful life of such measures. This obligation will remain in effect throughout the useful life of the noise compatibility measures, but not to exceed 20 years from the date of the Sponsor's acceptance of federal aid for the project.</p>
All Sponsor Types	Non AIP work in project	<p><u>NON-AIP WORK IN APPLICATION:</u> The Sponsor understands and agrees that:</p> <p>1) the Project Application includes the planning and/or construction of <u>[Enter Non-Grant Work]</u> that is not being funded with any Federal funding in this project ;</p> <p>2) although the Sponsor has estimated a total project cost of \$<u>[Enter Total Project Amount]</u>, the total allowable cost for purposes of determining federal participation will not exceed \$<u>[Enter Maximum Federal Amount]</u>;</p> <p>3) it must maintain separate cost records for the AIP and non-AIP work;</p> <p>4) all cost records must be made available for inspection and audit by the FAA;</p>

Special Conditions

Sponsor Type ¹	Type of Project	Special Conditions
		<p>5) within [Enter Number of Days] days of acceptance of this Offer, the Sponsor will submit a revised Program Statement/cost estimate to the FAA depicting the AIP and non-AIP costs and a revised cost estimate depicting only AIP project costs;</p> <p>6) the Sponsor understands that all non-AIP work is the sole responsibility of the Sponsor; and</p> <p>7) the amount of allowable cost that will be used for purposes of determining an increase in the maximum obligation of the United States will not exceed \$[Enter Maximum Federal Amount], which is the total allowable cost for purposes of determining federal participation in 2) of this special condition.</p>
All Sponsor Types	Planning Scope of Work	<p>PRELIMINARY SCOPE OF WORK: This Grant is made and accepted upon the basis of a preliminary scope of work. The parties agree that within 30 days from the date of acceptance of this Grant Offer, the Sponsor will furnish a final scope of work to the FAA and that no work will commence, nor will there be any contract signed for accomplishment of such work, until the final scope of work has been approved by the FAA. The Sponsor and the FAA further agree that any reference to the scope of work made in the Grant Offer or in the project application is in respect to the final scope of work.</p>
Airport - Non-primary	Fuel farms	<p>FUELING SYSTEM – USE AND OPERATION REQUIREMENTS: This project includes the installation of a new aviation fuel system. All revenue generated by this fueling system must be used for the operation and maintenance of the Airport in accordance with the grant assurances. The fueling system established under this grant, will be operated solely by the Sponsor and/or the Sponsor's employees. The Sponsor is further obligated to operate and maintain the fueling system for the 20-year grant expected life, including meeting all local, state, and federal regulations related to the fuel system.</p>
Airport - Non-primary	Revenue Producing Project	<p>REVENUE PRODUCING PROJECT: The Sponsor agrees and understands that the Sponsor has certified to the FAA that it has made adequate provisions for financing its airside needs. Further, the Sponsor agrees it will not seek AIP discretionary grant funds for the airside needs of the airport for the three fiscal years following the fiscal year in which this grant is issued. All revenue generated by this project must be used for the operation and maintenance of the Airport in accordance with the grant assurances.</p>
Airport - Privately-Owned	All Projects – Obligated Land	<p>PRIVATELY OWNED AIRPORTS: The Sponsor understands and agrees that the portion of airport dedicated for airport use as shown on the approved Exhibit "A" Airport Property Map dated [Enter MM/DD/YYYY]</p>

Special Conditions

Sponsor Type ¹	Type of Project	Special Conditions
		<p>of Exhibit "A") must not be sold, exchanged, the title encumbered, or its use changed to a non-airport use without the written consent of the FAA.</p> <p>The Sponsor further understands and agrees that the portion of the airport NOT dedicated to airport use, but financially contributing to the overall viability of the airport (as shown on Exhibit "A" Airport Property Map) must continue to support the operation of the airport for a period of <u>[Enter Number of Years (Minimum 10 Years)]</u> years from the date of this grant.</p>
Airport	Land Acquisition	<p>LAND ACQUISITION: The Sponsor agrees that no payments will be made on the grant until the Sponsor has presented evidence to the FAA that it has recorded the grant agreement, including the grant assurances in the public land records of the county courthouse. The Sponsor understands and agrees that recording the grant agreement legally enforces these requirements, encumbrances and restrictions on the obligated land.</p>

Special Conditions

Sponsor Type ¹	Type of Project	Special Conditions
State and/or local government	Noise Mitigation – Land use Compatibility	<p><u>COMPATIBLE LAND USE PLANNING AND PROJECTS:</u> The Sponsor agrees and understands that:</p> <ol style="list-style-type: none"> 1) It will achieve, to the maximum extent possible, compatible land uses consistent with Federal land use compatibility criteria in Title 14, Code of Federal Regulations, Part 150, and those compatible land uses will be maintained; 2) It will provide, in the case of a planning grant, a land use plan that – <ol style="list-style-type: none"> (a) Is reasonably consistent with the goal of reducing existing non-compatible land uses and preventing the introduction of additional non-compatible land uses; (b) Addresses ways to achieve and maintain compatible land uses, including zoning, building codes, and any other land use compatibility measures identified under Title 49, United States Code § 47504(a)(2), that are within the authority of the Sponsor to implement; (c) Uses noise contours provided by the airport operator that are consistent with airport operation and planning, including any noise abatement measures adopted by the airport operator as a part of its own noise mitigation efforts; (e) Does not duplicate, and is not inconsistent with, the airport operator's noise compatibility measures for the same area; and (f) Has been approved jointly by the airport owner or operator and the Sponsor. 3) It will make provision to implement, or has implemented, those elements of the plan ineligible for Federal financial assistance.



**FAA
Airports**

Current FAA Advisory Circulars Required for Use in AIP Funded and PFC Approved Projects

Updated: 12/31/2015

View the most current versions of these ACs and any associated changes at:
http://www.faa.gov/airports/resources/advisory_circulars

NUMBER	TITLE
70/7460-1L	Obstruction Marking and Lighting
150/5020-1	Noise Control and Compatibility Planning for Airports
150/5070-6B Changes 1 - 2	Airport Master Plans
150/5070-7 Change 1	The Airport System Planning Process
150/5100-13B	Development of State Standards for Nonprimary Airports
150/5200-28E	Notices to Airmen (NOTAMS) for Airport Operators
150/5200-30C Change 1	Airport Winter Safety And Operations
150/5200-31C Changes 1 - 2	Airport Emergency Plan
150/5210-5D	Painting, Marking, and Lighting of Vehicles Used on an Airport
150/5210-7D	Aircraft Rescue and Fire Fighting Communications
150/5210-13C	Airport Water Rescue Plans and Equipment
150/5210-14B	Aircraft Rescue Fire Fighting Equipment, Tools and Clothing
150/5210-15A	Aircraft Rescue and Firefighting Station Building Design
150/5210-18A	Systems for Interactive Training of Airport Personnel

NUMBER	TITLE
150/5210-19A	Driver's Enhanced Vision System (DEVS) Ground Vehicle Operations on Airports
150/5220-10E	Guide Specification for Aircraft Rescue and Fire Fighting (ARFF) Vehicles
150/5220-16D	Automated Weather Observing Systems (AWOS) for Non-Federal Applications
150/5220-17B	Aircraft Rescue and Fire Fighting (ARFF) Training Facilities
150/5220-18A	Buildings for Storage and Maintenance of Airport Snow and Ice Control Equipment and Materials
150/5220-20A	Airport Snow and Ice Control Equipment
150/5220-21C	Aircraft Boarding Equipment
150/5220-22B	Engineered Materials Arresting Systems (EMAS) for Aircraft Overruns
150/5220-23	Frangible Connections
150/5220-24	Foreign Object Debris Detection Equipment
150/5220-25	Airport Avian Radar Systems
150/5220-26, Change 1	Airport Ground Vehicle Automatic Dependent Surveillance - Broadcast (ADS-B) Out Squitter Equipment
150/5300-7B	FAA Policy on Facility Relocations Occasioned by Airport Improvements of Changes
150/5300-13A, Change 1	Airport Design
150/5300-14C	Design of Aircraft Deicing Facilities
150/5300-16A	General Guidance and Specifications for Aeronautical Surveys: Establishment of Geodetic Control and Submission to the National Geodetic Survey
150/5300-17C	Standards for Using Remote Sensing Technologies in Airport Surveys
150/5300-18C	Survey and Data Standards for Submission of Aeronautical Data Using Airports GIS
150/5320-5D	Airport Drainage Design
150/5320-6E	Airport Pavement Design and Evaluation
150/5320-12C, Changes 1 - 8	Measurement, Construction, and Maintenance of Skid Resistant Airport Pavement Surfaces

NUMBER	TITLE
150/5320-15A	Management of Airport Industrial Waste
150/5235-4B	Runway Length Requirements for Airport Design
150/5335-5C	Standardized Method of Reporting Airport Pavement Strength - PCN
150/5340-1L	Standards for Airport Markings
150/5340-5D	Segmented Circle Airport Marker System
150/5340-18F	Standards for Airport Sign Systems
150/5340-26C	Maintenance of Airport Visual Aid Facilities
150/5340-30H	Design and Installation Details for Airport Visual Aids
150/5345-3G	Specification for L-821, Panels for the Control of Airport Lighting
150/5345-5B	Circuit Selector Switch
150/5345-7F	Specification for L-824 Underground Electrical Cable for Airport Lighting Circuits
150/5345-10H	Specification for Constant Current Regulators and Regulator Monitors
150/5345-12F	Specification for Airport and Heliport Beacons
150/5345-13B	Specification for L-841 Auxiliary Relay Cabinet Assembly for Pilot Control of Airport Lighting Circuits
150/5345-26D	FAA Specification For L-823 Plug and Receptacle, Cable Connectors
150/5345-27E	Specification for Wind Cone Assemblies
150/5345-28G	Precision Approach Path Indicator (PAPI) Systems
150/5345-39D	Specification for L-853, Runway and Taxiway Retro reflective Markers
150/5345-42H	Specification for Airport Light Bases, Transformer Housings, Junction Boxes, and Accessories
150/5345-43G	Specification for Obstruction Lighting Equipment
150/5345-44K	Specification for Runway and Taxiway Signs
150/5345-45C	Low-Impact Resistant (LIR) Structures
150/5345-46D	Specification for Runway and Taxiway Light Fixtures

NUMBER	TITLE
150/5345-47C	Specification for Series to Series Isolation Transformers for Airport Lighting Systems
150/5345-49C	Specification L-854, Radio Control Equipment
150/5345-50B	Specification for Portable Runway and Taxiway Lights
150/5345-51B	Specification for Discharge-Type Flashing Light Equipment
150/5345-52A	Generic Visual Glideslope Indicators (GVGI)
150/5345-53D	Airport Lighting Equipment Certification Program
150/5345-54B	Specification for L-884, Power and Control Unit for Land and Hold Short Lighting Systems
150/5345-55A	Specification for L-893, Lighted Visual Aid to Indicate Temporary Runway Closure
150/5345-56B	Specification for L-890 Airport Lighting Control and Monitoring System (ALCMS)
150/5360-12F	Airport Signing and Graphics
150/5360-13 Change 1	Planning and Design Guidelines for Airport Terminal Facilities
150/5360-14	Access to Airports By Individuals With Disabilities
150/5370-2F	Operational Safety on Airports During Construction
150/5370-10G	Standards for Specifying Construction of Airports
150/5370-11B	Use of Nondestructive Testing in the Evaluation of Airport Pavements
150/5370-13A	Off-Peak Construction of Airport Pavements Using Hot-Mix Asphalt
150/5370-15B	Airside Applications for Artificial Turf
150/5370-16	Rapid Construction of Rigid (Portland Cement Concrete) Airfield Pavements
150/5370-17	Airside Use of Heated Pavement Systems
150/5380-6C	Guidelines and Procedures for Maintenance of Airport Pavements
150/5380-9	Guidelines and Procedures for Measuring Airfield Pavement Roughness
150/5390-2C	Heliport Design

NUMBER	TITLE
150/5395-1A	Seaplane Bases

THE FOLLOWING ADDITIONAL APPLY TO AIP PROJECTS ONLY

Updated: 12/31/2015

NUMBER	TITLE
150/5100-14E, Change 1	Architectural, Engineering, and Planning Consultant Services for Airport Grant Projects
150/5100-17, Changes 1 - 6	Land Acquisition and Relocation Assistance for Airport Improvement Program Assisted Projects
150/5300-15A	Use of Value Engineering for Engineering Design of Airports Grant Projects
150/5320-17A	Airfield Pavement Surface Evaluation and Rating (PASER) Manuals
150/5370-12B	Quality Control of Construction for Airport Grant Projects
150/5380-6C	Guidelines and Procedures for Maintenance of Airport Pavements
150/5380-7B	Airport Pavement Management Program
150/5380-9	Guidelines and Procedures for Measuring Airfield Pavement Roughness

Certification and Disclosure Regarding Potential Conflicts of Interest

Airport Improvement Program Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

Title 2 CFR § 200.112 and § 1201.112 address Federal Aviation Administration (FAA) requirements for conflict of interest. As a condition of eligibility under the Airport Improvement Program (AIP), sponsors must comply with FAA policy on conflict of interest. Such a conflict would arise when any of the following have a financial or other interest in the firm selected for award:

- a) The employee, officer or agent,
- b) Any member of his immediate family,
- c) His or her partner, or
- d) An organization which employs, or is about to employ, any of the above.

Selecting "yes" represents sponsor or sub-recipient acknowledgement and confirmation of the certification statement. Selecting "No" represents sponsor or sub-recipient disclosure that it cannot fully comply with the certification statement. If "No" is selected, provide support information explaining the negative response as an attachment to this form. This includes whether the sponsor has established standards for financial interest that are not substantial or unsolicited gifts are of nominal value (2 CFR § 200.318(c)). The term "will" means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance.

Certification Statements

1. The sponsor or sub-recipient maintains a written standards of conduct governing conflict of interest and the performance of their employees engaged in the award and administration of contracts (2 CFR § 200.318(c)). To the extent permitted by state or local law or regulations, such standards of conduct provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the sponsor's and sub-recipient's officers, employees, or agents, or by contractors or their agents.

☐ Yes ☐ No

2. The sponsor's or sub-recipient's officers, employees or agents have not and will not solicit or accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-agreements (2 CFR § 200.318(c)).

☐ Yes ☐ No

3. The sponsor or sub-recipient certifies that it has disclosed and will disclose to the FAA any known potential conflict of interest (2 CFR § 1200.112).

☐ Yes ☐ No

Attach documentation clarifying any above item marked with "no" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the foregoing items are accurate as marked and have the explanation for any item marked "no" is correct and complete.

Executed on this day of _____, _____.

Name of Sponsor:

Name of Sponsor's Authorized Official:

Title of Sponsor's Authorized Official:

Signature of Sponsor's Authorized Official: _____

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Selection of Consultants

Airport Improvement Program Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General requirements for selection of consultant services within federal grant programs are described in 2 CFR §§ 200.317-200.326.2 CFR 200. Sponsors may use other qualifications-based procedures provided they are equivalent to specific standards in 2 CFR §§ 200.317-200.326 and FAA Advisory Circular 150/5100-14, Architectural, Engineering, and Planning Consultant Services for Airport Grant Projects.

Certification Statements

Except for the certification statement below marked as not applicable (N/A), this list includes major requirements for this aspect of project implementation. This list is not comprehensive nor does it relieve the sponsor from fully complying with all applicable statutory and administrative standards.

1. Solicitations were or will be made to ensure fair and open competition from a wide area of interest.
☐ Yes ☐ No ☐ N/A
2. Consultants were or will be selected using competitive procedures based on qualifications, experience, and disadvantaged enterprise requirements with the fees determined through negotiations after initial selection.
☐ Yes ☐ No ☐ N/A
3. A record of negotiations has been or will be prepared reflecting considerations involved in the establishment of fees, which are not significantly above the sponsor's independent cost estimate.
☐ Yes ☐ No ☐ N/A
4. If engineering or other services are to be performed by sponsor force account personnel, prior approval was or will be obtained from the Federal Aviation Administration (FAA).
☐ Yes ☐ No ☐ N/A

5. The consultant services contracts clearly or will clearly establish the scope of work and delineate the division of responsibilities between all parties engaged in carrying out elements of the project.
- ☐ Yes ☐ No ☐ N/A
6. Costs associated with work ineligible for AIP funding are or will be clearly identified and separated from eligible items in solicitations, contracts, and related project documents.
- ☐ Yes ☐ No ☐ N/A
7. Mandatory contract provisions for grant-assisted contracts have been or will be included in consultant services contracts.
- ☐ Yes ☐ No ☐ N/A
8. The cost-plus-percentage-of-cost methods of contracting prohibited under federal standards were not or will not be used.
- ☐ Yes ☐ No ☐ N/A
9. If the services being procured cover more than the single grant project referenced in this certification, the scope of work was or will be specifically described in the advertisement, and future work will not be initiated beyond five years.
- ☐ Yes ☐ No ☐ N/A

Additional documentation for any above item marked "no":

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Executed on this _____ day of _____, _____.

Printed/Typed Name of Sponsor:

Printed/Typed Name of Sponsor's Designated Official Representative:

Printed/Typed Title of Sponsor's Designated Official Representative:

Signature of Sponsor's Designated Official Representative: _____

Project Plans and Specifications

Airport Improvement Program Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). Labor and civil rights standards applicable to AIP are established by the Department of Labor (www.dol.gov/). AIP Grant Assurance C.1—General Federal Requirements identifies applicable federal laws, regulations, executive orders, policies, guidelines and requirements for assistance under AIP. A list of current advisory circulars with specific standards for procurement, design or construction of airports, and installation of equipment and facilities is referenced in standard airport sponsor Grant Assurance 34 contained in the grant agreement.

Certification Statements

Except for certification statements below marked as not applicable (N/A), this list includes major requirements of the construction project. Selecting "yes" represents sponsor acknowledgement and confirmation of the certification statement. The term "will" means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. The plans and specifications were or will be prepared in accordance with applicable federal standards and requirements, so that no deviation or modification to standards set forth in the advisory circulars, or FAA-accepted state standard, is necessary other than those explicitly approved by the Federal Aviation Administration (FAA) (14 USC § 47105).
☐ Yes ☐ No ☐ N/A

2. Specifications incorporate or will incorporate a clear and accurate description of the technical requirement for the material or product that does not contain limiting or proprietary features that unduly restrict competition (2 CFR §200.319).
☐ Yes ☐ No ☐ N/A

3. The development that is included or will be included in the plans is depicted on the current airport layout plan as approved by the FAA (14 USC § 47107).
☐ Yes ☐ No ☐ N/A

4. Development and features that are ineligible or unallowable for AIP funding have been or will be omitted from the plans and specifications (FAA Order 5100.38, par. 3-43).
- ☐ Yes ☐ No ☐ N/A
5. The specification does not use or will not use "brand name" or equal to convey requirements unless sponsor requests and receives approval from the FAA to use brand name (FAA Order 5100.38, Table U-5).
- ☐ Yes ☐ No ☐ N/A
6. The specification does not impose or will not impose geographical preference in their procurement requirements (2 CFR §200.319(b) and FAA Order 5100.38, Table U-5).
- ☐ Yes ☐ No ☐ N/A
7. The use of prequalified lists of individuals, firms or products include or will include sufficient qualified sources that ensure open and free competition and that does not preclude potential entities from qualifying during the solicitation period (2 CFR §319(d)).
- ☐ Yes ☐ No ☐ N/A
8. Solicitations with bid alternates include or will include explicit information that establish a basis for award of contract that is free of arbitrary decisions by the sponsor (2 CFR § 200.319(a)(7)).
- ☐ Yes ☐ No ☐ N/A
9. Concurrence was or will be obtained from the FAA if Sponsor incorporates a value engineering clause into the contract (FAA Order 5100.38, par. 3-57).
- ☐ Yes ☐ No ☐ N/A
10. The plans and specifications incorporate or will incorporate applicable requirements and recommendations set forth in the federally approved environmental finding (49 USC §47106(c)).
- ☐ Yes ☐ No ☐ N/A
11. The design of all buildings comply or will comply with the seismic design requirements of 49 CFR § 41.120. (FAA Order 5100.38d, par. 3-92)
- ☐ Yes ☐ No ☐ N/A
12. The project specification include or will include process control and acceptance tests required for the project by as per the applicable standard:
- a. Construction and installation as contained in Advisory Circular (AC) 150/5370-10.
- ☐ Yes ☐ No ☐ N/A
- b. Snow Removal Equipment as contained in AC 150/5220-20.
- ☐ Yes ☐ No ☐ N/A
- c. Aircraft Rescue and Fire Fighting (ARFF) vehicles as contained in AC 150/5220-10.
- ☐ Yes ☐ No ☐ N/A

13. For construction activities within or near aircraft operational areas(AOA):

- a. The Sponsor has or will prepare a construction safety and phasing plan (CSPP) conforming to Advisory Circular 150/5370-2.
- b. Compliance with CSPP safety provisions has been or will be incorporated into the plans and specifications as a contractor requirement.
- c. Sponsor will not initiate work until receiving FAA's concurrence with the CSPP (FAA Order 5100.38, Par. 5-29).

☐ Yes ☐ No ☐ N/A

14. The project was or will be physically completed without federal participation in costs due to errors and omissions in the plans and specifications that were foreseeable at the time of project design (49 USC §47110(b)(1) and FAA Order 5100.38d, par. 3-100).

☐ Yes ☐ No ☐ N/A

Attach documentation clarifying any above item marked with "no" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

Executed on this _____ day of _____, _____.

Name of Sponsor:

Name of Sponsor's Authorized Official:

Title of Sponsor's Authorized Official:

Signature of Sponsor's Authorized Official: _____

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Equipment and Construction Contracts Airport Improvement Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General procurement standards for equipment and construction contracts within Federal grant programs are described in 2 CFR §§ 200.317-200.326. Labor and Civil Rights Standards applicable to the AIP are established by the Department of Labor (www.dol.gov) AIP Grant Assurance C.1—General Federal Requirements identifies all applicable Federal Laws, regulations, executive orders, policies, guidelines and requirements for assistance under the AIP. Sponsors may use state and local procedures provided procurements conform to these federal standards.

This certification applies to all equipment projects. Equipment projects may or may not employ laborers and mechanics that qualify the project as a "covered contract" under requirements established by the Department of Labor requirements. Sponsor shall provide appropriate responses to the certification statements that reflect the character of the project.

Certification Statements

Except for the certification statement below marked as not applicable (N/A), this list includes major requirements for this aspect of project implementation. This list is not comprehensive nor does it relieve the sponsor from fully complying with all applicable statutory and administrative standards.

1. A written code or standard of conduct conforming to 2 CFR § 200.319 is or will be in effect governing the performance of the sponsor's officers, employees, or agents in soliciting, awarding and administering procurement contracts.
☐ Yes ☐ No ☐ N/A

2. For all contracts, qualified and competent personnel are or will be engaged to perform contract administration, engineering supervision, construction inspection, and testing in accordance with grant assurance C.17.
☐ Yes ☐ No ☐ N/A

3. Sponsors that have or are required to have a Disadvantage Business Enterprise (DBE) program on file with the FAA have included or will include clauses required from Title VI of the Civil Rights Act and 49 CFR 23 and 49 CFR 26 for Disadvantaged Business Enterprises in all contracts and subcontracts
☐ Yes ☐ No ☐ N/A

4. Sponsor procurement actions using the competitive sealed bid method was or will be:
- a. Publicly advertised, allowing a sufficient response time to solicit an adequate number of interested contractors or vendors.
 - b. Prepared to include a complete, adequate and realistic specification that defines the items or services in sufficient detail to allow prospective bidders to respond.
 - c. Publicly opened at a time and place prescribed in the invitation for bids
 - d. Prepared such that it allows a firm fixed price contract award to the lowest responsive and responsible bidder.
- ☐ Yes ☐ No ☐ N/A
5. For projects where the Sponsor intends to use the competitive proposal procurement method, Sponsor has or will obtain FAA approval prior to proceeding with a competitive proposal procurement by submitting to the FAA the following:
- a. Written request to use competitive proposal procurement method
 - b. Written justification that supports use of competitive proposal method in lieu of the preferred sealed bid procurement method.
- ☐ Yes ☐ No ☐ N/A
6. For construction and equipment installation projects, the bid solicitation includes or will include the current federal wage rate determination for the appropriate type of project
- ☐ Yes ☐ No ☐ N/A
7. All construction and equipment installation contracts contain or will contain provisions for:
- a. Access to Records
 - b. Buy American Preferences
 - c. Civil Rights (General Provisions and Title VI Assurances)
 - d. Federal Fair Labor Standards
 - e. Occupational Safety and Health Act requirements
 - f. Seismic Safety (applies only to projects that include buildings)
 - g. State Energy Conservation Requirements (as applicable)
 - h. U.S. Trade Restriction
 - i. Veterans Preference per 49 USC § 47112(c) (applies only to construction and equipment installation projects)
- ☐ Yes ☐ No ☐ N/A
8. All construction and equipment installation contracts exceeding \$2,000 contain or will contain the provisions established by:
- a. Davis-Bacon and Related Acts
 - b. Copeland "Anti-Kickback" Act
- ☐ Yes ☐ No ☐ N/A

9. All construction and equipment installation contracts exceeding \$3,000 contain or will contain a contract provision that discourages distracted driving

☐ Yes ☐ No ☐ N/A

10. All contracts exceeding \$10,000 contain or will contain the following provisions as applicable:

- a. Construction and equipment installation projects - Applicable clauses from 41 CFR Part 60 for compliance with Executive Orders 11246 and 11375 on Equal Employment Opportunity.
- b. Construction and equipment installation - Contract Clause prohibiting segregated facilities in accordance with 41 CFR part 60-1.8
- c. All Contracts - Requirement to maximize use of products containing recovered materials in accordance with 2 CFR § 200.322 and 40 CFR part 247.
- d. All Contracts - Provisions that address termination for cause and termination for convenience

☐ Yes ☐ No ☐ N/A

11. All contracts exceeding \$25,000, an appropriate check of the System for Award Management has been or will be made to assure that contracts or subcontracts are not awarded to those individuals or firms suspended, debarred, or excluded from participating in this federally assisted project

☐ Yes ☐ No ☐ N/A

12. Contracts exceeding the simplified acquisition threshold (currently \$150,000) include or will include provisions, as applicable, that address the following:

- a. Construction and equipment installation contracts - a bid guarantee of 5%, a performance bond of 100%, and a payment bond of 100%
- b. Construction and equipment installation contracts - requirements of the Contract Work Hours and Safety Standards Act 40 USC 3701-3708), Sections 103 and 107
- c. All contracts, Restrictions on Lobbying and Influencing (2 CFR part 200, Appendix II(J))
- d. All contracts - Conditions specifying administrative, contractual and legal remedies for instances where contractor or vendor violate or breach the terms and conditions of the contract
- e. All Contracts - Applicable standards and requirements issued under Section 306 of the Clean Air Act (42 USC 7401-7671q), Section 508 of the Clean Water Act (33 USC 1251-1387, and Executive Order 11738

☐ Yes ☐ No ☐ N/A

13. Concurrence was or will be obtained from the Federal Aviation Administration (FAA) prior to contract award under any of the following circumstances:

- a. Only one qualified person/firm submits a responsive bid
- b. The contract is to be awarded to other than the lowest responsible bidder
- c. Life cycle costing is a factor in selecting the lowest responsive bidder
- d. Proposed contract prices are more than 10% over the sponsor's cost estimate

☐ Yes ☐ No ☐ N/A

Additional documentation for any above item marked "no":

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Executed on this _____ day of _____, _____.

Printed/Typed Name of Sponsor:

Printed/Typed Name of Sponsor's Designated Official Representative:

Printed/Typed Title of Sponsor's Designated Official Representative:

Signature of Sponsor's Designated Official Representative: _____

Construction Project Final Acceptance Airport Improvement Program Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

49 USC § 47105(d), authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program. General standards for final acceptance and close out of federally funded construction projects are in 2 CFR § 200.343 – Closeout and supplemented by FAA Order 5100.38. The sponsor must determine that project costs are accurate and proper in accordance with specific requirements of the grant agreement and contract documents.

Certification Statements

Except for certification statements below marked not applicable (N/A), this list includes major requirements of the construction project. Selecting "yes" represents sponsor acknowledgement and confirmation of the certification statement. The term "will" means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. The personnel engaged in project administration, engineering supervision, project inspection and acceptance testing were or will be determined to be qualified and competent to perform the work (Grant Assurance).
☐ Yes ☐ No ☐ N/A

2. Construction records, including daily logs, were or will be kept by the resident engineer/construction inspector that fully document contractor's performance in complying with:
 - a. Technical standards (Advisory Circular (AC) 150/5370-12);
 - b. Contract requirements (2 CFR part 200 and FAA Order 5100.38); and
 - c. Construction safety and phasing plan measures (AC 150/5370-2).☐ Yes ☐ No ☐ N/A

3. All acceptance tests specified in the project specifications were or will be performed and documented. (AC 150/5370-12).
☐ Yes ☐ No ☐ N/A

4. Sponsor has taken or will take appropriate corrective action for any test result outside of allowable tolerances (AC 150/5370-12).
- ☐ Yes ☐ No ☐ N/A
5. Pay reduction factors required by the specifications were applied or will be applied in computing final payments with a summary made available to the FAA (AC 150/5370-10).
- ☐ Yes ☐ No ☐ N/A
6. Sponsor has notified, or will promptly notify the Federal Aviation Administration (FAA) of the following occurrences:
- a. Violations of any federal requirements set forth or included by reference in the contract documents (2 CFR part 200);
 - b. Disputes or complaints concerning federal labor standards (29 CFR part 5); and
 - c. Violations of or complaints addressing conformance with Equal Employment Opportunity or Disadvantaged Business Enterprise requirements (41 CFR Chapter 60 and 49 CFR part 26).
- ☐ Yes ☐ No ☐ N/A
7. Weekly payroll records and statements of compliance were or will be submitted by the prime contractor and reviewed by the sponsor for conformance with federal labor and civil rights requirements as required by FAA and U.S. Department of Labor (29 CFR Part 5).
- ☐ Yes ☐ No ☐ N/A
8. Payments to the contractor were or will be made in conformance with federal requirements and contract provisions using sponsor internal controls that include:
- a. Retaining source documentation of payments and verifying contractor billing statements against actual performance (2 CFR § 200.302 and FAA Order 5100.38);
 - b. Prompt payment of subcontractors for satisfactory performance of work (49 CFR § 26.29);
 - c. Release of applicable retainage upon satisfactory performance of work (49 CFR § 26.29); and
 - d. Verification that payments to DBEs represent work the DBE performed by carrying out a commercially useful function (49 CFR §26.55).
- ☐ Yes ☐ No ☐ N/A
9. A final project inspection was or will be conducted with representatives of the sponsor and the contractor present that ensure:
- a. Physical completion of project work in conformance with approved plans and specifications (Order 5100.38);
 - b. Necessary actions to correct punch list items identified during final inspection are complete (Order 5100.38); and
 - c. Preparation of a record of final inspection and distribution to parties to the contract (Order 5100.38);
- ☐ Yes ☐ No ☐ N/A

10. The project was or will be accomplished without material deviations, changes, or modifications from approved plans and specifications, except as approved by the FAA (Order 5100.38).

☐ Yes ☐ No ☐ N/A

11. The construction of all buildings have complied or will comply with the seismic construction requirements of 49 CFR § 41.120.

☐ Yes ☐ No ☐ N/A

12. For development projects, sponsor has taken or will take the following close-out actions:

- a) Submit to the FAA a final test and quality assurance report summarizing acceptance test results, as applicable (Grant Condition);
- b) Complete all environmental requirements as established within the project environmental determination (Order 5100.38); and
- c) Prepare and retain as-built plans (Order 5100.38).

☐ Yes ☐ No ☐ N/A

13. Sponsor has revised or will revise their airport layout plan (ALP) that reflects improvements made and has submitted or will submit an updated ALP to the FAA no later than 90 days from the period of performance end date. (49 USC § 47107 and Order 5100.38).

☐ Yes ☐ No ☐ N/A

Attach documentation clarifying any above item marked with "no" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

Executed on this _____ day of _____, _____.

Name of Sponsor:

Name of Sponsor's Authorized Official:

Title of Sponsor's Authorized Official:

Signature of Sponsor's Authorized Official: _____

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

**U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION
AIRPORT IMPROVEMENT PROGRAM
SPONSOR CERTIFICATION
REAL PROPERTY ACQUISITION**

(Sponsor)
Description of Work:

(Airport)

(Project Number)

Title 49, United States Code, section 47105(d), authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General requirements on real property acquisition and relocation assistance are in Title 49, Code of Federal Regulations (CFR), Part 24. The AIP project grant agreement contains specific requirements and assurances on the Uniform Relocation Assistance and Real Property Acquisition Act of 1970 (Uniform Act), as amended.

Except for the certified items below marked not applicable (N/A), the list includes major requirements for this aspect of project implementation, although it is not comprehensive, nor does it relieve the sponsor from fully complying with all applicable statutory and administrative standards.

	Yes	No	N/A
1. The sponsor's attorney or other official has or will have good and sufficient title as well as title evidence on property in the project.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. If defects and/or encumbrances exist in the title that adversely impact the sponsor's intended use of property in the project, they have been or will be extinguished, modified, or subordinated.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. If property for airport development is or will be leased, the following conditions have been met:			
a. The term is for 20 years or the useful life of the project,	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. The lessor is a public agency, and			
c. The lease contains no provisions that prevent full compliance with the grant agreement.			
4. Property in the project is or will be in conformance with the current Exhibit A property map, which is based on deeds, title opinions, land surveys, the approved airport layout plan, and project documentation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. For any acquisition of property interest in noise sensitive approach zones and related areas, property interest was or will be obtained to ensure land is used for purposes compatible with noise levels associated with operation of the airport.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. For any acquisition of property interest in runway protection zones and areas related to 14 CFR 77 surfaces, property interest was or will be obtained for the following:			
a. The right of flight,	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. The right of ingress and egress to remove obstructions, and			
c. The right to restrict the establishment of future obstructions.			

	Yes	No	N/A
7. Appraisals prepared by qualified real estate appraisers hired by the sponsor include or will include the following:			
a. Valuation data to estimate the current market value for the property interest acquired on each parcel, and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Verification that an opportunity has been provided the property owner or representative to accompany appraisers during inspections.			
8. Each appraisal has been or will be reviewed by a qualified review appraiser to recommend an amount for the offer of just compensation, and the written appraisals as well as review appraisal are available to FAA for review.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. A written offer to acquire each parcel was or will be presented to the property owner for not less than the approved amount of just compensation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Effort was or will be made to acquire each property through the following negotiation procedures:			
a. No coercive action to induce agreement, and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Supporting documents for settlements included in the project files.			
11. If a negotiated settlement is not reached, the following procedures were or will be used:			
a. Condemnation initiated and a court deposit not less than the just compensation made prior to possession of the property, and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Supporting documents for awards included in the project files.			
12. If displacement of persons, businesses, farm operations, or non-profit organizations is involved, a relocation assistance program was or will be established, with displaced parties receiving general information on the program in writing, including relocation eligibility, and a 90-day notice to vacate.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Relocation assistance services, comparable replacement housing, and payment of necessary relocation expenses were or will be provided within a reasonable time period for each displaced occupant in accordance with the Uniform Act.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and have prepared documentation attached hereto for any item marked "no" that is correct and complete.

(Name of Sponsor)

(Signature of Sponsor's Designated Official Representative)

(Typed Name of Sponsor's Designated Official Representative)

(Typed Title of Sponsor's Designated Official Representative)

(Date)

Drug-Free Workplace Airport Improvement Program Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General requirements on the drug-free workplace within federal grant programs are described in 2 CFR part 182. Sponsors are required to certify they will be, or will continue to provide, a drug-free workplace in accordance with the regulation. The AIP project grant agreement contains specific assurances on the Drug-Free Workplace Act of 1988.

Certification Statements

Except for the certification statement below marked as not applicable (N/A), this list includes major requirements for this aspect of project implementation. This list is not comprehensive nor does it relieve the sponsor from fully complying with all applicable statutory and administrative standards.

1. A statement has been or will be published notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the sponsor's workplace, and specifying the actions to be taken against employees for violation of such prohibition.

☐ Yes ☐ No ☐ N/A

2. An ongoing drug-free awareness program has been or will be established to inform employees about:

- a. The dangers of drug abuse in the workplace
- b. The sponsor's policy of maintaining a drug-free workplace
- c. Any available drug counseling, rehabilitation, and employee assistance programs
- d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace

☐ Yes ☐ No ☐ N/A

3. Each employee to be engaged in the performance of the work has been or will be given a copy of the statement required within item 1 above.

☐ Yes ☐ No ☐ N/A

4. Employees have been or will be notified in the statement required by item 1 above that, as a condition employment under the grant, the employee will:
- a. Abide by the terms of the statement
 - b. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction
- ☐ Yes ☐ No ☐ N/A
5. The Federal Aviation Administration (FAA) will be notified in writing within 10 calendar days after receiving notice under item 4b above from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title of the employee, to the FAA. Notices shall include the project number of each affected grant.
- ☐ Yes ☐ No ☐ N/A
6. One of the following actions will be taken within 30 calendar days of receiving a notice under item 4b above with respect to any employee who is so convicted:
- a. Take appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended
 - b. Require such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency
- ☐ Yes ☐ No ☐ N/A
7. A good faith effort will be made to continue to maintain a drug-free workplace through implementation of items 1 through 6 above.
- ☐ Yes ☐ No ☐ N/A

Site(s) of performance of work:

Location 1

Name of Location:

Address:

Location 2 (if applicable)

Name of Location:

Address:

Location 3 (if applicable)

Name of Location:

Address:

Additional documentation for any above item marked "no":

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Executed on this _____ day of _____, _____.

Printed/Typed Name of Sponsor:

Printed/Typed Name of Sponsor's Designated Official Representative:

Printed/Typed Title of Sponsor's Designated Official Representative:

Signature of Sponsor's Designated Official Representative: _____

April 26, 2016

Mr. Steve Borden
Executive Director
Moore County Airport

Dear Steve:

I have copied and scanned the log books for my Arrow, N4999S, and as I don't know whether my brother Jim left them with you, I will be sure to re-send them before I leave the office today. They are divided into three books, Book One, which covers from 1970 until 1980's, Book Two which covers 80's through last annual last December, and the Engine and Prop records in a third package. Let me know if there is any difficulty with them, and I will re-divide the books into slightly smaller packages.

I thought these few additional comments might be useful to you.

I have owned this airplane since 1994, and before that regularly flew it as a rental from Dan Boone, who ran the mechanical shop at Chapel Hill's airport for some time. Apparently he had owned it since the early 1980's, and was the mechanic primarily responsible for its care and maintenance. It has always had first class care, and even more so since I bought it.

I sold it in the early 2000's to a very dear friend who was about to go off to serve as a Captain in the Marines Corps in Iraq, where his right arm got blown off. He came back and managed, as part of his physical rehab, to pull out the old interior and install the leather seat covers, new side panels, new roof liner, and that awful glare guard, which we left in place as a testament to his service, even though it warped the first time the plane was parked in the hot summer sun without being covered. The scratch marks on the right seat control wheel are from the hook on his right arm prosthetic, and remind me of his courage, and of the frustration of learning to work with his left arm after losing his other arm, all turned to rehabilitating skill as he crawled in there and did the work before he even had his permanent prosthetic. Two years ago, Captain Jon Kuniholm and his wife and son moved to Portland, Oregon, and I bought the plane back to keep from losing touch with it.

We also installed an unusual strap to make it easier for Captain Jon pull the door closed at the top as he locked it. Easy enough without the strap for a pilot with two good arms, but tough for someone working with a hook on his right hand. It is in the airplane still, for the same reason. Because it makes me remember every time I grasp it, the price our service men and women pay for my freedom to fly

In recent years two A&Ps with IA have been allowed to fly the Arrow, and both got their IFR ratings in it, in return for which they have done the annuals and been in charge of its maintenance. They are good friends of mine, live in Burlington, and would be glad to talk to you about the condition of the plane. They are both in the recent logbook entries.

I hope you don't think I am bragging too much, but I have flown more than 3,000 kids in the Young Eagles program in this plane in the last 20 years, and am number 4 in the world on the "Most Kids Flown" list for that EAA program. A few other pilots have flown more kids, but I am pretty sure this one airplane has flown more Young Eagles than any other single plane in the world. It is a real treat to fly it to Oshkosh and have them put a ribbon on the prop celebrating its history.

I could go on and on with stories of how and why this plane became one of my treasures, but suffice to say I would never sell it if I knew I could keep flying it, but recent medical diagnoses may make that impossibility.

I would be a little consoled to know I could always fly my Cub to SOP and rent it from you all, if I overcome my medical issues, or if the Medical Reform legislation actually passes.

The treasures I am keeping are my original Piper Cub, N7356H known as "56 Hudson"), and 92455, whose restoration is my continuing hobby and passion. We are presently working on restoring a third J-3 as well as a PA-16 Clipper, both of which we plan to fly to Oshkosh and have judged in the EAA Vintage Aircraft competition, where my Cub 92455 was proclaimed the Grand Champion and won the Gold Lindy award last summer.

From all this, I hope to let you know how careful, if not meticulous, I have been both in the maintenance of the Arrow, and in flying it. Jim mistakenly told the SOP folks that the plane had been a flight school plane. (I bought it from my flight school instructor, but it has not been used as a flight school aircraft. Instead, he used it for commercial operations from Chapel Hill.) In fact, it has been gently used and never abused both before and since I bought it.

The IO-360 engine is at about 1700 hours, and all compressions are over 70. It starts easily and runs sweet and strong. The avionics are dated, but are perfect for IFR training, with a King KX155 radio, an IFR King 94B IFR certified GPS like the ones used in SOP's Cessna 172, an older NARCO transponder which I have not replaced because I have waited like everyone else to see where ADB-S is taking us, and would certainly recommend the "out" configuration to include a new transponder-ES combination unit like the new Garmin 345. It strikes me that the 94B makes this a great step up airplane for folks who may have originally trained in your 172, as they would already be used to the GPS as they begin IFR or complex training.

Triple Nine Sierra was repainted in 1994, and has been hangered ever since, and I have waxed her at least three times a year since then. She does have several dozen tiny dents from a seat belt a Cherry Point Marine Colonel friend of mine left flapping in the breeze when we took off from New Bern several years ago on an environmental expedition flight over eastern North Carolina. Again, I have not had them repaired because they remind me of the first time I ever got to yell at a full Colonel! As you can tell, this old bird and I go way back, and she is full of precious memories for me.

I have given considerable thought to pricing the Arrow, which is a 1970 model. Just this week I reviewed all of the Trade A Plane ads in last week's addition for Arrows built from 1965 through 1975. There were eight or nine such ads. I threw out the highest and lowest prices (\$35K and 95K) to get rid of outliers, and all of the other ads asked between \$55K and \$77K, and averaged \$66K.

Given its condition, which I would rate as an 8 inside and out, its dated avionics, (though I will emphasize she is perfectly capable IFR bird right out of the gate, and good to go until 2020's ADS-B deadline), and its engine time, I think a fair price would be \$60,000.00. She would be a perfect restoration model, when the time comes. With expenditures of less than \$20,000.00 for a modern ADS-B panel and \$12,000.00 for a field overhaul on the engine, or even \$25,000.00 or so for a factory reman, when the engine becomes an issue, 999S would be a like new Arrow for less than \$100,000.00.

Keep me posted about your interest and keep in mind that I am happy to fly it down there at any time so you all could have a closer look. Always nice to come see my brother, who hangars and flies his 182 at SOP.

Bob Epting
bobepting@gmail.com
919 516-6615



Project Requests currently in Partner Connect for prioritization as of 20160411

SOP – Moore County Airport

Project Request Number	Project Description	Project Category : Project Sub-Category 1	Meet or Exceed System Plan Objective (GA Development Priority)	Year*	Estimated Cost	Sponsor rank **
2489	MASTER PLAN UPDATE, INCLUDING ALP	AIRPORT LAYOUT PLAN: NEW / UPDATE	Meet Obj	2017	\$550,00000	03
3300	LAND ACQUISITION	RUNWAY APPROACH: LAND	Meet Obj	2026	\$147,00000	17
3229	PAVEMENT CONDITION (RUNWAY)	PAVEMENT CONDITION: RUNWAY: CONSTRUCTION	Meet Obj	2018	\$6,175,00000	04
3396	PAVEMENT CONDITION (TAXIWAY)	PAVEMENT CONDITION: TAXIWAY: CONSTRUCTION	Meet Obj	2019	\$2,750,00000	07
3224	PAVEMENT CONDITION (APRON)	PAVEMENT CONDITION: APRON: CONSTRUCTION	Meet Obj	2015	\$175,00000	09
2490	PAVEMENT CONDITION (APRON)	PAVEMENT CONDITION: APRON: CONSTRUCTION	Meet Obj	2019	\$6,714,50000	08
2496	RUNWAY LIGHTS, AIRFIELD SIGNAGE	RUNWAY EDGE LIGHTING: REPLACE	Meet Obj	2018	\$674,00000	05
2497	TAXIWAY LIGHTS, AIRFIELD SIGNAGE	LIGHTING: REHAB/REPLACE TAXIWAY EDGE LIGHTING, VAULT	Meet Obj	2018	\$577,60000	06
2947	LAND ACQUISITION RWY 23	RUNWAY APPROACH: LAND	Exceed Obj	2029	\$420,00000	21
2494	RPZ - RUNWAY 23 FEE SIMPLE	RUNWAY PROTECTION ZONES: LAND/OBSTRUCTION	Exceed Obj	2029	\$660,00000	22
2493	RPZ - RUNWAY 5 FEE SIMPLE	RUNWAY PROTECTION ZONES: LAND/OBSTRUCTION	Exceed Obj	2030	\$1,950,00000	26
2495	RPZ - RUNWAY 23 FEE SIMPLE	RUNWAY PROTECTION ZONES: LAND/OBSTRUCTION	Exceed Obj	2030	\$680,00000	23
2498	RPZ - RUNWAY 23 FEE SIMPLE	RUNWAY PROTECTION ZONES: LAND/OBSTRUCTION	Exceed Obj	2030	\$710,00000	24
2499	RPZ - RUNWAY 23 FEE SIMPLE	RUNWAY PROTECTION ZONES: LAND/OBSTRUCTION	Exceed Obj	2030	\$735,00000	25
2506	HANGAR DEVELOPMENT	HANGARS: CONSTRUCTION	Exceed Obj	2020	\$1,500,00000	10
2508	T-HANGAR TAXIWAYS - PHASE II	HANGARS: CONSTRUCTION	Exceed Obj	2020	\$640,00000	11
2502	HANGAR DEVELOPMENT	HANGARS: CONSTRUCTION	Exceed Obj	2022	\$1,000,00000	15
2504	AIRFIELD SERVICE ROAD AND HANGAR PARKING	OTHER: NOT DEFINED IN SYSTEM PLAN OBJECTIVES	Exceed Obj	2022	\$575,00000	13
2505	EXPAND AND IMPROVE AIRPORT UTILITIES - PHASE II	OTHER: NOT DEFINED IN SYSTEM PLAN OBJECTIVES	Exceed Obj	2025	\$685,74500	16
3482	AIRFIELD STORMDRAIN PIPE INSPECTION AND REHABILITATION - PHASE I, PART 2 REHABILITATION	AIRFIELD DRAINAGE: RECONSTRUCT/REPLACE	Optional	2016	\$960,00000	1
2503	AIRFIELD STORMDRAIN REHABILITATION - PHASE II	STORMWATER PLANS	Optional	2017	\$435,00000	02
2924	TERMINAL EXPANSION	GA TERMINAL BLDG: ADDITION TO EXISTING	Optional	2028	\$1,500,00000	20

*Sponsor's input on desired or earliest year for initiating project

**Sponsor's internal ranking or priority of project

Project Requests currently in Partner Connect for prioritization as of 20160411

2507	ACCESS ROAD/AUTO PARKING RECONFIGURATION	GA TERMINAL BLDG: NON-REVENUE TERMINAL PUBLIC PARKING	Optional	2027	\$617,00000	18
2510	ARFF VEHICLE	ARFF: REHAB/REPLACE ELIGIBLE EQUIPMENT/TURN OUT GEAR	Optional	2028	\$600,00000	19
2509	T-HANGAR TAXIWAYS - PHASE III	HANGARS: CONSTRUCTION	Optional	2022	\$662,00000	14
2925	HANGAR DEVELOPMENT	HANGARS: CONSTRUCTION	Optional	2022	\$1,000,00000	12

*Sponsor's input on desired or earliest year for initiating project

**Sponsor's internal ranking or priority of project



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

Advisory Circular

Consolidated AC Includes Change 1

Subject: Architectural, Engineering, and Planning
Consultant Services for Airport Grant Projects

Date: 9/25/2015

AC No: 150/5100-14E

Initiated By: AAS-100 **Change:** 1

1 **Purpose.**

This advisory circular (AC) provides guidance for airport Sponsors in the selection and engagement of architectural, engineering, and planning consultants. It also discusses services that normally would be included in an airport grant project, types of contracts for these services, contract format and provisions, and guidelines for determining the reasonableness of consultant fees.

2 **Cancellation.**

This AC cancels AC 150/5100-14D, *Architectural, Engineering, and Planning Consultant Services for Airport Grant Projects*, dated August 30, 2005.

3 **Applicability.**

A Sponsor is required to award each contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, land acquisition services, mapping or related services with respect to the project in the same manner as a contract for architectural and engineering services is negotiated under Title IX of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. Chapter 11, Selection of Architects and Engineers), or an equivalent qualifications-based requirement prescribed for or by the Sponsor of the airport. See 49 U.S.C. § 47107(a) (17) and the grant assurances.

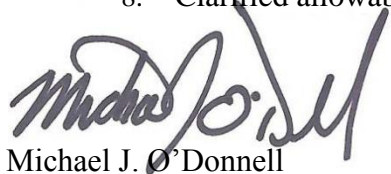
Title 2 of the Code of Federal Regulations (C.F.R.), part 200, establishes uniform administrative rules for Federal grants. The FAA prepared this guidance to assist Sponsor compliance with the procurement requirements of §§200.317-200.326.

This AC does not apply to airport projects that are fully funded with passenger facility charge (PFC) funds.

4 Principal Changes.

The AC incorporates the following principal changes. The revisions made by Change 1 are marked by horizontal bars in the outside margins.

1. Clarified Independent Fee Estimates processes.
2. Clarified multiple consultant selection process.
3. Added “Specific Rates of Compensation” method of contracting.
4. Revised and expanded discussion of Alternative Project Delivery Methods, moved to Appendix G.
5. Updated the advisory circular format to the decimal numbering system.
6. The Office of Management and Budget published the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule, in 78 Federal Register Notice 78590, December 26, 2013. This final guidance contains the administrative requirements formerly contained in (A-110 and A-102), cost principles (A-21, A-87, and A-22), and audit requirements (A-50, A-89, and A-133) for federal awards. As of December 26, 2014, a Sponsor must implement applicable the requirements of 2 CFR §200 to remain allowable for federal assistance.
7. Further clarified multiple consultant selection processes.
8. Clarified allowable costs, applicability of profit and pass-through costs.



Michael J. O'Donnell
Director of Airport Safety and Standards

CONTENTS

Paragraph	Page
CHAPTER 1. INTRODUCTION	1-1
1.1 Overview.....	1-1
1.2 Definitions.....	1-1
1.3 Referenced Documents.....	1-1
1.4 Types of Consultant Services.....	1-1
1.5 Special Services.	1-4
CHAPTER 2. PROCEDURES FOR SELECTION OF CONSULTANTS.....	2-1
2.1 General.....	2-1
2.2 Procurement Standards.	2-1
2.3 Competition	2-2
2.4 Qualifications Based Selection Procedures.	2-3
2.5 Other Services.	2-4
2.6 Selecting Organization.	2-5
2.7 Policy for Selection.....	2-6
2.8 Selection Criteria.	2-7
2.9 Selection Procedures.....	2-8
2.10 Alternate Selection Procedures.	2-12
2.11 Selection Procedures for Environmental Impact Statement (EIS) Preparation.	2-13
2.12 Scope of Services.	2-14
2.13 Independent Fee Estimate.....	2-15
2.14 Negotiations.	2-16
CHAPTER 3. CONTRACT FORMAT AND PROVISIONS.....	3-1
3.1 General.....	3-1
3.2 Contract Format.	3-1
3.3 Division of Responsibility and Authority.....	3-1
3.4 Mandatory Contract Provisions.....	3-2
3.5 Time Overruns Beyond Control of the Consultant.....	3-2
3.6 Ownership of Drawings and Contract Documents.	3-2
3.7 Contract Checklist.	3-3
3.8 FAA Contract Review.	3-3

CONTENTS

Paragraph	Page
3.9 FAA Contract Approval.....	3-4
CHAPTER 4. METHODS OF CONTRACTING AND ALLOWABLE COSTS.....	4-1
4.1 General.....	4-1
4.2 Direct Personal Services.....	4-1
4.3 Retainer.....	4-3
4.4 Cost-Plus-a-Fixed-Fee (Not to Exceed (NTE)).....	4-4
4.5 Fixed Lump-Sum Payment.....	4-6
4.6 Cost-Plus-a-Percentage-of-Cost.....	4-7
4.7 Specific Rates of Compensation (Not to Exceed (NTE)).....	4-7
4.8 Sponsor Force Account Projects.....	4-8
4.9 Phasing of Work.....	4-8
4.10 Allowable Costs.....	4-9
4.11 Non-Allowable Costs.....	4-10
4.12 Pass-Through Costs.....	4-10
APPENDIX A. DEFINITIONS.....	A-1
APPENDIX B. BIBLIOGRAPHY.....	B-1
APPENDIX C. SCOPE OF SERVICES SAMPLES.....	C-1
APPENDIX D. CONSULTANT SERVICES FEE/COSTS SAMPLE.....	D-1
APPENDIX E. DETAILED FEE/COST ANALYSIS SAMPLE.....	E-1
APPENDIX F. RECORD OF NEGOTIATIONS SAMPLE.....	F-1
APPENDIX G. ALTERNATIVE PROJECT DELIVERY SYSTEMS.....	G-1

CHAPTER 1. INTRODUCTION

1.1 Overview.

This advisory circular (AC) provides guidance for airport Sponsors in the selection and engagement of architectural, engineering, and planning consultants. This AC discusses services normally included in an airport grant project, types of contracts for these services, contract format, and guidelines for determining the reasonableness of consultant fees.

1.2 Definitions.

Definitions of the terms used in this AC are listed in Appendix A.

1.3 Referenced Documents.

Documents and regulations referenced throughout this circular are listed in Appendix B.

1.4 Types of Consultant Services.

There are two separate and distinct categories of consultant services that are typically utilized for projects conducted under airport grant programs. The first category involves planning services. The second category involves professional services for the design and construction administration/inspection of airport development projects and for land acquisition projects.

1.4.1 Aviation Planning Services.

This category includes studies under the broad headings of airport system and master planning, airport noise compatibility planning and environmental assessments and related studies. These studies include, but are not limited to, the following activities:

1. Design study to establish the framework and detailed work program.
2. Airport data collection and facility inventories.
3. Aeronautical activity forecasts and demand/capacity analyses.
4. Facility requirements determination.
5. Airfield modeling for capacity and delay.
6. Airport layout and terminal area plan development.
7. Airport noise studies under 14 CFR Parts 150 and 161.
8. Compatible land-use planning in the vicinity of airports.
9. Airport site selection studies.
10. Airport development schedules and cost estimates.
11. Airport financial planning and benefit cost analysis.

12. Participation in public information and community involvement programs and/or public hearings relating to airport development and planning projects.
13. Environmental Assessments (EA), Environmental Impact Statements (EIS), and other studies in accordance with FAA Orders 5050.4 and 1050.1.
14. Preparation of or updating of the airport layout plan.
15. Airspace analysis.
16. GIS data collection, entry, and analysis and other electronic graphical/mapping efforts.

1.4.2 Architectural/Engineering Services for Airport Development Projects.

This category includes the basic A/E services normally required for airport development projects. It involves services generally of an architectural, civil, geotechnical, structural, mechanical, and electrical engineering nature. In addition, there may be some services outside those normally considered basic that are discussed in paragraph 1.5. The basic services are usually conducted in, but are not limited to, the five distinct and sequential phases summarized below:

1.4.2.1 **Preliminary Phase.**

This phase involves those activities required for defining the scope of a project and establishing preliminary requirements. Some examples of activities within this phase of a project include, but are not limited to:

1. Coordinating with the Sponsor on project scope requirements, finances, schedules, operational safety and phasing considerations, site access and other pertinent matters.
2. As applicable, coordinating project with local FAA personnel and other interested stakeholders to identify potential impacts to their operations.
3. Planning, procuring, and/or preparing necessary surveys, geotechnical engineering investigations, field investigations, and architectural and engineering studies required for design considerations.
4. Developing design schematics, sketches, environmental and aesthetic considerations, project recommendations, and preliminary layouts and cost estimates.
5. Preparing project design criteria and other bridging documents commonly used for alternative project delivery methods such as design-build contracting.

1.4.2.2 **Design Phase.**

This phase includes all activities required to undertake and accomplish a full and complete project design. Examples include, but are not limited to, those below:

1. Conducting and attending meetings and design conferences to obtain information and to coordinate or resolve design matters.

2. Collecting engineering data and undertaking field investigations; performing geotechnical engineering studies; and performing architectural, engineering, and special environmental studies.
3. Preparing necessary engineering reports and recommendations.
4. Preparing detailed plans, specifications, cost estimates, and design/construction schedules.
5. Preparing Construction Safety and Phasing Plan (CSPP).
6. Printing and providing necessary copies of engineering drawings and contract specifications.

1.4.2.3 **Bidding and Negotiation Phase.**

These activities are sometimes considered part of the construction phase. They involve assisting the Sponsor in advertising and securing bids, negotiating for services, analyzing bid results, furnishing recommendations on the award of contracts, and preparing contract documents.

1.4.2.4 **Construction Phase.**

This phase may include all basic services rendered after the award of a construction contract, including, but not limited to, the following activities:

1. Providing consultation and advice to the Sponsor during all phases of construction.
2. Representing the Sponsor at preconstruction conferences.
3. Inspecting work in progress periodically and providing appropriate reports to the Sponsor.
4. Reviewing and approving shop and erection drawings submitted by contractors for compliance with design concept/drawings.
5. Reviewing, analyzing, and accepting laboratory and mill test reports of materials and equipment.
6. Assisting in the negotiation of change orders and supplemental agreements.
7. Observing or reviewing performance tests required by specifications.
8. Determining amounts owed to contractors and assisting Sponsors in the preparation of payment requests for amounts reimbursable from grant projects.
9. Making final inspections and submitting punch-lists and a report of the completed project to the Sponsor.
10. Reviewing operations and maintenance manuals.

1.4.2.5 **Project Closeout Phase.**

This phase includes all basic services rendered after the completion of a construction contract, including, but not limited to, the following activities:

1. Making final inspections and submitting punch-lists and a report of the completed project to the Sponsor.
2. Providing record drawings.
3. Preparing summary of material testing report
4. Preparing summary of project change orders
5. Preparing grant amendment request and associated justification, if applicable.
6. Preparing final project reports including financial summary.
7. Obtaining release of liens from all contractors.

1.5 **Special Services.**

1.5.1 The development of some projects may involve activities or studies outside the scope of the basic design services routinely performed by the consultant. These special services may vary greatly in scope, complexity, and timing and may involve a number of different disciplines and fields of expertise.

1.5.2 Consultants performing special services may be employed directly by the Sponsor to implement one or more phases of a project or may be employed by the principal consultant via a subcontract agreement. In certain instances, these services may be performed by the principal consultant. Some examples of special services that might be employed for airport projects include, but are not limited to, the following:

1. Soil investigations, including core sampling, laboratory tests, related analyses, and reports.
2. Detailed mill, shop, and/or laboratory inspections of materials and equipment.
3. Land surveys and topographic maps.
4. Field and/or construction surveys.
5. Photogrammetry surveys.
6. Onsite construction inspection and/or management involving the services of a full-time resident engineer(s), inspector(s), or manager(s) during the construction or installation phase of a project. This differs from the periodic inspection responsibilities included as part of the basic services.
7. Special environmental studies and analyses.
8. Expert witness testimony in litigation involving specific projects.
9. Project feasibility studies.

10. Public information and community involvement surveys, studies, and activities.
11. Preparation of record drawings.
12. Assisting the Sponsor in the preparation of necessary applications for local, State, and Federal grants.
13. Preparation of an as-built airport layout plan.
14. Preparation of property maps.
15. Preparation of quality control plan.
16. Preparation of final report.

Page Intentionally Blank

CHAPTER 2. PROCEDURES FOR SELECTION OF CONSULTANTS

2.1 General.

The procedures included in this chapter provide guidance for Sponsors in the selection and engagement of architectural, engineering, environmental, and planning consultants on projects funded wholly or in part under Federal airport grant programs. Adherence to these procedures will assure a Sponsor of compliance with the requirements of 49 USC § 47107(a) (17) and 2 CFR §200.320, as amended.

- 2.1.1 49 USC § 47107(a) (17) states: “Each contract and subcontract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design engineering, surveying, mapping, and related services will be awarded in the same way that a contract for architectural and engineering services is negotiated under Chapter 11 of Title 40 or an equivalent qualifications based requirement prescribed for or by the Sponsor.” In addition to the services described in this statute, the professional and incidental services listed under A/E Services in Appendix A, must also be procured using qualifications based procedures.
- 2.1.2 2 CFR § 200.320 establishes that procurement by competitive proposal, where price is not a factor, may only be used for procurement of architectural/engineering (A/E) services. It may not be used for other services even though an A/E firm may be a potential source to perform the service. If a conflict exists between 49 USC § 47107(a) (17) and 2 CFR 200, the statute will prevail.
- 2.1.3 Title IX of the Federal Property and Administrative Services Act of 1949 requires that qualifications based selection procedures be used for the selection of firms to perform architectural and engineering services. Qualifications based procedures require that a contract for A/E services be awarded pursuant to a fair and open selection process based on the qualifications of the firms. The fees for such services are established following selection of a firm through a negotiation process to determine a fair and reasonable price.

2.2 Procurement Standards.

- 2.2.1 The selection of qualified consultants must be made on the basis of fair negotiations and equitable fees and through selection procedures that are professionally acceptable, ensure maximum open and free competition, and avoid any suggestion of unfair or unethical conduct.
- 2.2.2 Consultants employed for work on projects involving airport grants must be responsible and possess the ability to perform successfully under the terms and conditions of the proposed procurement. Consideration should be given to such matters as integrity, record of past performance, extent of experience with the type of services required by the Sponsor, technical resources, and accessibility to other necessary resources.

- 2.2.3 The Sponsor's procurement action must be void of individual and organizational conflicts of interests both real and/or perceived.
- 2.2.3.1 Individual conflicts of interest may exist whenever a Sponsor's employee, officer, agent or family member thereof has a financial or other interest in the firms competing for the work.
- 2.2.3.2 Organizational conflicts of interest may exist when there is a lack of impartiality, impaired objectivity or an unfair advantage with one or more of the firms competing for the work.
- 2.2.4 Sponsors must maintain sufficient records, made available at the FAA's request, to detail the significant history of their procurement action. This includes the rationale for the procurement method; the selection considerations; contract type and basis for contract price.

2.3 **Competition**

- 2.3.1 Per § 200.319, all procurement transactions must be conducted in a manner providing full and open competition. It is the responsibility of the Sponsor to assess whether their procurements conform to the requirements of §200.318 for addressing conflict of interest and the standards of §200.319 for full and open competition.
- 2.3.2 An unfair competitive advantage may exist when one firm has access to source selection information that competing firms do not have similar access to.
- 2.3.2.1 To ensure objective contractor performance and eliminate unfair competitive advantage, 2 CFR part §200.319 requires entities that develop or draft specifications, requirements, statements of work, invitations for bids, or requests for proposals must be excluded from competing for such procurements. However, once selected, the successful consultant may participate in further definition of the scope of work. For purposes of full disclosure, Sponsors that seek external assistance with preparation of Statements of Work (SOW) for a request for qualifications (RFQ) are encouraged to make the restrictions of §200.319 known to the firm providing the assistance. For additional discussion on this please refer to the latest version of Order 5100.38.
- 2.3.2.2 There are situations where an unfair competitive advantage can be mitigated or neutralized. For example, the consultant who performs master plan services for a Sponsor or assists a Sponsor with preparation of their Capital Improvement Program would have an apparent unfair competitive advantage when competing for follow-on engineering design services. A Sponsor can mitigate this unfair advantage through full and open disclosure of the source selection information to all competing firms. The restrictions of 2.3.2.1 however, cannot be mitigated or neutralize.

2.3.3 Objective consultant performance can be compromised whenever a firm is in a position where they could apply undue influence on Sponsor decisions that ultimately benefit the consultant. Sponsors that combine the selection of a planning consultant and engineering consultant create the potential for a problematic situation that may jeopardize AIP participation in the Sponsor's professional services expenses. This is primarily due to conflicts with the AIP procurement requirements, found in Order 5100.38, such as the following:

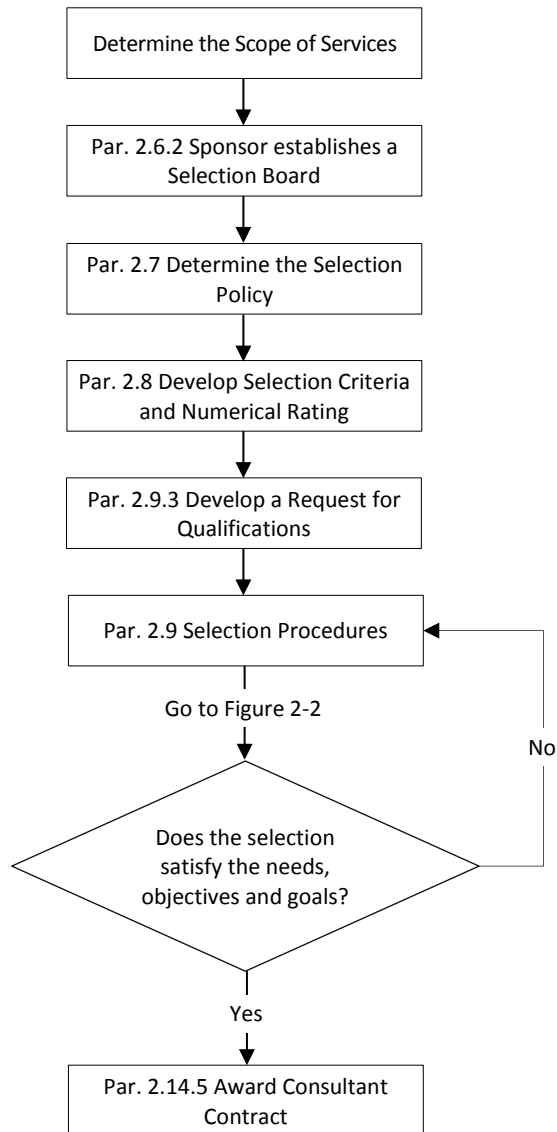
1. Objectivity of the planning consultant's performance may be compromised because the firm is in a position to establish development objectives for which the same firm will be tasked with engineering design services. This is an apparent lack of impartiality that may influence the planning initiative and the identification of preferred development objectives.
2. There is diminished transparency of the procurement action for engineering design services given that the development objectives are not established at the time the Sponsor conducts that selection process.
3. Firms that specialize in one type of service may be unfairly excluded from competing for a project when the Sponsor combines distinct types of services.
4. Per FAA Order 5050.4B,, consultants that prepare an Environment Impact Statement may not compete for future work the EIS addresses until such time the FAA has issued a Record of Decision.

2.3.4 Sponsors can mitigate these apparent concerns regarding procurement transparency and objective contractor performance by separating the procurement of a planning consultant from that of an engineering design consultant. With the exception of the restrictions established under 2 CFR §200.319 (See 2.3.2.1), a consultant that performs planning services may compete for follow-on engineering provided the Sponsor properly mitigates any situations of unfair competitive advantage (See 2.3.2.2).

2.3.5 It may be permissible under certain circumstances for a Sponsor to combine the selection for certain planning type services and design type services provided there is no loss of objectivity of the planning action or loss of transparency in the procurement process. For example, the update of an airport layout plan for which no new development objectives are established could be combined with design services.

2.4 **Qualifications Based Selection Procedures.**

Consultants must be selected on the basis of their qualifications and experience, with fees determined through negotiations following selection. The qualifications of consultants are evaluated and the best qualified consultant is selected, subject to a mutual understanding of the scope of services and negotiation of a fair and reasonable fee. Figure 2-1 is an overview of the recommended Qualifications Based Consultant Selection process.

Figure 2-1. Qualifications Based Selection Process

2.5 Other Services.

- 2.5.1 Where services are to be performed in conjunction with the architectural, planning, environmental, or engineering services, they must be contracted for in the course of procuring the A/E services.
- 2.5.2 Where services such as feasibility studies, construction management, program management and other services as defined in 49 USC § 47107(a) (17) and A/E services as defined in Appendix A are to be performed, they must be procured using qualifications based procedures.

- 2.5.3 Where services are to be performed that are not in conjunction with A/E and planning services and do not require performance by a licensed architect or engineer, the services should be acquired using local procurement procedures. An example of this type of special service would be soil borings, whereby the boring layout plan and interpretations of tests are not performed by the boring contractor. Soil borings conducted as part of a geotechnical engineering investigation or for which an independent engineer is responsible must be procured either in the course of procuring A/E services or by using qualifications based procedures.
- 2.5.4 Where services are to be performed in assisting the FAA in preparing an Environmental Impact Statement (EIS), they must be procured using qualifications based selection procedures (see paragraph 2.11).
- 2.5.5 Where a Sponsor decides to utilize an Alternative Project Delivery System (APDS) such as design-build (DB) or construction manager-at-risk (CMAR), the Sponsor may use the competitive proposal approach (as defined in 2 CFR §200.320) for selection provided price and other factors such as qualifications, skill, experience, and design approach are considered when selecting a firm to perform this service. The selection of an A/E services firm is the only instance where prices must be excluded as a consideration under a competitive proposal selection. Please reference Appendix G, Alternative Project Delivery Systems, of this Advisory Circular for guidance in procuring these types of services.
- 2.6 **Selecting Organization.**
 - 2.6.1 Within the Sponsor's organization, an administrative policy should be established for designating persons authorized to select or recommend consultants for various assignments. The persons designated may include the administrator or the department head to be supplemented by others making up a selection board. The persons empowered to make the selection of one consultant over another must be kept free of pressures, both internal and external. 2 CFR § 200.318(c) requires that Sponsors maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. They must not participate in selection or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
 - 2.6.2 The typical procedure for selecting a consultant is to use a selection board composed of at least three persons, with at least one being an engineer, airport planner, or other professional knowledgeable of the service required. For projects that have special design requirements or are particularly complex, the selection board should have additional technical members with the appropriate expertise in those required disciplines. The board should be prepared to evaluate potential consultants, i.e., conduct interviews and inquiries as desired and make recommendations to the governing body in accordance with paragraph 2.9.14.

2.7 Policy for Selection.

2.7.1 The selection of a consultant must be based on a comparative analysis of the professional qualifications necessary for satisfactory performance of the service required. Moreover, the selection process must satisfy requirements for open and free competition.

2.7.2 Sponsors may procure a consultant for several projects through one procurement action provided the following conditions are met:

1. The consultant is selected using the qualifications based selection procedures described in paragraph 2.9.
2. The parties competing for the work must be advised that the work may be accomplished during the course of multiple grants. The expected schedule of projects must be defined, together with a statement of work and the required services. The statement of work must be described in sufficient detail so that all parties may adequately establish the type of services required to accomplish the work. Avoid generic statements of work.
3. All parties are advised that some of the services may not be required and that the Sponsor reserves the right to initiate additional procurement action for any of the services included in the initial procurement.
4. The services are limited to those specific projects that the Sponsor reasonably expects to initiate within five (5) years (See Para. 3-59, FAA Order 5100.38) of the effective date of the initial contract. With mutual and written agreement between the Sponsor and the FAA, additional projects or work elements may be added after the original selection if all of the following conditions exist:
 1. The Sponsor can provide acceptable justification for not initiating a new procurement action (Note: Convenience of the Sponsor is not an acceptable justification to forgo a separate procurement action).
 2. Added project(s) or work element(s) is (are) similar in character to the statement of work the Sponsor used in the original selection.
 3. Added projects or work elements do not require services or qualifications not previously included in the original selection.
 4. The cumulative cost of services for the added projects or work elements is not expected to exceed the simplified acquisition threshold as defined in Para. U-12 of FAA Order 5100.38.

If the above-listed conditions do not exist, Sponsors that want to add work elements not specifically included in the original procurement action must conduct a separate and new procurement action. Projects initiated within the first five (5) years may continue beyond the duration of the initial contract; however once 5-year duration has ended no new projects should be initiated without a new procurement action.

5. If more than one party is selected, the expected projects to be performed by each party must be defined, together with the statement of work and the required services, at the time of the initial procurement action. The Sponsor must provide

notification to each firm of the projects they were awarded. Sponsors must avoid the practice of selecting multiple firms and assigning project responsibility at a later date.

6. The negotiation of the fee is limited to the services expected to be performed under the first grant or project after the initial procurement action. The contract must be limited to the services covered by the negotiated fee. The negotiation of the fee for subsequent services, i.e., services included in the procurement action but not in the initial contract, must occur at the time those services are needed. A fee estimate must be performed for each of these negotiations (See paragraph 2.13 for information on fee estimate.). If a fee cannot be agreed upon between the Sponsor and the selected firm, then negotiations are terminated with that firm. If the Sponsor identified and ranked multiple firms for the project at the time of the initial procurement action, then the Sponsor may enter into negotiations with the firm ranked next. If no additional firms were identified and ranked or agreement is not reached with any selected firms, then the Sponsor must initiate a new procurement action.
7. In the case of an unforeseen project as in Paragraph 4, the Sponsor and the FAA may mutually agree on the ranking of the selected consultants by evaluating their capabilities and the scope of the unforeseen project. However, if the scope of the unforeseen project does not match the capabilities of the selected consultants, a new procurement action must be conducted.

2.7.3 Unless there is a compelling reason that there is a benefit to the FAA to combine eligible and ineligible projects in a single solicitation, Sponsors are discouraged from doing so. See Order 5100.38 for additional information.

2.8 **Selection Criteria.**

2.8.1 Based on the proposed scope of service(s) and prior to evaluating consultants, a Sponsor(s) must develop a list of selection criteria to be used in evaluating potential consultants. Numerical rating factors (ranges) should be assigned to each criterion on the basis of the Sponsor's priorities and conception of the importance of each factor in the attainment of a successful project. The Sponsor(s) should include the criteria with a Request for Qualifications (RFQ) in advance of the selection process.

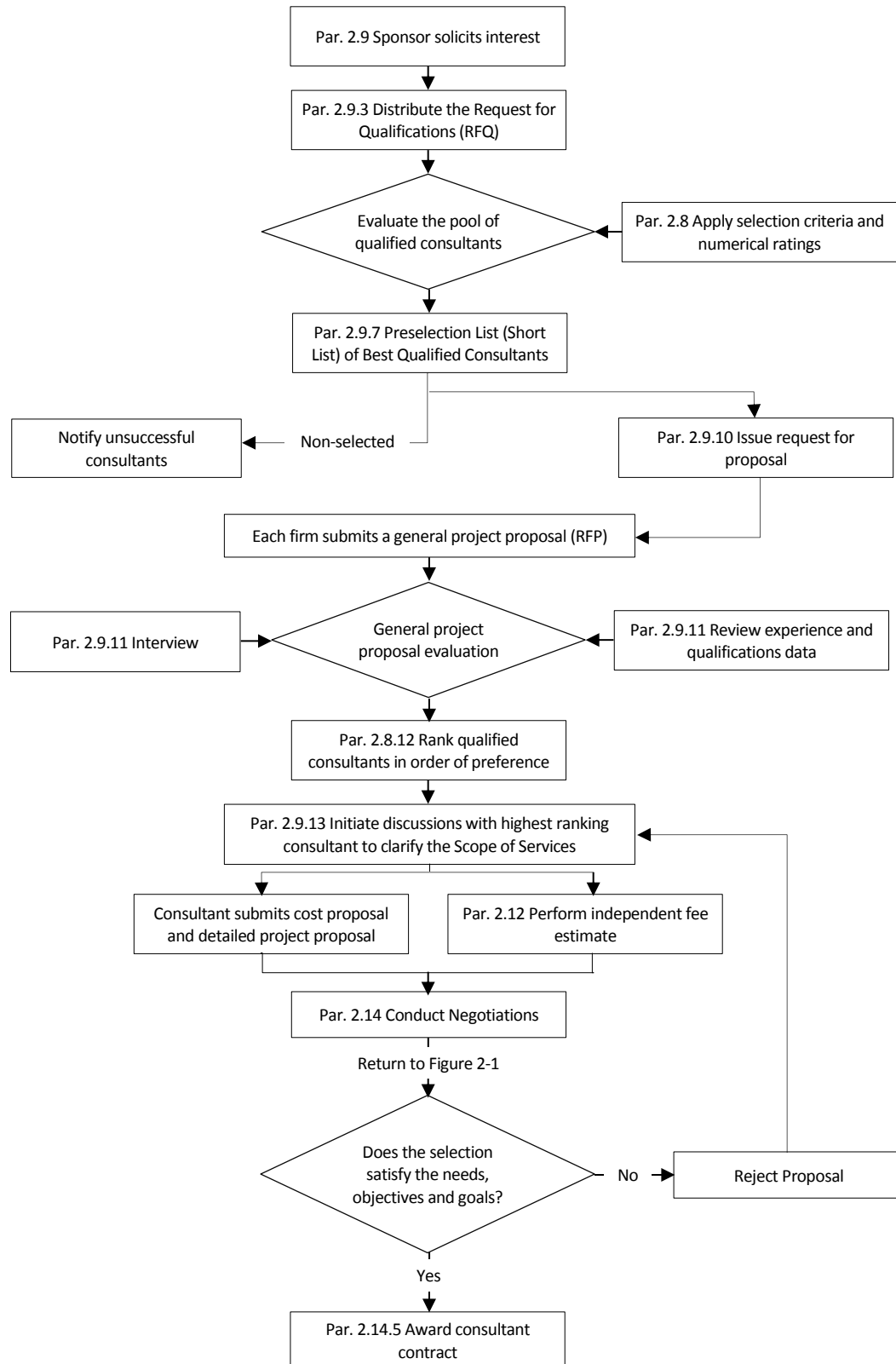
2.8.2 Based on a Sponsor's goals/objectives for each project, the list of selection criteria will vary for each RFQ and must be appropriate for the proposed scope of services. Suggested selection criteria include, but are not limited to, the following:

1. Capability to perform all or most aspects of the project and recent experience in airport projects comparable to the proposed task.
2. Key personnel's professional qualifications and experience and availability for the proposed project; their reputation and professional integrity and competence; and their knowledge of FAA regulations, policies, and procedures.
3. Capability to meet schedules or deadlines.

4. Quality of projects previously undertaken and capability to complete projects without having major cost escalations or overruns.
5. Qualifications and experience of sub-consultants regularly engaged by the consultant under consideration.
6. Capability of a branch office that will do the work to perform independently of the home office, or conversely, its capability to obtain necessary support from the home office. The use of geographic location may be a selection criteria provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.
7. Ability to furnish qualified inspectors for construction inspection if applicable.
8. Understanding of the project's potential challenges and the Sponsor's special concerns.
9. Degree of interest shown in undertaking the project and their familiarity with and proximity to the geographic location of the project.
10. Capability to incorporate and blend aesthetic and architectural concepts with the project design while accomplishing the basic requirements that transportation facilities be functional, safe, and efficient.
11. In meeting the Disadvantaged Business Enterprise (DBE) contract goal, evidence documenting that the consultant met the DBE goal, or by documenting that it made adequate good faith efforts to meet the DBE goal. (See 49 CFR, § 26.53)
12. Capability to conduct a Value Engineering (VE) study for projects that are particularly complex or have unique features. Order 5100.38, Chapter 3, Subsection 3-57; AC 150/5300-15, *Use of Value Engineering for Engineering and Design of Airport Grant Projects*; and AC 150/5370-10, *Standards for Specifying Construction of Airports*, contain additional guidance on VE studies.

2.9 Selection Procedures.

The Sponsor must use the following selection procedures or equivalent State/Sponsor qualifications based selection for individual project selections involving Federal airport grants (see Figure 2-1 and Figure 2-2). However, the requirement for both an RFQ and an RFP should be evaluated based on the complexity of the project as these steps may be combined into a single request.

Figure 2-2. Consultant Selection Process for a Single Project

- 2.9.1 The selection board should review the nature of the proposed project and the general scope of services to be procured in order to ensure an understanding of the project requirements and the qualifications needed by the consultant.
- 2.9.2 As discussed in paragraph 2.8, the selection board must develop the selection criteria and the evaluation system used in preparing a pre-selection short-list of consultants who are best qualified for the project as well as in determining the final selection.
- 2.9.3 To obtain experience and qualification data from potentially qualified consultants, the Sponsor should issue an RFQ inviting consultants to submit their experience and qualifications data relating to the proposed project usually in the form of a Statement of Qualifications (SOQ). To ensure the broadest publicity concerning Sponsor interest in obtaining consultant services, public announcements for all projects should be advertised in local newspapers with a wide circulation, national trade journals and magazines, and through electronic media. Public announcements should include information such as a description of the proposed project and its location, a description of the services, and the estimated range of construction costs. The public announcement should allow sufficient time for submission of the statement of qualifications.
- 2.9.4 Sponsors may also send the public announcements directly to known, potentially qualified consultants to determine their interest in the project and to request their experience and qualification data.
- 2.9.5 Affirmative steps pursuant to 2 CFR §200.321 and good faith efforts should be taken to assure that small and minority firms are used whenever possible, consistent with 49 CFR part 26. These steps and efforts should include, but not be limited to, the following:
1. Include qualified small business and minority firms on solicitation lists.
 2. Assure that small business and minority firms are solicited whenever they are potential sources. Consultation with regional Airports Divisions, Office of Civil Rights, and/or State transportation offices is encouraged.
 3. Divide the total requirements into small tasks, when economically feasible, to permit maximum small business and DBE firm participation.
 4. Use the services and assistance of the Small Business Administration, the Minority Business Development Agency of the Department of Commerce, and the Minority Resource Center Regional Centers of the Department of Transportation (<http://osdbu.dot.gov>).
 5. Arrange solicitations, time for presentation of offers and delivery schedules to facilitate DBE and other small business participation.
 6. Encourage consultants to subcontract portions of the work, even when they might otherwise perform the work with their own forces.
- 2.9.6 FAA Airports field offices may also furnish the names of consultants who have engaged in projects of similar nature in their areas of jurisdiction. However, with the exception

of an EIS, FAA personnel will not recommend consultants or participate in the selection process. The addresses of FAA Airports Regional/District Offices having jurisdiction over specific geographic areas are available at:

http://www.faa.gov/about/office_org/headquarters_offices/arp/regional_offices/

- 2.9.7 From the experience and qualification data obtained from consultants, the selection board should prepare a pre-selection short-list of the best qualified consultants for further consideration. With adequate response to the RFQ, the typical pre-selection short-list should consist of between three and five consultants.
- 2.9.8 At this point, consultants who expressed an interest in the project but were not included on the pre-selection short-list should be notified that they were unsuccessful.
- 2.9.9 Detailed information on the qualifications and performance data of each of the consultants on the pre-selection short-list should be obtained. This can be achieved by contacting former clients identified by the consultant in their statement of qualifications to ascertain the quality of work, ability to meet schedules, cost control, and consultant-client relationship.
- 2.9.10 At this point, the selection organization may elect to obtain a general project proposal from each of the firms on the pre-selection short-list, typically by issuing a Request for Proposal (RFP) to each consultant on the pre-selection short-list. The RFP should include a detailed description of the project and the proposed scope of services required. The selection criteria, including their relative importance that will be used to evaluate the proposals must also be made available to each of the firms on the pre-selection short-list. The RFP shall not contain a request for any cost information, such as total cost, cost per hour, work hours, or other pricing data. Requests for cost or pricing information, prior to discussions with the best qualified firm, to define the scope of services is contrary to 49 USC § 47107 (a) (17) and 2 CFR § 200.320(d). The general project proposal will help the selection board recommend a consultant who can achieve design excellence, while successfully controlling time and costs and who has the ability to understand and accomplish the specialized requirements of the project. The elements of a typical general project proposal should include, but are not limited to, the following:
 - 1. Team members, other key personnel, previous experience, and the role they will fill on the project. The qualifications and time commitment of the project manager proposed for the project.
 - 2. Current workload.
 - 3. Proposed project schedule, including major tasks and target completion dates.
 - 4. Technical approach – a brief discussion of the tasks or steps that the consultant will take to accomplish the work described in the scope of services.
 - 5. Value engineering – when a value engineering study is included in the selection criteria, a brief discussion of the consultant’s capability, training, and experience to carry out such a study.

- 2.9.11 Conduct interviews with each consultant on the pre-selection short-list. On small projects, a telephone interview may be sufficient. Careful consideration of time and cost should be given to the need for formal interviews. If Sponsor has received sufficient information included in the qualification submission to make a selection, then formal interviews may not be necessary.
- 2.9.12 Review the experience and qualifications data, the general project proposal, the interview results, and other relevant data. Using the selection criteria developed for the project; rank the qualified consultants in order of preference.
- 2.9.13 Initiate discussion with the first-ranked consultant to fully define the scope of work and services to be provided (see paragraph 2.12). After agreement on a detailed scope of services has been reached, the Sponsor initiates actions to prepare an Independent Fee Estimate (IFE) in conformance with 3 CFR §200.323 and Table 3-67 of FAA Order 5100.38. Simultaneously, instruct the selected consultant to prepare and submit their cost proposal along with a detailed draft contract agreement. To ensure the integrity of the negotiation process, the Sponsor should not receive the fee proposal ahead of the IFE. The consultant should submit their cost proposals together with a detailed project proposal. Negotiations should then be conducted to reach a fair and reasonable fee, subject to the procedures indicated in paragraphs 2.13 and 2.14.
- 2.9.14 Prepare a report that documents the Sponsor's procurement actions and the selection of the consultant they deem most qualified. The report must contain sufficient detail to indicate the extent of the review and the considerations used for the recommendations. The report should be forwarded to the Sponsor's administrator or governing body authorized to review the recommendations of the selection board. The recommendations of the selection board should normally be accepted unless the report does not adequately support the recommendations. This will help to ensure complete fairness and open competition. If the recommendations are not accepted, the selection board should reconvene until acceptable recommendations have been agreed upon.

2.10 **Alternate Selection Procedures.**

2.10.1 Proposals Requested with Qualification Data.

The selection procedure recommended in paragraph 2.9 should normally be followed in the procurement of consulting services. For small projects where the scope of work and services can be clearly defined or the Sponsor anticipates receipt of less than four proposals, the Sponsor may wish to solicit proposals at the time of advertising for experience and qualification data. In this case, the announcement must contain a detailed scope of services and indicate where the selection criteria can be obtained. The advertisement cannot request pricing information.

2.10.2 Informal Procedures.

- 2.10.2.1 Informal Qualifications Based Selection procedures may be used for A/E procurements estimated to be less than \$100,000. However, this does not

relieve the Sponsor from the obligation to perform a cost analysis and prepare an independent fee estimate (see paragraph 2.13). Sponsors must consult with FAA Airport personnel before using informal procedures to assure that the circumstances justify their use.

2.10.2.2 Under this procedure, a Sponsor must contact at least three firms and discuss their qualifications to perform the work. Negotiations must then be conducted with the best-qualified firm to arrive at a fee. These negotiations may be conducted via telephone or e-mail. After selection, using this procedure, the Sponsor must document their procurement action and then submit a statement to the FAA explaining the basis for the selection and method used to determine reasonableness of the fee.

2.10.2.3 The informal selection process may not be used to select a firm for multiple projects.

2.10.3 Non-competitive Procedures.

The FAA may authorize non-competitive negotiation for services if the cost of the contract is not expected to exceed \$10,000 and the services are incidental to the grant project. When this procedure is used, the Sponsor must submit a statement to the FAA explaining the basis used to determine reasonableness of cost as discussed in 2.10.2 above.

2.11 **Selection Procedures for Environmental Impact Statement (EIS) Preparation.**

The procurement of consultant services to assist the FAA in preparing an EIS is somewhat unique because the regulations implementing the National Environmental Policy Act (NEPA) (42 USC § 4321 et seq.), require Federal agencies to prepare the EIS or select the contractor that prepares the EIS (Orders 5050.4 and 1050.1 provide additional guidance). Selection of a consultant must, therefore, be made by the FAA from a short-list of qualified consultants submitted by the Sponsor. The Sponsor and the FAA must follow the selection procedures recommended in paragraph 2.9 with the following exceptions:

1. The proposed scope of work is to be provided by the FAA.
2. The FAA must concur with the selection and evaluation criteria prepared by the Sponsor.
3. The FAA will be invited to participate with the Sponsor in the interviews with consultants on the pre-selection short-list.
4. The Sponsor may indicate to the FAA their ranking of the consultants on the pre-selection short-list after the interview process has been concluded. The FAA, however, is under no obligation to make a selection based on this ranking.
5. Using the Sponsor selection and evaluation criteria previously agreed to and established by the Sponsor and the FAA, the FAA will independently evaluate and rank the consultants on the pre-selection short-list in order of preference, based on qualifications.

6. The FAA must advise the Sponsor of the FAA's ranking in order of preference, and the Sponsor must advise and initiate discussions with the consultant ranked first.
7. The FAA will be invited to discussions on the scope during any IFE process conducted by the Sponsor or their consultant, as necessary.
8. The FAA's involvement in the negotiation of the project cost must be limited to making a reasonableness determination once a satisfactory cost proposal has been reached between the Sponsor and the consultant.
9. The FAA must prepare a selection report for its records.

2.12 Scope of Services.

- 2.12.1 An important step in the negotiation process is to reach a complete and mutual understanding of the scope of services to be provided. The general scope of services developed during initiation of the procurement process is of necessity too broad to serve as the basis for a contractual agreement. A well-defined project description and scope of services should be developed between the Sponsor and first-ranked consultant prior to negotiating a project design fee. This may be accomplished in a scoping meeting or separate investigation or study to clearly define the extent of the project. The Sponsor's engineer or independent consultant (see paragraph 2.13) should attend the meeting so they will have a complete understanding of the scope of services prior to developing a detailed fee estimate. Such a meeting offers the opportunity for refinement, amendment, and complete definition of the services to be rendered.
- 2.12.2 The scope of service(s) must be sufficiently detailed so that the consultant can make a reasonable fee estimate (see Appendix E). Although the scope of service(s) will vary from project to project (see samples in Appendix C), the following items are typical of those that should be considered in developing the scope of services:
 1. List of meetings the consultant is expected to attend.
 2. Design schedule.
 3. Special services required.
 4. Complexity of design.
 5. Safety and operational considerations.
 6. Environmental considerations.
 7. Survey and geotechnical testing requirements.
 8. Sponsor representation services during construction.
 9. Quality control during construction.
 10. Preparation of forms, letters, documents, and reports.
 11. Airport Layout Plan updates.
 12. Property map preparation.

13. Quality control during design.
14. Coordination with other consultants and agencies.
15. Deliverables.
16. Data and material furnished by the Sponsor.
17. Testing and commissioning requirements.
18. City/county requirements.
19. Number of bid packages.
20. Complexity of construction phasing to minimize impacts on airport operations.
21. Public Outreach.

2.13 **Independent Fee Estimate.**

- 2.13.1 A Sponsor must perform a price or cost analysis for every A/E contract (2 CFR § 200.323). The method and degree of analysis is dependent on the facts surrounding the contract. To properly evaluate the cost of professional services an independent fee estimate (IFE) is required, prior to receiving the consultant's proposal, as part of the cost analysis for all A/E contracts and contract modifications. The IFE is intended to be used as a negotiation tool by the Sponsor. The word "independent" does not imply that the IFE has to be performed by someone other than the Sponsor. Preparation of an IFE can be completed in a number of ways, such as the following, or as approved by your local ADO:
1. A Sponsor having a staff with experience in estimating the professional services and negotiating contracts for these services can develop its own IFE for the services, based on the scope of services agreed upon in paragraph 2.12.
 2. Sponsors having no staff with this expertise or having minimal or no previous experience may engage the services of a consultant on retainer for preparation of the IFE provided the consultant has experience with the services involved and who is not being considered for the project.
 3. Alternatively, an independent engineering, architecture, or planning consultant may be retained to prepare an IFE provided this consultant was not on the pre-selection short-list. The consultant must have recent experience in airport work similar to that proposed and be familiar with FAA requirements and procedures. The Sponsor should request evidence that the consultant meets the above requirements.
- 2.13.2 State aviation personnel who have experience with the services involved may also prepare the IFE for the Sponsor's use.
- 2.13.3 The level of detail needed to satisfy the requirements of an IFE varies and is dependent on the anticipated value of the A/E contract. For contracts with an anticipated value less than \$100,000 the Sponsor can satisfy the IFE requirement by comparing the A/E contract with previous contracts of a similar nature, or preparing a detailed fee/cost

analysis (see Appendix E). At a minimum, the independent estimate must address direct labor work hours, labor rates, general and administrative overhead, non-salary expenses and a reasonable profit. For contracts anticipated to be greater than \$100,000 a detailed fee/cost analysis is required.

- 2.13.4 If the Sponsor hires a consultant to perform any of these functions, that consultant may be retained using informal or non-competitive qualifications based procedures (see paragraphs 2.10.2 and 2.9.3) as applicable; however, the IFE consultant will not be eligible for consideration to perform work on the project.
- 2.13.5 Another source on estimating consultant's cost can be found in ASCE Manuals and Reports on Engineering Practice No. 45, "How to Work Effectively with Consulting Engineers." However, these graphs must be used with judgment and within their stated limitations. Other resources include project history files, previous contracts, etc.
- 2.13.6 Sponsors have an obligation to obtain a fair and reasonable fee in all cases. Prior to initiating further discussions with the first-ranked consultant, the Sponsor must accept the IFE and retain it for their records. Appendices D and E present sample formats for consultant services fee/cost and detailed fee/cost analysis respectively, however any format that meets this purpose is acceptable. The FAA retains the right to disallow negotiated fees that the FAA determines to be unreasonable.
- 2.14 **Negotiations.**
 - 2.14.1 After developing a detailed scope of services and after the IFE requirements have been satisfied per Par. 2.12, the Sponsor may enter into negotiations with the consultant given first preference by the selection board. Once the rankings have been established, the Sponsor shall inform the other firms on the pre-selection shortlist that negotiations have been initiated with the first ranked firm. If an independent firm has been retained by the Sponsor for the purpose of preparing an independent fee estimate, the firm may be consulted by the Sponsor during negotiations, to clarify problem areas, but not to review the consultant's fee proposal or attend any negotiating sessions.
 - 2.14.2 Based on the scope of services agreed upon in paragraph 2.12, the Sponsor must request the consultant to submit the proposed fee and supporting cost breakdown. The consultant must prepare a detailed estimate of the hours and cost required for each of the major tasks. In addition to charges for labor, the consultant should, if appropriate, indicate the costs for subcontractors, travel, living expenses, reproduction, and other out-of-pocket expenses expected to be incurred.
 - 2.14.3 When evaluating the reasonableness of a consultant's fee proposal, a general review standard used within the FAA and industry is whether the total fee proposal, as well as individual tasks within the proposal, is within 10% of the IFE. When differences exceed 10%, the Sponsor and IFE preparer should review those areas with the consultant to determine if there is a misunderstanding of the scope of services or level of effort required to complete the work. While this should not be construed as policy,

the use of the 10% standard is one method to help identify areas of significant difference between the consultant's fee proposal and the IFE.

- 2.14.4 Negotiations should be based upon the data submitted by the consultant and an evaluation of the specific work hours required for each task. The Sponsor should subject the consultant's data to a technical/engineering analysis. Based on this analysis, the Sponsor should identify differences in the work-hour estimates. Significant differences, either positive or negative, between the estimate submitted by the consultant and the estimate developed by the Sponsor should be resolved, and revisions should be made to the work hours or scope of services as required. The fee should then be evaluated, taking into consideration the experience level required by the engineer working on each task. A sample fee/cost analysis form is shown in Appendix E.
- 2.14.5 If a mutually satisfactory contract cannot be negotiated with the first-ranked consultant, the negotiations must be terminated and the consultant notified. Negotiations must then be initiated with the consultant given second preference by the selection board. This procedure must be continued with recommended consultants in the sequence of ranking established by the selection board until a mutually satisfactory contract has been negotiated. Once negotiations have been terminated with a firm and begun with another, they cannot be reopened with the former firm.
- 2.14.6 A record of negotiations must be prepared by the Sponsor and included in the contract file. This record must contain sufficient detail to reflect any changes in the scope of services controlling the establishment of the cost and other terms of the contract. An explanation must be provided for any significant differences between the Sponsor's original estimate and the final fee agreed upon. The scope of services, draft contract, Sponsor's independent fee estimate, consultant's fee proposal with any revisions, and detailed fee analysis must be attached to the report. A sample Record of Negotiations is contained in Appendix F.
- 2.14.7 Upon completion of successful negotiations, all consultants interviewed by the selection board should be informed of the consultant selected for the project.
- 2.14.8 FAA personnel will not be present and will not participate in the negotiation process. The FAA's role is to make a judgment on the reasonableness of the compensation for the services to be furnished and to ensure that all services required for a particular project have been included in the proposal.
- 2.14.9 If requested by the FAA, the Sponsor must submit the record of negotiations and all attachments to the FAA for a reasonableness of cost determination (Order 5100.38, Chapter 3, Section 14).

Page Intentionally Blank

CHAPTER 3. CONTRACT FORMAT AND PROVISIONS

3.1 General.

- 3.1.1 The relationship of the consultant with the Sponsor should be clearly defined by a written agreement before commencement of actual work. All of the terms should be clearly defined in the agreement. It should state the parties to the contract and define the complete extent and character of the work to be performed as well as conditions relating to any time limitations that may be involved. The terms and payments for various services should be included. The scope of the consultant effort should be described in complete detail to determine the sufficiency of the supervisory and inspection staff and to determine whether some services will need to be otherwise contracted for or be provided by the Sponsor.
- 3.1.2 Consultant contracts usually cover highly technical services. Therefore, to assure the soundness of a legal document, it is essential that someone who has thorough knowledge of the project prepare the sections describing services to be performed, sequence of work, information to be furnished by the Sponsor, and terms of payment.

3.2 Contract Format.

Many government agencies, business firms, and engineering organizations have developed standardized forms for engineering and planning contracts. The American Council of Engineering Companies, the National Society of Professional Engineers, and the American Society of Civil Engineers have developed such standardized forms. Some State aviation departments have developed standardized forms for engineering services provided in their own states. The American Institute of Architects has standardized forms for architectural contracts. It is often necessary to modify these standard agreements to reflect the specific terms and conditions applicable to a particular project, as well as the mandatory contract provisions in paragraph 3.4.

3.3 Division of Responsibility and Authority.

- 3.3.1 It is common to have one firm provide the basic services and one or more firms provide special services. In these cases, the firm providing the basic consultant services is considered the primary engineer or principal consultant as defined in Appendix A. As such, the principal consultant represents the Sponsor in coordinating and overseeing the work of other engineering/consultant firms and has the overall responsibility to coordinate the work and to review the work products for general conformance to the requirements of the Sponsor. Therefore, it is extremely important that the contract documents clearly specify the division of responsibility and authority between all parties involved in carrying out elements of the project.
- 3.3.2 The contract between the Sponsor and consultant is based on the scope of services established earlier in the process (see paragraph 2.12) and involves carrying out professional duties under the requirements of law. The contract must not attempt to

make the consultant an indemnitor of the Sponsor such as in the event of the Sponsor's negligence or the absence of any wrongdoing by the consultant. The consultant must fully stand behind their services and indemnify the Sponsor for damages and expenses caused by their own errors, omissions, and negligent or wrongful acts.

- 3.3.3 Expanding the consultant's liability beyond the scope or purpose of a contract could affect the competitive process of contract award in a way that conflicts with the requirements of 2 CFR §200.319 and may impact Federal eligibility.

3.4 **Mandatory Contract Provisions.**

- 3.4.1 Federal laws and regulations prescribe that certain provisions be included in federally funded contracts. For purposes of this section, the term "contract" includes subcontracts. The type of contract must be appropriate for the particular procurement.

- 3.4.2 Specific wording of Federal contract provisions is available on the FAA website at <http://www.faa.gov/airports/aip/procurement/>.

3.5 **Time Overruns Beyond Control of the Consultant.**

Frequently, the consultant is called upon to continue technical inspection services on construction contracts overrunning the program schedule contemplated at the time of negotiation. In most instances, the time element is beyond the control of the consultant. To provide for the contingency of overrun of time, the agreement between the Sponsor and the consultant should state the period for which the compensation applies and that the consultant must be reimbursed for services in excess of the specified period of time at a mutually acceptable fee negotiated at the time all the pertinent circumstances are known. The cost of additional consultant technical inspection services that would result from contractor caused construction delays should be included in the liquidated damages established for construction contracts.

3.6 **Ownership of Drawings and Contract Documents.**

- 3.6.1 Original documents, such as tracings, plans, specifications, maps, basic survey notes and sketches, charts, computations, and other data prepared or obtained under the terms of the contract, are instruments of service and remain the property of the consultant unless otherwise agreed to by both parties. Reproducible copies of drawings and copies of other pertinent data should be made available to the Sponsor upon request. Electronic copies containing all drawings should be furnished to the Sponsor. Terms and conditions for Sponsor's reuse of documents/data on other projects should be addressed in the contract.

- 3.6.2 When a contract is only for preliminary plans, no commitment that would constitute a limitation on the subsequent use of the preliminary plans or ideas incorporated therein

should be stated or implied. The owner shall hold harmless the consultant against claims arising out of any reuse of the preliminary plans.

3.7 **Contract Checklist.**

The following checklist identifies important items and provisions to be considered in preparing any contract for consultant services. It is not all-inclusive because each contract will vary based on the unique requirements of the project scope of services.

1. Effective date of contract.
2. Names and descriptions of the parties to the agreement with their addresses and, in the case of a corporate body, the legal description of the corporation.
3. Nature, extent, and character of the project, the location thereof, and the time limitations.
4. Services, including performance and delivery schedules, to be rendered by the consultant.
5. Delineation of responsibilities of the consultant, the Sponsor, and other consultants and parties involved in the performance of the project, particularly key personnel such as the project manager.
6. Delineation of the duties and responsibilities of the resident engineer/inspector.
7. Inclusion of mandatory contract provisions identified in paragraph 3.4.
8. Provision for renegotiation of the contract on the basis of change in the scope of the project, changes in conditions, additional work, etc.
9. Provision that reproducible copies of planning and design drawings and specifications be made available to the Sponsor upon request.
10. Compensation, including methods of payment and payment schedules, for services to be rendered by consultants.
11. Provision for the termination of the consultant services before completion of work.
12. Provision for preparation of a Quality Control Plan as required by the special provisions of the grant agreement.
13. Provision for preparation of an Engineer's Design Report and Final Report.

3.8 **FAA Contract Review.**

3.8.1 FAA Airports field office personnel are available to assist the Sponsor and provide guidance on:

1. The scope of services to be provided;
2. The appropriate type of contract;
3. The mandatory contract provisions to be included; and
4. Sponsor certification requirements.

5. For EIS contracts please refer to Section 2.10.

3.8.2 If deemed necessary by the FAA, a draft of the contract will be submitted to ensure that:

1. The scope of the engineering is described completely;
2. The fees and reimbursements are reasonable and eligible as shown by a cost/price analysis;
3. The type of contract is appropriate; and
4. The engineering/consulting firm and the proposed contract terms are acceptable.

3.8.3 The FAA may elect to conduct a pre-award review of proposed contracts under certain circumstances. Additional guidance is available in Order 5100.38, Section 10.

3.9 **FAA Contract Approval.**

FAA Airports offices are authorized to accept certifications from Sponsors that they will comply with statutory and administrative requirements. Use of Sponsor certifications for selection of engineering, architectural, professional services, and planning consultants is encouraged. Acceptance by the FAA of the Sponsor's certification does not limit the FAA's ability to request and review documentation to ensure the accuracy of the certification. Reference Order 5100.38, Chapter 5, Subsection 5-23(g), *Sponsor Certification Forms*, "Selection of Consultants;" and 49 USC 47105 (d).

Page Intentionally Blank

CHAPTER 4. METHODS OF CONTRACTING AND ALLOWABLE COSTS

4.1 General.

The method of contracting selected for consultant services is dependent on the types of services required and specific circumstances relating to the individual project. The permissible types of contracts are established within 2 CFR part 200 and Appendix U of FAA Order 5100.38D. The various types of contracts and methods of compensation are discussed in this chapter and listed in Table 4-1. Contracts may be negotiated to include a combination of two or more of these methods.

- 4.1.1 The Sponsor must negotiate profit as a separate element of the price for each contract and supplemental agreement. When negotiating a fair and reasonable profit, the Sponsor shall give due consideration to the complexity of the work being performed; the risk borne by the firm; the firm's investment; the amount of sub-consultants; the firm's record of past performance; and industry profit rates in the surrounding geographical area for similar work.

4.2 Direct Personal Services.

- 4.2.1 Direct personal services are usually charged on a per diem basis. This method is particularly suited to court work or similar efforts involving intermittent personal service.
- 4.2.2 When such consulting or expert services are furnished, the consultant is compensated for the time devoted to the work and travel. The per diem charge should be based on the complexity of the work involved and the experience of the consultant. In addition to the compensation based on per diem, the consultant is reimbursed for travel and other out-of-pocket expenses incurred while away from the normal place of business provided they are reasonable, allocable, and of a generally allowable nature. Additionally, reimbursable expenses at the normal place of business may be reimbursed, such as special computer work, rendering, exhibits, provided they are reasonable, allocable, and of a generally allowable nature.
- 4.2.3 Each direct personal services contract must include a ceiling price that the contractor exceeds at their own risk. Furthermore, the Sponsor must assert oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.
- 4.2.4 For services in court or on other engagements in which the consultant appears as an expert, a per diem charge is considered to be earned for each day of such appearance, although the consultant may not be called to testify or, if called, may finish his/her testimony in a fraction of a day.
- 4.2.5 On occasion, the urgency of the engagement requires the consultant to work longer than the normal day. In some instances, this requirement is a necessary feature of the services, and an understanding should be made with the Sponsor as to what constitutes a

day. In such cases, the per diem rate may be based on the normal number of working hours per day, or the per diem rate may be increased to take into consideration the extended work day.

- 4.2.6 For certain kinds of work, compensation based on hourly rates is an equitable arrangement. Compensation for consultant service on an hourly basis demands a higher rate per hour than would be represented in a per diem rate. Also, the hourly rates should apply to time for travel involved, plus reimbursement for travel costs, subsistence, and other out-of-pocket expenses. Depending on the duration of the services, compensation on an hourly basis may include an agreement on a preset minimum amount or retainer in addition to the payments based on the hourly rates.
- 4.2.7 If public hearings are involved in the consultant services, determination of the fee could present a problem since extensive hearings and follow-up work may be required. In these instances, the per diem approach may be considered as an appropriate method of payment for services rendered subsequent to the initial hearing. An estimated upper limit should be set forth in the contract. The contract should provide for renegotiation of the upper limit if unforeseeable conditions are encountered.

Table 4-1. Contracting Methods and Allowable Costs

Contracting Method	Compensation	Allowable Cost
§4-2. Direct Personal Services	<ul style="list-style-type: none"> • Per Diem. • Hourly Rate (§4-2.6). 	Costs must be allowable, reasonable, and allocable to the project. Costs must be consistent with 2 CFR 200.459, FAA Order 5100.38 and 48 CFR Part 31.
§4-3. Retainer	<ul style="list-style-type: none"> • Fixed sum. • Paid monthly. • Some other mutually agreeable basis. 	
§4-4. Cost-Plus-a-Fixed-Fee (NTE)	Fixed sum.	
§4-5. Fixed Lump-Sum Payment	Fixed sum.	
§4-6. Cost-Plus-a-Percentage-of-Cost	Prohibited method.	Prohibited.
§4-7. Specific Rates of Compensation	Hourly Rate	Costs must be allowable, reasonable, and allocable to the project. Costs must be consistent with 2 CFR 200.459, FAA Order 5100.38 and 48 CFR Part 31.
§4-8. Phasing of Work	May include two or more of the above methods of compensation.	Costs must be allowable, reasonable, and allocable to the project. Costs must be consistent with 2 CFR 200.459, FAA Order 5100.38 and CFR Part 31.

Note: See Paragraph 4.10 for non-allowable costs for all types of service.

See Appendix G for Alternative Project Delivery Systems.

4.3 **Retainer.**

- 4.3.1 The engagement of consultants on a retainer basis is a common practice. This practice assures the Sponsor of always having the services of a certain individual engineer or organization available for future work. This method is used in cases of protracted litigation or for work over the years when the services of the consultant may be intermittent. It is also used in the development of undertakings for which the services of a consultant specialist are not required on a full-time basis. On large projects, this method enables the Sponsor to have the specialists who prepared the original plans and specifications on hand for maintenance or additions.
- 4.3.2 The retainer fee varies with the character and value of the services to the Sponsor and with the reputation and standing of the consultant in his/her profession.

- 4.3.3 The terms of agreement for services on a retainer basis vary widely. Compensation may be based on a fixed sum, paid monthly, or on some other mutually agreeable basis, with per diem or hourly rates in addition to time spent at the request of the Sponsor. In any case, the same principles, explained previously for per diem or hourly charges, govern under retainer contracts.
- 4.3.4 This type of contract is rarely used for grant projects. However, it is permissible to use a firm on retainer for projects without further procurement action if:
1. The retainer contract was awarded as a result of competition.
 2. The parties competing for the retainer were advised that subsequent grant funded projects (including the scope of work for those projects) would be performed under the retainer contract.
 3. The price for the work performed under the grant will be fair and reasonable and supported by a price or cost analysis.
- 4.3.5 Detailed records should be kept to identify the work that is part of a Federal grant project and eligible for reimbursement.

4.4 **Cost-Plus-a-Fixed-Fee (Not to Exceed (NTE)).**

- 4.4.1 The cost-plus-a-fixed-fee contract is appropriate when the Sponsor and consultant cannot fully define the scope, complexity, character or duration of effort at the time negotiations take place. This method places a risk on the Sponsor. Because the consultant's fee is fixed, there is an added incentive for the consultant to control cost.
1. Sponsors should consider using the cost-plus-fixed fee contract type for construction phase services. These services are generally dependent upon the construction contractor's performance. For this reason, the necessary level of effort for the consultant's services cannot always be fully established at the time of contract negotiation.
- 4.4.2 If the design services have a high level of variability of effort (e.g., evaluation of design alternatives), the use of a cost-plus-fixed-fee method may be justified. The fixed lump sum is the more appropriate contract method when the level of effort can be fully defined at the time of contract negotiations.
- 4.4.3 This type of contract provides for reimbursement of allowable costs such as salary, overhead, and direct non-salary expenses, plus a fixed fee.
1. A copy of the detailed fee estimate (see sample in Appendix D) must accompany the fee proposal.
 2. The estimate must detail the direct labor costs by categories of employees, work hours, and hourly rate; overhead; direct non-salary expenses; and the fixed fee.

- 4.4.4 Fixed Fee: The fixed-fee is a dollar value the Sponsor negotiates with the consultant at inception of the contract. It is in addition to reimbursement for salary, overhead, and direct non-salary expenses.
1. The fixed fee represents an amount for profit, willingness to serve, and assumption of responsibility and risk. The fixed fee does not vary with actual costs.
 2. The Sponsor and consultant may apply customary industry practices to negotiate a fair and reasonable value for the fixed fee. However, the resulting agreement must convey the fixed fee as a dollar value. The cost-plus-percentage of cost payment method prohibits the use of a percentage payment for the contract fee.
 3. The fixed fee value may not be modified unless there is a change in the scope of the work. This includes both additions and subtractions to the scope of service.
- 4.4.5 The establishment of a not-to-exceed contract value is a Sponsor cost control measure that provides a ceiling level for the overall contract. The Sponsor should consider the risk to the consultant when establishing this upper limit.
- 4.4.6 Agreements with a cost-plus-a-fixed-fee payment method must contain provisions that provide for renegotiation of both the contract upper limit and the fixed fee. Sponsor
1. The agreement should include a requirement for the consultant to alert the Sponsor when the consultant's cumulative costs approach the upper limit.
 2. The Sponsor and consultant should assess whether the remaining work effort can be completed within the remaining contract limits.
 3. The consultant must obtain Sponsor approval before exceeding the upper limit.
- 4.4.7 Additional Costs: An increase in costs over the original contract value can occur for several reasons. These include, but are not limited to:
1. Poor performance of construction contractor may result in additional inspection and oversight effort.
 2. Ineffective control of costs by the consultant resulting in an over-run of expenses.
 3. Poor estimate of the necessary level of effort at inception of contract.
 4. Increase in construction contract time due to weather events that exceed the norm for the location.
 5. Added scope of work or services.

If the additional costs are due to a construction contractor's failure to perform per the terms of the contract, the Sponsor may address the additional costs to the consultant by applying liquidated damages on the construction contractor to the extent that liquidated damages have been included in the contract with the contractor.

If the additional costs are due to the consultant's failure to effectively control their costs per the agreement, the original fixed fee and not-to-exceed contract value become the final contract costs the Sponsor is obligated to pay.

If the additional costs are due to reasons outside the control of both the Sponsor and the consultant, the Sponsor and consultant should enter into negotiations to address the anticipated additional costs. This negotiation must occur prior to the consultant incurring the additional costs. The opportunity to negotiate does not necessarily mean that both the contract ceiling value and the fixed fee value require upward revision. The circumstances of the situation will dictate whether just the ceiling rate is revised or if the fixed-fee value requires revision as well. Due to the prohibition of the cost-plus-percentage of cost payment method, an increase in costs does not automatically equate to an increase in the fixed fee.

If the increased costs are due to additions to the contract scope of services, the Sponsor and consultant should enter into negotiations to determinate a fair and reasonable price for the additional level of effort.

- 4.4.8 Overhead charges will vary according to the nature, type, diversity, size of firm, and number/amount of contracts currently held by the firm. Such charges are defined by multiplying the approved certified overhead rate by the direct labor costs. Refer to section 4.10 for additional guidance on the allowability of overhead costs.

4.5 **Fixed Lump-Sum Payment.**

- 4.5.1 The fixed lump-sum payment contract is appropriate when the Sponsor and consultant can fully define the scope, complexity, character and duration of effort at the time negotiations take place.

1. Sponsors should consider using the fixed lump sum contract type for design services when the necessary level of effort for the consultant's services can be clearly established at the time of contract negotiation.

- 4.5.2 The fixed lump-sum contract method places most of the risk upon the consultant. Most consultants will address this risk in their profit markup. Once the fixed lump sum contract is established, the consultant has incentive to control their costs to maximize their actual margin.

1. The fixed amount of compensation is determined by estimating the allowable costs such as salary, overhead, and direct non-salary expenses, plus a reasonable margin of profit.
2. A copy of the consultant's detailed fee estimate must accompany a consultant's lump-sum fee proposal during the negotiation phase.
3. The estimate must detail the direct labor costs by categories of employees, work hours, and hourly rate; overhead; direct non-salary expenses; and profit..

- 4.5.3 The final agreement may express all these costs as a single lump sum for the entire project or as individual lump sum elements per the various tasks (e.g. Preliminary design, final design, bidding, etc.).
- 4.5.4 Non-salary direct expenses may be included in the lump sum value only if it is certain that such costs will be incurred on the project. If there is uncertainty that non-salary direct expenses will be necessary for the project, such costs should not be a part of a lump sum payment item. Instead, these costs should be handled as pass through cost with a not-to-exceed ceiling.
- 4.5.5 Where consultation is undertaken on a lump-sum basis, the agreement must contain a clearly stated time limit during which the services will be performed. In design contracts, there should be a provision for changes required after the approval of preliminary designs with a clear understanding as to where the final approval authority lies.
- 4.5.6 Lump-sum contracts must contain a clause that provides for renegotiation if the scope of work described in the contract has changed.
- 4.5.7 Overhead charges will vary according to the nature, type, diversity, size of firm, and number/amount of contracts currently held by the firm. Refer to section 4.10 for additional guidance on the allowability of overhead costs.

4.6 **Cost-Plus-a-Percentage-of-Cost.**

In accordance with 2 CFR §200.323, cost-plus-a-percentage-of-cost (CPPC) methods of contracting are prohibited for consultant services under airport grant programs. CPPC contracts may be defined as a payment formula based on a fixed predetermined percentage rate of actual performance costs by which the sum of the consultant's entitlement, uncertain at the time of agreement, increases commensurately with increased performance costs. The types of contracts discussed below are based on the CPPC methods of contracting and, therefore, are prohibited:

1. Salary Cost Times a Percentage Multiplier, Plus Direct Non-salary Expense. This type of contract contains CPPC methods of contracting because the consultant's indirect cost and profit are not fixed at the time the contract is signed.
2. Percentage of Construction Costs. This type of contract contains CPPC methods of contracting since a portion of the consultant's fee that does not reflect actual costs constitutes a profit that is not fixed at the time the contract is executed.

4.7 **Specific Rates of Compensation (Not to Exceed (NTE)).**

- 4.7.1 The "specific rates of compensation" contracting method should only be used when it is not possible at the time of procurement to estimate the extent or duration of the work or to estimate costs with any reasonable degree of accuracy. Sponsor must get advanced approval from the FAA for all work conducted under this method.

- 4.7.2 The "specific rates of compensation" contracting method provides for reimbursement for consultant services on the basis of direct labor hours at specified fixed hourly rates (including direct labor costs, indirect costs, and fee (profit)) plus any other direct expenses/costs, subject to an agreed maximum amount.
- 4.7.3 While the inclusion of fee (profit) in the loaded hourly rate(s) established for a contract allows the fee earned to be based on the labor hours worked on the project, this is not considered a "cost plus a percentage of cost" contracting method. A key distinction for the "specific rates of compensation" contracting method is that indirect costs and fee must be recovered as a component of the established, fixed hourly billing rates for labor hours worked. The negotiated rate is typically fixed for the life of the project, however, the Sponsor must reserve the right (by contract) to audit and adjust multiplier rates.
- 4.7.4 Use of this contracting method requires close monitoring to ensure efficient methods and cost controls are employed by the consultant.

4.8 **Sponsor Force Account Projects.**

Per FAA Order 5100.38, proposals to accomplish airport engineering with the Sponsor's own personnel or by its agent must be approved by the FAA. Proposals must be submitted in writing and subjected to a review similar to that for engineering contracts. The Sponsor's proposal to use force account rather than contract-engineering services must be fully documented and should contain as a minimum:

1. Justification for doing the work by force account rather than by contract;
2. Estimate of costs, including detailed data on estimated work hours, hourly rates, non-salary expenses, and indirect costs;
3. Names and engineering qualifications of personnel that will be accomplishing specific tasks;
4. Statements concerning the capability of the Sponsor to perform the various tasks of design, supervision, inspections, testing, etc., as applicable to the project with arguments to support the decision to use force account;
5. Summary of Sponsor's experience with airport engineering pertaining to projects with similar design scopes; and
6. Statement by the Sponsor on the ability of its personnel to integrate the project into their workload, with a schedule of accomplishment of tasks, date by which the work will be completed, or dates within which it will take place.

4.9 **Phasing of Work.**

Design projects may be negotiated to be performed in phases and include two or more of the foregoing methods of compensation. For example, the first phase of a project might cover the development of the precise scope of work for a project and be paid for under a cost-plus-fixed-payment contract. The follow-on work could then be negotiated

on the basis of information developed in the first phase and might be accomplished under a lump-sum contract.

4.10 Allowable Costs.

Costs incurred must be consistent with the Federal cost principles contained in 48 CFR part 31, 2 CFR §200 Subpart E, and FAA Order 5100.38 to be reimbursable under an airport planning or development grant. The following are typical expenses allowable under the above regulations:

1. Direct Salary Costs.
 - a. Direct salary costs include the cost of salaries of engineers, planners, computer aided design and drafting (CADD) technicians, surveyors, stenographers, administrative support etc., for time directly chargeable to the project.
 - b. Salaries or imputed salaries of partners or principals, to the extent that they perform technical or advisory services directly applicable to the project, are to be added to salary cost.
2. Overhead Costs. Overhead costs include overhead on direct salary costs and general and administrative overhead. 48 CFR Part 31 establishes the allowability of indirect costs. Consultants must be capable of validating their applied overhead rates by providing the Sponsor a copy of their audit certification that conforms to acceptable industry audit standards such as the Government Auditing Standards (GAGAS) or the Generally Accepted Auditing Standards (GAAS). Unless explicitly requested, the FAA does not require a copy of this audit certification. The Sponsor should retain a copy of this certification for purpose of future independent audit.
 - a. Duplication of costs: Consultants must avoid claiming similar costs both as direct and indirect.
 - b. Field Rates: Consultants often have tasks that require employment of field personnel for extended periods. The application of a home rate to field personnel direct labor hours may result in indirect costs that are in excess of the benefit realized by the field personnel. If field personnel are not receiving the day-to-day benefit of the home rate, it may be appropriate and necessary for the consultant to establish a field office indirect rate. Such rates are generally lower than the home rate due to the omission of costs that do not benefit the field personnel.
3. Direct Non-salary Expenses. Direct non-salary expenses usually incurred may include the following (detailed records must be kept to support charges and allow auditing):
 - a. Living and traveling expenses of employees, partners, and principals when away from the home office on business connected with the project. (Records must include employee name, dates, points of travel, mileage rate, lodging, and meals.)

- b. Identifiable communication expenses such as long-distance telephone, telegraph, cable, express charges, and postage, other than for general correspondence.
- c. Services directly applicable to the work such as special legal and accounting expenses, computer rental and programming costs, special consultants, borings, laboratory charges, commercial printing and bindings, and similar costs not applicable to general overhead.
- d. Identifiable computer and office supplies and stenographic supplies and expenses charged to the Sponsor's work as distinguished from such supplies and expenses that are applicable to two or more projects.
- e. Identifiable reproduction costs applicable to the work.
- f. Advertising costs that are solely for the recruitment of personnel required for the performance by the consultant of obligations arising under the contract.
- g. Sub-consultant and outside services including administrative costs associated with managing said services

4.11 **Non-Allowable Costs.**

Costs incurred must be consistent with the Federal cost principles contained in 48 CFR part 31, 2 CFR §200 Subpart E, and FAA Order 5100.38 to be reimbursable under an airport planning or development grant.

4.12 **Pass-Through Costs**

Consultant markup of pass-through costs is a cost element that is subject to Sponsor negotiation. The determination on whether a markup of non-salary expenses is appropriate relies on the benefit and value the consultant adds to the pass through expense.

Mark up of expenses for which the consultant's effort adds negligible or no value are not reasonable. Such expenses should pass through to the Sponsor without any markup by the consultant (See Section 14 of FAA Order 5100.38 for Cost Reasonableness). Examples of this include travel expenses, supplies, mailing costs, per diem expenses, etc.

A consultant's effort in managing sub-consultants represents expenses that may add value to the contract performance. The extent of this benefit may vary based on factors including but not limited to task complexity, assumption of liability, task duration, schedule issues, and risk management. The value and benefit of consultant effort may vary per sub-consultant.

Sponsors must be careful in how they address consultant markup on pass-through expenses in their contracts. Sponsors must avoid situations where the agreement addresses the markup by simply applying a percentage markup on any pass-through costs. This is due to the regulatory prohibition on cost-plus-percentage of costs payment methods found in 2 CFR 200 Subpart D.

Generally, the consultant's administration expenses associated with sub-consultant management should be addressed as direct labor hours in the consultant fee derivation. Other sub-consultant management expenses must be addressed as a dollar value, as opposed to an applied percentage. The consultant's fee estimate must identify the markup value for other subconsultant management expenses within the non-salary expense section. Sponsors and consultants must also avoid situations where costs for managing sub-consultant agreements are duplicated within the agreement.

Page Intentionally Blank

APPENDIX A. DEFINITIONS

Some common terms used in this AC are defined below. Additional definitions of terms and phrases are available in Order 5100.38, Airport Improvement Program Handbook, current version.

1. **Architectural/Engineering (A/E) Services.** The term “architectural and engineering services” means:
 - a. Professional services of an architectural or engineering nature, as defined by State law, if applicable, which are required to be performed or approved by a person licensed, registered, or certified to provide such services as described in this paragraph;
 - b. Professional services of an architectural or engineering nature performed by contract that are associated with research, planning, development, design, construction, alteration, or repair of real property; and
 - c. Such other professional services of an architectural or engineering nature, or incidental services, which members of the architectural and engineering professions (and individuals in their employ) may logically or justifiably perform, including studies, investigations, surveying and mapping, tests, evaluations, consultations, comprehensive planning, program management, conceptual designs, plans and specifications, value engineering, construction phase services, soil engineering, drawing reviews, preparation of operating and maintenance manuals, land acquisition services and other related services.
2. **Consultant.** A firm, individual, partnership, corporation, or joint venture that performs architectural, engineering or planning services as defined in paragraphs 1 and 4, employed to undertake work funded under an FAA airport grant assistance program.
3. **Fee.** Compensation paid to the consultant for professional services rendered.
4. **Planning Services.** Professional services of a planning firm include: airport master and system plan studies, airport noise compatibility plans (14 CFR part 150 studies), and environmental assessments and related studies.
5. **Primary Engineer or Principal Consultant.** A firm that is held responsible for the overall performance of the service, including that which is accomplished by others under separate or special service contracts.
6. **Sponsor.** A public agency or private Sponsor of a public-use airport that submits to the Secretary an application for financial assistance for the airport (49 USC § 47102(19)).
7. **Bridging Documents.** Preliminary engineering documents intended to define a scope of work for a subsequent design and construction efforts. These documents are typically prepared by a professional services firm who is not eligible to participate in further procurements on the project.

Page Intentionally Blank

APPENDIX B. BIBLIOGRAPHY

This bibliography covers Public Law, FAA Orders, Advisory Circulars (ACs), and Code of Federal Regulations (CFRs) referenced within this AC.

B.1 Public Law.

1. Brooks Act: Federal Government Selection of Architects and Engineers. Public Law 92-582, 92nd Congress, H.R. 12807, October 27, 1972. (See <http://www.usa.gov/>.)
2. *United States Code*. Title 40 Subtitle I, Chapter 11 Selection of Architects and Engineers. (See <http://uscode.house.gov>.)
3. *United States Code*. Title 42 Chapter 55 USC 4321 National Environmental Act of 1969. (See <http://uscode.house.gov>.)
4. *United States Code*. Title 49 Subtitle VII, Aviation Programs, USC §47123 Nondiscrimination. (See <http://uscode.house.gov>.)
5. *United States Code*. Title 49 Subtitle VII, Aviation Programs, §47107(a) (17), Project Grant Application Approval Conditioned on Assurances About Airport Operations. (See <http://uscode.house.gov>.)
6. *United States Code*. Title 49 Subtitle VII, Chapter 471 USC §47102 Definitions. (See <http://uscode.house.gov>.)
7. *United States Code*. Title 49 Subtitle VII, Chapter 471 USC §47105 Project Grant Applications. (See <http://uscode.house.gov>.)

B.2 Code of Federal Regulations.

Access the Code of Federal Regulations online at

<http://www.gpo.gov/fdsys/browse/collectionUScode.action?collectionCode=USCODE>.

1. Airport Noise Compatibility Planning. *Code of Federal Regulations*. Title 14 CFR part 150.
2. Contract Cost Principles and Procedures. *Code of Federal Regulations*. Title 48 CFR part 31.
3. Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction. *Code of Federal Regulations*. Title 29 CFR part 5.
4. New Restrictions on Lobbying. *Code of Federal Regulations*. Title 49 CFR part 20.
5. Nondiscrimination in Federally-Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964. *Code of Federal Regulations*. Title 49 CFR part 21.

6. Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor. *Code of Federal Regulations*. Title 41 CFR part 60.
7. Participation by Disadvantaged Business Enterprises (DBE) in Department of Transportation Financial Assistance Programs. *Code of Federal Regulations*. Title 49 CFR part 26.
8. Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. *Code of Federal Regulations*. Title 2 CFR part 200.

B.3 FAA Orders and Advisory Circulars. Please refer to current versions.

1. U.S. Department of Transportation. Federal Aviation Administration. Order 1050.1, Environmental Impacts: Policies and Procedures. (See http://www.faa.gov/regulations_policies/orders_notices/.)
2. U.S. Department of Transportation. Federal Aviation Administration. Order 5050.4, Airport Environmental Handbook. (See <http://www.faa.gov/airports/resources/publications/orders/>.)
3. U.S. Department of Transportation. Federal Aviation Administration. Order 5100.38, Airport Improvement Program Handbook. (See <http://www.faa.gov/airports/resources/publications/orders/>.)
4. U.S. Department of Transportation. Federal Aviation Administration. Advisory Circular 150/5300-15, Use of Value Engineering for Engineering and Design of Airport Grant Projects. (See http://www.faa.gov/airports/resources/advisory_circulars/.)

APPENDIX C. SCOPE OF SERVICES SAMPLES

C.1 This appendix contains three different examples of Scope of Services. Example 1 is a Design Services scope, Example 2 is a Planning Services scope, and Example 3 is a Construction Services scope. Samples may not necessarily include all provisions and terms required by this AC. If a conflict exists between these examples and the AC, the AC will prevail.

C.2 **Example 1. Design Services Scope.**

TAXIWAY A SOUTH AND HOLDING APRON RECONSTRUCTION AND NEW HARDSTAND

ABC INTERNATIONAL AIRPORT

The consultant will provide the required professional services to design the reconstruction of Taxiway A South and holding apron and the proposed hardstand (attach a drawing or exhibit if necessary). This work will be performed and constructed under a Federal Aviation Administration (FAA) Airport Improvement Program (AIP) grant to the airport.

Taxiway A South will be constructed in Portland Cement concrete and will be widened to 100 feet and have new 40-feet-wide asphalt shoulders added. The South Holding Apron will be reconstructed to essentially the same configuration as presently exists. Centerline taxiway lighting will be added to the taxiway and through the holding apron to Runway 18L/36R. Control panels in the FAA tower and field lighting electrical vault will also be modified for the new centerline lighting.

The new hardstand will be located north of the Airlift Airlines Maintenance Facility (currently under construction) south of the northeast Cargo Taxilane and west of the flying Bears hardstand. The hardstand will be a Portland Cement concrete apron with lighting similar to other hardstands, drainage to the Industrial Waste Sewerage System (IWS), and other utilities including fire protection. No downstream IWS changes are anticipated. It is anticipated that utilities are immediately available for fire protection adjacent to hardstand.

Professional services to be provided by the consultant will include civil, electrical and structural, and geotechnical engineering services required to accomplish the following items:

PHASE 1 - PRELIMINARY DESIGN

The preliminary design phase is intended to identify and evaluate alternatives to assure cost effective and practical solutions for the work items identified. The consultant will complete its evaluation of alternatives through contacts with local authorities and review of the preapplication, field investigations, and a practical design approach. The design will take advantage of local knowledge and experience and utilize expertise from recent construction projects to design a cost-effective project and ensure competitive construction bids. Activities include:

1. Coordinate with airport operations, FAA tower, and the airlines to minimize impacts in day-to-day operations of the airlines and air cargo lines. Also coordinate with facilities and

maintenance and fire department. (This will require four coordination meetings throughout the design.)

2. Prepare a preliminary estimate of probable construction costs and schematic design for each element of the project.
3. Provide all geotechnical investigation and analysis and pavement and other nondestructive testing and analysis required for the design.
4. Coordinate with the airport's project manager for required survey information.
5. Prepare an overall construction phasing plan in order to maximize project constructability and minimize interference with airport operations. The consultant's phasing plan must take into account other airport construction projects.
6. Determine aircraft usage through coordination with Airport staff and information furnished by the Sponsor. Design the pavements to meet the anticipated aircraft traffic.

PHASE 2 - ENGINEERING PHASE ACTIVITIES

1. Evaluate local conditions.
 - a. Evaluate local material suppliers, sources, and capabilities.
 - b. Evaluate drainage alternatives.
 - c. Review electrical lighting layouts and determine system relocation capacities.
2. Review and evaluate project layout.
 - a. Verify master plan dimensions and data.
 - b. Review findings and recommendations with airport personnel.
3. Complete a soils investigation, soils report, and recommendations including:
 - a. Field Exploration.
 - i. Conduct test pit explorations with a rubber-tired backhoe at various locations to a maximum depth of 8 feet in the runway, taxiway, and apron areas. Log and field classify soils and obtain samples for laboratory testing.
 - b. Laboratory Testing.
 - i. Perform laboratory index and strength tests as follows:
 - (1) Compacted CBR test (3 compaction points/test).
 - (2) Standard Proctor (4 point) compaction tests.
 - (3) Atterberg limit determinations.
 - (4) Sieve analysis.
 - (5) Unit weight and water content determinations.
 - (6) FAA soil classifications for all samples.
4. Complete necessary topography and site surveying, including establishment of project control points.

5. Complete pavement section alternatives analysis and provide recommendations including:
 - a. Conduct an initial cost analysis, life-cycle cost analysis, and analysis of locally available resources for up to three alternatives.
 - b. Strategize bidding procedures and pavement section alternatives to provide a basis for competitive bidding.
6. Complete preliminary plan and profile design for the runway, taxiway, and apron area.
7. Complete preliminary runway lighting, signing, and system circuitry layout.
8. Provide recommendations for construction phasing to the Sponsor for their review.
9. Complete estimates of probable construction costs for the recommended alternatives.
10. Provide five sets of review documents.
11. Complete the preliminary design report including:
 - a. Geotechnical investigation.
 - b. Topographical survey.
 - c. Preliminary plans.
 - d. Pavement section design and analysis.
 - e. Drainage design analysis.
 - f. Estimates of probable construction costs.
 - g. Final summary and recommendations.
 - h. Phasing and scheduling recommendations.
12. Solicit comments on preliminary design from airport personnel and the FAA.

PHASE 3 - FINAL DESIGN

In the decision phase, the consultant will provide well-defined construction requirements, with selected bid alternatives as appropriate to provide a basis for competitive construction bids. Construction schedules will be closely coordinated to endeavor the best possible weather conditions and the least possible interference with airport operations. Assist the airport with the advertisement, notification of local airport users, and generally complete the final construction contract documents for the project. The following outline describes in greater detail the tasks and products.

1. Incorporate preliminary design comments and respond as necessary to requests for additional information.
2. Provide final design drawings, specifications, and final estimate of probable construction costs and schedule for the project.
3. Provide Engineering Report.
4. Develop specifications using Advisory Circular 150/5370-10, Standards for Specifying Construction of Airports, as amended, and utilize standard provisions supplied by the Sponsor.

5. Develop a safety plan in accordance with AC 150/5370-2, Operational Safety on Airports During Construction.
6. Design all improvements in accordance with FAA standards and guidelines and in accordance with the Airport Certification Manual.
7. Coordinate the design of the project with existing and ultimate grades established at adjacent areas.
8. Provide for all required design of utilities and services within the area defined in the preliminary design.
9. Complete final quantity calculations.
10. Solicit Sponsor and FAA review and approval.
11. Provide ____ sets of contract documents.
12. Assist airport with advertising and interpretation of project requirements.
13. Assist airport with preparation of the FAA application.
14. Provide review of all submittal and shop drawings during construction.
15. Provide technical assistance and recommendations to the Sponsor during construction.
16. The following project schedule will be utilized unless otherwise approved by the Sponsor: Taxiway A South and the Holding Apron portion of the project will be phased to be constructed on an accelerated basis to be completed within two (2) months of the construction consultant's notice to proceed or earlier, if possible. During construction, runway 18L/36R will be kept in service at all times. The project limits will be defined such that the construction activities will not impact the operation of the runway as defined by airport and FAA operational criteria.
17. The construction budget for the project is \$____, including construction change order contingency. The consultant will evaluate the feasibility of this budget and keep the Sponsor apprised during each phase of the design. The consultant will advise the Sponsor as to options available for reducing construction costs to stay within the budget, if it appears likely that construction bid prices will exceed this budget.

The design schedule is anticipated to be as follows:

Commission Authorization of Consultant Contract - 10/10/XX
Contract Execution - 10/10/XX
Start Design - 10/11/XX
50 Percent Design Review - 11/22/XX
Complete Design, Submit Estimates, Plans and Specs for Review 1/12/XX

Advertise for Bids - 3/21/XX
Open Bids - 4/11/XX
Prepare Award Memo - 4/12/XX
Award Construction Contract - 4/25/XX
Construction Contract Executed - 5/08/XX
Construction Notice to Proceed - 5/14/XX

Complete Taxiway A South & Holding Apron - 7/13/XX
Complete Hardstand Construction - 11/01/XX

PHASE 4 - CONSTRUCTION SERVICES

During the construction phase of the project, the consultant will assist the Sponsor to monitor and document progress for quality and cost. Review contractor payment requests, complete necessary quality control testing, establish necessary survey control, continually inform the Sponsor on project progress and problems, conduct the final project inspection, and complete the associated certification.

ACTIVITIES

1. Assist with prebid conference and bid opening. Issue addenda, prepare an abstract of bids, and make recommendations for award.
2. Assist in award notification to successful bidder and notify and return bid bonds to the unsuccessful bidders.
3. Solicit and review bonds, insurance certificates, construction schedules, etc.
4. Conduct preconstruction conference.
5. Provide horizontal and vertical control.
6. Provide resident project representative to monitor and document construction progress, confirm conformance with schedules, plans and specifications, measure and document construction pay quantities, document significant conversations or situations, document input or visits by local authorities, etc.
7. Prepare change orders and supplemental agreement, if required.
8. Prepare and submit inspection reports.
9. Prepare and confirm monthly payment request.
10. Conduct necessary quality control testing.
11. Conduct and document periodic wage rate interviews.
12. Conduct a final project inspection with airport personnel, the FAA, and the consultant.
13. Prepare as-constructed drawings and the final project report from information furnished by the consultant.

C.3 Example 2. Planning Services Scope.

AIRPORT LAYOUT PLAN UPDATE

ANYTOWN MUNICIPAL AIRPORT

The purpose of this Airport Layout Plan Update (ALPU) is to identify potential development options specifically associated with closed Runway 10-28 at Anytown Municipal Airport. The existing Airport Layout Plan (ALP) is an integral component of the Airport Master Plan Update (AMPU) completed in 2005, which was based on data compiled in the mid-2000s, which is now

nearly 10 years old. Since that time, a number of critical growth and operational issues have surfaced that need to be assessed and factored into the preferred layout plan.

This ALPU will help the community focus on the best course of action for continued development of the airport, by identifying the key critical issues the airport faces in the next five to ten years.

CRITICAL ISSUES

Anytown is in a multiyear airport development plan that includes the reconstruction of Runway 15-33, expansion of hangar and aircraft parking facilities, construction of an airport access road, plus plans for the development of a new terminal building, expanded aircraft parking, and fueling facilities.

The airport is now in a position to start focusing on long-term landside development, particularly along the closed runway, with a realistic assessment of the existing terminal area configuration on the east end of the closed runway. An equally important component of this study is the identification of aviation development limits on the west end of the closed runway over the next 20 years.

TASKS

XYZ Company proposes to provide the following services. To the maximum extent possible, and unless otherwise noted, data from the most recent AMPU and ALP will be used. In the interest of cost savings, updated aerial mapping will not be obtained for this project. XYZ Company will rely on existing data.

CONCEPT

XYZ Company will prepare a written report and update the ALP, focusing on development of airport landside facilities, with emphasis on the closed runway, and the limits of compatible aviation development. Findings will be presented in written form at key phases through the term of this project, with each subsequent part building on previously submitted information. This concept will result in the development of a complete draft report that will then be updated to reflect agreed upon changes, resulting ultimately in the final ALPU.

TASK A - STUDY DESIGN/ADMINISTRATIVE

1. Project Scoping Meeting. The consultant will arrange and attend a project scoping meeting with the FAA, state, and city of Anytown (Sponsor) to review the project scope and tasks and to confirm the specific requirements of the ALPU.
2. Refine Scope of Services. XYZ Company will refine and prepare a detailed scope of services and fee to complete the defined tasks for submission to the Sponsor, state, and FAA.
3. Prepare Grant Application. XYZ Company will prepare and submit applications for Federal assistance. The Sponsor will sign and distribute the applications to state and FAA. The grant application will be submitted on or about April 15, 20XX.
4. Attend City Council Meeting. XYZ Company will attend a regularly scheduled city council meeting for the purpose of answering questions and addressing issues concerning this project.
5. Grant Administration.

- a. XYZ Company will submit a monthly invoice to the Sponsor, including supporting documentation which specifically describes the work and other items for which the billing is submitted. The billing report will also include an estimate of the percent complete of each task appearing on the report. The Sponsor will be billed on a monthly basis for all work conducted in association with this project.
- b. The FAA and state will reimburse the Sponsor for these fees through the grant reimbursement process. XYZ Company will prepare these grant reimbursement requests for the Sponsor's signature and distribution to the FAA and state. It is anticipated that seven grant reimbursement requests will be prepared during the life of this project.

TASK B - ALPU REPORT

XYZ Company will prepare an ALPU report consisting of five chapters and various appendices, developed in two phases (draft and final).

Chapter 1 - Inventory and Forecasts

1. Update Existing Activity: This task will update existing based aircraft totals and evaluate current aircraft operations using industry standards, observations, and discussions with airport operators and users. The Sponsor will provide XYZ Company with an accurate list of all based aircraft by aircraft make and model, sorted by hangared aircraft and aircraft parked on open aprons.
2. Field Inventory: XYZ Company will conduct a site field investigation of the airport that will provide an update of recently constructed facilities as well as potential development areas.
3. Identify On-Airport Developable Land: XYZ Company will use existing base mapping superimposed by the airport property line and resource protection limits to identify areas of airport property that can be "disturbed" or used for future airport development. This task will focus on the closed runway.
4. Evaluate Existing Lease Agreements. XYZ Company will obtain and evaluate existing airport lease agreements for compliance with FAA grant assurances.
5. Review SASP: XYZ Company will obtain and review aircraft and operational data in the current State Aviation Systems Plan (SASP) as applicable to Anytown.
6. Update 19XX Forecasts. The 20XX AMPU forecasts will be updated based on current aircraft loading and operations and projected forward 5, 10 and 20 years using SASP forecasts, as applicable.
7. Forward Draft Findings. XYZ Company will prepare and submit a draft Inventory and Forecasts Chapter, providing 10 copies of the draft chapter to the Sponsor and one copy each to the state and FAA. It is recommended that the Sponsor post this report on its website. XYZ Company will provide a copy of the report as it progresses, in Adobe® PDF format, to the Sponsor's webmaster or information technology (IT) department.
8. Meeting. XYZ Company will present the Inventory and Forecast data to the Sponsor; answering questions and resolving any conflicts prior to starting the next phase of the project.

Chapter 2 - Demand/Capacity Analysis & Facility Requirements. Pending receipt and resolution of comments from the Sponsor, state, and the FAA on Chapter 1, XYZ Company will prepare Chapter 2. XYZ Company will review and respond to comments to all parties.

1. Landside Facility Capacities: XYZ Company will identify the capacity of the existing landside facilities including, but not limited to aviation facilities: hangars, aircraft parking, fuel facilities; compatible non-aviation facilities: industrial park; and common facilities: automobile parking and access roads
2. Airside Facility Requirements: This ALPU will not evaluate airside facilities (runway, taxiways, etc).
3. Landside Facility Requirements: XYZ Company will evaluate existing landside facilities and compliance with FAA safety and design requirements. Based on the safety and capacity computations as well as the forecasts of aviation demand for the airport, XYZ Company will identify the needed improvements for the landside facilities (i.e., hangars, aircraft parking, automobile parking and access, and aircraft fueling facilities).
4. Forward Draft Findings: XYZ Company will prepare and submit the Capacity and Facilities Chapter, providing 10 copies of the draft chapter to the Sponsor and one copy each to the state and FAA.
5. Meeting. XYZ Company will present its findings from the first two chapters to the Sponsor; answering questions and resolving any conflicts prior to starting the next phase of the project.

Chapter 3 - Alternative Developments. Pending receipt and resolution of comments from the Sponsor, state, and FAA on Chapter 2, XYZ Company will prepare Chapter 3. XYZ Company will review and respond to comments to all parties.

1. Identify Limits of Short-Term Aviation Development. Based on previously developed forecasts (Chapter 1) and identified facility needs (Chapter 2), XYZ Company will identify areas of airport property that can be used for future airport development. Emphasis will be placed along the entire close runway corridor, with particular attention given to realistic development of the existing terminal area.
2. Identify Potential Nonaeronautical Use. XYZ Company will analyze future aviation needs (projected in 5, 10, and 20 year periods) and then identify on-airport areas potentially available for compatible nonaeronautical use. Emphasis will be placed on development in the area along or in the vicinity of the west end of the closed runway.
3. Identify Development Alternatives: The objective of this task is to identify feasible landside alternative development plans for the airport based on Tasks A and B above. While a variety of alternative solutions could be considered, for the purposes of this study, XYZ Company will develop a series of possible alternatives consistent with the needs of the Sponsor.
4. Forward Draft Findings: XYZ Company will prepare and submit the Alternatives Chapter addressing the tasks in this chapter, providing 10 copies of the draft chapter to the city, and one copy each to the state and FAA.
5. Preferred Alternative Meeting: XYZ Company will meet with the Sponsor to assist him in evaluating and selecting the preferred alternative. Subsequent to the selection of the preferred alternative, XYZ Company will complete and submit an updated Alternatives Chapter to all parties.

Chapter 4 - Environmental Evaluation. Pending receipt and resolution of comments from the Sponsor, state, and FAA on Chapter 3, XYZ Company will prepare Chapter 4. XYZ Company will review and respond to comments to all parties.

1. Identify Existing Environmental Conditions.
 2. This task will include the collection of data to identify protected resources and environmental issues as defined by the 23 impact categories found in FAA Order 5050.4, Airport Environmental Handbook, in the vicinity of the airport that are anticipated to be impacted by the proposed capital improvements or existing operations. A review of existing data and coordination with appropriate regulatory agencies will identify potential protected resources and issues important to the human and natural environment that may require additional data collection beyond the scope of this study. XYZ Company will conduct one site visit to compare existing conditions to written data.
 3. In addition, XYZ Company will review previous environmental permitting and, if applicable, protected resource mitigation performed as part of previous airport and industrial park improvement projects. This information will be useful to the Sponsor when future environmental permits need to be obtained.
 4. Delineated flagged wetlands will be identified and evaluated using the current Federal and State (and local, if applicable) methodologies. These wetland boundaries, which are already digitized, will be placed on the appropriate airport plans and figures.
5. Identify Potential Adverse Impacts: Based upon the recommended airport improvements identified as the preferred alternative, potential impacts to the environment that are protected by local, State, and Federal regulations will be identified for the first five years of the planning period.
6. Describe Regulatory Requirements: XYZ Company will identify the permit requirements for the anticipated first five years of airport improvements. This information can then be used to plan the phasing requirements for each project (refer to Chapter 5 – Implementation Schedule & Financial Analysis).
7. Forward Draft Findings: XYZ Company will prepare and forward the Environmental Chapter covering the tasks described in this section. This chapter will provide the basis for the environmental permitting requirements and financial impacts presented in Chapter 6. XYZ Company will provide copies as previously described above.

Chapter 5 - Implementation & Financial Analysis. Pending receipt and resolution of comments from the Sponsor, state, and FAA on Chapter 4, XYZ Company will prepare Chapter 5. XYZ Company will review and respond to comments to all parties.

1. Implementation Schedule. Based on the adopted preferred alternative, a phased implementation schedule will be developed. This schedule will be based on demand levels and their estimated timeframes for realization. This schedule will not only include the development previously mentioned, but also major maintenance projects that were identified and necessary to maintain the viability of the airport.
2. Capital Improvement Plan. The ALPU will include a CIP using planning-level opinions of cost for each of the projects, both for development and maintenance of the airport. The distribution of eligible costs between the Sponsor, state, FAA, and private investors will be

evaluated for the presence of extensive financial burdens during any one timeframe; if necessary, projects may be shifted to offset this burden.

3. Funding Sources: XYZ Company will identify typical and potential funding sources for paying for proposed airport improvements or necessary maintenance projects.
4. Forward Draft Findings. XYZ Company will prepare and forward the Implementation Schedule and Financial Analysis Chapter covering the tasks described in this section. This chapter will provide the basis for future capital planning considerations on the part of the state and FAA. XYZ Company will provide copies as previously described above.

TASK C – UPDATE ALP

Three key components of the ALP will be updated: Existing Airport Layout Plan, Terminal Plan, and Ultimate Airport Layout Plan. The Approach Plan and Profile, Land-Use, and CFR Part 77 Analysis sheets **will not** be updated. Based on the selection of the preferred alternative, several drawings of the existing ALP set will require revisions and updating. All plans will be prepared to conform to state and FAA CADD standards and will be made available in electronic format.

1. Existing Airport Facilities Plan: This drawing will be updated reflecting changes since completion of the existing drawing. This drawing will be prepared at a scale of either 1" = 300' or 1" = 400'.
2. Ultimate Airport Layout Plan: This drawing will be revised reflecting the preferred alternate layout. This drawing will be prepared at a scale of either 1" = 300' or 1" = 400'.
3. Terminal Area Plan: This drawing will be prepared at a scale of either 1" = 50' or 100' reflecting the revised preferred layout.
4. Forward Draft Findings: XYZ Company will prepare and submit the revised ALP drawings. One full-size 24" x 36" set will be provided each to the Sponsor, FAA, and the state. In addition, a reduced 11" x 17" set will be provided in Adobe PDF to the Sponsor's webmaster for inclusion on the city's website.

TASK D – FINAL DOCUMENTATION

1. Final Meeting. XYZ Company will hold a final project meeting with the Sponsor, state, and FAA to review the project and solicit all final comments.
2. Final Report. Pending receipt of comments from all interested parties, a final ALPU report will be prepared. Bound, printed copies will be distributed to the Sponsor, state, and FAA. Additional copies of the final report will be available upon request on CD-ROM in Adobe PDF format.
3. Airport Layout Plan. Four (4) full-size sets of the final ALP set will be distributed to the Sponsor, state, and FAA for approval signatures. All signatory parties and XYZ Company will receive one (1) signed ALP set for their files.

ANTICIPATED PROJECT SCHEDULE

The following anticipated project schedule is based on the timely receipt and resolution of comments from the Sponsor, state, and FAA:

Anticipated Project Schedule

Task	Date
Study Design	May 20XX
Inventory and Forecasts	June 20XX
Capacity Analysis and Facility Requirements	August 20XX
Alternatives Development	September 20XX
Environmental Evaluation	October 20XX
Financial Analysis	November 20XX
Airport Plans	December 20XX
Final Documentation	January 20XX

C.4 Example 3. Construction Services Scope.**DESIGN AND CONSTRUCT 6-UNIT HANGAR****ANYTOWN MUNICIPAL AIRPORT****ARTICLE A - DATA COLLECTION AND PROJECT DEVELOPMENT**

1. **Predesign Conference** - A representative of the engineer will attend a predesign meeting at the offices of the state to provide the representatives of the Sponsor, the FAA, and the state with the opportunity to review and discuss the nature and extent of the project and to establish the project design criteria, budget, and schedule. The engineer will coordinate the date and time of the predesign conference via teleconferences, letters, faxes and emails to the representatives of the Sponsor, the FAA and the state. The engineer will prepare a presentation of the project components for discussion at the predesign conference. The engineer will use the Airports Division Predesign Conference Form XX to determine the design and construction parameters that will be used for this project.
2. **Review and Evaluate Existing Data** - The engineer will compile the existing data that was prepared for previous projects at the airport, that is germane to the project, and that might be useful in the design of the project. The existing data includes airport master plan, airport Exhibit "A" property plan, engineering drawings, airspace obstruction analyses, aerial photogrammetry data, and aerial photographs. The engineer will utilize the pertinent data and information as appropriate to prepare worksheets to facilitate the development of the project. The engineer will review the existing data for accuracy and completeness and to determine the feasibility of utilizing the data to prepare plans and specifications for the design and construction of the project.
3. **Site Location Survey** - The engineer will retain a professional land surveyor who is licensed in the State to provide site location survey services in the vicinity of the proposed hangar project area sufficient to prepare the project plans. The land surveyor may be required to locate the pertinent existing physical features within the vicinity of the project including

pavements, drainage structures, swales and ditches, fence lines, property lines, rights-of-way, and tree and brush lines. The engineer will incorporate the results of the survey into the project plans to supplement the available existing data for the project locations.

Expenses - The engineer will incur certain miscellaneous project related expenses during this phase of the work which may include but will not be limited to: meals, lodging, mileage cost at \$0.405 per mile, tolls, overnight shipping, plans, photocopies, photographic materials, equipment rental, survey materials, long distance telephone calls from the field, newspaper advertisements, and miscellaneous vendor invoices. These expenses will be included in the engineer's contract with the Sponsor.

Outside Services - The engineer will incur certain project related costs during the data collection and project development phase of the work in the form of subconsultant costs for land surveying. These costs will be included in the engineer's contract with the Sponsor.

ARTICLE B - DESIGNS, PLANS AND SPECIFICATIONS

1. Project Plans - The engineer will prepare preliminary and final plans based on the existing conditions plans that were prepared during the data collection phase of the project. The engineer will prepare the plans based on the locations of pavements, buildings, wetlands, tree lines, pole lines, fences, property lines, aviation easements, rights-of-way and other considerations to sufficiently depict the project area for the construction of the hangar. The engineer will evaluate the project work area to identify other necessary incidental improvements that should be included in the project. The engineer will incorporate the electrical and structural plans into the project plans. The engineer will coordinate the development of the project plans with the staff of their aviation planning and environmental departments including:

- Title sheet
- Site plan
- Grading Plan
- Civil Details
- Cross Sections
- Hangar Elevations and Details
- Floor Plan and Details
- Foundation Plan and Details
- Building Details and Typical Sections
- Electrical Layout Plan
- Electrical Schedules and One-Line Diagram
- Electrical Specifications

- a. The engineer will distribute the preliminary plans to the Sponsor, the state, and the FAA for review. The engineer will provide the Sponsor with one (1) set of preliminary plans for review and comments. The engineer will provide the state with two (2) sets

- of preliminary plans for review and comments. The engineer will provide the FAA with five (5) sets of preliminary plans for review and comments. The engineer will further develop the preliminary plans into final plans subsequent to the review and comment period.
- b. The engineer will distribute the final plans to the Sponsor, the state, and the FAA. The engineer will provide the Sponsor with one (1) set of final plans. The engineer will provide the state with one (1) set of final plans. The engineer will provide the FAA with one (1) set of final plans.
2. Project Specifications and Contract Documents – The engineer will prepare preliminary and final specifications and construction contract documents based on the preliminary and final plans. The engineer will incorporate the electrical and structural specifications into the project specifications. The specifications will establish the requirements for the project in accordance with the current version of and changes to FAA AC 150/5370-10, *Standards for Specifying Construction of Airports*, including general provisions and technical specifications.
- a. The contract documents will include: Invitation to Bid, Information for Bidders, Bid Proposal, Schedule of Items, consultant's Qualifications and Certifications, Buy American Requirements, Contract Agreement, Notice to Bidders (Bonding), Bid Bond, Payment Bond, Performance Bond, Maintenance Bond, and Insurance Requirements. The contract documents will include Federal special provisions including: Federal Requirements for Construction Contracts \$100,000 and Over, Instructions to Bidders, Certification for Nonsegregated Facilities, Required Assurances, Disadvantaged Business Enterprise Eligibility Requirements, and Federal wage rate requirements for Anytown USA.
 - b. The engineer will distribute the preliminary specifications and contract documents to the Sponsor, the state, and the FAA for review and approval. The engineer will provide the Sponsor with one (1) set of preliminary specifications and contract documents for review and comment. The engineer will provide the state with one (1) set of preliminary specifications and contract documents for review and comment. The engineer will provide the FAA with one (1) set of preliminary specifications and contract documents for review and comment. The engineer will further develop the preliminary specifications and contract documents into final specifications and contract documents subsequent to the review and comment period.
 - c. The engineer will distribute the final specifications and contract documents to the Sponsor, the state, and the FAA. The engineer will provide the Sponsor with one (1) set of final specifications and contract documents. The engineer will provide the state with one (1) set of final specifications and contract documents. The engineer will provide the FAA with one (1) set of final specifications and contract documents.
3. Estimates - The engineer will prepare estimates of material quantities and construction costs based on the plans, specifications, and environmental permitting requirements. The engineer will incorporate the electrical and structural estimates into the project estimates. The estimates will be distributed to the Sponsor, the state, and the FAA for review and modification. The Sponsor, the state and the FAA each will be provided with one (1) copy of the estimates.

Note: The construction cost estimates will reflect the engineer's opinion of probable construction costs and will be based on the engineer's experience with similar recent construction. The engineer has no control over the actual cost of consultant labor and materials or over the competitive bidding and construction market conditions. The engineer cannot guarantee the accuracy of the construction cost estimates when compared to the consultants' construction bids or to the final project construction cost.

4. **Electrical Design, Specifications and Estimates** - The engineer will utilize the staff of their electrical division for the design of the electrical components of the hangar building. The engineer will visit the project site to determine the availability and suitability of the existing electrical system for the proposed project. The engineer will prepare electrical plans in the form of one line diagrams, electrical service installation details, panel schedules, lighting plan, power plan, and fixture schedule. The engineer will prepare electrical specifications and cost estimates for the construction of a pre-engineered metal building. The engineer will incorporate the electrical plans, specifications, and cost estimates into the project plans, project specifications and project cost estimates.
5. **Structural Design, Specifications and Estimates** - The engineer will utilize the staff of their structural division for the design of the structural components of a hangar building measuring approximately 33-feet wide by 252-feet long. The engineer will visit the project site to determine the suitability of the proposed site for the hangar building. The engineer will utilize the geotechnical data compiled for the recent runway, taxiway, and apron reconstruction projects to evaluate the suitability of the existing soils to design the building foundation. The engineer will prepare structural plans in the form of building elevations, floor plans, foundation plans, reinforcing plans, structural cross sections, and details suitable for establishing the requirements of a pre-engineered metal building. The engineer will prepare structural specifications and cost estimates for the construction of the pre-engineered metal building. The engineer will incorporate the structural plans, specifications, and cost estimates into the project plans, project specifications and project cost estimates.
6. **Quality Control and Design Review** - The engineer will conduct in-house quality control and design review meeting with experienced representatives of the engineer. The engineer will provide staff members with the opportunity to perform independent analyses of the final plans and specifications to ensure clarity, accuracy, completeness, and constructability. The electrical and structural plans will be reviewed separately by senior staff members in those disciplines. Subsequent to the independent reviews, a special in-house project review meeting will be conducted to discuss and consolidate the findings of the reviewers. The recommendations of the design review team will be incorporated into the final plans and specifications.

Expenses - The engineer will incur certain miscellaneous project related expenses during this phase of the work which may include but will not be limited to: meals, lodging, mileage cost at \$.405 per mile, tolls, overnight shipping, plans, photocopies, photographic materials, equipment rental, survey materials, long distance telephone calls from the field, and miscellaneous vendor invoices. These expenses will be included in the engineer's contract with the Sponsor.

ARTICLE C - ENVIRONMENTAL SERVICES

1. **Regulatory Review** - The engineer will evaluate the preliminary design of the project to determine the environmental impacts of the project. The engineer will review the latest

pertinent Federal, State, and local environmental regulatory measures for recent changes and compliance issues. The engineer will contact the appropriate Federal, State, and local regulatory authorities to ascertain the permitting requirements for the project based on the anticipated final design and its potential environmental impacts. The engineer will contact regulatory authorities through telephone calls, letter correspondence, fax, and email to confirm environmental, aviation, and municipal zoning regulations. The engineer will review the available environmental documents including the airport master plan and wetlands studies for environmental issues and recommendations. The engineer will incorporate the recommendations of the regulatory agencies into the final design of the project to mitigate the environmental aspects of the project.

2. Facility Storm Water Pollution Prevention Plan - The engineer will amend the Sponsor's airport Storm Water Pollution Prevention Plan (SWPPP) which was prepared in 1996 for the Sponsor's airport industrial use as required by the National Pollution Discharge Elimination System (NPDES) regulations. The engineer will prepare a revised airport base map depicting the hangar development and other incidental changes. The engineer will prepare a narrative describing the changes at the airport. The engineer will deliver the revised base map and narrative to the Sponsor for inclusion in the SWPPP as an appendix.

Expenses - The engineer will incur certain miscellaneous project related expenses during this phase of the work which may include but will not be limited to: meals, lodging, mileage cost at \$0.405 per mile, tolls, overnight shipping, plans, photocopies, photographic materials, equipment rental, survey materials, long distance telephone calls from the field, newspaper advertisements, permit application fees, and miscellaneous vendor invoices. These expenses will be included in the engineer's contract with the Sponsor.

ARTICLE D - PROJECT ADMINISTRATION

1. Scope of Services and Contract - The engineer will communicate and coordinate with the Sponsor via telephone, letters, fax, and email requesting the authority to proceed with the preliminary phases of the proposed project pending the execution of the engineering services agreement. The engineer will prepare an engineering services agreement including a detailed work scope narrative and itemized fee schedules for submission to the Sponsor, the state, and the FAA for review and approval. The engineer will coordinate the preparation of the contract with the staff of their planning, CADD, and environmental departments.
 - a. The engineer will make changes to the work scope narrative and the fee schedules of the selected proposal. The engineer will make changes to the contract document standard provisions at the request of the Sponsor's legal counsel and with the approval of the engineer's executive management. The engineer will prepare letters of transmittal and will distribute three (3) copies the final contract to the Sponsor and the engineer's executive management for original authorized signatures. The engineer will prepare letters of transmittal and will distribute one (1) signed original copy of the fully executed contract to the Sponsor, one (1) signed original copy to the engineer's executive management, one (1) signed photocopy to the state, and one (1) signed photocopy to the FAA.
2. FAA Grant Application - The engineer will prepare seven (7) copies of the formal FAA grant application including letters of transmittal, Standard Form 424, Standard Form 5100-100, project narrative, cost estimate, project schedule, location sketch, statement of environmental

action, statement of airport user coordination, statement of intergovernmental coordination, statement of Sponsor DBE program status, Sponsor certifications, and grant assurances. The engineer will submit the grant application to the Sponsor with transmittal letters for signatures and forwarding to the FAA and state. The engineer will review the Federal grant offer and assist the Sponsor in complying with the terms and conditions of the grant offer.

3. Executive Order 12372 - The engineer will communicate with the Anystate Office of State Planning to confirm the requirements of the submission package for intergovernmental agency review in accordance with Executive Order 12372. The engineer will prepare and submit six (6) copies of the submission package with a cover letter. The engineer will also prepare and deliver one (1) submission package with a cover letter directly to the U.S. Fish and Wildlife Service to facilitate Federal agency review of the proposed project. The engineer will obtain response letters at the end of the review period identifying specific requirements to be incorporated into the proposed project.
4. Reimbursement Requests - The engineer will prepare the Federal and State reimbursement requests including letters of transmittal to the FAA and state. The engineer will compile the Sponsor administration costs, engineering costs, subconsultant costs and construction costs.
 - a. The engineer will compile, review, and approve the contractor's construction cost data and will prepare periodic cost estimates. The engineer will submit periodic cost estimates to the contractor for signature and return to the engineer for inclusion in the reimbursement requests.
5. In-House Administration - The engineer will provide general project administration and coordination including in-house staff review of the project's progress, in-house staff communication, and dissemination of project data and information to in-house staff in the form of internal memos, discussions, meetings, and updates to apprise the project team of new developments throughout the design phases of the project. The engineer will prepare an in-house project work plan for distribution to the engineer's design team members to inform them of the project goals and objectives including scope of work, team assignments and responsibilities, project budget, project schedule, project contacts, and contract requirements, obligations, and limitations.
6. Outside Administration - The engineer will provide general project administration and coordination including disseminating interim project data and information to the Sponsor, the state, the FAA, and the engineer's subconsultants in the form of telephone conversations, letters, faxes, email, copies, etc. to apprise the Sponsor, the state, and the FAA of new developments throughout the design phase of the project.
7. Accounting Administration - The engineer will provide general project administration and coordination with the staff of their accounting department. The engineer will prepare the internal close out forms. The engineer will verify and reconcile the monthly accounting statements and will prepare memos for adjustments and corrections when necessary. The engineer will approve and process invoices received from subconsultants and vendors providing services to the engineer throughout the design phases of the project. The engineer will prepare and submit monthly invoices to the Sponsor for services provided to the Sponsor and for costs incurred by the engineer and their subconsultants. It is anticipated that a total of six (6) invoices will be prepared and submitted during the course of the project.

8. Miscellaneous Administration - The engineer will provide miscellaneous project administration and coordination duties which are not specifically addressed or anticipated in other project related tasks including telephone conversations with the Sponsor, the state, the FAA, and other interested parties; disseminating interim project information to the Sponsor, the state, the FAA, and other interested parties; and organizing, maintaining, and archiving the project records for six (6) years.
9. Disadvantaged Business Enterprise Program - The engineer will update the airport Disadvantaged Business Enterprise (DBE) program in accordance with 49 CFR Part 26, *Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs*. The engineer will review the methodology for evaluating the availability of DBE businesses to provide services and products for airport projects in the Federal fiscal year 20XX. The engineer will review the airport's service area by analyzing the utilization of DBE businesses on previous airport projects. The engineer will prepare a legal advertisement describing the revised DBE utilization goal and methodology. The engineer will deliver the advertisement to the Sponsor to publish in one (1) newspaper as a public notice to provide a thirty day public comment period. The engineer will submit the revised DBE program to the FAA Office of Civil Rights review and comments. The engineer will prepare the DBE program annual update on Form 4XXX at the conclusion of Federal fiscal year 20XX to reflect the actual DBE utilization on airport projects.

Expenses - The engineer will incur certain miscellaneous project related expenses during this phase of the work which may include but will not be limited to: meals, lodging, mileage cost at \$0.405 per mile, tolls, overnight shipping, plans, photocopies, photographic materials, equipment rental, survey materials, long distance telephone calls from the field, and miscellaneous vendor invoices. These expenses will be included in the engineer's contract with the Sponsor.

ARTICLE E - BIDDING SERVICES AND CONSTRUCTION ARRANGEMENTS

1. Bid Documents - The engineer will prepare XX sets of bid documents comprising the construction plans, construction specifications, and construction contract in accordance with the requirements of the Sponsor, the state, and the FAA.
2. Bid Advertisement - The engineer will prepare a legal advertisement and deliver it to three (3) newspapers to publish as a solicitation for construction bids in accordance with the Sponsor's bidding procedures. The engineer will deliver the bid advertisement to five (5) plan viewing rooms for publication in order to maximize the project exposure and generate widespread consultant interest in the project. The engineer will communicate with the plan viewing rooms and similar industry entities to provide technical information for their publications. The engineer will notify the state and the FAA of the project's advertisement.
3. Distribute Bid Documents - The engineer will contact consultants who are potential bidders in order to maximize consultant participation in the project. The engineer will issue the bid documents to the interested bidders and to five (5) plan viewing rooms. The engineer will maintain a list of the bid document recipients including the recipient's name, overnight mailing address, telephone number, and fax number for use in issuing addenda. The engineer will distribute the bid document recipient list to interested parties if requested by potential bidders.

4. Pre-Bid Conference - The engineer will attend the pre-bid conference at the airport to present the project to interested parties and to answer consultants' and subconsultants' questions. The engineer will conduct a site walk of the project area to allow the consultants and subconsultants to observe the existing conditions first-hand and to ask questions regarding their observations. The engineer will prepare written responses to questions that require additional information that is not available at the time of the pre-bid conferences. The engineer will distribute the responses to the bid document recipients and pre-bid conference attendees.
5. Bid Questions and Addenda - The engineer will answer questions and provide technical advice to the potential bidders concerning the bid documents. The engineer will answer questions and provide technical advice to the Sponsor concerning the bid documents. The engineer will prepare and issue one (1) addenda to the bid document recipients to clarify, modify, or correct the bid documents.
6. Bid Analyses, Recommendation and Award - The engineer will conduct a detailed analysis of the consultants' bids for completeness and accuracy and will note omissions and discrepancies. The engineer will compile a bid summary comprising the results of the bids for distribution to the bid document recipients. The engineer will write a letter to the Sponsor recommending the award of the construction contract to the apparent low bidder based on the bid analyses. With the concurrence of the Sponsor, the state and the FAA, the engineer will issue a written notification to the successful bidder informing the bidder of the bid results. The engineer will disseminate the bid results to the plan viewing rooms.
7. Bid Sureties - The engineer will issue letters to the unsuccessful bidders returning the bid sureties, distributing the bid summary, and describing the bid results. The engineer will return the bid surety to the successful bidder after the bidder has executed the construction contract. The engineer will return the bid surety to the second low bidder after the successful bidder has executed the construction contract.
8. Consultant Coordination - The engineer will prepare six (6) copies of the consultant's bid proposal package for use as the construction contract document. The engineer will coordinate with and provide information to the consultant to facilitate the preparation and execution of the construction contract document. The engineer will review the consultant's construction contract for accuracy and completeness before submitting the document to the Sponsor for final signatures. The engineer will prepare a checklist of tasks to be performed by the Sponsor to fully execute the construction contract. The engineer will distribute the construction contract documents at the preconstruction conference.

Expenses - The engineer will incur certain project related expenses during this phase of the work which may include but will not be limited to: meals, lodging, mileage cost at \$0.405 per mile, tolls, overnight shipping, plans, photocopies, photographic materials, equipment rental, survey materials, long distance telephone calls from the field, and miscellaneous vendor invoices. These expenses will be included in the engineer's contract with the Sponsor.

ARTICLE F - CONSTRUCTION ADMINISTRATION

1. Preconstruction Conference - The engineer will coordinate the time, date, and location of the preconstruction conference. The engineer will notify the Sponsor, the FAA, the state, the consultant, the resident engineer, and other interested parties of the preconstruction

conference and will invite their representatives to attend. The engineer will conduct the preconstruction conference in accordance with FAA AC 150/5300-9, *Predesign, Prebid, and Preconstruction Conferences for Airport Grant Projects*, to ensure that the attendees are aware of the design, construction, and safety requirements of the project and are informed of their individual responsibilities.

2. Shop Drawing Review - The engineer will review the shop drawings and materials submittals that are furnished by the consultant as required by the construction contract documents. The engineer will either fully approve, conditionally approve, or reject the shop drawings and materials. The engineer will return conditionally approved and rejected shop drawings and materials submittals to the consultant for changes or revisions prior to the use of the materials on the project. The engineer will review only one resubmission of a conditionally approved or rejected shop drawing or submittal. The engineer will prepare and maintain a submittal register identifying the submittal number, description, specification section, specification paragraph, received date, action date, and action taken. The engineer will distribute copies of the submittals and the updated submittal register to the Sponsor and the consultant.
3. Construction Administration - The engineer will provide general consultation and advice to the Sponsor during the construction phase of the project. The engineer will provide general coordination between the Sponsor, the state, and the FAA during the construction phase of the project. The engineer will assist the Sponsor with the preparation and issuance of change orders, recommend construction specification waivers, and advise the Sponsor as to the consultant's performance. The engineer will review daily progress reports, monthly construction progress reports, wage survey records, and certified payrolls. The engineer will distribute copies of the monthly construction progress reports to the Sponsor, the FAA, and the state.
 - a. The engineer will provide general supervision and support to the resident engineer including, but not limited to, coordinating field survey personnel, processing the resident engineer's weekly time sheets and expense sheets, providing technical documentation, providing field office supplies and materials, performing construction contract interpretation, analyzing unusual or unique developments or complications during construction, and communicating and corresponding with the consultant regarding contract administration, project changes, bonding and insurance issues, and other construction related matters.
 - b. The engineer will communicate and coordinate with the consultant on a regular basis throughout the construction phase of the project in the form of teleconferences, letters, memos, faxes, and email.
4. Site Visits - The engineer will make visits to the construction site to observe the progress, safety, and quality of the construction. The engineer will coordinate the site visits with the Sponsor and representatives of the electrical and structural divisions. The engineer's representatives will meet with the representatives of the Sponsor and the consultant to discuss the project's progress and to identify areas of concern to facilitate the construction.
5. Final Inspection - The engineer will conduct a site walk and final inspection of the project to confirm the completeness and quality of the construction. The engineer will coordinate the date and time of the final inspection via teleconferences, letters, faxes and email to the Sponsor, the FAA, the state, the resident engineer, and the consultant. The engineer will

prepare a summary report of the final inspection, including a punch list of work items that the consultant must accomplish to complete the project. The engineer will distribute the summary report to the Sponsor, the FAA, the state, the resident engineer, and the consultant.

6. Record Drawings - The engineer will prepare four (4) sets of paper copies of the record drawings and final quantities representing the completed project and reflecting the actual work accomplished during construction. The engineer will distribute the four (4) sets of record drawings to the Sponsor, the FAA, and the state for signatures. The engineer will prepare and distribute one (1) set of mylar copies of the record drawings to the Sponsor after the record drawings have been signed by all parties. The engineer will provide the Sponsor with electronic files of the record drawings in AutoCAD DWG format and PDF format on CD-ROM.
7. Airport Layout Plan Drawing - The engineer will update the electronic versions of the Ultimate Airport Layout Plan drawing which is identified as Sheet 3 of the Airport Layout Plan drawing set. The engineer will update the drawing to reflect the actual work accomplished by the project.
8. Airport Terminal Area Plan Drawing - The engineer will update the electronic version of the Airport Terminal Area Plan drawing which is identified as Sheet 4 of the Airport Layout Plan drawing set. The engineer will update the drawing to reflect the actual work accomplished by the project and previous airport development.
9. Project Close Out Report - The engineer will prepare the final project documentation in the form of a project close out report that consolidates the project related information that will be required by the FAA to formally close out the project. The engineer will include in the close out report all general, fiscal, miscellaneous, engineering and construction information, and submissions/certifications listed on the FAA project closure summary checklist. The engineer will distribute one (1) copy of the project close out report each to the Sponsor, the FAA and the state.

Expenses - The engineer will incur certain project related expenses during this phase of the work which may include but will not be limited to: meals, lodging, mileage cost at \$0.405 per mile, tolls, overnight shipping, plans, photocopies, photographic materials, equipment rental, survey materials, and long distance telephone calls from the field. These expenses will be included in the engineer's contract with the Sponsor.

Outside Services - The engineer will incur certain project related costs during the construction administration phase of the work in the form of subconsultant costs for geotechnical testing services. These costs will be included in the engineer's contract with the Sponsor.

ARTICLE G - TECHNICAL OBSERVATION OF CONSTRUCTION

1. Resident Engineer - The engineer will provide a qualified construction resident engineer to observe that the construction is carried out in reasonable conformity with the contract documents and in accordance with the customary practices of professional engineers and consultants. The resident engineer will be available for both full-time and part-time construction observation services during the 90 calendar day duration of the project as required by the nature of the ongoing construction activities.

- a. For budgeting purposes, the resident engineer can be available sixteen (16) hours per week for twelve (12) weeks including travel time for a total of 192 hours during the course of the construction. The resident engineer can also be available for eight (8) hours to attend the final inspection. Variations to this proposed manhour distribution may be necessary as the work progresses but must not exceed 200 manhours. Additional manhours for the resident engineer must be addressed by a supplemental agreement.
- b. The resident engineer will be the engineer's primary contact with the consultant and their subconsultants during the course of construction. The resident engineer will be available to meet with the representatives of the Sponsor, the FAA, the state, and other interested parties at the project location. The resident engineer will coordinate and supervise the engineer's subconsultants and personnel who are performing on-site testing, surveying, or other project related services.
- c. The resident engineer will monitor and coordinate the construction progress; will coordinate with the Sponsor, the engineer, and the consultant; will provide construction oversight to ensure that the work is proceeding according to the construction contract documents; and will notify the engineer if problems, disputes, or changes arise during the course of construction.
- d. The resident engineer will prepare and maintain cost estimates and construction quantity estimates for use in preparing monthly payment reimbursement requests and for monitoring the progress of the consultant's work. The resident engineer will prepare daily construction progress reports of the construction activities that are observed and will submit the reports to the engineer for review. The resident engineer will prepare monthly construction summary reports of completed work that has been accepted and approved by the consultant and will submit the reports to the engineer for review.
- e. The resident engineer will conduct Federal wage rate surveys with the consultant's personnel and their subconsultants' personnel to ensure compliance with the U.S. Department of Labor regulations for federally funded construction projects. The resident engineer will submit the wage rate survey records to the engineer for review.
- f. The resident engineer will assist the consultant with construction surveying to identify the limits of work, to determine elevations and grades, to locate physical features discovered during the course of construction, and to calculate quantities of materials either removed or utilized on the project. The consultant's construction survey data will be incorporated into the record drawings at the completion of the project. The engineer will provide the resident engineer with CADD support to plot the results of the construction survey data and to generate electronic drawings, sketches, and details at the request of the resident engineer to facilitate the construction.

Expenses - The engineer will incur certain project related expenses during the course of the technical observation of construction phase of the work which may include but will not be limited to: meals, lodging, mileage cost at \$0.405 per mile, tolls, overnight shipping, blueprints, photocopies, photographic materials, equipment rental, survey materials, long distance telephone calls from the field, and miscellaneous vendor invoices. These expenses will be included in the engineer's contract with the Sponsor.

Outside Services - The engineer will incur certain project related costs during the technical observation phase of the work in the form of geotechnical subconsultant costs for quality assurance testing of construction materials and practices. These costs will be included in the engineer's contract with the Sponsor.

APPENDIX D. CONSULTANT SERVICES FEE/COSTS SAMPLE

This example can be modified as necessary for any type of project.

SALARY COSTS		CLASSIFICATIONS HOURS					TOTALS
TASKS	TASKS VARY WITH SCOPE AND TYPE OF SERVICES	Principal	Project Manager	Sr. Airport Planner	Environ. Analyst	Technician Clerical	
1. Project Scoping Meeting	CLASSIFICATIONS WILL VARY PER FIRM AND PROJECT TYPE	0	0	0			HOURS WILL VARY PER LEVEL OF EFFORT AND NEGOTIATIONS
2. Refine Scope and Fee		0	0	0			
3. Prepare Grant Application		0	0	0			
4. Attend Airport Board Meeting		0	0	0	0	0	
5. Update Existing Activity		0	0	0	0	0	
6. Field Inventory		0	0	0	0	0	
7. Identify On-Airport Development Land		0	0	0	0	0	
8. Evaluate Existing Lease Agreements		0	0	0	0	0	
9. Update Forecast		0	0	0	0	0	
10. 1st Review and Response to Comments		0	0	0	0	0	
11. Landside Facility Capacity & Requirements		0	0	0	0	0	
12. Meeting		0	0	0	0	0	
13. 2nd Review and Response to Comments		0	0	0	0	0	
14. Identify Limits of Aviation Development		0	0	0	0	0	
15. Identify Development Alternatives		0	0	0	0	0	
16. Review and Respond to Comments		0	0	0	0	0	
17. Identify Existing Environmental Conditions		0	0	0	0	0	
18. Describe Regulatory Requirements		0	0	0	0	0	
19. Prepare and Forward Draft Findings		0	0	0	0	0	
20. Implementation/Capital Improvement Plan		0	0	0	0	0	
21. Existing Airport Facilities Plan					0	0	
22. Ultimate Airport Facilities Plan		0	0	0	0	0	
23. Final Meetings		0	0	0	0	0	
24. Prepare and Forward Final Report		0	0	0	0	0	
25. Prepare and Forward Final Airport Layout Plan		0	0	0	0	0	
Subtotal Hours		0	0	0	0	0	
A/E'S CERTIFIED OVERHEAD RATE							
Basic Hourly Rate		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Direct Salary Costs		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Labor & General Administrative Overhead (0.00%)		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Subtotal Salary Costs		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Total Salary Costs =							\$0.00
Profit (Labor Costs) =							\$0.00

REIMBURSABLE EXPENSES ARE PASS-THROUGH COSTS NOT SUBJECT TO MARKUP

LABOR HOURS MULTIPLIED BY HOURLY RATE

RATES WILL VARY PER FIRM

PROFIT BASED ON LABOR HOURS

NON-SALARY COSTS					
A. Reimbursable Expenses	Quantity	Unit	Rate	Subtotal	
Mileage	0	Miles	\$0.00	\$0.00	
Lodging	0	Day	\$0.00	\$0.00	
Subsistence Per Diem	0	Day	\$0.00	\$0.00	
Printing	0	LS	\$0.00	\$0.00	
Mailing	0	LS	\$0.00	\$0.00	
Supplies	0	LS	\$0.00	\$0.00	
B. Subcontracting Expenses					
	Contract Value	Contract Type	Prime Fixed Fee	Subtotal	
Services	0	Hourly	\$0.00	\$0.00	
Sub-Consultant No. 1	0	Cost-Plus	\$0.00	\$0.00	
Sub-Consultant No. 2	0	Lump Sum	\$0.00	\$0.00	
Total Direct Non-Salary Costs =					\$0.00
TOTAL FEE FOR SERVICES =					\$0.00

AMOUNT OF ANY MARK-UP FEE MUST REFLECT VALUE ADDED BY PRIME AND CANNOT DUPLICATE EFFORT ADDRESSED UNDER SALARY COSTS

Page Intentionally Blank

APPENDIX E. DETAILED FEE/COST ANALYSIS SAMPLE

DATE: _____

PROJECT: _____

ESTIMATED CONSTRUCTION COSTS (ECC): \$ _____

ESTIMATED CONSTRUCTION DURATION: _____

i.e. calendar days

**THIS IS A SAMPLE
ANY SIMILAR FORM MAY BE
USED**

ITEM	SPONSOR'S INDEPENDENT ESTIMATE	CONSULTANT FEE PROPOSAL	NEGOTIATION	
			DIFFERENCE	OBJECTIVE
Wages and Overhead	\$	\$	\$	
Overhead Percent				
Principal \$/Hour				
Project Manager \$/Hour				
Civil Engineer \$/Hour				
Electrical Engineer \$/Hour				
CADD Technician \$/Hour				
Resident Engineer \$/Hour				
Inspector \$/Hour				
Project Engineer (Construction) \$/Hour				
Surveyor \$/Hour				
2-Man Crew				
WORKHOURS				
Principal				
Project Manager				
Civil Engineer				
Electrical Engineer				
CADD Technician				
Resident Engineer				
Inspector				
Project Engineer (Construction)				
Surveyors				
Workhour Totals				
Geotech	\$	\$	\$	
Travel	\$	\$	\$	
Printing	\$	\$	\$	
Total Fee	\$	\$	\$	
As percent of ECC				

EMPLOYEE
CLASSIFICATIONS AND THEIR
TITLES VARY WITH EACH
CONSULTANT AND THE
PROJECT SCOPE

Page Intentionally Blank

APPENDIX F. RECORD OF NEGOTIATIONS SAMPLE**ARCHITECTURAL AND ENGINEERING SERVICES**

DATE:

Job Title

Location:

Anticipated A.I.P. Grant:

1. The consulting firm of XYZ was selected on January 21, 20XX, from those consultants who submitted their qualifications. A scope of work and detailed independent cost estimate in the amount of \$44,364 for the design phase and \$54,956 for the construction phase were prepared by the Sponsor on February 21 and submitted to the ADO on February 23.
2. The scope of work and request for fee proposal were sent to XYZ Consultants on February 23.
3. The meeting was held on February 27 with the Sponsor, consultant, and FAA to ensure the consultant had a thorough understanding of the scope of work.
4. The consultant submitted their fee proposal for the work on March 2, broken down as follows:
 - Design Phase \$58,224
 - Construction Phase \$66,345
5. A detailed cost analysis comparing the detailed independent estimate with the consultant's fee proposal was done on March 6 and negotiation objectives were established.
6. The Sponsor's negotiator, Mr. A called Mr. X of XYZ Consultants on March 7 to discuss the fee proposal. It was agreed that the construction duration of 60 days was adequate. The consultant was told that their overhead rate appeared high and asked to submit a detailed statement of overhead expenses for the previous year to verify their rate. Also the man hours for the principal and project manager seemed excessive. It was also noted that both a resident engineer and an inspector were not needed on the construction site fulltime. The surveying manhours during construction were also excessive. The consultant agreed to revise their fee proposal and resubmit it to the Sponsor.
7. The consultant submitted a revised fee proposal for the work on March 9, broken down as follows:
 - Design Phase \$51,286
 - Construction Phase \$59,432
8. The detailed cost analysis was revised on March 12 to reflect the consultant's revised fee proposal.
9. The Sponsor's negotiator met with Mr. X of XYZ Consultants at the Sponsor's office on March 13. Ineligible costs for entertainment and interest expense were deleted from the consultant's overhead and an acceptable overhead rate of 134 percent was agreed upon. A combined time of 60 man hours for the principal and project manager were agreed upon allowing 15 for the principal and 45 for the project manager. The consultant's figures of 302

civil work hours, 120 electrical work hours, and 410 drafting work hours were accepted. The consultant agreed to have a full time inspector on the job with a resident engineer also on the job one third of the time. The construction surveying work hours were reduced to 32 hours of a three-man crew. The consultant agreed to make the discussed changes and submit a final fee proposal.

10. The consultant submitted a final fee proposal for the work on March 14, broken down as follows:

Design Phase \$47,324

Construction Phase \$56,658

11. The final fee proposal is considered reasonable by the Sponsor. A contract has been prepared for the agreement between the Sponsor and consultant. The scope of work, draft contract, Sponsor's independent cost estimate, consultant's fee proposals with revisions and detailed cost analysis are attached to this record of negotiation and hereby submitted to the ADO for a reasonableness of cost determination.
12. The negotiations were conducted in good faith to ensure the fees are fair and reasonable. The procedures outlined in AC 150/5100-14 have been followed.

Sponsor's Signature

APPENDIX G. ALTERNATIVE PROJECT DELIVERY SYSTEMS

G.1 Alternative Project Delivery Systems.

G.1.1 Alternative project delivery systems (APDS) are popular construction methods in State and local governments. The philosophy behind these types of delivery systems is that there is a potential to reduce delivery time and minimize change orders that results in overall lower costs and greater efficiency.

G.1.2 Before undertaking alternative project delivery for an AIP funded project, the conditions for the project must be evaluated to determine if alternative delivery is more beneficial than the traditional design-bid-build method. The information contained in this appendix is offered to provide Sponsors with some insight when pursuing alternative project delivery. Sponsors should follow all applicable State and local laws but must include the required Federal contract clauses and provisions in the procurement documents. See Title 2 CFR § 200.326.

G.2 Alternative Project Delivery System Requirements.

The ADO must approve the use of an alternative project delivery system in advance of the project starting. The Sponsor must submit the following documentation to the ADO for review:

5. A description of the delivery system to be used.
6. A full description of the project with preliminary drawings of the proposed work.
7. Documentation that provides the reason and justification for using the alternative delivery system.
8. Documentation that the selection process is allowed under State or local law.
9. An organizational chart that shows contractual relationships between all the parties.
10. A statement describing what safeguards are in place to prevent conflicts of interest.
11. Documentation that the system will be as open, fair and objective as the traditional design-bid-build project delivery system.
12. Documentation of the amount of experience the parties involved in the project have in the proposed project delivery method.

G.3 Alternative Project Delivery Items Not Allowed Under AIP.

Because of federal contract and procurement requirements, some of the characteristics of APDS are not eligible on AIP funded projects. Some of these include:

1. Early completion bonuses
2. Cost overruns greater than 15%
3. Shared cost savings

4. Sponsor contingency costs
5. Price escalation
6. Sponsor insurance costs
7. In-state or local preferences

G.4 **Design-Build Project Delivery.**

G.4.1 49 U.S.C §47142 establishes design-build contracting as an approvable form of project delivery under AIP. Under the statute, design-build contracting is defined as an agreement that provides for both design and construction of a project by a single contractor. That contractor holds responsibility for the entire contract. Design-build may provide cost savings because of time savings in the contracting process as well as earlier start of construction.

G.4.2 Design-build project delivery can be performed by a single company with both design and construction ability in-house, or by a joint venture working under a single design-build contract. Design-build services can be performed under all the contractual methods used for construction including lump-sum, cost reimbursable with not-to-exceed ceiling (excluding cost-plus-percentage of costs) and time and material. If an outside firm is used to develop the initial qualifications package that firm may not participate as a competing party or sub-party in step 2. However, they may participate as a Sponsor representative on the selection board. Design fees are part of the overall contract price, but are separated as a subset of the total price.

G.4.3 2 CFR Part 200.320 limits the situations where price is not used as a selection factor to procurement of A/E professional services. Contracting for design-build services can be done through a two-step Competitive Proposal Selection (CPS) as described below:

1. **Step one:** The Sponsor prepares a design criteria package for the project using in-house staff or a separate professional services firm. The Sponsor also advertises for Design-Build firms or Joint Ventures to submit a qualifications package for consideration of the proposed project. Interested firms will respond to the solicitation, and are short-listed using a similar process used for QBS.
2. **Step two:** The design criteria package is issued to the short listed firm or teams, who respond with separate technical and price proposals. 49 U.S.C §47142 requires at least 3 firms submit proposals. Technical proposals which include preliminary drawings, outline specifications, and project schedules, are evaluated first, using a numerical **points earned** system. Then, price proposals are opened and prices are factored into the **points earned** system to decide the final selection.

G.5 Construction Manager-At-Risk (CM-A-R).

- G.5.1 Utilizing the CM-A-R delivery system, the Sponsor engages a professional services design firm and in the early design phase, a construction manager/general contractor (CM-A-R) is selected.
- G.5.2 The design firm is selected using professional services QBS. The CM-A-R is selected using a two-step competitive proposal.
1. **Step one:** The Sponsor and design firm prepare a RFQ with preliminary project information and use qualifications based criteria to rank and short list the top firms.
 2. **Step two:** More detailed design information is provided to the short listed firms who reply with price information for various items such as, profit/contractor fee, insurance, bonding and general conditions.
- G.5.3 The CM-A-R is then selected with qualifications and price as a consideration.
- G.5.4 After selection, the Sponsor then negotiates the fees for pre-construction services that may include:
1. Design document reviews
 2. Construction scheduling and sequencing
 3. Cost Estimating at various stages of the design
 4. Constructability reviews with recommended cost savings based on construction expertise.
- G.5.5 At some point either in the design stage or after subcontractor bidding, the CM-A-R and the Sponsor negotiate a Guaranteed Maximum Price (GMP) for the project. The GMP is generally comprised of construction/ materials, contractor fee, general conditions, insurance, bonding and a contingency percentage which varies depending on the state of the design. The Sponsor and the design firm are directly involved in fixing the GMP through cost estimating at different levels of design completion, typically the 30, 60, and 90% completion levels. Some State and local laws require that the GMP can only be fixed after the CM-A-R publically bids the project design packages.
- G.5.6 If the CM-A-R and the Sponsor cannot agree on a GMP, the project may be converted to the traditional design-bid-build method. Please consult the FAA program manager to discuss any consequences associated with such a change.
- G.5.7 During the construction phase, the CM-A-R role is of a general contractor. Since the GMP is designed to prevent cost overruns for the Sponsor, the CM-A-R bears the responsibility for ensuring the project stays on schedule, within budget and conforms to the plans and specifications.