Arizona Department of Transportation,
Multimodal Planning Division - Aeronautics Group

GRANTS 202

October 21, 2009

Arizona Department of Transportation

GRANTS 202

Financial Obligations and Certifications

Financial Obligations

Arizona Revised Statutes (A.R.S.)

* **ARS 28-8413: Authority to accept funds and comply**

* **ARS 28-304: ADOT has authority to carry out**

* **ARS 28-2803: Aviation Fund**

Financial Obligations

Part I, Sponsor's Responsibility

* Accept grant within 4 months of STB Approval

* Commence project within 1 year of STB Approval

* Provide and maintain competent supervision

* Project progress should follow the Reimbursement & Milestone schedules.

* Changes to schedule must be submitted in writing and approved by the State

If it ain't been written, it ain't been said

Financial Obligations

Obligations

✳ **Stipulates Sponsor's share in percentages**

✳ **States the States dollar obligation**

✳ **Conditions if federal funds are used**

✳ **Grant duration: 4 years**

✳ **Ending the grant for no progress in one year on the design,**

✳ **Or, at any time if not in construction**

✳ **State will pay no late fees**

Financial Obligations

Preliminary Work eligible

- **Very end of Part I**

- **Sets a date before which no activities are eligible**

- **Becomes very important when a project has been designed**

  - Not intended to cover the costs done in between two grants

Financial Obligations

Part II, Certifications

* **To do all things necessary to carry out this project**

* **Authority to accept, receive and disburse funds**

* **Funds on deposit**

* **Legal authority to apply for this grant…understanding of all assurances contained herein.**

* **Designates the person**

* **List of Exhibits and THE DATE**

Financial Obligations

Exhibit A - Project Schedules

➢ Schedule One – **Project Description and Funding Allocation**

➢ Schedule Two **– Project Reimbursement Schedule**

➢ Schedule Three **– Project Milestones**

Financial Obligations

➢ **Schedule One – Project Description and Funding Allocation**

❖ Matches application and/or ACIP request: Definitive

❖ Modifications to this must be by formal amendment

❖ Beware of scope creep, it will not work

If it ain't been written, it ain't been said

Financial Obligations

➢ **Schedule Two – Project Reimbursement Schedule**

❖ IMPORTANT to the Aviation Fund: Cash Flow Management

  ❖ This has got to be more real than the total $'s divided by total months

  ❖ We know it will change but this has to have a serious beginning

  ❖ Will require updating

❖ Modifications to this are administrative and do not require formal amendment

Financial Obligations

➢ **Schedule Three – Project Milestones**

❖ This is how we measure your grants progress

- ❖ Starts with THE DATE

- ❖ There are several 'Do Not Pass Go' points: GRR Stopper

- ❖ Audit says we are not doing this well enough

❖ Modifications are administrative and do not require formal amendment…but must be in writing!
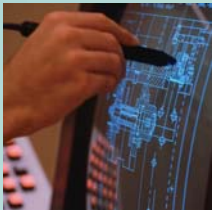
Financial Obligations

Exhibit A - Project Schedules

➢ Schedule One – **Project Description and Funding Allocation**

➢ Schedule Two **– Project Reimbursement Schedule**

➢ Schedule Three **– Project Milestones**

These are all part of the officially signed agreement. <u>The Sponsor</u> has committed and certified they will comply with these conditions

Financial Obligations

➢ So what happens if these are not followed?

❖ Grant reimbursements are stopped or rejected

❖ Some project efforts may become ineligible

❖ Grants terminated

Financial Obligations

- **Local Government Investment Pool (LGIP)**
  - Sponsor Account in the State Treasurers' Office
  - Must apply through ADOT MPD-Aeronautics
  - Monies transferred to/from Aviation Fund periodically solely by ADOT: Resolutions
  - Sponsor withdrawal only after ADOT GRR approval

Financial Obligations

- **LGIP Status**

  - Five accounts held by ADOT

  - Amount of monies in Aviation Fund key

    - Division, APMS, Deferred expenses paid first

    - $4M is trigger to set up LGIP accounts

Financial Obligations

- **Aviation Fund Status**

  - Current Balance $0.528 Million (as of October 19, 2009)

  - FSL GRR's deferred: 158 for $822,000

  - SL GRR's deferred: 134 for $2,537,000

  - Held GRR's: 40 for $1,006,000

To keep the Fund solvent, $1.1M was transferred from 'Equipment' to 'Aviation'

Financial Obligations

- **Topical Financial issues**
  - Compliance with the grant a must
  - LGIP set up requires proper resolutions
  - Deferred GRR payments are anticipated to begin in January 2010…
    - Accelerated if monies available…
    - Decelerated if not…

Questions?

Arizona Department of Transportation

GRANTS 202
Sponsor Assurances

Sponsor Assurances
Exhibit C

General

- Project is consistent with planned area development

- Compliance with FAA Advisory Circulars, Orders, & Federal Aviation Regulations (FARs)

- Covenants in effect for useful life of facility or twenty years

- Political subdivision of the State
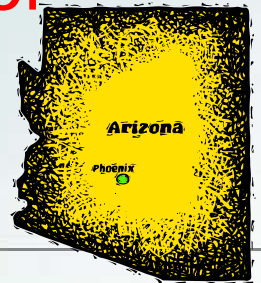
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Sponsor Assurances

General

- **Holds title to the landing area of the Airport**

- **Sufficient funds available**

- **Provide and maintain competent project supervision**

- **Preserving Rights and Powers**
  - **Shall not sell, lease, encumber, or otherwise transfer interest in property without approval by the State**

- **Public Hearings**

Sponsor Assurances

Financial

- Local Government Investment Pool (LGIP)
  - **A.R.S. 35-326 and 41-177**
- Accounting records by classification
  - **Engineering**
  - **Construction**
  - **Construction Administration**
  - **Sponsor Administration** (not to exceed 5% of project costs)
  - **Force Account**
  - **Other/Contingencies** (not to exceed 10% of construction costs)

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Sponsor Assurances

Record Keeping

Maintain and make available to the State:

- ☑ **Records of labor, equipment, & materials used in project**

- ☑ **Records, books, papers, or documents of the recipient relating to work performed**

- ☑ **Deeds, leases, operation and use agreements, regulations and other instruments**

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Sponsor Assurances

Reporting

- **Quarterly basis**

- **Based aircraft**

* Future STB Policy priority points

Registered aircraft

vs.

Based aircraft

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Sponsor Assurances

FAA Notice of Proposed Construction

- **FAA Form 7460-1**

Airport Layout Plan

- **Maintain, update, and revalidate per FAA & ADOT standard guidelines**
  - **Building and landing areas**
  - **Present and planned development**

- **Changes to projects and property boundaries**

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Sponsor Assurances

Land Use Restriction

- Activities compatible with normal airport operations

- Adopt zoning laws

- Restrict changes in land use

Sponsor Assurances

Airport Operation

- **Promote safe airport operations by:**
  - Protecting approach surfaces
  - Removing/lowering/relocating/marking/lighting hazards
  - Preventing creation of future airport hazards
- **Operate for the use and benefit of the public**
  - Open to all types, kinds, & classes of aeronautical use
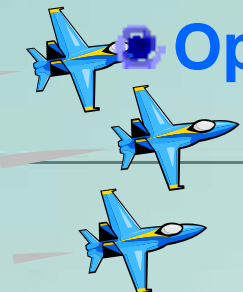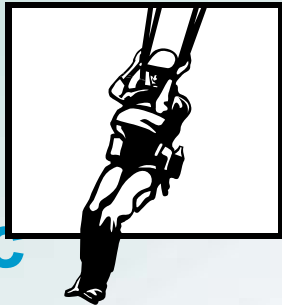
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Sponsor Assurances

Airport Operation
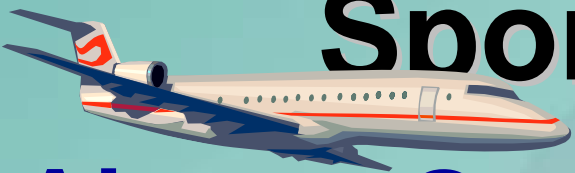
- Enforce provisions for firms providing services to the public:
  - **Furnish services on a reasonable and not unjustly discriminatory basis and price**
  - **Allowed to make discounts, rebates, or price reductions**
  - **FBOs and Air Carriers subject to same rates, fees, rentals, and other charges**
  - **Right to service itself or use any authorized FBO**

Sponsor Assurances

Airport Operation

Sponsor shall:

- Not prevent person, firm, or corporation from servicing own aircraft with own employees

- Suitably operate and maintain Airport and facilities necessary for airport purposes

- Not permit an exclusive right for use of the Airport

- Terminate any existing exclusive right prior to receiving a State grant

Sponsor Assurances

Airport Operation

- **Airport Pavement Preservation Program**

  - Implemented effective pavement preservation management program

  - Provide reports on pavement condition and management programs as may be required by the State

Sponsor Assurances

Sponsor Transactions

- Refrain from any transaction that would deprive Sponsor of rights and powers necessary to perform all covenants of agreement

Airport Revenues

- Fee and rental structure to make as self sustaining as possible

- Expended for capital and operating costs of the airport and/or airport system

Sponsor Assurances

Disposal of Land

- Permission from State & FAA

- Pay back

- Money goes to:
    - **Eligible project**
    - **Aviation Trust Fund**

- Ensure land use is compatible with airport noise levels

Sponsor Assurances

Construction Contract

- Changes approved by State PRIOR to implementation

Construction Inspection

- Sponsor responsibility

- Competent technical supervision

Sponsor Assurances

Plans, Specs, & Design Review

- Qualified Engineer registered by the State

- Mandatory 30% design review with ADOT

- State issues NTP with design

- Full control of property for twenty (20) years

- Construction work subject to inspection and approval
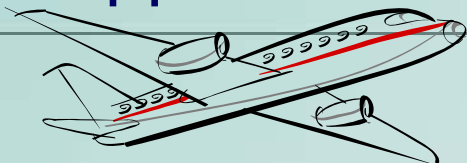
Sponsor Assurances

Planning Agreements

- Competent Supervision
- All published material must note project was prepared under an ADOT grant
- Submit copy of RFP for ADOT review/approval PRIOR to contract award
- Make planning material available to the public & not subject to copyright

Sponsor Assurances

Planning Agreements

- Planning Advisory Committee (PAC)
  - **Non aviation citizen of area**
  - **ADOT**
  - **Affected military installation**
- Minimum of three (3) meetings
  - **Two (2) sponsor, consultant, and PAC**
  - **One (1) public meeting**
- State review/approve consultants/subcontractors
- At project completion, provide electronic copy of all documents

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Sponsor Assurances

QUESTIONS?

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GRANTS 202

Deadlines, target dates, time frames, zero hour, cutoffs, a checklist, and your Environmental/Planning or Land Acquisition grant's final thrill.

Quick Review

✈ Sponsor shall provide matching share

✈ Funds are for STB approved project

✈ Return originals – No copies

✈ Fully complete Grant

✈ Send Required Documentation

✈ Start Project Promptly
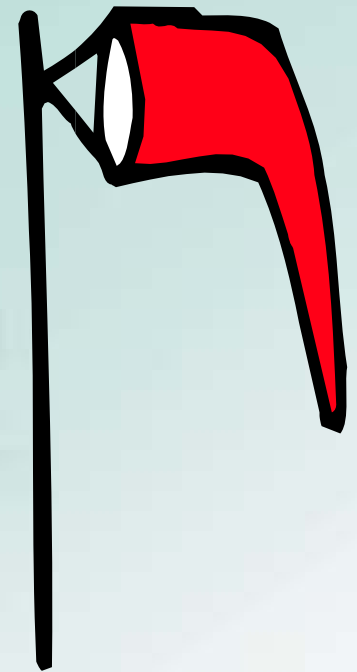
Deadlines

✈ Accept Grant Agreement and return within four months of STB approval
(we really mean it this time)

✈ Start within a year of STB approval

Deadlines

✈ Prompt reimbursement requests to ADOT

✈ Pay attention to your grant milestones

✈ Six Months – No Activity – Phone Call
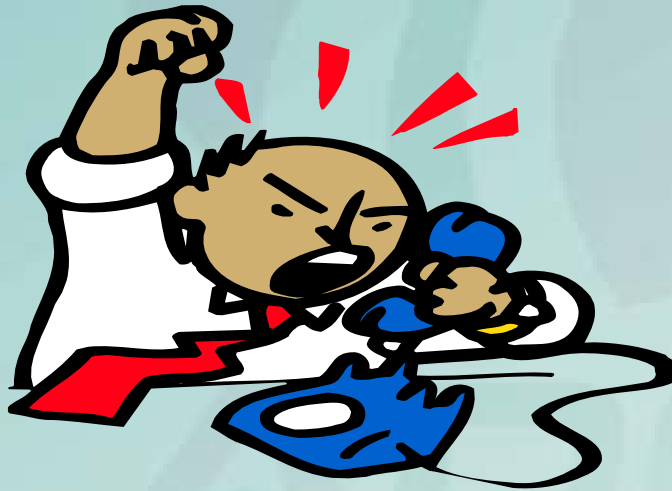
✈12 Months – No Activity – Termination

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RFP/RFQ PROCESS

→ Send a copy of the RFP/RFQ for *prior* approval

→ Advertise RFP/RFQ – Nationally

→ List specific projects

→ Must consider at least 3 consultant firms

→ Send Selection Process Summary

→ Send Record of Negotiations

WHY?   See Exhibit B, Page 8

Consultant GSA's & AOS's

✈ Send the proposed consultant contract & Scope of Work *prior to* execution

✈ Needs ADOT review and approval *prior to* awarding

✈ Upon award of the contract send an executed copy to ADOT

✈ Send copy of FAA Comments & NTP letter

WHY?   See Exhibit B, Page 8

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Paperwork, Paperwork, Paperwork

The auditors **need** to see the complete set of documentation
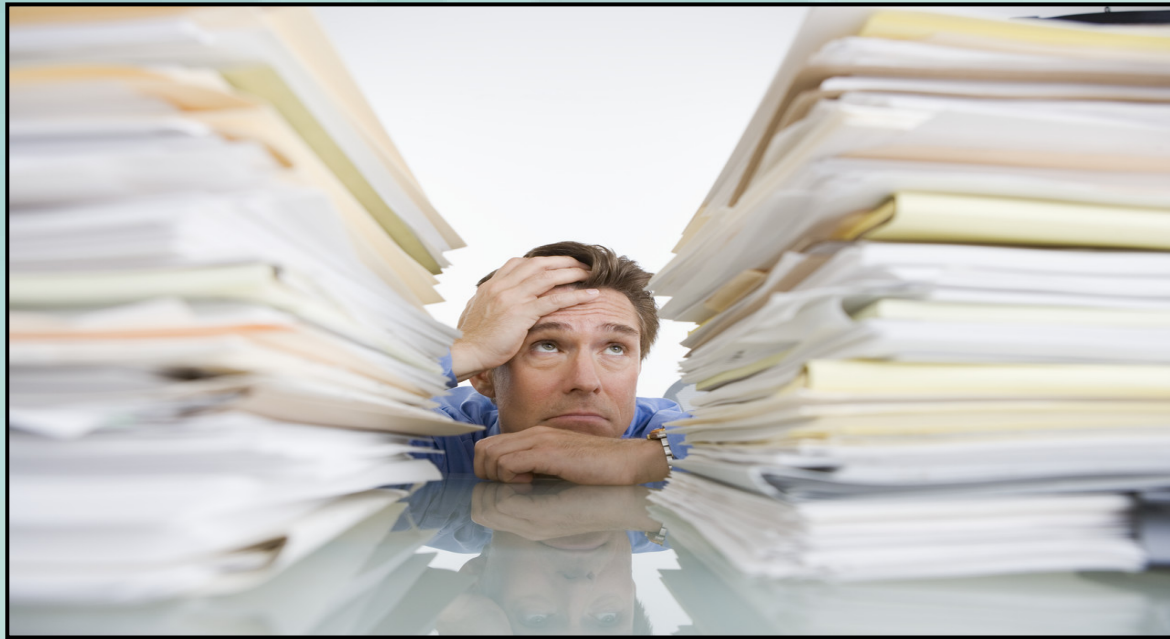
Reminder for all Phases

→ Use Arizona Best Practices Guide for communication channels for anything involving $, scope, and time!

Consultant

ADOT & FAA
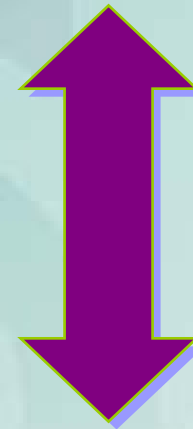
Airport Sponsor

Planning Projects

→ Master Plans

  → Rates and Charges
  → Minimum Standards

→ Airport Wide Drainage Plans

→ Part 150 Noise Studies - F/S/L Only

→ Wildlife Hazards – F/S/L Only

Presenting!

✈ We have this checklist so you can get everything done correctly and have the paperwork to prove it!

ADOT-Aeronautics Division
2009 Master Plan Grant Check List
Airport
E

DATE SENT RECIEVED	REQUESTS FOR PROPOSALS – CONSULTANT CONTRACT
	1) Proposed RFQ/RFP for Consultant received from Sponsor
	2) RFQ/RFP review and approval by AERO
	3) RFQ/RFP approval letter sent to Sponsor
	4) Summary of Selection Process & Record of Negotiations received from Sponsor
	5) Proposed General Services Agreement (GSA) received from Sponsor
	6) General Services Agreement (GSA) reviewed and approval by AERO
	7) General Services Agreement (GSA) approval letter sent to sponsor
	8) Executed General Services Agreement (GSA) received from Sponsor
	9) Proposed Consultant Contract/Authorization of Services received from Sponsor

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Master Plans PAC

→ Public Input is Required

→ ADOT on PAC

→ Military Rep on PAC

→ State Land Dept on PAC

→ Send PAC Membership to ADOT

→ Notify of PAC Meetings

STARTS TODAY

Master Plans

✈ Operations counts at Non Towered Sites

✈ Send Forecast Letter to ADOT

✈ Send Forecast Approval Letter to ADOT

Master Plans-ALP's

✈ Send Draft ALP to FAA

✈ ADOT comments to FAA

✈ FAA will send one comment letter

✈ ADOT will approve Non NPIAS ALP

Master Plan

→ Respond to Comments

→ Send docs promptly

→ Copy of council approval

→ Send Final MP – PDF & paper

Amendments to Planning Grants

✈ None

NADA

No Way

Nope

✈ We will get it right the first time

Environmental Grants

→ Send copy to ADOT

→ ADOT Comments to sponsor

→ Keep us informed

→ Send FAA Comments to ADOT

→ Respond to our comments

→ Send copy of FONSI to ADOT

→ Send Final – PDF & Paper
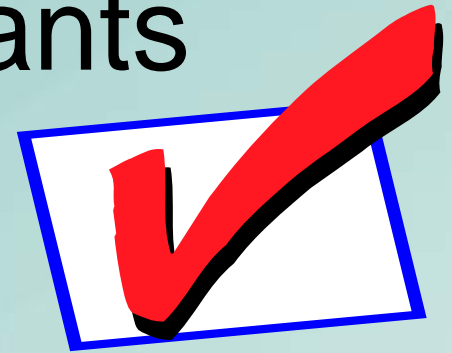
Land Acquisition

✈ Protection
  - ✈ Runway Protection Zones (RPZ)
  - ✈ Non compatible uses
  - ✈ Approaches (categories)

✈ Expansion/Development
  - ✈ Aviation related areas
    - ✈ Terminals
    - ✈ Hangars
    - ✈ Aprons, etc.
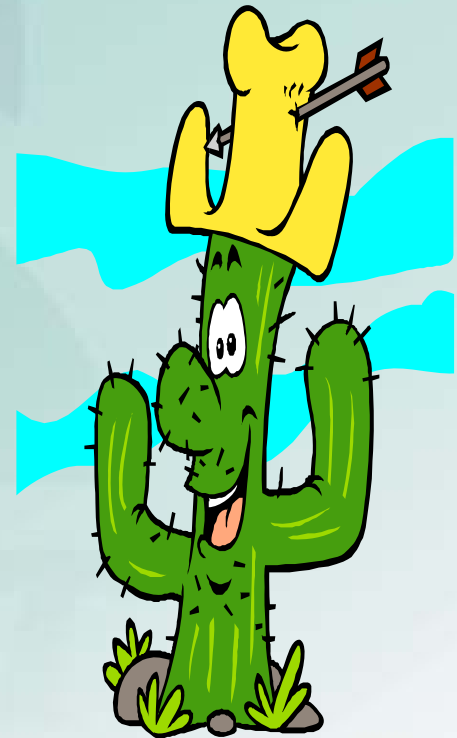
Land Acquisition
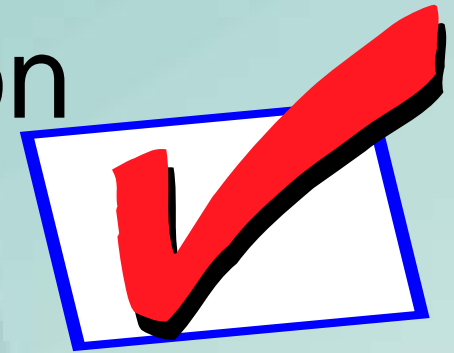
- EA required for 3+ acres
- LA Grants longer than four years
- Need Parcel Number
- Need Map showing Property
- Retroactive cost OK
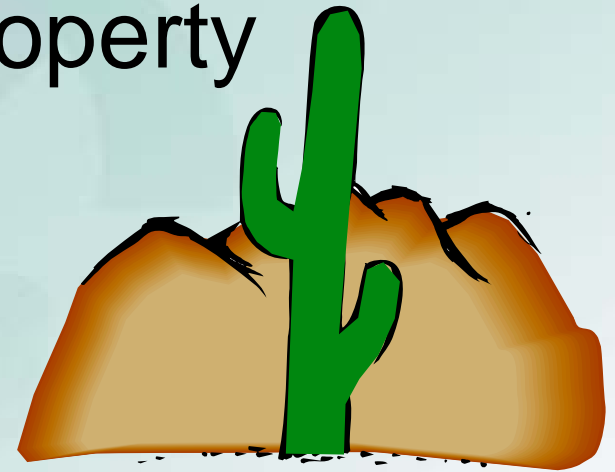
Land Acquisition

→ Use ADOT list of appraisers

→ Sponsor completes appraisal

→ ADOT ROW completes review appraisal

→ ADOT send letter stating maximum eligible costs

Land Acquisition

- ✈ Send copy of surveys

- ✈ Copy of council approval to purchase land

- ✈ Send Legal Description, Plat map, etc.

- ✈ Title & Other legal documentation

- ✈ Update Exhibit "A"

Look on Page 17

AZ State Land Department

- ✦ ADOT Partnership
- ✦ Contact early – no surprises
- ✦ ASLD are trustees – 13 beneficiaries
- ✦ Subject to many State Laws & AZ Constitution
- ✦ General Plans – inform ASLD

AZ State Land Department

→ Commercial Purposes – Lease

→ Residential – Sale

→ All subject to Auction

→ Start at appraised value

→ ROW - limited

AZ

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Talk to me!

✈ Any questions, problems, concerns

Write

Call

Email

GRANT REIMBURSEMENT REQUEST FORM

→ Use form 070108

→ Send original

→ Use correct row

→ Only Invoice is needed

→ No extra papers

→ Send electronically

→ Send to proper GM

Project Close Out

✈ Need Close Out Letter
  ✈ Complete Project
  ✈ Satisfied with work
✈ ADOT approval of work
✈ All Final Documents PDF (unsecured)
✈ Final Pay after all docs received
✈ Remaining Funds stay in AVA Fund

Celebration

So.. What if I don't do it?

→ Paperwork, etc. missing

→ Grant Payments suspended

Until missing docs received

So.. What if I Fail to Perform?

✈ Policy not followed, non compliance, etc

✈ Grant Terminated

ILLEGAL PROCEDURE
ILLEGAL FORMATION
ILLEGAL SHIFT

Exhibit B, page 10

Follow these simple requirements

we will have

LOVE,
FAITH,
PEACE,
HARMONY

CONTACTS

➔ Program Administrator
Michael Klein, A.A.E.
MAKlein@azdot.gov   **(602) 712-7647**

➔ Planning, Land Acquisition, Environmental
Kenneth Potts, A.A.E.
KPotts@azdot.gov   **(602) 712-7597**

Arizona Department of Transportation

QUESTIONS?

Arizona Department of Transportation

GRANTS 202

DESIGN

Guess What?

- We have this checklist so you can get everything done correctly and have the paperwork to prove it!

Consultant Selection - RFQ

- Proposed Consultant Authorization of General Services (GSA) received from Sponsor (procurement document)
- Consultant Contract/Authorization of Services review & approval by ADOT/FAA
- Consultant Contract approval letter sent to Sponsor
- Executed Consultant contract received from Sponsor
- *If Public $$'s are used the RFQ must list projects*
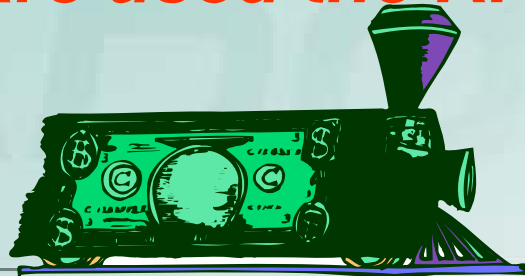
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RFQ Requirement

- A.R.S. 34-603 Procurement of professional services…etc… C.3.(a) The advertisement and the request for qualifications shall state that multiple contracts may or will be awarded, shall state the number of contracts that may or will be awarded and shall describe the services to be performed under each contract.
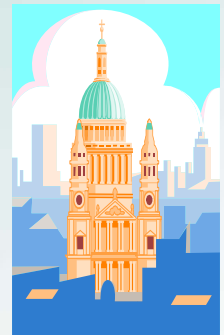
Consultant Selection
Project Contract
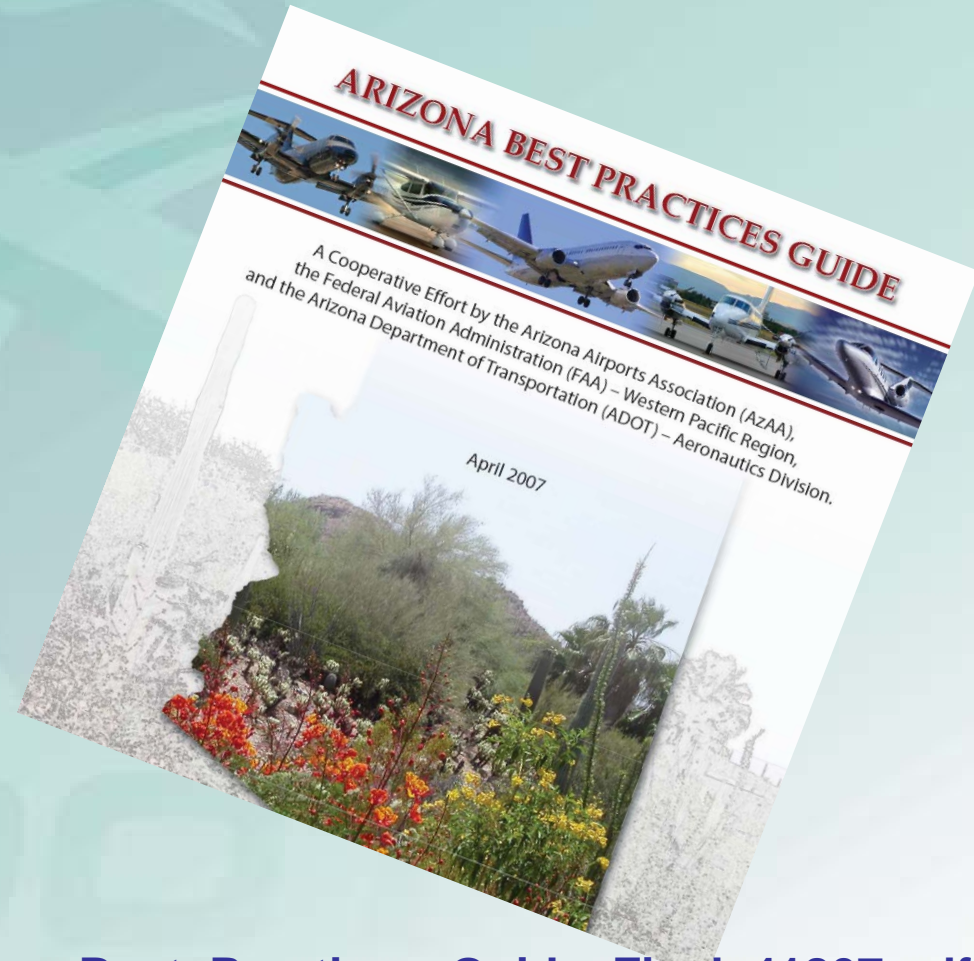
- Proposed Consultant selected
- Contract Scope of Work (SOW) received from Sponsor
- Copy of FAA comments on Consultant SOW received from Sponsor (FSL's only)

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Arizona Resources

- **<u>Arizona Best Practices Guide</u>**
  - A Cooperative Effort by the Arizona Airports Association (AzAA), the Federal Aviation Administration (FAA) – Western-Pacific Region, and the Arizona Department of Transportation (ADOT) – Aeronautics Division

- April 2007

http://www.azdot.gov/aviation/PDF/Arizona_Best_Practices_Guide_Final_41807.pdf

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ADOT Review of Contract

- Copy of FAA approval letter on Consultant SOW. (FSL's only)
- Work Directly related to grant scope is eligible.
- Clearly defined is easier to review
- If Airport Sponsor is funding other work, it must be broken out separately. I.E.
  - Design outside of grant scope
  - DBE Plan for Airport
  - Full property line survey
  - Full topo survey
  - Full data gathering

Consultant Selection
Project Contract

- Review and approval by ADOT/FAA of Consultant SOW

- Approval Letter sent to Sponsor

- *Copy of Executed Consultant Contract Scope of Work received from Sponsor*

- Sponsor Issues Notice to Proceed (copy to ADOT/FAA)

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30% Design Review

- Conduct 30% Design Review Meeting with ADOT/FAA – per Grant Agreement

- If you are conducting a 30% and you are further than that on design you are risking ineligibility of anything beyond the 30% and any other issues that arise.

WHAT IS 30%

- IT IS NOT 90%
  - Eligible and Non-Eligible Items
  - Plans are legible
  - FAA AC references noted
  - Review of Scope compared to Grant Agreement
  - Estimated Cost of Project
  - Existing Topo Survey

Arizona Department of Transportation

WHAT IS 30% - Page 2

- ADOT/FAA Grant Numbers
- Proposed Items with darker line styles
- Show existing underground utilities
- Preliminary design report
  - All data (soils, drainage, pavement, electric, etc)
  - All design recommendations
  - Decisions on Design = Grant Scope

Arizona Department of Transportation

WHAT IS 30% - Page 3

- List of bid items

- Separate eligible items from ineligible if ineligible are to be funded by others. Otherwise, remove ineligible items

30% DOES NOT HAVE

- Final Specs
- Final Quantities
- Items combined with eligible that are not eligible

Beyond 30%

- ADOT/FAA issues a review and approval to proceed to 100%.

- Any Changes to the approved scope, budget or schedule must have a new review and approval by ADOT/FAA to be eligible for funding.

- Sponsor submits 100% Design Documents to ADOT/FAA as Final Documents

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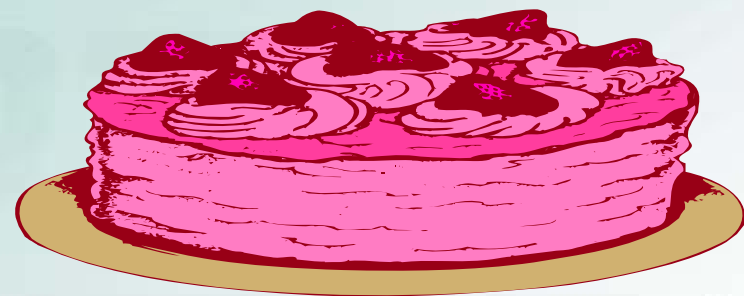
WHAT IS 100% BID SET

- All construction notes and details on plans
- Design Final = Scope
- Quantities and Pay Items detailed and finalized
- Specifications completed
- All FAA Specs in book & on plans
- "Draft" Construction Safety Plan
    (new FAA requirement)
- Stamped and signed

BASED ON BIDS with FAA

- Is the Design done with Local or State funds?
- All Grant Assurances are still required
- 30% is 30%.
- Required if requesting state dollars

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Design – Design/Construct

- **UNSECURED PDF – REQUIRED FOR ALL DOCUMENTS**
- Any SCOPE Changes must be approved in writing prior to execution of change
- *For Design Only Grants - Any unspent DOLLARS = Remain in the Aviation Fund.*
- Remaining dollars does NOT mean you get to design other projects!!!!

THROUGHOUT DESIGN PROCESS

- Grant Reimbursement requests must be submitted regularly

- Stick to Budget, schedule, and scope

- ANY CHANGES MUST BE APPROVED IN WRITING BY ADOT/FAA PRIOR TO EXECUTION in order to be eligible

- Keep communications open with Airport Grants Manager. Grants will be TERMINATED without any activity after 1 year

  - (GRR's, meeting minutes, progress meetings, plan reviews, etc)

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GRANT AGREEMENT CHANGES

Any of these Changes must be approved by ADOT/FAA prior to the change for eligibility

– Amendments
- Time
- Scope
- Dollar

– Grant Agreement
- Expires in 4 years

END OF DESIGN

Design Only Grants STOP Here!!!!!

Not held open for bidding!!

CLOSING A DESIGN GRANT
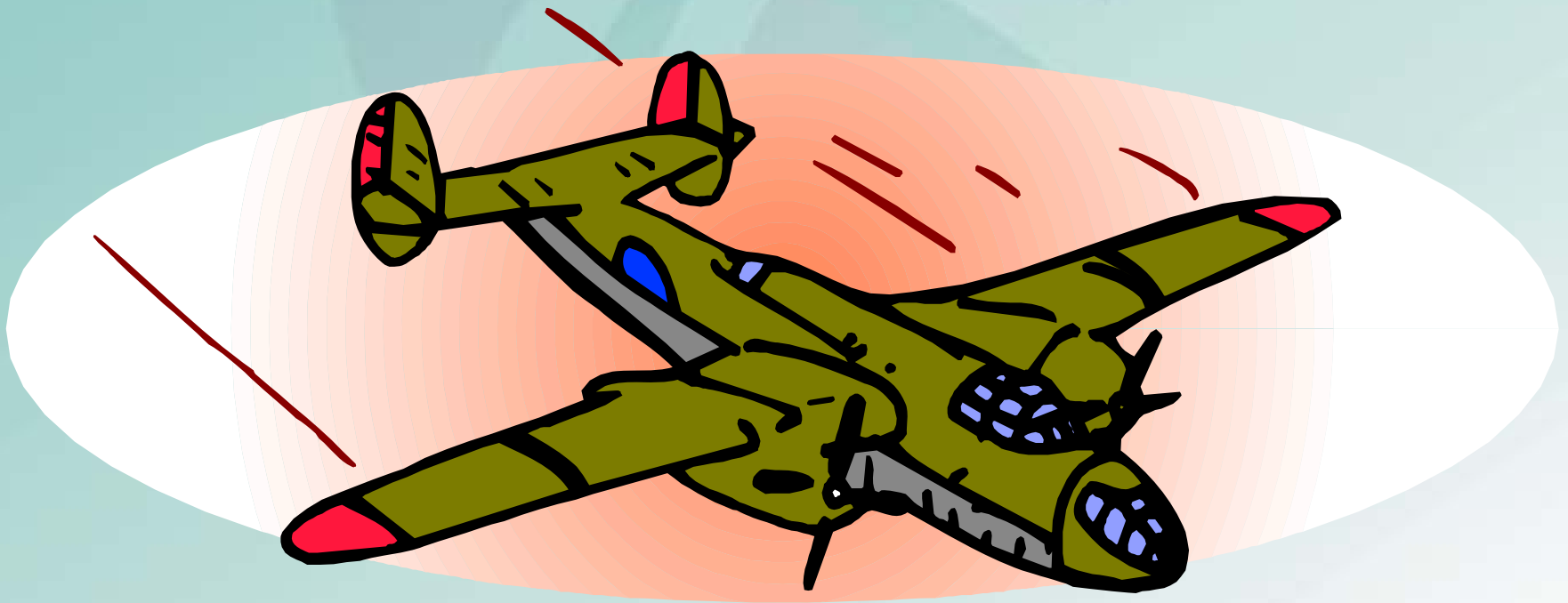
CLOSING DRIVE

- In order to close a grant, ADOT/FAA must have received an executed copy of the RFQ, an executed contract, all "FINAL" documents

- Letter from Sponsor stating that obligations have been met and accepted

- 100% Plans and Specs

- Final Reimbursement Request (will only be processed after we receive all final documents)

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GRANTS 202 - DESIGN

QUESTIONS?

GRANTS 202
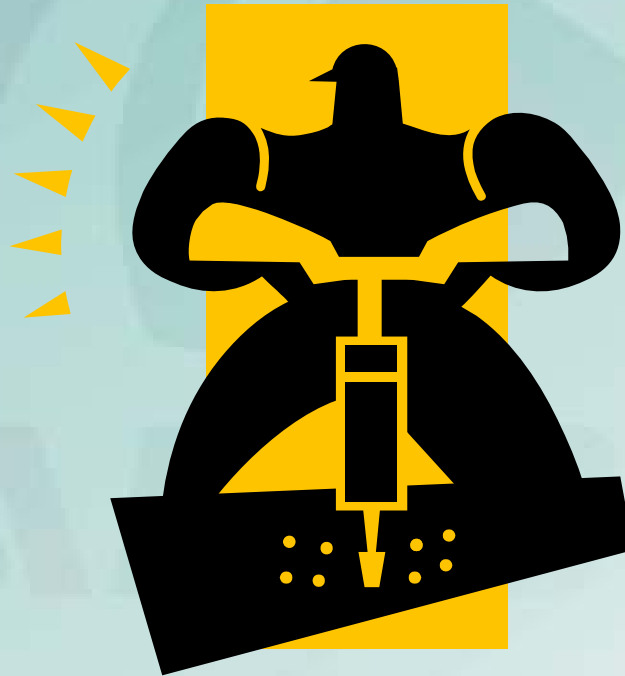
CONSTRUCTION

Construction Phase

- **Three ways to get here:**
  - Locally funded design then Sponsor accepts construction grant (S/L or F/S/L)
  - End of ADOT or FAA funded design grant moves to a funded construction phase (S/L or F/S/L)
  - Based on Bids FAA construction grant (F/S/L)
- **ONE SET OF REQUIREMENTS**

Construction Phase Requirements:

- All Sponsor Grant Assurances Met
- All Design, Consultant & Grant Documentation Submittals, Reviews & Approvals Are Complete
- Project = Grant for Scope/Budget/Schedule
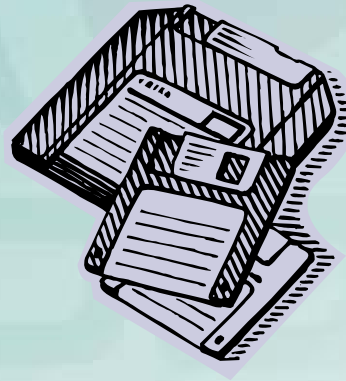
When all these are met...
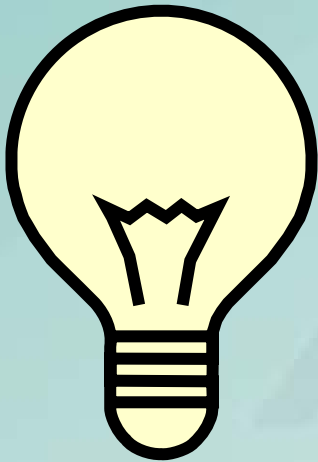
You
Are
Ready
For
Construction
Phase

Guess What?

- We have this checklist so you can get everything done correctly and have the paperwork to prove it!

ADOT-MPD-Aeronautics Group
2009 Design/Construct Grant Check List

This checklist is to help ADOT Grant Managers and Sponsor Grant Managers ensure correct completion of Grant coordination and documentation. It is not guaranteed to be 100% inclusive, other actions and documents may be required or requested.

GRANT ASSURANCES

- Quarterly Based Aircraft Reports
- Approved ALP Includes Grant Project
- Airport Owns the Land
- Environmental Approvals
- Grant Matching Funds in Place
- Pavement Preservation Program
- Protect Approach Surfaces & Remove Hazards
- Compatible Land Use Near Airport
- Public Use – No Exclusive Use
- Compliance with Federal, State & Local Laws, Regulations & Policies
- Competent Project Supervision
- Records Kept and Made Available to FAA & ADOT

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Design/Construct Grant Checklist

- Milestones
- Documentation
- Coordination
- Requirements
- And All In Order…

FAA Resources

- FAA AIP Handbook – AC 150/5100.38C
  - http://www.faa.gov/airports/resources/publications/orders/media/aip_5100_38c.pdf
- FAA Construction Specifications – AC 150/5370-10
  - http://www.faa.gov/airports/resources/advisory_circulars/index.cfm?template=Document_Listing&Keyword=150/5370-10&DocumentSelected=1
- FAA Procurement Rules
  - 49 CFR Part 18.36
  - AC 150/5100-14D ARCHITECTURAL, ENGINEERING, AND PLANNING CONSULTANT SERVICES FOR AIRPORT GRANT PROJECTS
- FAA Contract Provisions
  - http://www.faa.gov/airports/aip/procurement/federal_contract_provisions/

Arizona Resources

- **Arizona Best Practices Guide**
  - A Cooperative Effort by the Arizona Airports Association (AzAA), the Federal Aviation Administration (FAA) – Western-Pacific Region, and the Arizona Department of Transportation (ADOT) – Aeronautics Division

- April 2007

http://www.azdot.gov/aviation/PDF/Arizona_Best_Practices_Guide_Final_41807.pdf

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Arizona Resources

- **Arizona Revised Statutes Title 34**
- **Chapters 1, 2, and 6** Apply
- **§34-603** *Procurement of professional services and construction-manager-at-risk, design-build and job-order-contracting construction services; definition*

Reminder for All Phases

- Use **Arizona Best Practices Guide** for communication channels for anything involving scope, budget, and schedule!

Consultant

ADOT & FAA
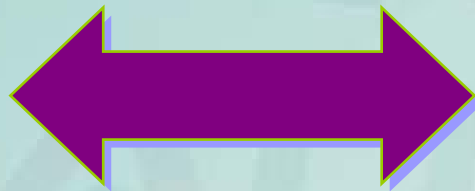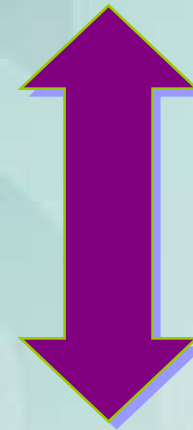
Airport Sponsor

What is Construction Phase?

- Construction Administration
- Review/Update 100% Plans (Minor)
- Advertising, Bid Review & Award
- Preconstruction/Construction
- Change Orders
- Final Inspection/Documentation
- Close Out

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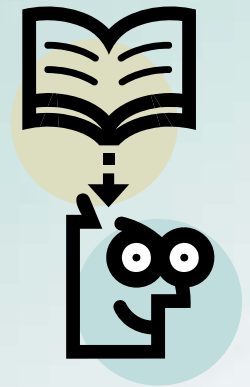
Construction Administration

- If this is to be done by a consultant, then:
  - Ensure Selection Process Meets all ADOT/FAA Requirements
    - **ARS §34-603**
    - **AC 150/5100-14D** ARCHITECTURAL, ENGINEERING, AND PLANNING CONSULTANT SERVICES FOR AIRPORT GRANT PROJECTS
  - Must have GSA, consultant scope and contract reviewed and approved by ADOT/FAA
- If done in-house by qualified staff…
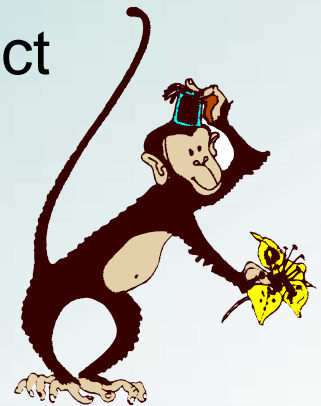
Review/Update 100% Plans

What For?

- Current Standards/References
- Any Changes to Existing Area Since Initial Survey/Design
- Scope Still Within Grant Description
- Estimate Reflects Current Prices and Within Grant Amount
- Schedule Updated

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<u>What For?</u>

- Details or Corrections Needed
- Correct Grant Numbers Listed on Plans, Specs, & Correspondence
- Address Any Comments From ADOT/FAA Review
- Ensure Any Ineligible Items are Separate
- Update Any Expired Approvals
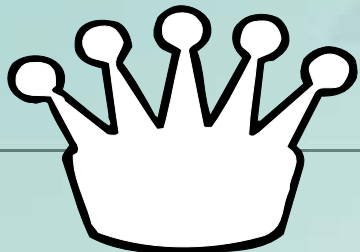
We've Got Our 100% Plans

- We want to advertise & build ASAP…
- Now What?

Double Check Your Documents!

✓ Ensure All Design Documentation is Correct, Completed, Submitted & Approved

✓ Ensure All Grant Assurances Are Still Met

✓ Ensure All Reimbursement Requests for Design Are Up to Date

✓ Ensure 100% Plans (The full bid set with plans, specs, and estimate) were sent to AND approved by ADOT/FAA.

Did I Mention The Checklist?

Once All Those Ducks Are in a Row…

Go! – Advertise!

- Advertise in accordance with ADOT/FAA requirements and A.R.S.

- **But if not all ducky, and you advertise anyway…you risk $ eligibility for part or all of the construction.**

<u>Warning…</u>

- Now is not a good time to ask for a 30% plan review.
- Now is also not a good time to tell us that the FAA grant was closed.
- Now is a bad time to double the size of the project without asking.
- Now is also a bad time to add non eligible work as incidental to eligible items.
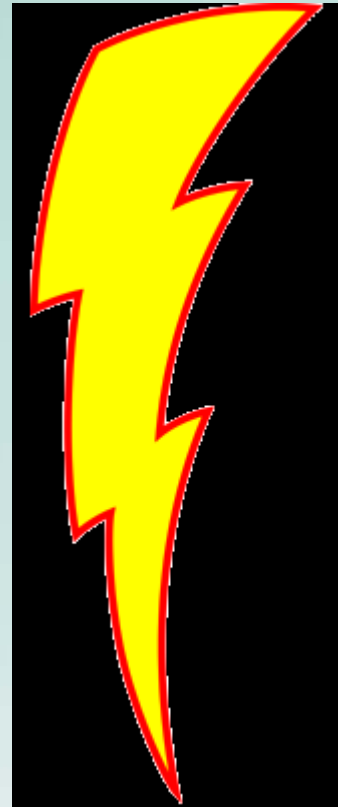
Consequences

- Who was listening when Mike Klein was talking?

- Ineligible
- Suspension
- Termination
- Sound Familiar…?

Advertising, Bid Review & Award

•Bid Alternates

   –Base Bid Should = Eligible Grant

   –Alternates for Scope Additions

   –Alternate for Upgrades with Local $

•Please, please, let the bids come in under the engineer's estimate…

<u>Reminder</u>

- Any changes to the 100% Plans, <u>even amendments during advertising</u>, must be approved in advance by ADOT/FAA to be eligible.

<u>Advertisements</u>

- Must be public (statewide or nationwide) with fair competition per FAA, ADOT, A.R.S. and local compliance. Send copies!

- Design-Bid-Build method is standard

- If Sponsor wants to use **Design-Build** or **Construction Manager at Risk** methods…Let's Talk in Advance

- Submit all questions and answers and any bid amendments to ADOT/FAA.

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<u>Bid Opening & Review</u>

- Follow all Laws, Regulations, Policies etc.
- Send Bid Tabs and Recommendation for Award Letter to ADOT/FAA
- Wait for ADOT/FAA Concurrence
- Award

Did we mention
unsecured PDFs?

Contract Award

- Send Copy of Executed Contract to ADOT/FAA

- If Contract is over grant amount for eligible items, request grant amendment

- Submit FAA 7460-1

Preconstruction

- Invite ADOT/FAA to Preconstruction
- Construction Safety Plan Must Meet New FAA Safety Plan Requirements if NPIAS
  - FAA 8 Week Review
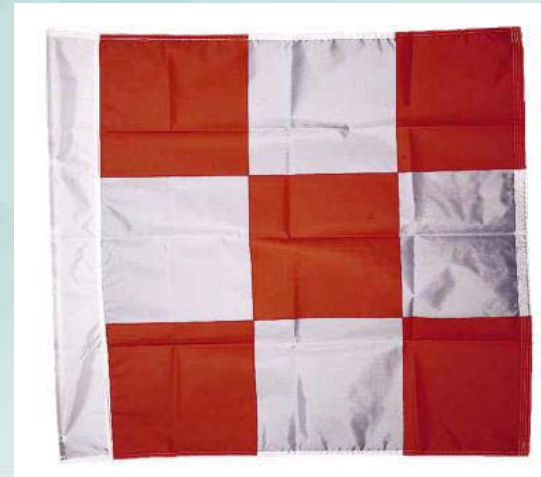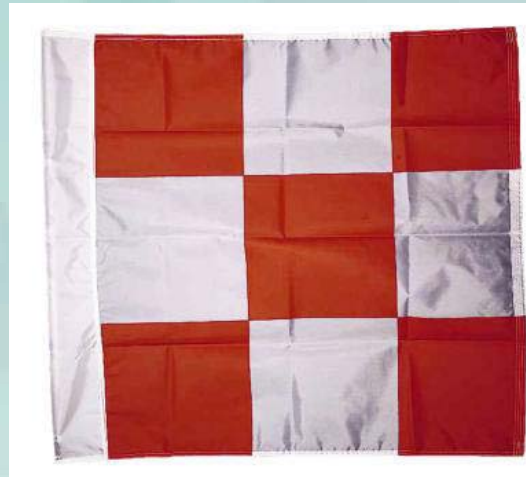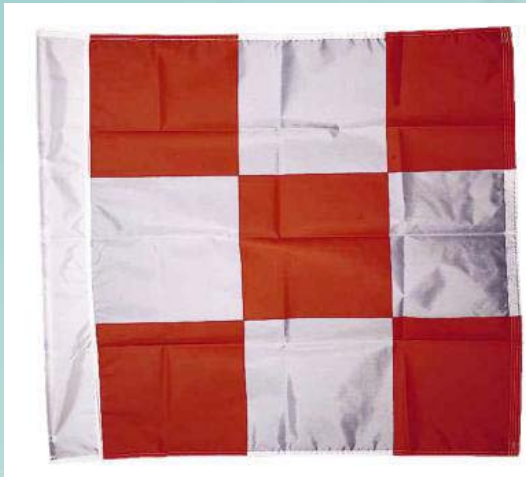
Construction Safety Plan

- And FAA has a checklist, too!

AC 150/5370-2

Construction Progress

- Keep and Share Records – Regular Reports
- Coordinate Change Orders & Contractor Allowance in Advance of Performing the Work with ADOT/FAA to be Eligible
- Follow Up W/ Change Order Paperwork – Do Not Save Until End of Project
- Keep and Share Records
- Regular Reimbursement Requests

Change Orders

- Not Approved In Advance = Not Eligible
- All Lumped Together at End of Job = Audit
- Mixed Eligible and Ineligible Items = Audit
- Poorly Coordinated = Problems

Change Orders

- DO NOT ADD WORK BECAUSE "THERE IS MONEY LEFT IN THE GRANT".

- ***Money not reimbursed remains in the aviation fund.***

Final Inspection

- Invite ADOT/FAA
- Walk Through
- Punch List
- Final Documents
- As-Builts
- Any Remaining Issues

Final Documents

- Final Reimbursement Request
- As-Builts (Unsecured PDF)
- Close Out Letter from Sponsor
- Any Outstanding Documents
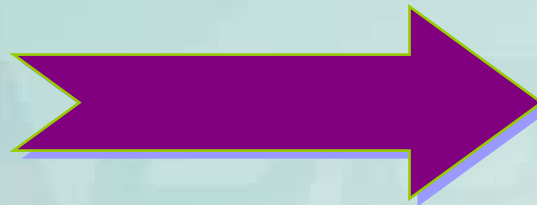
Grant Close-Out

- Project Close Out
  - Conduct a Final Inspection
  - Provide a Sponsor's Letter of Acceptance
  - As-Built Plans (Unsecured PDF format)
  - Final Engineer's Report (Unsecured PDF Format)
  - Submit Final Reimbursement Request
- No Final Payment without all documents

<u>Audits</u>

- The Grant May be Reviewed for (cost/process/materials/etc.) Eligibility at Any Time by ADOT/FAA **<u>or Other Parties</u>**.

- ADOT/FAA Will Follow Through With Corrections if Needed

- Corrections May be Administrative and/or Financial

TOP TEN WAYS TO LOSE ADOT $

10 No quarterly based aircraft reports to ADOT
 9 No reimbursement requests within a year
 8 No or little activity for timely project completion
 7 No consultant/contractor contracts submitted
 6 Significant changes to grant description
 5 Adding of ineligible items
 4 Poor coordination with ADOT
 3 Non compliance with assurances
 2 No 30% eligibility review by ADOT
 1 No Sponsor matching funds

Arizona Department of Transportation

<u>Design/Construct Grant Contacts</u>

- Program Administrator
  - Michael Klein, A.A.E.   MAKlein@azdot.gov
- State Airport Engineer
  - Holly L. Hawkins, P.E. HHawkins@azdot.gov
- Airport Grant Managers
  - Tammy Martelle TMartelle@azdot.gov
  - Nancy K. Faron, C.F.I. NFaron@azdot.gov

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GRANTS 202 - Construction

QUESTIONS?

GRANTS 202

Proposed State Transportation Board Policy Change Recommendations

Arizona Department of Transportation

State Transportation Board Policy Review

Schedule and process

- Mailings to solicit input in early January 2009 and continuing
- Workshop to solicit input, February 25, 2009
- Presentation at AzAA Spring Conference, April 28, 2009
- Draft recommendations by Aeronautics presented at AzAA Fall Conference, October, 2009
- Recommendations presented to State Transportation Board in late Winter 2010
- Application to the ACIP in the Fall of 2010 for Program Year 2012

State Transportation Board Policy Review

- Mike Johnson of Tucson Airport Authority has coordinated the volunteer group's efforts

- Participants include Jeff Tripp, Casey Denny, Tina Moore, Bill Harvey, *Anne Quigley*, *Dennis Wiss*

- They have developed several ideas and have met with ADOT as a group three times

- Contact Mike Johnson at 520-573-4856 or mjohnson@tucsonairport.org if you are interested in participating

- Remember, you can also send your thoughts to ADOT at our web site:

- azdot.gov/aviation/RevisionofAeronauticsPolicies.asp

Arizona Department of Transportation

State Transportation Board Policy Recommendations

New, Revised or Deleted Policies

* **One – Arizona Airport System**

* **Two – Aviation Fund Distribution**

* **Three – Airport Development Rating System**

* **Four – Airport Pavement Maintenance System**

* **Five – Airport Loan Program**

* **Six - State Airport System Planning Services - New**

* **Airport Planning Guidelines – Deleted. New admin manual**
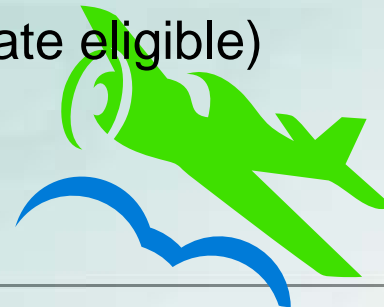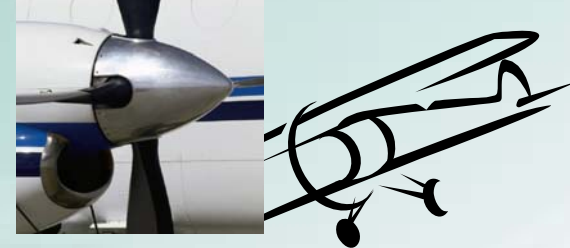
* **Small Community Air Service Program - Deleted**

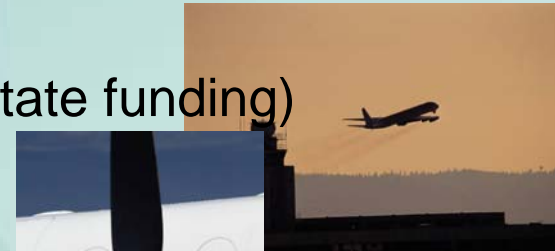# State Transportation Board Policy Recommendations

Policy 1 - Arizona Airport System

- **83 Airports**
  - 55 publicly owned and operated (eligible for state funding)
    - 48 NPIAS eligible
    - 7 Non-NPIAS
  - 2 federal (NPS)
  - 12 privately owned, open to the public
  - 14 tribal
    - 10 public (NPIAS eligible, not state eligible)
    - 4 private

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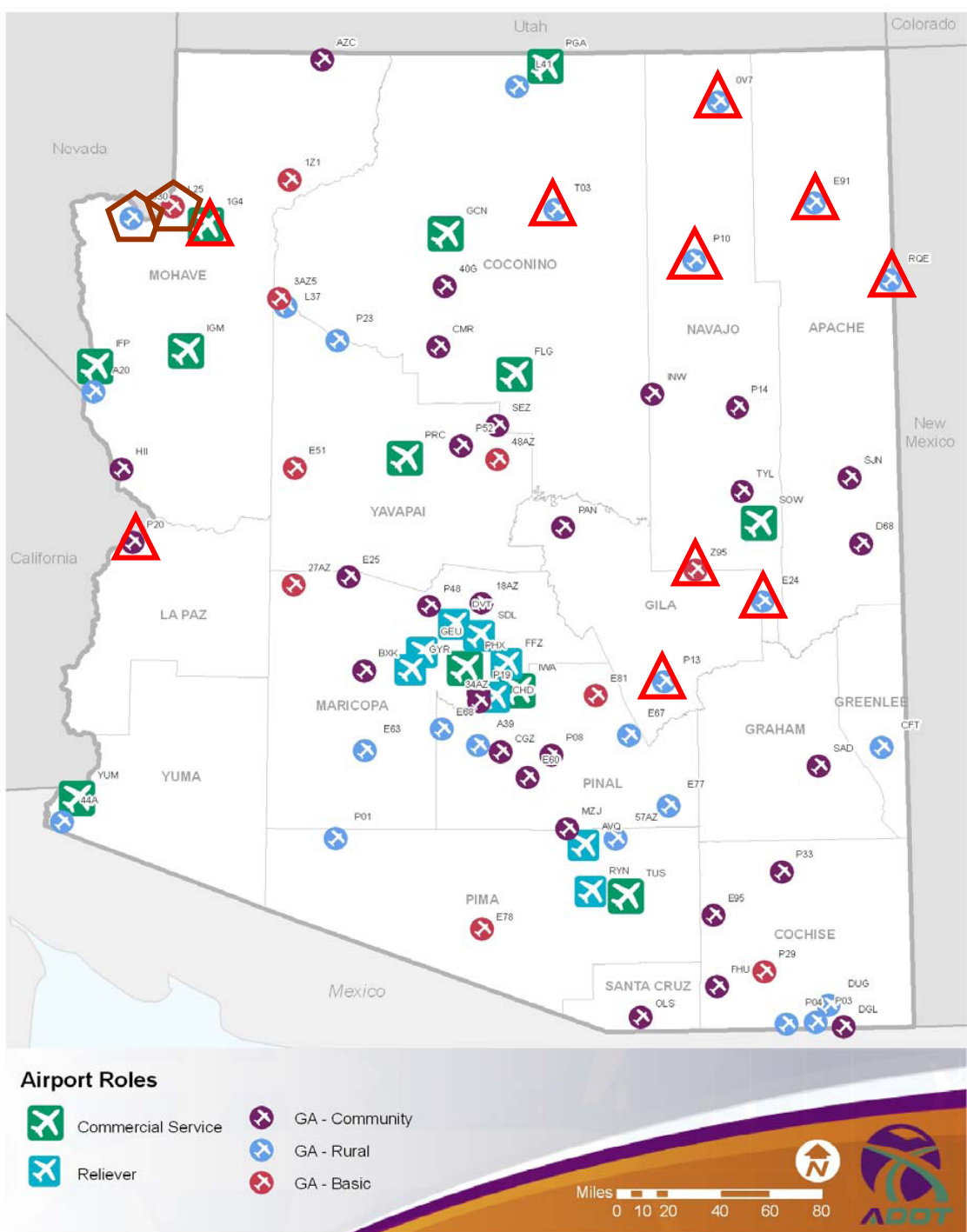
Airport Roles

✈ Commercial Service	✈ GA - Community
✈ Reliever	✈ GA - Rural
	✈ GA - Basic

Miles
0 10 20   40   60   80

...nsportation

Airport Roles

- Commercial Service
- Reliever
- GA - Community
- GA - Rural
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Miles
0 10 20 40 60 80

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State Transportation Board Policy Recommendations

Policy 1 - Arizona Airport System

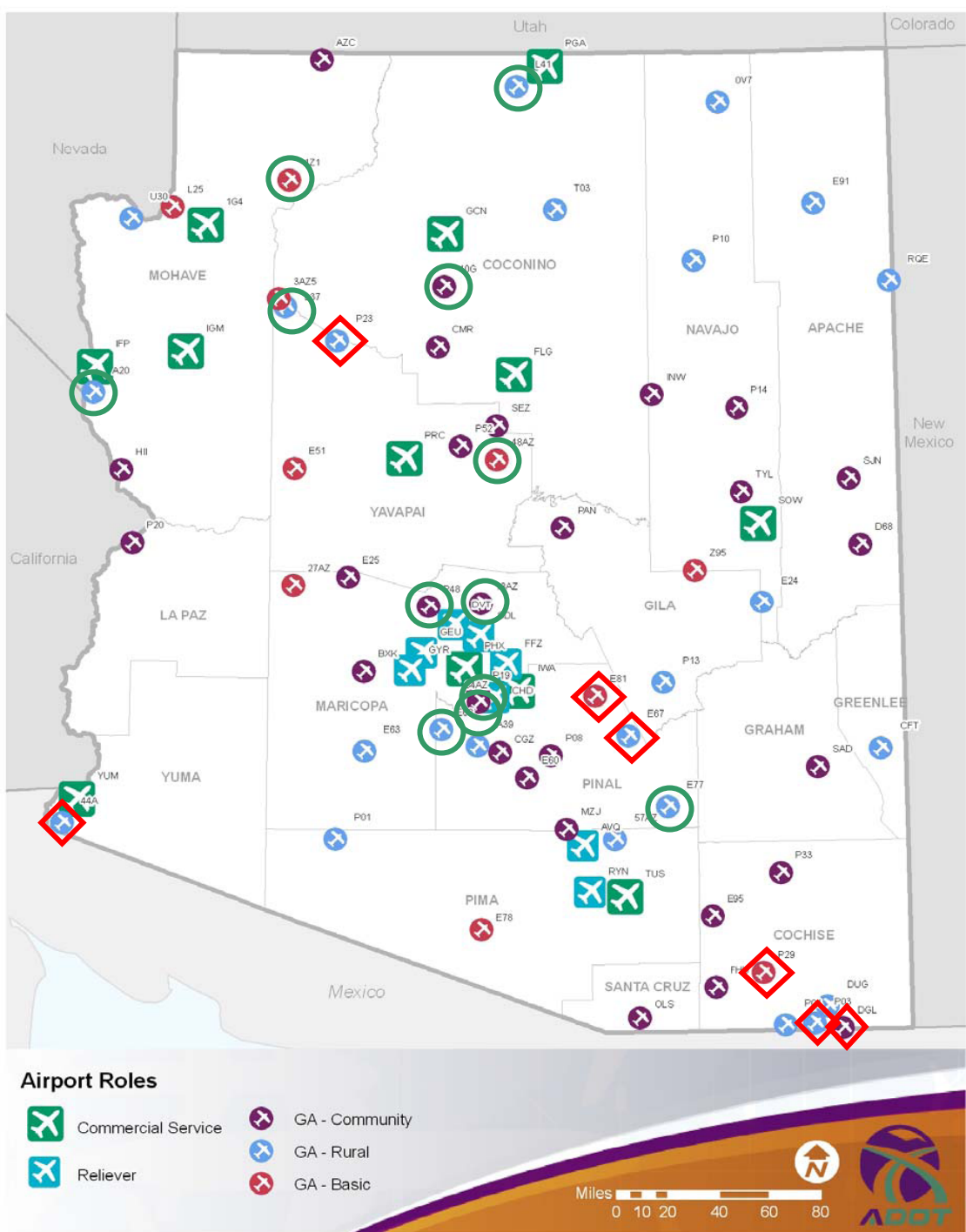* **New 'airport categories' now called Airport Roles**
  * Commercial Service   11 of 12
  * Reliever   8 of 8
  * GA – Community   23 of 29
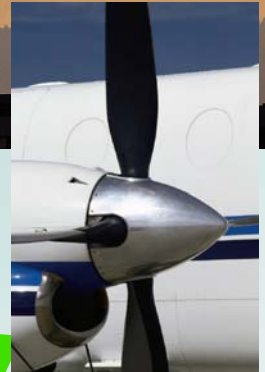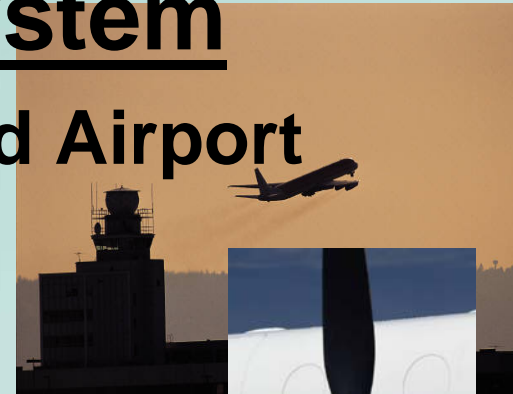 * GA – Rural   10 of 23
  * GA – Basic   3 of 11

Arizona Department of Transportation

State Transportation Board Policy Recommendations

Policy 2 - Aviation Fund Distribution

* **System Distribution**
    * Commercial Service   35%
    * Reliever   43%
    * GA – Community   19%
    * GA – Rural   2%
    * GA – Basic   0.25%
    * Rural not less than $500,000
    * Basic not less than $100,000

Arizona Department of Transportation

State Transportation Board Policy Recommendations

Policy 2 - Aviation Fund Distribution

* **Program Distribution**
  * Federal matching, set aside based on FAA input
  * APMS, set aside based on triennial study
  * Loans, set aside based funding availability
  * State system planning, set aside based on ADOT recommendations
  * State Local, based on availability

State Transportation Board Policy Recommendations

Policy 2 - Aviation Fund Distribution

- **State and Local**
  - After FSL and APMS are funded
  - Loans and System Planning flexible
  - SL Grants – Total program $'s set
    - System distribution is applied
      - 35%, 43%, 19, 2%, 0.25%

State Transportation Board Policy Recommendations
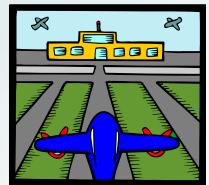
Policy 3 - Airport Development Rating System

- **New project components and definitions**
  - Project Component levels used via SSCEPS
    - Safety   205 - 298
    - Security   185
    - Capacity   130 - 165
    - Environmental   95 - 105
    - Planning   70
    - Sustainability   17 - 50
  - 58 new component definitions (administrative manual)

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State Transportation Board Policy Recommendations

Policy 3 - Airport Development Rating System
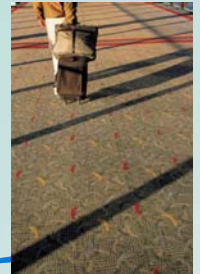
- **New airport characterization criterion**
  - Three criteria
    - Registered Aircraft vs. Vacancies
    - Enplanements
    - Operations vs. Airport Service Volume (ASV)
  - Criteria range: 2 to 18
  - No combination of airport points can move a project into the next higher group
 - Intended as tie-breaker

State Transportation Board Policy Recommendations

What happens is…

* **Airport Roles get a system wide funding distribution**
* **Airports within each role compete only for that pot of $'s**
  * Within that pot, projects are grouped by SSCEPS and scored
  * Airport character points are added
  * Total used to rank projects for grant award recommendations
* **Broader range of project points and smaller airport points**
  * Keeps emphasis on the nature of the project and not the airport
  * Keeps airports points from inducing lower priority projects to rise above more important projects
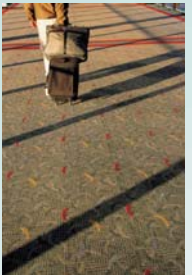
State Transportation Board Policy Recommendations

Policy 5 - Airport Development Loans

- **Two types of loans**
    - Matching grant loans
    - Economic development loans
- **Process and conditions are the same**
    - Application
    - Interest rates
    - Duration
    - Committee review
    - STB approval

State Transportation Board Policy Recommendations
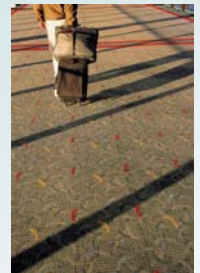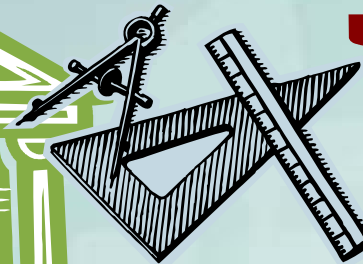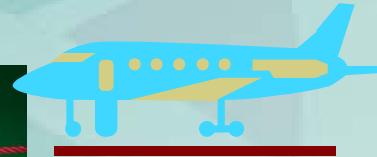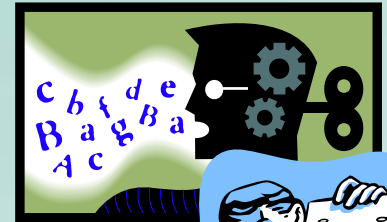
Policy 6 – Airport System Planning

* **Fund set aside**
* **Various types of planning studies and services**
  * State airport system planning
  * Regional system planning
  * Aviation Economic Impact studies
  * Statewide aeronautical charts
  * Navigations aids
  * Recreational airports
  * Weather reporting
  * Pavement studies

Arizona Department of Transportation

Questions?