

Incorporating BIL Funds in to your CIP

Best Strategies for Project Success

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Dakota-Minnesota Airports
District Office (DMA-ADO)

Date: September 22, 2022



Federal Aviation
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Agenda

- **FY2022 FAA Funding**
- **Bipartisan Infrastructure Law (BIL)**
- **BIL ATP Competitive Projects**
- **Proration Program Guidance Letter (PGL)**
- **FY23 Project Readiness**
- **Questions**



FAA MONEY

FY2022 Programs

- **Airport Improvement Program (AIP) Grants**
- **Supplemental Appropriations (FY18-19-20-21-22)**
- **COVID Relief Grants**
 - CARES Act Grants
 - CRRSA/ACRGP Grants
 - ARPA Grants
- **BIL (AIG and ATP)**



FY22 Grants-at-a-glance – DMA-ADO

FY2022 Oct 1-Sept 30	AIP	BIL	ARPA	TOTAL
Number of Grants	118	37	209	364
Total \$\$s	\$ 135,924,396	\$ 7,267,468	\$ 237,609,961	\$380,801,825
<i>ATP Announced 07/22 not awarded yet – fed share only</i>		\$24,292,500		



Bipartisan Infrastructure Law (BIL)

<https://www.faa.gov/bil>

How the FAA Will Invest the Funding

\$5B

AIRPORT TERMINALS

To replace aging terminals, increase terminal energy efficiency and accessibility, and more.

\$15B

AIRPORT INFRASTRUCTURE

For airport projects that increase safety and expand capacity.

\$5B

AIR TRAFFIC FACILITIES

To replace facilities and equipment and improve safety, security, and environmental standards.

Under the Bipartisan Infrastructure Law, airports in DMA-ADO (MN-ND-SD) could receive approximately **\$472.9 million** for infrastructure development over five years (2022-2026)



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Bipartisan Infrastructure Law (BIL)

Fund Type	Funds Available FY 2022 – FY 2026	Airport Eligibility	Federal Share Percentage	Eligibility Requirements
AIG formula allocations*	Not more than approximately \$2.89 billion annually (by formula)	Included in published NPLAS, updated with current year data	Regular AIP Federal Share: 50%-95%	AIP eligibility and rules, plus expanded PFC eligibility under 49 U.S.C. 40117(a)(3). Debt service is not eligible.
AIG FCT*	\$20 million annually (competitive selection)	Sponsors of airports participating in the FCT program under 49 U.S.C. 47124	100%	Table O-3 Other Building Project Requirements (Other than Terminal), Item h, in the AIP Handbook. FCT minimum equipment and facilities list and FAA FCT new start and replacement tower process can be found in FAA Order JO 7210.78 FAA Contract Tower (FCT) New Start and Replacement Tower Process.
ATP**	Approximately \$1 billion annually (competitive selection)	Airports eligible for AIP discretionary funds grants under 49 U.S.C. 47115(a)	80% for large and medium hub airports. 95% for small hub, non-hub, and non-primary airports.	PFC eligible terminal development, including multi-modal terminal development, per 49 U.S.C. 47102(28), on-airport rail access projects per PFC Update 75-21, and airport owned ATCT.

*Funds not obligated at the end of the fifth fiscal year will be recovered and made available for competitive grants in the sixth year.

**Funds not obligated at the end of the fifth fiscal year will return to the general fund.



Bipartisan Infrastructure Law (BIL)

GA Annual Airport Allocations

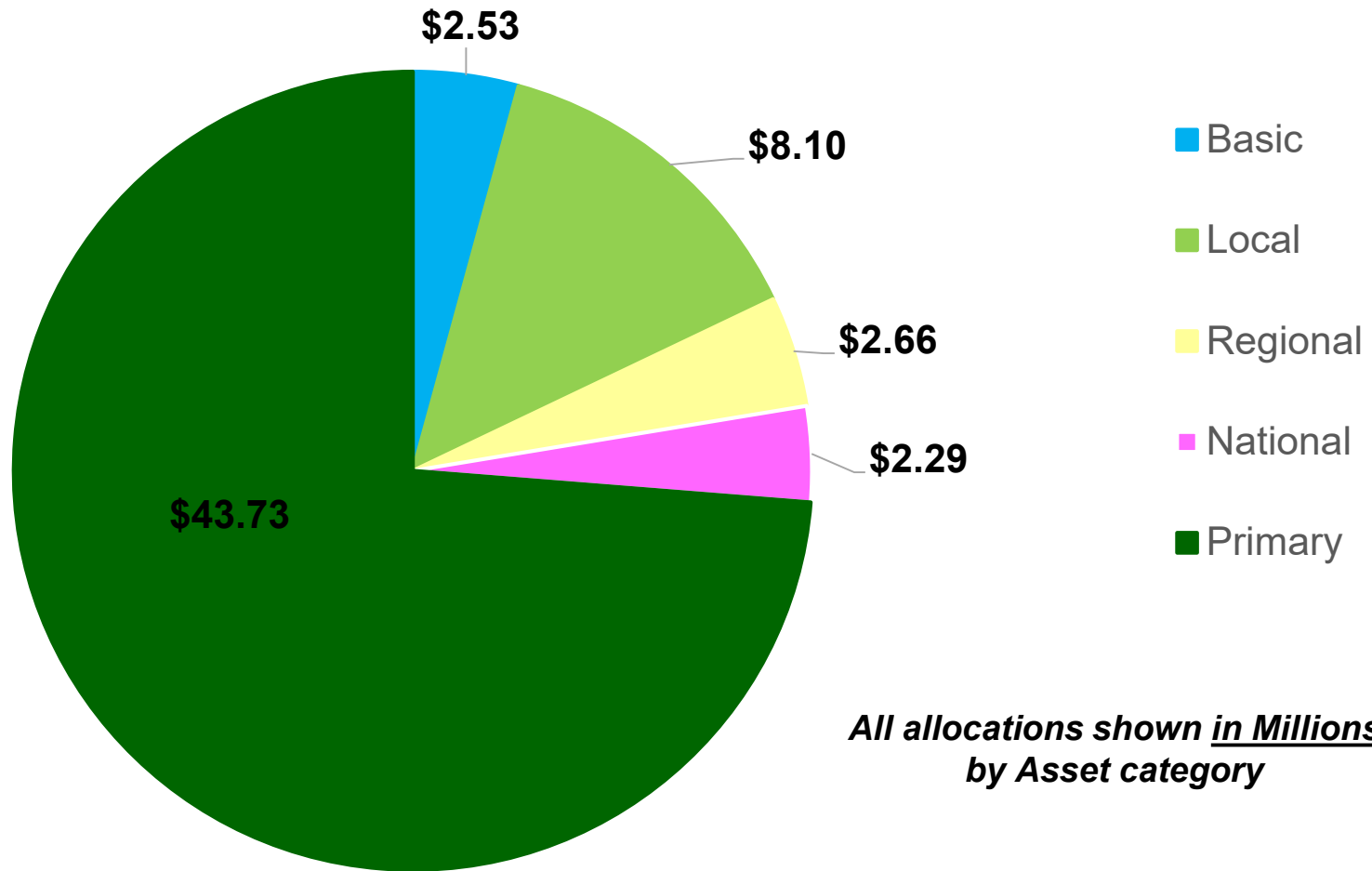
- based on NPAIS Airport Asset Category
 - Unclassified – \$0
 - Basic – \$110,000
 - Local – \$159,000
 - Regional – \$295,000

Fund Type	Funds Available FY 2022 – FY 2026	Airport Eligibility	Federal Share Percentage	Eligibility Requirements
AIG formula allocations*	Not more than approximately \$2.89 billion annually (by formula)	Included in published NPAIS, updated with current year data	Regular AIP Federal Share: 50%-95%	AIP eligibility and rules, plus expanded PFC eligibility under 49 U.S.C. 40117(a)(3). Debt service is not eligible.

****Cost Share based on Regular Cost share – some states are matching – others are not****



MN BIL Allocations FY22



*All allocations shown in Millions
by Asset category*



BIL FY2023 Allocations

- **Primary Airport allocations – stay tuned**
 - Based on annual enplanements, operations, and cargo
- **Changes in GA BIL categories**
 - Updated NPIAS report (coming soon)
 - Moving to a higher role
 - Regional – AXN & SPF
 - Local – CQM, XVG, MVE, PKD, PQN, S32 & LEM
 - Basic – 3W8
 - Moving to a lower role
 - Local to Basic – AIT, MZH, ULM, RRT, MWM, EFC & 9V9
 - Basic to Unclassified – GHW, BFW & S28



Availability of BIL Allocated Funds

Q-9: What is the period of availability for FAA to obligate AIG funds?

A: Approximately \$2.91 billion (approximately \$2.89 billion of AIG Allocated funds and \$20 million AIG Competitive funds) is available annually starting fiscal year (FY) 2022 through FY 2026. Funds not obligated at the end of the fourth FY will be recovered and made available for competitive grants in the fifth year. See Q-F3.

FY funds are first made available:	Funds must be obligated (under grant) by:	Any unobligated funds must be obligated (under grant) as competitive grants in:
2022	September 30, 2025	FY 2026
2023	September 30, 2026	FY 2027
2024	September 30, 2027	FY 2028
2025	September 30, 2028	FY 2029
2026	September 30, 2029	FY 2030



Are BIL Funds Multi-Year?

Well, Sort of...at sponsor's cash flow at risk

required to receive a grant (see Q-U20).

Q-U32: If a project costs more than an airport's annual AIG Allocated funds, can the airport proceed with the project in year one, or will it have to wait until enough funds have accumulated?

A: An airport has options in this scenario. In addition to waiting to accumulate AIG allocations; a sponsor can phase the project so that annual grants can be issued using available BIL funds; use AIP funds for a defined project phase; or construct the project and request reimbursement with future allocations, at the sponsor's risk.

Q-U33: Can an Airport borrow AIG Allocated funds from a future year?

A: No, funding will not be available ahead of the FY in which it is allocated. AIG allocations can be used for phased projects, saved for up to four years to use on a larger project, or construct a project and request reimbursement with future allocations, at the sponsor's risk.



BIL Funding – Capitalize most \$\$

FISCAL YEAR (\$ available)	SCENARIO #1	SCENARIO #2
FY2022	----	----
FY2023	----	Design & Construction – \$220,000 FY 2022-2023 funds
FY2024	----	Sponsor Cash flow with Reimbursements - \$110,000 FY2024 funds
FY2025	Design - \$110,000 FY2022 funds	Sponsor Cash flow with Reimbursements - \$110,000 FY2025 funds
FY2026	Construction - \$440,000 FY2023-2026 funds	Sponsor Cash flow with Reimbursements - \$110,000 FY2026 funds

*****Using Basic \$110,000 annual allocation as an example*****



CIPs

State Fiscal Year	Federal Fiscal Year	Project	Project Funding Type	Estimated Total Cost (2022 Dollars)	Funding Rate			Local Funding	State Funding	FAA Funding	Airport Improvement Program (AIP) Funding			BIL (AIG) Funding				
					Local	State	FAA				Entitlement/ Transfer	FAA Discretion/ Apportionment	Remaining AIP Balance	BIL (AIG) Funding	Remaining BIL (AIG) Balance	BIL Terminal Funding		
2023	2022	Annual Entitlement Entitlement Payment to Y49	AIP	\$150,000	0%	0%	100%			\$150,000		\$150,000		\$295,000	\$295,000			
		Fuel Mower	State	\$47,000	30%	70%	0%	\$14,100	\$32,900			\$150,000	\$150,000	\$301,567	\$301,567			
		New Deck Mower	State	\$25,000	30%	70%	0%	\$7,500	\$17,500			\$150,000	\$150,000	\$301,567	\$301,567			
		FFY 2022 Totals		\$222,000				\$21,600	\$50,400	\$150,000		\$150,000	\$451,567	\$451,567	\$295,000	\$295,000		
2024	2023	Annual Entitlement Entitlement Payment to AUM, from 2017	AIP							\$74,314		\$74,314		\$295,000	\$295,000			
		South Area Taxiway Crack Seal	AIP	\$75,000	8%	5%	90%	\$3,750	\$3,750	\$67,500		\$74,314		\$309,753	\$309,753			
		North Area Taxiway Rehabilitation (federally eligible)	BIL/AGG	\$190,000	10%	0%	90%	\$19,000	\$19,000	\$171,000		\$74,314		\$309,753	\$309,753			
		North Area Taxiway Rehabilitation (State eligible)	State	\$261,000	30%	70%	0%	\$78,300	\$182,700			\$74,314		\$309,753	\$309,753			
		Fuel Mower	State	\$47,000	30%	70%	0%	\$14,100	\$32,900			\$74,314		\$309,753	\$309,753			
		New Deck Mower	State	\$25,000	30%	70%	0%	\$7,500	\$17,500			\$74,314		\$309,753	\$309,753			
		FFY 2023 Totals		\$522,000				\$122,650	\$282,350	\$309,753		\$150,000	\$459,753	\$295,000	\$714,900			
2025	2024	Annual Entitlement Entitlement Payment to CBG	AIP	\$100,000	0%	0%	100%			\$100,000		\$100,000		\$295,000	\$295,000			
		Taxiway A Recon - EDR & Final Design	BIL/AGG	\$900,000	25%	30%	30%	\$225,000	\$450,000	\$225,000		\$100,000		\$295,000	\$295,000			
		Fuel Mower	State	\$47,000	30%	70%	0%	\$14,100	\$32,900			\$100,000		\$295,000	\$295,000			
		New Deck Mower	State	\$25,000	30%	70%	0%	\$7,500	\$17,500			\$100,000		\$295,000	\$295,000			
		FFY 2024 Totals		\$1,097,000				\$286,600	\$563,400	\$229,999		\$150,000	\$374,753	\$295,000	\$714,900			
2026	2025	Annual Entitlement Taxway A Recon - Construction & CA	AIP	\$2,000,000	8%	5%	90%	\$160,000	\$100,000	\$1,840,000		\$150,000		\$295,000	\$295,000			
		Replace FBO Hangar & A/C Building	BIL/AGG	\$900,000	25%	30%	30%	\$225,000	\$450,000	\$225,000		\$150,000		\$295,000	\$295,000			
		FFY 2025 Totals		\$2,900,000				\$385,000	\$550,000	\$2,165,000		\$150,000	\$374,753	\$295,000	\$714,900			
2027	2026	Annual Entitlement Slurry Seal, Runway S23	BIL/AGG	\$250,000	10%	0%	90%	\$25,000	\$0	\$225,000		\$150,000		\$295,000	\$295,000			
		FFY 2026 Totals		\$5,365,000				\$708,250	\$912,800	\$3,656,950		\$150,000	\$374,753	\$295,000	\$714,900			
2028	2027	Annual Non-Primary Entitlement Master Plan & AIP Update	AIP	\$300,000	8%	5%	90%	\$24,000	\$15,000	\$261,000		\$270,000		\$150,000	\$150,000			
2029	2028	Annual Non-Primary Entitlement No Federal Project - Save Entitlements	AIP									\$150,000		\$150,000				
2030	2029	Annual Non-Primary Entitlement No Federal Project - Save Entitlements	AIP									\$150,000		\$150,000				
2031	2030	Annual Non-Primary Entitlement Snow Removal Equipment	AIP	\$500,000	8%	5%	90%	\$40,000	\$25,000	\$435,000		\$450,000		\$150,000	\$150,000			
2032	2031	Annual Non-Primary Entitlement Runway 1634 - Joint & Crack Repair	AIP	\$400,000	8%	5%	90%	\$32,000	\$20,000	\$348,000		\$450,000		\$150,000	\$150,000			
		FFY 2031 Totals		\$700,000				\$66,000	\$45,000	\$586,000		\$150,000	\$150,000	\$150,000	\$150,000			
2032	2031	Annual Non-Primary Entitlement										\$150,000		\$150,000				

Fiscal Year	State	Local	Description	Funding Rates			Project Cost	FAA Funding	State Funding	Local Funding	Hangar Loans Fund (State)	AIP		AIG (BIL) Fund		Other FAA Funds	Entitlement Transfer Out	Entitlement Transfer In	Notes		
				FAA %	State %	Local %						Entitlement Funding	Balance	AGG (BIL) Funding	AGG (BIL) Fund Balance						
2022	2023	2022	Main Equipment/SRE Building - Phase 1 - Pre Design Report	39.3	41.2	18.8	\$35,000	\$13,955	\$14,434	\$6,621		\$13,955	\$188,044	\$195,000	\$0						
2022	2023	2022	Main Equipment/SRE Building - Phase 2 - Site Design/Admin	30	1	5	\$52,000	\$46,800	\$2,000	\$2,000		\$46,800	\$59,240	\$195,000	\$0						
2022	2023	2022	Main Equipment/SRE Building - Phase 2 - Building Design	35.8	44.3	20.1	\$210,000	\$174,844	\$92,944	\$42,220		\$174,844	\$450,000	\$295,000	\$0	\$14,402				Entitlement transfer to SY (hangarfund). Expiring funds.	
2022	2022	2022	Airport Zoning Ordinance Update	0	70	30	\$49,500	\$0	\$34,650	\$14,850		\$49,500	\$295,000	\$0							
2022	2022	2022	Hangar Reconstruction (Partial) - WPA Hangar Area	0	70	30	\$320,000	\$0	\$224,000	\$76,000		\$320,000	\$450,000	\$295,000	\$0						
2022	2022	2022	Taxiway Sealcoat/Crack Fill	0	70	30	\$50,000	\$0	\$35,000	\$15,000		\$50,000	\$195,000	\$195,000	\$0						
								\$135,599	\$154,620	\$156,242	\$0	\$135,599	\$0	\$0							
2023	2024	2023	Main Equipment/SRE Building - Phase 2 - Site Prep	30	0	30	\$450,000	\$450,000	\$0	\$45,000		\$450,000	\$185,000	\$185,000	\$0					\$164,402	Transfer repayments from T08 and S07
2023	2024	2023	Main Equipment/SRE Building - Phase 3 - Construction	35.8	44.3	20.1	\$2,050,000	\$1,730,820	\$907,830	\$421,050		\$1,730,820	\$33,782	\$185,000	\$0						
2023	2024	2023	Extend Runway 2220 & Taxiway - Environmental/Planning	30	0	30	\$150,000	\$150,000	\$0	\$15,000		\$150,000	\$18,782	\$18,000	\$0						
2023	2024	2023	Update A Property Map Update (FAA required)	30	0	30	\$30,000	\$30,000	\$0	\$3,000		\$30,000	\$3,782	\$27,000	\$0						
2023	2024	2023	Update Wildlife Management Plan	30	0	30	\$20,000	\$18,000	\$0	\$2,000		\$20,000	\$3,782	\$18,000	\$0						
2023	2023	2023	Fractor with loader (mowing)	0	70	30	\$180,000	\$0	\$126,000	\$54,000		\$180,000	\$33,782	\$5,000	\$0						Unfunded in SFY 2022, move to SFY 2023
2023	2023	2023	Acquisition of Property - Helena Chemical	0	70	30	\$375,000	\$0	\$262,500	\$112,500		\$375,000	\$33,782	\$5,000	\$0						High priority for state funding. Grant offer in SFY 2022.
								\$1,315,620	\$1,419,830	\$709,350	\$0	\$730,620	\$585,000	\$0							
2025	2024	2024	Sniffler (MRI)	0	70	30	\$50,000	\$0	\$35,000	\$15,000		\$50,000	\$18,782	\$18,000	\$0						
2025	2024	2024	Runway Crack Fill and Seal - Runway/Taxiway	0	70	30	\$50,000	\$0	\$35,000	\$15,000		\$50,000	\$18,782	\$18,000	\$0						
2025	2024	2024	Fuel Farm Relocation/Replacement	0	70	30	\$800,000	\$0	\$560,000	\$240,000		\$800,000	\$18,782	\$18,000	\$0						High Priority for FBO
2025	2024	2024	Snowblower Attachment for Loader	0	70	30	\$250,000	\$0	\$175,000	\$75,000		\$250,000	\$18,782	\$18,000	\$0						Bonding candidate?
2025	2024	2024	New Corporate Hangar - Design/Site/Foundation	0	70	30	\$500,000	\$0	\$350,000	\$150,000		\$500,000	\$18,782	\$18,000	\$0						Bonding candidate?
								\$1,315,000	\$895,000	\$0	\$0	\$0	\$0	\$0							
2029	2026	2025	Extend Runway 2220 & Taxiway - Design/Engineering	30	5	5	\$227,000	\$240,300	\$11,300	\$11,300		\$227,000	\$595,000	\$340,300	\$0						
2029	2026	2025	Extend Runway 2220 & Taxiway - Land Acquisition	30	5	5	\$300,000	\$450,000	\$25,000	\$25,000		\$300,000	\$18,782	\$195,000	\$450,000	\$0					
2025	2026	2025	Acquisition of Property - Gas Facility	30	5	5	\$150,000	\$185,000	\$7,500	\$7,500		\$150,000	\$18,782	\$195,000	\$0						
2025	2026	2025	Rehabilitate Runway 2270 - MRI & Overlays	30	5	5	\$2,000,000	\$1,800,000	\$100,000	\$100,000		\$2,000,000	\$18,782	\$0	\$195,000	\$1,603,219					
2025	2026	2025	Re-mark Runways - Magnetic Declination Change	30	5	5	\$150,000	\$135,000	\$7,500	\$7,500		\$150,000	\$18,782	\$195,000	\$0						
2026	2026	2025	New Corporate Hangar - Construction	0	70	30	\$1,000,000	\$0	\$700,000	\$300,000		\$1,000,000	\$0	\$195,000	\$0						Bonding candidate?
								\$2,760,300	\$853,350	\$453,350	\$0	\$833,782	\$0	\$2,426,519							

State	Fed	Funding % Rates	Project Cost	Federal Entitlement Funding	Federal BIL Funding	Additional Federal Funding	State Funding	Local Funding	Federal Entitlement Balance	Federal BIL Balance				
FFY 2023											FFY 2023 ENTITLEMENT & BIL BALANCE	\$19,700.00	\$19,000.00	
2024	2023	SRE ATTACHMENT TO AP 10-10 (SNOW BLOWER) (FFY 23)	30%	24,000.00	21,060.00	\$0	1,170.00	1,170.00	288,643.00	318,000.00				
2024	2023	FOCUSSED MASTER PLAN & AIP UPDATE (RWY 04L, RWY 1A, BLDG AREA) (FFY 23)	30%	150,000.00	155,900.00	\$0	7,500.00	7,500.00	152,740.00	318,000.00				
2024	2023	HANGAR TAXIWAYS RECON-DESIGN & CNST (FFY 23)	24.11504%	\$1,035,811.00	\$541,039.00	\$0	\$181,770.40	\$7,406.27	\$7,201.06	318,000.00				
2024	2023	STORM WATER DRAINAGE IMPROVEMENTS	0%	2,000,000.00	\$0	\$0	\$0	\$2,000,000.00	\$7,201.06	318,000.00				
FFY 2023 TOTALS											\$2,828,118.64	\$242,919.34	\$190,499.43	\$2,096,126.07
FFY 2024											FFY 2024 ENTITLEMENT & BIL BALANCE	217,201.06	477,000.00	
2025	2024	WPE REPAIRMENT TO PPESTONE (FFY 24)	100%	75,000.00	75,000.00	\$0	\$0	\$0	142,201.06	477,000.00				
2025	2024	RUNWAY 1230 RECON-DESIGN & CNST (FFY 24)	30%	1,902,900.00	142,201.06	\$0	1,015,438.51	\$0	195,292.59	477,000.00</				

What's Unique about BIL Allocated Funds?

- No need for annual appropriation
- PFCs can be used to match BIL (*if in approved PFC application*)
- BIL allocations can't be transferred between airports
- BIL funds are all reimbursable back to Nov 15, 2021
- BIL funds do not compete against an airport also requesting – priority rankings
- BIL funds can be used for sponsor-owned revenue producing support facilities (fuel/hangars) at all airports



Bipartisan Infrastructure Law (BIL)

TAKE-AWAYS

- The FAQs are live on FAA website - highly recommend reading!
- CIP Updates: Please update your 5-year CIP incorporating BIL allocated funds.
- All projects that are currently eligible under AIP are eligible under Airport Infrastructure Grants (AIG). AIG grants are issued to airports based on BIL allocated funds. www.faa.gov/bil
- BIL AIG grants have a separate grant application & grant agreement
- AIG Grant funds follow standard AIP cost-share (ie. 90/10)
- FY2023 ATP NOFO & Application form available SOON!



BIL – Airport Terminal/Tower Competitive (ATP)

AIRPORT TERMINALS

\$5B

\$1 Billion/Year - Over 5 years – Airport Terminal Competitive Grant Program (ATP)

- Eligible projects include:
 - Airport terminals and associated roadways
 - Multimodal terminal projects
 - On airport rail access projects
 - Airport sponsor owned towers
- FY 22 NOFO period closed on 4/28/22
 - Notice of Intent to Fund announced 7/7/22



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FY 2022 ATP Initial Applications

- **658 total applications for about \$14 billion in projects received by March 28 at 5 p.m. ET deadline**
 - Includes 56 applications for tower projects
- **Application by airport type:**

HUB SIZE	AIRPORTS w/APPS	# APPS SUBMITTED	FUNDING REQUESTS
Large Hubs	22	58	\$7,255,521,996
Med Hubs	23	43	\$1,994,912,715
Small Hubs	60	85	\$2,196,748,713
Nonhub/Nonprimary	427	472	\$2,598,394,706
Total	532	658	\$14,045,578,130

* Note: These figures represent total applications submitted, based solely on the informal data provided by the airports, prior to FAA start of evaluation process.



BIL-ATP Project Selection

- **Selection Considerations in BIL:**
 - Improve airfield safety through terminal relocation
 - Replacing aging facilities
 - Increase capacity and passenger access
 - Encourage competition
 - Improve Energy Efficiency (including LEED accreditation)
 - Expand access for persons with disabilities
 - Improving airport access for historically disadvantaged populations
- **Additional Consideration:**
 - Good paying jobs
- **Considerations cover the White House priorities and Executive Orders**
- **Per BIL, preference given to applications that complete a project, or priority given to projects that have already received a partial award**



FY 22 ATP Selection Results

- 91 projects at 85 airports \$968.6 million (out of \$970 million available)
- By Airport Type:

HUB SIZE	# AIRPORTS	\$ OF FUNDS (mil)	% OF AVAIL FUNDS
Large Hubs (less admin)	13	\$515.5	53%
Med Hubs	11	\$121.8	13%
Small Hubs	22	\$199.6	20%
Nonhub/Nonprimary	39	\$131.7	14%



BIL ATP - Tower Overview

- **Additional Four Selection Criteria for FAA ATO Review of Tower Projects**
 - Impact on the National Airspace System
 - Age of facility
 - Operational constraints
 - Nonstandard facility conditions
- **Priority given to construction projects ready to take a grant by 12/31/22**



Lessons Learned: BIL-ATP

- **Timely submission prior to deadline**
- **Eligible Projects**
- **Justified**
- **Financial Plan**
- **Ready to take a grant with bids or negotiated price**
- **Considerations – clear concise narrative how project meets the objective**
- **Open form (5100-144) in a pdf reader in order to add signature**



Next Steps ATP

- **FY 23 NOFO expect to release by September 30**
 - Open for 30+ days
 - Project under grant **by July 2023**
 - May include design only grants if construction funding plan is in place
 - Those not selected in FY 22 will need to **reapply**



Program Guidance Letter 22-02

Grant Proration Alternative



**Federal Aviation
Administration**

Memorandum

Date: July 19, 2022

To: Office of Airports Regional Directors, AXX-600s
Regional Airport Planning and Programming, AXX-610s Airports District
Office Managers, XXX-ADOs

From: Robert J. Craven, Director Robert John Craven Digitally signed by Robert John Craven
Date: 2022.07.19 10:21:16 -0400

Subject: Office of Airport Planning and Programming, APP-1
Program Guidance Letter (PGL) 22-02: Grant Proration Alternative

1. Purpose and Background

1.1 Purpose

This PGL provides a proration alternative for obtaining a useable unit of work by allowing the use of multiple funding sources (e.g., AIP, BIL, Supplemental Discretionary, etc.) in two or more companion grants to complete a project or complete a project phase. FAA Order 5100-38D, *Airport Improvement Program (AIP) Handbook*, Chapter 3, Section 8, Paragraph 3-21 will be updated to include this additional option. The Grant Payment and Sponsor Financial Reporting Policy will be updated at a later date to reflect this option.

This proration alternative can be used by all sponsors. It can also be applied to sub-awards under the State Block Grant Program.



**Federal Aviation
Administration**

Background - Order 5100.38D, Change 1

Section 8. Usable Unit of Work Obtained.

3-21. Usable Unit Requirements (and Phased Project Conditions).

AIP grants that are given must result in a complete project. Partial construction or incomplete acquisition does not result in a complete project and therefore is not a usable unit of work. The required usable unit of work by project type is included in the project requirement appendices for that project.

There is one exception to this, and it is often referred to as a phased project. The FAA may issue a grant for a portion of a project when conditions in Table 3-14 are met.

Examples of acceptable and unacceptable grant descriptions are listed in Table 3-15.



Background - Order 5100.38D, Change 1

Table 3-14 Requirements for Grants that will Not Result in a Usable Unit of Work

The project must meet all of the following requirements...

- a. The ADO must include a special condition in the grant that requires the sponsor to complete a safe, useful, and usable unit of development that is, per 49 CFR 47106(a)(4), completed in a reasonable timeframe.
- a. The grant description must clearly define the specific portion of the work being done in the grant, not the work that will be completed in all of the phases. The ADO can accomplish this by referencing the dimensions of the work or the specific contracts being funded.
- b. Where the grant is for reimbursement of work, the requirements that the grant describe the work specifically in each phase must be met.



PGL 22-02 – Why?

- Defining the specific portion of work under a “phased” approach can be challenging
- Applying dimensions of the work, specific contracts, or specific contract items to “phased” grants isn’t always feasible
- e.g. Buildings, planning, design, equipment...



PGL 22-02 – What?

- Provides a proration alternative for obtaining a useable unit of work using "companion" funding grants or phased grants to complete a project or complete a phase of a project.
- Total project costs (administrative, engineering, construction, etc.) - prorated across multiple federal grants rather than defining the specific work included under multiple grants.



PGL 22-02 – What? (*option 1*)

Companion Funded Federal Grants:

- Two or more grants from one or more federal funding source (e.g., AIP, BIL, Supplemental Discretionary, etc.), that together, using proration, fund a complete project or a complete project phase, in a single FY.
- Companion Grants can be used to complete project phases over multiple FYs –with limitations.
- A useable unit of work can be achieved by using Companion Grants over multiple FYs – with limitations (see Example 2 in the PGL).

PGL 22-02 – What? *(option 2)*

Phased Proration Funded Federal Grants:

- A useable unit of work can also be achieved using prorated **single grants over multiple FYs** – with limitations (see Example 4 in the PGL).
- These are not considered companion funded grants because there are not two or more grants in a single year.
- The **funding source** can differ from year to year.
- Proration can be used for **no more than 3 consecutive FYs**.
 - ✓ Project must be completed and final costs known within three years of acceptance of the first grant.
 - ✓ Allows for grant amendments to be completed simultaneously for all prorated grants.
 - ✓ Allows all prorated grants to be closed simultaneously prior to the end of the first grant's four year Period of Performance (POP).



PGL 22-02 – Grant Application

- Separate grant applications & grant documentation files - required for each fund type
 - AIP
 - BIL-Airport Infrastructure Grant (AIG) Allocated
 - BIL- AIG Competitive - Federal Contract Tower (FCT)
 - BIL-Airport Terminal Program (ATP)
 - Supplemental Discretionary, etc.



PGL 22-02 – Other Items to Consider

- **Payments**
- **Period of Performance**
- **Grant Documentation**
- **Amendments**
- **Closeouts**



Moral of the Money Story...

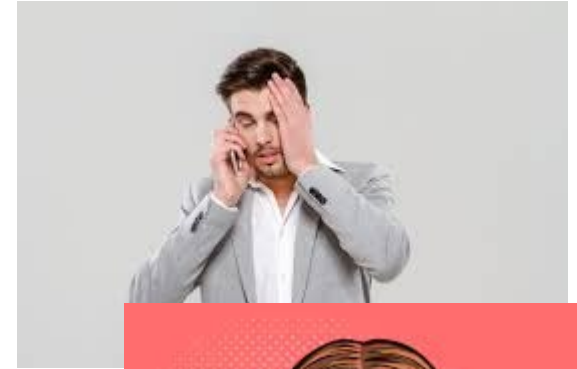


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Partnership with ADO

- **Schedule a CIP meeting**
- **Schedule Monthly meetings**
- **Invite us to your airport**
- **Always reach out with questions**
- **DMA-ADO has quarterly calls with consultants to help better serve the airports**



FY2023 Pre-applications

Things to include in your the Pre-Application for DMA-ADO (MN-ND-SD)

- **Pre-applications** are due to the FAA & State POCs by October 21, 2022
- Grant checklist ARP SOP 6.0
- **Project justification and narrative** – be convincing and include all work items
- **Project sketch** showing all work items and disturbance limits. Make sure info is consistent between your description, sketch, etc.
- **Cost estimate** with project components listed separately
- If you are **not pursuing a grant**, a statement saying that and what you would like to do with your entitlements (**carryover or transfer**) – *email is acceptable*



FY2023 Pre-applications

Is your project ready to go?

By March 1, 2023, please complete/answer the following items for your proposed FY2023 project:

- Is your **project eligible and justified**?
- Is on your **approved ALP** or a pen and ink change/ALP sheet update **approval is in process**?
- Is able to be completed with your **available funding or with transfers** you have secured?
- Received an **environmental determination** for all aspects of your project, including limits of construction, access road, staging area(s), stockpile and/or borrow locations?
- Is your project subject to **Buy American** requirements – have you started the process?
- Submit **Airspace review or CSPP** as required

***If your project is not ready for FY2023, please continue to work with your Program Manager & Planner so your project will be ready for a FY2024 grant. ***



Questions?

Please do not hesitate to reach out to me or any of our DMA Team!

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