

## Keys to Success

The Central Region believes an effective AIP program converts Aviation Trust Funds into high priority aviation infrastructure that benefits the aviation user on a timely basis.

Current National FAA AIP fiscal practices include:

- Issuing grants based on bids or negotiated fees
- Timely programming of grants
- Ensuring no grant stays inactive for 18 months. Grants are to be initiated immediately with most closed in two years from acceptance
- Closing all grants within four years of appropriation

For an airport to be as competitive as possible for the limited discretionary funding, three strategies are recommended:

1. Identify development with system impacts including additional capacity, efficiency or safety/security.
2. Utilize apportioned funds on high-priority development. In general, the highest priority work is that associated with safety/security, pavement rehabilitation of runways and the primary taxiway system, noise reduction, planning and environmental mitigation. Generally, new pavement construction, apron, terminal and access are lower priority.
3. Manage your Grant program effectively by implementing sound capital planning and grant management practices.

## Resources

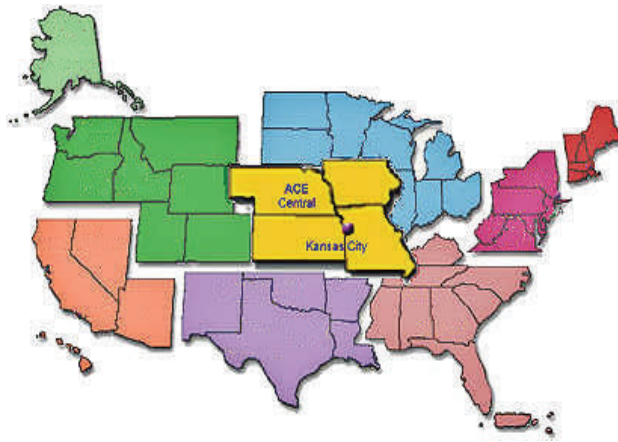
**Central Region AIP Sponsor Guide:**

[http://www.faa.gov/airports/central/aip/sponsor\\_guide/](http://www.faa.gov/airports/central/aip/sponsor_guide/)

**AIP Handbook:** FAA Order 5100.38C

**Airport Capital Improvement Planning:** FAA Order 5100.39

**FAA Website:** <http://www.faa.gov/>



### Central Region Airports Division Federal Aviation Administration

901 Locust  
Room 335  
Kansas City, MO 64106  
(816) 329-2600  
Fax: (816) 329-2610

Planning and Programming Branch Mgr.  
(816) 329-2647

Planning Lead  
(816) 329-2645

Iowa Planning Engineer  
(816) 329-2639

Kansas Planning Engineer  
(816) 329-2637

Missouri Planning Engineer  
Capacity Specialist  
(816) 329-2640

Nebraska Planning Engineer  
(816) 329-2624

Environmental Specialist  
(816) 329-2617

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## Federal Aviation Administration

# Developing Your Airport Through Sound Capital Planning Practices



## Planning

Airport planning is a systematic process used to efficiently guide future development of airports consistent with local, State and national goals. The FAA establishes standards and provides guidance on master and system planning. A key objective of airport planning is to assure the effective use of airport resources in order to satisfy aviation demand in a financially feasible manner.

Effective airport planning results in the sponsor identifying short term and long term needs of their airport. Airport needs may arise from aviation demand, airport inspections, runway safety recommendations and security recommendations.

The Airport Capital Improvement Program (ACIP) serves as the FAA's primary tool for project formulation. The FAA relies on the ACIP to serve as the basis for the distribution of limited grant funds under the Airport Improvement Program (AIP). The ACIP provides the means to systematically identify, prioritize and assign funds for airport development.

Under the ACIP, sponsors requesting federal aid submit their capital improvement plan (CIP) to the FAA, including all required supplemental documentation. The FAA evaluates each project for eligibility, justification, reasonableness of cost, priority assessment, reasonableness of project schedule, and information deficiencies.

Sponsors should note that the preparation and submittal of a CIP project does not represent a guarantee that the sponsor will receive Federal funds. The official notice that a sponsor will receive Federal funds is through a Congressional notification for release of funds. Until this formal release has been made, all projects efforts are construed as a sponsor initiative.

# Capital Planning Process for AIP Funding

A CIP is prepared on an annual basis and represents the airport sponsor's five-year program for development at their airport.

It is essential for good capital planning practices to be adopted in order to position airport development projects for bid-based AIP grant funding. Grant awards based on bids are imperative to realizing aviation system and capacity improvements in a timely manner. Following the capital planning practices summarized below will assist in the efforts to invest the federal dollar in the most efficient way. Please visit our regional website for CIP templates and additional information.

## Capital Planning Steps

- Identify potential funding sources and amounts, PFC, AIP, State, Other Local
- Determine project eligibility under AIP
- Align AIP eligible projects with Federal Objectives
- Target non AIP funds for low AIP priority projects
- Assign budgets and phase projects
- Contact your FAA Program Manager to refine plan during the first quarter of each calendar year
- Schedule periodic discussions with your Program manager to review program progress

## 5 Years before Construction

- Review Master Plan and ALP. Identify potential projects
- Determine if ALP or Exhibit A Property needs updating.
- Communicate with users and tenants

## 4 Years before Construction

- Scope the project
  - Identify funding sources (AIP/State/Local)
  - Identify type of Environmental Documentation (CE or EA) expected.
  - Determine if DBE goals are required
  - Identify if Benefit Cost Analysis (BCA) or Letter of intent (LOI) is appropriate
- ⇒ By **February 15**, Submit CIP Data Sheet showing Environmental Assessment next year, if required

## 3 Years before Construction

- Select Consultant as needed for remaining AIP implementation steps
  - Refine Scope and Cost Estimate
  - Identify new or existing NAVAIDS that will be affected by the project
  - Identify if any Instrument Approach Procedures will need modification due to the project
  - Initiate
    - Environmental Documentation (CE/EA)
    - ALP update, Airspace Review, Exhibit A Property Update, DBE Plan, LOI, BCA
- ⇒ By **February 15**, Submit CIP Data Sheet showing
- Construction 3-years out
  - Reimbursement for Land Acquisition next year

## 2 Years before Construction

- Finalize ALP Update, Environmental Documentation, Exhibit A
- Purchase Land or have contract to purchase
- Coordinate
  - NAVAIDS
  - Reimbursable Agreement with FAA Air Traffic Organization facilities group

## 2 Years before Construction (con't)

- ⇒ By **February 15**, Submit CIP Data Sheet showing
- Construction 2-years out
  - Project Design next year
- ⇒ By **May 1**, Submit Grant Application for Land Acquisition Reimbursement

## 1 Year before Construction

- Solidify Project Scope
  - Conduct Aeronautical Survey (Instrument Approach Procedures take 18-24 months for development after acceptance of Aeronautical survey)
  - Develop plans and specifications
    - Include Additive/Deductive Alternatives to ensure the project is consistent with budget
    - Develop Construction Safety Plan
  - Update/Revise Cost Estimates
  - Finalize Reimbursable Agreement, BCA, LOI, DBE Goals
  - Review project schedule with FAA and agree you will be able to accept a grant the following year based on bid
- ⇒ By **February 15**, Submit CIP Data Sheet showing Construction next year
- ⇒ By **May 1**, Submit Grant Application for Design and Aeronautical Survey this year
- If construction will occur within 2 years of design
  - Review funding

## Implementation Year

- Advertise, Secure Bids
  - Make Grant application based on Bid
- ⇒ By **May 1**, Submit Grant Application for Construction based on bid this year

## Immediately Following Implementation

- Use the aviation improvement
- As-built ALP
- Close, or initiate Grant Closure within 90-days of acceptance

# CIP Data Sheets

Sponsors identify individual projects by submitting a CIP Data Sheet for each work item they desire.

**Submittal Requirements** A CIP Data Sheet must be submitted for each major work item listed within the sponsor's 5-year CIP that is requesting Federal assistance over the next 3-years. If required, evidence of State and Regional Clearinghouse coordination should be provided with the CIP Data Sheet.



As a prerequisite for AIP eligibility, all such identified work must comply with the current approved Airport Layout Plan (ALP) as well as have an environmental determination to proceed. For projects seeking discretionary funds in excess of five million dollars, a benefit/cost analysis is required.

**Timing of Submission** The sponsor may submit a request-for-aid at any time during the year. However, in order to be included in a specific fiscal year (FY), timely submittal of the request is essential. Typically, requests for a particular fiscal year should be submitted by **February 15** of the previous fiscal year. For example, requests for FY 2011 should be submitted by February 15 of 2010.