California Airports Best Practices Guide

A cooperative effort between the Southwest Chapter of the American Association of Airport Executives (SWAAAE), the Association of California Airports (ACA), the Federal Aviation Administration (FAA) – Western Pacific Region and the California Division of Aeronautics

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CALIFORNIA AIRPORTS BEST PRACTICES GUIDE

INTRODUCTION

This California Airports Best Practices Guide is the result of the efforts of several entities concerned about providing the best services to California airports' customers. The primary goal of this document is to create a strong partnership between the Federal Aviation Administration (FAA), California Department of Transportation, Division of Aeronautics (Caltrans), Sponsors and Consultants.

As a result of building this partnership, the FAA's Western-Pacific Region's Airports Division, Caltrans, Southwest Chapter of the American Association of Airport Executives (SWAAAE) and Association of California Airports (ACA) formed an Executive Partnership Committee. The committee worked diligently to explore opportunities to better meet the needs and expectations of both FAA and other stakeholders. This document is subject to change or revision as needed to address changes in federal or state law, policy, or procedures.

The purpose is to clarify roles, responsibilities, and expectations of all affected parties when conducting airport related business within the State of California. Also, of great and equal importance, is to ensure that we address and deal with issues in a uniform manner.

One of the primary goals is to more effectively coordinate among the FAA, Caltrans, Sponsor, and Consultant to prepare a capital improvement program and maximize the available funding for each airport in the system. Communicating more frequently and sharing information and justification among the parties is one step in moving toward a more efficient system.

The Executive Partnership Committee identified the following subjects as the most critical areas needing further clarification. These subject areas are covered within this document:

I. Roles and Responsibilities
II. Communication Process
III. Consultant Services Agreements Process
IV. Airport Capital Improvement Plan (ACIP) Process
V. Master Plan Process
VI. Airport Layout Plan Review (ALP) & Approval Process
VII. Environmental Overview Process (NEPA & CEQA)
VIII. California Airport Land Use Planning
IX. FAA & Caltrans Funding Resources (AIP and PFC) and Process
X. Bid Process
XI. Sponsor Contact List

This document is intended to provide guidance on best practices between sponsors, FAA, Caltrans and Consultants only and does not supersede any Federal, State, or Local, laws, or rules and regulations.

I. ROLES AND RESPONSIBILITIES

It is understood by all parties that collectively all aviation stakeholders have a part in improving relationships among stakeholders, while working collaboratively to build and maintain a safe and efficient aviation system within the State of California. To accomplish this task, each stakeholder hereby commits to undertaking the following roles and responsibilities:

FAA's Role: FAA's mission is to provide a safe and efficient airspace system that contributes to national security and promotes U.S. Airspace safety. To reach this goal, FAA provides funding through the AIP and PFC program to public–use airports to help meet operational demands, improve safety, achieve FAA standards and needed infrastructure improvement. Projects must contribute to improving National Airspace System (NAS); enhance safety, security, or capacity; reduce noise; or increase air carrier competition. In meeting its mission, FAA commits to work cooperatively with each of its stakeholders, seeking opportunities to streamline processes and review time whenever applicable.

Caltrans Role: The role of Caltrans is to foster and promote the development of a safe, efficient, dependable, and environmentally compatible air transportation system for Californians. To accomplish this, Caltrans, will work cooperatively with all entities, both private and public, to develop a system of aviation and related facilities for inter- and multimodal transportation that will meet community needs as expressed through local planning, land use, patterns of commerce and public dialogue; will represent the State of California in planning, developing, maintaining and operating aviation facilities throughout the State; and, will respond to the needs of the public, including their need to know, understand and discuss aviation transportation issues and developments of the day.

Caltrans acquires consultant and other services through the Caltrans Division of Procurement and Contracts (DPAC). Any State-funded or FAA AIP planning grant-funded projects are coordinated through DPAC and contracts are executed for studies or projects that directly benefit California airports.

Sponsor's Role: The role of the Sponsor is to effectively manage the day-to-day operations, foster and promote the development of the Airport. To accomplish this, the Sponsor must take the lead role and work cooperatively with all parties to successfully manage operations, capital development, operating funds, safety, security, and all other aspects of the Airport. It is vital to continuously maintain open communication and accountability as the Sponsor evaluates the needs of the Airport in the present and in the future. The Sponsor is ultimately held accountable for the Airport, its environment, and to meet the needs of its customer base while complying with all federal, state, and local rules and regulations.

Consultant's Role: The primary role of the Consultant is to provide technical support services to the Airport Sponsor. These services may include, but are not limited to, airport planning, engineering/architectural design, construction administration, environmental studies, airport noise and land use studies, financial analysis, and grant administration. The Consultant's

role is to assist the sponsor, as contracted, to plan and develop the airport to meet the needs of the community and the airport users. Both the airside and landside facilities should be planned and designed in compliance with current FAA airport design standards to provide a safe and efficient airport facility. When authorized in writing by the Sponsor, the Consultant may serve as the Sponsor's liaison to both the FAA and Caltrans. In many cases, the Sponsor relies on the Consultant to provide not only sound technical advice on specific projects, but also to assist the Sponsor with their responsibility to comply with all the applicable federal, state, and local rules and regulations. Acting in this role, the Consultant should also coordinate with other appropriate stakeholders during the planning, design, and development of the airport facilities.

II. COMMUNICATION PROCESS

Communication is an essential function for all parties involved in order to foster, promote, and develop airport interests and airport operations in the State of California. The overall goal for each party is to be as responsive as possible to effectively flow information to one another, enhance partnership, and conduct open and honest communication.

FAA's Role: FAA commits to providing the best service to all internal and external customers. The FAA has made commitments in the following areas:

1. Promote advance planning and discussion with stakeholders to avoid last-minute surprises.
2. Explore opportunities to improve internal communication within its organization in an effort to minimize delays and confusion.
3. Remain mindful of extenuating circumstances that may make critical its need to respond timely.
4. Utilize the FAA's Program Manager as a single point of contact for the airport to the extent practicable. The FAA's Program Manager will take the lead in facilitating the integration of other FAA staff into the decision-making process when the subject matter involves more than one FAA program.

For the most current information regarding the organizational structure for the FAA-AWP Airports Division, visit the FAA website at:
www.faa.gov/airports_airtraffic/airports/regional_guidance/western_pacific/.

Caltrans Role: Caltrans commits to providing support to all eligible California airports and aviation activities, supporting the federal aid to airports program (Airport Improvement Program) and encouraging as well as facilitating the grant process for its airport sponsors. Caltrans has made commitments in the following areas:

1. Ensuring that airport development complies with environmental requirements of the federal, state and local communities. Also ensuring that future airport development will incorporate efficient, effective and economic environmental solutions to address noise, air quality, land use compatibility and other environmental concerns of the public.
2. If the California Governor's Office of Emergency Services initiates the Emergency Operations Center (EOC) and requests assistance by the Caltrans, Division of Aeronautics, personnel will be called upon to respond to the EOC or standby to transport key personnel to a remote emergency operations center. The Transportation Security Administration or other government agency may request Caltrans Division of Aeronautics assistance to notify airport managers via email or to transmit information bulletins related to the National Threat Condition, or other important and time sensitive information.

For the most current information regarding the organizational structure for Caltrans, visit the Caltrans website at www.dot.ca.gov/hq/planning/aeronaut.

Sponsor's Role: The Sponsor is committed to:

1. Effectively communicate any and all concerns as soon as possible to the other parties in order to jointly work together to effectively resolve an issue.
2. Address all communications to the Program Manager within the FAA or the appropriate individual within Caltrans to more accurately flow information within those organizations. This will prevent a potential lag time to get a response from the appropriate party, as well as keep the project manager assigned to the airport abreast of the situation.
3. Attempt to resolve issues at the project management level within the FAA or Caltrans.
4. When applicable, re-affirm that the Consultant is accurately representing the Sponsor's policy or decisions.

Consultant's Role: The Consultant commits to effectively, and in a timely manner, communicate with all the project stakeholders. The Consultant plays a critical role in ensuring that project goals, objectives, budgets, and timelines are effectively communicated to the Sponsor, FAA, and Caltrans. The Consultant is commits to:

1. Coordinate with the Sponsor to clearly define the role of the consultant and the level of authority that he/she has when representing the Sponsor. Limit the representation to only those roles authorized by the Sponsor.
2. Accurately represent the Sponsor's policies and decisions and act in the Sponsor's best interest and as directed by the Sponsor.
3. When acting as the liaison between the Sponsor, FAA, and Caltrans, keep an open, honest, comprehensive, up-to-date flow of information to all appropriate parties.
4. Ensure that copies of all correspondence (hard copy or digital) between consultant and Caltrans or FAA are sent to Sponsor.

III. MULTI-YEAR CONSULTING SERVICES AGREEMENT PROCESS

A multi-year contract, commonly known as a Consulting Services Agreement (CSA) is a multi-year contract between an airport sponsor and a consulting firm for specific airport planning, environmental and/or airport engineering/architectural/construction administration services. Such agreements serve as the 'master contract" for future negotiated project related services, commonly referred to as Authorization of Services (AOS) or contract amendments. Services and/or projects performed under AOS or contract amendments must be identified in the "Scope of Services" section of the agreement. Services performed under the agreement may be related to projects that involve federal, state, or local funding sources, or a combination thereof. The Sponsor may have multiple CSA in place for specific area of expertise or to accommodate project timing needs.

A. LENGTH OF AGREEMENT

Each CSA should not exceed a 5-year term. The agreement should contain a clause that allows the sponsor to terminate the agreement for convenience.

B. SCOPE OF SERVICES

When a Sponsor issues a Request for Qualifications (RFQ) or a Request for Statement of Qualifications (SOQ) for consulting services based on a Qualification-Based Selection (QBS), the RFQ should include a Scope of Services which describes the services (planning, engineering, etc.) that may be accomplished during the term of the agreement. The Scope of Services should also include a specific list of projects from the Sponsor's 5-year Capital Improvement Program, which can reasonably be expected to be initiated, that are included in one or more of the Sponsor's official documents. It is recommended that the Sponsor use the following documents as a guide to create the plan:

- Airport Master Plan
- Airport Layout Plan
- Airport Capital Improvement Plan
- Airport's Part 150 Noise Compatibility Program
- Runway Safety Action Team (RSAT) Report
- Airport's Pavement Maintenance and Management Program (PMMP/APMS)
- FAR Part 139 Inspection Report
- Caltrans 5010 Inspection Letters

The Scope of Services included in the final contract should include only the services and projects identified in the RFQ. Each AOS issued under the agreement should include a more detailed Scope of Services for the specific project that was originally listed as part of the RFP package, a negotiated fee for the project, and a project schedule. Any new services that are not listed in the original RFQ, either directly in the document or by reference in the above listed documents, must be separately bid and awarded through a competitive process.

C. SPONSOR CONSULTANT SELECTION

If the Sponsor expects to utilize federal funding for any of the projects included in the RFQ's Scope of Services, the Sponsor should utilize the current FAA Advisory Circular (AC) 150/5100-14D, *Architectural, Engineering, and Planning Consultant Services for Airport Grant Projects,* as a guideline for the consultant selection process. The Sponsor may use its own selection procedures, as long at they are equivalent with the federal qualification-based selection process. The Sponsor's RFQ should be widely advertised in order to provide for the greatest opportunity for competition. Advertising should be done in local newspapers with a wide circulation, as well as national trade journal, magazines, and web sites. The selection must be made based on the consultant's qualifications only. Costs and/or person hours may not be used or considered during the selection process. Interviews may be held by the Sponsor, but are not a requirement.

FAA's Role: FAA accepts the agreement as an effective vehicle for Sponsors to execute projects or services without going through the consultant selection process each time the sponsor decides to implement. FAA will accept the Sponsor's agreement provided that projects within the RFQ and the scope of services are consistent and delineated in a manner that clearly communicates the type and range of services covered under the agreement. Should FAA determine that the subject agreement is not consistent with the RFQ, scope of service or is not within a reasonable cost, FAA may require the Sponsor to go out for consultant selection process prior to consideration of federal funding for that project.

Caltrans Role: Caltrans does not have a specific role in CSA process but rather relies on the FAA to review the agreements and accepts the FAA's decision.

Sponsor's Role: It is the role of the Sponsor to initiate any "Annual Renewal" notices to the consultant firm if multi-year contracts are awarded/issued for base year plus additional 1-year increments, should they desire to continue retention of their services. If the Sponsor elects to utilize a Consultant to provide airport planning services, engineering/architecture services, construction administration services, or environmental services for a project funded with Airport Improvement Program (AIP) funding, the Sponsor must use qualification-based selection procedures in the same manner as federal contracts for architectural and engineering services negotiated under Title IX of the Federal Property and Administration Services Act of 1949,. The guidelines contained in FAA Advisory Circular 150/5100-14D are recommended by the FAA to comply with Title 49 Code of Federal Regulations (CFR) § 18.36 when selecting consultants for airport projects funded under federal grant programs.

The Sponsor may also utilize a CSA as a tool to secure the services of a consultant for the planning and/or design and construction administration of airport improvement projects for a timeframe not to exceed five (5) years. The Sponsor shall clearly identify the desired services, projects, and the role of the consultant in both the Request for Qualifications (RFQ) and the agreement. Each authorization of services should be reviewed by the Sponsor and the FAA to ensure that the project scope and fee is appropriate and that it complies with applicable advisory circulars. When submitting authorization of services or contract amendment, the Sponsor should

include a completed and signed FAA Sponsor Certification for Consultant Selection in the submittal.

Consultant's Role: The Consultant should have a thorough understanding of the Qualification-Based Selection (QBS) process and the applicable federal, state, and local guidelines relating to consultant selection. If a specific Request for Qualifications (RFQ) issued by a Sponsor does not meet the appropriate federal, state, or local requirements, the deficiency in the RFQ should be brought to the attention of the Sponsor, and if necessary, the FAA. After selection, the Consultant may assist the Sponsor in preparation of the contract to ensure that the required federal, state, and local contractual language is included in it. The Consultant shall also coordinate with the Sponsor to ensure that new Authorization of Services are included in, or directly related to, the projects listed in the original RFQ and the agreement.

D. Independent Cost Estimate

Airport sponsors that procure professional architectural or engineering (A/E) services are obligated to make a determination regarding the fair and reasonable nature of the fees associated with those services. FAA Advisory Circular 150/5100-14D, *Architectural, Engineering, and Planning Consultant Services for Airport Grant Projects* requires an analysis of the fees for every consultant contract which is often referred to as an independent cost (or fee) estimate (ICE).

The sponsor may elect to prepare the ICE with internal staff if they are suitably qualified to prepare the analysis. Airports that lack the expertise on-staff can engage the services of a consultant independent of the prime consultant selected for the A/E contract to prepare the ICE. The ICE consultant can be an individual or firm that is under an existing on-call agreement with the sponsor (but not involved in the contract) or an individual or firm that is selected by the sponsor specifically for the preparation of the ICE. The selection of the ICE consultant may be conducted with an informal process if the costs to prepare the ICE will be below $100,000 or on a non-competitive basis if the ICE will be under $10,000.

The preparation of a clear and concise scope of work for the services to be provided by the A/E consultant is critical to the development of an ICE that can be compared with the A/E consultant's proposal. The scope of work developed between the sponsor and the A/E consultant must be provided to airport staff or the ICE consultant and a fee estimate of reasonable detail be developed based on this scope of work to allow for a comparative analysis. The sponsor may elect to provide a fee template (an example is provided in Appendix F of the Advisory Circular) to both the A/E consultant and airport staff or the ICE consultant.

In General, when the ICE is within 10% of the A/E consultant fee proposal it is considered fair and reasonable by FAA and no further analysis or justification is normally required. If the ICE and A/E consultant fee proposal differ by more than 10% then additional clarification or justification may be required to support the A/E consultant fee.

FAA's Role: The responsible FAA Airport District Office is required to collaborate with the sponsor to ensure that an ICE is prepared for every A/E contract and to make a determination that the fee associated with the contract is reasonable.

Caltrans Role: Caltrans does not have a specific role in ICE process but rather relies on the FAA to review the agreements and accepts the FAA's decision.

Sponsor's Role: The airport sponsor is obligated by the Advisory Circular and 49 CFR § 18.36 to prepare an ICE for every A/E contract, compare the A/E consultant's fee proposal with the ICE, and coordinate with FAA on the results of the process. The sponsor is required to either retain staff that is experienced in the preparation of an ICE, engage the services of an independent and objective consultant, or work with CALTRANS personnel for the development of the ICE. The sponsor is required to sign and date the final ICE document and submit this along with the A/E consultant's proposal to the ADO to allow FAA staff to review the reasonable nature of the fees and issue a determination.

Consultant's Role: The A/E consultant must provide a fee proposal to the sponsor that is clearly defined and with sufficient detail to permit a comparison with an ICE. The A/E consultant's fee proposal should be in alignment with the scope of work so that the fee for each task item is easily identified for comparison purposes. The ICE consultant must be qualified to develop the ICE and regularly engaged in the performance of work similar to that defined in the A/E consultant's contract. The ICE consultant must remain objective and independent of the A/E consultant and provide an estimate of fees that is in a format consistent with the sponsor's preferred methodology and allows for comparison with the fee proposal of the A/E consultant. The ICE consultant must also be available to provide supporting justification and clarifications to the sponsor in the event there are additional questions or information required.

E. Single Project Consultant Selection

The Sponsor may select a consultant to perform planning, environmental and/or airport engineering/architectural/construction administration services for a single project. Such selection is allowed without entering into a multi-year contract with a consultant. Selection of a consultant must be consistent with requirements stated in the "Sponsor Consultant Selection" section. The Sponsor must clearly state in the RFQ or request for SOQ that the selection is for single project consultant services. The Scope of Service must be clearly described in the contract. The Sponsor is also required to perform ICE for such agreement as described in the "Independent Cost Estimate" section.

F. Force Account

The Sponsor may propose to use its own force to provide engineering design or construction inspection and management services. Such proposal must be submitted in writing to the FAA for approval. The proposal should contain as a minimum:

- Proposal and justification for doing the work by force account rather than by contract;
- Estimate of costs, including detailed data on estimated work hours, hourly rates, non-salary expenses, and indirect costs;

- Name and engineering qualifications of personnel that will be accomplishing specific tasks;
- Statement concerning the capability of the sponsor to perform the various task of design, supervision, inspection, testing, etc., as applicable to the project with arguments to support the decision to use force account;
- Summary of sponsor's experience with airport engineering pertaining to projects with similar design scope; and
- 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.

IV. AIRPORT CAPITAL IMPROVEMENT PLAN (ACIP) PROCESS

The ACIP is a planning tool that identifies future needs at the airports in California for the next 5 (for the FAA funding consideration) to 10 years (for Caltrans funding consideration). Several factors must be considered in the preparation process of the sponsor's 5-year or 10-year (for Caltrans) Capital Improvement Plan (CIP) that leads to developing the FAA/Caltrans ACIP. The proposed project(s) should:

- Be prioritized and fully justified by the sponsor based on needs.

- Be consistent with the following documents:
  - Airport Master Plan
  - Airport Layout Plan (ALP)
  - Airport's Part 150 Noise Compatibility Program
  - Runway Safety Action Team (RSAT) Report
  - Airport's FAA Pavement Maintenance Management Program (PMMP) and Caltrans Airport Pavement Management System (APMS)
  - FAR Part 139 inspection report
  - Caltrans 5010 inspection letters

- Meet eligibility requirements of FAA and Caltrans.

- Be phased-in if the project is cost prohibitive based on available State and Federal funding.

- Be consistent with the national priority system found within FAA Order 5100.39A "Airports Capital Improvement Plan". A copy of FAA Order 5100.39A can be found in FAA website: www.faa.gov/airports under Airport Improvement Program (AIP).

- Be the subject of early communication with FAA and Caltrans to ensure proper analysis pursuant to the National Environmental Policy Act (NEPA) and California Environmental Quality Act (CEQA).

Sponsors should start the ACIP preparation process early.

- Participate in ACIP planning review conferences with FAA and Consultants. Sponsors who wish to be considered for State funding should include Caltrans at these meetings.

- Ensure the ALP is current and review short and long-term projects.

- Survey the airport to determine any new needs because of changes in status or conditions (becoming a new Part 139 airport, starting new service, traffic increase, addressing natural disasters, etc.).

- Prioritize needs considering local requirements that must be met (i.e., funding local share, bidding process, etc.)

- Check with Caltrans and FAA Project Managers to determine any eligibility issues and environmental requirements (including CEQA and NEPA requirements), etc.

- Create a realistic program to provide to the FAA and Caltrans.

FAA's Role: FAA will work with all parties to process required airspace approval, ALP approval, environmental approval, and coordination with other FAA lines of business. In particular, FAA's Program Manager will work with Caltrans and other FAA staff to assist the Sponsor/Consultant with determining project readiness. When the sponsor elects to seek State funding consideration, FAA will also work with Caltrans. The FAA Program Manager will also assist the Sponsor with developing a funding strategy that takes into account the likelihood of limited federal funding. The FAA is supportive of "design only" projects with justification on a case-by-case basis to give the Sponsor comfort to complete the design of a project without the financial burden to airports with limited operating and capital budgets.

Caltrans' Role: The ACIP/CIP development process allows for the funding of AIP Matching Grants and the State's Acquisition and Development (A&D) Grants. All projects must be included in the Caltrans CIP in order to receive State funding.

Sponsor's Role: Sponsor should focus on preparing an accurate capital improvement program based on the recommendations above, with accurate data and justification for each project. The ACIP/CIP should accurately reflect a true program and realistic funding expectations. FAA and State will be able to provide the Sponsor the anticipated projects in the early part of the calendar year to help the Sponsor then re-prioritize projects that did not get funded, to help create a more accurate ACIP/CIP for the airport. The sponsor may elect to only seek Federal funds. If the sponsor does not want State funds, it would continue to work with FAA and would not be required to coordinate with Caltrans.

The Sponsor, as the Lead Agency under CEQA, shall determine what type of CEQA document is required and cause that document to be prepared (See Section VII for more information on environmental compliance)

Consultant's Role: If requested by the Sponsor, the Consultant may be responsible for providing advice and guidance during the preparation of the ACIP/CIP, or the Consultant may be requested to prepare the ACIP/CIP documents for the Sponsor's review, approval, and submittal to FAA and Caltrans as applicable. The Consultant should have a detailed understanding of the ACIP/CIP process, project prerequisites (i.e., environmental documentation, ALP update, etc.),

project priorities, grant eligibility, and funding requirements and limitations. The ACIP/CIP should include detailed project descriptions, concise project justifications, and accurate cost estimates.

V. MASTER PLAN PROCESS

Airport master plans address the current and future status and needs of an airport for the purpose of providing guidelines for future maintenance, development, and operation. Typically, an airport sponsor will retain a consultant to assist in the development of plans for either a single airport or for a region. Federal Aviation Administration (FAA) Advisory Circular 150/5070-6B, found at **http://www.faa.gov/**, provides guidance for master plan preparation. Airport layout plans visually depict current and future airport plans and are a crucial part of the master plan.

Both the Los Angeles and San Francisco-ADO have agreed to support the new master plan application process:

1. Request for Qualifications (RFQ)
2. Selection of Consultant
3. Finalize Scope of Work (SOW) & Contract
4. Perform Independent Cost Estimate (ICE)
5. Negotiate Final Contract Cost
6. Application Submission to FAA
7. Grant Issued
8. Issue NTP
9. Start Study
10. Complete Study
11. Closeout Grant

FAA's Role: Generally, the FAA's role in the master plan process is to provide review and approval of the aviation forecast and the airport layout plan. Subsequent to approving the aviation forecast and airport layout plan, FAA will accept the sponsor's master plan. FAA staff can also provide technical assistance and, when available, participate in public meetings on the planning process. Because this is the sponsor's document, the FAA may highly recommend, but cannot require, a sponsor to consider any specific development at its airport. This notwithstanding, the FAA expects that all proposed development, both on and in the vicinity of the airport, will meet FAA design standards. The FAA also provides funding for master plans.

As previously stated, the FAA must approve the aviation forecast. In reviewing the forecast, FAA may question whether it supports the intended development within the planning horizon. Any sponsor forecast that deviates more than 10 percent from the FAA's Terminal Area Forecast within the first 5-year planning timeframe, or 15 percent within 10 years, must be justified by the sponsor and agreed upon by the FAA.

Caltrans Role: Caltrans pilots, engineers and planners have aviation information that can be useful in developing airport master plans. When required by the sponsor, staff will provide data, resources, and support to the sponsor and/or consultant that will help the plan be more accurate. Staff reviews and provides comments on master plan documents, including maps and diagrams to ensure realistic goals, compliance with State and FAA airport design standards, and the effects

of airport developments on surrounding land use and other Caltrans transportation projects. The State also funds grants for the development of master plans.

Sponsor's Role: The airport master plan and airport layout plan create a baseline and provide for a systematic plan for the airport's future maintenance, development, and operation. The plan submitted by the Sponsor should comply with applicable FAA airport design standards, policies, and grant assurance obligations. Typically, these documents are created with the assistance of a consultant and are ultimately approved by the sponsor's policy-making Board. Prior to approval, the Airport Land Use Commission (ALUC) shall review the airport master plan in order to determine consistency with the Airport Land Use Compatibility Plan (ALUCP). In order to more efficiently expedite this process with the FAA and Caltrans, it is highly recommended that the information that the sponsor submits to the FAA and Caltrans is accurate. The more complete information the sponsor can provide, the more effective the review process.

Consultant's Role: If retained by the sponsor to prepare the airport's master plan the consultant may provide the following services:

1. Assist with the preparation of the detailed scope of work and the contracts.
2. Prepare the master plan documents and/or the airport layout plan drawings that comply with applicable FAA airport design standards and policies.
3. Submit the forecasts to the FAA for review and approval.
4. Conduct Planning Advisory Committee meetings, public information workshops, and public hearings.
5. Attend project-related meetings as directed by the sponsor.
6. If a new airport layout plan or a significant update is prepared, ensure that it complies with the current FAA airport layout plan checklist.
7. Coordinate the submittal of both the draft and final airport layout plan to the FAA and Caltrans Division of Aeronautics.
8. Assist efforts to gain master plan acceptance by the sponsor's Board, and approval of the forecast and airport layout plan by the FAA.
9. Assist in submitting master plan to local ALUC for review and consistency with the ALUCP.

The consultant should make sure that the forecasts developed for an airport master plan are realistic, that the alternatives are thoroughly evaluated, and that future projects are fully justified. The master plan and/or the airport layout plan should be developed with adequate public participation in the best interest of the airport and the community it serves.

VI. AIRPORT LAYOUT PLAN (ALP) REVIEW & APPROVAL PROCESS

The ALP is an official planning document that depicts existing and future facilities at the airport. Proposed development must be depicted on an FAA approved ALP prior to consideration of federal funding. While the FAA requires an approved ALP, it is understood that sometimes unforeseen development is required due to an unanticipated situation, and the sponsor cannot wait for an ALP update to be approved by the FAA. In those cases, FAA may make a "pen & ink" change to the ALP to allow development of the subject project(s) provided the following applies:

1. The FAA can categorically exclude the subject development from further environmental review under the National Environmental Protection Act (NEPA). The ALP has also been found to qualify as "statutory exempt" under the California Environmental Quality Act (CEQA) Guidelines Section 15262 " Feasibility and Planning Studies."
2. The subject project is not part of an ongoing environmental review.
3. The subject project receives airspace approval (i.e., FAA Form 7160-1) prior to the "pen & ink" change being accepted.
4. The subject development is of sufficient priority to warrant an exception from the normal ALP approval process.

It should be clearly understood and anticipated that the FAA cannot unconditionally approve an ALP that contains a project that requires environmental review until the environmental review is completed.

FAA's Role: The FAA Planner will review and coordinate ALP submitted by the Sponsor. Subsequent to the conditions identified above, the ADO may make a "pen & ink" change to the approved ALP if construction is minor (e.g., a new T-hangar), after coordination and approval of the full-reference FAA Form 7460. In this case, the "pen & ink" change would show the new construction and note the Non-Rule Making Action (NRA) case number and date approved. Again if construction is minor, changing proposed development to existing development may be treated as a "pen & ink" change to the ALP. Sponsors who feel they fall into this category should submit a sketch of the proposed "pen and ink" change of the ALP on a letter size or larger paper along with the written request to the FAA for a "pen and ink" change to the ALP. This will ensure that the FAA will maintain an ALP that accurately depicts the Sponsor's "pen and ink" changes between more extensive ALP updates that require FAA approval.

The FAA may also "revalidate" an ALP if no major construction or newly proposed development needs to be shown.

All ALPs are to be submitted to FAA by the airport sponsor (transmittal under its letterhead). This provides FAA with assurance of the airport sponsor's acceptance of the draft document and understanding of any proposed development at this key decision point in the process.

FAA recognizes that some of our sponsors do not intend to seek State funding and prefer to work directly with FAA only. If this is the case, coordination with Caltrans is not required. For those Sponsors who wish to seek State funding, FAA recommends the Sponsor submits the draft ALP and completed ALP checklist to both the FAA and Caltrans concurrently to expedite processing and approval. Caltrans will provide its comments concurrently to the FAA and Sponsor as expeditiously as possible to prevent holding up the process.

If FAA finds the draft ALP to be satisfactory, then Airport's District Office will provide internal coordination with other FAA Lines of Business will be initiated.

If FAA finds that substantial revisions, changes, corrections, or additional information are required, FAA will submit one set of comments to the Sponsor (with a copy to the Consultant) for reconciliation. Official response back to the Sponsor for all comments will come directly from the FAA. After the Sponsor/Consultant makes the appropriate changes, the sponsor may resubmit the draft to the FAA for coordination with the other FAA lines of business.

Because the FAA may make further changes, Sponsors are not required to include a signature on draft. Sponsor signatures will only be required on its final submission after all FAA & Caltrans comments have been accounted for. This submission is the one that the FAA will ultimately approve.

Caltrans Role: When requested by the Sponsor, Caltrans will endeavor to facilitate the State's airports and the FAA with the development of an accurate ALP for each of California's public airports. Any comments to draft ALP will be sent to both sponsor and FAA concurrently.

Sponsor's Role: The Sponsor's role is to assure that both the ALP and Exhibit A are accurate and up-to-date reflecting recent construction and future development that is in compliance with FAA airport design standards, policies, and grant obligations. In many cases, the Sponsor contracts with a Consultant to create and maintain the ALP with input from the Sponsor. An ALP can be very detailed so providing adequate review time is critical. This document is required for potential funding from the FAA for future capital improvements at the Airport.

All draft ALPs submitted for review and approval by FAA are to be formally transmitted by the sponsors (under letterhead transmittal) along with the completed ALP checklist. Sponsor signatures will only be required on its final submission after FAA comments have been accounted for. This submission is the one that the FAA will ultimately approve. Once the Sponsor has received an FAA approved ALP, a copy is forwarded to the State for their records.

The Sponsor, as the Lead Agency under CEQA, shall determine what type of CEQA document is required and cause that document to be prepared (See Section VII for more information on environmental compliance).

Consultant's Role: If retained by the Sponsor to prepare updated ALP not associated with an Airport MP project, the Consultant may provide the following services:

1. Assist the Sponsor with the preparation of the detailed Scope of Services and the Contracts.
2. Attend project-related meetings as directed by the Sponsor.
3. Assist the Sponsor in determining if an ALP requires a “full approval” by the FAA, or just “pen & ink”.
4. If a new ALP is prepared, or a significant update to the ALP is prepared, ensure that the ALP complies with the current FAA ALP checklist.
5. Assist the Sponsor by coordinating the submittal of both the draft and final ALP to the FAA and a final version to Caltrans.

The Consultant should make sure that the forecasts developed for an ALP are realistic, that the alternatives are thoroughly evaluated, and that future projects are fully justified. The MP and/or the ALP should be developed in the best interest of the Airport and the community it serves.

VII. ENVIRONMENTAL OVERVIEW PROCESS

"NEPA" is the abbreviation for the National Environmental Policy Act of 1969, as amended, a federal law that applies to all federal actions throughout the United States, its territories and possessions. The implementing regulations for NEPA are found in Title 40, Code of Federal Regulations Part 1500-1508. These are commonly referred to as the President's Council on Environmental Quality Regulations or "CEQ Regulations." This is not to be confused with "CEQA." "CEQA" is the abbreviation for the California Environmental Quality Act of 1970. CEQA only applies to California public l agencies within the State. The main provisions of CEQA are found in the California Public Resources Code, Section 21100 et seq. and in the "CEQA Guidelines," which are contained in Title 14 of the California Code of Regulations, Chapter 3, Section 15000 et seq.

Statutory Intent
The intent of both NEPA and CEQA is to evaluate and disclose the proposed project's potential environmental impacts on the human environment. These documents are meant to inform the public, public agencies and other decision makers about the possible environmental impacts associated with implementation of a project. Decision makers will use the environmental document to make informed decisions on whether or not to approve a particular project with the knowledge of the likely environmental impacts associated with that project. NEPA and CEQA documents are not to be made into marketing brochures that promote a project. They are informational disclosure documents.

CEQA/NEPA Document Guidance Sources:
If a sponsor has a question about what is the appropriate document for a particular project, contact the Airports District and speak with the Environmental Protection Specialist. Additionally, if the sponsor would like information on CEQA, they can contact the State Clearinghouse in the Governor's Office of Planning and Research. The following provides a very brief description of various NEPA and CEQA documents as well as a discussion on the differences between the two laws.

A. The National Environmental Policy Act (NEPA) - The National Environmental Policy Act of 1969 (NEPA) requires each Federal agency to disclose to the interested public a clear, accurate description of potential environmental impacts that proposed major Federal actions and reasonable alternatives to those actions would cause. Through NEPA, Congress directed Federal agencies to integrate environmental factors in their planning and decision-making processes. This provides the public with a fair, open opportunity to review and comment on those alternatives and impacts and other important environmental matters related to a proposed Federal action. In approving the Federal actions necessary to support an airport development proposal, the approving FAA official must consider environmental effects as fully and as fairly as it does technical, economic, and other non-environmental considerations.

FAA Order 1050.1E *Environmental Impacts: Policies and Procedures*, presents FAA's agency-wide instructions to complete the NEPA process. FAA Order 5050.4B, *National Environmental Policy Act (NEPA) Implementing Instructions for Airport Actions,* supplements instructions in

Order 1050.1E for airport projects. Paragraphs 9.g (1) – (11) of Order 5050.4B lists those airport activities that are Federal actions. In October 2007, FAA published the compendium document entitled: *Environmental Desk Reference for Airport Actions.* Airport operators and consultants should familiarize themselves with these Orders and the Desk Reference to assist them in gathering environmental information for proposed airport projects.

Early in a project's planning phase, the Sponsor and its Consultants should meet with the appropriate FAA Airport District Office planners and environmental specialists. This early coordination allows FAA staff to view the initial, conceptual plan and highlight potential environmental issues airport planners should consider. Information exchanged among the Sponsor, Consultants, and environmental specialists fosters effective, efficient airport planning. It also promotes completing the subsequent NEPA process in a timely, efficient manner.

NEPA Documents:
FAA must comply with NEPA and the CEQ Regulations, and applicable special purpose laws such as the *National Historic Preservation Act* and the *Endangered Species Act*, for all federal actions as described below. There are three types of documentation that fulfill FAA's obligations to comply with NEPA and the CEQ Regulations: A Categorical Exclusion (Cat Ex), an Environmental Assessment (EA) and an Environmental Impact Statement (EIS).

It is also important to remember the abbreviations "EA," "FONSI," and "EIS" all **NEPA** terms and apply only to **federal** environmental documents. The term "Cat Ex" is also seen in CEQA when referring to "categorical exemptions." "Categorical Exclusions" apply to NEPA; "Categorical Exemptions" apply only to CEQA. Many local jurisdictions, tribal governments and others also use the acronym "EA" when describing varying degrees of environmental analysis, assessment and evaluation, but in general the acronym "EA" is associated with the "environmental assessment" under NEPA.

<u>Categorical Exclusion</u> (Cat Ex) is defined by 40 CFR 1508.4 as: "…*categories of actions that normally do not individually or cumulatively have significant adverse effects on the human environment and which have been found [by the federal agency] to have no such effect.*" See Chapter 6 of FAA Order 5050.4B. The FAA decides if a project is categorically excluded or not based, in part, on environmental information provided by the Airport Sponsor. Due to the wide variety of Categorical Exclusions described in FAA Order 1050.1E, the FAA may ask the sponsor to provide information to determine if there are any extraordinary circumstances which preclude the FAA from issuing a Cat Ex. A copy of AWP's Cat Ex guidance can be found in Appendix 1 of this guide or on the AWP website:
http://www.faa.gov/airports%5Fairtraffic/airports/regional%5Fguidance/western%5Fpacific/airports%5Fresources/airports%5Fforms/media/catex051906.pdf. FAA will determine if a project is categorically excluded independent of whether or not the sponsor has completed an environmental document under CEQA.

<u>Environmental Assessment</u> (EA) is defined by 40 CFR 1508.9 as:

"(a) a concise public document for which a Federal agency is responsible that serves to:

1. *Briefly provide sufficient evidence and analysis for determining whether to prepare an environmental impact statement or a finding of no significant impact.*
2. *Aid an agency's compliance with the Act when no environmental impact statement is necessary.*
3. *Facilitate preparation of an [Environmental Impact] statement when one is necessary.*

*(b) Shall include brief discussions of the need for the proposal, of alternatives as required by section 102(2)(E)[**of NEPA**], of the environmental impacts of the proposed action and alternatives, and a listing of agencies and persons consulted.*

An EA is commonly prepared for airport actions that are not expected to have a significant impact. These documents are prepared by an Airport Sponsor, usually using an airport environmental consultant. FAA provides technical assistance and project oversight for the EA through its Environmental Protection Specialists in the Airports District Office (ADO) and in the Region. FAA strongly urges sponsors to contact their ADO Environmental Protection Specialists first. If additional guidance is required the sponsor or ADO can call the Regional Environmental Protection Specialist. FAA will provide input on the sponsor's EA schedule as requested by the sponsor. While the EA is prepared by a sponsor's consultant, FAA reviews the document prior to publication and conducts regulatory consultation with the U.S. Fish and Wildlife Service and the State or Tribal Historic Preservation Officer. After the sponsor completes the EA, the FAA will decide to issue a Finding of No Significant Impact (FONSI) or prepare an EIS. The FONSI is a decision document for environmental approval. It is not a decision document to fund a proposed project. It is important for a sponsor to understand that environmental approval does not equate to federal funding approval. That is a separate action. FAA will approve a FONSI independent of whether or not the sponsor has prepared an environmental document under CEQA. Further, depending on the outcome of the environmental impact analysis, the FAA decision may or may not be the Sponsor's proposed project. Lastly, FAA does not take ownership of the EA document until it is signed by the responsible FAA official, as described in FAA Order 5050.4B. These documents are usually short (15-30 pages long).

<u>Environmental Impact Statement</u> (EIS) "*a detailed written statement as required by section 102(2)(C) of the [NEPA] Act. (See* 40 CFR 1508.11). This document is prepared either directly by the federal agency or with assistance from a consultant selected and directed by the federal agency. The CEQ Regulations specify that simple EIS documents will be no more than 150 pages in length and complex EISs no more than 300 pages. While these page limits are stated in the regulation, the length of these documents is frequently longer than the limit. However, both EA and EIS documents must be analytic not encyclopedic documents.

For an EIS, the FAA is the author. FAA will select a contractor and use the third-party agreement process to hire a consultant through an airport sponsor. This is simply a funding method used to engage the consultant. In the event of a joint federal and state environmental document, the sponsor can participate in the selection of the consultant. Unlike an EA, the FAA directs all aspects of the preparation of the EIS. The EIS consultant works under the direction of the FAA. Once the EIS is completed by the FAA, the FAA will issue a Record of Decision

(ROD). The ROD is the final determination that environmentally approves or disapproves the sponsor's proposed project. Depending on the outcome of the environmental impact analysis, the FAA decision may or may not be the Sponsor's proposed project. It is important for a sponsor to understand that environmental approval does not equate to federal funding approval. Similar to a project evaluated with an EA, funding approval for a project evaluated in an EIS is a separate federal action. FAA will issue a ROD independent of whether or not the sponsor has prepared an (Environmental Impact Report) EIR under CEQA.

B. The California Environmental Quality Act (CEQA) - The State of California State Legislature enacted the California Environmental Quality Act (CEQA) (Public Resources Code § 21000, *et seq*.) in 1970, one year after Congress enacted NEPA. CEQA is California's most important environmental law and applies to all discretionary activities carried out or approved by California governmental agencies at all levels, including local agencies, regional agencies, and state agencies, boards and commissions.

The intent of CEQA is to provide a thorough evaluation of environmental impacts associated with proposed projects leading to balanced decision-making. Objectives of CEQA are to inform decision makers and the public about the potential significant environmental effect of proposed activities; to identify ways to avoid or reduce environmental damage; to prevent environmental damage by requiring implementation of feasible alternatives or mitigation measures; to disclose to the public reasons for agency approval of projects with significant environmental effects; to foster interagency coordination in the review of projects; and to enhance public participation in the planning process.

CEQA applies when an action is determined to be a "project" (§ 21065). A project is loosely defined as an activity requiring discretionary approval. A project is an activity directly undertaken by a public agency; an activity undertaken by a person which is supported in whole or in part through contracts, grants, subsidies, loans, or other forms of assistance by one or more public agencies; or an activity that involves the issuance to a person of certain types of a lease, permit, license, certificate, or other entitlement for use by one or more public agencies.

CEQA does not apply when the action is ministerial (airport annual credit grants, lease of facilities for their intended use, etc.).

The "lead agency" under CEQA is the California public agency (typically city or county government, airport proprietor, airport authority) that has the principal responsibility for carrying out or approving a project. The lead agency will decide what type of environmental document must be prepared. The lead agency will first consider whether the project is exempt from CEQA by considering if the project falls within either a categorical or statutory exemption. If the project is not exempt, an environmental impact report (EIR), negative declaration (ND), or mitigated negative declaration (MND) will be required for the project. The lead agency will cause that document to be prepared.

CEQA Documents

"Exemptions" from CEQA: In determining what type of CEQA document must be prepared for a given project the lead agency will first determine if the project is exempt from CEQA. The lead agency will consider the "statutory" and "categorical" exemptions as defined in the CEQA statute and Guidelines when making an "exemption" determination. "Categorical Exemptions" used in CEQA are not the same as "Categorical Exclusions" used in NEPA. If the project does meet the criteria of a statutory or categorical exemption the lead agency should complete a Notice of Exemption (CEQA Guidelines, Appendix E) indicating the appropriate statutory exemption (for example, an ALP may qualify as "statutory exempt" under CEQA guidelines Section 15262, "Feasibility and Planning Studies") or categorical exemption class number, CEQA guidelines Section 15300, *et seq*. (for example, Class 3 for a new fence, or Class 1 for runway or apron maintenance or repair, or Class 2 for replacement or reconstruction of existing structure involving negligible or no expansion of capacity). Upon approval of the project based on an "exemption" the lead agency should file the "Notice of Exemption" (NOE) with the local County Clerk's Office and with the Governor's Office of Planning and Research. The filing of the NOE begins a 35 day statute of limitation appeal period.

Negative Declarations (ND), Mitigated Negative Declarations (MND) and Environmental Impact Reports (EIR): If the project is not exempt from CEQA then the lead agency must determine if an EIR, ND or MND will be required. The lead agency will use a CEQA document called an "Initial Study" to help determine whether an EIR, ND or MND is required. The Initial Study may use a checklist format but must explain the factual data or evidence used to reach conclusions regarding impact significance. Appendix G of the CEQA Guidelines provides a model of an Initial Study checklist.

Negative Declaration (ND): A Negative Declaration is a written statement by the lead agency briefly explaining why a project will not have a significant effect on the environment and therefore does not require the preparation of an EIR.

Mitigated Negative Declaration (MND): A Mitigated Negative Declaration may be prepared when there are potentially significant effects on the environment, but revisions to the project will avoid or clearly reduce the effects to a less than significant level.

Required contents of a ND and MND:

- Project description
- Project location
- Identification of project proponent
- Proposed finding of no significant effect
- Attached copy of Initial Study justifying finding
- For MNDs, mitigation measures included in the project description that will prevent significant environmental effects

Environmental Impact Report (EIR): An EIR is a detailed informational document that analyzes a project's potential significant effects on the environment and identifies mitigation measures and reasonable alternatives to avoid significant effects.

Required contents of a draft EIR:

- Table of contents or index
- Summary
- Areas of known controversy
- Project description
- Environmental setting
- Discussion of significant environmental impacts
- Organizations/persons consulted
- Effects not found significant
- Mitigation measures
- Alternatives
- Growth-inducing impacts
- Significant irreversible changes (only required in certain EIRs)

Types of EIRs:

- Project EIR
  - Examines a specific project. The EIR shall examine all phases of the project. (Runway extension, hanger development)
- Tiered EIR
  - Analysis in a broader EIR (Airport Master Plan) with subsequent EIRs and NDs on narrowly defined projects.
- Joint EIR-EIS
  - Integrated CEQA-NEPA document

Notice of Preparation (NOP): Prior to drafting an EIR the lead agency must circulate a notice of preparation to responsible and trustee agencies. The notice of preparation shall provide the responsible and trustee agencies with sufficient information describing the project and the potential environmental effects of the project. The trustee and responsible agencies shall provide the lead agency with specific detail about the scope and content that should be included in the EIR.

Notice of Determination (NOD): Upon approving a "project" based on an ND, MND or EIR the lead agency will submit a notice of determination to the local county clerk's office and the Governor's Office of Planning and Research. The NOD is a one page notice showing that a project has been approved and that the lead agency complied with CEQA. The filing of the NOD begins a 30-day statute of limitations period.

CEQA Statues are available on-line at http://ceres.ca.gov/topic/env_law/ceqa/stat/
CEQA Guidelines are on-line at http://ceres.ca.gov/topic/env_law/ceqa/guidelines/

Joint CEQA/NEPA Documents– Both the federal CEQ Regulations and the *California Environmental Quality Act of (CEQA) 1970 Guidelines* provide the opportunity to join federal and State environmental disclosure documents together into one. The intended purpose is to avoid duplication and delay. However, over the past 15-years, FAA has found preparation of a joint document commonly takes significantly longer than preparation of individual documents. The FAA has also found the analytical differences between NEPA and CEQA documents create confusion for decision makers and the public. If time is critical, a joint federal/state environmental document may not be the preferred option. Joint NEPA/CEQA documents can be more difficult to prepare and review than separate documents due to the differences between NEPA and CEQA laws. While joint documents are not prohibited under this guidance document, they are not encouraged. FAA will consider preparing a joint document on a case-by-case basis. However, as a best practice, FAA recommends the sponsor prepare its CEQA document separate from the NEPA document.

Differences in Analysis Under CEQA and NEPA

Projects require different analysis when completing NEPA and CEQA documents. This section discusses a few of those differences including issues that airport sponsors should be aware of when development joint NEPA/CEQA documents.

CEQA/NEPA Analysis Comparison

Under CEQA, a proposed project is evaluated against the "baseline" conditions at the time that "environmental analysis is commenced." An EIR must include a description of the physical environmental conditions in the vicinity of the project, as they exist at the time environmental analysis is commenced. This environmental setting will normally constitute the baseline physical conditions by which a lead agency determines whether an impact is significant. The "baseline" is normally the physical conditions as they exist at the time the initial study is prepared for a negative declaration or the notice of preparation is published.

Under NEPA, the FAA evaluates the impacts of a proposed future project to the future "no action" alternative and any other reasonable alternatives. This results in a different comparison than occurs under CEQA. If a joint document is to be prepared then both types of analysis must be incorporated into a single document. Contrary to the CEQ Regulations to avoid unnecessary duplication and delay, inclusion of both analyses adds complexity and leads toward confusion depending upon the background of the reader. In other words, a person used to reading CEQA EIRs may not be comfortable or understand why the NEPA document has not compared the future action to the existing condition that is required by CEQA. Conversely, a person reading a NEPA EA or EIS who is used to the CEQA process may find fault with a document that only compares the future proposed action to the future no action situation and not the "baseline" at the time a CEQA Notice of Preparation was issued. When preparing a joint document a clear description of the differences between the CEQA and NEPA analysis is necessary to avoid confusion and possible delays during the public review process. The differences in analytical process can also result in erroneous significance determinations. In other words, what may be a significant impact under CEQA may not necessarily be a significant impact under NEPA.

Thresholds of Significance

Another difference that makes joint documents more difficult to prepare and evaluate is the use of certain critical terminology. For example, the term "significant impact" has different meanings under CEQA and NEPA. The various "thresholds of significance" for environmental resources are not the same under both the federal and state statutes. If a joint document states a project creates a "significant impact" this may raise the question as to what threshold was exceeded. In some cases, the "threshold of significance" for CEQA are lower than for NEPA. The FAA has found that in many cases additional time and resources are necessary to identify the specific "thresholds of significance" for both CEQA and NEPA and then explain why there is a difference between the federal and state required analysis. This has lead to confusion in the past on the description of what threshold was exceeded and whether or not mitigation is necessary. A clear description of the differences in "thresholds of significance" is needed in a joint document to help eliminate confusion and possible delays during the public review process.

Alternative Analysis

One of the most important differences in document content between an CEQA EIR and a NEPA EA or EIS is the treatment of alternatives. Although both NEPA and CEQA require a "reasonable range" of alternatives, NEPA requires that an EA or EIS evaluate and compare all reasonable alternatives. The degree of analysis for each alternative must be substantially similar to the analysis of the proposed project (40 C.F.R. sec. 1502.14). This standard differs from CEQA, which does not require substantially equal treatment of alternatives. CEQA only requires that a comparative analysis of the alternative be evaluated; such evaluation may be considerably less detailed than the evaluation of the proposed project (CEQA Guidelines Section 15126.6(d)).

Programmatic Versus Project Specific Documents

One example of when joint CEQA/NEPA documents may be beneficial is for ***project specific*** documents. This means the proposal that is being evaluated is done at the project level rather than a program level. In FAA's experience, most of the Airport EIRs are ***programmatic*** documents. These are prepared for airport master plans, because a master plan is considered a project pursuant to CEQA. These ***programmatic*** EIRs address all the proposed projects in the 20-year master plan, not just the specific one the sponsor intends to implement immediately. These ***programmatic*** EIRs may not contain the specificity of impact analysis on a particular project that the federal EA or EIS contains. Project specific documents must contain the appropriate level of analysis for an individual project rather than a larger listing or program of projects that would be implemented over time. Most airport sponsors prepare a programmatic EIR in order to adopt their master plan, then prepare a project specific ND, MND or EIR for the particular project they want to implement. Joint CEQA/NEPA project specific documents may take more time to prepare. Sponsors may be able to avoid these time issues by hiring a consultant that is proficient in both CEQA and NEPA and who has experience developing joint documents.

CEQA Eligibility for AIP Funds – Title 49 United States Code § 47110(c)(1) states, in part, that the project cost is allowable, if the Secretary of Transportation decides it is necessarily incurred in formulating an AIP-funded airport development project. The costs incurred to

prepare an EIR are allowable project formulation costs, *if they are necessary to carry out a specific AIP-funded project*. (Costs incurred to prepare an EIR for a non-AIP project are *not* allowable costs.)

In California, an airport sponsor must comply with CEQA and receive local environmental approval to allow the AIP-funded project to proceed. Therefore, costs incurred by the airport sponsor preparing an environmental document pursuant to CEQA may be reimbursable under AIP, if:

1. The sponsor agrees to concurrently or jointly prepare the CEQA document along with the Environmental Assessment or Environmental Impact Statement under the requirements of Executive Order 13274 and Title 49 Chapter 471, Subchapter III – Aviation Development Streamlining - unless the FAA approves preparing the environmental documents separately.

2. The FAA approved the scope of services for preparation of the CEQA document before the sponsor enters into the consultant agreement. (Services for more than what is required to complete an EIR under CEQA are not eligible for reimbursement. It is anticipated that the scope of services will result in data that is useful for both the EIR and the federal environmental process.)

3. The consultant was selected according to FAA Advisory Circular 150/5100-14, *Architectural, Engineering and Planning Consultant Services for Airport Grant Projects*.

4. The sponsor prepared and submitted an independent cost estimate to the FAA.

5. The FAA determined the costs to be reasonable and necessary.

6. The project received a Finding of No Significant Impact (FONSI) or a Record of Decision (ROD) that approves implementation of the proposed project.

7. The sponsor receives a development grant for the project. (Stand-alone grants may not be issued for preparing an EIR.)"

In general, AIP reimbursement for preparation of a CEQA document associated with a Master Plan study will be limited to the costs associated with the preparation (or adoption) of the an Airport Layout Plan (ALP) under the following conditions:

- Reimbursement for preparation of CEQA documentation necessary to create an ALP is considered project formulation and will normally be requested by the Sponsor when he/she submits an application for an associated project.

- The sponsor must submit justification for the requested CEQA reimbursement. In providing its justification, the sponsor needs to communicate the rationale it used to come up with the amount of CEQA documentation associated with ALP development. It is assumed that an ALP Update will require less CEQA work than a clean sheet ALP; therefore the sponsor's

claim for preparation of CEQA documentation associated with the ALP development should be supportable in the event of an audit.

FAA's Role: The FAA's mission is to ensure the safe and efficient use of navigable airspace in the United States. Pursuant to various special purpose laws and their implementing regulations, for EA's and EIS's FAA, not the sponsor or the sponsor's consultant shall conduct the required consultation with the State/Tribal Historic Preservation Officer and the U.S. Fish and Wildlife Service and National Marine Fisheries Service. FAA must also comply with NEPA for federal actions such as approval of an Airport Layout Plan and approval of further processing of an application for federal assistance or an application to impose and use a Passenger Facility Charge for proposed airport development. FAA uses both Order 1050.1E and 5050.4B in determining the appropriate level of documentation for the specific proposed airport project. The following provides more clarification of the FAA's role as it relates to NEPA. Note FAA has ***no role*** in preparation of CEQA documents.

FAA will provide guidance during statement of work development as to the limits of AIP reimbursement for proposed CEQA documentation. In some cases AIP reimbursement may only be for a prorated share of CEQA work performed by the sponsor. Reimbursement will be limited to the airport sponsor's entitlement funds. When requesting reimbursement, the sponsor must clearly identify CEQA reimbursement as a line item on the FAA Form 5100-100 Part III Budget Information along with the allocation of entitlement funding to be used. This will help FAA and the sponsor track CEQA reimbursement.

If requested by the sponsor, FAA will assist the sponsor with developing a schedule for a sponsor generated EA. The EA is the sponsor's document; however, FAA will work with the sponsor on document review. FAA will also provide comments to the sponsor to ensure that expectations for both FAA and Federal Agency coordination are reasonable. As a Best Practice, all parties should concur with the final schedule drafted by the sponsor and should hold regular progress meetings to stay on track of the critical milestones.

FAA will develop the schedule for an EIS. In doing so, FAA will ensure that the schedule reflects coordination with other Federal Agencies. FAA will coordinate the schedule with the sponsor to ensure concurrence by all parties. As a Best Practice, all parties should concur with the final schedule drafted by the FAA and should hold regular progress meetings to stay on track of the critical milestones.

Caltrans Role: As a responsible agency under CEQA, Caltrans has discretionary authority over airport grants/loans and airport and heliport operating permits. Prior to issuing a permit or releasing State funds, Caltrans must be satisfied that "the advantages to the public ... outweigh the disadvantages to the environment." In order for Caltrans to determine this, an adequate environmental document must be prepared by the lead agency and considered by Caltrans during the decision-making process. As an interested agency with technical expertise under CEQA, Caltrans reviews environmental documents for projects in the vicinity of an airport in order to minimize encroachment by incompatible land uses. Caltrans is considered to have a

special knowledge or technical expertise in the areas of airport-related noise and safety impacts and compatible land use that provides critical information relating to a project.

Sponsor's Role:. In California, publicly owned, public use airports are operated by cities, counties, airport authorities or special Airport Districts. Neither the FAA or Caltrans owns or operates an airport. Consequently, the decision to develop an airport is the responsibility of the local airport sponsor. For airports that are obligated to the federal government through grant-in-aid agreements, the sponsor must obtain FAA approval to implement various proposed development projects. This occurs even if there is no federal funding for the proposed action. Typically, FAA approval is required for the sponsor's Airport Layout Plan.

Before the FAA can grant approval of the federal action, approval of the airport layout plan or a funding request, the FAA must comply with NEPA. FAA looks to the airport sponsors to help the FAA gather the information necessary to make an informed decision on the potential environmental impacts of the sponsor's proposed development. To that end the sponsor has several responsibilities described below:

1. In consultation with FAA's planners and Environmental Protection Specialists, the sponsor must be able to demonstrate the planning work for the proposed project is complete and reasonable.

2. For proposed airport projects that may be Categorically Excluded, the sponsor gathers environmental information and provides that to the FAA Airports District Offices using the Extraordinary Circumstance guidance provided by the Western-Pacific Region. This information can be provided to the FAA in the form of a letter.

3. For projects that normally require an Environmental Assessment, hire a qualified airport consultant to prepare a timely, high quality document. This may include supplemental studies such as a Biological Assessment and Cultural Resources Survey.

4. Sponsors are required to conduct public hearings for new airports, new runways and major runway extensions. Public hearings are recommended for other proposed projects, if the proposal is controversial or may have significant environmental impacts. Sponsors also provide the public notification of availability of an EA in the local newspaper.

5. For an EA, the sponsors should consult with FAA Environmental Specialists to ensure that proper coordination with federal, state and local agencies and federally-recognized Native American Tribes will occur in a timely manner before the Draft EA is made available for public review.

6. For an EIS, sponsors are asked to join in a Memorandum of Understanding that specifies specific actions and responsibilities for the sponsor. The sponsor will hire a consultant, competitively selected by the FAA to prepare the EIS.

Similarly, prior to releasing State funds for airport projects or issuing or amending a State airport permit, Caltrans requires evidence of compliance with CEQA.

Additionally, sponsors should actively participate in the environmental process during development of documentation and review prior to submittal to the FAA. Their participation places specialized knowledge of airport operations into the decision-making and approval process.

Consultant's Role: The Sponsor may retain a Consultant with the appropriate technical discipline qualifications to prepare a NEPA and CEQA environmental document for a project, or to assemble the documentation required for the FAA to issue a categorical exemption finding on a specific project. The Consultant should be thoroughly familiar with the NEPA and CEQA environmental process and have a detailed understanding of the applicable FAA Orders and Advisory Circulars. During the development of either an environmental document or documentation for a "Cat-Ex", the Consultant should ensure that the Sponsor is aware of, and involved in, any and all communication between the Consultant and those affected federal, state, and local agencies. The Consultant may also assist the Sponsor with conducting public hearings and responding to comments provided by the public and public agencies.

VIII. California Airport Land Use Planning

One of the greatest concerns facing airports today is the continued pressure brought about by inappropriate land use that threatens and limits the operations of an airport. Airports and land use around them are sensitive and valuable resources.

Federal Aviation Administration grant assurances require that an airport sponsor, to the extent reasonable and within its power, take actions to restrict land use in the immediate vicinity of an airport to purposes compatible with airport operations. One of the most common methods of assuring compatible land uses is through the development and enforcement of land use zoning regulations. In California, state law provides for procedures that, when properly applied, provide significant land use protections in the vicinity of public airports.

The California Public Utilities Code, Section 21670-21679.5, provides for the adoption of land use compatibility criteria that serve to both protect the safety of flight and mitigate aviation noise impacts in the vicinity of public airports. In many counties, the compatibility criteria are adopted by a countywide Airport Land Use Commission (ALUC) in the form of compatibility plans included in an Airport Land Use Compatibility Plan (ALUCP). Some counties do not have a designated ALUC. A few of these counties adopted alternative processes for compliance with state requirements and others that have legislative approval authorizing other agencies or boards to function as an ALUC. Regardless of the form of the agency, each county containing a public use airport is required to comply with the Public Utilities Code. For simplicity, the various agencies are referred to here as ALUCs.

An ALUC serves two specific functions, the first being the preparation and adoption of the compatibility plans within its jurisdiction. Local municipalities and counties are required to modify general plans and impacted specific plans for consistency to reflect adopted land use compatibility measures or take steps to overrule the ALUC. The second function of an ALUC is to review plans, regulations and other actions of local agencies and airport operators to determine consistency with adopted compatibility criteria.

Caltrans publishes the *California Airport Land Use Planning Handbook (Handbook)*, which provides compatibility planning guidance. While the *Handbook* is not regulatory in nature, an ALUC is obligated by law to use information in it for guidance in the preparation and adoption of an ALUCP. The Handbook provides detail as to the counties that are exempt from formation of an ALUC or have provided alternative organizations or means for compliance with the requirements. The *Handbook* can be purchased from Caltrans and is available on the Web at www.dot.ca.gov/hq/planning/aeronaut/htmlfile/landuse.php.

Although State law does not require this, since the airport manager is often the most knowledgeable about the effects development would have on the operations of their airports, airport sponsors should be encouraged to actively participate in the review of proposed land use development in the vicinity of an airport. However, airport operators are required to submit the following actions for ALUC review:

1. Airport master plans.
2. Plans for the construction of new airports and extension, realignment or construction of a new runway.
3. Proposals for non-aviation development.

Local agencies are required to submit the following land use actions within or affecting a defined airport land use influence area as defined in the ALUCP or in the absence of adopted ALUCP, within two nautical miles of a public use airport for ALUC review:

1. Adoption or amendment of general plans
2. Specific plans
3. Zoning ordinances
4. Building regulations

Individual development projects are not subject to review by an ALUC provided the city or county having jurisdiction has adopted a general plan that incorporates compatibility criteria and review procedures in an adopted ALUCP.

An ALUC reviews projects and plans to determine consistency with the ALUCP. In the event that an ALUC makes a finding that a project or plan is not consistent with compatibility measures, a two-thirds vote of a quorum of the local agency having jurisdiction is required for approval. An ALUC finding that a project or plan is consistent with compatibility measures does not require action by the local agency.

An ALUCP provides guidance in four basic areas: noise, overflight, safety and airspace protection. Typically, this is done by establishing geographic zones and assigning development criteria and restrictions associated with each zone. Each airport and its surrounding community are unique and development of appropriate compatibility measures requires consideration of a variety of local factors in addition to those delineated in the *Handbook*. Typical compatibility criteria include:

Noise - Restriction of residential development within, at a minimum, a Community Noise equivalent Level (CNEL) [1]65 dB contour surrounding an airport and building standards to mitigate interior noise levels to CNEL 45 dB or lower.

Overflight – Notification to prospective land buyers within an Airport Influence Area of the proximity of airports and granting of avigation easements.

Safety – Limitation of the number of individuals located within higher risk areas and preservation of open space, particularly under the arrival and departure path of aircraft.

Airspace Protection – Establishment of height restrictions, requirement of FAR Part 77 airspace determinations and avoidance of projects that would create visual, electronic or wildlife hazards to flight.

Caltrans Role: The Division provides for the integration of aviation into transportation system planning on a regional, statewide, and national basis. Staff administers noise regulation and land use planning laws that foster compatible land use around airports and encourages environmental mitigation measures to prevent incompatible land use encroachment.

The Division produces the California Airport Land Use Planning Handbook, last updated in January 2002. The next update is planned for 2009. The Handbook provides guidance to ALUC's in preparation of their ALUCP's and is a required resource for compliance with the California Environmental Quality Act (CEQA).

FAA Role: The FAA has no regulatory authority for controlling land uses to protect airport capacity and airport operating environment. However, the FAA is responsible for ensuring that airport sponsors comply with their federal agreement obligations related to compatible land use.

Grant Assurance 21 specifically states:

> *"[Airport sponsors] 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."*

The FAA can provide assistance and funding to encourage compatible land development around airports. Planners located in the Airport District offices' review Airport Master Plans that have been prepared to identify the near-term and long-range projections for airport activity and the development necessary to meet these activity demands. In addition, the FAA provides funding and technical assistance to airports in the conduct of noise and land use compatibility studies under FAR Part 150. These studies are conducted to evaluate ways to minimize the impacts of aircraft noise and ensure compatible land uses within the vicinity of airports. Following completion of a Part 150 study, the FAA can provide financial assistance for land acquisition and sound insulation programs for noise compatibility purposes as approved through the study.

The FAA also provides guidance regarding land use compatibility through Federal Aviation Regulations (FARs), FAA Orders, and FAA Advisory Circulars (ACs). This information is located at: http://www.faa.gov/airports_airtraffic/airports/environmental/land_use/

Sponsor's Role: A sponsor may or may not have regulatory authority for controlling land uses in the vicinity of an airport. In either case, a sponsor should take positive steps to protect the airport from incompatible land uses by:

1. Understanding the specific nature of the ALUC in the vicinity of the sponsor's airport.

2. Reviewing and commenting on land use proposals within the defined Airport Influence Area (AIA) for the sponsor's airport.

3. Participating with the ALUC in the preparation or amendment of the sponsor airport's ALUCP.

4. Submitting master plans and updates to master plans to the ALUC for review prior to approval.

5. Submitting plans for runway extensions or realignments to the ALUC for review prior to approval.

6. Submitting plans for expanding airport premises to the ALUC for review prior to land acquisition.

7. Submitting proposals for non-aviation development to the ALUC for review prior to proceeding with plans.

8. When physically and fiscally practical, acquiring real property interests, preferably in fee, for runway protection zones.

Consultant's Role: Assist the sponsor, where applicable and necessary in fulfilling its role as defined above.

IX. FAA & Caltrans Funding Process

A. FAA Airport Improvement Program (AIP) Funding

The FAA Fiscal Year (FY) starts on October 1 and ends on September 30. Congress approves the FAA appropriation funding level for each FY. Afterwards, the Office of Management and Budget (OMB) issues the FAA its funding allotments and FAA Headquarters (HQ) works through a formula that considers set asides, such as entitlement funds for "entitled" state/sponsors and discretionary funding for noise projects, and distributes each region its allotments based on information submitted with the region's Airport Capital Improvement Plan (ACIP). An airport must be identified within the National Plan of Integrated Airport System (NPIAS) to receive consideration for AIP funding.

1. AIP funding falls into the following areas:

- **Passenger entitlement funds** are available for commercial service airports that meet a minimum of more than 10,000 enplaned passengers per year. The amount given to an airport is determined by formula based on AIP Appropriation by Congress and the number of enplaned passengers at that commercial service airport.
- **Cargo entitlement funds** are available for airports served by aircraft providing air transportation of only cargo with total landed weight of more than 100 million pounds per year. The amount given to an airport is determined by formula based on AIP Appropriation by Congress and the amount of cargo flown out of that commercial service airport.
- **Non-primary entitlement funds** are available for general aviation airports. The amount given to an airport is based on the amount of development that airport has identified within the NPIAS. The maximum amount an airport can get is $150,000.
- **State Apportionment funds** are available to any general aviation airports within a state and included within the NPIAS. The amount made available for funding within a particular state is determined by a formula based on AIP Appropriation by Congress and things such as state population, number of NPIAS airports, etc.
- **Discretionary funds** are available to any airport identified within the NPIAS. These funds are provided at the discretion of the FAA. To receive these funds, FAA relies on how a sponsor's project stands in relation to the FAA's priority system (see FAA Order 5100.39A, Airport Capital Improvement Program (ACIP). Copy available via FAA website: **www.faa.gov/airports**.)

Sponsors receiving passenger entitlement or non-primary funds should plan projects to begin early in the year. Early design will enable the bid process to take place early, provide sufficient time to meet local requirements and allow FAA to issue grant offers based on bids. Public bid contracts are generally issued with a "bid guarantee" clause. This requires the contractor to guarantee the bid price for a designated number of days. The Sponsor must award the bid within the bid guarantee timeframe, or the bids will be expire and the project will require re-bidding. This is especially important when FAA and/or Caltrans are considering additional funding to

cover high bids. The FAA and Caltrans will also allow for alternative contracting methods such as Design/Build and CM at Risk to issue grants.

Through the course of the year, Sponsors are encouraged to check funding availability for proposed projects with their FAA Program Manager, and consider phasing projects to meet available funding. It is important that engineering and planning cost estimates be current and reasonable. If bids exceed the engineer's estimate or an independent fee estimate for planning projects by more than 10%, it could delay awarding bids.

FAA supports funding high-priority projects when additional funds become available, provided that the project ready to be awarded is based on bids and the cost is considered reasonable and acceptable (i.e., does not exceed engineering estimate by more than 10%.)

2. Cost Overruns, Recoveries, & Grant Amendments

FAA cannot provide AIP funding for overrun amendments for planning and/or environmental grants. The scope of work (SOW) will identify the final products expected once a grant is issued. Once the SOW is agreed upon, the Sponsor/Consultant is expected to stay within those numbers and deliverables.

Conditional upon available funds, if total actual allowable project costs for airport development or noise implementation projects or land acquisition (for primary airports) exceed the total estimated project costs upon which the maximum obligation is based, the maximum obligation of the U.S. specified in the grant agreement may be increased by up to 15 percent. For grants to acquire interest in land for nonprimary airports, the maximum obligation may be increased by not more than the greater of the following, based on current creditable appraisals or a court award in a condemnation proceeding:

a. 15 percent; or
b. 25 percent of the total increase in allowable project costs attributable to acquiring an interest in land.

It is important to point out that this additional percentage **is not** an entitlement to the Sponsor and that these costs are evaluated and allowed only if funds are available. As a matter of policy, changes to grant funding are made at the end of the project (physical completion of work) with proper justification and supporting documentation. Only work included in the grant description is considered eligible for such changes. All change orders require prior FAA approval before proceeding with proposed work. It is important for all parties to recognize that the Sponsor's request for funds in order to cover cost overruns can harm FAA's ability to cover new projects with discretionary funds. Except in extenuating circumstances, FAA will expect airports with entitlement funds to use those funds to cover approved overruns rather than discretionary funds.

Caltrans can provide scope amendments and cost amendments for AIP matching grants. The Sponsor should send a copy of the FAA amendment to the state and the state may issue an AIP matching grant agreement amendment. Sign and return the amendment to the State.

A. Existing grant funds

Funds recovered at grant closeout are used to fund amendments. Therefore, sufficient funds are not always available, especially early in the FY. Sponsors should check with their FAA Program Manager regarding eligibility and availability of funds for processing amendments. Amended grants are not exempt from the requirement to be closed within four years from the year the grant was originally issued.

There are other restrictions related to amending grants. As a matter of policy, FAA generally does not support adding scope to an existing grant strictly to utilize surplus funds. Because the demand for Federal funding far outweighs available resources, FAA often uses excess funds from closed grants to finance overruns and/or new projects throughout the Region. For more information, Sponsors should consult their FAA Program Manager.

B. Payments

FAA encourages Sponsors to fund projects under a Letter of Credit (LOC), which allows the sponsor to electronically withdraw funds. This is desired for both planning and construction projects. For Sponsors on LOC, FAA will still require documentation that justifies the amount of withdrawal. If upon review of sponsor justification documentation, the FAA determines that ineligible work was paid for, the FAA will require the Sponsor to return the appropriate amount of funds through a credit. Sponsors receiving manual payments need to fill out the proper form, FAA Form SF 270 – (for non-construction projects) or FAA Form 271 (for construction projects) and send reimbursement requests along with back-up documentation directly to your FAA contact for processing.

Progress payments and final payments are processed by Caltrans for AIP Matching grants. As the sponsor requests progress payments from the FAA, they may also request payment from Caltrans. To receive payment from Caltrans, provide a copy of the proper form, FAA Form 270 (non-construction projects) and/or FAA Form 271 (for construction projects) for each payment request. For each FAA payment requested, provide a proof of each payment received from the FAA. The AIP Matching grant provides for a percentage of FAA payment to be made. This is why Caltrans needs to verify that the FAA paid the amount requested. Caltrans does not review contractor invoices since the FAA has already done so.

For **grants funding process**, see **Appendix 2.**

B. Caltrans Funding

The State offers three programs that fund airports and airport-related activities. Publicly owned, public use airports are eligible for these funds. Excise taxes on general aviation (GA) fuel support all of these programs:

1. **Annual Credit**

$10,000 is provided to each airport annually. (Reliever or Commercial Service airports do not receive the Annual Credit.) An airport may accrue its credits for up to five years. Expenditure of the credits is at the airport's discretion.

2. Acquisition and Development (A&D)

A&D grants fund airport improvements such as pavement maintenance, master plans, and obstruction removal. A&D also funds airport land use compatibility plan (ALUCP) activities. Projects are selected from the statewide Capital Improvement Plan (CIP) in accordance with a priority matrix and are subject to allocation by the California Transportation Commission (CTC). A&D requires a 10% local match. The CIP and project selection processes occur every other year.

3. AIP Matching

AIP matching grants provide a portion of the "local" match for federal Airport Improvement Program (AIP) grants. A sponsor may apply for AIP Matching funds at any time once the sponsor accepts the AIP grant. However, Caltrans matching is allowed only if the project has been included in the Caltrans CIP. Caltrans is committed to processing AIP matching grant requests in a timely manner. Generally, with a complete, accurate application package, Caltrans' processing time is 1 to 5 business days to review the project application, issue grant documents, and transmit to sponsor.

Caltrans also provides discretionary loans to eligible airports for construction and land acquisition projects that benefit general aviation and/or improve airport self-sufficiency. Projects that enhance an airport's self-sufficiency and provide general aviation services (hangars, GA terminals, GA fueling facilities, etc.) can be eligible. A loan may also be applied towards the sponsor's share of an AIP grant.

FAA's Role: There are many variables to consider when talking about AIP funding. These variables include eligibility requirements depending upon the type of funds, differences in the active life of each fund type, availability and usage of each fund type, etc. The FAA Program Manager (or FAA Planner on planning grants) will work with sponsors to help them understand the restrictions, characteristics, and limitations of each type of funds. The Program Manager will also assist Sponsors/Consultants with strategies on meeting construction grants based on bids and project closeout expectations.

Caltrans Role: The ACIP/CIP development process allows for the funding of AIP Matching grants and the State's Acquisition and Development (A&D) grants. All projects funded by the state must be in the CIP.

Sponsor's Role: The primary goal for all Sponsors is to maximize funding dollars provided by the FAA and Caltrans as effectively as possible in building new and maintaining existing improvements at the Airport. Funding may not always be available, so prioritizing the ACIP is an important factor. The policymakers are an important element when the Sponsor accepts federal or state funding for improvements, as priorities may change over time due to political reasons.

Sponsors are responsible to apply for Caltrans funds in a timely manner in order to ensure Caltrans funding can be secured prior to the bid expiring. Sponsors should have all documentation (application, resolution, CEQA, and layout) prepared in advance of receiving the FAA grant. Once the FAA grant is received, the sponsor can immediately apply for state funding.

Consultant's Role: If requested by the Sponsor, the Consultant may be responsible for providing advice and guidance regarding FAA and Caltrans grant funding, or the Consultant may be requested to assist the Sponsor with the preparation of grant-related documents for the Sponsor's review, approval, and submittal to FAA and Caltrans. The Consultant may assist the Sponsor with the preparation of grant applications, request for reimbursement forms, certifications, and all other paperwork required for securing, executing, and closing grants in an efficient and timely fashion. Grant funds should be utilized responsibly and in accordance with the scope of work outlined in the grant documents and the applicable grant assurances. The design and planning of projects should maximize the value of grant funding which has been made available for the project.

C. FAA PASSENGER FACILITY CHARGE (PFC) RESOURCE & PROCESS

The Passenger Facility Charge Program allows commercial service airports to assess a fee against enplaning passengers for the purpose of funding FAA approved airport development projects at that airport. The collection of this fee is authorized under 49 U.S.C Section 40117, as amended by the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (AIR-21), Public Law 108-176. Commercial service airports may request authority to assess a PFC up to $4.50 on revenue passengers enplaned at their airport.

1. Authorized Use of PFC Funds

Airports electing to impose a PFC are permitted to use the revenues for one or more of the following:

1. Pay all or part of the allowable cost of an FAA approved project;

2. Pay debt service and financing costs associated with bond issuance;

3. Combine PFC funds with Airport Improvement Program (AIP) grants to accomplish an approved project; and/or

4. Apply PFC funds to meet non-federal share of the cost of projects funded under the AIP.

2. PFC Project Eligibility

In order to be considered as an approved project, proposals must meet certain eligibility criteria, as outlined in Federal Aviation Regulation 14 CFR Part 158. Section 158.15 states that projects must address one or more of the following:

1. Preserve or enhance safety, security or capacity of the national air transportation system;

2. Reduce noise or mitigate noise impacts resulting from an airport; or

3. Present opportunities to enhance competition between or among air carriers.

Section 158.17 establishes further eligibility requirements for those locations wanting to impose fees above $3.00.

3. Reduction in AIP Apportionments

While the PFC program is complementary to the AIP, there are limitations and restrictions to imposing PFC. Most notably, large and medium hub primary airports face a reduction in the AIP passenger entitlements funds by an amount equal to 50 percent of the projected revenues from the if a PFC is imposed at $3 or lower level, and up to 75 percent for a PFC level above $3. The reduced portion takes effect in the first fiscal year in which the collection of PFC begins.

4. Air Carrier Consultation

Public agencies need to consult with those carriers who have a significant business interest at the airport before submitting 1) a PFC application; 2) a notice of intent for non-hub airports (as described below); 3) an amendment request to change the scope of a project; increase the PFC level to be collected; or increase the PFC amount for a project by more than 25 percent. Significant business is defined as a domestic or foreign air carrier that 1) had no less than 1.0 percent of passenger boarding at that airport in the prior calendar year; 2) had at least 25,000 passengers boarding at that airport in the prior calendar year; or 3) provides scheduled service at that airport.

5. Notice and Opportunity for Public Comment

In addition to the air carrier consultation, public agencies must provide notice and opportunity for public comment before submitting any of the PFC documents mentioned above. This public notice and comment period may run concurrently with the carrier consultation. The required types of information to be contained in the notice are very similar to the types of information required for the carrier consultation notification and meeting. The notice should include the following information:

- Project description
- Brief justification
- PFC level ($3.00, $3.50, etc) for each project
- Estimated total PFC revenue to be used for each project

- Proposed charge effective and expiration dates
- Estimated total PFC revenue to be collected for the application,
- Name and contact information and date comments due

There are several options for publishing the notice: 1) local newspaper; 2) other local media; or 3) posting on the public agency's website

6. PFC Application

- PFC application, FAA Form 5500-1, and filing instructions as well as all applicable Attachments (B, G and H) can be downloaded from the FAA website: http://www.faa.gov/airports_airtraffic/airports/resources/forms/index.cfm?sect=pfc. PFC applications should be submitted to the appropriate FAA Airports District Office, attention PFC Project Manager. Three hard copies of the application are needed for review of the FAA. Electronic submission of the application is also encouraged. A draft application can also be sent to the FAA for initial review and comments.

- In advance of submitting a draft or final application, the Public Agency contact the PFC Project Manager at the ADO regarding informal discussions to identify critical issues that can be resolved; discuss the format, content, timing and other related matters. Such a discussion is optional but strongly encouraged since it saves time in the preparation by minimizing time spent mailing documents back and forth.

7. Non-Hub Pilot Program

A non-hub airport may apply for PFC impose and use or impose only authority using the new pilot program process. Non-hub airports are defined as those primary and commercial service airports that enplane at least 2,500. The request for PFC authority submitted under this pilot program would be known as a “Notice of Intent.” After the consultation process and public comment process is conducted, the submission of project information will be divided into two categories.

- For projects in existing AIP grants, the public agency will need to provide the project title, PFC funds sought for the project, PFC level, and AIP grant agreement number on Attachment H.

- For projects that are not a part of an existing AIP grant, the public agency will need to provide, in addition to the above, a brief project justification, a description of how the project meets a PFC objective, and the project schedule. For those projects not in an AIP grant, Attachment G must be provided if use approval is requested.

The FAA will issue a letter acknowledging the public agency's Notice of Intent within 30 days of receipt. The public agency is permitted to collect a PFC and/or use PFC revenue, as applicable, for any projects that the FAA does not object to in the acknowledgement letter. For any new

collections, the public agency must notify the carriers of the charge effective date, which must be on the first day of the month at least 30 days after the date of the FAA's acknowledgement letter.

8. Amendments

Additional carrier consultation and public notice are required for amendments to: 1) increasing the PFC amount for a project by more than 25 percent of the originally approved amount of the project; 2) changing the scope of a project; and 3) increasing the PFC level to be collected.

9. Revenue - Quarterly Report

FAA System of Airport Reporting (SOAR) is currently available to external users for input PFC financial and project information. The vast majority of PAs has access to this national database system and is entering their quarterly reports, project disbursements, and forecast collections, as well as the actual dates for project implementation, physical and financial completion. The FAA uses the reported information to obtain the total calendar year collections for each airport by February 14th and PFC forecast for large and medium hub airports by July 1st. of each year.

To gain online access to the database, the PA needs to submit the name, email address, street address, and phone number of each airport employee/representative who will be using the system to the PFC contact person at their servicing Airports District Office.

10. Extension of Collection

The PA is responsible for monitoring the amount of PFC collections authorized for their airport. If the rate of collections is lower than originally estimated, section 43(c) of Part 158 allows the PA to issue a letter to the collecting carriers and the FAA, at least 60 days before the legal expiration date, extending the duration of collection. A report on the current charge expiration date for any airport collecting a PFC can be found on the FAA website:
http://www.faa.gov/airports_airtraffic/airports/pfc/monthly_reports/

It should be noted that once the expiration date is reached, the authority to collect might not be extended even if the authorized collection amount was not reached. The PA would need to submit a new application to cover any deficit.

11. Timing of Project Implementation

PAs need to comply with Section 158.33(a) of the regulation, which states that a public agency shall not impose a PFC for an approved project that has not been implemented beyond the earlier of the following dates:

1. Two years after approval to use PFC revenue on a project approved for use or impose and use.

2. The earlier of 2 years after the use approval date or 5 years after the impose application approval date on projects approved for impose with a subsequent use approval.

If insufficient progress has been made toward project implementation, the FAA Airports office may automatically terminate the authority to collect PFC and delete the project without further action.

12. Project Completion and PFC Closeout

When all PFC funded projects are physically and financially completed, the application is ready to closeout. There are two closeout forms available for PA use at the SOAR website: http://soar.arp.faa.gov/main.cfm? Application Report and Project Physical Completion Certification. PAs need to complete and submit these two forms to the FAA to closeout the application. The FAA has a current goal to closeout at least 50 percent of physically and financially complete applications that are more than 2 years past the charge expiration date.

X. BID PROCESS

It is the responsibility of the Sponsor to ensure that projects are completed, bid and awarded in accordance with federal, state, and local procurement requirements**.** Each agency has its own approval and/or certification process. Sponsors should examine these requirements and modify their own procurement regulations, as appropriate, to eliminate any conflicting language. When federal or state funds are being utilized, approval should be requested and granted from both agencies, as appropriate, prior to releasing the project for bid. Following the receipt of bids, the Sponsor shall review them and recommend award to the lowest responsive and responsible bidder. Once again, the Sponsor should seek approval from the FAA prior to a formal award of the construction contract. In some instances, with the prior approval of the FAA, alternative project delivery methods may be utilized instead of the process outlined above.

FAA Role: One of the FAA's goals is to issue grants based on bids or use alternative delivery methods such as Design/Build or Construction Management at Risk based on the Guaranteed Maximum Price – (GMP). This process involves many players and requires continuous communication between the Sponsor/Consultant/Caltrans and FAA Program Managers. Coordinating the Sponsor's internal process for designing, bidding, and/or accepting grants, and with the FAA's and state's funding process (i.e., the timing for submitting project applications, programming process, completing internal Federal coordination, issuing tentative allocation letters, bidding process, tabulating bids, recommending award of contract, issuing grant offers, and accepting grants) requires advance planning.

FAA encourages Sponsors/Consultants to start the process early in the fiscal year by contacting their program manager to determine which projects in their ACIP are being considered for funding.

Any issues related to the FAA process should be worked through the FAA Program Manager. This will help to establish a schedule for the project that provides sufficient time to meet federal, state, and local requirements.

Caltrans Role: The Sponsor should be able to certify to Caltrans that it has satisfied all FAA criteria for those projects funded with federal, state and local monies. For projects funded with only state and local monies, the Sponsor should be able to certify to Caltrans that it has followed the procurement code adopted by the Sponsor's jurisdiction and that such code is not contrary to any applicable rules or regulations of the State of California.

Sponsor's Role: The Sponsor should focus on not only complying with the FAA and Caltrans requirements for a bid, but also comply with any procurement procedures that are required for the entity the Sponsor belongs to. Timing of the bid is a key factor to manage in order to meet the deadlines needed for acceptance of grant funding and approval by the policymakers. The FAA has established a goal of basing grants based on actual construction bids 99% of the time. The Sponsor should coordinate the grant process well in advance of the bid process with the

assistance of the FAA, Caltrans, and the Consultant.. The FAA is flexible with the "based on bids" approach as long as there is justification and early coordination with the project managers.

Sponsor should apply to Caltrans as soon as they receive the FAA grant offer in order to ensure state funding can be obtained prior to the expiration of the bid. Sponsors are responsible for meeting all of the requirements of CEQA. Sponsors should obtain a resolution or minute order authorizing the application of state matching funds, accepting the allocation of state matching funds, authorizing the execution of the state matching grant and indicating the person authorized to sign grant documents prior to receipt of the FAA grant offer. By having this resolution in place, the Sponsor can immediately apply for the state-matching grant as soon as the FAA grant offer is fully signed and executed.

Consultant's Role: The Consultant shall coordinate with the Sponsor, FAA, and Caltrans to ensure that adequate funding is in place prior to bidding. This coordination should include a review of the timing and availability of grant funds to assist the FAA in meeting their goal of awarding grants based on bids. The bid documents should be accurate, clear, and concise and they shall be prepared in accordance with federal, state, and local requirements. The plans and specifications shall include the appropriate FAA specifications contained in the Advisory Circulars. The plans, specifications, and the required FAA certifications should be submitted to the appropriate FAA project manager prior to bidding. The Consultant should conduct a pre-bid meeting to introduce the project to potential bidders and explain the federal, state and local bidding requirements. Upon receipt of bids, the Consultant shall assist the Sponsor in evaluating the bids to ensure that all of the bid requirements are met.

XI. SPONSOR CONTACT LIST

Questions were raised previously related to acceptability of documentation being submitted directly by the Sponsor's Consultant to the FAA and or Caltrans on behalf of the Sponsor.

Both FAA and Caltrans have found that occasionally documentation is submitted by a Consultant for the FAA to act upon, however, when asked, the Sponsor was not aware of the matter. Furthermore, both FAA and Caltrans have found occasions where it was difficult to reach the Sponsor to confirm his/her acceptance of the subject matter. This could present a problem given the fact that the grant obligations are between the FAA and Sponsor, not the Consultant.

In order to resolve this issue, a list of documents that can be submitted to the FAA and Caltrans by the Sponsor's Consultant is entitled **Sponsor Contact List** in attached **Appendix 3.**

APPENDIX 1

EXTRAORDINARY CIRCUMSTANCES EVALUATION INFORMATION SUBMITTAL FOR CATEGORICAL EXCLUSION OF AIRPORT PROJECTS
Cat Ex EC Info. Revised 05/19/2006

I. INTRODUCTION: The FAA must comply with the National Environmental Policy Act (NEPA) for all proposed airport development projects that require a federal action. Categorical Exclusions for various actions are defined in Federal Aviation Administration (FAA) Order 1050.1E, *Environmental Impacts: Policies and Procedures.* The FAA is seeking information from the airport sponsor to be able to determine whether the sponsor's proposed airport development project can be categorically excluded from the NEPA requirement to conduct a formal Environmental Assessment (EA) or Environmental Impact Statement (EIS). Note an action on the categorically excluded list is not automatically exempted from environmental review under NEPA. FAA must determine if any extraordinary circumstances apply to the proposed project. The intent for this information is to informally document the agency's categorical exclusion determination. The need for this information is based upon the guidance in paragraphs 304 and 305 of Order 1050.1E. See: http://www.faa.gov/regulations_policies/orders_notices/media/ALL1050-1E.pdf.

II. APPLICABILITY: Sponsors are not asked to submit information described below for equipment and vehicle purchases (i.e., Aircraft Rescue and Fire Fighting; snow removal equipment; security equipment such as computers, scanners, etc.); Runway/taxiway edge lighting and other electrical items such as regulators, control panels, etc.; Master Plans, Part 150 Studies, feasibility studies, and environmental disclosure documents, etc.

III. DIRECTIONS: The airport sponsor is to submit narrative responses to the questions in Section V below and provide supporting documentation to ensure the FAA can determine that no extraordinary circumstances exist. Sponsors are to submit this information only for proposed projects where they anticipate federal funding assistance within the next 12 months, or if no funding is sought, for Airport Layout Plan approval. Please provide this information not later than 12 months prior to implementation of the proposed project to allow FAA to determine if further study is needed. Suggested sources for this information include, but are not limited to, previous Master Plan or environmental studies and associated documents, Part 150 studies, or research. The jurisdictional federal, state and local resource agencies responsible for protecting specially protected resources often contain internet web site information that will be of assistance. This information will also assist sponsors in complying with applicable federal laws, regulations, and executive orders as they relate to the proposed project. To expedite review, Sponsors should include the headings listed in Section V, below, in **bold** in your narrative responses and address each heading separately.

IV. ASSISTANCE: The Environmental Protection Specialists in the respective Airports District Offices are available to provide guidance and answer questions about the submittal of information to support a Categorical Exclusion and/or environmental resource categories. Airport Sponsors may expect a written response on the adequacy of the information from the

ADO between 30 to 90 days of FAA's receipt, depending upon the workload of the ADO at the time of receipt.

V. PROJECT INFORMATION AND EXTRAORDINARY CIRCUMSTANCE INFORMATION SUBMITTAL:

A. Airport/Sponsor/Address/Contact Information.

B. Proposed Project Description/Purpose & Need for Project.

C. Identify the appropriate category for the proposed project: (1) Approval of a project on an airport layout plan (ALP); (2) Approval of federal funding for airport development; (3) Requests for conveyance of government land; (4) Approval of release of airport land; (5) Approval of the use of passenger facility charges (PFC); (6) Approval of development or construction on a federally obligated airport.

D. Identify the applicable Categorical Exclusion: The proposed project must be specifically identified in Order 1050.1E paragraphs 307 through 312 "Categorical Exclusions" and cannot involve any conditions identified in paragraph 501 (projects normally requiring an EIS); paragraph 401 (projects normally requiring an EA). If the proposal involves extraordinary circumstances, identified in Paragraph 304, explain.

E. Review of Extraordinary Circumstances (FAA Order 1050.1E paragraph 304): Include a description of the project site as it relates to each of the following resource categories:

1. AIR QUALITY – Paragraph 304g. Is the proposed project in an air quality attainment, nonattainment or maintenance area for a specific criteria pollutant? Would the project worsen the air quality? See the EPA Green Book at www.epa.gov/oar/oaqps/greenbk for current nonattainment areas for each criteria pollutant.

2. COASTAL RESOURCES – Paragraph 304c (For Airports in California, Hawaii and Pacific Islands only). Arizona airport sponsors should simply indicate that this impact category is not applicable.

3. DEPARTMENT OF TRANSPORTATION SECTION 4(f) – Paragraph 304b. Would the proposed project directly or indirectly use any land from a public park, recreation area, or wildlife or waterfowl refuge of national, state, or local significance, or land of an historic site of national, state, or local significance? If "yes," describe the proximity of park to project site and explain how much of the park would be affected and why the land is needed.

4. NATURAL RESOURCES AND ENERGY SUPPLY – Paragraph 304c. Would the proposed project affect energy or other natural resource consumption

where demand exceeds the capacity of the supplier? Explain how the sponsor intends to resolve natural resource consumption issues where demand exceeds capacity of the supplier. If the sponsor states demand does not exceed the supply, briefly indicate how this was determined.

5. FARMLANDS – Paragraph 304c. Would the proposed project convert any farmland to non-agricultural uses? If yes, identify the current approved zoning classification for the project area.

6. FISH, WILDLIFE, AND PLANTS – Paragraph 304c. Does the proposed project area contain any federally listed endangered or threatened species of flora and fauna, or designated critical habitat? Describe the site and specific species or habitat designation, if any, and results of any consultation with the U.S. Fish and Wildlife Service or National Marine Fisheries Service, if available.

7. FLOODPLAINS – Paragraph 304c. Would the proposed project be located in, or would it encroach upon, any designated 100-year floodplains? Floodplain maps can be viewed at http://www.hazardmaps.gov/atlas.php.

8. HAZARDOUS MATERIALS, POLLUTION PREVENTION, AND SOLID WASTE -- Paragraph 304k. Would the proposed project require the use of land that may contain hazardous substances or may be contaminated? Identify any documented hazardous materials issues on the project site. (Agencies such as the U.S. Environmental Protection Agency and/or the applicable state environmental agency have publicly available information on their websites that may be of assistance.)

9. HISTORIC, ARCHITECTURAL, ARCHEOLOGICAL, AND CULTURAL RESOURCES – Paragraph 304a and 304j. Does the proposed project affect any documented properties that are prehistoric, historic, archeological, or cultural resources? Provide copy of any prior consultation with the State Historic Preservation Officer (SHPO) and/or Tribal Historic Preservation Officer (THPO) for the proposed project area. If project is in a previously undeveloped site, provide cultural resources survey.

10. NOISE – Paragraph 304f. Would the proposed project increase airport noise over noise-sensitive land uses (e.g., residences, schools, churches, and hospitals)? See Table 1 of 14 CFR Part 150 for descriptions of various noise-sensitive land uses.

11. SECONDARY (INDUCED) IMPACTS – Paragraphs 304d & e. Does the proposed project require relocation of any homes or businesses, or increase off-airport surface traffic congestion? Describe the number of relocations needed for the proposed project.

12. WATER QUALITY – Paragraph 304h. Would the proposed project degrade water quality, including ground water, surface water bodies, or any public water supply systems? Does the sponsor have an airport-wide Storm Water Pollution Prevention Plan (SWPPP), project specific SWPPP? If yes, give date of Plan.

13. WETLANDS - Paragraph 304c. Would the proposed project be built in or near any previously identified jurisdictional wetlands? Briefly indicate how this was determined. If yes, provide any documentation to indicate that the U.S. Army Corps of Engineers has determined if the wetlands are jurisdictional or not.

14. WILD AND SCENIC RIVERS – Paragraph 304c. (AZ, CA & NV only) Would the proposed project be built near or affect a designated Wild and Scenic River? If yes, identify the wild and scenic river segment and distance to the proposed project. See http://www.nps.gov/rivers/wildriverslist.html for additional information.

15. OTHER CONSIDERATIONS – Paragraphs 304d, 304i, 304j, and 304k. Is the proposed project likely to be highly controversial on environmental grounds? Is there organized opposition to the project on environmental grounds? Is the proposed project reasonably consistent with plans, goals, and policies adopted by the community in which the project is located? Is the project likely to directly, indirectly, or cumulatively create a significant impact on the human environment?

APPENDIX 2

FAA GRANT FUNDING PROCESS:

1. Start with the selection of consultant as early as possible (Planning or Engineering service). Follow FAA AC 150/5370-14D requirements. Same applies for land acquisition related to selection of appraiser/review appraiser and environmental consultant (for preparing an EA document).
2. Have your Consulting Services Agreement reviewed and approved by FAA (, as needed).
3. Prepare your application including work identified in your current ACIP that meets your priority. Submit application to your FAA PM/Planner/Environmental Protection Specialist (EPS) with all required documentations. FAA will start programming eligible projects and submit through regular channels to obtain OST clearance. FAA will issue Tentative Allocation (TA) letter after receiving OST clearance.
4. Ensure that all your Disadvantaged Business Enterprise (DBE) and environmental requirements are met for both NEPA and CEQA.
5. Submit your engineering/planning/environmental/appraisal service contract for the specific project considered for funding in current FY to your PM. Obtain FAA approval for awarding contract.
6. Start your design/scope of work (for planning projects), etc. as early as possible.
7. Consultant must follow FAA standards (planning or engineering projects), and schedule pre-design/scope of work meeting, as necessary, with the PM/Planner/EPS.
8. Consult with and address any issues with your PM/Planner/EPS, as deemed necessary during the work process, to ensure work is progressing as expected. For construction projects, consult with your PM to ensure that funds are available for bidding the whole job or if consideration should be given to phase-out the project or multi-year the funding.
9. Provide final plans and specification, chapters of master plans, environmental or noise documents to your assigned FAA representative for review. All necessary documentations must be submitted at the same time.
10. In case of construction project, obtain FAA approval to bid the project and follow all federal/state and local requirements. Keep in mind FAA goals related to Based on Bids (BOB) and time constraints for issuing grants.
11. In case of construction project, open bids and submit tabulations with your recommendation for awarding contact to the FAA. Obtain FAA concurrence for awarding contracts.
12. Submit your final application (revision to the first page and the cost estimate page to reflect BOB information) to the FAA. Include all new necessary certifications, assurances, etc.
13. FAA will issue Grant Offer (GO) to sponsor (in case of planning and environmental - letter immediately after receiving Office of Secretary of Transportation (OST) clearance, and for construction project - after awarding bids and obtaining OST clearances).
14. Grant Offers must be signed and dated by both the official representative of the sponsor and their attorney. Return executed GO to FAA within the established deadlines indicated in the GO and cover letter.

15. At this point in the FAA process, a copy of the executed grant and a cover letter can be sent to Caltrans requesting a State Match grant for 2.5% of the federal grant.
16. Submit the State AIP Matching Application (DOA-0019) immediately upon receipt of the executed FAA grant. Include with your application, a resolution authorizing the application, acceptance of state grant, execution of state grant, and indicate who is designated to sign the state grant offer. Check "Part III" Supporting Documentation for additional items required such as a copy of the fully executed FAA grant, CEQA documentation, and a sketch or ALP of the project area.
17. Increases to the maximum obligation of the United States as specified in the grant agreement may not exceed the following statutory percent limitations:
    a. may not be increased for a planning project;
    b. may be increased by not more than 15 percent for development projects;
    c. may be increased by not more than 15 percent for land projects (primary airports);
    d. may be increased by not more than 15 percent or by an amount not to exceed 25 percent of the total increase in allowable costs attributable to the acquisition of land or interests in land, whichever is greater, based on current credible appraisals or a court award in a condemnation proceeding (nonprimary airports).
18. Obtain FAA approval for all proposed change orders/amendments. Work included in change orders/amendments must not start prior to obtaining FAA approval. Amendments for grant increase will be processed at time of closeout only. Any change to grant description (deletion of work) will be accompanied with prorated reduction in grant amount.
19. Send a copy of the grant amendment to the state for consideration of an amendment. The state will send an AIP Matching amendment to the sponsor.
20. Keep FAA informed of work progress by submitting payments in a timely manner with all supporting information and documentation.
21. Submit progress payment requests to the state once you have received payment from the FAA. Include each FAA payment request (ECHO and Form 271) and proof of each subsequent payment (bank statement, etc.) Indicate in your cover letter the State matching grant number and if this is a progress payment or final payment request. Progress payments will have 10% retention withheld until the project is complete.
22. Make sure to close out State grant after project has been completed, FAA grant has been closed out and final reimbursement payments have been requested.

APPENDIX 3

SPONSOR CONTACT LIST

ACCEPTABLE SPONSOR/CONSULTANT LIST OF SUBMITTALS/ACTIONS				
SUBJECT	ITEM	TO BE SUBMITTED BY SPONSOR	CAN BE SUBMITTED BY CONSULTANT	REMARKS
THIS APPLIES TO CONSULTANTS APPOINTED BY THE SPONSOR AS THEIR REP				
ACIP FORMS		Y	Y/Forms must be signed by sponsor	Consultant could help with preparation
AIP CONSTRUCTION/PLANNING/LAND PROJECTS				
CONSTRUCTION	General Service Agreement (GSA) & Consultant Contract	Y		
	Application/Certification	Y		Can be prepared by consultant
	Cost Estimates	Y	Y	
	Letter of Intent (LOI)/Multi-Year (MY) FUNDING	Y		
	Notice To Proceed (NTP)(DESIGN)	Y		
	Plans & Specifications (P&S) and Certifications	Y	Y (P&S only)	Certifications must be signed by sponsor
	Bids Tabulation	Y	Y	
	Disadvantaged Business Enterprises (DBE)	Y		Can be prepared by consultant
	Bids Award	Y		Request can be prepared by consultant
	Revised Application	Y		Can be prepared by consultant
	Using Letter of Credit (LOC)	Y		
	Grant Offer Execution	Y		
	Inspection/Work Progress Reports	Y	Y	
	Payments	Y		Can be prepared by consultant
	Change Orders	Y		Can be prepared by consultant
	Amendments	Y		Can be prepared by consultant
	Project Close Out	Y		Can be prepared by consultant
	AUDIT	Y		
PLANNING				
	GSA & Consultant Contract	Y		
	Application/Certifications	Y		Can be prepared by consultant

	Cost Estimates	Y	Y	Can be prepared by consultant
	Master Plan (MP) Report	Y	Y	
	Scope of Work	Y	Y	Can be prepared by consultant
	Airport Layout Plan (ALP)	Y	Y	Can be prepared by consultant
	Benefit/Cost (B/C) Analysis	Y	Y	Can be prepared by consultant
	Capacity	Y	Y	Can be prepared by consultant
	Pavement Maintenance	Y	Y	Can be prepared by consultant
	System Planning	Y	Y	Can be prepared by consultant
LAND	Land Acquisition	Y		Could involve consultant/ appraisers, etc.
	Land Release Requests	Y		Could involve consultant/ appraisers, etc.
	Land Donation	Y		Could involve consultant/ appraisers, etc.
PFC	Application	Y		Can be prepared by consultant
	Amendments	Y		Can be prepared by consultant
ENVIRONMENTAL	Noise	Y		Applications/Grant-related documents by sponsor
	Categorical Exclusions (CAT EX)	Y		Consultant could prepare documents that support FAA issuing CAT Ex determination.
	Environmental Assessment (EA)	Y		Applications/Grant-related documents by sponsor or his consultant
	Environmental Impact Statement (EIS)	Y	Y	Applications/Grant-related documents by sponsor or his consultant (see note 5)
AIRSPACE	NRA	Y	Y	Or any proponent
	OE			Air Traffic Division issue.
MISC.	Compliance/Agreements	Y		FBO, OTHERS
	Modification Of Standards (MOF)	Y		Can be prepared by consultant
	Part 139 Issues	Y		Can be prepared by consultant
	Runway Safety Area (RSA)/Runway Safety Action Team (RSAT) Reports & Determinations	Y	**Site visit-inspection**	FAA

NOTES	Following notes apply to all subjects listed above (construction, planning, land, etc.)
1	Yes under the sponsor and/or Consultant column indicates that material can be submitted to the FAA for review by either the sponsor or the sponsor's consultant.
2	For all material submitted by the consultant directly to the FAA, the final product must be signed/approved/concurred on by the sponsor before FAA final acceptance or approval.
3	Consultant must be officially appointed by sponsor as their representative.
4	Although some documents (as listed above) can be submitted by consultants directly to the FAA, any issues related to such projects must be discussed directly by the Sponsor with the FAA and not by the consultant on behalf of the sponsor.
5	The EIS is an FAA document. FAA consultant will prepare the document for the FAA. Sponsor (or their consultant) is expected to provide information such as application Grant document (s) etc. to the FAA as needed.

APPENDIX 4

AIRPORT SPONSOR GRANT EXPECTATIONS GUIDE

AIRPORT SPONSOR GRANT EXPECTATIONS GUIDE	
Airport	Proposed Grant No.
Project(s)	Grant offer anticipated in (year)

(This is an abbreviated guide identifying specific expectations the FAA has as you pursue a federal grant for the project(s) listed above)

3 Years before Construction

Define project(s) scope
Assure project is in State CIP _____
Initiate an Environmental Impact Statement (EIS) _____
Identify funding sources: AIP, PFC, State, Local, other _____
Submit request for project(s), communicate the ODO's and 5 year CIP _____
Determine if any equipment/navaids will be affected _____
Determine if instrument approach(es) will need amended, modified etc. _____
Review Airport Layout Plan and Property Map _____
Review status of all open grants _____

2 Years before Construction

Select consultant (AC 150/5100-14) _____
Hold pre-design/scoping meeting (AC 150/5300-9A) _____
Coordinate environmental review with state and federal agencies _____
Initiate an Environmental Assessment (EA) _____
Update and submit total cost estimate in conjunction w/ annual CIP submission _____
Update ALP and submit for review and approval _____
Initiate Reimbursable Agreement with FAA _____
Initiate Benefit Cost Analysis (BCA) _____
Initiate Letter of Intent (LOI) _____
Submit airspace of project(s) - 7460-1 _____
Conduct obstruction survey _____
Survey Runway Safety Area(s) associated w/ the project (do the RSA(s) meet standards?) _____
Review status of all open grants _____
Submit copy of signed professional services (engineering) contract _____
Submit copy of negotiations & independent fee analysis for contracts > $100k _____
Submit Sponsor Certification for "Selection of Consultants" _____

1 Year before Construction

Update and submit total cost estimate in conjunction w/ annual ODO/CIP submission _____

Develop and submit comprehensive schedule for all grant project(s) _____
Submit environmental coordination or Environmental Assessment _____
Sign reimbursable agreement _____
Submit obstruction survey _____
Initiate approach procedure (new, amendment, modification) request _____
Develop and submit DBE Plan and/or goals to FAA's office of Civil Rights _____
Submit preliminary engineer's report _____
Submit any requests for modification of standards _____
Develop plans and specifications include alternates in accordance with budget _____
Submit plans and specifications including final construction cost estimate _____
Submit Sponsor Certification for "Project Plans and Specifications" _____
Submit Construction Safety Plan for review & airspace coordination (AC 150/5370-2E) _____
Review status of all open grants _____

Implementation Year (Grant Year)

_____
Submit Sponsor Certification for "Equipment/Construction Contracts" _____
Submit Sponsor Certification for "Real Property Acquisition" _____
Submit Sponsor Certification for "Drug-Free Workplace" _____
Conduct pre-bid conference (AC 150/5300-9A) _____
Advertise and bid project(s) _____
Submit Bid Tabulation (and addenda) _____
Submit Grant Application - SF424, 5100-100, narrative, DOT assurances & latest 5010 _____
Execute Grant Offer and return "original"
Apply to State for AIP Matching Grant _____
Submit Construction Management Plan for pavement projects > $250,000 _____
Conduct preconstruction conference _____
Submit pre-construction photographs _____
Submit "Distribution of AIP Costs" on a quarterly basis _____
Submit Quarterly Performance reports _____
Submit Construction Progress and Inspection Reports, FAA Form 5370-1 (quarterly) _____
Submit summary of interim test results (quarterly) _____

Following Implementation Year (Close-Out)

Conduct final inspection _____
Submit summary of change orders _____
Submit Sponsor Certification for "Construction Project Final Acceptance" _____
Submit letter request for Grant Amendment (to cover eligible cost over runs) _____
Submit Real Property Acquisition Certification of Title Evidence _____
Submit Sponsor Uniform Act Certification (see AC 150/5100-17) _____
Submit Planning Report/Study _____
Submit post construction and/or equipment photographs (w/ equipment ID etc.) _____
Submit Final Test and Quality Control report _____
Submit updated property map _____
Submit final "Distribution of AIP Costs"
Close out State AIP Matching Grant _____
Submit Final Report (attach FAA form 5110-17) _____
Conduct OMB A-133 Audit _____

APPENDIX 5

KEY DATES

FISCAL YEAR 2009	Key Dates	FAA	Key Dates	Sponsor	Key Dates	Caltrans Division of Aeronautics
September 2008 (Last Month of Fiscal Year 2008)	**Sept. 30, 2008**	Combined FAA and State Letter goes out to sponsors requesting Airport Capital Improvement Plan (ACIP) for FY2010-2014		Make progress with your newly executed FY08 grants, i.e., construction, consultant selection or contract negotiation for planning, environmental or engineering grants	**Sept. 30, 2008**	Combined FAA and State Letter goes out to sponsors requesting Capital Improvement Plan (CIP) (done every other year in the oddyear). May submit annually however.
October 2008		Internal year-end wrap up, review prior year performance goals, and establish new business plan and performance goals		Prepare your FY2010 to FY2014 ACIP. Please verify that the proposed projects are depicted on your approved ALP		
November 2008		Conduct Joint Planning Conference / ACIP Workshops		Prepare Categorical Exclusion/Extraordinary Circumstance Form for FY2010 projects if you have not prepared one previously		
November 2008			**Nov. 30, 2008**	Submit your FY2010 to FY2014 ACIP, include CatEx for FY2010 projects.		
December 2008		Analyze and Prioritize ACIP				
January 2009				Finalize engineering bid documents for projects you wish AIP participation this year and start preparing for project advertisement.		
February 2009						

March 2009		Letter goes out to sponsors requesting current year grant application		Submit grant application		
April 2009						
May 2009	**May 1, 2009**	Deadline for sponsors to notify to FAA their intent to use their entitlement funds. Carryover unused entitlements.	**May 1, 2009**	Deadline for sponsors to notify to FAA their intent to use their entitlement funds		
June 2009	**June 1, 2009**	FAA takes a snap shot of ACIP for the next three years (FY10-12)		Last days to negotiate construction inspection contract with your consultant and advertise your construction project		
July 2009					**Jul.1, 2009**	Beginning of State's new fiscal year.
August 2009			**Aug 1, 2009**	Recommended last day to open bids & finalize grant amount		
August 2009	**Aug. 15, 2009**	Last day to execute grant agreement and enter grant agreement date into FAA database and closeout existing grants	**Aug. 15, 2009**	Last day to execute grant agreement and enter grant agreement date into FAA database and closeout existing grants	**Aug. 15, 2009**	Once FAA grant is executed, immediately apply to the State for the matching grant.
September 2009	**Sept. 30, 2009**	Combined FAA and State Letter goes out to sponsors requesting Airport Capital Improvement Plan (ACIP) for FY2011-2015		Make progress with your newly executed FY08 grants, i.e., construction, consultant selection or contract negotiation for planning, environmental or engineering grants	**Sept. 30, 2008**	Combined FAA and State Letter goes out to sponsors requesting Capital Improvement Plan (CIP) (done every other year in the odd year). May submit annually however.

Appendix 6 Caltrans A&D Grant : Prepare or Update an ALUCP

ALUC/Sponsor Action	Caltrans Action	CTC Action
	Transmit CIP forms and instructions to ALUCs (biennial).	
Prepare CIP. Transmit to Caltrans.		
	Compile statewide CIP with requests from airports/ALUCs and RTPA input.	
		Adopt CIP.
	Apply priority matrix and funding constraints to the CIP to select projects for the Aeronautics Program (biennial).	
		Adopt Aeronautics Program.
	Notify ALUCs of the adopted Program.	
	Send forms/instructions to the ALUCs with a programmed ALUCP (annual).	
Return DOA-0010 (A&D request) to Caltrans.		
	Review request and forward to CTC.	
		Allocate funds.
	Notify ALUC of the allocation and need to work with the Caltrans Land Use Planner. Encumber funds for the ALUCP.	
Submit work plan to prepare or update ALUCP.		
	Review work plan specifications. Recommend changes. Notify ALUC to initiate bidding for a consultant.	
Receive consultant bids. Submit preference to Caltrans.		
	Approve consultant selection. Prepare Grant Agreement and send to ALUC.	
Accept/sign Grant Agreement and return to Caltrans.		
	Execute Grant Agreement. Notify ALUC to award contract and start work.	
Begin work on ALUCP.		
Note: Project is considered complete when the ALUCP is adopted.		

If the ALUC prepares the ALUCP with its own staff, the contract steps above are not necessary. However, Caltrans would still approve the ALUC's work plan for the ALUCP.

Appendix 7 Caltrans A&D Grant: Construct a Project

Sponsor Action	Caltrans Action	CTC Action
Prepare the ACIP for FAA. Transmit ACIP to FAA and Caltrans (annual).		
	Compile statewide CIP with requests from airports/ALUCs and RTPA input.	
		Adopt CIP.
	Apply priority matrix and funding constraints to the CIP to select projects for the Aeronautics Program (biennial).	
		Adopt Aeronautics Program.
	Notify airports of the adopted Program.	
	Send forms/instructions to sponsors with a programmed project (annual).	
Return DOA-0007 (eligibility certification) and DOA-0010 (A&D request) to Caltrans.		
	Review request and forward to CTC.	
		Allocate funds.
	Notify sponsor of the allocation and need to work with the Caltrans Airport Engineer to complete project design. Encumber funds for the project.	
Submit plans, specifications and estimates (PS&E) for the project to Caltrans.		
	Review PS&E. Recommend changes. Notify sponsor to initiate bidding for construction.	
Receive construction bids. Submit preference to Caltrans.		
	Approve contractor selection. Prepare Grant Agreement and send to sponsor.	
Accept/sign Grant Agreement and return to Caltrans.		
	Execute Grant Agreement. Notify sponsor to award contract and start work.	
Begin construction.		

Appendix 8 Caltrans AIP Matching Grant

Sponsor Action	Caltrans Action	CTC Action
Prepare ACIP for FAA. Transmit ACIP to FAA and Caltrans (annual).		
	Compile statewide CIP with requests from airports/ALUCs and RTPA input. Submit to CTC (biennial).	
		Adopt CIP
		Allocate funds in a set-aside for AIP Matching (annual)
Receive AIP grant. Submit DOA-0007 (eligibility certification) and DOA-0012 (AIP Match) to Caltrans with all supporting documentation (listed in Part III on application).		
	Review application. Determine eligibility, verify CIP entry, etc. Encumber AIP Matching funds for the project if funds are available.	
	Prepare Grant Agreement and send to sponsor.	
Accept/sign Grant Agreement and return to Caltrans.		
	Execute Grant Agreement. Notify sponsor to begin construction.	
Begin construction.		

APPENDIX 9

ACRONYMS

Acronym	Description
AAF	Airway Facilities Service
AC	Advisory Circular
ACEP	Airport Capacity Enhancement Plan
ACIP	Airport Capital Improvement Plan
ADAP	Airport Development Aid Program
ADO	Airport District Office
AFSS	Automated Flight Service Station
AFTIL	Airway Facilities Tower Integration Laboratory
AIP	Airport Improvement Program
ALSF	Approach Lighting System With Sequenced Flashing Lights
AOA	FAA Office of the Administrator
ARM	FAA Office of Rulemaking
ARP	FAA Office of Airports
ASOS	Automated Surface Observing System
ATA	Airline Transport Association
ATC	Air Traffic Control
ATCT	Airport Traffic Control Tower
ATO	Air Traffic Organization
AWOS	Automated Weather Observing System
AWP	Western Pacific Region
AWSS	Automated Weather Sensors System
CAD	Computer Aided Drawing
CATEX	Categorical Exclusion
DME	Distance Measuring Equipment
DOT	Department of Transportation
EA	Environmental Assessment
EIS	Environmental Impact Statement
EPA	Environmental Protection Agency
FAR	Federal Aviation Regulations
FCC	Federal Communications Commission
FONSI	Finding of No Significant Impact
FPO	Flight Procedures Office
FSDO	Flight Standards District Office
FSFO	Flight Standards Field Office
FSS	Flight Service Station
GA	General Aviation
GPS	Global Positioning System
HIRL	High Intensity Runway Lights
IATA	International Air Transport Association

Acronym	Description
ICAO	International Civil Aviation Organization
IFR	Instrument Flight Rules
ILS	Instrument Landing System
INM	Integrated Noise Model
JPDO	Joint Planning & Development Office
kHz	Kilohertz
LAAS	Local Area Augmentation System
LCC	Life Cycle Cost
LIRL	Low Intensity Runway Lights
LOA	Letter of Agreement
LOB	Line Of Business
LOC	Localizer
LOC	Letter of Credit
LOI	Letters of Intent
LOM	Locator Outer Marker
LORAN	Long-Range Navigation
LPV	Lateral Precision Performance with Vertical Guidance
MALSR	Medium-Intensity Approach Lighting System With Runway Alignment Indicator
MAP	Missed Approach Procedure
MAP	Military Airport Program
MHz	Megahertz
MIRL	Medium Intensity Runway Lights
MOA	Military Operations Area
MOU	Memorandum of Understanding
NAS	National Airspace System
NAVAIDS	Navigational Aids
NextGen	Next Generation Air Transportation System
NM	Nautical Mile
NOAA	National Oceanic and Atmospheric Administration
NOTAM	Notice to Airmen
NPIAS	National Plan for Integrated Airport Systems
NPRM	Notice of Proposed Rule Making
ODALS	Omnidirectional Approach Lighting Systems
OE/AAA	Obstruction Evaluation/Airport Airspace Analysis
OEP	Operational Evolution Plan
OM	Outer Marker
OSHA	Occupational Safety and Health Administration
OST	Office of the Secretary of Transportation
PAPI	Precision Approach Path Indicator
PAR	Precision Approach Radar
PATS	Precision Approach Tracking System
PFC	Passenger Facility Charge
PFC	Porous Friction Course

Acronym	Description
PM	Program Manager
POC	Point Of Contact
QA	Quality Assurance
R&D	Research and Development
R,E&D	Research, Engineering and Development
REIL	Runway End Identification Lights
RSAT	Runway Safety Action Team
RSL	Runway Status Light
RVR	Runway Visual Range
RWY	Runway
SOP	Standard Operating Procedure
STOL	Short Take - Off and Landing
TAF	Terminal Area Forecast
TERP	Terminal Instrument Procedures
UHF	Ultra High Frequency
VALE	Voluntary Airport Low Emission Program
VASI	Visual Approach Slope Indicator
VFR	Visual Flight Rules
VHF	Very High Frequency
VLJ	Very Light Jet
VOIP	Voice Over Internet Protocol
VOR	Very High Frequency Omnidirectional Range
VOR/DME	Very High Frequency Omnidirectional Range Colocated with Distance Measuring Equipment
VORTAC	Very High Frequency Omnidirectional Range Colocated Tactical Air
VTOL	Vertical Take-Off and Landing
WAAS	Wide Area Augmentation System
WADGPS	Wide Area Differential Global Positioning System
WAN	Wide Area Network
WSA	Western Service Area
WSC	Western Service Center
WX	Weather