

[Docket No. 6227; Amdt. 151-8]

**PART 151—FEDERAL AID
TO AIRPORTS**

Miscellaneous Amendments

The purposes of this amendment to Part 151 of the Federal Aviation Regulations are to reflect the amendments to the Federal Airport Act (49 U.S.C. 1101-1120) made by P.L. 88-280, and to limit the eligibility of field maintenance equipment buildings as items included in an airport development project under the Federal-aid airport program, as required by section 13(b) of that act. This action is taken on the basis of notice of proposed rule making 64-44 that was published in the FEDERAL REGISTER on October 7, 1964 (29 F.R. 13129).

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The majority of the comments received in response to the notice approved the proposed amendments implementing P.L. 88-280. As stated in the notice, P.L. 88-280 provides for grants for advance planning and engineering; adds Guam to the areas eligible for Federal aid; requires proposals and projects to be reasonably consistent with plans of public agencies for the development of the area; requires sponsor assurances as to restricting the use of land adjacent to the airport to purposes compatible with airport operations; authorizes record keeping requirements; and provides for access to sponsor records for audit and examination. The Federal Aviation Agency proposed to implement P.L. 88-280 by adding to Part 151 a new Subpart D—Rules and Procedures for Advance Planning and Engineering Proposals, and a new § 151.26, *Procedures: application; compatible land use information*; and by amending several existing sections of Part 151. Several editorial changes to affected sections were also proposed.

Several comments dealt with amendments affecting existing sections of Part 151. Proposed § 151.3 was objected to because it limits the eligibility for Federal-aid airport program grants to work at an airport included in the National Airport Plan. However, under section 9(a) of the act, only work at an airport that is listed in the National Airport Plan is eligible for a Federal-aid airport program grant.

One comment objected that the proposed provisions of § 151.5(d) relating to stage construction and those of § 151.7(b) relating to consolidation of small projects are inconsistent. These provisions as proposed in the notice are substantively the same as they were before. Section 151.7(b) requires consolidation of small projects to save administrative expense. Section 151.5(d) provides for the division of projects, not into smaller projects but into successive stages of development over 2 or more fiscal years because Federal funds appropriated for aid to airports in any year should not be tied up for payments to become due on a project in later years but should, if possible, be used in that year for other projects. Thus, there is no inconsistency.

Amended section 9(d)(1) of the Federal Airport Act states: "All such projects and advance planning and engineering proposals shall be subject to the approval of the Administrator, which approval shall be given only if he is satisfied that the project or advance planning and engineering proposal is reasonably consistent with plans (existing at the time of approval of the project or advance planning and engineering proposal) of public agencies for the development of the area in which the airport is located and will contribute to the accomplishment of the purposes of this Act * * *." The Agency proposed to implement the statutory requirement by adding new subparagraph (4) to § 151.39(a), and by a new § 151.129(b) in new Subpart D. One comment suggested that a better course for the Agency would be to require local agencies to tailor their plans to the airport development program. While such vol-

untary action by local agencies may bring about the consistency contemplated by the act, section 9(d)(1) does not authorize the Agency to "require" it. However, §§ 151.39(a)(4) and 151.129(b) are modified from the proposed provision to reflect all of the language quoted above from section 9(d)(1). These sections are otherwise unchanged.

Several comments were received on proposed new Subpart D that relates exclusively to advance planning and engineering grants now authorized by new section 8 of the act. Some comments object to proposed § 151.111(c)(1), that excludes airports identified in the National Airport Plan as large or medium hubs served by air carrier service from eligibility for advance planning and engineering grants. The Agency adheres to its determination that grants for advance planning and engineering be limited to airports in smaller communities that may otherwise find it difficult to properly plan an airport development project because of the limited availability of necessary funds. Sponsors of airport development projects at large or medium hub airports can be expected to advance these initial costs of planning and engineering. Most advance planning and engineering costs are eligible for inclusion in the resulting airport development project under § 151.41, if there was no advance planning and engineering grant.

New § 151.121 states in full sponsor's assurance that it will comply with the exclusive rights provision of section 308(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1349(a)). This section was not proposed in its present form in Notice 64-44, but, in proposed § 151.119(b)(1) (renumbered as § 151.131(b)(1) herein), the Agency stated that sponsors of advance planning and engineering proposals would be required to give this assurance in Part I of the Advance Planning Agreement, FAA Form 3732. Since the assurance is stated in full here, it can be incorporated by reference into Part I of the Advance Planning Agreement. Thus, there is no substantive change from the notice.

Section 151.123 is adopted as proposed in the notice. One comment expressed concern that § 151.123(a) might prevent the inclusion of advance planning and engineering costs in airport development projects under § 151.41. Of course, advance planning costs will not be eligible for inclusion in an airport development project if they were included in an advance planning and engineering proposal grant. However, where the sponsor is not eligible, or has not applied, for an advance planning and engineering grant, advance planning costs are eligible for inclusion in an airport development project grant under § 151.41. It may bear re-emphasizing that costs incurred before the advance planning agreement is executed are not eligible for inclusion in the advance planning grant.

Several comments suggested that certain additional advance planning cost items be listed in § 151.125(b). These cost items were airport location studies to assure compatibility with air traffic control and navigation aid requirements, airport capacity and delay analyses at the

planning stage, property line surveys, and aerial surveys. All these specific items are deemed to be included in the general categories of allowable costs stated in § 151.125(b), as adopted. The list is not an exclusive enumeration. However, the Agency has added a new subparagraph (6) to § 151.125(b) to make incidental costs eligible, that would not have been incurred otherwise, and that are necessary to accomplish the proposal. Except for this addition, § 151.125 is adopted as proposed in the notice.

The Agency has added a reference in § 151.131(a) to the sponsor's representation that it will comply with new Part 15 of the Federal Aviation Regulations. Part 15, *Nondiscrimination in Federally Assisted Programs of the Federal Aviation Agency—Effectuation of Title VI of the Civil Rights Act of 1964*, adopted by the Administrator and approved by the President, was effective on January 30, 1965 (29 F.R. 19238). Section 15.7 requires each sponsor to give an assurance at the time of application for Federal financial assistance that it will comply with Part 15. This assurance is contained in Part II of the Advance Planning Proposal, FAA Form 3731. This reference does not involve any substantive change.

Other editorial changes not involving any substantive amendments are included in the amendments implementing P.L. 88-280. For example, the sections in new Subpart D are renumbered, and an unnecessary citation in § 151.57(b) is deleted.

Also contained in notice 64-44 was a proposed amendment to § 151.93(a) which would make field maintenance equipment buildings eligible items for inclusion in airport development projects in only 15 specific States listed. Several comments objected to the idea of limiting in any way Federal-aid airport program participation in the construction of field maintenance equipment buildings. However, section 13(b) of the act, as amended, provides: " * * * The following shall not be allowable project costs: * * * (2) The cost of construction of any part of an airport building except such of those buildings intended to house facilities or activities directly related to the safety of persons at the airport." Applied to field maintenance equipment buildings, this Congressional mandate makes them eligible items only to the extent that they house snow removal and abrasive spreading equipment and provide minimum protection for sand and other abrasive material, and only where the climate is such that, unless the equipment and abrasives are housed, immediate availability under extreme weather conditions is not assured. Otherwise, the direct relation to the safety of persons at the airport, which the act requires, does not exist. Fire and rescue equipment buildings continue to be eligible items in any airport development project, but any buildings are ineligible that do not relate directly to the safety of persons at the airport.

One comment suggested that the Agency should use an additional criterion based on snowfall. However, while the amount of snowfall in an area deter-

mines the need for the snow removal and abrasive spreading equipment, and for the abrasive material, it is the extreme low temperature in an area that causes the need for housing the equipment and material to assure its immediate availability. Therefore, the Agency retains the criterion stated in the notice as the sole criterion.

However, the Agency has adopted another amendment urged in several comments to § 151.93(a). These comments argued that by basing eligibility of airports on the mean daily minimum temperature of entire States, the Agency failed to take into account that local areas, in States not eligible in their entirety, may meet or exceed the climatic criterion. Several States have winter climates that vary from relatively mild areas to severely cold areas. Accordingly, the Agency has added a provision that permits field maintenance equipment buildings to be included in an airport development project on any airport located in an area that meets the temperature criterion. The sponsor must show that the area had a mean daily minimum temperature of zero degrees Fahrenheit, or less, for at least 20 days each year for the 5 years preceding its application. This showing is based on U.S. Department of Commerce Weather Bureau statistics if they are available, or, if these statistics are not available, upon other evidence satisfactory to the Administrator.

In consideration of the foregoing, effective July 23, 1965, Part 151 of Chapter I of Title 14 of the Code of Federal Regulations is amended as hereinafter set forth.

(Secs. 1-15 and 17-21, Federal Airport Act; 49 U.S.C. 1101-1114, and 1116-1120, and sec. 308(a), Federal Aviation Act of 1958; 49 U.S.C. 1349(a))

Issued in Washington, D.C., on June 16, 1965.

N. E. HALABY,
Administrator.

1. By amending § 151.3 to read as follows:

§ 151.3 National airport plan.

(a) Under the Federal Airport Act, the FAA prepares each year a "National Airport Plan" for developing public airports in the United States, Puerto Rico, the Virgin Islands, and Guam. In terms of general location and type of development, the National Airport Plan specifies the maximum limits of airport development that is necessary to provide a system of public airports adequate to anticipate and meet the needs of civil aeronautics.

(b) If, within the forecast period, an airport will have a substantial aeronautical necessity, it may be included in the National Airport Plan. Only work on an airport included in the current Plan is eligible for inclusion in the Federal-aid Airport Program to be undertaken within currently available appropriations and authorizations. However, the inclusion of an airport in the National Airport Plan does not commit the United States to include it in the Federal-aid Airport Program. In addition,

the local community concerned is not required to proceed with planning or development of an airport included in the National Airport Plan.

2. By amending § 151.5 to read as follows:

§ 151.5 General policies.

(a) *Airport layout plan.* As used in this part, "airport layout plan" means the basic plan for the layout of an eligible airport that shows, as a minimum—

(1) The present boundaries of the airport and of the offsite areas that the sponsor owns or controls for airport purposes, and of their proposed additions;

(2) The location and nature of existing and proposed airport facilities (such as runways, taxiways, aprons, terminal buildings, hangars, and roads) and of their proposed modifications and extensions; and

(3) The location of existing and proposed non-aviation areas, and of their existing improvements.

All airport development under the Federal-aid Airport Program must be done in accordance with an approved airport layout plan. Each airport layout plan, and any change in it, is subject to FAA approval. The Administrator's signature on the face of an original airport layout plan, or of any change in it, indicates FAA approval. The FAA approves an airport layout plan only if the airport development is sound and meets applicable requirements.

(b) *Safe, useful, and usable unit.* Except as provided in paragraph (d) of this section, each advance planning and engineering proposal or airport development project must provide for the planning or development of—

(1) An airport or unit of an airport that is safe, useful, and usable; or

(2) An additional facility that increases the safety, usefulness, or usability of an airport.

(c) *National defense needs.* The needs of national defense are fully considered in administering the Federal-aid Airport Program. However, approval of an advance planning and engineering proposal or a project application is limited to planning or airport development necessary for civil aviation.

(d) *Stage development.* In any case in which airport development can be accomplished more economically under stage construction, federal funds may be programmed in advance for the development over two or more years under two or more grant agreements. In such a case, the FAA makes a tentative allocation of funds for both the current and future fiscal years, rather than allocating the entire federal share in one fiscal year. A grant agreement is made only during the fiscal year in which funds are authorized to be obligated. Advance planning and engineering grants are not made under this paragraph.

3. By amending § 151.7 to read as follows:

§ 151.7 Grants of funds: general policies.

(a) *Compliance with sponsorship requirements.* The FAA authorizes the expenditure of funds under the Federal-

aid Airport Program for airport planning and engineering or for airport development only if the Administrator is satisfied that the sponsorship requirements have been or will be met under existing and proposed agreements with the United States with respect to the airport involved.

(b) *Small proposals and projects.* Unless there is otherwise a special need for United States participation, the FAA includes an advance planning and engineering proposal or an airport development project in the Federal-aid Airport Program only if—

(1) The advance planning and engineering proposal involves more than \$1,000 in United States funds; and

(2) The project application involves more than \$5,000 in United States funds.

Whenever possible, the sponsor must consolidate small projects on a single airport in one grant agreement even though the airport development is to be accomplished over a period of years.

(c) *Previously obligated work.* Unless the Administrator specifically authorizes it, no advance planning and engineering proposal or project application may include any planning, engineering, or construction work included in a prior agreement with the United States obligating the sponsor or any other non-United States public agency to do the work, and entitling the sponsor or any other non-United States public agency to payment of United States funds for all or part of the work.

4. By amending the heading of Subpart B to read as follows:

Subpart B—Rules and Procedures for Airport Development Projects

5. By adding a new § 151.26 to Subpart B, to read as follows:

§ 151.26 Procedures: applications; compatible land use information.

Each sponsor must state in its application the action that it has taken 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 take-off of aircraft. The sponsor's statement must include information on—

(a) Any property interests (such as airspace easements or title to airspace) acquired by the sponsor to assure compatible land use, or to protect or control aerial approaches;

(b) Any zoning laws enacted or in force restricting the use of land adjacent to or in the vicinity of the airport, or assuring protection or control of aerial approaches, whether or not enacted by the sponsor; and

(c) Any action taken by the sponsor to induce the appropriate government authority to enact zoning laws restricting the use of land adjacent to or in the vicinity of the airport, or assuring protection or control of aerial approaches, when the sponsor lacks the power to zone the land.

§ 151.27 [Amended]

6. By amending paragraph (b) of § 151.27 as follows:

a. By striking out the words "master plan layout" in subparagraphs (1) and (2) and inserting the words "airport layout plan" in place thereof.

b. By striking out the words "this Part" in subparagraph (2) and inserting the words "Subparts B and C" in place thereof.

§§ 151.31, 151.33, 151.41, 151.54, 151.67 [Amended]

7. By amending §§ 151.31, 151.33, 151.41, 151.54, and 151.67, by striking out the words "this Part" wherever they appear therein and inserting the words "Subparts B and C" in place thereof.

§ 151.35 [Amended]

8. By amending § 151.35 as follows:

a. By amending the heading to read as follows:

§ 151.35 *Airport development and facilities to which Subparts B and C apply.*

b. By striking out the words "this Part" in paragraphs (a) and (b) and inserting the words "Subparts B and C" in place thereof.

§ 151.37 [Amended]

9. By amending § 151.37 as follows:

a. By striking out the words "the Virgin Islands," in paragraph (a) and inserting the words "the Virgin Islands, Guam," in place thereof.

b. By striking out the words "this Part" in subparagraph (3) of paragraph (b) and inserting the words "Subparts B and C" in place thereof.

c. By amending the last sentence of the section to read as follows:

For the purpose of paragraph (a) of this section, the United States, or an agency thereof, is not eligible for a project under Subparts B and C, unless the project—

(1) Is located in Puerto Rico, the Virgin Islands, or Guam;

(2) Is in or is in close proximity to a national park, a national recreation area, or a national monument; or

(3) Is in a national forest or a special reservation for United States purposes.

§ 151.39 [Amended]

10. By amending § 151.39 as follows:

a. By redesignating subparagraphs (4) and (5) of paragraph (a) as subparagraphs (5) and (6).

b. By adding new subparagraph (4) to paragraph (a) to read as follows:

(4) The Administrator is satisfied that the project is reasonably consistent with existing plans of public agencies for the development of the area in which the airport is located and will contribute to the accomplishment of the purposes of the Federal-aid Airport Program;

c. By striking out the words "this Part" in paragraphs (a) and (b) and inserting the words "Subparts B and C" in place thereof.

d. By adding a new paragraph (c) to read as follows:

(c) A project for acquiring land that has been or will be donated to the sponsor

is not eligible for inclusion in the Federal-aid Airport Program, unless the project also includes other items of airport development that would require a sponsor's contribution equal to or more than the United States share of the estimated value of the donated land.

§ 151.55 [Amended]

11. By amending § 151.55(d) to read as follows:

(d) The sponsor shall allow the Administrator and the Comptroller General of the United States, or an authorized representative of either of them, access to any of its books, documents, papers, and records that are pertinent to grants received under the Federal-aid Airport Program for the purposes of accounting and audit. Appropriate FAA personnel may make progress audits at any time during the project, upon notice to the sponsor. If work is suspended on the project for an appreciable period of time, an audit will be made before any semi-final payment is made. In each case an audit is made before the final payment.

§ 151.57 [Amended]

12. By amending § 151.57 by striking out the citation "(29 CFR 5.6(a)(1))" at the end of paragraph (b).

13. By amending the heading of Subpart C to read as follows:

Subpart C—Project Programming Standards

§§ 151.73, 151.75 [Amended]

14. By amending §§ 151.73, and 151.75, and Appendices A and D, by striking out the words "master plan layout" wherever they appear therein and inserting the words "airport layout plan" in place thereof.

§ 151.87 [Amended]

15. By amending § 151.87 by striking out the reference "§ 151.25" in paragraph (d) and inserting the reference "§ 151.43 (d)" in place thereof.

16. By amending paragraph (a) of § 151.93 to read as follows:

§ 151.93 **Buildings; utilities; sidewalks; parking areas; and landscaping.**

(a) Only buildings or parts of buildings intended to house facilities or activities directly related to the safety of persons at the airport, including fire and rescue equipment buildings, are eligible items under the Federal-aid Airport Program. To the extent they are necessary to house snow removal and abrasive spreading equipment, and to provide minimum protection for abrasive materials, field maintenance equipment buildings are eligible items—

(1) In any airport development project in the State of Alaska, Colorado, Idaho, Iowa, Montana, Michigan, Maine, Minnesota, Nebraska, New Hampshire, North Dakota, South Dakota, Vermont, Wisconsin, or Wyoming; and

(2) In any airport development project for an airport in a location having a mean daily minimum temperature of zero degrees Fahrenheit, or less, for at least 20 days each year for the 5 years

preceding the year when Federal aid is requested under § 151.21(a), based on the statistics of the U.S. Department of Commerce Weather Bureau if available, or other evidence satisfactory to the Administrator.

§ 151.95 [Amended]

17. By amending paragraph (g) of § 151.95 by striking out the reference "§ 151.89" in subparagraph (1) and inserting the reference "§ 151.91" in place thereof.

18. By adding a new Subpart D to read as follows:

Subpart D—Rules and Procedures for Advance Planning and Engineering Proposals

Sec.

151.111 Advance planning proposals: general.

151.113 Advance planning proposals: sponsor eligibility.

151.115 Advance planning proposals: co-sponsorship and agency.

151.117 Advance planning proposals: procedures; application.

151.119 Advance planning proposals: procedures; funding.

151.121 Procedures: offer; sponsor assurances.

151.123 Procedures: offer; amendment; acceptance; advance planning agreement.

151.125 Allowable advance planning costs.

151.127 Accounting and audit.

151.129 Payments.

151.131 Forms.

AUTHORITY: The provisions of this Subpart D issued under secs. 1-15 and 17-21, Federal Airport Act; 49 U.S.C. 1101-1114, and 1116-1120; and sec. 308(a), Federal Aviation Act of 1958; 49 U.S.C. 1349(a).

§ 151.111 **Advance planning proposals: general.**

(a) Each advance planning and engineering proposal must relate to an airport layout plan or plans and specifications for the development of a new airport, or the further development of an existing airport. Each proposal must relate to a specific airport, either existing or planned, and may not be for general area planning.

(b) Each proposal for the development or further development of an airport must have as its objective either the development of an airport layout plan, under § 151.5(a), or the development of plans designed to lead to a project application, under §§ 151.21(c) and 151.27, or both.

(c) Each proposal must relate to planning and engineering for an airport that—

(1) Is in a location shown on the National Airport Plan; and

(2) Is not identified in the National Airport Plan as served by scheduled air carrier service in a large or medium hub.

(d) Each proposal must relate to future airport development projects eligible under Subparts B and C.

§ 151.113 **Advance planning proposals: sponsor eligibility.**

The sponsor of an advance planning and engineering proposal must be a public agency, as defined in § 151.37(a).

and must be legally, financially, and otherwise able to—

(a) Make the certifications, representations, and warranties required in the advance planning proposal, FAA Form 3731;

(b) Enter into and perform the advance planning agreement;

(c) Provide enough funds to pay all estimated proposal costs not borne by the United States; and

(d) Meet any other applicable requirements of the Federal Airport Act and this subpart.

§ 151.115 Advance planning proposals: cosponsorship and agency.

Any two or more public agencies desiring to jointly participate in an advance planning proposal may cosponsor it. The cosponsorship and agency requirements and procedures set forth in § 151.33, except § 151.33(a)(1), also apply to advance planning proposals. In addition, the sponsor eligibility requirements set forth in § 151.113 must be met by each participating public agency.

§ 151.117 Advance planning proposals: procedures; application.

(a) Each eligible sponsor desiring to obtain federal aid for the purpose of advance planning and engineering must submit a completed FAA Form 3731, "Advance Planning Proposal", to the District Airport Engineer whose office is in the district where the sponsor is located.

(b) The airport layout plan, if in existence, must accompany the advance planning proposal. If the advance planning proposal includes preparation of plans and specifications, enough details to identify the items of development to be covered by the plans and specifications must be shown. The proposal must be accompanied by evidentiary material establishing the basis for the estimated costs under the proposal, such as an offer from an engineering firm containing a schedule of services and charges therefor.

§ 151.119 Advance planning proposals: procedures; funding.

The funding information required by § 151.23, except the last sentence, also is required in connection with an advance planning proposal. The sponsor's share of estimated proposal costs may not consist of or include the value of donated labor, materials, or equipment.

§ 151.121 Procedures: offer; sponsor assurances.

Each sponsor must adopt the following covenant implementing the exclusive rights provisions of section 308(a) of the Federal Aviation Act of 1958, that is incorporated by reference into Part I of the Advance Planning Agreement:

The sponsor will not grant or permit any exclusive right for the use of the airport forbidden by section 308(a) of the Federal Aviation Act of 1958, and will otherwise comply with all applicable laws. In furtherance of the policy of FAA under this covenant, the sponsor agrees that, unless authorized by the Administrator, it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right for the conduct of any aeronauti-

cal activities on the airport, including but not limited to, charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity. The sponsor further represents that it can, and agrees that it will, take positive steps to terminate any such existing exclusive right by July 17, 1967 or at the earliest renewal or cancellation date applicable to the exclusive right agreement, whichever occurs first. However, the prohibition against granting or permitting an exclusive right as set forth herein in no way alters the rights or obligations of the sponsor under a surplus property instrument of transfer pursuant to which surplus property was conveyed to the sponsor by the United States pursuant to section 13(g) of the Surplus Property Act of 1944 (50 U.S.C. 1622(g)).

§ 151.123 Procedures: offer; amendment; acceptance; advance planning agreement.

(a) The procedures and requirements of § 151.29 also apply to approved advance planning proposals. FAA's offer and the sponsor's acceptance constitute an advance planning grant agreement between the sponsor and the United States. The United States does not pay any of the advance planning costs incurred before the advance planning grant agreement is executed.

(b) No grant is made unless the sponsor intends to begin airport development within three years after the date of sponsor's written acceptance of a grant offer. The sponsor's intention must be evidenced by an appropriate written statement in the proposal.

§ 151.125 Allowable advance planning costs.

(a) The United States' share of the allowable costs of an advance planning proposal is stated in the advance planning grant agreement, but is not more than 50 percent of the total cost of the necessary and reasonable planning and engineering services.

(b) The allowable advance planning costs consist of planning and engineering expenses necessarily incurred in effecting the advance planning proposal. Allowable cost items include—

- (1) Location surveys, such as preliminary topographic and soil exploration;
- (2) Site evaluation;
- (3) Preliminary engineering, such as stage construction outlines, cost estimates, and cost/benefit evaluation reports;
- (4) Contract drawings and specifications;
- (5) Testing; and
- (6) Incidental costs incurred to accomplish the proposal, that would not have been incurred otherwise.

(c) To qualify as allowable, the advance planning costs paid or incurred by the sponsor must be—

- (1) Reasonably necessary and directly related to the planning or engineering included in the proposal as approved by FAA;

- (2) Reasonable in amount; and
- (3) Verified by sufficient evidence.

§ 151.127 Accounting and audit.

The requirements of § 151.55 relating to accounting and audit of project costs are also applicable to advance planning proposal costs. However, the requirement of segregating and grouping costs applies only to § 151.55(a)(5) and (7) classifications.

§ 151.129 Payments.

(a) The United States' share of advance planning costs is paid in two installments unless the advance planning grant agreement provides otherwise. Upon request by sponsor, the first payment may be made in an amount not more than 50 percent of the maximum obligation of the United States stipulated in the advance planning grant agreement upon certification by sponsor that 50 percent or more of the proposed work has been completed. The final payment is made upon the sponsor's request after—

(1) The conditions of the advance planning grant agreement have been met;

(2) Evidence of cost of each item has been submitted; and

(3) Audit of submitted evidence or audit of sponsor's records, if considered desirable by FAA, has been made.

(b) When the advance planning proposal relates to the selection of an airport site, the advance planning grant agreement provides that Federal funds are paid to the sponsor only after the site is selected and the Administrator is satisfied that the site selected for the airport is reasonably consistent with existing plans of public agencies for development of the area in which the site is located, and will contribute to the accomplishment of the purposes of the Federal-airport Program.

§ 151.131 Forms.

The forms used for the purpose of obtaining an advance planning and engineering grant are as follows:

(a) *Advance planning proposal, FAA Form 3731 (1) Part I.* This part of the form contains a request for the grant of Federal funds under the Federal Airport Act for the purpose of aiding in financing a proposal for the development of an airport layout plan or plans, or both, designed to lead to a project application, with spaces provided for inserting information needed for considering the request, including the location of the airport, a description of the plan or plans to be developed, and the estimate of planning and engineering costs.

(2) *Part II.* This part of the form includes the sponsor's representation that it will comply with the provisions of Part 15 of the Federal Aviation Regulations (14 CFR Part 15), and representations concerning its legal authority to undertake the proposal, the availability of funds for its share of the proposal costs, its intention to initiate construction of a safe, useful and usable airport facility shown on an airport layout plan developed under the proposal, or initiate the construction of the item or items of airport development shown on the plans

developed under the proposal and designed to lead to a project application, or both, within three years after the date of acceptance of the offer. It also includes the sponsor's representation as to the method of financing the intended construction, approval of other agencies, defaults, possible disabilities, and a statement concerning acceptance to be executed by the sponsor and certified by its attorney.

(b) *Advance planning agreement, FAA Form 3732*—(1) *Part I*. This part of the form contains an offer by the United States to pay a specified percentage not to exceed 50% of the allowable proposal costs, as described therein, on specific terms relating to the carrying out of the proposal, allowability of costs, payment of the United States' share and sponsor's agreement to comply with the exclusive rights provision of section 308(a) of the Federal Aviation Act of 1958.

(2) *Part II*. This part of the form contains the acceptance of the offer by the sponsor, execution of the acceptance by the sponsor, and the certification by the sponsor's attorney.

[F.R. Doc. 65-6560; Filed, June 22, 1965;
8:46 a.m.]