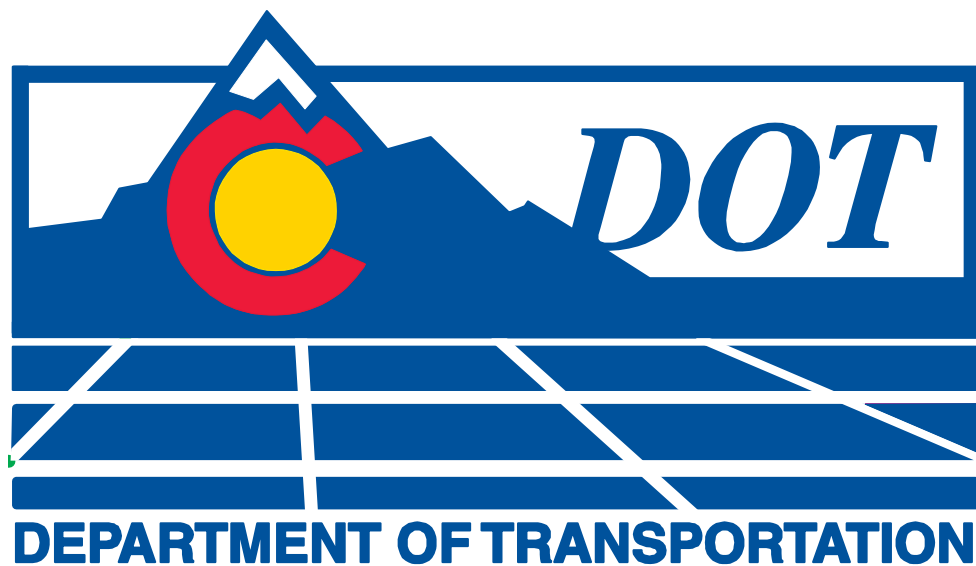


Colorado Division of Aeronautics
Discretionary Grant Program Manual



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Version 3.0

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1. Discretionary Grant Program Overview

1.1. About this document

The purpose of this document is to give an overview on how the Colorado Division of Aeronautics and Colorado Aeronautical Board administer the Colorado Discretionary Aviation Grant program. This should be used as a resource for airport managers and airport sponsors across Colorado. This document will provide an overview on how the grant program operates, from application to project close out, and what is expected of the grantees. It will also explain the role of the Aeronautics Division and Colorado Aeronautical Board, by detailing the processes that they are responsible for when administering grants. This document will not address every individual grant or grant question, the Division staff is always available for those questions.

1.1.1. Definitions

- “ADO” **Airports District Office.** The local FAA office that disburses AIP grants to FAA eligible airports in Colorado.
- “AIP” **Airport Improvement Program.** The program that the FAA uses to give grants to eligible airports.
- “CAB” **Colorado Aeronautical Board.** A seven member board appointed by the Governor of Colorado, whose purpose is to administer the aviation fund and establish policies for growth and development of aviation in Colorado.
- “CASP” **Colorado Aviation System Plan.** This is a planning document that provides an inventory of aviation and also projects future aviation demand throughout Colorado.
- “CDAG” **Colorado Discretionary Aviation Grant.** Refers to the grant program or a specific grant given by the CDOA and CAB.
- “CDOA” **Colorado Division of Aeronautics.** The division within the Department of Transportation, whose focus is on aviation across Colorado.
- “CDOT” **Colorado Department of Transportation.** The State of Colorado’s Department that handles everything transportation related.

- “CIP” **Capital Improvement Plan.** A five year planning document used by both the FAA and CDOA.
- “DIA” **Denver International Airport.** The commercial service airport that serves the Denver metropolitan area.
- “DPA” **Department of Personnel and Administration.** The department that creates the contracts for other Colorado governmental agencies.
- “FAA” **Federal Aviation Administration.** The National Administration who is responsible for aviation on a national level.
- “PCI” **Pavement Condition Indexing.** A planning document used by both the FAA and CDOA to evaluate condition of airport pavements

1.2. Program Structure

The CDAG program was developed to maintain and improve the statewide system of aviation and airports. This is achieved by awarding grants that help meet individual airport and statewide aviation targets and needs.

1.3. Eligibility for Discretionary Grants

Eligibility for discretionary grant funding is dictated by C.R.S 43-10-108.5, it reads as follows.

43-10-108.5. State aviation system grant program.

Any entity operating an FAA-designated public-use airport may apply to the division for a state aviation system grant to be used solely for aviation purposes. Applications shall contain such information as may be required by the division and shall be filed in accordance with procedures established by the division. In order to be eligible for a grant, the applicant must demonstrate, to the satisfaction of the division, that the grant shall be used solely for aviation purposes as defined in section 43-10-102 (3). The division shall evaluate grant applications based upon criteria established by the division and make recommendations to the board on the awarding of grants. Any grant proposed by the board shall be submitted to the governor's office for review and recommendation prior to a final decision. The governor shall accomplish his review and recommendation within thirty days of submittal of the grant proposal by the board. The board shall make final decisions on the awarding of grants subject to the availability of moneys in the aviation fund created in section 43-10-109. The board shall establish procedures to ensure that grants awarded pursuant to the provisions of this section are used solely for aviation purposes as required by this subsection (2).

(5) In addition to grants authorized pursuant to subsection (2) of this section, the division itself may be a recipient of a state aviation system grant, but only for the purposes of implementing a statewide aviation project that would not otherwise be implemented by an entity operating an FAA-designated public-use airport. Any application for such a grant shall be submitted to the Governor's office for review and recommendation prior to a final decision. The Governor shall accomplish his review and recommendation within thirty days of submittal of the proposal by the board. The board shall make final decisions on the awarding of grants to the division for a statewide aviation project subject to the availability of moneys in the statewide aviation fund created in section 43-10-109.

The CDOA maintains a CIP that lists the anticipated Division grants/projects throughout each fiscal year. The CIP is a part of the annual budget process and unless special situations exist all Division grant requests will be done at the beginning of each fiscal year. Special situations include, projects involving FAA funds which will need to be done throughout the year as the FAA dollars become available for those grants/projects. All Division grants are evaluated against the same criteria as an airport grant.

1.4. Guiding Statutes

The CDOA and CAB operate under C.R.S 43-10-103 through 43-10-116.

1.5. Funding for the Discretionary Grant Program

Funding for the CDOA and the CAB come exclusively from tax on aviation fuel. There are two types of fuel that are taxed, AVGAS for piston driven aircraft and jet fuel for turbine type aircraft. There are two types of tax on these fuels, excise and sales. AVGAS has a .06 cents per gallon excise tax. Non-airline jet fuel has .04 cents per gallon excise tax. All jet fuel is subject to a 2.9% sales tax on the retail price. In addition to the discretionary grants that airports can receive as a benefit of these taxes, they also receive airport formula reimbursements.

Airport formula reimbursements are the portion of the tax that is collected at an airport, which is then returned directly to the airport on which the fuel was sold. The airport is reimbursed the full .04 cents per gallon jet fuel excise tax; they are also reimbursed .04 cents per gallon of the AVGAS excise tax. The sales tax on jet fuel is reimbursed at a rate of 65% of the total sales tax that was collected.

The remaining amount of tax that is collected and not reimbursed to the airports is used for the operation of the CDOA and CAB and the discretionary grant program. This funding comes from the remaining .02 cents per gallon AVGAS excise and the remaining 35% of the sales tax on jet fuel. The administration of the CDOA and CAB per statute cannot exceed 5% of the total tax

collections. The remaining money that is not used for administration is used for the discretionary grant program.

All tax collection and reimbursement rates are set by statute in C.R.S 43-10. All fuel tax disbursements either, airport formula refund or discretionary grant, must be used for aviation purposes.

2. Division of Aeronautics and Colorado Aeronautical Board Responsibilities

2.1. Division of Aeronautics Responsibilities

Mission Statement: “In support of the Colorado Department of Transportation’s development of a forward-looking multi-modal transportation system in the 21st century, the Colorado Division of Aeronautics shall promote partnering with its public and private constituents to enhance aviation safety, aviation education and the development of an effective air transportation system through the efficient administration of the Aviation Fund.”

In order to carry out the mission statement as well as live up to our statutory responsibility, this portion of the Grant Management Manual will identify the duties and responsibilities of the CDOA staff. The staff is always available as a resource to any current or potential grantee to answer any questions they have about the CDAG Program.

2.1.1. Statewide Planning Documents

The purpose of maintaining statewide planning documents is to design a strategic approach that maximizes available funds. Although there are many more planning documents that are used as recourses by the CDOA, the three discussed below provide the greatest amount of information on a statewide level and are relied upon the most.

- Colorado Aviation System Plan (CASP)

The system plan document provides an inventory of the current facilities and projects future demand and need throughout the system. It establishes goals and objectives to help meet the future demand. The CASP is updated on a five year schedule, but is subject to available funding.

The CASP is one of the documents used in the process of evaluating and prioritizing grant requests by the CDOA staff. The system plan establishes goals that if met, will help improve the efficiency, safety and long term viability of the Colorado aviation system. A copy of the most recent CASP Executive Summary is available at: http://colorado-aeronautics.org/SystemPlan/Colorado_ExecutiveSummary%201.pdf

- Capital Improvement Plan (CIP)

The CIP process starts with the CDOA sending a letter and a copy of the most recent CIP to each airport in the spring of the year. The airport is asked to make their requested changes to the CIP and return it to the CDOA. Those airports that are eligible for AIP funds also send a copy to the FAA. Each airport's CIP is reviewed internally and evaluated against available funding and airport needs and then any necessary changes are made to their CIP. The CDOA next meets with the FAA to discuss the CIP's of those airports eligible for AIP funds. Throughout this process and at the completion there is discussion and correspondence with airports about their CIP's. An updated CIP is returned to the airports prior to the CDAG application process. This is an annual process. The CIP process is discussed in more detail in Chapter 4.

- Pavement Condition Indexing (PCI)

In conjunction with a grant from the FAA, the CDOA maintains a pavement management plan for all paved publically owned airports, excluding DIA, and all paved privately owned but publically accessible airports that have a functional role of major or intermediate. Airport functional roles can be found in the most recent CASP. As a part of this plan PCI inspections are conducted at every airport in a three year cycle.

2.1.2. Grant Application review process

The CDOA staff has the responsibility to ensure that all grant applications submitted are complete and meet eligibility requirements. Both in-cycle and out-of-cycle requests are required to use the same standard application form. The applications are reviewed by a member of the CDOA staff and if they are in proper order it will proceed to the evaluation process.

2.1.3. Grant Evaluation and Prioritization

By maintaining the previously discussed statewide planning documents, this will provide the CDOA staff with vital and pertinent information to be able to maximize the benefit of the

funding dollars that are available. As a result of this information the CDOA staff will implement strategic grantmaking, into their decision making process when evaluating and prioritizing discretionary grant requests. Strategic grantmaking is discussed in more detail during the Chapter 4.

The goals and objectives that have been established in the most recent CASP will be used as the outline for strategic grant making. The goals as defined in the CASP are as follows:

- Support a system that is adequate to meet current and projected demand.
- Provide a system that meets future demand while considering community and environmental compatibility.
- Have a system of airports that supports economic growth and diversification.
- Provide a system of airports that is convenient and one that supports emergency services.
- Support a system that maximizes historic investment by optimizing the useful life of existing facilities.
- Encourage a general aviation system that is secure.

These goals are the foundation on which grant applications will be prioritized and evaluated against. This will help ensure that state resources are expended in a reasonable and prudent manner, by maximizing the investment in moving the Colorado aviation system forward.

2.1.4. Contract Oversight

The CDOA grants administrator has responsibility to make sure all contracts are filled out correctly and signed by the appropriate parties. He/she is the point of contact during the grant contracting process, as described in Chapter 5 of this document. Any contractual change will utilize the formal contract amendment process. Every requested change in scope will require the CDOA staff to fill out a *Scope of Work Change Evaluation Form*. The result of this evaluation will determine whether or not the change can be handled administratively by the CDOA staff or if CAB action is need. The CDOA staff does not have the authority to make changes regarding the amount of funding. In the event that additional funding is needed for a project, the sponsor must apply for supplemental funding using the *Supplemental Funding Request Application*. This request will be evaluated by the staff using the standard criteria for applications and presented to the CAB for action. Supplemental funding is discussed in more detail in Chapter 3. If a

supplemental funding request is approved, a contract amendment will be sent out to the airport sponsor for signature. Additional CDAG funds are not available for reimbursement until the amendment has been signed by all parties. For more information regarding the Contracting process please refer to Chapter 5.

The CDOA uses the state approved contract from DPA. This contract is updated as required by DPA. This contract contains specific termination clauses which enables the CDOA to make sure that the grant money is being spent as approved by the CAB. If for some reason the grantee does not live up to the agreement, the CAB has the ability to cancel the contract and stop the reimbursement of aviation funds. The CDOA and CAB will consider this information in regards to future funding requests.

2.1.5. Project Management

The CDOA staff is responsible to ensure that all granted money is spent within the limitations of the grant contract and that each project is completed in accordance with the contract. Each claim for reimbursement will be reviewed by the designated project manager and then forwarded to the grants administrator for final approval. Colorado has been divided into three regions to determine the project manager/grant contact for each airport. This map on how can be found in the appendix.

Grant project managers are also responsible to monitor the progress of each grant within their region. The progress of the grants will be monitored on the dollar amount of claims against the grant over each 12 month period from the date that the *Notice to Proceed* was issued until the project is complete and the grant is closed. Every project that is completed prior to the end date on the contract will be considered on schedule. Even though the grant application might have a more aggressive schedule, for the purpose of tracking grant progress “on schedule” will be any grant completed prior to the end date on the contract. Any grant that returns funds to the aviation fund at the completion of the project will be considered under budget. The grant budget as listed on the contract will be the gauge for the project budget. If the project is completed and the local or FAA budget is increased to finish the project, but there was no change to the CDOA portion, it will be considered within budget. Any contract amendments approved by the CAB to the budget during the project will then be adopted as the new project budget.

On-site visits will also be conducted to ensure progress/completion of work. At a meeting following each grant hearing the CDOA will use a risk based approach to establish a list of projects that will be visited, pending available travel budget, either during the project or after it has been completed. These on-site visits are to ensure that the project is making progress or completed as approved by the CAB.

2.2. Colorado Aeronautical Board Responsibilities

The CAB has overall responsibility for the CDAG program. By Statute the CAB carries out this function by establishing procedures for the administration and distribution of moneys credited to the aviation funds created in section 43-10-109, for aviation purposes at Colorado public use airports. There are several ways the CAB oversees the CDAG program. The following are some of the more critical elements of the CDAG program and how the CAB oversees them.

Set policy for eligible projects (approval of grant management manual)

Review and comment on submitted projects (Board grant review meeting)

Determine project status (determine consent agenda or not at Board grant review meeting)

Approve or reject grant projects

Set policy for administrative changes to grants (approval of grant management manual)

Set budget for grant program based upon funds available

3. Grant Application Process

3.1. In-Cycle Grant Requests

The regular grant cycle takes place with the grant hearings before the CAB annually. In preparation for the grant hearing each airport will revise their 5 year CIP. After the CDOA and sponsor complete the CIP process, the CDOA will then solicit for grant applications. The applications that are then submitted by the airports should reflect the recent CIP update. The standard grant application form can be found on the CDOA web site at <http://colorado-aeronautics.org>. Each airport has an assigned CDOA project manager/contact that has the responsibility to ensure that each grant application is complete and eligible for funding. A CDOA project manager will work with each airport to make certain that the grant request coincides with the grant evaluation criteria in Chapter 4.

Each funding request that is submitted will be taken to the CAB for action in one of two ways. The request will either be put on the consent agenda, or the CAB will request that an airport representative present the request to the board at the grant hearing. The CDOA and CAB hold a

working session prior to the grant hearing, it is at the working session that each request is placed on the consent agenda, or selected for presentation to the CAB. Any request that involves a possible conflict of interest between the applicant and any board member will not be placed on the consent agenda. If however, a project meets the goals and priorities of the Colorado aviation system and does not involve a possible conflict it is placed on the CAB's consent agenda for the grant hearing.

At the grant hearing the CAB will then take action on each funding request. If funding is approved, grants are then awarded and moved to the contracting process in Chapter 5.

3.2. Out-of-Cycle Grant Requests

Out of cycle requests are those requests that are submitted outside of the regular grant cycle described above. The reason for this is to meet the needs of airports that cannot wait for the annual grant cycle.

Justifications for an out of Cycle Grant Request are in the event of:

- An emergency situation that impacts safety or operations.
- An unanticipated state of affairs that negatively affects an airport and that due to timing cannot be addressed in the normal cycle.
- The emergence of an opportunity that due to specific timing will provide an advantage that would otherwise be lost if the grantee waited until the normal cycle.
- The CAB has discretionary authority to approve or deny any request that comes before them; any out-of-cycle request can be approved by the discretion of the CAB.

Each out-of-cycle request is evaluated the same as an in-cycle request. Each out-of-cycle request will need to use the standard grant application form. Every applicant will work with the assigned CDOA project manager/contact to ensure the request meets the eligibility requirements. All out-of-cycle requests require CAB approval.

3.3. Supplemental Funding Requests

A supplemental request is required for additional funding on an existing grant. Supplemental requests only deal with additional funding. All other requests for change are discussed in

Chapter 5. All supplemental requests will need to be presented to the CAB for action. All supplemental requests will need to fill out the standard *Supplemental Funding Request Application*. All supplemental requests that are approved will be handled through a formal contract amendment, in Chapter 5.

3.4. Local Match

3.4.1. State and Local Projects

Grant requests should include a local contribution to support the amount of CDAG funds requested. Local contribution can come in one of two ways, either money or in-kind work. Historically the CAB likes to see 20% of the project total coming from the grantee and the remaining 80% would be funded by the CAB. Local match requirements are not dictated by statute. Although 80/20 is the typical split the CAB has the discretion to approve grants with a local contribution being less than 20%. Additionally any potential grantee applying for funds with a larger than 20% local contributions is usually more compelling to both the CDOA and CAB.

3.4.2. State, Local and FAA Projects

In addition to the CAB funding just state and local projects, it has been a long standing practice of the CAB to support airports in matching their AIP grants. Currently AIP grants require 5% of the project total to come from the local sponsor. The CAB supports grants to airports for up to half of their local match requirement as long as that amount doesn't exceed the cap set by the CAB.

3.5. Internship Program

In addition to the traditional CDAG grants the CDOA and CAB supports airports by supporting a grant funding initiative for interns at Colorado's publically owned and public use airports. Grant requests for interns should be requested through the same process as all other CDAG grants. All potential applicants should anticipate their needs for interns for the upcoming year. The application should be submitted far enough in advance to allow enough time for CAB action and the contracting process. The contract effective date must be prior to the start date of the internship. Included in the application should be a brief outline or syllabus of what the intern will be exposed to during his/her internship. Costs for the internship grants shall be at least split 50/50 between the applicant and the CDOA, with the CDOA portion not to exceed the current

maximum reimbursable rate as established by the CAB. The current rate is available on the Division's web site. The CDOA prefers internship grants to span one year, however if specific circumstances exist, the CDOA will review them on a case by case basis. Internship grants will not count against the predetermined cap set by the CAB. Since airports use different schedules for their internship, there is no defined "cycle" for intern requests. The Division will accept applications for interns throughout the year, as long as the timing for the intern is reasonable with the timing of the request.

After the intern grant has been awarded by the CAB, the intern selection process is handled solely by the airport. The potential intern should be either currently enrolled or a recent graduate of an aviation management, or some reasonable facsimile, baccalaureate program at an accredited college or university.

The purpose of this CAB and CDOA sponsored funding initiative is to provide airports with additional manpower with minimal costs to the airport, while training future airport executives. From the CDOA and CAB perspective it is equally important for both parties, airport and intern, to benefit from this experience.

3.6. Surplus Equipment Program

With the cooperation of CDOT, DIA, and the CAB, the CDOA coordinates surplus equipment sales for Colorado public-use airports. Equipment at these sales are offered to Colorado airports in order to make equipment such as snow plow, mowers, loaders, service vehicles, etc more affordable.

All Colorado Public-Use airports are eligible to purchase surplus equipment from DIA or CDOT. At the time of purchase airports are required to sign a *Surplus Equipment Program Assurance Form*. This form specifies all applicable assurances and rules associated with the piece of surplus equipment that was purchased.

Colorado Public-Use airports are eligible to receive CDOA grant funds to purchase surplus airport equipment when such a program has been approved by the CAB. When a surplus grant program is available, participating airports will receive a grant agreement from the CDOA. The grant agreement will need to be signed by the responsible airport sponsor or manager and returned to the CDOA for reimbursement of a specified portion of the equipment purchased from DIA or CDOT. The surplus equipment grants will not count against the CAB cap.

4. Grant Evaluation Criteria

4.1. Capital Improvement Program

Annually Colorado airports are eligible to receive FAA AIP and/or CDAG funds to assist in developing and maintaining their facilities. To put these funds to the best possible long-term use, airports are requested to participate in the CIP process with the assistance of the CDOA staff. The CIP is a five year plan which identifies capital projects and equipment purchases, provides a planning schedule and identifies options for financing the plan. Essentially, the plan provides a link between the airport, the State and FAA for budget planning purposes.

The CIP process starts with a letter and a copy of the most recent CIP being sent to the airport usually in the spring of the year.

The contents of this section will include the benefits of the CIP process, contents of the CIP, the overall process and the specific steps.

Benefits

The CIP process provides many benefits including:

- Allowing for a systematic evaluation of all potential projects at the same time
- The ability to review projects statewide for trends and possible economies of scale
- Review of projects for meeting the goals of the system
- The ability to assist with the prioritization of projects to maximize funding
- To budget the needs of airports with the funds available
- Focus on preserving the airports infrastructure while ensuring the efficient use of state funds

Contents

The CIP typically includes the following information:

- A listing of the capital projects or equipment to be purchased.
- The projects ranked in order of preference.
- The plan for financing the projects.
- A timetable for the construction or completion of the project.

Overall Process

Prior to undertaking the development of the CIP, the airport will want to define the criteria for what kind of projects or equipment are to be included. What is defined as a capital project or capital purchase may vary from airport to airport depending on the size of the airport.

Generally, they will be tangible items that have a life expectancy greater than one year.

An airport will also need to forecast where it believes it will face future demands and growth, which will involve an inventory of existing facilities, infrastructure and equipment. Because the

CIP includes financing issues, the airport will want to ensure their financial personnel are involved in the process.

Specific Steps

1. CIP and letter sent to airports
2. Marked up CIP's returned to the Division and the FAA
3. CIP reviewed with internal staff and FAA
4. CIP projects are evaluated against funding available and airport needs
5. Projects are prioritized
6. Discussion and correspondence with airports about their CIP's
7. Updated CIP's are returned to the airports
8. Update Existing/Ongoing Capital Programs

4.2. Strategic Grantmaking

The purpose of Strategic grantmaking is to ensure that the grants given out by the CDOA address the previously established goals and priorities of the Colorado aviation system, as established in the most recent CASP. By addressing the goals and needs of the Colorado aviation system, we are able to obtain a measurable and tangible benefit of the CDAG program. The needs of the Colorado Aviation System are constantly growing and changing, and always exceeding the amount of funding available. With strategic grant making we will be able maximize our grant investment in the system.

One of the highest priorities of the CDOA and the CAB is to have the dollars granted out each year directly link to at least one of the statewide system goals in the CASP. By linking as many grants as possible to a specific goal or need we are able to measure how our investment has moved the system forward. The discretionary grant program was designed for airports to ask for money that would address airport specific needs and or goals. Through the process of strategic grantmaking we will be able to address the needs of the airports, as the grant program was intended to do, and also ensure that the statewide Colorado aviation system is meeting the demands of its users.

Strategic grantmaking is one of the criteria for evaluating grant applications. Through the evaluation process it will be determined how the requested project will help meet statewide system goals, or how this will help continue to meet a goal that has been previously achieved. It is very important for the grant applicant to be aware that their grant will be evaluated not only on how the requested project will benefit them, but what type of statewide benefit it will provide to the system. The CDOA has not and will not dictate what the local airports request in forms of grants, but the CDOA has the responsibility to make sure the money in the grant program is being used in a responsible and efficient manner. Strategic grantmaking will provide

a link between the local need and the benefit to the state aviation system by addressing both unmet needs at the same time.

Grants that do not directly tie to a goal of the state aviation system will still be considered for funding by the CDOA and CAB. Strategic grantmaking is just one of the steps in the evaluation process; the CAB always has the discretion to fund any project that comes before them, as long as it meets statutory requirements for eligibility and is a high priority for the airport sponsor. The CASP provides a great overview of the goals, priorities and objectives for the Colorado aviation system, however it does not or could not possibly address every situation that could arise. That is why it is a high priority for the CDOA and CAB for grant projects to have a link to the goals of the CASP, but the CAB always has discretionary authority which gives them the flexibility to be able to provide our customers with the highest level of service possible. As part of our *Annual Report* process, we will demonstrate to the Colorado General Assembly how the grant dollars have helped improve the Colorado aviation system.

4.3. PCI

The FAA requires airports to have a Pavement Management Plan in order to be eligible for AIP funds. A large component of such a plan is PCI. The CDOA provides this service for all paved publically owned airports, excluding DIA, and all paved privately owned but publically accessible airports that have a functional role of major or intermediate. Airport functional roles can be found in the most recent CASP. The FAA requires an inspection and report every three years. The CDOA performs PCI inspections and generates PCI reports. This report is provided to each airport, the FAA Denver Airports District Office, while one is retained by the Division.

This report includes pavement inventory, condition, and suggested maintenance. This is one of the elements used in the decision making process for grant request. This report is not intended to be a formula. There are numerous other factors used in the evaluation of grant requests. This data is used to confirm pavement project justification, size, and comparative value only as one component of a multifaceted decision making process.

4.4. Historical Performance

As discussed previously in 2.1.5 the CDOA tracks and measures the expenditures of grants. Over each 12 month period after the notice to proceed was issued the CDOA tracks how much money was spent until the grant is closed. If an airport has a number of open grants with little

or no activity and is requesting additional funding, this information may be considered negatively by the CDOA during the application evaluation process.

In addition to lack of activity on existing grants, the CDOA also tracks the timely submission of fuel tax reporting. Airports are required to fill out a fuel tax report on a monthly basis by the 25th of the month after the month being reported. The fuel tax report will allow the CDOA to reimburse airports their portion of the fuel tax. If airports are delinquent in filing their fuel tax form, this will also be taken into consideration when those airports request a grant. For more information on the fuel tax reimbursement process please see our web site at <http://colorado-aeronautics.org/aerofueltax.htm>

5. Grant Contracting Process

5.1. Grant Agreement

All grants given by the CDOA will go through the same contracting process. After approval of a grant by the CAB a letter will be sent to the grant recipient with 3 copies of the grant agreement and a resolution inviting the CDOA and CAB to participate in the community and allowing the project director authority over the project. The agreement must be signed by the appropriate party according to the State Controller's office. In most cases the agreement must be signed by the chair or vice-chair of the governing body or their designee. These requirements are included in the letter that accompanies the agreements.

After all 3 copies of the grant agreement and resolution are signed by the appropriate party they are to be sent back to the CDOA Grants Administrator for processing. If there are any issues with the contract they will be sent back to the sponsor/Project Director at that time. After reviewing the agreements for completeness the agreements are then signed by the CDOA Director and a representative of the State Controller. Following final execution of the contract one copy is retained by CDOT Accounting, one by the CDOA, and the third copy is returned to the airport with a *Notice to Proceed* letter.

5.2. Grant Amendments

Modifications to grants will occur for a variety of reasons. Changes to a grant will fall under one of three categories; scope of work changes, budget modifications, and extensions of contracts. All three of these categories will be resolved with a formal grant amendment.

Scope of Work changes or budget modifications that do not require additional funding and are consistent with the original scope of work may be handled administratively without CAB action.

All grant agreements are good for three years. In the event that the contract term needs to be extended beyond three years, an amendment can be issued with justification. This modification can be handled administratively by the CDOA staff.

Much like the original grant agreements, 3 copies of the grant amendment will be sent to the sponsor. After being signed by the appropriate party all 3 copies need to be returned to the Division for the same routing as the original contract. After final execution of the amendment an amendment executed letter will be returned to the sponsor with their copy of the grant amendment.

6. Grant Administration

6.1. Notice to Proceed

After the notice to proceed has been sent by our office, the grantee is now able to start work on the project. All purchases and contracting for the work to be done, is handled directly between the airport and vendor/contractor. Airports must follow their own purchasing rules and regulations.

6.2. Requests for Reimbursement

All CDAG grant funds are expended on a reimbursement basis, meaning the grantee is responsible for covering the upfront cost of the work. As the work is completed, expenses incurred by the grantee are eligible for reimbursement. The reimbursement process starts with the grantee filling out the *Aviation Claim for Costs Incurred* form. After the form has been completed and all supporting documentation of the incurred expenses has been attached, it can be sent to the CDOA for processing. CDOA will reimburse the costs incurred at the same percentage rate as what the CDOA/local share of the grant is. For example If CDOA granted \$40,000 to an airport with their local match being \$10,000, this would be an 80/20 grant meaning CDOA is paying for 80% and the remaining 20% is coming from the grantee. Therefore during the reimbursement process the CDOA will reimburse the costs incurred at a rate of 80% up to the not to exceed grant amount.

6.3. Project Close Out

At the completion of each project, the grantee is required to fill out a *Project Completion & Acceptance Certificate*. This is a self certification document stating that the work has been completed as agreed upon and that there are no more costs associated with the grant. The *Project Completion & Acceptance Certificate* should be submitted with the final request for reimbursement. If there are any funds remaining in the grant after the project has been completed, those funds will be liquidated and returned to the aviation fund.

Appendix

A: Frequently Asked Questions

Am I eligible for a Discretionary Aviation Grant?

If you operate a FAA designated public use airport you are eligible for a grant. Grants must be used for aviation purposes only. See Chapter 1 for more detail.

How do I apply for a Grant?

During the normal grant cycle the CDOA will solicit grant applications from the public use airports in Colorado. See Chapter 3 for more detail.

How much local match is required?

There is no rule or statute that dictates a local requirement, however the CAB has unwritten policy that 20% of the project total should come from the grantee. See Chapter 3 for more detail.

Why do I have to present my request to the CAB?

On occasion the CAB likes to hear from grant applicants regarding the grant that is being requested. Typically the CAB will ask for a presentation for one of three reasons. A potential conflict of interest exists between a CAB member and the grant applicant, the CDOA staff does not recommend the project, or the CAB is just interested and would like to hear more about your request. See Chapter 3 for more detail.

Why does our sponsor need to sign a resolution?

Included in the CDOA and CAB enabling legislation, it is required that the local communities invite the CDOA and CAB into their communities. The resolution acts as the invitation for financial support from the CAB.

Do I have to bid my project?

It depends, once a grant has been issued by the CDOA, it is up to the grantee to follow all local purchasing rules and regulations. The CDOA and CAB do not have any requirements on how the goods or services are procured as long as the local rules of the grantee are followed. See Chapter 6 for more detail.

How many request for reimbursement forms do I need to fill out?

The CDOA only needs one signed *Aviation Claim for Costs Incurred* form filled out. See Chapter 6 for more detail.

Can I receive my reimbursement via electronic transfer?

Yes, please contact the CDOA for more information regarding electronic fund transfers.

How long is the grant good for?

Each grant is given a three year life span. If for some reason the work is not completed within that time an amendment can be issued. See Chapter 5 for more detail.

If there is money left in my grant can I use it for something else?

No, grant dollars can only be used for what the CAB approved. See Chapter 5 for more detail.

B: Sample Documents and Forms



AVIATION CLAIM FOR COSTS INCURRED



RETURN ORIGINAL FORM TO:

Telephone: (303) 261-4418
FAX: (303) 261-9608

Colorado Department of Transportation
Division of Aeronautics
5126 Front Range Parkway
Watkins, CO 80137

GRANTEE: GRANT NUMBER: ELEMENT:	To Be Completed by CDOT Personnel Percent Complete:
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PART 1

ELEMENT DESCRIPTION	Total	%	State	Local	Federal/Other
A.	\$		\$	\$	\$
B.	\$		\$	\$	\$
C.	\$		\$	\$	\$
D.	\$		\$	\$	\$
TOTALS	\$		\$	\$	\$

PART 2 – Grantee to complete shaded yellow area

CLAIM ELEMENT:	Total	State	Local	Federal/Other
Beginning Balance	\$	\$	\$	\$
Total Previous Claims	\$	\$	\$	\$
Total This Claim	\$	\$	\$	\$
Remaining Balance	\$	\$	\$	\$

PART 3

Grantee	Vendor Number	Claim Number
Project Director Signature	Date	
CDOA Review	Date	
Approved for Payment	Date	



Supplemental Funding Request Application

Airport: _____

Project Director: _____ Phone Number: _____

Grant Number to be Supplemented: _____ Date: _____

Supplemental Funding Amount Requested (State share) \$ _____

Is this a FAA match increase Yes No

If Yes, please specify the **additional** amount of Federal Dollars \$ _____

Grant Budget

	Project Total	State	Local	Federal
Current Contract	\$ _____	\$ _____	\$ _____	\$ _____
Requested Amount	\$ _____	\$ _____	\$ _____	\$ _____
Total	\$ _____	\$ _____	\$ _____	\$ _____

Justification for supplemental request(please add additional sheets if necessary)

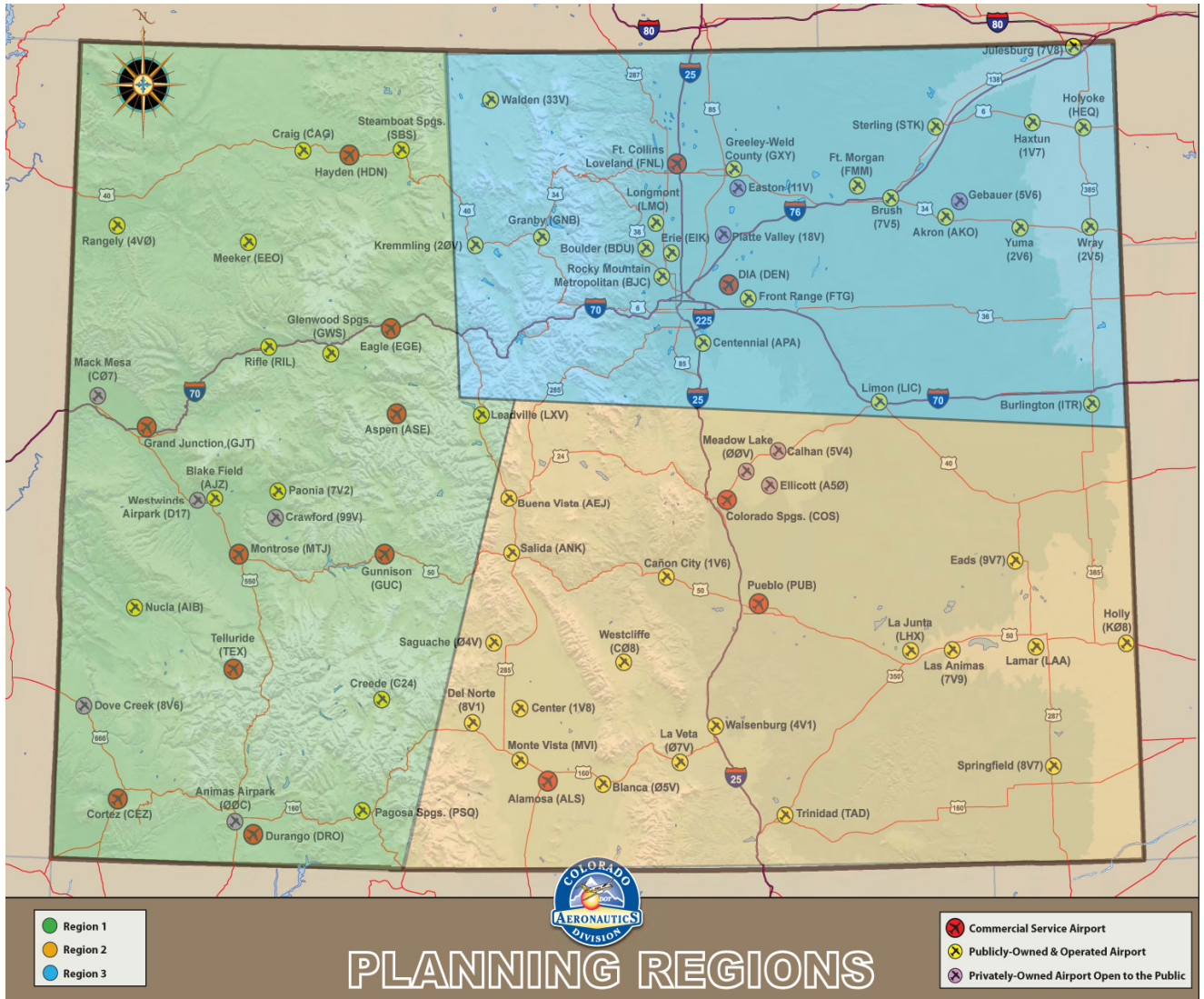
If supplemental funding request is denied how will it affect the project?

Sponsoring Agency Signature & Title

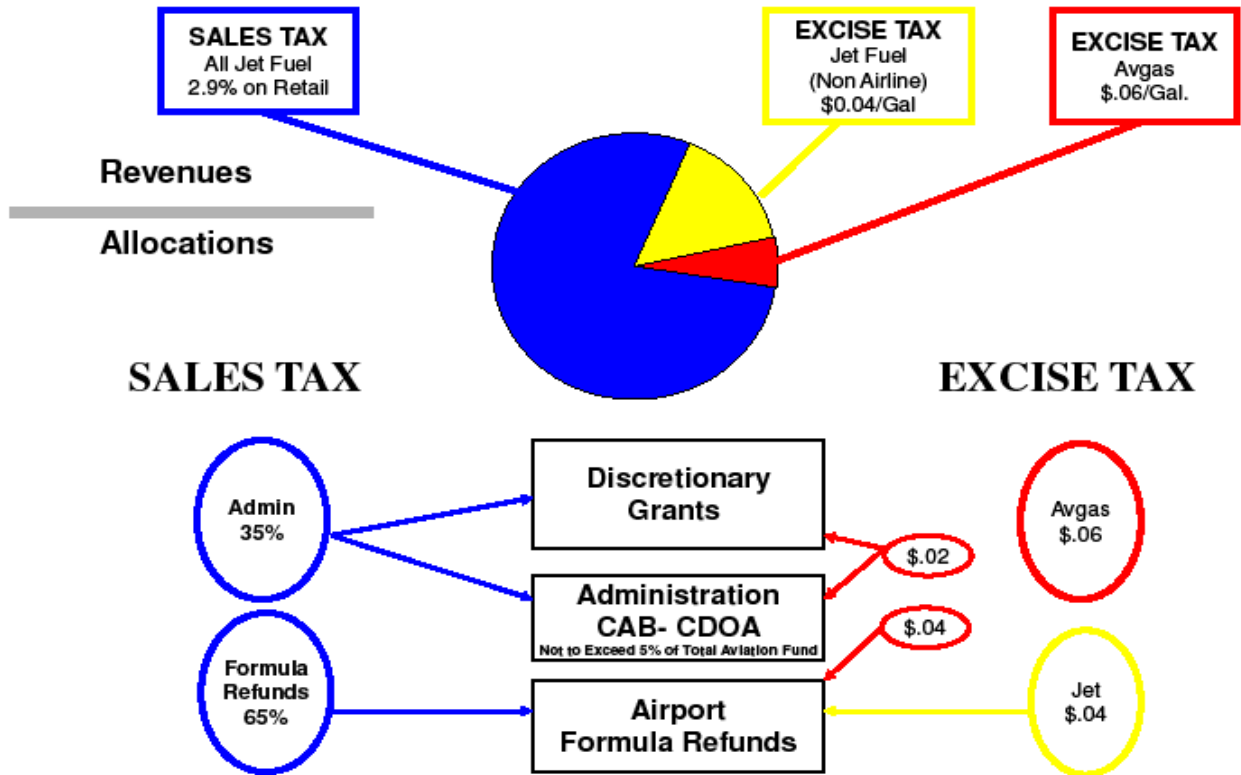
Date

Division of Aeronautics Staff Use Only

Reviewed By:	Date	Recommended for Funding	
		Yes	No



Aeronautics Revenues & Allocations



Colorado Revised Statutes limit the use of funds derived from Airport Formula Refunds.

C.R.S. 43-10-110 (b) The transfer of moneys pursuant to this subsection (2) shall be based upon monthly reports made by the department of revenue, pursuant to the provisions of sections [39-26-715](#) (1) (a) (I) and (2) (a) and 39-27-102 (1) (a) (IV) (C), C.R.S., and transmitted to the division. Such moneys shall only be used for aviation purposes.

Aviation purposes are defined in C.R.S. 43-10-102 Definitions:

(3) (a) "Aviation purposes" means any objective that provides direct and indirect benefits to the state aviation system and includes, but is not limited to:

(I) Any work involved in constructing, planning, or repairing a public airport or portion thereof and may include any work involved in constructing or maintaining access roads;

(II) The removal, lowering, relocation, and marking and lighting of any hazard to the safe operation of aircraft utilizing federal rules and regulations as guidelines for determining such hazards;

(III) The acquisition of navigational aids used by aircraft landing at or taking off from such airport;

(IV) The acquisition of safety equipment necessary for the enhancement of the state aviation system;

(V) Any research study, proposal, or plan for the expansion, location, or distribution of aviation facilities or resources that are directly related to the state aviation system;

(VI) The promotion of economic development which is related to the promotion, development, operation, or maintenance of the state aviation system;

(VII) Any acquisition of land, of any interest therein, or of any easement through or other interest in airspace, including land for future airport development, which is necessary to permit any such work or to remove, mitigate, prevent, or limit the establishment of any hazard to the safe operation of aircraft; and

(VIII) Any informal education or training made available to the public concerning aviation in the state or any informational materials for dissemination to the public concerning aviation.

(b) Subsidization of airlines is expressly prohibited as an aviation purpose except for the promotion and marketing of air service at airport facilities.