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# **JUNE 2001**

## **RO Change in Address**

As noted in the February 2001 edition of the AirporTopics, the Western-Pacific Regional Office mailing address has changed. The WorldWay Postal Center (WWPC) is no longer a part of the mailing address. Please ensure the appropriate address is listed on any future mail directed to the Regional Office. All mail should be forwarded to the following addresses:

Regular mail:

FAA/AWP-###

P.O. Box 92007

Los Angeles, CA 90009-2007

Overnight mail: FAA/ AWP-###

15000 Aviation Blvd

Lawndale, CA 90261

-- Marina Himmelberger, Administrative Officer

### Davis Bacon Wage Rates

Effectively immediately, the Airports Division will no longer provide sponsors/consultants with Department of Labor (DOL) Wage Rate information. The information can be obtained through the United States Government Printing Office at 202/512-1806 for a fee. Sponsors and consultants must certify all wage rates included in an Airport Improvement Program (AIP) grant including construction projects comply with current DOL requirements.

-Marina Himmelberger, Administrative Officer

### Staffing Update

The Regional Office's Lead Airport Certification Inspector, Bill Critchfield, has been detailed to the Regional Runway Safety Team. In his absence, please direct any Part 139 inquiries to Bill Long at (310)725-3635, Elizabeth Louie at (310)725-3636, or Ellsworth Chan at (310)725-3620.

-- Marina Himmelberger, Administrative Officer

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# REIMBURSABLE AGREEMENT (RA) OVERVIEW

<u>INTRODUCTION</u> Airport development projects may affect existing or proposed FAA owned Navigational Aids (NAVAIDs) and require relocation. In such instances, the airport sponsor may request the FAA to generate a Reimbursable Agreement (RA) or alternatively use an outside contractor to design, install or relocate the NAVAIDs. The NAVAIDs include equipment such as, Glide Slope, Localizer, MALSR, PAPI, ILS, and DME.

A Reimbursable Agreement (RA) is "a written agreement under which the FAA provides materials or services to a requesting agency or organization which agrees to pay for those materials or services 1".

In 1999, the Western-Pacific Region (AWP), Los Angeles NAS Implementation Center (ANI-900), executed eight RAs with airport sponsors totaling over \$2.6 million. The FAA adds a 26% overhead charge to all of the estimated costs. The current man-day rates for a RA are \$600-\$650 for per diem and \$480 for non-per diem.

#### METHODOLOGY

#### Equipment Relocation or Installation by the Non-FAA Sources

If the FAA is to assume ownership and/or maintenance of newly installed equipment, the equipment must meet FAA standards and be supply supportable by the FAA. It may not be easy for an airport sponsor to find a specialist contractor who is familiar with the FAA equipment and requirements. However, if the airport sponsor chooses to design and/or install NAVAIDs by other sources, extensive coordination with the FAA ANI engineer is required. This includes review of standard equipment drawings and specifications, environmental issues and other specific FAA requirements. The ANI will review and approve the design and inspect all installations. An RA may be required to cover the inspection costs. The FAA ANI personnel will also test and accept the installed equipment. The airport sponsor is required to follow the FAA closeout procedures, which includes submission of relevant information pertaining to equipment, providing as-built drawings, spare parts and lease information.

#### Equipment Relocation or Installation by the FAA

The process begins with an initial request letter by the airport sponsor to the FAA, ANI-900 or Airway Facilities (AF), AWP-400. In most cases, ANI-900 will generate the RA. The sponsor's request should include a brief description of the project, affected equipment or facilities and a desired start and completion date. The FAA may begin the work by signing a Letter of Agreement with the sponsor, prior to the actual execution of the RA. The Letter of Agreement covers the initial cost of a site visit. The final RA includes a definitive scope of work and cost estimates.

The FAA RA working group is currently developing a comprehensive flow chart showing the detailed sequence of events and duration for the RA process.

<sup>1</sup> FAAM 1217.90.3

#### **AIRPORTOPICS**

#### STEPS IN EXECUTING A REIMBURSABLE AGREEMENT (RA)

- Letter is submitted by the airport sponsor to the FAA ANI or AF identifying needs and requesting a RA. The letter includes brief description of the project, affected equipment or facilities, and the desired start and completion dates.
- 2. ANI prepares a Purchase Request (PR), which includes the scope of work and cost. In some cases, a Letter of Agreement is signed between the FAA and the sponsor to conduct a site visit prior to developing a RA. *Duration: Varies*.
- AWP-55 Contracting Officer (CO), logs and reviews the RA and supporting documents to ensure all
  the relevant information is included. In some instances, PR originator is contacted for additional
  information. CO produces a draft RA. *Duration: 4-6 Weeks*. May take longer if additional
  information is required.
- 4. CO forwards the draft RA for review and comment to all concerned (i.e., Legal, Accounting, Financial and Management Resources, Logistics, Airways Facilities, SMO Managers, Airports, Los Angeles NAS Implementation Center, and other relevant lines of business). *Duration: 2 weeks*.
- CO produces the final RA incorporating all the review comments and forwards to the airport sponsor. *Duration: 1 Week*. Any scope of work or cost change is referred back to the PR originator. This may require additional time.
- Airport sponsor signs the RA. In most cases, the sponsor will sign the RA after approval by appropriate authority (i.e., Board of Supervisors, Commissioners or City Council). *Duration: 6-8 Weeks.* In some instances, the duration may be longer.
- 7. CO executes the RA and makes distribution to all parties. Duration: 1-2 Days.
- 8. The actual project completion date varies depending on the scope. The standard term for a RA is 3 years from the date the CO executes the agreement. The project may be physically complete and closed out prior to expiration of the RA term. The term can also be extended by amending the RA. *Duration: Varies.*
- 9. Presently, the FAA RA Working Group is in the process of implementing new procedures for RA closeout/balance out (financial completion).

Total duration of a RA (from initial sponsor request to project closeout and RA closeout/balance out) varies depending on the type and complexity of the project. The FAA RA Working Group/Committee is reviewing the current processes, procedures and tracking mechanism in an endeavor to expedite the process.

#### CONCLUSION

The need for RAs is increasing and can benefit both the airport sponsor and the FAA. Timely execution of the RAs and project completion will enable the airport sponsor to efficiently coordinate the AIP construction interfaces and minimize runway downtime. For successful completion of a project, the airport sponsor and the FAA must be sensitive to each others requirements.

-Sam Samad, Airport Planner