

# AIRPORT IMPROVEMENT PROGRAM, BUY AMERICAN, PROCUREMENT CHANGES

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Federal Aviation  
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# AIP Legislative Update/ Current Status

- **Vision 100 authorization expired at the end of fiscal 2007**
- **Since then we have had split years including record 5 extensions (5 mini fiscal years in**
- **Current extension is through December. This means we will not be apportioning entitlements or writing grants yet.**
- **We are also operating under a continuing resolution, which means that we don't have a full year appropriations yet.**

# Buy American and Steel

From 49 USC 50101

(a) The Secretary of Transportation may obligate an amount that may be appropriated ... for a project **only if** steel and manufactured goods used in the project are produced in the United States.

**This means that FAA can issue grants under AIP **ONLY IF** all of the steel and manufactured goods are US goods.**

# Buy American and Steel

- **With newly approved US-bolts, we will be requiring airports to make sure that they are getting US bolts**
- **Steel does not fall into the COMPONENT or SUBCOMPONENT categories if it can be easily and understandably kept separate**
- **Equipment MUST be from the FAA-certified list or in the case of bolts, must meet the FAA Engineering Brief**

# Buy American Issues

- **Buy American List is on the FAA website**
- **A lot of folks are looking at the list as the only measure of compliance**
- **While you technically don't need to get on it if you are 100% US materials manufactured 100% in the US, we recommend that you get on the list.**

# Buy American Successes

- **First ever complaint by the Chinese government about GOES**
- **Some companies have set up manufacturing facilities in the US**

# AIP HANDBOOK

- **Has been rewritten completely**
- **Currently out for review to all FAA Office of Airports employees**
- **Should be available to the public early in calendar year 2011**
- **Clarifies AIP eligibility, allowable costs and introduces new procurement requirements.**

# PROCUREMENT ISSUES

## ➤ **For AIP and PFC projects, the use of plain vanilla FAA specifications is MANDATORY –**

Sponsors occasionally “customize” specs to limited-source or sole-source, to go beyond FAA requirements, or for other reasons

- Lighting Control Panels – excluding the remote monitoring requirement
- Specifying only 1 or 2 suppliers instead of keeping things open to the entire list of FAA certified equipment.
- Specifying “internally lit” wind cones, LEDs or even naming the supplier

# New FAA Requirements and reminders of current ones

- You **MUST** have an approved FAA modification of standards to limit- or sole-source
- The Airport **MUST** do two separate procurements – first, the airport directly procures the sole- or limited-source equipment.
- That equipment will be shown on the second set of procurement documents as “owner furnished”

# New FAA Requirements and reminders of current ones

- **The consultant and the airport must submit a specific certification stating that there are no sole- or limited-source items that have not been specifically approved by FAA for the project and that have not been separately owner-procured.**
- **This should eliminate the unallowable practice of requiring a contractor to buy all of a supplier's equipment in order to get a reasonable price on the sole- or limited-source item.**
- **But to make sure, the contractor will have to submit a certification that states that he has not been required to buy other materials from the sole- or limited-source supplier.**
- **And the sole- or limited-source suppliers will also provide as similar certifications.**

# Wrapping Up

- **Grants aren't being written yet, hopefully not long after the first of the year once we have at least 6 months of funding**
- **Buy American is here to stay and is making a difference**
- **Procurement should be transparent, direct and correct.**