
MEMORANDUM

TO: ALL MARYLAND PUBLIC-USE AIRPORT SPONSORS
FROM: DIRECTOR ASHISH J. SOLANKI, A.A.E. *Ashish J. Solanki*
SUBJECT: MDOT MAA GRANT PROGRAM GUIDANCE #2020-01
DATE: OCTOBER 2, 2019

PURPOSE OF MEMORANDUM

Effective July 1, 2020 (SFY2021), MDOT MAA grant eligibility will be limited to “hard costs” associated with construction projects.

SUMMARY

The FY 2020-2025 Capital Transportation Plan (CTP) has reductions in the Statewide Aviation Grant program. The reduced supply of grant funds will not be enough to support the demand for eligible costs over the 6-year CTP.

The Office of Regional Aviation Assistance has noted many of the grant costs include soft costs. For FY 2019 and FY 2020, \$320,243 and \$659,954 are known soft costs. Representing 13% and 26% of the FY 2019 and 2020 allocation, respectively, these costs can be better utilized for known construction-ready projects. By applying limited State dollars to construction costs, we will be able to deliver on products that the flying public can immediately benefit from.

Starting in July 1, 2020 (State Fiscal Year 2021), only hard costs will be considered for MDOT MAA grant assistance and applicable for all grant types (AIP, Special, MAPA). This policy will remain in force until a future budget year in which the CTP program level is commensurate to meeting the Statewide aviation demand for all project costs (soft and hard).

Soft costs include (but not limited to):

- Planning services,
- Environmental Assessment services;
- Land Acquisition services (to include fees and expenses other than cost of the land);
- Permitting fees;
- Survey and Inspection services;
- Design services;
- Construction Administration services (to include quality assurance/quality control services); and

- Owner Administration costs.

If there is any question of State grant eligibility, MDOT MAA will make final determination. For soft costs that are part of a larger construction project, the Airport Sponsor is excepted to adequately budget for soft costs prior to seeking MDOT MAA grant assistance. For project(s) that have only soft costs and will lead to a future construction project, the Airport Sponsor is expected to submit copies of all reports, drawings, designs and statements pertaining to the project. The responsibility remains on the Sponsor to provide relevant material to MDOT MAA. Failure to provide will jeopardize future funding assistance for the construction phase of the project.

Sponsors are reminded that coordination and inclusion of MDOT MAA in discussions related to Airport Capital Improvement Plan remain critical. Lack of inclusion will be reflected on available funding for a respective project.

This policy is temporary and will be reviewed each year for applicability. The Grant Program Guidance for AIP, Special and MAPA grants will not be revised. The submittal requirements have not changed. Sponsors are expected to submit a complete grant request application. Missing material will result in delay or denial of grant assistance.

Questions may be directed to Ashish J. Solanki, A.A.E., Director Office of Regional Aviation Assistance, 410.859.7064 or email at asolanki@bwiairport.com.