

## § 151.41

## 14 CFR Ch. I (1–1–19 Edition)

takeoff of aircraft or is otherwise hazardous to the landing or takeoff of aircraft. For the purposes of paragraph (b)(13) of this section, land acquisition includes the acquiring of land that is already developed as a private airport and the structures, fixtures, and improvements that are a part of realty (other than hangars, other ineligible structures and parts thereof, fixtures, and improvements).

(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 value of the donated land as appraised by the Administrator.

[Doc. No. 1329, 27 FR 12351, Dec. 13, 1962, as amended by Amdt. 151–8, 30 FR 8040, June 23, 1965; Amdt. 151–17, 31 FR 16524, Dec. 28, 1966; Amdt. 151–37, 35 FR 5112, Mar. 26, 1970; Amdt. 151–39, 35 FR 5537, Apr. 3, 1970]

### § 151.41 Project costs.

(a) For the purposes of subparts B and C, project costs consist of any costs involved in accomplishing a project, including those of—

- (1) Making field surveys;
- (2) Preparing plans and specifications;
- (3) Accomplishing or procuring the accomplishing of the work;
- (4) Supervising and inspecting construction work;
- (5) Acquiring land, or an interest therein, or any easement through or other interest in airspace; and
- (6) Administrative and other incidental costs incurred specifically in connection with accomplishing a project, and that would not have otherwise been incurred.

(b) The costs described in paragraph (a) of this section, including the value of land, labor, materials, and equipment donated or loaned to the sponsor and appropriated to the project by the sponsor, are eligible for consideration as to their allowability, except for—

- (1) That part of the cost of rehabilitation or repair for which funds have been appropriated under section 17 of the Federal Airport Act (49 U.S.C. 1116);

(2) That part of the cost of acquiring an existing private airport that represents the cost of acquiring passenger automobile parking facilities, buildings to be used as hangars, living quarters, or for nonairport purposes, at the airport, and those buildings or parts of buildings the construction of which is not airport development within the meaning of § 151.35(a);

(3) The cost of materials and supplies owned by the sponsor or furnished from a source of supply owned by the sponsor if—

(i) Those materials and supplies were used for airport development before the grant agreement was executed; or

(ii) The cost is not supported by proper evidence of quantity and value;

(4) The cost of nonexpendable machinery, tools, or equipment owned by the sponsor and used under a project by the sponsors force account, except to the extent of the fair rental value of that machinery, tools, or equipment for the period it is used on the project;

(5) The costs of general area, urban, or statewide planning of airports, as distinguished from planning a specific project;

(6) The value of any land, including improvements, donated to the sponsor by another public agency; and

(7) Any costs incurred in connection with raising funds by the sponsor, including interest and premium charges and administrative expenses involved in conducting bond elections and in the sale of bonds.

(c) To be an allowable project cost, for the purposes of computing the amount of a grant, an item that is paid or incurred must, in the opinion of the Administrator—

(1) Have been necessary to accomplish airport development in conformity with the approved plans and specifications for an approved project and with the terms of the grant agreement for the project;

(2) Be reasonable in amount (or be subject to partial disallowance under section 13(a)(3) of the Federal Airport Act (49 U.S.C. 1112(a)(3)));

(3) Have been incurred after the date the grant agreement was executed, except that costs of land acquisition, field surveys, planning, preparing plans and specifications, and administrative