

CITY OF LONG BEACH

LONG BEACH AIRPORT

4100 East Donald Douglas Drive • Long Beach, CA 90808 • (562) 570-2619 • Fax (562) 570-2601



September 1, 2015

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to accept the Airport Improvement Program Grant for Fiscal Year 2015 from the Federal Aviation Administration for funding of the Perimeter Security Improvements project; and to execute grant documents, and amend grant documents and grant amounts with the Federal Aviation Administration for entitlement and discretionary funds, in an amount not to exceed \$7,066,535. (District 5)

DISCUSSION

The Long Beach Airport (Airport) receives grant funds annually from the Federal Aviation Administration's (FAA) Airport Improvement Program (AIP). Entitlement funds are the portion of the AIP funds allocated to the Airport based on the number of enplaned passengers, and are calculated by the FAA using a set formula. Discretionary funds are the portion of AIP funds that are allocated to airports based on need and national priority, as determined by the FAA. Each year, the Airport submits a grant application for entitlement and discretionary funds from the AIP to pay for major airport infrastructure rehabilitation and improvements.

On November 11, 2014, the City Council authorized the City Manager to accept an AIP Grant in the amount of \$5,098,169, to fund the Perimeter Security Improvements project. The Perimeter Security Improvements include approximately 12,500 lineal feet of fence improvements, automatic gates, intrusion detection systems, access control systems, security network infrastructure, and deployment of redundant security server equipment. The Transportation Security Administration has determined that these improvements will be critical to maintaining security and will greatly reduce potential vulnerabilities at the Airport.

After the bidding process for the project was completed earlier this year, it was determined that costs would exceed the original grant amount requested from the FAA. A revised grant application was recently submitted to include the additional funds required for the project.

Funds are pending receipt of grant offers from the FAA. The grant will require shared financial participation. The estimated cost for the Perimeter Security Improvements project is \$7,794,545, of which \$7,066,535 will be federally AIP funded. The Airport's share,

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\$728,010, will be funded with Passenger Facility Charges (PFC) within the application approved by the City Council on November 5, 2013, and Airport Capital. Once funds are awarded, Airport staff will work to execute a contract with the responsible low bidder.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on August 20, 2015 and by Budget Management Officer Victoria Bell on August 18, 2015.

TIMING CONSIDERATIONS

City Council action on this matter is requested on September 1, 2015, to ensure the City Manager has the authority to accept the grant from the FAA. Failure to meet the FAA's deadlines could result in loss of partial funding.

FISCAL IMPACT

The amount of federal AIP grant funds requested for this project is \$7,066,535. The required match of Airport funds for this amount totals \$728,010, which will be funded with PFC approved by the FAA and Airport Capital. An appropriation increase will be requested for the awarded grant amount, Airport's PFC funds and final participation after the grant offer is received and executed.

It is anticipated that the projects will have a positive impact on the local job market.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



BRYANT L. FRANCIS
DIRECTOR, LONG BEACH AIRPORT

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SICL\FY 15 AIP Grant Application.rev1.docx

APPROVED:



PATRICK H. WEST
CITY MANAGER