

R-13

March 1, 2022

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents, including any necessary amendments, with the Federal Aviation Administration, to accept an Airport Improvement Program Grant award for federal Fiscal Year 2022 funding, for capital improvements to Airport Runway 12-30 Electrical Improvements Project, in an amount not to exceed \$7,000,000. (Districts 4, 5)

DISCUSSION

The Long Beach Airport (Airport) receives grant funds annually from the Federal Aviation Administration (FAA) Airport Improvement Program (AIP) for capital improvement projects. The FAA's regular AIP provides more than \$3.18 billion annually in entitlement and discretionary grant funds for a network of more than 3,300 eligible airports. Entitlement funds are the portion of AIP funds allocated to airports 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. The Airport submits a grant application for entitlement and discretionary funds from the AIP to pay for major airport infrastructure rehabilitation and improvements.

Airport Runway 12-30 (Runway) is the primary air carrier runway. The Runway's electrical equipment and lighting fixtures are over 15 years old and operating beyond their useful life. The Runway has exhibited electrical failures, due to aging of the lighting fixtures and associated equipment. The Airport has performed numerous emergency repairs on the Runway's light fixtures and circuits. An airfield lighting investigation was performed on the Runway and the results of the investigation indicate that the existing Runway lighting and associated equipment needs replacement. Electrical improvements to the Runway will preserve safety and capacity and aligns with the Airport's sustainability efforts, as the existing fixtures will be replaced with light emitting diode (LED) fixtures.

Funds for the capital improvements to rehabilitate the Runway lighting and visual guidance system are pending the receipt of the grant offer from the FAA. The grant requires shared financial participation by the Airport in the amount of 9.34 percent of the project cost. The estimated cost for the capital improvements to the Runway electrical is \$6,841,432, of which \$6,202,442 will be federally funded. The final amount of the AIP grant may be slightly higher or lower, depending on the actual construction amount and available FAA funds. The Airport's share of \$638,990 will be funded with Airport revenue.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on January 31, 2022 and by Budget Analysis Officer Greg Sorensen on February 9, 2022.

TIMING CONSIDERATIONS

City Council action is requested on March 1, 2022, so the grant may be fully processed in the timeframe required by the FAA. Failure to meet the FAA's deadlines could result in loss of funding.

FISCAL IMPACT

The proposed recommendation would allow for the Airport Department to accept funding up to \$7,000,000 from FAA AIP to Airport Runway 12-30 Electrical Improvements Project. The estimated costs for capital improvements to the runway are \$6,841,432 and federal AIP grant funds requested for this project are \$6,841,432. The grant requires matching funds of 9.34 percent of project costs (\$638,990), which will be funded with Airport funds in the Airport Fund Group in the Airport Department. The balance of the project costs, \$6,202,442, will be funded by FAA AIP. An appropriation increase for the grant and matching funds will be requested after funding is awarded. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. It is anticipated the project will have a positive impact on the local job market.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CYNTHIA GUIDRY
DIRECTOR, LONG BEACH AIRPORT

APPROVED:



THOMAS B. MODICA
CITY MANAGER