

CITY OF LONG BEACH

R-29

LONG BEACH AIRPORT

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April 1, 2008

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

RECOMMENDATION:

Authorize the City Manager to submit an application for Airport Improvement Program Grant No. 3-06-0127-30 to the Federal Aviation Administration (FAA), to fund the rehabilitation of Taxiway K, Phase Three, accept such grant, execute and amend grant documents from the FAA for entitlement and discretionary funds, increase appropriations in the Airport Enterprise Fund (EF 320) in the Department of Public Works (PW) by \$12,500,000, accept and certify one-time grant Terms and Conditions and amend the one-time certification as required for future FAA modifications. (District 5)

DISCUSSION

The Long Beach 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 passengers enplaned, 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 improvement.

The project to be funded by this year's grant is the Rehabilitation of Taxiway K, Phase Three, the primary taxiway providing air carrier access from Runway 30 to the air carrier ramp. Taxiway K is showing significant pavement distress and has required temporary repairs over the last year. Rehabilitation of the taxiway will return it to 'new' condition. Funding for design of the overall project and construction of Phase One was received from the FAA in FY06. Phase Two was funded by the FAA in FY07. Construction of the first two phases is currently underway. The third phase of Taxiway K is anticipated to begin construction in September 2008, pending acceptance of the FAA's grant offer.

Funds are pending submittal of a formal grant application to the FAA and receipt of a grant offer from the FAA. The grant, AIP No. 3-06-0127-30, will require a 95% FAA and 5% City financial participation. FAA grants are now based on bids. Bids for this project are scheduled to be opened May 23, 2008. The estimated cost of construction and construction engineering for Taxiway K, Phase Three is estimated to be \$13,150,000. The FAA is currently working to fully fund the \$12,500,000 Federal share of the

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estimated cost in this year's grant. The City's required participation would be \$650,000, funded with Passenger Facility Charges (PFC).

Each FAA grant requires the acceptance and certification by the City of standard Terms and Conditions, which range from the use of FAA design requirements in preparation of plans and specifications, to required language in bid documents, to maintaining a drug-free workplace. In years past, the acceptance of the Terms and Conditions required the sponsor to process in excess of 20 pages of documents as part of the grant application. To streamline the grant process, the FAA is moving to a short-form application with a one-time submittal of the City certification of the Terms and Conditions. The City's certification would stay active in perpetuity or until the FAA introduces changes to their standard Terms and Conditions. The FAA has requested that the City process the one-time certification of the Terms and Conditions along with this year's grant application. The City Manager's signature is required for the certification.

This matter was reviewed by Assistant City Attorney Michael J. Mais on March 24, 2008, and by Budget Management Officer Victoria Bell on March 25, 2008.

TIMING CONSIDERATIONS

City Council action on this item is requested on April 1, 2008, to ensure that the grant application is filed and the grants are fully processed in the time frame required by the FAA. Failure to meet this deadline will result in loss of funding.

FISCAL IMPACT

The amount of Federal grant funds requested for this project is \$12,500,000. The City's obligation for this amount is \$650,000 and is currently appropriated in the Airport Enterprise Fund. An appropriation increase of \$12,500,000 is required in the Airport Enterprise Fund (EF 320) in the Department of Public Works (PW).

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

CHRISTINE F. ANDERSEN
AIRPORT DIRECTOR

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APPROVED:

PATRICK H. WEST CITY MANAGER