

**Department of Public Works
Airport Bureau
Capital Improvement Projects Summary**

Project Description

The following paragraphs provide an overview of the Capital Improvement Projects (CIP) planned for the Airport for FY04 through FY07.

PW1020—Airfield Lighting and Sign Rehabilitation. This project is the final phase of the Taxiway D reconstruction that was substantially completed in FY03. The remaining work is the installation of a Precision Approach Path Indicator (PAPI) light system on Runway 25L.

PW1030—Airport Terminal Area Rehabilitation. Increased passenger traffic has severely strained existing terminal facilities. The largest project is an electrical system replacement to provide adequate electrical service to the terminal area and airfield. The replacement design is completed and work is expected to begin in the fourth quarter of FY04. Other terminal area projects in FY04-05 include replacing the Public Address system (nearing completion), installation of temporary restrooms, ADA ramps, pavement repairs in the terminal area and parking lots, and canopies over temporary outdoor baggage claim and passenger queuing areas. A significant portion of the funding for these projects will come from Airport revenue.

PW1040—Terminal Apron Rehabilitation. This series of projects addresses short-term pavement failures and other immediate needs on the air carrier ramp, as well as beginning the improvements required to enhance safety. This work will also address drainage-related issues and reduce vehicular activity and emissions by providing in-ground electrical connections for parked aircraft. Projects scheduled in FY04 and FY05 include dust covers, relocate south air carrier ramp fence line, Pad 8 Lighting, and design of the ramp reconstruction. The reconstruction will be done in phases beginning in FY05. Reconstruction of the ramp will require a total funding commitment of \$15–\$20 million utilizing FAA Entitlement/Discretionary and PFC funds and is anticipated to be completed by the end of FY08.

PW1070—Airfield Pavement Rehabilitation. Several heavily used taxiways, as well as perimeter road and access roads are currently showing signs of pavement distress and failure, and require rehabilitation. These projects also include significant safety modifications to maintain airfield safety. Taxiway D and Taxiway F/B are both nearing completion. The full strength islands between the ramp and Taxiway C and Taxiway at West End of 25L will be designed in FY04 and reconstructed in FY05. Taxiways J, C and K will be designed in FY 05 and reconstructed in FY06. Perimeter road reconstruction is ongoing. PFC will fund most of the projects, however, the projects will be completed before sufficient PFC revenue is collected to cover project expenditures. Also included are projects such as the rehabilitation of Runways 16/34 (both L and R), for which no funding source has been identified.

PW 1071- Rehabilitation of Runway 12-30. This is the largest single project at the Airport in FY04 and 05. The runway was built in the 1950s, overlaid in 1978, and showed signs of major pavement distress. Rehabilitation is underway to avoid the much higher cost of complete reconstruction. The project also includes significant safety modifications to associated safety areas, lighting, signage and connecting taxiways. Reconstruction began in December 2003, and is scheduled to be completed by December 2004. Total cost of the project is estimated to be \$35 million.

PW1130—Airport Security Access Control. Increased passenger traffic, rapidly evolving security requirements and temporary facilities have severely taxed the Airport's aging Security and Access Control System (SACS). Cost of repairing the outdated system is increasingly exorbitant, and parts are difficult to find. Design for the SACS began in the second quarter of FY04, with reconstruction and installation beginning in the fourth quarter of FY04. The Airport plans to utilize \$1.36M from an Urban Area Securities Initiative (UASI) federal grant, FY04 AIP, and PFC to fund this high priority project. PW1130 also includes replacement of three Aircraft Rescue and Fire Fighting (ARFF) vehicles. The vehicles are well beyond their service lives, and are overdue for replacement. One vehicle is experiencing major mechanical problems that cannot be repaired. The Airport plans to dedicate a portion of its FY04 AIP entitlement funds to replacement of one of these vehicles.

PW1180—Parking Lot Improvements. Existing parking lots are being used to capacity during peak periods. They are in need of pavement repairs and lighting improvements. Additionally, the Airport extended Remote Lot D (the Boeing lot) to handle the passenger needs. Since these lots are revenue producing, they are not eligible for FAA or PFC funding.

ALP—Airport Layout Plan revision. FAA AIP and Airport Certification requirements mandate that the Airport regularly update its Airport Layout Plan (ALP). To ensure that the Airport continues to meet these requirements, and to provide City staff and Airport tenants and users with a complete, readily available planning document, a complete revision of the current ALP, in a layered, AutoCAD format is required. This work would be done in early FY05.

Conclusion

Without bridge financing the only significant projects to be addressed in the next several months include Runway 12-30 rehabilitation, the Taxiway F/B rehabilitation (both currently underway), and the electrical service replacement project. Below are projects that will have to be deferred if interim financing is not obtained. Deferral of these projects will result in the continued deterioration of Airport infrastructure, resulting in more costly repairs in the future.

- Terminal Area rehabilitation (PW1030) elevator, canopies, pedestrian access, emergency repairs FY04
- Relocate south air carrier ramp fence line (PW 1040) FY04
- Pad 8 lighting (PW1040) FY04
- Pavement rehabilitation (PW1070) FY04
- Air Carrier Ramp Optimization (PW 1070-00) FY04
- Full strength islands at Taxiway C (PW1070-00) FY05
- Air Carrier ramp reconstruction (PW1070-00) FY05
- Runway 16L/34R rehabilitation (PW1070) FY06
- Replacement of ARFF vehicles (PW1130) FY04
- Parking lots repairs and light improvements (PW1180) FY04
- ALP revision FY04
- Miscellaneous airfield pavement rehabilitation (PW1070) FY05
- Pavement rehabilitation of Taxiway C (PW1070) FY05
- Pavement rehabilitation of Taxilane K (PW1070) FY05
- Pavement rehabilitation of Runway 16R/34L (PW1070) FY07
- Pavement rehabilitation of Taxiway D north of Runway 7L (PW1071) FY05
- Pavement rehabilitation of Taxiways A/B north of Runway 30 (PW1071) FY06

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1 RESOLUTION NO. C-

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3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH AUTHORIZING CITY AND
5 AIRPORT STAFF TO PROCEED WITH DOCUMENT
6 PREPARATION FOR THE ESTABLISHMENT OF A
7 COMMERCIAL PAPER PROGRAM FOR THE AIRPORT
8 ENTERPRISE FUND NOT TO EXCEED AN AGGREGATE
9 PRINCIPAL AMOUNT OF \$15 MILLION, THE SELECTION
10 OF ONE OR MORE BANKS TO PROVIDE ONE OR MORE
11 CREDIT FACILITIES FOR THE COMMERCIAL PAPER
12 PROGRAM, THE NEGOTIATION OF A REIMBURSEMENT
13 AGREEMENT OR OTHER AGREEMENT WITH SUCH
14 BANK, THE APPOINTMENT OF ONE OR MORE
15 COMMERCIAL PAPER DEALERS, THE APPOINTMENT
16 OF A TRUSTEE AND AN ISSUING AND PAYING AGENT
17 AND AUTHORIZING THE PUBLICATION OF A NOTICE
18 REGARDING A PUBLIC HEARING CONCERNING THE
19 ISSUANCE OF AIRPORT REVENUE COMMERCIAL
20 PAPER NOTES PURSUANT TO PLANS OF FINANCING
21 FOR CERTAIN AIRPORT PROJECTS AND APPROVING
22 AND AUTHORIZING RELATED DOCUMENTS, OFFICIAL
23 ACTIONS AND MATTERS

24
25 WHEREAS, the City of Long Beach (the "City") is a city organized and
26 existing under a charter duly and regularly adopted pursuant to the provisions of the
27 Constitution of the State of California; and

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1 WHEREAS, the City owns and operates the Long Beach Airport (the
2 "Airport"); and

3 WHEREAS, pursuant to Section 1725(a) of Article XVII of said charter,
4 the City is authorized to issue short-term revenue certificates for purposes of the City;
5 and

6 WHEREAS, pursuant to Section 1725(b) of Article XVII of said charter,
7 the City is authorized to arrange for bank credit as additional security for short-term
8 revenue certificates issued pursuant to said Section and in connection therewith
9 execute and deliver promissory notes to evidence advances made under such bank
10 credit facilities; and

11 WHEREAS, the City has determined that it is necessary and advisable to
12 establish a commercial paper program for the future financing and refinancing of the
13 needs of the Airport; and

14 WHEREAS, the City intends to issue and sell commercial paper notes
15 pursuant to the charter and a plan of financing for certain Airport projects (the
16 "Projects"), which Projects will be owned by the City; and

17 WHEREAS, the City has determined that it is in the best interests of the
18 City and the Airport to proceed with document preparation for the establishment of a
19 commercial paper program for the needs of the Airport, the selection of one or more
20 banks to provide credit support for the commercial paper program, the appointment of
21 one or more commercial paper dealers, the appointment of a trustee and an issuing
22 and paying agent and other matters associated with the establishment of a commercial
23 paper program for the Airport; and

24 WHEREAS, City staff estimates that the legal fees, financial advisor fees,
25 rating agency fees, bank fees and other costs of issuance that will be incurred in
26 connection with the establishment of such commercial paper program will not exceed
27 \$300,000; and

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1 WHEREAS, in order to comply with Section 147(f) of the Internal Revenue
2 Code of 1986, as amended, the City wishes to authorize publication of a Notice of
3 Public Hearing;

4
5 NOW, THEREFORE, the City Council of the City of Long Beach resolves
6 as follows:

7 Section 1. Authorization. The City Manager or his designee, the City
8 Chief Financial Officer or his designee and the City Treasurer are hereby authorized,
9 empowered and directed to take such preliminary actions as they deem necessary and
10 appropriate with regards to the preparation of documents for the establishment of a
11 commercial paper program (which shall not exceed an aggregate principal amount of
12 \$15 million and shall be secured solely from Airport enterprise fund revenues) for the
13 purpose of financing the acquisition, construction, equipping and improving of the
14 Projects, including, but not limited to, the preparation of one or more master trust
15 indentures, one or more supplemental trust indentures, one or more offering
16 memoranda, negotiating with letter of credit banks and the application for bond ratings.

17 Sec. 2. Publication of Notice of Public Hearing. In order to comply
18 with Section 147(f) of the Internal Revenue Code of 1986, as amended, the City hereby
19 authorizes and directs City staff to provide for the publication of a Notice of Public
20 Hearing in one or more newspapers of general circulation available to the residents of
21 the City regarding the plan of financing involving the issuance of notes under the
22 commercial paper program, as may be approved by the City Manager or his designee,
23 the City Chief Financial Officer or his designee or the City Treasurer. Said public
24 hearing shall be held at such time as shall be determined by the City Manager or his
25 designee, the City Chief Financial Officer or his designee or the City Treasurer and
26 shall be conducted by the City Manager or his designee, the City Chief Financial Officer
27 or his designee or the City Treasurer or such other officer of the City as shall be
28 designated by the City Council.

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1 Sec. 3. Official Actions. The City Manager or his designee, the City
2 Chief Financial Officer or his designee, the City Treasurer, and the City Clerk and any
3 and all other officers of the City are hereby authorized and directed, for and in the name
4 and on behalf of the City, to do any and all things and take any and all actions,
5 including execution and delivery of any and all assignments, certificates, requisitions,
6 agreements, which they, or any of them, may deem necessary or advisable in order to
7 consummate the lawful establishment of a commercial paper program for the needs of
8 the Airport and the consummation of the transactions as described herein and
9 beneficial to the City otherwise to carry out, give effect to and comply with the terms
10 and intent of this resolution and the documents.

11 Sec. 4. Services. Inasmuch as the City shall require the services of
12 certain professionals in connection with the establishment of the commercial paper
13 program for the needs of the Airport, the City hereby appoints the law firm of Kutak
14 Rock LLP, as Bond Counsel, and Public Financial Management Inc., as Financial
15 Advisor, on such terms as shall be favorable to the City and approved by the City
16 Treasurer and the City Attorney, respectively.

17 Sec. 5. This resolution shall take effect immediately upon its
18 adoption by the City Council, and the City Clerk shall certify the vote adopting this
19 resolution.

20
21 I hereby certify that the foregoing resolution was adopted by the City
22 Council of the City of Long Beach at its meeting of _____, 2004, by

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