



CITY OF LONG BEACH

LONG BEACH AIRPORT

R-16

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August 18, 2009

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive and file a presentation from the Long Beach Airport regarding Capital Improvement Program status. (District 5)

DISCUSSION

At the City Council meeting of April 21, 2009, Airport staff was asked to provide an update on the status of the Parking Structure and Terminal Improvement Project. These projects are an integral part of the Airport's Capital Improvement Program (CIP). The Long Beach Airport is proceeding with capital improvement projects planned for both the landside and airside areas of the Airport. Airfield improvements at an airport such as Long Beach primarily involve rehabilitation of runways, taxiways and other infrastructure necessary for safe aircraft operation at the facility. Identified landside projects at the Airport involve the terminal area and parking infrastructure.

A major consideration in the timing of some of the Airport capital improvements relates to the overall health of the economy and airline industry, both of which have not done well in 2008 and 2009 to-date, and will likely not significantly recover until 2010 or later. While other commercial airports in the region are experiencing a significant drop in passenger traffic, Long Beach Airport is continuing to experience modest growth. However, given the industry-wide economic uncertainty and the escalating operational costs that make regional jet commuter aircraft unprofitable, the Airport is taking a very conservative, phased approach to terminal area improvements. This will guarantee that the needs of our customers are met, without overbuilding or financially over-extending the Airport. Using this approach, subsequent phases will be triggered based on actual operational needs.

Three critical projects at the Long Beach Airport include the construction of a new parking structure, passenger terminal-related improvements, and construction of improvements to the airline aircraft parking ramp. The Airport is currently planning and designing a phased construction for these three projects.

Additionally, to ensure that the City Council is well informed on the status and progress of all the Airport's capital projects, the Department has developed a Capital

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Improvement Project Status Report that will be updated and published on a monthly basis. The July 2009 report is attached.

This matter was reviewed by Assistant City Attorney Michael J. Mais on June 23, 2009, and by Budget and Performance Management Bureau Manager David Wodynski on August 6, 2009.

TIMING CONSIDERATIONS

City Council action on this matter is not time sensitive.

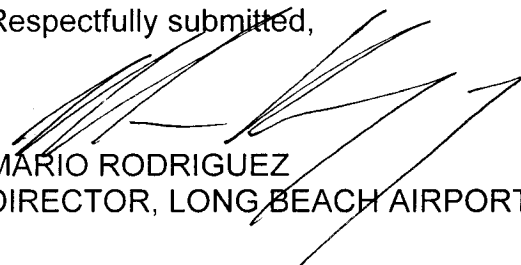
FISCAL IMPACT

There is no fiscal impact associated with this action.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MARIO RODRIGUEZ
DIRECTOR, LONG BEACH AIRPORT

MR:CE:km
SICLLGP CIP Status.rev4.doc

Attachment

APPROVED:



PATRICK H. WEST
CITY MANAGER