

CITY OF LONG BEACH



LONG BEACH AIRPORT

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December 6, 2016

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

4100 East Donald Douglas Drive

RECOMMENDATION:

Authorize the City Manager to submit an application for the Airport Improvement Program Grant for Fiscal Year 2017 to the Federal Aviation Administration for funding for capital improvements to Runway 7R-25L and to accept such grant, execute grant documents and amend grant documents and grant amounts with the Federal Aviation Administration for entitlement and discretionary funds in the amount of \$12,881,879. (District 5)

DISCUSSION

The Long Beach Airport (Airport) receives grant funds annually from the Federal Aviation Administration (FAA) Airport Improvement Program (AIP). Entitlement funds are the portion of 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. Every other 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 December 2, 2014, the City Council authorized the finalization and submission of preferred Alternative 3A of the Airfield Geometry Study (Study) to the FAA for review. The Study prepared by HNTB Corporation provided a comprehensive evaluation of the airfield geometry, providing alternatives for the reduction of risk in response to the Commercial Aviation Safety Team (CAST) report and analysis of the airfield design. Alternative 3A will help to reduce excess infrastructure and increase financial benefits through lower operation and maintenance costs.

On December 9, 2014, the City Council authorized the submission of an application for AIP funding of the Study – Phase 2. As the recommendations of the Study include physical modifications to the airfield, Phase 2 includes an update to the Airport Layout Plan (ALP) and other official maps and documents required to be maintained by the Airport. The ALP and associated documents have been developed and submitted to the FAA for approval. The Airport anticipates FAA approval prior to December 31, 2016.

The first implementation phase from the Study's recommendations will include capital improvements to Runway 7R-25L, which are anticipated to be mostly funded by this year's grant. Runway 7R-25L is the Airport's busiest runway and is primarily utilized by general aviation users and flight schools. Poor pavement conditions, combined with the need to address complex geometry, drive the need to conduct major pavement reconstruction to maintain operational safety and adequacy. Recommendations of the Alternative 3A of the Study include the reconstruction, realignment and re-designation of the runway to 8R-26L. Additional improvements will include pavement markings, lighting, signage, storm drain systems, grading of infield areas, and construction of two light aircraft run-up areas. Additionally, blast pads will be constructed for Runway 7L-25R, which will also be redesignated to 8L-26R.

Funds for the capital improvements to Runway 7R-25L are pending the submittal of a formal grant application and receipt of the grant offer from the FAA. The grant requires shared financial participation by the Airport of 9.34 percent of the project cost. The estimated cost for the capital improvements to Runway 7R-25L is \$14,209,000, of which \$12,881,879 will be federally AIP funded. The Airport's share of \$1,327,121 will be funded with Passenger Facility Charges (PFC) anticipated to be approved by the FAA in FY 17.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on November 10, 2016 and by Budget Management Officer Rhutu Amin Gharib on November 7, 2016.

TIMING CONSIDERATIONS

City Council action on this matter is requested on December 6, 2016, to ensure that the grant application is filed prior to the deadline of December 31, 2016, so that 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.

Based upon the national priority to conform airfield geometry to current design standards, the FAA has advised the Airport that this project will be given national priority. The Airport is anticipated to be awarded discretionary AIP funds.

FISCAL IMPACT

The amount of federal AIP grant funds requested for this project is \$12,881,879. The required match of Airport funds for this amount totals \$1,327,121, all of which will be funded with PFCs, anticipated to be approved by the FAA. 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 project will have a positive impact on the local job market.

HONORABLE MAYOR AND CITY COUNCIL December 6, 2016 Page 3

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

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JESS L/ ROMO, A.A.E. DIRECTOR, LONG BEACH AIRPORT

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APPROVED:

ATRICK H. WEST