

July 7, 2020

R-19

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 a grant award in Airport Improvement Program Grant for Federal Fiscal Year 2020 funding, for capital improvements to Taxiway B and Taxiway L, in an amount not to exceed \$50,000,000. (District 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 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. 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 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.

Due to the significant extent of the improvements, the Study outlined a conceptual phasing plan for implementation of the Alternative 3A over the next 20-year horizon. The phasing plan was developed with several key considerations including, but not limited to, prioritization for safety, operational impacts, and funding availability.

The Taxiway B Construction project is the fifth implementation phase of the Study and includes the conversion of the decommissioned Runway 16R-34L pavement to new asphalt pavement. The existing Taxiway B is primarily utilized by general aviation, including Fixed Base Operators (FBOs) and FedEx. Aircraft taxiing southbound on Taxiway B sometimes anticipate reaching their destination parking ramp and fail to hold short of Runway 8R-26L. As recommended in

HONORABLE MAYOR AND CITY COUNCIL July 7, 2020 Page 2

the Study, the project will establish an offset stagger of Taxiway B north of Taxiway J, to increase the situational awareness of pilots operating on Taxiway B and help mitigate issues that lead to the identification of a hot-spot. The project includes the construction of a new connector, demolition of existing runway and taxiway pavements, grading and drainage improvements, new LED airfield signage, and relocation of the vehicle service road.

Taxiway L serves as the primary taxiway for all departing commercial aircraft and is also used by air cargo carriers. Taxiway L has exhibited accelerated pavement damage (structural subgrade failure/rutting), presumably due to the limitations of compaction over the Lakewood Boulevard and Spring Street tunnels. The Airport has performed numerous emergency surface repairs to prevent foreign object debris. The primary pavement failure identified is structural subgrade failure. The project will reconstruct Taxiway L and the connectors using Portland Cement Concrete (PCC). Improvements to the primary air carrier taxiway will preserve safety and capacity.

The Airport submitted a grant application to the FAA for the Taxiway B and Taxiway L projects in December 2019, based on an estimated project cost. Since then, the Taxiway B project has been advertised and the Taxiway L estimate refined. Therefore, an updated application was submitted on June 10, 2020.

The estimated cost for the capital improvements to Taxiway B and Taxiway L listed in the application is \$49,787,120. The amount of federal share being requested is \$45,137,003. Typically, the grant requires shared financial participation by the Airport of 9.34 percent of the project cost. Per the Coronavirus Aid, Relief, and Economic Security (CARES) Act passed by Congress on March 27, 2020, and the FAA CARES Act Airport Grants – Frequently Asked Questions document dated May 29, 2020, at least \$500 million is available to increase the federal share to 100 percent for grants awarded under the Fiscal Year 2020 (FY 20) appropriations cycle for FY 20 AIP and FY 20 Supplemental Discretionary grants. It is anticipated that the Airport's match of \$4,650,117 will be funded by the CARES Act. The final amount of the AIP grant may be higher or lower, depending on the actual construction amount and available FAA funds. In the event that the grant award is significantly lower than \$50,000,000, the Airport will apply for the remaining grant proceeds in FY 21 and return to the City Council for authority to accept any funds awarded.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on June 15, 2020 and by Revenue Management Officer Geraldine Alejo on June 19, 2020.

TIMING CONSIDERATIONS

City Council action is requested on July 7, 2020, 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.

HONORABLE MAYOR AND CITY COUNCIL July 7, 2020 Page 3

FISCAL IMPACT

The total AIP grant funds requested for the projects is \$45,137,003. The grant requires matching funds in the amount of \$4,650,117. The Airport Department anticipates CARES Act funding will be available to fund the match requirement, which would have typically been funded by the Airport. 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 projects 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