



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** September 25, 2012

**TO:** Mayor and Councilmembers

**FROM:** Administration, Airport Department

**SUBJECT:** Appropriation Of Federal Aviation Administration Airport Improvement Program Grant Funds For Santa Barbara Airport

### RECOMMENDATION:

That Council accept the increased Federal Aviation Administration grant offer and increase appropriations and estimated revenues by \$3,360,273 in the Airport's Grants Fund for two projects, the Airline Terminal Improvement Project (Phase V) and the Taxiway C, H, J Rehabilitation Project (Phase I), both of which will be primarily funded from Federal Aviation Administration Airport Improvement Program (AIP) Grant No. 03-06-0235-045-2012 totaling \$3,046,424, with the City's 9.3% match portion of \$313,849 to be funded from Airport reserves above policy.

### DISCUSSION:

On July 3, 2012, Council accepted and authorized the Airport Director to execute the Federal Aviation Administration (FAA) Airport Improvement Program grant offer in an amount not to exceed \$2,800,000. Funds were not appropriated at that time. When the grants were received on September 10, 2012, the grant offer had increased to \$3,360,273.

This grant provides \$750,000 for the final phase of construction on the Airline Terminal Improvement Project and the balance \$2,610,273 for the first phase of construction for the rehabilitation of three taxiways, C, H, and J.

The reason for the change is due to more recent federal legislation that has increased the local match for small hub airports from 5% to 9.3% for the 2012 entitlement grant.

### BUDGET/FINANCIAL INFORMATION:

Funds for the City's 9.3% match are available in the Airport's Operating Reserves above policy.

**PREPARED BY:** Hazel Johns, Assistant Airport Director

**SUBMITTED BY:** Karen Ramsdell, Airport Director

**APPROVED BY:** City Administrator's Office