



City Council Report

Date: August 31, 2009
To: City Council
Through: Jack Friedline, Deputy City Manager
From: Corinne Nystrom, Airport Director
Subject: Falcon Field Airport – Airport Master Plan Update – Phase 2
City of Mesa Project No. 01-492-001
ADOT Grant No. E7S59
City Council District No. 5

Strategic Initiatives



Purpose and Recommendation

The purpose of this report is to recommend that the City Council adopt the attached resolution authorizing the City Manager to execute the corresponding Grant Agreement Amendment #1 to extend the expiration date of existing grant # E7S59 (Airport Master Plan Update – Phase 2) between the Arizona Department of Transportation (ADOT) and the City of Mesa from June 30, 2009 to June 30, 2011.

Background

The Airport Master Plan is a comprehensive study of the airport and identifies the short, medium, and long term development plans to meet existing and future aviation demand. The goal of the Master Plan is to provide the framework needed to guide airport development in a way that will cost-effectively meet aviation demand, while also considering potential operational, environmental, and socioeconomic impacts.

Grant #E7S59 was previously approved by the City Council on November 20, 2006. The Airport has requested that ADOT extend the expiration date of the grant from June 30, 2009 to June 30, 2011 in order to complete the Master Plan and to allow sufficient time to complete final reimbursements and administrative processing of this grant. The draft Master Plan is awaiting City Council review and approval.

Discussion

ADOT routinely adjusts grant expiration dates with airports since project completion dates can vary from when the grant was originally approved. Also, due to the recent reduction of State Aeronautics grant funds, stemming from the transfer of these funds to the State's general fund, the Aeronautics Division has instituted a grant reimbursement deferral program of up to 18 months for all aeronautics grants. This grant is subject to this reimbursement deferral.

Alternatives

The first alternative is to do nothing and allow the grant to expire without extending the date. In this case, the City would be required to pay 100% of the remaining costs to complete the project that would otherwise be paid for by the State. The total amount of grant funds remaining is approximately \$32,000.

The second and recommended alternative is to extend Grant # E7S59 to June 30, 2011, which allows the City adequate time to complete the project, close out the grant, and be reimbursed by the State for the remaining costs of the project.

Fiscal Impact

There is no negative fiscal impact in approving this resolution. Conversely, if this grant is allowed to expire without an extension, the City will be responsible for funding the remaining project/program costs that would otherwise be paid by the State. City funds have not been budgeted to cover the additional \$32,000 that would be required.

Coordinated With

The Arizona Department of Transportation (ADOT) concurs with this recommended alternative.



Corinne C. Nystrom, Airport Director



Jack Friedline, Deputy City Manager

**Arizona Department of Transportation
Aeronautics Division**

AIRPORT DEVELOPMENT REIMBURSABLE GRANT AGREEMENT

AMENDMENT NUMBER 1

AMENDMENT to the Airport Development Reimbursable Grant Agreement **E7S59** dated December 13, 2006, between the State of Arizona, acting by and through the Arizona Department of Transportation, Aeronautics Division hereinafter referred to as "State", and the City of Maricopa, a political subdivision of the State of Arizona, hereinafter referred to as "Sponsor".

AGREEMENT

The Airport Development Agreement dated **December 13, 2006**, is amended as follows:

1. Paragraph 4 of the Obligations is replaced by the following:

The State obligation to provide funds hereunder expires upon completion of the efforts required herein or June 30, 2011, whichever is earlier.

2. All other provisions of the Airport Development Agreement remain applicable and unchanged except as herein modified.
3. This Airport Development Agreement Amendment is effective upon the signature of the representative of the State.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their duly authorized respective officers.

STATE:

State of Arizona
Department of Transportation
Aeronautics Division

SPONSOR:

City of Mesa
Falcon Field

By: _____

Barclay Dick, Director

Date: _____

Signature: _____

Title: _____

Date: _____

WITNESSED BY:

Signature: _____

Print Name: _____

Date: _____

WITNESSED BY:

Signature: _____

Print Name: _____

Date: _____

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA APPROVING AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNATED REPRESENTATIVE, TO EXECUTE AIRPORT DEVELOPMENT AGREEMENT #E7S59, AMENDMENT #1 BETWEEN THE CITY OF MESA AND THE STATE OF ARIZONA, ACTING BY AND THROUGH THE ARIZONA DEPARTMENT OF TRANSPORTATION AERONAUTICS DIVISION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, AS FOLLOWS:

Section 1: That Airport Development Agreement #E7S59, Amendment #1, between the City of Mesa and the State of Arizona, acting by and through the Arizona Department of Transportation, Aeronautics Division, is hereby approved.

Section 2: That the City Manager, Christopher J. Brady, or his designated representative, is authorized and directed to execute the agreement, and the City Clerk is authorized and directed to attest to the signature of the City Manager, or his designated representative, thereon.

PASSED AND ADOPTED by the City Council of the City of Mesa, Maricopa County, Arizona, this _____ day of _____, 2009.

APPROVED:

Mayor

ATTEST:

City Clerk