



DATE: August 15, 2012
TO: Honorable Mayor and City Council Members
FROM: Property Management Division
SUBJECT: **ACCEPT \$180,000 IN GRANT FUNDS FROM THE FEDERAL AVIATION ADMINISTRATION AND APPROVE THE APPROPRIATION OF SAID GRANT FUNDS TO THE AIRPORT MAINTENANCE AND OPERATION FUND**

SYNOPSIS

Staff recommends that the City Council accept grant funds in the amount of \$180,000 from the Federal Aviation Administration awarded to the City of Oceanside, on the condition that the grant is funded, and once funded, approve the appropriation of said grant funds to the airport maintenance and operation fund for the preparation of a new Airport Master Plan.

BACKGROUND

In August 2009, the City Council approved an Amended and Restated Lease Agreement and an Amended and Restated Operating Agreement (collectively "Agreements") with Airport Property Ventures, LLC ("APV") for the lease and operation of the Oceanside Municipal Airport ("Airport"). The Agreements give APV the opportunity to pursue grants from the Federal Aviation Administration ("FAA") for improvements to the Airport on behalf of the City as the airport sponsor.

The current master plan for the Airport was completed in 1994. Inasmuch as the current master plan is almost twenty years old, prior to providing additional grant funds for improvements, the FAA requested a new Airport master plan be prepared ("Airport Master Plan"). The FAA also informed the City that grant funding is available for preparing a new Airport Master Plan. Accordingly, APV, on behalf of the City as the Airport sponsor, has applied for a grant from the FAA for the preparation of a new Airport Master Plan.

ANALYSIS

As part of the grant application process by APV for the preparation of a new Airport Master Plan, the City is required, per its administrative directives, to accept such grant funds from the FAA through a City Council action. By accepting the grant from the FAA, on the condition that the grant is in fact funded, the Airport will receive funding for the preparation of a new Airport Master Plan.

In anticipation of such grant funding from the FAA, the City has issued a Request for Proposals ("RFP") from qualified entities to prepare a new Airport Master Plan. Staff is currently in the process of reviewing the proposals submitted in response to the RFP. Notwithstanding the

selection of an entity to prepare a new Airport Master Plan and the execution of an agreement for said services, should the grant not be funded by the FAA, the RFP process, including any agreement with such entity, can be terminated.

FISCAL IMPACT

Upon funding of the grant by the FAA, the acceptance of the FAA grant funds in the amount of \$180,000 necessitates approval of a budget appropriation for said amount to account 822127900274.4381 in order to utilize said grant funds. The \$180,000 in grant funds will be handled as a reimbursement program for the preparation of a new Airport Master Plan by the qualified entity to be selected as part of the RFP process and paid out of account 822127900274.5305.

INSURANCE REQUIREMENTS

City minimum insurance coverage requirements identified in the Agreements will be met and coverage extended through the term of the Agreements.

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

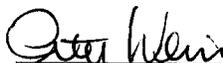
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