

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Airports	(2) MEETING DATE 3/15/2016	(3) CONTACT/PHONE Kevin Bumen 781-5205	
(4) SUBJECT Request for authorization to accept and sign a Federal Aviation Administration (FAA) Airport Improvement Program (AIP) Grant and a related budget adjustment in the amount of \$95,022 for the installation of an Automated Weather Observation System (AWOS) and replacement Beacon at the Oceano Airport. District 4.			
(5) RECOMMENDED ACTION It is recommended the Board: <ol style="list-style-type: none"> <li>1. Authorize the Director of Airports to accept and sign a grant anticipated to be awarded by the FAA in the amount of \$331,177 to fund pre-grant planning and design along with acquisition and installation of a new AWOS and replacement Beacon at the Oceano Airport;</li> <li>2. Authorize the budget adjustment for Capital Outlay in the amount of \$95,022 for necessary planning and design tasks in order to seek bids for acquisition and installation of equipment to complete the project.</li> </ol>			
(6) FUNDING SOURCE(S) FAA \$331,177 Airport Enterprise Fund: \$34,239 Total: \$365,416	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$34,239	(9) BUDGETED? No
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001622		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: 1516095 <input checked="" type="checkbox"/> 4/5 Vote Required <input type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A    Date: <u>4/21/2015</u>	
(17) ADMINISTRATIVE OFFICE REVIEW David E. Grim			
(18) SUPERVISOR DISTRICT(S) District 4			

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Airports / Kevin Bumen  
781-5205

DATE: 3/15/2016

SUBJECT: Request for authorization to accept and sign a Federal Aviation Administration (FAA) Airport Improvement Program (AIP) Grant and a related budget adjustment in the amount of \$95,022 for the installation of an Automated Weather Observation System (AWOS) and replacement Beacon at the Oceano Airport. District 4

## **RECOMMENDATION**

It is recommended the Board:

1. Authorize the Director of Airports to accept and sign a grant anticipated to be awarded by the FAA in the amount of \$331,177 to fund pre-grant planning and design along with acquisition and installation of a new AWOS and replacement Beacon at the Oceano Airport;
2. Authorize the budget adjustment for Capital Outlay in the amount of \$95,022 for necessary planning and design tasks in order to seek bids for acquisition and installation of equipment to complete the project.

## **DISCUSSION**

On April 21, 2015 your Board authorized the Department of Airports to apply for and accept a grant from the FAA to fund the acquisition and installation of a new AWOS and to replace the rotating beacon and tower at the Oceano Airport.

The AWOS has been requested by users of the airport in order to improve their ability to safely fly in and out of the airport.

In addition to the AWOS, the rotating beacon and support tower is in need of replacement. Rotating beacons are required in order for pilots to locate airports during hours of darkness. Due to the proximity of the airport to the ocean there is a significant amount of corrosion both in the support tower as well as the beacon motor housing and connections.

Subsequent to the Board approving the submission of the grant application Airports learned the FAA had made modifications to their application process resulting in an expedited timeline and ultimately the project being postponed until now. Airports has resubmitted the grant application and anticipates a grant to be awarded. Included in the new application is a modification to the AWOS equipment which increased the overall anticipated cost by approximately \$30,000.

All of the work for this project is grant eligible. The FAA Airport Improvement Program (AIP) grant would pay for approximately 90% of project costs while the Airport would be responsible for the remaining 10%. Construction grants from the FAA are based on bids received by the County.

The planning and design work will be completed by Reynolds, Smith and Hills (RS&H) through a work order under the current General Consultant agreement. The fee for this work order includes pre-grant planning and design as well as services through project completion at a cost of \$95,022. Planning and design must be completed prior to grant award in order to obtain the necessary bids to submit to the FAA. Fees will be paid by the Airport out of the departments Fund

Balance and be reimbursed upon receipt of the grant award.

There are currently 4 years of entitlement funds available from the FAA for the Oceano Airport. Due to the non-competitive nature of entitlement grants, Airports fully anticipates a grant to be awarded by the FAA once bids are received.

Airports is requesting the Board approve the increase to the project costs included in the submitted grant application and to authorize the Airport to expend funds prior to the receipt of the grant in order to complete the necessary design work and obtain bids.

Airports will return at a later date, upon award of the grant, to request the appropriate budget adjustment and official creation of the AWOS and beacon replacement project.

**OTHER AGENCY INVOLVEMENT/IMPACT**

The Federal Aviation Administration provides grant funding for eligible projects under the Airport Improvement Program. In addition, Airports coordinates with the County Auditor's office for use and tracking of project funds.

**FINANCIAL CONSIDERATIONS**

The FAA Airport Improvement Program will fund approximately 90% of the project, and the Airport would fund the remaining 10% local share from the Airport Enterprise Fund operating budget. The estimated project cost of the new AWOS and replacement beacon is broken down below.

Funding Source	Amount
FAA AIP Grant	331,177
Airport Enterprise Operating Fund	34,239
Total	365,416

The Airport has sufficient Fund Balance to fund pre-grant award design work of \$95,022 and requests appropriation to Capital Outlay at this time for those costs. Airports fully anticipates the grant to be awarded by the FAA. Upon award of the grant, Airports will return to request the appropriate budget adjustment for Federal Grant Revenue, appropriation necessary to complete the project and official creation of the AWOS beacon replacement project.

**RESULTS**

Approval of the revised grant application and expenditure of up to \$95,022 to the consultant for pre and post grant award tasks will allow Airports to move forward with improving and maintaining the Oceano Airport Facility and the services provided to airport users. Installation of an AWOS and replacement of the rotating beacon will improve those services and contribute to the continued safe operation of the airport.