

#13

MAR 12 2009



Chandler • Arizona
Where Values Make The Difference

MEMORANDUM **Public Works Department - Airport - Memo No. AP09-025**

DATE: MARCH 12, 2009

TO: MAYOR AND COUNCIL

THRU: W. MARK PENTZ, CITY MANAGER *[Signature]*
 PAT MCDERMOTT, ASSISTANT CITY MANAGER *[Signature]*
 R.J. ZEDER, PUBLIC WORKS DIRECTOR *[Signature]*
 DANIEL W. COOK, DEPUTY PUBLIC WORKS DIRECTOR *[Signature]*

FROM: GREG CHENOWETH, AIRPORT MANAGER *[Signature]*

SUBJECT: RESOLUTION NO. 4264 – APPROVING ADMINISTRATIVE ACTION
 TAKEN ON BEHALF OF THE CITY TO ENTER INTO A GRANT
 AGREEMENT WITH THE FEDERAL AVIATION ADMINISTRATION (FAA)
 TO ACCEPT GRANT NUMBER AIP 3-04-0008-020-2009 FOR \$323,693 FOR
 THE CONSTRUCTION OF A PAVED ON-AIRPORT SERVICE ROAD AND
 AUTHORIZING THE CITY MANAGER TO SIGN A SECOND FEDERAL
 GRANT FOR THIS PROJECT UPON OFFER BY THE FAA

RECOMMENDATION: Staff recommends Council pass and adopt Resolution No. 4264 approving administrative action taken on behalf of the City to enter into a grant agreement with the Federal Aviation Administration (FAA) to accept grant number AIP 3-04-0008-020-2009 for \$323,693 for the construction of a paved on-airport service road and authorizing the City Manager to sign a second federal grant for this project upon offer by the FAA.

BACKGROUND/DISCUSSION: On February 13, 2009, the FAA offered a grant to the City to construct a paved on-airport service road. The FAA required the agreement be signed on or before February 20, 2009. Airport staff requested that this agreement be signed by the Assistant City Manager to comply with the FAA deadline.

The project will construct a paved service road around the eastern perimeter of the airport. This project was recommended by the FAA as a safety item. The project will provide access for fuel trucks and other authorized vehicles having need to travel between the north side of airport and the south side without crossing the runway and taxiway areas.

FAA has indicated this grant will be the first of two funding sources for the project. The second federal grant is anticipated to be offered after the project is bid and will represent the balance of federal funding needed to complete construction of the project.

FINANCIAL IMPLICATIONS: The road project is in the current 5-year Capital Improvement Program (CIP). Federal grants represent 95% of total project costs. An ADOT grant is anticipated for

Memo No. AP09-025

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2.5% (\$8,518) of the project costs. Staff has identified the remaining 2.5% (\$8,518) local matching share in the Airport Operating Fund.

PROPOSED MOTION: Staff recommends that Council move to pass and adopt Resolution No. 4264 approving administrative action taken on behalf of the City to enter into a grant agreement with the Federal Aviation Administration (FAA) to accept grant number AIP 3-04-0008-020-2009 for \$323,693 for the construction of a paved on-airport service road and authorizing the City Manager to sign a second federal grant for this project upon offer by the FAA.

Attachments: Project Location Map
Resolution No. 4264
Grant Offer

RESOLUTION NO. 4264

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA APPROVING ADMINISTRATIVE ACTION TAKEN ON BEHALF OF THE CITY TO ENTER INTO A GRANT AGREEMENT WITH THE FEDERAL AVIATION ADMINISTRATION (FAA) TO ACCEPT GRANT NUMBER AIP 3-04-0008-020-2009 FOR \$323,693 FOR THE CONSTRUCTION OF A PAVED ON-AIRPORT SERVICE ROAD AND AUTHORIZING THE CITY MANAGER TO SIGN A SECOND FEDERAL GRANT FOR THIS PROJECT UPON OFFER BY THE FAA.

WHEREAS, the City of Chandler owns the Chandler Municipal Airport; and

WHEREAS, the Federal Aviation Administration (FAA) periodically programs federal funds to municipal airport facilities through its grant programs; and

WHEREAS, the FAA requires the City of Chandler as the Airport Sponsor of the Chandler Municipal Airport to sign grant agreements accepting Airport Improvement Program Grants; and

WHEREAS, City Staff was notified that it was eligible to receive the sum of \$323,693 pursuant to FAA Grant Project No. AIP 3-04-0008-020-2009 if it executed the attached Grant Agreement by February 20, 2009; and

WHEREAS, FAA grant number AIP 03-04-0008-20-2009 will provide funding necessary for the construction of an on-airport service road project.

WHEREAS, to secure such grant funding within the specified time period, the Assistant City Manager executed the attached Grant Agreement on behalf of the City with the understanding that the City would opt out and not accept such funding in the event the Grant Agreement was not subsequently ratified and approved by the City Council.

WHEREAS, FAA has advised a second grant is planned to be offered that will provide additional funding necessary for the construction of an on-airport service road project.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Chandler, Arizona as follows:

SECTION 1. The signature of the Assistant City Manager of the City of Chandler is approved in accepting FAA grant number AIP 03-04-0008-20-2009 in the amount of \$323,693 for the construction of an on-airport service road project .

SECTION 2. Upon offer of a second grant by the FAA to serve as additional funding for the construction of an on-airport service road project , the City Manager is authorized to sign grant.

PASSED AND ADOPTED by the City Council of the City of Chandler, Arizona, this _____ day of _____, 2009.

ATTEST:

CITY CLERK

MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Resolution No. 4264 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the _____ day of _____, 2009, and that a quorum was present thereat.

City Clerk

APPROVED AS TO FORM:

City Attorney *GAB*

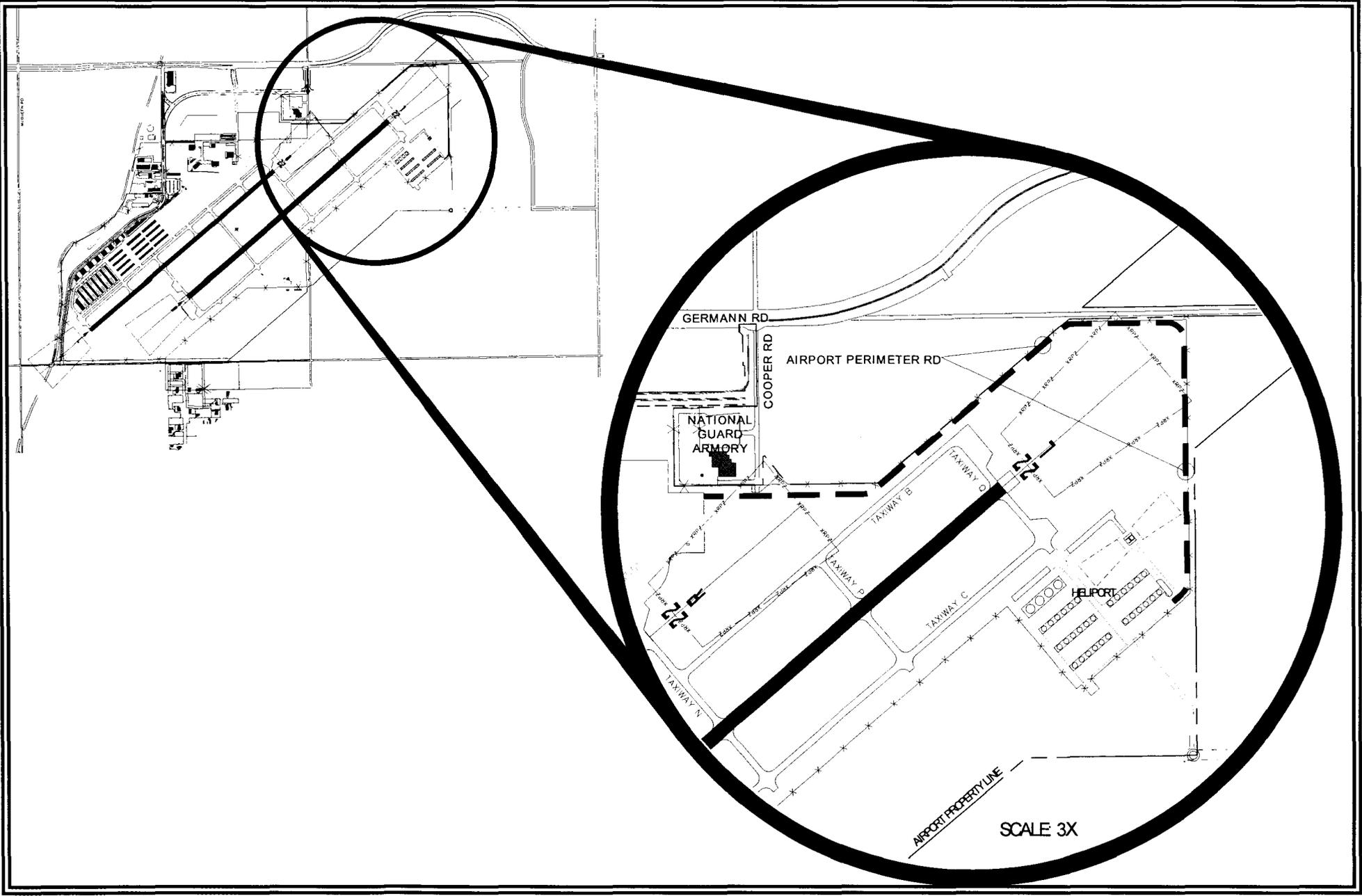
North
↑
No Scale

CHANDLER MUNICIPAL AIRPORT

Resolution No. 4264 – FAA Grant # AIP 03-04-0008-20-2009 – Road Project in Grant



Chandler • Arizona



**U.S. DEPARTMENT
OF TRANSPORTATION**

**FEDERAL AVIATION
ADMINISTRATION**

GRANT AGREEMENT

Part I - Offer

Date of Offer: **February 11, 2009**

Chandler Municipal Airport/Planning Area

Project No: **3-04-0008-020-2009**

TO: **City of Chandler, Arizona**
(herein called the "Sponsor")

FROM: The United States of America (acting through the Federal Aviation Administration, herein called the "FAA")

WHEREAS, the Sponsor has submitted to the FAA Project Applications dated **January 09, 2009**, for a grant of Federal funds for a project at or associated with the **Chandler Municipal Airport /Planning Area** which Project Application, as approved by the FAA, is hereby incorporated herein and made a part hereof; and

WHEREAS, the FAA has approved a project for the Airport or Planning Area (herein called the "Project") consisting of the following:

Construct Service Road

all as more particularly described in the Project Application.

NOW THEREFORE, pursuant to and for the purpose of carrying out the provisions of Title 49, United States Code, as amended,, herein called "the Act", and in consideration of (a) the Sponsor's adoption and ratification of the representations and assurances contained in said Project Application and its acceptance of this Offer as hereinafter provided, and (b) the benefits to accrue to the United States and the public from the accomplishment of the Project and compliance with the assurances and conditions as herein provided, **THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES** to pay, as the United States share of the allowable costs incurred in accomplishing the Project, **95.00** per centum thereof.

The Offer is made on and subject to the following terms and conditions:

Conditions

1. The maximum obligation of the United States payable under this offer shall be **\$323,693.00** For the purposes of any future grant amendments which may increase the foregoing maximum obligation of the United States under the provisions of Section 47108(b) of the Act, the following amounts are being specified for this purpose:

\$ for planning
\$323,693.00 for airport development or noise program implementation.
2. The allowable costs of the project shall not include any costs determined by the FAA to be ineligible for consideration as to allowability under the Act.
3. Payment of the United States share of the allowable project costs will be made pursuant to and in accordance with the provisions of such regulations and procedures as the Secretary shall prescribe. Final determination of the United States share will be based upon the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the Federal share of costs.
4. The sponsor shall carry out and complete the Project without undue delays and in accordance with the terms hereof, and such regulations and procedures as the Secretary shall prescribe, and agrees to comply with the assurances which were made part of the project application.
5. The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the sponsor.
6. This offer shall expire and the United States shall not be obligated to pay any part of the costs of the project unless this offer has been accepted by the sponsor on or before **February 20, 2009** or such subsequent date as may be prescribed in writing by the FAA.
7. The sponsor shall take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner in any project upon which Federal funds have been expended. For the purposes of this grant agreement, the term "Federal funds" means funds however used or disbursed by the sponsor that were originally paid pursuant to this or any other Federal grant agreement. It shall obtain the approval of the Secretary as to any determination of the amount of the Federal share of such funds. It shall return the recovered Federal share, including funds recovered by settlement, order or judgment, to the Secretary. It shall furnish to the Secretary, upon request, all documents and records pertaining to the determination of the amount of the Federal share or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the sponsor, in court or otherwise, involving the recovery of such Federal share shall be approved in advance by the Secretary.

8. The United States shall not be responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this grant agreement.
9. **ASSURANCES AIRPORT SPONSORS:** The attached Assurances Airport Sponsors dated **03/05**, incorporated hereto with the Grant Offer, are hereby substituted in lieu of those in the Sponsor's Project Application and made a part hereof.
10. **LETTER OF CREDIT:** The sponsor agrees to request cash draw downs on the letter of credit only when actually needed for its disbursements and to timely reporting of such disbursements as required. It is understood that failure to adhere to this provision may cause the letter of credit to be revoked.
11. **AIR AND WATER QUALITY:** Approval of the project included in this agreement is conditioned on the Sponsor's compliance with applicable air and water quality standards in accomplishing project construction. Failure to comply with this requirement may result in suspension, cancellation, or termination of Federal assistance under this agreement.
12. **INFORMAL LETTER AMENDMENT OF AIP PROJECTS:** It is mutually understood and agreed that if, during the life of the project, the FAA determines that the maximum grant obligation of the United States exceeds the expected needs of the Sponsor by \$25,000.00 or five percent (5%), whichever is greater, the maximum obligation of the United States can be unilaterally reduced by letter from the FAA advising of the budget change. Conversely, if there is an overrun in the total actual eligible and allowable project costs, FAA may increase the maximum grant obligation of the United States to cover the amount of the overrun not to exceed the statutory percent limitation and will advise the Sponsor by letter of the increase. It is further understood and agreed that if, during the life of the project, the FAA determines that a change in the grant description is advantageous and in the best interests of the United States, the change in grant description will be unilaterally amended by letter from the FAA. Upon issuance of the aforementioned letter, either the grant obligation of the United States is adjusted to the amount specified or the grant description is amended to the description specified.
13. **PAVEMENT MAINTENANCE MANAGEMENT PROGRAM:** For a project to replace or reconstruct pavement at the airport, the Sponsor shall implement an effective airport pavement maintenance management program as is required by Airport Sponsor Assurance Number C-11. The Sponsor shall use such program for the useful life of any pavement constructed, reconstructed, or repaired with federal financial assistance at the airport. As a minimum, the program must conform with the provisions outlined below:

PAVEMENT MAINTENANCE MANAGEMENT PROGRAM

An effective pavement maintenance management program is one that details the procedures to be followed to assure that proper pavement maintenance, both preventive and repair, is performed. An airport sponsor may use any form of inspection program it deems appropriate. The program must, as a minimum, include the following:

a. Pavement Inventory. The following must be depicted in an appropriate form and level of detail:

- (1) location of all runways, taxiways, and aprons;
- (2) dimensions;
- (3) type of pavement, and;
- (4) year of construction or most recent major rehabilitation.

For compliance with the Airport Improvement Program (AIP) assurances, pavements that have been constructed, reconstructed, or repaired with federal financial assistance shall be so depicted.

b. Inspection Schedule.

(1) **Detailed Inspection.** A detailed inspection must be performed at least once a year. If a history of recorded pavement deterioration is available, i.e., Pavement Condition Index (PCI) survey as set forth in Advisory Circular 150/5380-6, "Guidelines and Procedures for Maintenance of Airport Pavements," the frequency of inspections may be extended to three years.

(2) **Drive-By Inspection.** A drive-by inspection must be performed a minimum of once per month to detect unexpected changes in the pavement condition.

c. **Record Keeping.** Complete information on the findings of all detailed inspections and on the maintenance performed must be recorded and kept on file for a minimum of five years. The types of distress, their locations, and remedial action, scheduled or performed, must be documented. The minimum information to be recorded is listed below:

- (1) inspection date,
- (2) location,
- (3) distress types, and
- (4) maintenance scheduled or performed.

For drive-by inspections, the date of inspection and any maintenance performed must be recorded.

d. **Information Retrieval.** An airport sponsor may use any form of record keeping it deems appropriate, so long as the information and records produced by the pavement survey can be retrieved to provide a report to the FAA as may be required.

e. **Reference.** Refer to Advisory Circular 150/5380-6, "Guidelines and Procedures for Maintenance of Airport Pavements," for specific guidelines and procedures for maintaining airport pavements and establishing an effective maintenance program. Specific types of distress, their probable causes, inspection guidelines, and recommended methods of repair are presented.

14. **PROJECTS WHICH CONTAIN PAVING WORK IN EXCESS OF \$250,000:** The Sponsor agrees to perform the following:

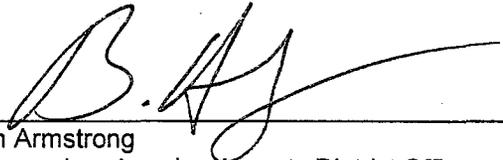
a. Furnish a construction management program to FAA prior to the start of construction which shall detail the measures and procedures to be used to comply with the quality control provisions of the construction contract, including, but not limited to, all quality control provisions and tests required by the Federal specifications. The program shall include as a minimum:

- (1) The name of the person representing the Sponsor who has overall responsibility for contract administration for the project and the authority to take necessary actions to comply with the contract.
- (2) Names of testing laboratories and consulting engineer firms with quality control responsibilities on the project, together with a description of the services to be provided.
- (3) Procedures for determining that testing laboratories meet the requirements of the American Society of Testing and Materials standards on laboratory evaluation, referenced in the contract specifications (D 3666, C 1077).
- (4) Qualifications of engineering supervision and construction inspection personnel.
- (5) A listing of all tests required by the contract specifications, including the type and frequency of tests to be taken, the method of sampling, the applicable test standard, and the acceptance criteria or tolerances permitted for each type of test.

- (6) Procedures for ensuring that the tests are taken in accordance with the program, that they are documented daily, and that the proper corrective actions, where necessary, are undertaken.
- b. Submit at completion of the project, a final test and quality control report documenting the results of all tests performed, highlighting those tests that failed or did not meet the applicable test standard. The report shall include the pay reductions applied and the reasons for accepting any out-of-tolerance material. An interim test and quality control report shall be submitted, if requested by the FAA.
 - c. Failure to provide a complete report as described in paragraph b, or failure to perform such tests, shall, absent any compelling justification, result in a reduction in Federal participation for costs incurred in connection with construction of the applicable pavement. Such reduction shall be at the discretion of the FAA and will be based on the type or types of required tests not performed or not documented and will be commensurate with the proportion of applicable pavement with respect to the total pavement constructed under the grant agreement.
 - d. The FAA, at its discretion, reserves the right to conduct independent tests and to reduce grant payments accordingly if such independent tests determine that sponsor test results are inaccurate.
15. **BUY AMERICAN REQUIREMENT:** Unless otherwise approved by the FAA, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for airport development or noise compatibility for which funds are provided under this grant. The Sponsor will include in every contract a provision implementing this special condition.
16. **MAXIMUM OBLIGATION INCREASE FOR PRIMARY AIRPORTS:** In accordance with Section 47108(b) of the Act, as amended, the maximum obligation of the United States, as stated in Condition No. 1 of this Grant Offer:
- a. may not be increased for a planning project;
 - b. may be increased by not more than 15 percent for development projects;
 - c. may be increased by not more than 15 percent for land projects.
17. **ASSURANCES AIRPORT SPONSORS:** The attached Assurances Airport Sponsors dated **03/05**, incorporated hereto with the Grant Offer, are hereby substituted in lieu of those in the Sponsor's Project Application and made a part hereof.
18. This Phase I grant is intended to be the first phase of a two-phase project. The bidding of the entire project will be completed with sufficient time to properly apply for a Phase II grant prior to August 15, 2009. The Phase II grant funding will be the difference in funding necessary for Federal share of the entire project less the Phase I funding, subject to available Sponsor entitlements and/or the announcement of discretionary funds. The FAA makes no commitment of funding beyond the Sponsor's available entitlements pursuant to law. If the project does not receive acceptable bids, or sufficient funding is unavailable, the FAA has the option to close this grant and recover the funds.

The Sponsor's acceptance of this Offer and ratification and adoption of the Project Application incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and this Offer and Acceptance shall comprise a Grant Agreement, as provided by the Act, constituting the contractual obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and compliance with the assurances and conditions as provided herein. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer.

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION



Brian Armstrong
Manager, Los Angeles Airports District Office

Part II - Acceptance

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer and does hereby accept this Offer and by such acceptance agrees to comply with all of the terms and conditions in this Offer and in the Project Application.

Executed this 18 day of February, 2009



(SEAL)
(Sponsor's Designated Official Representative)

City of Chandler, Arizona

By 

Attest: 

Title Asst City Mgr.

Title: City Clerk

CERTIFICATE OF SPONSOR'S ATTORNEY

I, Glenn A. Brockman acting as Attorney for the Sponsor do hereby certify:

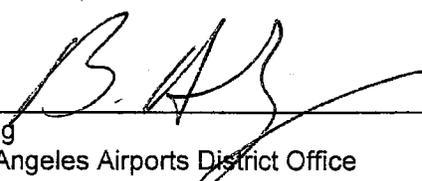
That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Arizona. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said State and the Act. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at Chandler, AZ this 19th day of February, 2009


Signature of Sponsor's Attorney

The Sponsor's acceptance of this Offer and ratification and adoption of the Project Application incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and this Offer and Acceptance shall comprise a Grant Agreement, as provided by the Act, constituting the contractual obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and compliance with the assurances and conditions as provided herein. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer.

**UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION**



Brian Armstrong
Manager, Los Angeles Airports District Office

Part II - Acceptance

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer and does hereby accept this Offer and by such acceptance agrees to comply with all of the terms and conditions in this Offer and in the Project Application.

Executed this _____ day of February, 2009

City of Chandler, Arizona

(SEAL)
(Sponsor's Designated Official Representative)

By _____

Attest: _____

Title _____

Title: _____

CERTIFICATE OF SPONSOR'S ATTORNEY

I, _____, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Arizona. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said State and the Act. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at _____ this _____ day of February, 2009

Signature of Sponsor's Attorney