



Legislation Text

File #: 23-438, **Version:** 1

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SUBJECT: Authorization to Accept \$14,451,000 from the Federal Aviation Administration Coronavirus Air, Relief, and Economic Security Act Program for Use on the Merced Yosemite Regional Airport Terminal Replacement Project, Project Number CP230060

REPORT IN BRIEF

Considers authorizing the City Manager or Deputy City Manager to accept CARES Act Funding from the Federal Aviation Administration (FAA) for the Merced Yosemite Regional Airport Terminal project in the amount of \$14,451,000 (upon issuance by the Federal Aviation Administration.)

RECOMMENDATION

City Council - Adopt a motion:

- A. Authorizing the City Manager or Deputy City Manager to accept CARES Act funding from the FAA for use on the Merced Yosemite Regional Airport Terminal Replacement Project; and,
- B. Authorizing the City Manager or Deputy City Manager to execute the necessary documentation; and,
- C. Directing staff to bring the FAA awarded grant to Council for appropriation.

ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Approve, subject to conditions other than recommended by staff (identify specific findings and/or conditions amended to be addressed in the motion); or,
3. Deny; or,
4. Refer to staff for reconsideration of specific items (specific items to be addressed in the motion); or,
5. Continue to a future meeting (date and time to be specified in the motion).

AUTHORITY

Charter of the City of Merced, Article XI, Section 1109 - Contracts on Public Works, and Merced Municipal Code Chapter 3.04, Article IV - Public Works Contracts.

CITY COUNCIL PRIORITIES

FY 2022-23 Adopted Budget, Chapter 7, Economic Development and Airport, Airport Goal 5)

Continuous Improvement of Facilities and Economic Development, Goal 6) Increase Visitor spending and stays in Merced by becoming a go to community instead of a go through community.

DISCUSSION

Since May 2022, the City of Merced with assistance from its consultant Mead & Hunt have worked with the Federal Aviation Administration (FAA) regarding the replacement of the air terminal located at the Merced Yosemite Regional Airport (MYRA). Staff began working with the consultant and the FAA when notice was provided that a grant was available to MYRA in the amount of \$13,551,000.00. Presented with a tight timeline, staff and Mead & Hunt completed several tasks as required by the FAA including securing National Environmental Policy Act Clearance in the form of a Categorical Exclusion, terminal design, and cost estimates and notice for construction bid proposals.

Now that the FAA requirements are satisfied, staff submitted the FAA Cares Act grant application (SF-424) on Monday, May 8, 2023. Subsequently, staff was notified that the grant application was received and accepted by the FAA and is in good standing. The grant request is for a total of \$14,451,000.00 (\$13,551,000.00 FAA Cares Act Grant plus \$900,000.00 prior FAA Grant transitioning from operations to capital.) Staff anticipates receiving final award notice before June 30, 2023.

On December 19, 2022, City Council was given an update and received public comment for the environmental review of the Merced Yosemite Regional Airport Terminal Project. No comments regarding the environmental review were given. Two other opportunities were provided for public input including a meeting with Merced Regional Airport Authority (RAA). One comment was provided at the RAA meeting which centered up the status of the current Airport Master Plan and possibility of updating the Airport Master Plan.

To date, Council has authorized hiring Mead & Hunt to assist with the Terminal Replacement Project and pre-funded feasibility study, design, and environmental services. Upon being awarded the grant, staff will return to Council to appropriate the grant funding (identifying funding sources for the project) and award the construction bid.

Currently, the City Manager has authority to accept Airport Improvement Program grants that are different from FAA Cares Act funding. It is FAA's protocol to require prior acceptance of funding before the actual award is issued.

Attached is a prior presentation of the Airport Terminal Replacement Project for review and background purposes.

IMPACT ON CITY RESOURCES

This project was established as a Capital Improvement Project to be funded by FAA CARES Act and Economic Development Opportunity Fund.

ATTACHMENTS

1. Terminal Replacement Presentation of Dec. 19, 2022