



AGENDA STAFF REPORT

AGENDA LOCATION: Action Item #12-B

MEETING DATE: September 26, 2016

TO: Honorable Mayor and City Council

FROM: Julie Krueger, City Manager

ISSUE: Acceptance of Washington Department of Transportation Grant for the Airport Taxiway "A" Rehabilitation Project.

BACKGROUND: The City Council recently accepted a Federal Aviation Administration grant in the maximum amount of \$1,473,300.00 for the Airport Taxiway A Center Rehabilitation Project; which is 90% of the estimated project costs. At the time it accepted this FAA Grant the Council was notified that a second grant for this project would be coming for approval in the near future. Now the Washington Department of Transportation has awarded the Airport a grant in the amount of \$78,682.75 for this project. This Washington Department of Transportation Grant is approximately 5% of the estimated project cost. The remainder of the project costs will be paid with Airport funds.

BUDGET IMPLICATIONS: There has been budgeted \$100,000 under the line item Improvements Other in the Airport Budget that will cover the remaining balance.

COUNCIL ALTERNATIVES:

1. **Staff recommendation:** *Move to accept the grant form Washington Department of Transportation for the Airport Taxiway A Center Rehabilitation Project, in the amount of \$78,682.75.*
2. Decline to accept the grant.



**Washington State
Department of Transportation**



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Tumwater, WA 98501
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September 7, 2016

Rolf Anderson
Airport Manager
City of The Dalles
P.O. Box 285
135 Airport Way
Dallesport, Washington 98617

Re: Airport Aid Grant Offer / Columbia Gorge Regional – The Dalles Municipal
Airport / \$78,682.75

Dear Mr. Anderson:

Each year Washington State Department of Transportation (WSDOT) Aviation's Airport Aid Program provides crucial financial assistance to many of Washington State's public use airports to address pavement, safety, planning, maintenance, runway safety and security needs. We would like to take this opportunity to congratulate the City of The Dalles (herein called the "Sponsor") on your Airport Aid grant award.

WHEREAS, the Sponsor has submitted to WSDOT Aviation an Airport Aid Application (herein called the "Application") dated April 7, 2016, for a grant of state funds for a project at or associated with Columbia Gorge Regional / The Dalles Municipal Airport (herein called the "Airport") which Application, as approved by WSDOT Aviation, is hereby incorporated herein and made a part hereof; and

WHEREAS, WSDOT Aviation has approved a project for the Airport (herein called the "Project") consisting of the following:

- Taxiway A Center Rehabilitation, including eligible items as of May 1, 2016; all as more particularly described in the Application.

NOW THEREFORE, pursuant to and for the purpose of carrying out the provisions of RCW 47.68.090, *Aid to municipalities, Indian tribes, persons*, and in consideration of (a) the Sponsor's adoption and ratification of the representations and assurances contained in said Application and its acceptance of this Offer as hereinafter provided, and (b) the benefits to accrue to Washington State and the public from the accomplishment of the Project and compliance with the assurances and conditions as herein provided, WSDOT Aviation, for and on behalf of the State of Washington, hereby offers and agrees to pay, as the state's share of the allowable costs incurred in accomplishing the Project, five (5) percent of all allowable Project costs.

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

- 1) The maximum obligation of the State of Washington payable under this Offer shall be Seventy-eight Thousand Six Hundred Eighty-two Dollars and Seventy-five Cents (\$78,682.75).
- 2) The allowable costs of the project shall not include any costs determined by WSDOT Aviation to be ineligible.
- 3) Payment of the state's 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.
- 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 Application.
- 5) WSDOT Aviation 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 State of Washington 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 Friday, September 23, 2016, or such subsequent date as may be prescribed in writing by WSDOT Aviation.
- 7) The State of Washington shall not be responsible or liable for damage to property or injury which may arise from, or be incident to, compliance with the grant agreement.
- 8) WSDOT Aviation reserves the right to terminate the agreement at any time because of legal matters detrimental to the state or the local government, insufficient funds held by WSDOT Aviation to complete the Project, or by mutual consent between the City of The Dalles and WSDOT Aviation. WSDOT Aviation will be responsible only for the state's proportionate share of the actual Project costs incurred at the time of any such termination.

If you accept this allocation you will be required to supply WSDOT Aviation with periodic copies of billings and costs for this Project. Failure to supply these copies may slow down and possibly jeopardize your reimbursement. WSDOT Aviation must be able to review your records on this Project at any time for future audit purposes.

WSDOT Aviation expects the project to be completed by the date indicated on the submitted project schedule. Any modifications to the schedule will need to be submitted to WSDOT Aviation with an explanation and schedule revision. All modifications must be approved by WSDOT Aviation in writing prior to making any changes. The Washington State Legislature has appropriated funding for WSDOT's Airport Aid Program for the 2015 – 2017 biennium ending on June 30, 2017. Any airport's failure to

Rolf Anderson
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complete a project in a timely manner potentially affects funding of the entire Washington State aviation system.

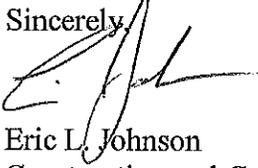
The airport must remain open for the expected life of Twenty (20) years, otherwise 100% of the grant funding must be returned within Thirty (30) days of closure, sale or discontinuance of service.

The Sponsor's acceptance of this Offer and ratification and adoption of the Application incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereafter provided, and this Offer and Acceptance shall comprise an agreement with respect to the accomplishment of the Project and compliance with the assurances and conditions as provided herein. If you accept this grant offer, subject to the conditions stated, **please complete the following steps:**

- **Have an official authorized by the Sponsor (a) sign the three copies of the enclosed Grant Agreement and (b) sign the original copy of this Offer.**
- **Return all documents to WSDOT Aviation, 7702 Terminal Street SW, Tumwater, WA 98501-7264.**

The extra copy of this Offer is for your files. We will review, sign and return a copy of the executed Grant Agreement to you.

Sincerely,



Eric L. Johnson
Construction and Grants Program Manager

Encl: Copy of Airport Aid Grant Offer
Three Grant Agreements

Cc: Governor Jay Inslee
Congresswoman Jaime Herrera Beutler
Senator Curtis King
Representative Norm Johnson
Representative Gina McCabe

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the 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 Application.

DATE

SIGNATURE



<p>Grant Agreement</p> <p>Washington Airport Aid Program</p>	Public Entity and Address
	City of The Dalles P.O. Box 285 135 Airport Way Dallesport, Washington 98617
	Airport Name
Columbia Gorge Regional/Dalles	
Maximum State Grant Obligation	
\$ 78,682.75	

THIS AGREEMENT, made and entered into this _____ day of September, 2016, between the STATE OF WASHINGTON, acting by and through the Aviation Division, Department of Transportation, (hereinafter the "STATE") and the above named Public Entity, (hereinafter the "PUBLIC ENTITY").

WHEREAS, the Public Entity has submitted to the State for Subvention of the Washington Airport Aid Program for (acquisition and/or development) of the Columbia Gorge Regional/Dalles Airport together with the plans and specifications for such project, which project application has been approved by the State and is hereby incorporated herein and made a part hereof;

WHEREAS, the State has approved a project for development of the airport consisting of the following described airport development:

Project Number	Detailed Breakdown By Items
DAL-01-16	\$78,682.75 - Taxiway A Center Rehabilitation Project, including eligible items as of May 1, 2016.

NOW, THEREFORE, pursuant to and for the purpose of carrying out the provisions of the State Act, and in consideration of the (a) Public Entity'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 State of Washington and the public from the accomplishment of the project and the operation and maintenance of the airport as herein provided, the State hereby agrees to pay as its allowable costs incurred in accomplishing the project.

The terms and conditions of this grant agreement are as follows:

The maximum obligation of the State payable under this grant shall be 78,682.75.

The Public Entity shall:

1. Deposit in an Aviation Fund for said airport, at least \$ 78,682.75 to match the State's participation in said project.
2. Carry out and complete the project in accordance with the plans and specifications and property map, incorporated herein, as they may be revised or modified with the approval of the state.
3. In connection with the acquisition of real property for the project, the Public Entity shall secure at least two written appraisals by competent, experienced appraisers who are members of a recognized professional appraisal organization and shall not pay in excess of the highest appraisal without the written consent of the state except as otherwise directed by a court of competent jurisdiction after contested trial and judgment not resulting from an agreement between the parties.

4. No state funds will be paid to the Public Entity in any case until it certifies in writing that it has Aviation Funds for said airport in an amount equal to the state's participation, or the amount designated in paragraph (1) above, which deposited amount will be used solely for the purpose in question.
5. The Public Entity agrees to hold said airport open to the flying public during the useful life of the facilities developed under this project; that no exclusive operating or use agreements shall be granted to any person, company, or corporation; that failure to abide by such agreement shall automatically obligate the immediate and full return of all State of Washington money expended in behalf of the project to the State of Washington with reasonable interest. Further, the Public Entity agrees to keep the facility open during the useful life of the project or for a stated term of years, whichever is longer, as determined by the Aviation Division.
6. The Public Entity will make no charge to the State or its agencies for a limited, but reasonable, amount of state agency use or for state activity in search and rescue. And, further, RCW 47.68 is followed to best serve the public.

The allowable cost of the project shall not include any cost determined by the State to be ineligible for consideration as to allowability.

The State reserves the right to amend or withdraw this offer at any time prior to its acceptance by the Public Entity.

This offer shall expire and the State shall not be obligated to pay any part of the costs of the project unless this agreement has been accepted by the Public Entity on such subsequent date as are prescribed in writing by the State, in the approval letter for each project.

Except for those projects receiving both state and federal aid, the following inspection scheduled, and reporting system will be required:

- A. Inspection Schedule and Reporting system will vary for each project. Basically, the inspection schedule will be placed on a quarterly basis. On project taking less than three (3) months, the Public Entity will be required to make reports and be inspected on the following schedule:
 1. Public Entity project commencement date.
 2. Public Entity report project completion date and request final inspection.
 3. State will make final inspection and sign-off project as completed.
 4. State will arrange for audit of account in accordance with regularly scheduled audit program.
- B. Projects taking over three (3) months will be set up on a quarterly inspection and progress report system. The Public Entity will be required to make reports and be inspected on the following schedule:
 1. Report project commencement date.
 2. Public Entity will make a three (3) months progress report. This will be a letter report giving percentage of project completed, fund expenditures to date, and short narrative of the project progress, problems encountered and plans for project completion.
 3. State will make quarterly project inspections and prepare the report of inspection. A copy of the report will be delivered to the Public Entity.
 4. Public Entity will make report of completion of project and request final inspection.
 5. State will make final inspection and sign-off as completed.
 6. State will arrange for audit of account in accordance with regularly scheduled audit program.

It should be made clear that a violation of any of the terms of the Grant Agreement will leave the State free to choose among one or more of the following remedies:

- A. The withholding of any future airport aid, and/or
- B. The return of grant funds awarded as an action for specific performance, and/or
- C. Enforcement of the commitment made by the applicant.

The Public Entity'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 Public Entity, as hereafter provided, and said offer and acceptance shall comprise allocation agreement, constituting the obligation and rights of the State and the Public Entity with respect to the accomplishment of the project and the operation and maintenance of the airport. Such allocation agreement shall become effective upon the Public Entity's acceptance of this offer and shall remain in full force and effect throughout the useful life of the facilities developed under the project but in any event not to exceed twenty (20) years from the date of acceptance.

By: _____
Director, Aviation Division

The City of The Dalles does hereby ratify and adopt all statements, representations, warranties, covenants, and agreements contained in the project application and incorporated materials referred to in the foregoing offer and does hereby accept said offer and by such acceptance agrees to all of the terms and conditions thereof.

Executed this _____ day of September, 2016.

Name of Public Entity: City of The Dalles

By: _____

Title: _____