

December 16, 2019

V-B

Recommendation re: Supplemental Grant Agreement from the Federal Aviation Administration for the Rehabilitation and Strengthening of RWY 9-27 at Lakeland Linder International Airport

The Lakeland Linder International Airport (LLIA) received the first Grant Offer from the Federal Aviation Administration (FAA) for the Rehabilitation and Strengthening of RWY 9-27 in September 2019 and has recently been notified of the FAA's awarding of a Supplemental Grant that the Airport had anticipated in support of the project.

The FAA issued their first grant in the amount of \$10,300,000 in September and the Supplemental Grant that is being issued by the FAA provides the Airport with additional funding in the amount of \$8,500,000. LLIA expects to receive the Supplemental Grant prior to the close of this calendar year and it would be required to execute and return the grant within a few days of receipt of the offer. Upon receipt of the FAA Supplemental Grant in conjunction with the Florida Revenue Note which was approved by Commission on November 18, Ordinance 19-054, funding for the project is in place to proceed with the Rehabilitation and Strengthening of the entire 8,500 feet of runway.

In November, the Airport received approvals from the Commission to enter a contract with the low bidder, Hubbard Construction Company (Winter Park, Fl.), for \$27,275,015.66 to complete the construction elements of the project. Based on the available funding at that time, a limited Notice to Proceed for \$11,799,860.44 was issued to the contractor so that the project could commence. With the additional funding now in place, the Airport can proceed with issuing a Notice to Proceed to its construction contractor for the entire contract amount.

LLIA staff recommends that the City Commission authorize the appropriate City officials to execute the Supplemental Grant Offer from the FAA for the Rehabilitation and Strengthening of RWY 9-27 with grant funding in the amount of \$8,500,000 upon receipt of the grant documents.

LLIA staff also recommends that the City Commission authorize the appropriate City officials to issue the full Notice to Proceed to Hubbard Construction Company totaling \$27,275,015.66 once the FAA Supplemental Grant has been executed.

It is also requested that the City Commission authorize an increase in estimated revenues of \$8,500,000 from FAA and to appropriate \$7,372,257 to accommodate this request.