

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 10-11, 2009

Reference No.: 4.10
Action Item

From: CINDY McKIM
Chief Financial Officer

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Aeronautics

Subject: **ADOPTION OF THE RATE FOR LOCAL GOVERNMENT MATCHING OF CALIFORNIA AID TO AIRPORTS PROGRAM GRANTS RESOLUTION G-09-05**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve the attached resolution to set the Acquisition and Development (A&D) matching rate at ten percent for Fiscal Year (FY) 2009-10. This item was presented for information at the May 14, 2009 Commission meeting.

ISSUE:

Under State requirements, the Commission is required to annually establish the rate at which local governments must match A&D grants from the Aeronautics Program.

On May 27, 2009, the Commission's Technical Advisory Committee on Aeronautics reviewed the Department's proposal to continue the local match rate at ten percent for FY 2009-10 and recommends the Commission adopt the attached resolution.

BACKGROUND:

State law (Public Utilities Code Section 21684) requires local sponsors to match A&D grants at a rate of between 10 percent and 50 percent of the project cost. This law also requires the Commission to establish the matching rate annually.

In prior years, the Commission has established the matching rate at ten percent. The 2008 Aeronautics Program, which the Commission adopted at the July 2008 meeting, was developed using a ten percent matching rate. FY 2009-10 is the second year of the 2008 Aeronautics Program.

Attachment

CALIFORNIA TRANSPORTATION COMMISSION

**Establishment of Local Government Matching Rate
for Acquisition and Development Grants
for Fiscal Year 2009-10**

Resolution G-09-05

- 1.1 WHEREAS, pursuant to Section 21684 of the Public Utilities Code, the California Transportation Commission (Commission) is charged with the responsibility of establishing the percentage rate of matching funds to be provided by public entities for Acquisition and Development (A&D) projects under the California Aid to Airports Program; and
- 1.2 WHEREAS, a ten percent matching rate would be compatible with the Federal Aviation Administration's grant program; and
- 1.3 WHEREAS, a ten percent matching rate encourages timely use of funds from the Aeronautics Account; and
- 1.4 WHEREAS, a ten percent matching rate ensures that the maximum number of airport sponsors can participate in the Aeronautics Program; and
- 1.5 WHEREAS, the 2008 Aeronautics Program was developed with a matching rate of ten percent.
- 2.1 NOW THEREFORE BE IT RESOLVED, that the Commission does hereby establish the local government matching rate for Fiscal Year 2009-10 for Acquisition and Development projects in the 2008 Aeronautics Program at ten percent of the non-federal portion of an airport project.