



THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



CHRISTOPHER D. CLEMENT, SR.
COMMISSIONER

JEFF BRILLHART, P.E.
ASSISTANT COMMISSIONER

December 5, 2013
Bureau of Aeronautics

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, NH 03301

Retroactive

REQUESTED ACTION

Authorize the Department of Transportation to **retroactively** amend a grant to provide additional funding to the City of Manchester (Vendor Code 177433) for AIP-90, for the demolition and removal of the Highlander Inn at the Manchester-Boston Regional Airport. The total federal share of the project, including the amendment, will increase from \$397,692.00 to \$456,274.00, which equates to an increase of \$58,582.00 (90% federal share). The total state share of the project, including the amendment, will increase from \$11,047.00 to \$12,674.00, which equates to an increase of \$1,627.00 (2½% state share). The amendment to the State and Federal participation in the amount of \$60,209.00 is available for this project effective upon Governor and Council approval through January 31, 2017. The original grant was approved by Governor and Council on August 22, 2012 Item #75. 97.3% Federal Funds, 2.7% General Funds.

Funding is available as follows:

FY 2014

04-96-96-960030-0997

FAA Projects

034-500151 Bonded Expenses

\$ 60,209.00

EXPLANATION

An amendment from the Federal Aviation Administration (FAA), AIP-90, was awarded (copy attached) to the Manchester-Boston Regional Airport, for the demolition and removal of the Highlander Inn at the Manchester-Boston Regional Airport. The actual costs for the Highlander Inn demolition and removal exceeded the original contracted amounts due to the discovery of an underground fuel tank and embedded asbestos materials. In addition, there were additional costs for disconnecting a waterline not anticipated prior to the demolition. The Department was unable to avoid this retroactive request as the FAA is required per 49 USC §47108 to only issue grant amendments at the end of a project when it is clear that the original grant amount has been exceeded. The demolition and removal of the Highlander Inn is complete. The airport is currently seeking reimbursement from the FAA for the actual costs associated with the demolition.

The Department of Transportation proposes to accept the Federal Funds for this project as a pass through to the City of Manchester in accordance with RSA 422:15. The City of Manchester will contribute an additional \$4,883.00 (7½% Local Share). The total additional funds required for this project is \$65,092.00.

Please note that the state funds are from the General Fund and have been previously approved in HB25, 2011 253:1 XIV-A and Capital Budget.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Sincerely,

Handwritten signature of Christopher D. Clement in black ink.

Christopher D. Clement, ~~S.~~
Commissioner

CDC/tls

Attachment:



U.S. Department
of Transportation
**Federal Aviation
Administration**

Federal Aviation Administration
New England Region

12 New England Executive Park
Burlington, MA 01803

November 20, 2013

RECEIVED

NOV 22 2013

NH AERONAUTICS

Mr. Richard Fixler
Assistant Airport Director
Manchester-Boston Regional Airport
One Airport Road, Suite 300
Manchester, NH 03103

Airport Improvement Program Grant #3-33-0011-090-2012
DUNS Number 07-533-9106
Manchester International Airport, Manchester, NH
Letter Amendment No. 1

Dear Mr. Fixler:

This is in response to your email dated September 6, 2013, requesting an amendment to the above referenced Grant Agreement to increase the maximum grant obligation of the United States to cover project cost increases.

In accordance with the subject grant, the maximum obligation of the United States as shown in Condition No. 1 on Page 2 of Part I - Offer is increased from \$397,692 to \$456,274, an increase of \$58,582. The purpose of this amendment is to cover the Federal share of total actual costs determined to be eligible and allowable project costs.

All other terms and conditions of the Grant Agreement remain in full force and effect.

Under the terms of the Grant Agreement, this document is incorporated into and constitutes Amendment No. 1 to the above referenced Grant Agreement.

Sincerely,

Bryon H. Rakoff
Acting Manager, Airports Division

Cc: Carol Niewola, NH DOT



THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



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CHRISTOPHER D. CLEMENT, SR.
COMMISSIONER

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AUG - 7 2012

JEFF BRILLHART, P.E.
ASSISTANT COMMISSIONER

NH AERONAUTICS

July 19, 2012
Bureau of Aeronautics

His Excellency, Governor John H. Lynch
and the Honorable Council
State House
Concord, NH 03301

REQUESTED ACTION

Authorize the Department of Transportation to award a grant (AIP-90) to the City of Manchester (Vendor Code 177433) for the demolition and removal of the Highlander Inn at the Manchester-Boston Regional Airport. In addition to the demolition project, the federal funding will upgrade the Airfield control system. State and Federal participation in the amount of \$408,739.00 is available for this project effective upon Governor and Council approval through August 31, 2016. 97.3% Federal Funds, 2.7% General Funds.

Funding is available as follows:

FY 2013

04-96-96-960030-0997

FAA Projects

034-500151 Bonded Expenses

\$ 408,739.00

EXPLANATION

A Federal Aviation Administration (FAA) grant has been awarded for \$397,692.00 (copy attached), which represents 90% of funding required for the demolition and removal of the Highlander Inn and for the airfield lighting control system upgrade at the Manchester-Boston Regional Airport.

In January of 2012, the Manchester-Boston Regional Airport acquired the Highlander Inn property, which is located in the airport's runway protection zone (RPZ) of Runway 6. The FAA requires the RPZ to be clear of obstacles and capable of supporting large equipment and the occasional aircraft without causing structural damage. In accordance with FAA regulations, the Highlander Inn is not an allowable use within the RPZ, therefore the Highlander Inn will need to be demolished and removed.

Four companies submitted bids on the Highlander Inn removal project. The apparent low bidder was All-Ways Wrecking and Recycling. The apparent low bidder was required to conduct an environmental site assessment and provide a cost estimate for the environmental remediation. Included in the grant funding for the removal of the Highlander Inn is a FAA approved change order to include the cost of the environmental remediation effort required for the project.

In addition, this grant will fund an upgrade of the existing 10-year old airfield lighting control system that is no longer serviceable. The airport has been continuing to upgrade the regulator doors to the airfield lighting vault over the last several years. This project will complete the door upgrade and upgrade the computer and touchscreens in the airfield lighting vault and the Air Traffic Control Tower (ATCT). The current airfield lighting control system was originally installed by Liberty Airport Systems Inc. The existing system is proprietary; therefore the upgrades will be completed through a sole source contract with Liberty Airport Systems Inc.

The cost breakdown of project is as follows:

Sponsor Administration	\$ 7,924.00
Preliminary Engineering (Environmental)	\$ 28,350.00
Highlander Inn Demolition & Removal (All Ways Wrecking)	\$ 202,205.00
Highlander Inn Demolition & Removal Change Order	\$ 99,351.00
Airfield Lighting Control Upgrades (Liberty Airport Systems, Inc.)	<u>\$ 104,050.00</u>
Total	\$ 441,880.00

The Department of Transportation accepts the Federal Funds for this project as a pass through to the City of Manchester in accordance with RSA 422:15. State participation in the amount of \$11,047.00 (2 ½ % of this project) is also requested. The City of Manchester will contribute \$33,141.00 (7 ½ % of this project) toward this project. The total cost of this airport improvement project is \$441,880.00. FAA ineligible expenses (\$14,995.00) will be funded by the City of Manchester.

In the event that the federal funds are no longer available, General Funds will not be requested to support this program.

Please note that the state funds are from the General Fund and have been previously approved in HB25, 2011 253:1 XIV-A Capital Budget.

Sincerely,



Christopher D. Clement, Sr.
Commissioner

CDC/tls
Attachment: