

OFFICE OF THE CITY MANAGER  
DES MOINES, IOWA

**CITY COUNCIL COMMUNICATION 96-240**  
**JUNE 3, 1996 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
FAA GRANT APPLICATION FOR LAND ACQUISITION—RUNWAY EXTENSION & ROAD RELOCATION PROJECTS	◆ RESOLUTION ORDINANCE RECEIVE/FILE	WILLIAM F. FLANNERY AVIATION DIRECTOR

**SYNOPSIS —**

The Federal Aviation Administration (FAA) staff have tentatively allocated \$5,194,350 for this land acquisition project. This allocation and request is in response to a pre-application for a multi-phased project which was previously submitted to the FAA on October 13, 1994, for the complete runway extension project to include the necessary road relocations. The land acquisition part of this project has been tentatively included in this FAA Airport Improvement Program (AIP) grant No. 3-19-0027-23.

The FAA requires that the Airport Sponsor (i.e., City of Des Moines) make certain assurances and certifications as a part of the grant application. Because the funds tentatively allocated for this proposed grant are FY96 AIP - Noise Discretionary Funds, it is critical that the City make timely application or the funds will be allocated to other deserving noise-related projects elsewhere in the country.

The application requires the Airport Sponsor to certify that:

- It is not in default of any of its obligations concerning the development, operation, or maintenance of the Airport, except as cited.
- These are no circumstances which may make it impossible to carry out and complete the Project or the Grant Assurances, except as cited.
- It holds clear and unencumbered title, subject to acceptable encumbrances, to land shown on the Airport Property Map (i.e., Exhibit A).

The March 9, 1990, Development Agreement between Edgemont Corporation, later assigned to ABC Partners, L.P., as it relates to approximately 110 acres of land purchased with Airport funds and currently a part of Official Airport Property Map (Exhibit A), does not allow those certifications to be made without listing it as a special condition and committing to its remedy.

Therefore, the grant application acknowledges the development agreement as a special condition and commits the City, within six months after acceptance of the grant agreement, to remedy the title objection and any other corresponding problems caused by this condition to the full and complete satisfaction of the FAA.

The City is also required by the grant that the City's certification as to good title be based on a title examination by an attorney or title company. The City retained the Bradshaw, Fowler, Proctor & Fairgrave Law Firm by Roll Call No. 91-646 to provide title examination services to comply with the FAA grant requirements. The Legal Department will work with the Bradshaw Law Firm to secure the necessary title opinions.

In addition, the Airport Board, at the suggestion and request of the Office of Inspector General of the Department of Transportation and the FAA, have secured the services of an accounting firm to evaluate the practices and procedures by which the Airport pays for City services to assure that there are no problems or to correct any which the evaluation may identify. The evaluation is not final, but it is anticipated it will indicate some areas which need to be examined or addressed by the City. The City, by this grant application, is assuring the FAA that it will take all actions necessary to correct any problem areas to the full satisfaction of the FAA.

On April 2, 1996, by Resolution No. A96-82, the Des Moines International Airport Board recommended that the City Council make application and approve a grant agreement with the FAA in the amount of \$5,194,350 to initiate land acquisition for the runway extension project.

**FISCAL IMPACT —**

Funding for the road relocation and runway extension projects are provided for on page 24 (fund code 318469) and page 45 (fund code 316869) of the approved 1995-96/2000-01 Capital Improvement Program.

The FAA has endorsed this land acquisition project and has indicated they will provide 90 percent funding.

**RECOMMENDATION —**

Approval of the FAA grant application with required assurances and certifications, containing the special conditions and commitment by the City to remedy the problems within six months of the grant award, and authorize the City Manager to sign and submit to the FAA the grant application.

Authorization of the Mayor to execute the resulting grant agreement.

**BACKGROUND —**

The FAA has in the past authorized the City Engineering Department to provide the engineering services for previous projects, and the Airport may again need to use City Engineering Department for design, construction, and right-of-way services on this project also. The cost of these services will be reimbursed as part of the project costs.

Construction of the Runway 5-23 extension and associated Army Post Road and Iowa 28 relocation is a necessary part of the Airport Noise Mitigation Program and has been included in the Master Plan that was approved in May 1995. The Master Plan road relocation has been coordinated with the IDOT. The Iowa 5 beltway predesign agreement, as approved by the City Council and the Des Moines International Airport Board, requires that the Airport be responsible for relocating portions of Army Post Road and Iowa Highway 28 to accommodate the runway extension.

The exact amount of property that can be acquired with this grant money is not known at this time since the property is not yet appraised. However, our current estimates show that there is almost \$8 million worth of property which must be acquired for this project including both the land for the relocation of portions of Army Post Road and Iowa Highway 28 and the 3,200-foot extension of Runway 5-23. It is anticipated that additional FAA grant money will be available either late this federal fiscal year or next fiscal year to allow 90 percent of the total cost of land acquisition to be reimbursed with federal funds.