

OFFICE OF THE CITY MANAGER
DES MOINES, IOWA

ITEM 63

CITY COUNCIL COMMUNICATION 97-414
AUGUST 4, 1997 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
ACCEPTANCE OF GRANT FROM FEDERAL AVIATION ADMINISTRATION	◆ RESOLUTION ORDINANCE RECEIVE/FILE	WILLIAM F. FLANNERY AVIATION DIRECTOR

SYNOPSIS —

Federal Aviation Administration (FAA) staff has provided notification to the City that the Airport has been allocated FY97 Airport Improvement Program (AIP) funding for the next phase of the Runway 5-23 extension project which consists of \$5,000,000 in noise discretionary funds and \$2,108,376 of entitlement funds.

Much of the Airport's Capital Improvement Program (CIP) is dependent on the receipt of Federal AIP grant funds to construct necessary improvements. The receipt of FAA's funding commitment for the next phase of the Runway 5-23 extension will allow that project to proceed in a timely manner. The anticipated Grant Agreement includes land acquisition and construction of the wetlands replacement area, the grading and paving of relocated Army Post Road from just east of Fleur Drive west to existing Highway 28, and construction of a box culvert under the Runway 5-23 extension. In order to receive the FY97 AIP grant for this project, the Airport took bids on all the construction work and submitted a grant application to FAA. The grant application has been received and approved by FAA, and a Grant Agreement is being prepared for approval by City Council and execution by the Mayor. In order to move forward with this project, it is being requested that Council approve acceptance of the grant and authorized the Mayor to execute it when received. Ordinance No. 12,040, which established the Airport Board, provides in 2-362.06.(vi) that the City Council approve and accept all State or Federal grants.

FISCAL IMPACT —

The approved CIP includes the Runway 5-23 extension project with current funding to come from a combination of FAA grants, Enterprise Funds, and Revenue Bonds. The receipt of this grant will allow this project to continue prior to the issuance of Airport Revenue Bonds. Even with significant AIP grant funds, the overall cost of the Runway 5-23 extension may necessitate the issuance of additional short-term Revenue Capital Loan Notes or the issuance of long-term Airport Revenue Bonds. In the early phases of the project, including the phases to be funded this year, it is anticipated that available Enterprise Funds and/or Passenger Facility Charges (PFCs) will support the sponsor's share of project costs.

Funding for the road relocation and runway extension projects are provided for on page 26 (fund code 318469), page 31 (fund code 311068), page 42 (fund code 310862), page 45 (fund code 310961), page 46 (fund code 311167), page 53 (fund code 316869), and page 54 (fund code 310565) of the approved 1997-98/2002-03 CIP.

The total estimated cost to acquire the necessary right-of-way and construct relocated Army Post Road and relocated Highway 28 is \$19,830,000. If funded at 90 percent, the Federal funding would amount to \$17,847,000 with a local match of \$1,983,000. We currently have a grant in the amount of \$5,194,350 which represents 90 percent of a \$5,771,500 project cost to acquire most of the land necessary to relocate the roads and extend the runway.

RECOMMENDATION —

It is recommended that City Council accept the Grant, and authorize and direct the Mayor to sign the Grant on receipt from FAA, for funding for the Runway 5 extension and road relocation projects scheduled for FY 1997-98.

BACKGROUND —

Both the Noise Compatibility Program and the Revised Master Plan for the Des Moines International Airport provide for the extension of Runway 5-23 to the southwest. The approved plans call for the runway to be extended to a length of 9,000 feet. The runway extension requires the relocation of Army Post Road and Highway 28 to the south and west to accommodate the initial and future runway extensions. As the Noise Compatibility Program and the Revised Master Plan were being developed, the Iowa Department of Transportation (IDOT) was also developing plans for the construction of a beltway around Des Moines to the east and south of the City. The eastern portion of the beltway is currently under construction and the southern segment (i.e., Relocated Iowa 5) is scheduled to follow in the near future. The relocation of Army Post Road and Highway 28, along with the planned construction of the south beltway (i.e., Relocated Iowa 5 from US 65/69 on the east to I-35 on the west), creates a complex highway system that requires considerable coordination to plan, design and construct. Interest in the project to complete the south beltway (i.e., Relocated Iowa 5) is so great that Polk County is providing IDOT with \$18 million, and the City has pledged an additional \$5 million RISE Grant for construction of Relocated Iowa 5 in exchange for a commitment by IDOT to complete the construction by the year 2002. In order for IDOT to accomplish this requirement, the Airport's construction of relocated Highway 28 needs to be completed by the year 2000 so that the Relocated Iowa 5 Interchange with Iowa 28 can be constructed by the State at the location needed for the runway extension project. There is also significant interest expressed by developers and various Airport tenants as to when these road relocations will be completed and opened to traffic. The Airport's proposed schedule for the road relocations, subject to available funding, is as follows:

- Acquire right-of-way for relocated Army Post Road and Highway 28 1997
- Grade and pave the new intersection at Fleur Drive and Army Post Road 1997
- Grade relocated Army Post Road from Fleur intersection to Highway 28 1997
- Pave relocated Army Post Road from west of Fleur intersection to Highway 28 1998
- Grade the remaining portion of relocated Army Post Road and relocated Highway 28 1998
- Pave the remaining portion of relocated Army Post Road and relocated Highway 28 1999

On June 3, 1996, by Roll Call No. 96-2091, the City Council directed the City Manager to apply for and the Mayor to execute an FAA grant with a 90 percent FAA grant share of \$5,194,350 that is funding about 75 percent of the land acquisition for the Runway 5 extension and road relocation noise mitigation project.

On June 23, 1997, by Roll Call No. 97-2208, the City Council approved the submission of an application for FY97 funding of approximately \$8,388,900 for the Runway 5 extension and road relocation noise mitigation project.