



**CITY COUNCIL  
COMMUNICATION:**

**ITEM \_\_\_\_\_**

**OFFICE OF THE CITY MANAGER  
CITY OF DES MOINES, IOWA**

**98-572**

**SYNOPSIS -**

**AGENDA:**

DECEMBER 21, 1998

**SUBJECT:**

FAA GRANT 22  
AMENDMENT

**TYPE:**

**RESOLUTION  
ORDINANCE  
RECEIVE/FILE**

**SUBMITTED BY:**

HAROLD SMITH  
CITY ENGINEER

WILLIAM FLANNERY  
AVIATION DIRECTOR

Federal Aviation Administration (FAA) Grant 3-19-0027-22 was one of three grants obtained in 1993 and 1994 to fund the noise and avigation easements in Phase 2 of the Airport Noise Compatibility Program (NCP2). Shortly after this grant was executed in 1994, the FAA changed the rules regarding the noise and avigation program, which resulted in more funds than were initially estimated for this program. In 1996, when FAA Grant 3-19-0027-23 was obtained to acquire land for the Runway 5 extension noise project, only \$5,194,350 was provided toward the acquisition of what was then estimated to require \$7.7 million. Recently, FAA staff notified the City that a program change request could be processed in an amendment to Grant 22, which would fund some of the excess funds in the NCP2 to Runway 5 land acquisition. Approving this grant amendment will fund necessary land acquisition, which has been funded on an interim basis by the sanitary sewer enterprise fund until these grant funds could be obtained.

**FISCAL IMPACT -**

Approval of the grant amendment will provide \$1,742,905 toward the acquisition of land in the Runway 5 extension project fund code 311167 and will allow the Airport to reimburse the portion of fund code 376061 which was in excess of the value of the sanitary easement acquired for the southwest airport trunk project across the property funded by this grant.

**RECOMMENDATION -**

**Approval of first amendment to FAA Grant 3-19-0027-22; direct City Clerk to impress official seal of**

**Des Moines; and attest, ratify the Assistant City Attorney's certification, and reimburse the sanitary sewer enterprise fund less the value of the sanitary sewer easement.**

#### **BACKGROUND -**

When the City's Federal Aviation Regulations (FAR) Part 150 Noise Compatibility Plan was approved in September, 1993, the City applied for \$6,512,000 to acquire noise and avigation easements from 764 eligible volunteers. In late September, 1993, the City received Airport Improvement Program (AIP) Grant 3-19-0027-18, which funded the acquisition of approximately 310 of these easements that were then appraised at approximately \$5,900 each. In June and September, 1994, two subsequent AIP Grants, 3-19-0027-19 and 3-19-0027-22, were executed. These funded the acquisition of the remaining 394 noise and avigation easements for the people which were expected to volunteer for this part of the Noise Compatibility Program and brought the total Phase 2 grant participating amount to \$6,512,000. In 1994, the FAA also revised the acceptable appraisal practices which affected the noise and avigation easements, ultimately resulting in a reduction in the easement value to \$2,000 each and caused the over-programming of funds for the Noise Phase 2 Volunteer Easement Program. The estimated total Noise Phase 2 Program is approximately \$3,710,000 for all easement, consultant, legal, and administrative expenses. Therefore, the Phase 2 Noise Easement Program will only utilize Grant 18 and about half of Grant 19.

While the Noise Phase 2 Volunteer Easement Program was over-programmed with funding, our land acquisition for the Runway 5 Extension Noise Mitigation Project has been under-funded as a result of a number of condemnations and district court appeals which have now been settled. Since we have now settled with most of the runway extension property owners, our final project costs appear to require \$7,570,000 to acquire 30 properties, while the only current grant for this runway extension property is AIP 3-19-0027-23 with a federal share of \$5,194,350.

Therefore, at this time we have requested and obtained permission from FAA to reprogram the scope for AIP 3-19-0027-22 to the "Coppola" property, which was originally shown on the preliminary acquisition map for AIP 3-19-0027-23. If approved, we would transfer the \$59,943 already spent against Grant 22 over to Grant 19, and we would draw down the entire federal share of \$1,742,905.18 from Grant 22 and close it out as soon as the grant amendment is in effect, since the total eligible expenses from the proposed Coppola property are \$1,936,561.32. The appropriate reimbursement of the sanitary sewer enterprise fund, less the value of the sanitary easement, will be accomplished by internal funds transfer to Capital Improvement Program (CIP) fund code 376061.