



**CITY COUNCIL
COMMUNICATION:**

ITEM _____

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

99-065

SYNOPSIS -

AGENDA:

FEBRUARY 22, 1999

SUBJECT:

FEDERAL AVIATION
ADMINISTRATION
GRANT 27

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

FLOYD BENTZ, P.E.
ACTING CITY
ENGINEER

WILLIAM FLANNERY,
P.E.
AVIATION DIRECTOR

Planning by the Aviation and Engineering Departments resulted in a Federal Aviation Administration (FAA) staff notice of tentative allocation for this Airport Improvement Program (AIP) Grant 3-19-0027-27 in June 1998, which has a specific time schedule for compliance. Originally this specific time schedule required the project to be bid by May 5, 1999, and the grant application submitted to FAA by June 7, 1999. The grant must be accepted prior to award of the contract in order to receive approximately \$10.5 million in grant funds. The U.S. Congress only approved a six-month Act for FAA funding. The schedule for this grant was moved up three months by letter from FAA in November 1998. This FAA grant fund is a part of the overall Runway 5-23 construction project. This project is being coordinated with the Iowa Department of Transportation (IDOT), which is included in a construction agreement between IDOT, the City, and the Airport that was approved by Roll Call No. 98-1581 on May 18, 1998 and by Resolution A98-167 on May 5, 1998. This grant also funds the relocation of MidAmerican Energy gas lines, which were included in a reimbursement Agreement that was approved by Roll Call No. 98-2795 on September 14, 1998. This grant agreement and associated assurances must be applied for and executed prior to March 30, 1999, and before the Airport Board can award the Runway 5-23, Phase 3 contract for which bids will be received on February 23, 1999.

FISCAL IMPACT -

This FAA 90 percent federal share AIP Grant 3-19-0027-27 funds three components which are as follows:

- 1) The grading of Relocated Army Post Road from SW 42nd Street to Iowa Highway 28 which was bid in the Runway 5-23 Extension Grading, Phase 2 project last year. This project

was an alternate that was not awarded because there were not enough funds in the previous year's FAA grant. This alternate has tentatively been approved as a change order for \$1,819,117.70 to reincorporate into the grading project, subject to the execution of this grant.

2) The reimbursement of \$450,000 to MidAmerican Energy in a property agreement approved by Roll Call No. 98-2795 on September 14, 1998, which requires MidAmerican to relocate their high pressure pipelines for this runway project.

3) The construction of the Runway 5-23, Phase 3 project, which includes the paving of Relocated Iowa 28, the paving of Relocated Army Post Road from SW 42nd Street to Relocated Iowa 28, and some preliminary removal work required for the Runway 5 Extension.

The current construction estimate for the project is \$9,028,945.50. Funding for this project is provided for in the proposed 1999/2000 Capital Improvement Program (CIP) under Construction-Relocated Iowa Highway 28, Fund Code 311068, and Army Post Road Construction-SW 42nd to Relocated Iowa Highway, Fund Code No. 311969. Under current City accounting procedures, only one fund code may be encumbered and charged for a particular project. Accordingly, appropriations and funding will need to be transferred from Fund Code 311969 to Fund Code 311068 during the project.

In addition to the FAA AIP Grant funds for this Runway 5-23, Phase 3 project, reimbursements from IDOT, the City of Norwalk, and a traffic signal interconnect CIP fund will pay for non-grant eligible elements of the project and Passenger Facility Charges (PFCs) will pay for the 10 percent local matching share of the grant eligible elements of the project. Currently, PFCs are being expended at a rate that will require a line of credit backed by the PFC collections in order to meet the anticipated draw against PFC funds for approved PFC eligible projects.

RECOMMENDATION -

(1) Direct City Manager to sign and submit FAA grant application with required assurances for the funding of the 1999 phase of the Runway 5 extension and road

relocation project; (2) Ratify and adopt all assurances, warranties, covenants, and agreements required by the project application and incorporated in the grant offer; (3) Authorize Mayor to execute property certification for the grant application; (4) Direct Mayor to execute grant agreement and City Clerk to attest to grant execution of a 90 percent federal share FAA grant in the amount of \$10,105,470 or any additional funding the FAA would give the City prior to the March 31, 1999 deadline.

BACKGROUND -

This grant is for the next phase of the Runway 5 extension project. The extension of Runway 5 requires the relocation of Iowa Highway 28, from SW 42nd Street, and Iowa Highway 5 from Army Post Road. In the Relocated Iowa 5 pre-design agreement with IDOT, the Airport is charged with the responsibility of relocating Iowa 28 to match IDOT's new Iowa 5 beltway project by the Year 2000. In a separate IDOT agreement, the City and the Airport have also accepted the responsibility of mitigating for wetlands losses which are caused by the Iowa 28 relocation project, and IDOT has agreed to reimburse the Airport for the portion of total acquisition of property on which the Iowa 5 beltway will be located. A third IDOT agreement provides for the reimbursement of the Iowa 5/28 interchange grading and some interchange paving, which is included in the construction contract for which this FAA AIP grant is associated.

To date, the Des Moines International Airport has received three AIP grants totaling \$20,674,886 for this road relocation and runway extension project. The grant of \$10,105,470, together with PFC funds, IDOT funds, and other traffic signal interconnect funds will finance this year's construction project.