



**CITY COUNCIL  
COMMUNICATION:**

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

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

**99-122**

**SYNOPSIS -**

**AGENDA:**

MARCH 22, 1999

**SUBJECT:**

AUTHORIZE EXECUTION  
OF FEDERAL AVIATION  
ADMINISTRATION  
GRANT 27

This Federal Aviation Administration (FAA) grant funds a part of the overall Runway 5-23 construction project which is being coordinated with the Iowa Department of Transportation (IDOT) 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 and the relocation of a 20" watermain as well as the Airport portion of property acquisition for tracts 96-016 and 96-038. This grant agreement and associated assurances **must be executed prior to March 30, 1999**, and before the Airport Board can award the Runway 5-23, Phase 3 contract for which bids were received on February 23, 1999.

**TYPE:**

**RESOLUTION**  
ORDINANCE  
RECEIVE/FILE

**FISCAL IMPACT -**

**SUBMITTED BY:**

FLOYD BENTZ, P.E.  
ACTING CITY ENGINEER

This FAA 90 percent federal share Airport Improvement Program (AIP) Grant 3-19-0027-27 funds three components which are:

WILLIAM FLANNERY,  
P.E.  
AVIATION DIRECTOR

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 as an alternate that was not awarded because there were not enough funds in the previous year's FAA grant. This alternate has 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) Property interests include the Airport's portion of tracts 96-016 and 96-038, budgeted at \$644,600. The

reimbursement of \$450,000 to MidAmerican Energy in a property agreement, approved by Roll Call No. 98-2795 on September 14, 1998, requires MidAmerican to relocate their high-pressure pipelines for this runway project. Similarly, Des Moines Water Works has a 20" watermain in existing SW 42nd Street that must be relocated for the runway project. The 20" watermain relocation is budgeted in this grant at \$400,000.

3) The construction of the Runway 5-23, Phase 3 project 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. All of this work has been recently bid at \$6,921,751.82 by Flynn Co. of Dubuque and cannot be awarded if this grant is not executed by March 30, 1999.

Funding for these projects 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 311969 and Runway 5-23 Extension, Fund Code 316869. Under current City accounting procedures, only one fund code may be encumbered and charged for a particular project. Because of that, appropriations and funding will need to be transferred from Fund Code 311969 and 316869 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 and enterprise funds in CIP fund 316869 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. The Council approved Nations Bank to provide the line of credit and Merrill Lynch to process the commercial paper by Roll Call Nos. 99-616 and 99-617 on March 1, 1999, and the date of hearing and approval for this process is scheduled for April 5, 1999.

## **RECOMMENDATION -**

**(1) City Council approve execution and acceptance of a 90 percent federal share FAA grant for 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 project application and incorporated in the grant offer; (3) Direct Mayor to execute grant agreement and City Clerk to attest to grant execution for a 90 percent federal share FAA grant in an amount of \$10,105,470 to the City prior to the March 30, 1999 acceptance 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, which is currently SW 42nd Street, and Iowa Highway 5, which is currently Army Post Road. In the relocated Iowa Highway 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 wetland 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. Planning by the Aviation and Engineering Departments resulted in an FAA staff notice of tentative allocation for this AIP Grant 3-19-0027-27 in June 1998 that has a specific time schedule for compliance. Originally, this specific time schedule required the project to be bid by May 5, 1999; the grant application to be submitted to the FAA by June

7, 1999; and the grant to be accepted prior to award of the contract in order to receive approximately \$10.5 million in grant funds. Because the U.S. Congress only approved a six-month Act for FAA funding, the schedule for this grant was moved up three months by a letter from the FAA in November 1998. The application for this grant was approved by Roll Call No. 99-534 on February 22, 1999.