



**CITY COUNCIL
COMMUNICATION:**

ITEM _____

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

00-110

SYNOPSIS -

AGENDA:

MARCH 27, 2000

SUBJECT:

ADDITION OF
AIRPORT SKYWALK
TO PROJECTS
FUNDED BY
AVIATION SYSTEM
REVENUE BONDS,
SERIES 1998

TYPE:

**RESOLUTION
ORDINANCE
RECEIVE/FILE**

SUBMITTED BY:

WILLIAM F.
FLANNERY
AVIATION
DIRECTOR

KEVIN RIPER
FINANCE
DIRECTOR

FLOYD BENZ

The plans and specifications for construction of the Airport parking garages included construction and installation of a second level skywalk from the Terminal Building to the north parking structure (East/West Skywalk). Additionally, the Airport Board has approved a second skywalk from the north garage to the south garage (North/South Skywalk). The original funding plan anticipated that the skywalk portions of the project would be funded with Airport Passenger Facility Charges (PFC's). Due to delays in completing the parking garages and refinements in the specifications for the East/West Skywalk, the cost of the skywalks will exceed the amount of PFC's approved by the Federal Aviation Administration (FAA). It has been determined by the Airport Board that the best funding source for these increased costs is unspent proceeds from the Airport Revenue Bonds sold in part to fund the parking garage. As part of the authorization for the issuance of the Aviation System Revenue Bonds, Council conducted the required public hearing on the projects to be funded from proceeds. Because the skywalk project was anticipated to be funded from PFC's, that project was not included on the list of projects designated with the original public hearing.

The amount of unspent bond proceeds anticipated to be used for the Skywalk portion of the project is \$420,000. In order to allow the project to proceed in a timely manner, Council is requested to approve the addition of the Skywalk project to eligible projects under the referenced bond issue and conduct the required public hearing. Under federal law, this type of public hearing requires 15 days notice. If construction of the skywalk can begin by early spring, completion is anticipated before the winter of 2000.

On March 7, 2000, by Resolutions Nos. A00-92 and A00-93, the Airport Board recommended that City Council act favorably on this item.

FISCAL IMPACT -

There is no fiscal impact on the City's General Fund. Originally, this project element was programmed to be funded by PFC's. Costs associated with the skywalk up to the amount approved by the FAA (\$1,050,000) will be funded by PFC's. Costs in excess of that amount are proposed to be funded by unspent proceeds that remain from the Aviation System Revenue Bonds, Series 1998. As stated above, the amount of bond proceeds to be transferred to the Skywalk project is \$420,000.

RECOMMENDATION -

Conduct the required public hearing on reallocation of unspent Bond proceeds and approve the addition of the Airport Skywalk Project for funding from the proceeds of the Aviation System Revenue Bonds, Series 1998.

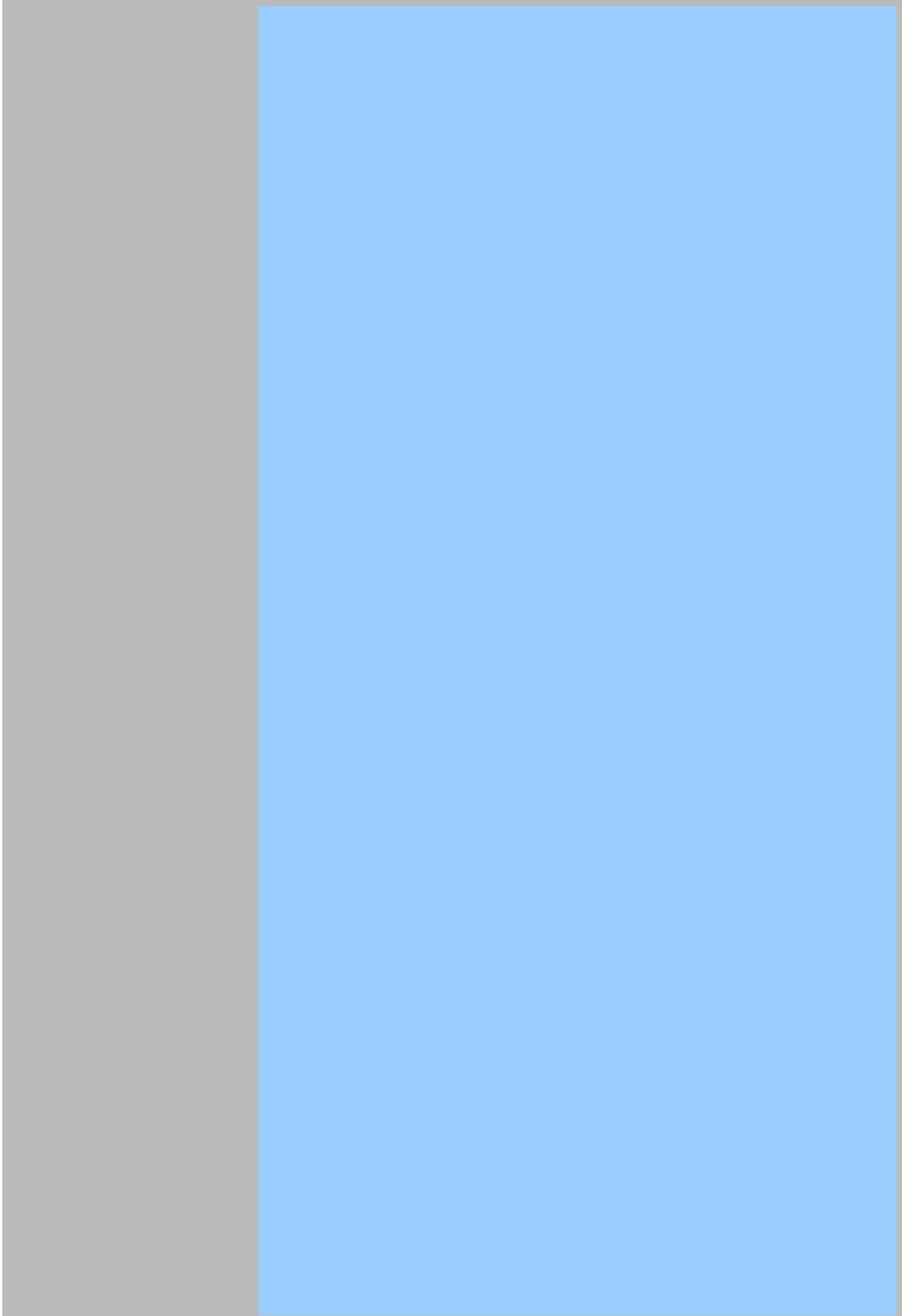
BACKGROUND -

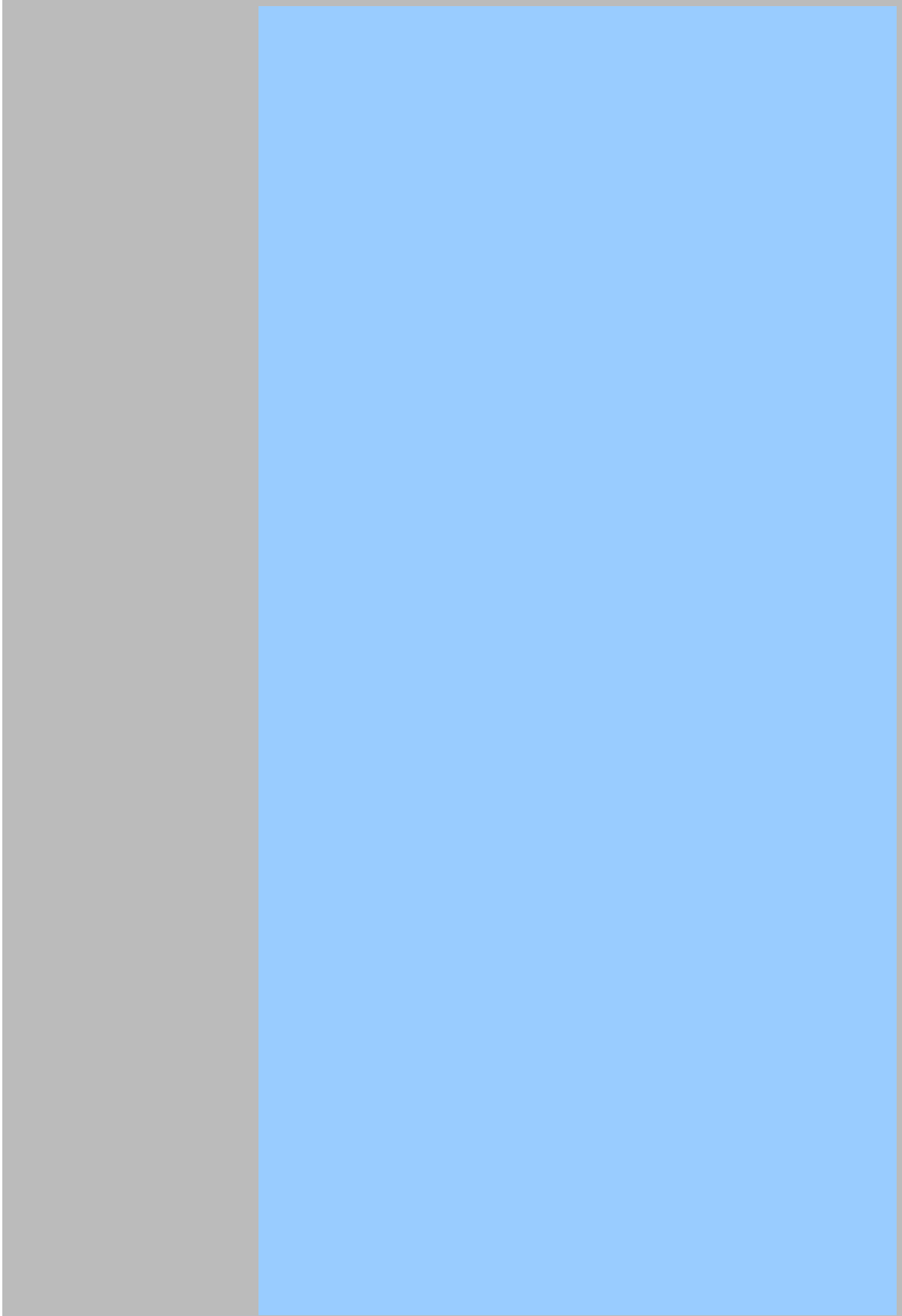
On February 3, 1998, by Resolution No. A98-22, the Airport Board recommended that Council approve the issuance of Airport Revenue Bonds to fund certain improvements at the Airport. On March 20, 1998, by Resolution No. A98-95, the Airport Board recommended approval of the form and content of the preliminary Official Statement, Bond Resolution, and Continuing Disclosure Agreement for the Aviation System Revenue Bonds, Series 1998. On April 20, 1998, by Roll Call No. 98-1228, Council authorized the issuance of the Aviation System Revenue Bonds in the amount of \$42,670,000.













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