

Meeting Agendas/Info

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

01-398

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

AGENDA:

JULY 23, 2001

SUBJECT:

SUPPLEMENTAL
AGREEMENT NO. 8
TO THE IOWA AIR
NATIONAL GUARD
(IANG) AIRPORT
LEASE

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

WILLIAM
FLANNERY
AVIATION
DIRECTOR

SYNOPSIS -

Supplemental Agreement No. 8 incorporates additional City-owned properties into the existing long-term lease agreement and extends the term of the agreement by ten years, from an expiration date of June 30, 2030, to June 30, 2040 (see attached Exhibit A). This extension is being requested (see attached letter from Col. Douglas M. Pierce, Commander, 132nd Fighter Wing) so that the Iowa Air National Guard (IANG) will be permitted to program additional federal Capital Improvement Funds to complete all the projects listed in their Master Plan. Also, the IANG has requested that the approval of Supplemental Agreement No. 8 be expedited so that the Notice to Proceed for the Security Police Gatehouses can be issued by July 31, 2001. Apparently, this additional property must be incorporated into their long-term lease for this project to proceed. Since the long-term lease agreement with the IANG has over three years left and is being extended for an additional ten years, City Council is required to approve this proposed Supplemental Agreement No. 8.

FISCAL IMPACT -

None.

RECOMMENDATION -

Approval.

BACKGROUND -

The IANG's long-term lease agreement has been amended on seven separate occasions during its term. The term of the lease began on June 23, 1975, and, as amended, now extends on a year-to-year basis without further notice but in no event beyond June 30, 2030.

On May 20, 1991, by Roll Call No. 91-2057, the City Council

approved a multi-faceted implementation plan to acquire the various properties, identified the funding sources for the purchases, and set the procedure for transferring the properties to the IANG. The approval of Roll Call No. 91-2057 was the culmination of an understanding by which the IANG would provide, at a minimum, Aircraft Rescue and Fire Fighting (ARFF) personnel and equipment to meet Federal Aviation Administration (FAA) requirements for the Airport, and in return, the City would use fees collected from airfield users using the Airport to purchase property on a voluntary basis.

An important project in the IANG's Airport Leasehold Expansion Plan has been the voluntary acquisition of additional land contiguous and north of the existing leasehold to provide the land needed to relocate portions of McKinley Avenue, SW 34th Street, Watrous Avenue, and SW 42nd Street as outlined in the IANG Master Plan. The new, relocated street has now been completed and opened to traffic and the unneeded portions of McKinley Avenue, Stanton Avenue, SW 34th Street, and SW 32nd Street have been vacated as city streets. With the purchase of the property at 4405 SW 34th Street, all the properties required by the IANG for their expanded Airport leasehold have now been acquired by the City.

It is important to point out that the current long-term land lease allows the federal government to pay the Airport \$1 per year for the leasehold but does not obligate the federal government to use the leasehold for its current military mission. It is the current military mission which allows the IANG to provide at federal government expense, under short-term agreements, valuable in-kind services and airfield projects as consideration for the favorable long-term land/facility arrangement. In addition to the \$1 per annum, the IANG provides in-kind services in the form of ARFF Services. The IANG provides all necessary personnel, uniforms, apparatus, equipment, and machinery to operate and maintain ARFF Services. The cost to the IANG of providing ARFF Services is in excess of \$1,000,000 per annum, which meets or exceeds required FAA levels. In addition, by separate agreement, the IANG pays the City of Des Moines an airport use fee in the amount of \$25,500 per annum for use and maintenance of the Des Moines International Airport. The City Council has previously determined these in-kind services and the monetary amounts paid by the IANG to be fair and reasonable rental for the IANG leasehold. Unfortunately, there is no requirement in the long-term lease agreement that obligates the federal government to continue providing the valuable in-kind services and future airfield projects as a condition for them to keep the \$1 per year compensation.

By letter dated February 28, 1997 (attached), the Air National Guard reaffirmed its intention to continue providing Crash-Fire-Rescues/Aircraft Rescue and Fire Fighting service as long as the 132nd Fighter Wing has a manned flying mission at the Des Moines International Airport.

Attachments
