



Council Communication

Office of the City Manager

Date

August 20, 2007

Agenda Item No. 74

Roll Call No. 07-

Communication No. 07-522

Submitted by: Craig Smith, Aviation Director
and Jeb E. Brewer, P.E., City Engineer

AGENDA HEADING:

Approving and Authorizing the execution of Federal Aviation Administration AIP Grant Agreement, Project Number 3-19-0027-45 Airport Runway 13R-31L Land Acquisition, Phase 4

SYNOPSIS:

Approval of the FAA Grant and authorization for the Mayor to execute a Federal Aviation Administration (FAA) Airport Improvement Program (AIP) Grant in a 95% Federal share amount of \$1,303,284 along with City acceptance and ratification of all associated Grant assurances, warranties, covenants and agreements contained in the project application for the funding of the Airport Runway 13R-31L Land Acquisition, Phase 4 project, Activity ID 27-2002-023.

FISCAL IMPACT:

Amount: \$1,371,878

Funding Source: 2007-2008 CIP, Page AIR-29, Runway 13R/31L – Land Acquisition AIR117, - 95% FAA Funds through this AIP Grant 45 and 5% Passenger Facility Charge (PFC) funds included in approved PFC application number 9.

ADDITIONAL INFORMATION:

On July 29, 2003, the Federal Aviation Administration approved a Finding of No Significant Impact (FONSI) and Section 4(f) Determination for the proposed Runway 13R-31L construction. The Federal Aviation Administration's approval of the FONSI and Section 4(f) Determination constitutes the Federal approval for the actions identified and any subsequent actions approving a grant of Federal funds for the project beginning with land acquisition. The acquisition of approximately 283 acres of property, including 22 residential properties, needed for the proposed runway and its approaches is included in the finding. The FONSI specifies, and federal regulations require, that acquisition of residences and farmland must conform to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. Land acquisition as well as the construction of the new runway and taxiways will depend upon the availability of Federal and Airport funds.

The Airport is required by the FAA Airport Improvement Program process to acquire properties prior to their inclusion in a 95% Federal Grant share project that would ultimately fund the acquisition expense. For this reason, Engineering and Airport staff work closely with FAA staff in an attempt to time the acquisitions so that they will occur just prior to the availability of an FAA AIP Grant in order to

minimize the carrying costs required until 95% of the property expense can be reimbursed with an FAA AIP Grant.

On December 2, 2003, by Resolution No. A03-285, the Airport Board approved and authorized the design of a public improvement project to construct Runway 13R/31L and authorized the City Manager to proceed with the acquisition of properties needed for the project by purchase or gift, or to proceed to the City Council for approval to acquire by eminent domain when appropriate and necessary.

FAA staff notified the Airport in separate October 6, 2004, and October 18, 2004, letters that approximately \$1 million in AIP entitlement grant funds and \$1.5 million in additional AIP discretionary funds be programmed for Runway 13R-31L land acquisition, and further recommended that the City initiate final actions necessary to have this much property acquired in time for the release of 2005 AIP grants. On January 6, 2004, the Airport initiated a voluntary Acquisition Program to acquire the property for replacement Runway 13R-31L by approving Resolution A04-16. To date the Airport has taken possession of, negotiated settlements, or is in negotiation with the owners of 18 residential properties. Approval of replacement Runway 13R-31L property acquisition by condemnation was recommended by the Airport Board on March 1, 2005, by Resolution A05-42 and approved by City Council Roll Call 05-541 on March 7, 2005.

On February 15, 2005, FAA Staff notified the Airport that they were initiating the Congressional release of funds for an FAA Airport Improvement Program grant in the amount of \$1,295,351 to initiate the first AIP grant funding of land acquisition for replacement Runway 13R-31L. The Airport Board recommended that the City Council accept an AIP grant by Resolution A05-56 on March 1, 2005. Congress released the funds on April 1, 2005, and FAA staff sent the grant offer to the City of Des Moines. The City of Des Moines then executed the first grant offer by authorization of Roll Call No. 05-1845 on August 3, 2005. Since that project grant initiation, subsequent offers for additional Runway 13R-31L property acquisition have been approved by Council Roll Call Nos. 05-2129 and 06-1258 bringing the total 95 percent Federal share amount of reimbursement for the first three phases of acquired land to \$11,509,195.

Fair Market Value was established for the David R., Peter C. and Dan J. Woltz property by Airport Board Resolution A06-05 on September 6, 2006, in an amount of \$1,203,000 for the 62.66 acres. Normally FAA requires the Airport to acquire and certify title to each project parcel prior to reimbursement. For this particular grant FAA staff is requesting us to certify title for this grant prior to execution of the AIP grant, yet we must be able to execute the grant prior to FAA's September 1, end of federal fiscal year cut for grants. Therefore, both the Mayor's authorization to execute this additional grant to purchase property and the certification of title are submitted for Council consideration on this August 20, 2007, City Council meeting.

PREVIOUS COUNCIL ACTION(S):

Date: March 7, 2005

Roll Call Number: [05-541](#)

Action: Authorization to proceed with acquisition of the necessary right-of-way for the Airport Runway 13R/31L Project, (Estimated \$16,000,000). ([Council Communication No. 05-112](#)) Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Date: March 1, 2005 - Airport Board

Resolution Number: A05-42

Action: Recommendation that City Council authorize City Manager to proceed with acquisition of properties by voluntary gift, purchase, or condemnation where necessary for Runway 13R-31L

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE