



Council Communication

Office of the City Manager

Date

August 11, 2008

Agenda Item No. 30

Roll Call No. ~~08-~~

Communication No. ~~08-499~~

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 3-19-0027-48 Airport Runway 13R-31L Land Acquisition, Phase 6.

SYNOPSIS:

Recommend the City Council approve the FAA Grant and authorize the Mayor to execute Federal Aviation Administration (FAA) Airport Improvement Program (AIP) Grant 48 in a 95% Federal share amount of \$664,430 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 6 project.

FISCAL IMPACT:

Amount: \$699,400

Funding Source: 2008-2009 CIP, Page Airport-28, Runway 13R/31L – Land Acquisition AIR117, being \$664,430 (95%) in FAA funds through this AIP Grant 48 and \$34,970 (5%) in 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 (AIP) process to acquire properties prior to their inclusion in a Federal Grant project that would ultimately fund the acquisition expense. For this reason, Engineering and Aviation Department 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 City's carrying costs required until 95% of the property expense can be reimbursed by an

FAA AIP grant. Anticipating the FONSI approval of this project the Airport submitted the initial grant-programming request for this project in February 2002 for funds that would become available in Federal FY 2005.

On December 2, 2003, under 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 by eminent domain when appropriate and needed.

FAA Staff notified Airport Staff 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 would 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 Airport Staff that FAA was initiating the Congressional release of funds for an FAA AIP 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 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 Calls 05-2129, 06-1258, 07-1681 and 08-1008 bringing the total 95 percent Federal share amount of reimbursement for the first three phases of acquired land to \$14,091,667.

Fair Market Value was established for the Croft property by Airport Board Resolution A07-62 on April 3, 2007, in an amount of \$242,000 for the residential property at 5531 McKinley Avenue and for the Leonard property by Airport Board Resolution A07-172 on October 1, 2007, in an amount of \$228,000 for the residential property at 5501 McKinley Avenue. 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 the City to sign this AIP grant agreement prior to FAA's August 29, 2008 end of federal funding authority cut-off for grants.

PREVIOUS COUNCIL ACTION(S):

Date: July 28, 2008

Roll Call Number: 08-1306

Action: Accepting real estate documents for property at 5501 McKinley Avenue from Danny J. and Dianne G. Leonard for the Airport Runway 13R/31L Project. (Council Communication No. 08-438) Moved by Kiernan to adopt. Motion Carried 7-0.

Date: November 5, 2007

Roll Call Number: 07-2118

Action: Real estate documents for property at 5501 McKinley Avenue from John W. and Debra A. Croft for the Airport Runway 13R/31L Project, \$242,000 plus closing costs. (Council Communication No. 07-662) Moved by Vlassis to adopt. Motion Carried 7-0.

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): AIRPORT BOARD

Date: August 5, 2008

Resolution Number: A08-157

Action: Recommend City Council Accept FAA 95% Federal Share Airport Improvement Program Grant No. 3-19-0027-48 for Runway 13R-31L Land Acquisition

Date: October 1, 2007

Resolution Number: A07-172

Action: Establishing Fair Market Value and Authorizing Acquisition of the Leonard property at 5501 McKinley Avenue for Runway 13R-31L project

Date: April 3, 2007

Resolution Number: A07-62

Action: Establishing Fair Market Value and Authorizing Acquisition of the Croft property at 5531 McKinley Avenue for Runway 13R-31L project

Date: March 1, 2005

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

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the second floor of City Hall, 400 Robert D Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to cityclerk@dmgov.org.