



Council Communication

Office of the City Manager

Date

December 21, 2009

Agenda Item No. 31

Roll Call No. 09-

Communication No. 09-868

Submitted by: **Craig Smith, Aviation Director**

AGENDA HEADING:

Approve Amendment No. 1 to the grant agreement between the City of Des Moines and the Iowa Department of Transportation to reduce the amount by 10 percent from the original amount of \$566,730.00 to \$510,057.00 for Capital Improvements at the Des Moines International Airport.

SYNOPSIS:

On October 8, 2009, Governor Culver signed Executive Order 19 reducing FY 2010 general fund appropriations by 10% effective immediately. The Iowa Department of Transportation's (IDOT) plan for implementing that reduction was approved by the Governor on October 28, 2009. Since the Commercial Service Vertical Infrastructure Fund is funded by the general fund for FY 2010, the total available funds for this program have been reduced by 10 percent.

The 2009 Iowa Legislature originally appropriated \$1,500,000.00 to the Commercial Air Service Airport Infrastructure Fund for the fiscal year beginning July 1, 2009, and ending June 30, 2010, for improvements at all eight Commercial Service Airports within the State. Des Moines International Airport was awarded \$566,730.00 for Fiscal 2010. However, with the 10 percent reduction, the appropriated amount is \$510,057.

FISCAL IMPACT:

Amount: Under the FY10 Commercial Service Infrastructure Grant Program the Des Moines International Airport was to receive \$566,730. The new amount totals \$510,057, or a 10 percent reduction (\$56,673). The reduction will be made up by allocating Passenger Facility Charges or Airport operating funds to the affected project(s).

Funding Source: Specific funding codes will be determined during the current budget process.

ADDITIONAL INFORMATION:

On April 7, 2009, by Resolution No. A09-064, the Board approved the application for the FY 2010 Commercial Service Vertical Infrastructure Program. The Iowa Transportation Commission approved the grant application for Des Moines International Airport with the following projects:

1. Continued Programming of Airfield Vehicle Storage Building
2. Airport Terminal Modifications for EDS Deployment
3. Construct Sand/Chemical Storage Building
4. Self Service Fuel Facility

The Commercial Service Vertical Infrastructure Fund rules allow airports to fund all or parts of approved projects based on the needs of the individual airport.

On August 4, 2009, by Resolution No. A09-137, the Airport Board recommended the City Council approve the grant agreement between the City and IDOT.

PREVIOUS COUNCIL ACTION(S):

Date: August 10, 2009

Roll Call Number: 09-1452

Action: Iowa Department of Transportation Agreement Grant No. 11411 for capital improvements at the Des Moines International Airport, \$566,730. (Council Communication No. 09-556) Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Date: December 1, 2009

Resolution Number: A09-205

Action: Recommend approval of the Agreement Addendum for FY 2010 funding from the Iowa Department of Transportation's Commercial Service Vertical Infrastructure Fund for the reduced amount of \$510,057.00.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

City Council approval of Amendment No. 1 to the grant agreement between the City of Des Moines and the Iowa Department of Transportation for Fiscal Year 2010 Commercial Service Vertical Infrastructure Fund.

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.