

Mayor and Council Communication

DATE: 06/02/20

M&C FILE NUMBER: M&C 20-0373

LOG NAME: 55FTW 2020 CARES ACT GRANT

SUBJECT

Authorize Application for and Acceptance of a Coronavirus Aid, Relief, and Economic Security Act Grant, if Awarded, for Fort Worth Meacham International Airport from the Federal Aviation Administration Through the Texas Department of Transportation in an Amount Up to \$157,000.00, and Adopt Appropriation Ordinance (COUNCIL DISTRICT 2)

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the application for and acceptance of a Coronavirus Aid, Relief, and Economic Security Act Grant, if awarded, in an amount up to \$157,000.00 at Fort Worth Meacham International Airport; and
 2. Adopt the attached appropriation ordinance increasing the estimated receipts and appropriations in the Muni Airports Grants Federal Fund in the amount of \$157,000.00, subject to the receipt of the grant.
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DISCUSSION:

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law, allocating \$10,000,000,000.00 in funding to be awarded as economic relief to eligible U.S. airports affected by the COVID-19 pandemic. This funding will help eligible U.S. airports prevent, prepare for, and respond to the COVID-19 impacts, including support for continuing airport operations. The funds will be available to:

1. Keep airports in reliable, safe operation to serve the aviation industry, the travelling public, and in support of the economy;
2. Keep airport and aviation workers employed; and
3. Keep airport credit ratings stable.

Based on a classification provided by the Federal Aviation Administration (FAA) for CARES Act Grant funds offered to each airport, Fort Worth Meacham International Airport is eligible to receive up to \$157,000.00 under the program. Per the FAA, the CARES Act will provide "Funding to support continuing operations and replace lost revenue resulting from the sharp decline in passenger traffic and other airport business due to the COVID-19 public health emergency. The funds are available for airport capital expenditures, airport operating expenses including payroll and utilities, and airport debt payments." Thus, the Aviation Department will expend these funds in accordance with the FY2020 Council approved operating and capital budget and may include covering tenant default losses, reductions in fuel flowage fees due to decreased aircraft operations, capital expenses associated with a reduction in air traffic control operating hours, or payroll expenses, due to loss of revenue.

Funding from the CARES Act will be paid at 100% of the federal share and will be administered through the Texas Department of Transportation (TxDOT), therefore no City match is required.

This grant will incur no reimbursable indirect costs.

Fort Worth Meacham International Airport is located in COUNCIL DISTRICT 2.

A Form 1295 is not required because: This contract will be with a governmental entity, state agency or public institution of higher education: Texas Department of Transportation

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the current operating budget, as appropriated, in the Muni Airports Grants Federal Fund. The Aviation Department (and Financial Management Services) will be responsible for the collection and deposit of funds due to the City. Prior to an expenditure being incurred, the Aviation Department has the responsibility to validate the availability of funds. This is a reimbursement grant.

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