

Mayor and Council Communication

DATE: 04/12/22

M&C FILE NUMBER: M&C 22-0284

LOG NAME: 55FWS INFRASTRUCTURE INVESTMENT & JOBS ACT OF 2021 GRANT

SUBJECT

(CD 6) Authorize Application for and Acceptance of the Infrastructure Investment and Jobs Act of 2021 Grant, if Awarded, from the Federal Aviation Administration Passed Through the Texas Department of Transportation in an Amount Up to \$295,000.00 at City of Fort Worth Spinks Airport for an Eligible Project, Authorize a Transfer of Up to \$29,500.00 for the City's Match Requirement, for a Total Amount Up to \$324,500.00 and Adopt Attached Appropriation Ordinance

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the application for and acceptance of the Infrastructure Investment and Jobs Act of 2021 Grant, if awarded, from the Federal Aviation Administration passed through the Texas Department of Transportation in an amount up to \$295,000.00 at City of Fort Worth Spinks Airport for an eligible project;
2. Authorize a transfer from the Municipal Airport Capital Proj Fund into the Muni Airport Grants Federal Fund in an amount up to \$29,500.00 for the City's 10 percent match; and
3. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Muni Airport Grants Federal Fund in an amount up to \$324,500.00, subject to the receipt of the grant, for the purpose of funding improvements at City of Fort Worth Spinks Airport.

DISCUSSION:

On November 15, 2021, the Infrastructure Investment and Jobs Act of 2021 (IIJA) was signed into law, allocating \$1.2 trillion in new spending of which \$550 billion will go towards investment in our nation's core infrastructure priorities including roads and bridges, rail, transit, ports, airports, the electric grid, water systems and broadband. The infrastructure bill includes \$15 billion for airport infrastructure grants over five years with \$3 billion to be distributed annually. Of this amount, \$12.4 billion would go to commercial service airports and \$2.5 billion for nonprimary commercial service and general aviation airports.

These funds will be available for:

1. Airport Improvement Grant program for runways, gates and taxiways that increase safety and expand capacity;
2. Airport Terminal Improvement program for terminals, concessions and multimodal connections for increased terminal energy efficiency and accessibility; and
3. Air Traffic Control infrastructure to replace facilities and equipment and improve safety, security and environmental standards.

Based on the classification provided by the Federal Aviation Administration (FAA), City of Fort Worth Spinks Airport (Airport) is eligible to receive up to \$295,000.00 under the program. Per the FAA, the IIJA will provide "funding to modernize infrastructure, increase equity in transportation, help fight climate change, strengthen the supply chain and create jobs." The Airport is expected to receive this amount of funding every year for the next five years, pending appropriation from Congress. Additionally, these grants will operate under the same guidelines as the FAA's Airport Improvement Program (AIP) which requires specific projects to be identified on the sponsor's application.

Tentative eligible projects for funding by the Airport include safety area improvements, access road improvements, airfield lighting, signage and drainage, as well as subsidizing funding for construction of a terminal building to replace the current administration building.

In the event that the City does apply this year for the grant funds under IIJA, the City will determine which specific project will be selected as part of the City's application and will provide counsel an update at the time of application, indicating the specific project that was selected.

If the City does not apply this year for funding under the IIJA, the grant allocations from 2021 for the Airport will remain available to the City until September 30, 2025 at which time any allocations that have not been applied for will become "competitive" grants where other airports could have access to those grant funds.

If Congress continues to appropriate money under the IIJA in the coming years, the City would be able to apply in future years for prior year allocations in addition to the then current years allocated funds under the IIJA to carry out larger projects.

Funding for the IIJA will be a 90/10 cost-split between the Texas Department of Transportation (TxDOT) and the City of Fort Worth (City), and will be administered through TxDOT from the FAA. This grant will incur no reimbursable indirect costs.

Upon award, the grant will increase funding to the Muni Airport Grants Federal Fund as shown below:

Fund	Appropriation Amount	Original Budget
Muni Airport Grants Federal Fund	\$295,000.00	\$295,000.00

Municipal Airport Capital Proj Fund (City Match)	\$29,500.00	\$29,500.00
Project Total	\$324,500.00	\$324,500.00

Funding is budgeted in the Capital Intrafund Transfer Out account of the Aviation Department's Municipal Airport Capital Proj Fund.

ADVISORY BOARD APPROVAL - On January 27, 2022, the Aviation Advisory Board voted to recommend that the City Council approve the application for and acceptance of this grant.

Fort Worth Spinks Airport is located in COUNCIL DISTRICT 6.

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 Airport 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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