

Mayor and Council Communication

DATE: 05/05/20

M&C FILE NUMBER: M&C 20-0304

LOG NAME: 55AFW COG REIMBURSEMENT GRANT 2020

SUBJECT

Authorize Application for and Acceptance of a Grant, if Awarded, from the Federal Aviation Administration in an Amount Up to \$36,300,000.00, Authorize the Use of Land Credits in an Amount Up to \$4,033,334.00 for the City's In-Kind Local Ten Percent Match for Reimbursement to the North Central Texas Council of Governments for Funds Advanced in Connection with the Runway Extension Project at Fort Worth Alliance Airport, and Adopt Appropriation Ordinance (COUNCIL DISTRICT 7)

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the application for and acceptance of a grant, if awarded, from the Federal Aviation Administration in an amount up to \$36,300,000.00 to reimburse the North Central Texas Council of Governments for funds advanced in connection with the runway extension project at Alliance Airport;
 2. Authorize the use of land credits in the amount up to \$4,033,334.00 for the City of Fort Worth's in-kind local match of ten percent of the project cost; and
 3. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Muni Airport Grants Federal Fund in the amount up to \$40,333,334.00, subject to receipt of the grant.
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DISCUSSION:

The Alliance Airport runway extension project was a multi-phased project that began in 2001 and was completed in August 2019. The total cost of this project totaled over \$250 million and was funded by grants from the Federal Aviation Administration (FAA). The City also received assistance in the amount of \$80,000,000.00 to relocate a portion of Burlington Northern Santa Fe Railroad through an Advanced Funding Agreement with the Texas Department of Transportation.

In February 2013, (City Secretary Contract No. 39068) the City entered into an Interlocal Cooperative Agreement with the North Central Texas Council of Governments (NCTCOG) and the Regional Transportation Council (RTC) for the repayment (through reimbursement of FAA discretionary grant funds) of \$51,300,000.00 in advanced regional toll revenue funds. Execution of this Agreement was approved by Council on January 29, 2013 by M&C C-26078. In this Agreement the RTC and NCTCOG agreed to waive repayment of \$28,700,000.00 which reduced the amount to \$51,300,000.00 from the original \$80,000,000.00. Additionally, \$15,000,000.00 was allocated to the GE Test Track Project which further reduced Fort Worth's repayment obligation to \$36,300,000.00.

The Aviation Department is seeking grant assistance from the FAA in order to repay the remaining obligation of \$36,300,000.00 and will submit a grant application in that amount for FY 2020. Reimbursement to the NCTCOG is contingent upon receipt of discretionary grant funds from the FAA designated for the purpose of reimbursing NCTCOG for funds that were advanced in connection with the runway extension project.

Existing land credits remaining from the original land donation for Fort Worth Alliance Airport will be used for the City's 10 percent in-kind match.

This grant is not eligible for the reimbursement of indirect costs because City salaries cannot be charged directly to the grant.

Fort Worth Alliance Airport is located in COUNCIL DISTRICT 7.

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

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations, receipt of the grant and adoption of the attached ordinance, funds will be available in the current budget, as appropriated, of the Muni Airport Grants Federal Fund. The Aviation Department 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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