



CITY OF LOVELAND
MUNICIPAL AIRPORT

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AGENDA ITEM: 1
MEETING DATE: 8/11/2011
TO: City Council
FROM: Keith Reester, Public Works Director
PRESENTER: Jason Licon, Airport Director

TITLE:

1. An Emergency Ordinance Enacting A Supplemental Budget And Appropriation To The 2011 Fort Collins-Loveland Municipal Airport Budget For A Federal Aviation Administration Discretionary Capital Funding Grant For Runway Rehabilitation; and
2. A Motion authorizing the City Manager to execute a contract for improvements to the Fort Collins-Loveland Airport, AIP Project No. 3-08-0023-29 with Coulson Excavating Company, Inc.

DESCRIPTION:

This is an administrative action. The Airport has been notified by the FAA that it will award a grant of up to \$7,000,000 to support rehabilitation of the Airport's main runway. This unanticipated and sudden release of the grant by Congress and the FAA creates a window of opportunity to complete the runway rehabilitation necessary to maintain the safe and efficient operation of the Airport during the current construction season. This action includes an emergency ordinance for a supplemental appropriation of the grant funds and a motion authorizing the City Manager to execute a contract with Coulson Excavating Company, Inc. to complete the project.

BUDGET IMPACT:

Yes No

Matching funds for the Grant, both local and State (CDOT), have been previously appropriated by Council. The contract with Coulson Excavating, Inc. is for \$6,392,619.75.

SUMMARY:

The Fort Collins Loveland Airport receives grant funds from the Federal Aviation Administration (FAA). As a commercial service airport with over 10,000 enplaned passengers per year, the airport receives an entitlement grant of \$1,000,000 per year. In 2-3 year cycles, FNL also receives discretionary grants to tackle large FAA approved air-side related projects.

The FAA, after temporary closure and a budget impasse in Congress, has resumed operation and indicated that it will award a discretionary grant of up to \$7,000,000 to support a runway rehabilitation project. This unanticipated and sudden release of the Grant by Congress and the FAA creates a window of opportunity to complete the runway rehabilitation at the Airport during the current construction season. Such rehabilitation is necessary to maintain the safe and efficient operation of the Airport.

The runway rehabilitation project will be completed by Coulson Excavating Company, Inc., the low bidder for the Project. If construction can be started immediately, the project can be completed during this construction season, taking advantage of planned closure of the Airport for this purpose. This will minimize the cost and disruption of this substantial project. The contract amount for completion of the project by Coulson Excavating Company, Inc. is \$6,392,619.75.

This emergency ordinance appropriates the FAA grant funds necessary to complete the runway rehabilitation. Matching funds for the grant, both local and State (CDOT), have been previously appropriated by Council.

A motion by Council to authorize the City Manager to execute the Agreement for AIP Project No. 3-08-0023-29 with Coulson Excavating Company, Inc. to complete the runway rehabilitation project at a cost of \$6,392,619.75 is also included. No further action by the Fort Collins City Council is required to approve the Coulson contract, as it can be signed by the City Manager and Purchasing Manager under existing delegations.

LIST OF ATTACHMENTS:

An Emergency Ordinance Enacting A Supplemental Budget And Appropriation To The 2011 Fort Collins-Loveland Municipal Airport Budget For A Federal Aviation Administration Discretionary Capital Funding Grant For Runway Rehabilitation.

RECOMMENDED CITY COUNCIL ACTION:

1. Conduct a Public Hearing and approve the emergency ordinance.
2. Approve a motion to authorize the City Manager to execute the Agreement for Improvements to Fort Collins-Loveland Municipal Airport, AIP Project No. 3-08-0023-29.

REVIEWED BY CITY MANAGER:

FIRST AND ONLY READING: August 11, 2011

ORDINANCE NO. _____

AN EMERGENCY ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2011 FORT COLLINS-LOVELAND MUNICIPAL AIRPORT BUDGET FOR A FEDERAL AVIATION ADMINISTRATION DISCRETIONARY CAPITAL FUNDING GRANT FOR RUNWAY REHABILITATION

WHEREAS, the Cities of Fort Collins and Loveland jointly own and operate the Fort Collins-Loveland Municipal Airport (Airport) and have, by resolution, adopted the Airport Master Plan; and

WHEREAS, the Federal Aviation Administration (FAA) provides discretionary grant funding under the Airport Improvement Program (AIP) to eligible airports for capital improvements included in the Airport Master Plan; and

WHEREAS, the Cities have applied for a discretionary AIP grant from the FAA in the amount of \$7M (Grant) to fund a capital construction project to rehabilitate the Airport's primary runway (Project); and

WHEREAS, the City of Loveland has appropriated, as a part of the Airport's 2011 budget and by supplemental appropriation, the local matching funds and State of Colorado grant funds that constitute the required matching funds for the Project under the Grant; and

WHEREAS, the City of Loveland, by adoption of Resolution #R-14-2011, authorized the City Manager and the City Clerk to execute the grant agreement in a form consistent with prior FAA grants (2011 Grant Agreement) if the Grant is awarded by the FAA; and

WHEREAS, the City of Fort Collins, by adoption of Resolution 2011-020, authorized the City Manager and the City Clerk to execute the 2011 Grant Agreement if the Grant is awarded by the FAA; and

WHEREAS, the FAA, after temporary closure and a budget impasse in the Congress of the United States, has resumed operation and awarded the Grant to the Cities; and

WHEREAS, the City Council desires to authorize the expenditure of the Grant for the Project by enacting an emergency supplemental budget and appropriation to the Airport's 2011 budget, as authorized by Sections 4-10 (Emergency Ordinances) and 11-6(a) (Budget Control) of the Loveland City Charter.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That unanticipated and unappropriated revenues from Federal Aviation Authority are available in the Airport Fund 018 in the total amount of \$6,643,070 (the “Supplemental Funds”).

Section 2. The Supplemental Funds are hereby budgeted and appropriated for completion of the Project. The spending agencies and funds that shall spend the Supplemental Funds are as follows:

**Supplemental Budget
Airport Fund 018 - FAA Discretionary Grant**

Revenues	
018-0000-302-01-00-AP1109 Contributions - FAA	6,643,070
Total Revenue	6,643,070
Appropriations	
018-5503-409-09-52-AP1109 Engineering	475,000
018-5503-409-09-60-AP1109 Construction	6,168,070
Total Appropriations	6,643,070

Section 3. That the unanticipated and sudden release of the Grant by Congress and the FAA, creates a window of opportunity to complete the runway rehabilitation at the Airport during the current construction season and that such rehabilitation is necessary to maintain the safe and efficient operation of the Airport. Accordingly, the City Council finds and determines that an emergency exists requiring the immediate passage of this Ordinance for the preservation of the health, safety, morals, and welfare of the citizens of the City of Loveland.

Section 4. That pursuant to City Charter Section 4-10(b), this Ordinance shall become effective immediately upon its adoption by the City Council.

ADOPTED this __ day of August, 2011.

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

J. Yost Schmidt
Deputy City Attorney