



City of San Antonio

Agenda Memorandum

File Number: 15-4298

Agenda Item Number: 14B.

Agenda Date: 8/6/2015

In Control: City Council A Session

DEPARTMENT: Aviation

DEPARTMENT HEAD: Frank Miller

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Federal Aviation Administration Grants for the San Antonio International Airport

SUMMARY:

Consideration of two Ordinances related to the Federal Aviation Administration (FAA) Airport Improvement Program (AIP) grant for the Residential Acoustical Treatment Program (RATP) at San Antonio International Airport:

- A. An Ordinance ratifying the submission of the grant application for a FAA AIP grant to increase the grant request to \$18,750,000.00. In December 2014, City Council authorized Ordinance 2014-12-11-1019 for the authorization of the annual submission of a grant application and acceptance of funds for up to \$8,000,000.00, the amount approved by the FAA for the past two years. On June 23, 2015, the FAA notified the Aviation Department that additional funding may be available for a possible grant amount of up to \$18,750,000.00, but would require the submittal of the grant application by July 2, 2015. This action authorizes the City to accept the maximum possible grant amount for the popular noise abatement program.
- B. An Ordinance amending Ordinance 2015-04-02-0243 to increase the contract value of the professional services agreement with THC, Inc. (THC), the Acoustical Treatment Consultant (ATC), that manages the noise abatement program including all design, construction, public relations, and legal components to match the grant submittal of up to \$18,750,000.00 subject to receipt and execution of the FAA grant offer for the RATP. With approval from City Council, this action would authorize the City Manager or her designee to amend the agreement with THC in order to allow the smooth continuation of the program. The FAA is expected to announce the grant award in August or September 2015.

BACKGROUND INFORMATION:

RATP is an ongoing, multi-year program that provides acoustical treatment to reduce noise in qualifying homes and multi-family dwellings in aviation noise-impacted neighborhoods near the San Antonio International Airport. The RATP is a derivative of the noise compatibility studies and is consistent with federal guidelines and requirements mandated in the FAA grant assurances. As part of the FAA program, the FAA provides 80% of the necessary funding, while the City provides the remaining 20% match. No San Antonio tax dollars are used in the funding of this program. This multi-year program has treated 1,469 homes and 216 apartments through June 2015.

The City regularly coordinates with the FAA for continued AIP funding for eligible projects at the San Antonio International Airport. The FAA determines eligibility of homes which qualify for the RATP program by using an approved Noise Exposure Contour Maps (NEMs). For the past two years, the grant amount has been \$8,000,000.00. In late June 2015, the FAA notified the City that it expected additional funding to be available for the program in San Antonio. The submittal of the grant application was due by July 2, 2015, requiring the ratification of the December 2014 Ordinance to maximize the amount the City Council could receive from this program.

The second amendment addresses the ATC contract. In April 2015, City Council authorized a professional services agreement with THC in the amount of \$4,178,094.00 to manage the noise abatement program, which includes the design, construction, public relations, and legal components. As part of the City Council action, the City Manager or her designee was authorized to execute an amendment to the professional services agreement with THC in the amount of \$8,000,000.00 subject to receipt and execution of the December 2014 FAA grant offer for the RATP. With the possible grant amount increasing, this action will authorize the amendment to the agreement with THC in the amount of up to \$18,750,000.00.

ISSUE:

This Ordinance allows the City to submit an application in compliance with FAA regulations and accept, if awarded, the FAA AIP grant to support the RATP. This action would be consistent with the City Council's policy of improving facilities, improving land uses, enhancing safety at the Airport, and utilizing federal funding when available.

ALTERNATIVES:

City Council could choose to not approve this item. However, this action would mean the City would not be eligible for the federal grant award to support the RATP at San Antonio International Airport. In addition, the failure to accept could potentially affect the City's ability to receive future FAA grant funding for additional safety, development, and expansion projects.

FISCAL IMPACT:

The noise grant, if awarded, will provide for 80% of eligible project costs and require a 20% City Match. The FAA will contribute \$15,000,000.00 for the continuation of the program with the City match of \$3,750,000.00. The matching funds will be appropriated from 2010 Passenger Facility Charge Bonds and the 2010 Passenger Facility Charge Tax Anticipated Notes.

This ordinance provides for the acceptance and execution of an FAA AIP grant, appropriates funds and authorizes execution of all related grant and contract documents for above project at San Antonio International Airport.

RECOMMENDATION:

Staff recommends approval of the submittal of an application in compliance with the FAA regulations for a FAA Airport Improvement Program grant and its acceptance upon offer for the continuation of the Residential Acoustical Treatment Program.