



City of San Antonio

Agenda Memorandum

File Number:16-3575

Agenda Item Number: 18B.

Agenda Date: 6/16/2016

In Control: City Council A Session

DEPARTMENT: Aviation

DEPARTMENT HEAD: Noel T. Jones

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Federal Aviation Administration Grants for the San Antonio International Airport

SUMMARY:

Consideration of Ordinances related to the Federal Aviation Administration (FAA) Airport Improvement Program (AIP) grants for the San Antonio International Airport:

- A. An Ordinance authorizing the submission of a grant application and the acceptance of funds for FAA AIP grants in an amount up to \$14,777,950.00 for three projects: Terminal Area Taxiways, Runway 12R Rehabilitation and Perimeter Road Reconstruction. The FAA portion of the grant would be \$10,232,262.00 with the City's share of \$4,545,688.00 funded from Airport Improvement and Contingency Funds.
- B. An Ordinance authorizing the submission of a grant application and the acceptance of funds for a FAA AIP grant in an amount up to \$13,800,000.00 for the Residential Acoustical Treatment Program (RATP). The FAA portion of the grant would be \$11,040,000.00 with the City's share of \$2,760,000.00 funded from Airport Improvement and Contingency Funds.
- C. An Ordinance amending the professional services agreement with THC, Inc. (THC), the Acoustical Treatment Consultant, that manages the noise abatement program including all design, construction, public relations, and legal components to match the grant submittal of up to \$13,800,000.00 subject to receipt and execution of the FAA grant offer for the Residential Acoustical Treatment Program (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 September 2016.

These actions will amend the FY2016-FY 2021 Aviation Capital Budget and appropriate the funds.

BACKGROUND INFORMATION:

The City regularly coordinates with the FAA for continued AIP funding for eligible projects at the Airport. AIP funding is based on the Airport's preliminary submittal of its annual Airport Capital Improvement Plan (ACIP) to the FAA. Through the ACIP, the Airport identifies priority projects to be funded. These projects may be eligible for grant funding of up to 75% of eligible project costs with the City providing the matching share. The following projects are included among the identified priorities.

Item A - Runway, Taxiway and Perimeter Road Improvements

Runway 12R Rehabilitation and Terminal Area Taxiways - Package 4

In January 2013, City Council authorized, through Ordinance 2013-01-31-0065, a professional services agreement with Kimley-Horn and Associates (KHA) for three airfield projects: Runway 12R Rehabilitation, Terminal Areas Taxiways and Taxiway E Reconstruction. The construction phases for the three projects have been packaged in order to maximize potential grant money the City receives each year and minimize impacts to airline and airport operations.

The Terminal Area Taxiways project will design and reconstruct Taxiway G from Runway 4/22 to Taxiway A and localized areas at Taxiways Y and A. It will also design and reconstruct Taxiway N from Runway 12R southwest to just beyond Runway 4/22; and construct new parallel taxiways to both Taxiways G and N. The work will be done in multiple phases. The first phase of construction is complete, and the second and third phases are under construction.

This year's grant application will be for the fourth phase of construction, which includes rehabilitation of Runway 12R/30L's electrical systems including replacement of the emergency generator, reconstruction of Taxiway J between Runway 12R/30L and Taxiway G, and reconstruction of Taxiway G at its intersection with Taxiway D, as well as localized areas of Taxiway G near Taxiway A. The application will also include design funding in support of Taxiways J and G.

This fall, the City will bring forward a construction contract for City Council consideration for the fourth phase of the project if the grant application is offered and accepted. The total grant amount is \$13,957,950.00 with the FAA portion in the amount of \$9,617,262.00 and the City portion in the amount of \$4,340,688.00.

Perimeter Road Reconstruction

This year's grant application will include the first phase of construction for the Perimeter Road Reconstruction project. The airport perimeter road is located in the airfield area, and is utilized as a means to keep non-essential vehicle traffic out of the aircraft movement areas.

This fall, the City will bring forward a construction contract for City Council consideration for the first phase of the project if the grant application is offered and accepted. The total grant amount is \$820,000.00 with the FAA portion in the amount of \$615,000.00 and the City portion in the amount of \$205,000.00.

Item B - Residential Acoustical Treatment Program (RATP)

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 1,510 homes and 480 units through

May 2016. The FAA determines eligibility of homes which qualify for the RATP program by using an approved Noise Exposure Contour Maps (NEMs).

Item C - Amendment to THC Professional Service Agreement

The 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 FY15 FAA grant offer for the RATP. In June 2015, the FAA announced the FAA grant offer would be increased and City Council authorized an amendment to the agreement with THC in the amount of up to \$18,250,000.00. With the grant submittal of \$13,800,000.00 for the RATP program, the amendment to the contract will authorize the City Manager or her designee to execute an amendment to the agreement with THC up to the amount of the grant offer from the FAA.

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 and runway and taxiway improvements. This action would be consistent with the City Council's policy of improving facilities, improving land uses, enhancing safety at San Antonio International Airport.

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 these projects 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:

Item A

The FAA AIP grant for the runway, taxiway and Perimeter Road improvements will include funding in the amount of up to \$10,232,262.00 from the FAA. Funding will be appropriated in the amount of up to \$4,104,338.00, the City's match, from the Airport Capital Improvement Fund and amend the FY2016-FY2021 Aviation Capital Budget.

Items B and C

The noise grant, if awarded, will provide for 80% of eligible project costs and require a 20% City Match. The FAA will contribute \$11,040,000.00 for the continuation of the program with the City match of \$2,760,000.00. The matching funds will be appropriated the Airport Capital Improvement Fund and the FY2016-FY2021 Aviation Capital Budget will be amended.

The Ordinances provide for the acceptance and execution of FAA AIP grants, 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 FAA Airport Improvement Program grants and their acceptance upon offer.