



AUTHORIZE CITY MANAGER  
TO ACCEPT AN FAA AIP  
GRANT AND AN FAA AIG  
GRANT FOR THE TERMINAL  
REHABILITATION PROJECT

RS-26-093

June 16, 2026

# Background

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- The Killeen Regional Airport (KRA) has identified critical airport terminal infrastructure that has reached the end of its useful life.
- On August 26, 2025, the City received \$950,000 from the Federal Aviation Administration (FAA) Airport Infrastructure Grant (AIG) to fund the project's design phase, including administration, design, bidding, and engineering services

# Discussion

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- The FAA has since notified the City of upcoming Airport Improvement Program (AIP) and AIG grant funding for Phase I, which includes replacement of the Pre-Conditioned Air (PCA) units at Gates 1 and 6, elevator replacement, and escalator refurbishment.
- Final grant amounts will be determined after bids are received and evaluated.

# Background

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- To meet FAA timelines, staff requests City Council approval authorizing the City Manager, or designee, to accept the AIP and AIG grants upon receipt.
- These grants will fund 95% of project costs, with the remaining 5% match provided through the FAA approved Passenger Facility Charge (PFC) Program Application dated March 14, 2025, with no impact to the Aviation Operating Fund or fund balance.

# Recommendation

- City Council authorize the City Manager, or designee, to accept an Airport Improvement Program grant and an Airport Infrastructure Grant, with the Federal Aviation Administration, for the Terminal Rehabilitation Improvements project at Killeen Regional Airport.