



# City of Killeen

## Legislation Text

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**File #:** RS-23-138, **Version:** 1

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Consider a memorandum/resolution authorizing the City Manager to accept a Federal Aviation Administration (FAA) Airport Infrastructure Grant (AIG) offer for the Design of the Passenger Terminal Mechanical Improvements Project at Killeen-Fort Hood Regional Airport (KFHRA), in the amount of \$267,322.

**DATE:** September 5, 2023

**TO:** Kent Cagle, City Manager

**FROM:** Mike Wilson, Executive Director of Aviation

**SUBJECT:** FAA Grant Acceptance-Passenger Terminal Mechanical Improvements Design

### **BACKGROUND AND FINDINGS:**

The Bipartisan Infrastructure Law (BIL) signed into law on November 15, 2021, provides \$15 billion in Airport Infrastructure Grants (AIG) over a five (5) year period for airport-related projects as defined under the existing Airport Improvement Grant and Passenger Facility Charge (PFC) criteria.

Staff has applied for a Federal Aviation Administration (FAA) BIL AIG to fund 90% of the design of the Passenger Terminal Mechanical Improvements Project (Project) at the KFHRA. This would include Design Services, Project Administration, and Bidding Services. Matching funds, in the amount of \$29,703, will come from the FAA Passenger Facilities Charge Application that was approved by the FAA on February 16, 2023.

The Project is comprised of various components including replacing the baggage claim carousels and associated belt systems; upgrading the baggage system control hardware and software; replacing the preconditioned air units on boarding bridges 1 and 6; and replacing the emergency generator.

The grant offer is anticipated to arrive on, or around, September 1, 2023, and must be fully executed no later than September 14, 2023. Therefore, pre-authorization of the City Manager to sign and accept the grant is requested. Acceptance of this grant requires the City to make assurances related to the continued availability of the Airport to the public and compliance with a number of Federal Regulations and standards.

### **THE ALTERNATIVES CONSIDERED:**

1. Do not authorize the City Manager to accept the grant.
2. Authorize the City Manager to accept the grant

### **Which alternative is recommended? Why?**

Alternate 2 is recommended because:

1. The project is 100% funded by the Grant and PFC funds and there is no impact on the Airport operating fund or fund balance.

**CONFORMITY TO CITY POLICY:**

This item conforms to local and state policies.

**FINANCIAL IMPACT:**

**What is the amount of the expenditure in the current fiscal year? For future years?**

The total cost for the Passenger Terminal Mechanical Improvements Project design amounts to \$297,025. Funding for this project will come from two sources: 90% or \$267,322 from the FAA and a grant match of 10% or \$29,703 from the Passenger Facility Charge (PFC). Consequently, the financial impact is limited to the 10% contribution from PFC funds.

**Is this a one-time or recurring expenditure?**

This is a one-time expenditure.

**Is this expenditure budgeted?**

Yes, funds will be appropriated in the Aviation AIP Grant Fund accounts 524-0515-521.44-28 and 524-0515-521.69-01 and the Passenger Facility Charge (PFC) Fund account 529-0510-521.69.07 upon approval of the year end budget amendment.

**If not, where will the money come from?**

N/A

**Is there a sufficient amount in the budgeted line-item for this expenditure?**

Yes, upon approval of the year end budget amendment.

**RECOMMENDATION:**

Staff recommends that the City Council pre-authorize the City Manager, or designee, to accept the Airport Infrastructure Grant in the amount of \$267,322, and to execute all documents in connection with the acceptance.

**DEPARTMENTAL CLEARANCES:**

Finance  
Legal  
Purchasing

**ATTACHED SUPPORTING DOCUMENTS:**

Draft Grant Offer