

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 7

DATE: December 16, 2008

**STAFF: Mike Freeman
Dave Gordon**

SUBJECT

Second Reading of Ordinance No. 144, 2008, Authorizing the Appropriation of 2009 Fiscal Year Operating and Capital Improvement Funds for the Fort Collins-Loveland Municipal Airport.

RECOMMENDATION

Staff recommends adoption of this Ordinance on Second Reading.

EXECUTIVE SUMMARY

The 2009 annual operating budget for the Airport totals \$722,700 and will be funded from Airport operating revenues, contributions from the Cities of Fort Collins and Loveland (\$85,000 from each city), and interest earnings. This Ordinance, unanimously adopted on First Reading on December 2, 2008, appropriates the City of Fort Collins' contribution, which is a 50% share of the 2009 Airport budget and totals \$361,350. This Ordinance also appropriates the City of Fort Collins' 50% share of capital funds, totaling \$791,115 for the Airport from federal and state grants, passenger charges, contributions from Fort Collins and Loveland and the Airport General Fund.

ATTACHMENTS

1. Copy of First Reading Agenda Item Summary - December 2, 2008.
(w/o original attachments)

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 13

DATE: December 2, 2008

STAFF: Mike Freeman
Dave Gordon**COPY****SUBJECT**

First Reading of Ordinance No. 144, 2008, Authorizing the Appropriation of 2009 Fiscal Year Operating and Capital Improvement Funds for the Fort Collins-Loveland Municipal Airport.

RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

FINANCIAL IMPACT

This Ordinance appropriates the City's 50% share (\$1,152,465) of the annual appropriation for the fiscal year 2009 Fort Collins-Loveland Municipal Airport (the "Airport") budget. The City of Loveland manages the Airport budget and finances, but since the City of Fort Collins owns 50% of the Airport, it is necessary for the City to appropriate its 50% portion of the Airport budget.

EXECUTIVE SUMMARY

The 2009 annual operating budget for the Airport totals \$722,700, and will be funded from Airport operating revenues, contributions from the Cities of Fort Collins and Loveland (\$85,000 from each city), and interest earnings. This Ordinance appropriates the City of Fort Collins' contribution, which is a 50% share of the 2009 Airport budget and totals \$361,350.

This Ordinance also appropriates the City of Fort Collins' 50% share of capital funds, totaling \$791,115 for the Airport from federal and state grants; passenger charges; contributions from Fort Collins and Loveland; and the Airport General Fund. The 2009 Airport capital funds, totaling \$1,582,230, will be used to pave the Echo taxiway, rehabilitate portions of the aircraft taxiways in the hangar area and construct the security fencing and gates. In addition, the airport will purchase training supplies for the aircraft rescue and fire fighting services; and, purchase airfield maintenance equipment.

COPY**BACKGROUND**

In 1963, the City of Fort Collins and the City of Loveland agreed to the establishment of a regional aviation facility and became owners and operators of the Fort Collins-Loveland Municipal Airport, located approximately 16 miles southeast of downtown Fort Collins, just west of Interstate 25 on Earhart Road. The Airport is operated as a joint venture between the City of Fort Collins and the City of Loveland, with each city retaining a 50% ownership interest, sharing equally in policy-

making and management, and with each assuming responsibility for 50% of the capital and operating costs associated with the Airport.

The Airport's mission is to provide a safe and efficient air transportation airport facility to the general public and aviation community by providing airport facilities that meet Federal Aviation Administration ("FAA") safety standards and to implement a plan that ensures the efficient development of the Airport to meet the needs of the Fort Collins and Loveland communities.

Airport revenues cover operating costs and capital projects. Each city contributes equal funding for airport operating and capital costs. Airport development and improvement funds are also received, for eligible projects, from the FAA and the Colorado Department of Transportation, Division of Aeronautics.

The annual operating costs for 2009 for the Airport are \$722,700, and the City of Fort Collins contribution is \$361,350.

In addition, the Airport Manager is recommending additional capital expenditures and has identified the following funding sources:

FAA Entitlement Grant		\$ 1,000,000
State Grant		450,000
Airport Revenues		<u>132,230</u>
	COPY Total	\$ 1,582,230

The additional capital expenditures will be for the following improvements:

Taxiway Improvements and Security Fencing & Gates - Phase I		\$ 1,052,630
Aircraft Rescue & Fire Fighting Training Supplies		19,000
Airfield Maintenance Equipment		11,000
Rehabilitate portions of Hangar Taxiways		249,600
Security Fence and Gates - Phase II		<u>250,000</u>
	Total	\$ 1,582,230

Thus, the City of Fort Collins' appropriation for the capital expenditures identified above is \$791,115 (50% of the total).

COPY

ORDINANCE NO. 144, 2008
 OF THE COUNCIL OF THE CITY OF FORT COLLINS
 AUTHORIZING THE APPROPRIATION OF 2009 FISCAL YEAR
 OPERATING AND CAPITAL IMPROVEMENT FUNDS FOR
 THE FORT COLLINS-LOVELAND MUNICIPAL AIRPORT

WHEREAS, in 1963, the City and the City of Loveland agreed to establish a regional general aviation facility and became owners and operators of the Fort Collins-Loveland Municipal Airport (the "Airport"); and

WHEREAS, the Airport is operated as a joint venture between the City and the City of Loveland (the "Cities"), with each city retaining a 50% ownership interest, sharing equally in policy-making and management, and assuming responsibility for 50% of the capital and operating costs associated with the Airport; and

WHEREAS, in accordance with the Intergovernmental Agreement, dated May 16, 2000, between the City and the City of Loveland for the joint operation of the Airport, the Airport Manager is responsible for preparing the Airport's Annual Operating Budget and submitting it to the Cities for their approval; and

WHEREAS, the Airport Manager has submitted a 2009 Airport Operating Budget totaling \$722,700 and the City's share is \$361,350; and

WHEREAS, it is the desire of the City Council to appropriate the necessary funds for operating costs of the Airport, totaling \$361,350, for the fiscal year beginning January 1, 2009, and ending December 31, 2009; and

WHEREAS, the Airport Manager recommends the following capital improvements for 2009, totaling \$1,582,230, that are not included in the 2009 Airport Operating Budget:

Taxiway Improvements and Security Fencing & Gates-Phase I	\$ 1,052,630
Aircraft Rescue & Fire Fighting Training Supplies	19,000
Airfield Maintenance Equipment	11,000
Rehabilitate Portions of Hangar Taxiways	249,600
Security Fence and Gates-Phase II	<u>250,000</u>
Total	\$ 1,582,230

WHEREAS, funding for the 2009 capital improvements has been identified as follows:

FAA Entitlement Grants	\$ 1,000,000
State Grant	450,000
Airport Revenues	<u>132,230</u>
Total	\$ 1,582,230

WHEREAS, the City's 50% share of the 2009 capital improvement costs is \$791,115;
 and

WHEREAS, under the Intergovernmental Agreement between the Cities, the City's share of existing and unanticipated Airport revenue will be held and disbursed by the City of Loveland as an agent on behalf of the City since the City of Loveland is providing finance and accounting services for the Airport; and

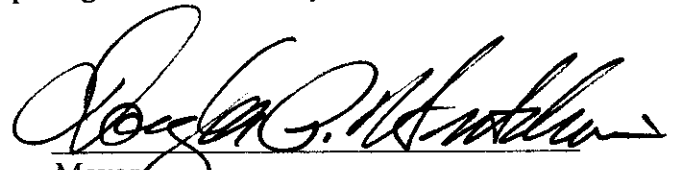
WHEREAS, in accordance with Article V, Section 8(b), of the City Charter, any expense or liability entered into by an agent of the City, on behalf of the City, shall not be made unless an appropriation therefor shall have been made by the City Council.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

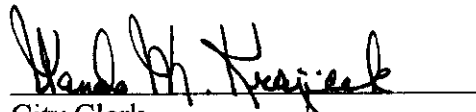
Section 1. That the City Council hereby adopts the 2009 Airport Operating Budget and authorizes the appropriation of THREE HUNDRED SIXTY-ONE THOUSAND THREE HUNDRED FIFTY DOLLARS (\$361,350) to be expended to defray the operating costs of the Fort Collins-Loveland Municipal Airport.

Section 2. That the City Council hereby authorizes the appropriation of SEVEN HUNDRED NINETY-ONE THOUSAND ONE HUNDRED FIFTEEN DOLLARS (\$791,115) to be used for 2009 capital improvements at the Fort Collins-Loveland Municipal Airport.

Introduced, considered favorably on first reading, and ordered published this 2nd day of December, A.D. 2008, and to be presented for final passage on the 16th day of December, A.D. 2008.


Mayor

ATTEST:


City Clerk

Passed and adopted on final reading on the 16th day of December, A.D. 2008.

Mayor

ATTEST:

City Clerk