

AGENDA ITEM SUMMARY
FORT COLLINS CITY COUNCIL

ITEM NUMBER: 9

DATE: September 19, 2006

STAFF: Don Bachman
Dave Gordon

SUBJECT

Second Reading of Ordinance No. 130, 2006, Authorizing the Appropriation of Funds for Capital Improvements to Construct Capital Improvements at the Fort Collins-Loveland Airport and Operating Expenses for Consulting Services Needed for a New Passenger Facility Charge Application.

RECOMMENDATION

Staff recommends adoption of the Ordinance on Second Reading.

EXECUTIVE SUMMARY

The 2006 operating budget for the Fort Collins-Loveland Municipal Airport did not include unanticipated Federal Aviation Administration ("FAA") Grant funds that were recently received. In order to fully fund the construction project associated with the \$4,627,500 FAA grant, additional funds are needed in the total amount of \$501,452. Also, operating funds in the amount of \$7,500 are needed to hire a consultant to prepare a new Passenger Facility Charge ("PFC") Application. The \$7,500 cost will be fully recovered from the PFC collections. The Airport's current budget does not include funding for this expense. This Ordinance, unanimously adopted on First Reading on September 5, 2006, appropriates the City's 50% share of the costs in the amount of \$254,476.

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 11

DATE: September 5, 2006

STAFF: Don Bachman
Dave Gordon

SUBJECT

First Reading of Ordinance No. 130, 2006, Authorizing the Appropriation of Funds for Capital Improvements to Construct Capital Improvements at the Fort Collins-Loveland Airport and Operating Expenses for Consulting Services Needed for a New Passenger Facility Charge Application.

RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

FINANCIAL IMPACT

This Ordinance represents the City's 50% share (\$254,476) of the supplemental appropriation for the fiscal year 2006 Fort Collins-Loveland Municipal Airport (the "Airport") budget. The City of Loveland manages the Airport's 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 appropriations.

EXECUTIVE SUMMARY

The 2006 operating budget for the Fort Collins-Loveland Municipal Airport did not include unanticipated Federal Aviation Administration ("FAA") Grant funds that were recently received. In order to fully fund the construction project associated with the \$4,627,500 FAA grant, additional funds are needed in the total amount of \$501,452.

The capital funds will be used to construct improvements to the Airport's ramp area, reconstruct taxiway Alpha, replace taxiway Alpha's lighting system, replace the airfield lighting control system, fog seal the main runway and replace the markings. These projects will increase Airport safety.

Also, operating funds in the amount of \$7,500 are needed to hire a consultant to prepare a new Passenger Facility Charge ("PFC") Application. The \$7,500 cost will be fully recovered from the PFC collections. The Airport's current budget does not include funding for this expense.

This Ordinance appropriates the City's 50% share of the costs in an amount of \$254,476.

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 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 of \$60,000 annually, which is included in the Airport budgeted revenues, 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.

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ORDINANCE NO. 130, 2006
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AUTHORIZING THE APPROPRIATION OF FUNDS FOR
CAPITAL IMPROVEMENTS TO CONSTRUCT CAPITAL IMPROVEMENTS
AT THE FORT COLLINS-LOVELAND AIRPORT AND
OPERATING EXPENSES FOR CONSULTING SERVICES NEEDED
FOR A NEW PASSENGER FACILITY CHARGE APPLICATION

WHEREAS, in 1963, the City of Fort Collins (the "City") and the City of Loveland agreed to the establishment of 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 with each assuming responsibility for 50% of the capital and operating costs associated with the Airport; and

WHEREAS, in order to fully fund the capital improvements identified in the Airport's 2006 capital improvement budget as follows:

- Taxiway Rehabilitation and Lighting System Replacement
- Commercial Service Area Ramp Reconstruction
- Airfield Lighting Control System Replacement
- Main Runway Fog Seal and Markings Repainting

additional funding, totaling \$501,452 and not included in the 2006 adopted Airport Capital Improvement budget, is needed; and

WHEREAS, the Airport Manager has identified additional Federal Aviation Administration ("FAA") grants funds in the amount of \$501,452 and recommends using said dollars to construct the capital improvements associated with the Airport's 2006 Capital Improvement Program; and

WHEREAS, the City's 50% share of the additional 2006 Airport Capital Improvement Programs, to be funded from FAA grant funds, is \$250,726; and

WHEREAS, in addition to the aforementioned capital improvements, operating funds, not included in the Airport's 2006 Operating Budget, totaling \$7,500, are needed to contract with a consultant for preparation of a new Passenger Facility Charge ("PFC") Application; and

WHEREAS, the cost of the aforementioned operating expenditure will be fully recovered from PFC collections in 2006; and

WHEREAS, the City's 50% share of the additional 2006 Airport Operating Expenditures, to be funded from unanticipated PFC revenues, is \$3,750; and

WHEREAS, under the intergovernmental agreement between the Cities, the City's share of the Airport revenue is being held 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 Charter of the City of Fort Collins, 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; and

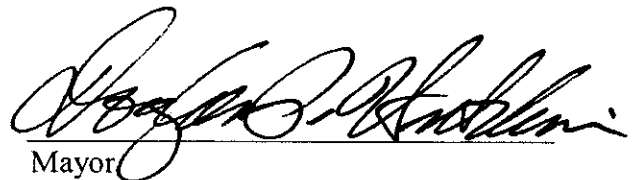
WHEREAS, it is the desire of the City Council to authorize the appropriation of \$254,476, of the revenues held by the City of Loveland, as agent and partner of the Fort Collins-Loveland Airport, to be used for the capital improvements and consulting services identified above.

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

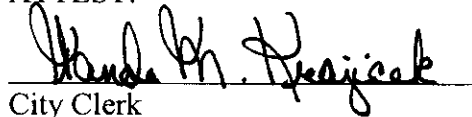
Section 1. That the City Council hereby authorizes the appropriation of TWO HUNDRED FIFTY THOUSAND SEVEN HUNDRED TWENTY-SIX DOLLARS (\$250,726) to be used for capital improvements as specified in the Fort Collins-Loveland Airport 2006 Capital Improvement Program.

Section 2. That the City Council hereby authorizes the appropriation of THREE THOUSAND SEVEN HUNDRED FIFTY DOLLARS (\$3,750), from unanticipated passenger facility charge revenues, to be used to contract with a consultant for preparation of a new Passenger Facility Charge Application.

Introduced, considered favorably on first reading, and ordered published this 5th day of September, A.D. 2006, and to be presented for final passage on the 19th day of September, A.D. 2006.


Mayor

ATTEST:


City Clerk

Passed and adopted on final reading on the 19th day of September, A.D. 2006.

Mayor

ATTEST:

City Clerk