



Legislation Text

File #: Res. 2019-117R, **Version:** 1

AGENDA CAPTION:

Consider approval of Resolution 2019-117R, approving Amendment No. 3 to the Airport Project Participation Agreement between the City and the Texas Department of Transportation initially approved by Resolution 2015-80R and then amended by Resolution 2016-80R which authorized the City's acceptance of a grant from the Texas Department of Transportation for the construction of an 8,050 sq. ft. box hangar at the San Marcos Regional Airport; to increase the estimated project cost from \$816,667 to \$881,200; to approve the City's expenditure of the total project cost in local funds in the estimated amount of \$214,036.70; authorize the City Manager or his designee to execute any documents necessary for the implementation of the hangar development project; and declaring an effective date.

Meeting date: June 18, 2019

Department: Engineering & Capital Projects

Amount & Source of Funding

Funds Required: \$139,906.70

Account Number: C9

Funds Available: \$139,906.70

Account Name: Airport Hangar Development

Fiscal Note:

Prior Council Action: Resolution 2015-80R adopted in July 2015 and Resolution 2016-80R adopted in June 2016

City Council Strategic Initiative: [Please select from the dropdown menu below]

N/A

Choose an item.

Choose an item.

Comprehensive Plan Element (s): [Please select the Plan element(s) and Goal # from dropdown menu below]

☒ Economic Development - Promote & Support Potential of San Marcos Regional Airport

☐ Environment & Resource Protection - Choose an item.

- ☐ Land Use - Choose an item.
- ☐ Neighborhoods & Housing - Choose an item.
- ☐ Parks, Public Spaces & Facilities - Choose an item.
- ☐ Transportation - Choose an item.
- ☐ Not Applicable

Master Plan: *[Please select the corresponding Master Plan from the dropdown menu below (if applicable)]*

Choose an item.

Background Information:

This resolution is to request an approval to an increased amount in city expenditure for the Hangar Development project. The project is being managed by TxDOT Aviation acting as the agent for the FAA. The hangar is designed and bids have been received for construction. The total project cost is now \$881,220.

Federal funds for the construction portion are capped at \$600,000 with 10% added as the local/city share. Expenditures above this are funded 100% by the City.

In 2015, \$74,130 in city funds were approved and expended for design and the City's estimated share of construction costs.

To complete the hangar, the City needs to fund \$139,906.70 and execute the TxDOT Amendment #3. Amendment #3 reflects an addition of \$139,906.70 in local (City) funds. This increase is due to the difference between TxDot's 2015 Project estimated cost and 2019 actual construction bids.

Conservatively, the city expects a return on investment in less than nine years since it will be able to lease the hangar at market rates. And this provides much needed hangar space is in high demand at the airport. Additionally, this total investment of \$214,036.70 will construct a new Airport asset worth \$881,200.70

Council Committee, Board/Commission Action:

Click or tap here to enter text.

Alternatives:

Click or tap here to enter text.

Recommendation:

Staff recommends approval.