

# Memorandum

## City of Lawrence

### Public Works

**TO:** David L. Corliss, Cynthia Wagner, Diane Stoddard, Jonathan Douglass,  
Roger Zalneraitis  
**FROM:** Chuck Soules  
**CC:** Aviation Advisory Board  
**Date:** July 7, 2010  
**RE:** **KDOT Airport Improvement Program**  
**July 13, 2010 City Commission Agenda Item**

KDOT has announced a second call for aviation project grants. With the passage of the T-WORKS transportation bill the Aviation Program will have future funding. The past program specifically was intended to maintain infrastructure (taxiways, runways, aprons). The City did previously submit maintenance projects but were unsuccessful.

This round of grant applications is being used as a "Pilot Program" and is also intended to identify projects consistent with the Kansas Aviation System Plan (KASP). Non-traditional projects – not necessarily airport infrastructure – are being encouraged to be submitted.

Staff has prepared two applications that do not have other funding opportunities:

- **Gravity sewer main and wet well on the airport property.** This project is currently close to property/easement acquisition. Bids could be received later this fall with construction to begin this winter.

In late 2009 the City Commission decided to pursue the installation of a 12" water main and gravity line/forcemain sanitary sewer system. Access to these utilities is a hurdle to locating businesses at the airport. This application would include 50% of the cost of the gravity portion of the sewer system.

City	\$ 296,381
State	\$ 296,381
<b>Total</b>	<b>\$ 592,762</b>

- **20 Unit T-Hangar.** The Aviation Advisory Board would request the submittal of an application to build another 20 unit t-hangar. The current hangars have had a 100% occupancy rate (other than time vacant as occupants come and go). We have a waiting list of 38 individuals who have expressed interest in leasing a hangar when available. Staff estimates that about half (approximately 20) would be ready if units were available today. Staff also turns away at least two requests a month to rent a unit immediately. The Board has discussed this for several months. Total estimated cost is:

Engineering/Administration	\$ 100,000
Site Preparation, utilities and taxi lanes	\$ 450,000
T-hangars and construction/erection	\$ 750,000
<b>Total</b>	<b>\$1,300,000</b>

This project is not eligible for other state/federal funding. The request would be for \$500,000 (maximum) and the City share of \$800,000.

The lease rate would be structured starting around \$240/month with an annual increase. At this rate the hangars should be easy to fill and would pay for themselves.

Without this additional funding staff does not believe this project would be able to pay for the debt at a favorable lease/rental rate. Should the application be unsuccessful the Board may submit a proposal for City Commission consideration to proceed with this project. At this time, however, the City would only be committing to build the project with the grant subsidy.

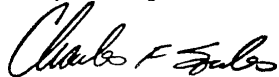
The City will submit both applications identifying that the t-hangar project is the priority to be funded.

**Action requested:**

Authorize staff to submit an application for funding of:

1. Airport T-Hangars in an amount of \$1,300,000. (City \$800,000 / State \$500,000)
2. Airport gravity sewer main in an amount of \$592,762. (City \$296,381 / State \$296,381)

Respectfully submitted,



Charles F. Soules, P.E.  
Director of Public Works

CFS/je

Attachment: KDOT Letter of June 11, 2010

June 11, 2010

Steve Bennett  
Lawrence Municipal Airport  
6 East 6th St  
Lawrence, KS 66044

RE: Kansas AIRPORT Improvement Program (Summer 2010) Pilot Program

Dear Steve Bennett,

The Kansas Department of Transportation (KDOT) is announcing a second call for aviation project grants this year. As a part of that second call, we will conduct a pilot program this summer to test and refine a possible new selection process. KDOT is piloting this process, because the new transportation bill, T-WORKS, passed and ensures our Aviation Program will have funding in the future and because the closeout of the North Central Airfare Support fund, which returns funds to the Small Airport Development Fund.

The goal of this pilot program is to identify and fund projects that are consistent with the Kansas Aviation System Plan (KASP) and / or demonstrated sustainability projects, which are those projects that reduce operating expenses. The purpose of KASP is to make sure we are making strategic investments that benefit the entire Kansas aviation network. The pilot program is intended for projects that can be under contract within two months and completed within six months. The primary qualification for these projects is that they address aviation system needs. In addition, these projects should result in an economic boost for the community.

The following projects were identified as system plan priorities at your airport:

Build Additional Hangar(s)

The pilot program has expanded eligible planning activities. Aeronautical survey and approach development in underserved areas, as defined by the Division of Aviation, are eligible up to the amount negotiated by KDOT. KASP suggested improvements that require a feasibility study or preliminary engineering shall be eligible for up to \$100,000.

The following project guidelines have been developed for this round of applications

- Up to \$1,000,000 for modernization (geometric improvement)
- Up to \$750,000 for preservation (maintenance) projects, and
- Up to \$500,000 for equipment.

The match requirements for sponsors are the same as the regular KAIP guidelines (e.g. population of 10,001+ 50/50, population 3,001-10,000 75/25, and population 3,000 or less 90/10), except for planning grants that will be a 95/5 match, regardless of the size of the community. A community's willingness to increase its match should be noted in the cover letter and may affect the scoring of a project.

We will accept application through July 16. This is a great opportunity to secure additional funding for your community airport and I hope you will take advantage of this second call for projects.

Please contact George Laliberte, KAIP Program Manager, at (785)296-2553 or me if you have any additional questions.

Sincerely,



C. Edward Young  
Director of Aviation

ENC. Summer 2010 Pilot Program Application (FY 2011 grant)