



Legislation Text

File #: 23-0107, Version: 1

Resolution to Approve a 2021 American Rescue Plan Act Agreement with the Michigan Department of Transportation for Reimbursing Eligible Airport Operating Expenses at the Ann Arbor Municipal Airport (\$59,000.00) **(8 Votes Required)**

Attached for your consideration is a resolution to approve a grant agreement with the Michigan Department of Transportation-Office of Aeronautics (MDOT-Aero), in an amount not to exceed \$59,000.00, to reimburse the Ann Arbor Municipal Airport for eligible airport operating expenses. Funding was established in the 2021 American Rescue Plan Act (ARPA), federal legislation approved in March 2021, to provide economic support to airports throughout the United States. MDOT-Aero, acting as a Federal Aviation Administration (FAA) Block Grant Program Participant, will award and administer the grant funds in Michigan on behalf of the FAA under the FAA ARPA that Grant Number 3-26-SBGP-132-2022.

Use of these funds is restricted to those purposes allowed under the FAA's Policy and Procedures Concerning the Use of Airport Revenues (64 Federal Register 7696, as amended). For the Ann Arbor Municipal Airport, these funds will be used to reimburse general airport operating expenses and lost revenue that resulted from the pandemic. There are no matching funds required under the 2021 ARPA Agreement for airports.

Budget/Fiscal Impact: The grant amount of up to \$59,000.00 is 100% federally funded with no required match. There is no negative budget or fiscal impact. Reimbursement of these funds will be made to the Airport Fund Operations and Maintenance budget. The grant is administered by MDOT-Aero.

It should be noted that these funds are grant funds from MDOT and the federal government and are not a part of the city's \$24.2 million ARPA allocation provided through the State and Local Fiscal Recovery Funds program.

Prepared by: Matthew J. Kulhanek, Fleet & Facilities Manager

Reviewed by: John Fournier, Deputy City Administrator

Approved by: Milton Dohoney Jr., City Administrator

Whereas, In March 2021 the federal 2021 American Rescue Plan Act (ARPA) was signed into law and provided economic support to airports throughout the United States;

Whereas, The Michigan Department of Transportation - Office of Aeronautics, acting on behalf of the Federal Aviation Administration through their Block Grant Program, will award and administer the ARPA Agreements for airports in the State of Michigan; and

Whereas, The City of Ann Arbor is eligible for a grant, in an amount not to exceed \$59,000.00, to reimburse the Ann Arbor Municipal Airport for eligible airport operating expenses consistent with FAA regulations;

RESOLVED, That the City Council approve the ARPA Agreement subgrant number ARB-13222 with the Michigan Department of Transportation in an amount not to exceed \$59,000.00 for the reimbursement of eligible airport operating expenses at the Ann Arbor Municipal Airport;

RESOLVED, That 100% of the ARPA Reimbursement be appropriated to the Airport Enterprise Fund Operations and Maintenance Budget, thereby, increasing the revenue and expenditure budgets;

RESOLVED, That the Mayor be authorized and directed to sign said agreement on behalf of the City Clerk and upon approval as to form by the City Attorney, and upon approval as to substance by the City Administrator; and

RESOLVED, That the City Administrator be directed to take the necessary administrative actions to implement this resolution.