



1 been deferred, debt service, maintenance of employment levels as required by  
2 the CARES Act, and any other lawful airport expenses necessary to maintain  
3 airport personnel and keep airport facilities fully operational; and

4 WHEREAS, the City of Albuquerque desires to accept these funds, which  
5 do not require the City to provide any matching funds.

6 BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF  
7 ALBUQUERQUE:

8 Section 1. That the City of Albuquerque Aviation Department's request to  
9 apply for and accept Federal Aviation Administration CARES Act grant  
10 funding is hereby approved.

11 Section 2. That upon receipt, estimated grant funds in the amount of  
12 \$19,764,498 are hereby appropriated to the Aviation Department Capital Fund  
13 (613) as indicated.

14	15 <u>Department</u>	16 <u>Source</u>	17 <u>Increase</u> <u>(Decrease)</u>
18	19 <u>Aviation</u>		
20	21 CARES Act Grant for the Sunport and DEII	22 FAA Grant	23 19,764,498

[Bracketed/Underscored Material] - New  
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Mayor Timothy M. Keller

# CITY OF ALBUQUERQUE

## Albuquerque, New Mexico

### Office of the Mayor

#### INTER-OFFICE MEMORANDUM

May 5, 2020

**TO:** Pat Davis, President, City Council

**FROM:** Timothy M. Keller, Mayor 

**SUBJECT:** Resolution accepting and appropriating a Federal Aviation Administration grant of Coronavirus Aid, Relief, and Economic Security Act funding for City of Albuquerque Aviation Department operational expenses.

This legislation will allow for the acceptance and appropriation of a Federal Aviation Administration (“FAA”) grant in the amount of \$19,764,498.00, generated by the Federal Coronavirus Aid, Relief, and Economic Security (“CARES”) Act. These funds are separate from and in addition to the CARES Act funds already accepted by City Council.

The CARES Act provides grant funding through the FAA for eligible United States airports to prevent, prepare for, and respond to coronavirus impacts, including financial support for continued airport operational costs. The FAA has designated grant funds to be set aside specifically for the Albuquerque International Sunport and Double Eagle II Airport as follows:

- The grant funds may be made available for airport use only.
- The City must submit a grant application to the FAA to access the funds.
- The funds will be paid by the FAA on a reimbursable basis, and expenditure of the funds must follow the FAA’s Policy and Procedures Concerning the Use of Airport Revenues.
- Acceptance of these funds will require the Aviation Department to continue to employ at least 90% of the number of individuals employed as of March 27, 2020.
- The funds likely will be expended in FY2020 and FY2021, but will be available for up to four years.
- The City is not required to provide matching funds.

The Aviation Department will use the funding to cover airport operations, required maintenance for Airport facilities that may have otherwise been deferred, debt service, maintenance of employment levels as required by the CARES Act, and any other lawful airport expenses necessary to maintain airport personnel and keep airport facilities fully operational.

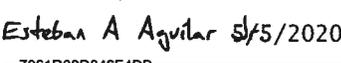
This Resolution is forwarded for your consideration and action. Staff will be available to address any questions you may have.

Resolution accepting and appropriating a Federal Aviation Administration grant of Coronavirus Aid, Relief, and Economic Security Act funding for City of Albuquerque Aviation Department operational expenses

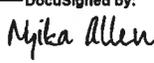
Approved:

 5/11/20  
\_\_\_\_\_  
Sarita Nair Date  
Chief Administrative Officer

Approved as to Legal Form:

DocuSigned by:  
 5/5/2020  
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Esteban A. Aguilar, Jr. Date  
City Attorney

Recommended:

DocuSigned by:  
 5/5/2020  
\_\_\_\_\_  
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Nyika A. Allen, C.M. Date  
Director

## **Cover Analysis**

**1. What is it?**

Resolution accepting and appropriating a Federal Aviation Administration (“FAA”) grant generated by the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act for City of Albuquerque Aviation Department operational expenses.

**2. What will this piece of legislation do?**

This legislation will allow for the acceptance and appropriation of federal CARES Act grant funding from the FAA. These funds are separate from and in addition to the CARES Act funds already accepted by City Council. Through the CARES Act, the FAA has set aside \$19,764,498.00 of funding to assist the Albuquerque International Sunport and Double Eagle II Airport (DEII) to prevent, prepare for, and respond to coronavirus impacts, including financial support for continued operational expenses, debt service, and maintenance of employment levels.

**3. Why is the project needed?**

This legislation is needed to accept the FAA CARES Act grant funding to prevent, prepare for, and respond to coronavirus impacts at the Sunport and DEII, as indicated above.

**4. How much will it cost and what is the funding source?**

The FAA CARES Act grant funding will be awarded to the Aviation Department on a reimbursable basis through the FAA in the amount of \$19,764,498.

**5. Is there a revenue source associated with the project? If so, what level of income is projected?**

None, other than the grant funding.

**6. What will happen if this project is not approved?**

If this action is not approved, the Aviation Department will not be able to accept the FAA CARES Act grant funding.

**7. Is this a service already provided by another entity?**

No.

### CARES Act Grant Plan

Fund	Program	Area	FY2020	FY2021	Total
611	Management & Professional Support				\$ 1,214,000
611		Salary Support	\$ 204,500	\$ 709,000	\$ 913,500
611		Operational Expenses	\$ 200,000	\$ 100,500	\$ 300,500
611	Operations, Maintenance & Security				\$17,025,000
611		Salary Support	\$3,347,546	\$7,223,697	\$ 10,571,243
611		Operational Expenses	\$2,000,000	\$4,453,757	\$ 6,453,757
615	Debt Service Fund				\$ 1,525,000
615		Debt Service Payment	\$1,167,000	\$ 358,000	\$ 1,525,000