



Staff Report

File #: 24-50

Version: 1

Date: 2/26/2024

Item #: 3.3a.

TO: Mayor and City Council

THROUGH: Keith Stahley, City Manager

FROM: Brian D. Martin, PE, Public Works Director

SUBJECT:

Federal Aviation Administration Grant Applications for the Salem Municipal Airport.

Ward(s): 2

Councilor(s): Nishioka

Neighborhood(s): SEMCA, SESNA

Result Area(s): Safe, Reliable and Efficient Infrastructure; Strong and Diverse Economy

SUMMARY:

The Salem Municipal Airport seeks to apply for and accept Federal Aviation Administration (FAA) Airport Improvement Program (AIP) and Bipartisan Infrastructure Law (BIL) grants for security and infrastructure improvements at the airport.

ISSUE:

Shall City Council authorize the City Manager to apply for and accept Federal Aviation Administration Airport Improvement Program (AIP) and Bipartisan Infrastructure Law (BIL) grant funds to be used for security and infrastructure improvements at the Salem Municipal Airport?

RECOMMENDATION:

Authorize the City Manager to apply for and accept Federal Aviation Administration Airport Improvement Program (AIP) and Bipartisan Infrastructure Law (BIL) grant funds to be used for security and infrastructure improvements at the Salem Municipal Airport.

FACTS AND FINDINGS:

- The airport's annual FAA-approved 2024 Capital Improvement Program (CIP) includes three

projects totaling \$1,126,667 with the federal grants providing \$1,014,000 (90%), a State of Oregon Critical Oregon Airport Relief (COAR) grant providing \$87,917 (7.8%) and airport operating funds providing \$24,750 (2.2%). Both local and state matching funds have been previously approved.

- These projects were requested to, and approved by FAA in October 2024 after the successful launch of commercial air service and are summarized as follows:
 - A 35' x 70' concrete parking position on the commercial terminal ramp capable of supporting B-737-800 and similarly sized aircraft. Estimated project cost \$400,000 (AIP & BIL funds).
 - Security access controls, fencing, and vehicular gates at the north and south ends of the commercial terminal parking ramp. Estimated project cost \$400,000 (BIL funds).
 - Design and environmental analysis for the rehabilitation of Taxiway "A" north of the commercial terminal parking ramp. Estimated project cost \$250,000. (Construction funds are expected to be available in federal FY 2025 and 2026.)
 - The remaining \$44,000 of BIL funding is allocated towards reimbursing Salem Fire Department for the installation of an inline foam testing system in the airport fire truck. The recently installed system allows for the testing of firefighting foam without having to discharge chemicals.
- The FAA grant application window is currently open; awards are expected by May 2024, project kickoffs in early summer 2024, and project completions in fall 2024.
- The use of AIP and BIL grant funds is restricted to only the scope of the specified capital project for which the FAA has already reviewed and formally approved. Funds cannot be used for any other capital projects nor for general airport operations and maintenance.
- Acceptance by the City of AIP and BIL grant funds requires the City to continue operating its airport in compliance with all FAA Grant Assurances for up to twenty (20) years following the date of the acceptance of the grant award. The Grant Assurances include compliance with federal non-discrimination, environmental and contracting regulations, accounting and reporting requirements, and compliance with FAA regulations on the operation of airports.
- Council authorization is required to apply for and accept FAA AIP and BIL grant funds.

BACKGROUND:

Avelo Airlines began commercial passenger air service from Salem Airport on October 5, 2023. The focus of infrastructure improvements at the airport is now centered around sustaining commercial air service operations, improving the customer experience, and increasing airport security measures.

John Paskell
Airport Manager

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Attachments:
None