

AGENDA ITEM SUMMARY

City Council



STAFF

Dylan Swanson, Airport Operations Manager

SUBJECT

First Reading of Ordinance No. 139, 2026, Making a Supplemental Appropriation of Anticipated Grant Revenue and Prior Year Reserves for the Northern Colorado Regional Airport Runway 15/33 Widening Project.

EXECUTIVE SUMMARY

The purpose of this item is to appropriate \$935,499 in anticipated additional funding for the Northern Colorado Regional Airport Runway 15/33 Widening Project. The additional costs are driven primarily by FAA-directed safety modifications identified through the Safety Risk Management review and increased construction inspection and quality assurance testing to support the project's 24-hour Phase 2 construction schedule. This schedule was implemented to complete the project on time and reduce disruptions to Airport users. The funding also covers necessary infrastructure improvements identified during construction and additional operational support.

The appropriation will be funded by \$607,759 in anticipated Federal Aviation Administration (FAA) grant funding and \$327,740 in unassigned Airport reserves. No contribution from the City's General Fund is requested.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

Background and Governance

Northern Colorado Regional Airport ("Airport") is jointly owned by the Cities of Fort Collins and Loveland. The Airport operates under the direct governance of both City Councils, with the Airport Director reporting to the respective City Managers. Major actions, including budget approvals and significant capital projects, require approval from both Councils.

Runway 15/33 Widening Project

Runway 15/33 is the Airport's only operational runway. The project widens the runway from 100 feet to 150 feet to meet FAA design standards for its C/D-III Runway Design Code. Developed over several years in coordination with the FAA and the Colorado Department of Transportation Division of Aeronautics, the

project will improve operational safety and reliability, extend pavement life, and reduce energy costs through upgraded lighting.

The project includes widening the runway; replacing outdated lighting, signage, and Precision Approach Path Indicators with energy-efficient LED systems; installing edge drains and stormwater infrastructure; reconstructing connector taxiways to meet current FAA geometry standards; and applying a seal coat and updating pavement markings.

Construction began on June 1, 2026, and is expected to be substantially completed in early November 2026. Limited nighttime closures are planned in spring 2027 to complete painting, seal coating, and grooving.

Additional Funding Request

Since the April 2026 supplemental appropriation associated with the project's Infrastructure Investment and Jobs Act ("IIJA") grant, changes to the construction schedule have increased inspection and testing needs. Amrize, the prime construction contractor, and Dibble Engineering, the Airport's construction administration consultant, evaluated several phasing options in coordination with the FAA. In August 2026, Amrize elected to use day and night shifts during Phase 2 to maintain the project schedule, and the FAA approved the approach. The schedule requires nighttime inspections by Dibble and quality assurance testing by its subconsultant, Terracon, beyond the coverage originally budgeted. Other additional costs were identified through the FAA's Safety Risk Management panel review and during construction.

The FAA has notified the Airport and the Cities that an allocation of \$607,759 in additional 2026 IIJA grant funds is likely to be available to support these additional project costs and would be released upon completion of the project. If awarded, the additional FAA grant funds will be subject to the Cities' execution of an amendment to the 2026 IIJA grant agreement upon completion of the Airport Runway Project and will require a local match from the Cities of \$327,740. The supplemental appropriation of those additional grant funds and the associated local match will fund two Amrize change orders and associated inspection, testing, equipment, and operational costs. The principal cost drivers are:

- Safety: FAA Safety Risk Management review costs and FAA-mandated modifications to improve construction safety.
- Construction oversight: Additional inspections and quality assurance testing beyond the originally scoped coverage to support the 24-hour construction schedule.
- Infrastructure: Replacement of aging runway infrastructure to improve safety
- Operational support and verification: Extended air traffic control hours, a temporary taxiway, and an FAA flight inspection.

The Runway 15/33 Widening Costs and Contract Summary provides an itemized summary of the additional project costs. Approval will increase the total project budget to approximately \$20,696,758. Without the additional appropriation, the Airport would lack sufficient funding for the additional inspection, testing, and related project work, potentially delaying completion.

CITY FINANCIAL IMPACTS

This Ordinance appropriates \$935,499, consisting of \$607,759 in anticipated FAA grant revenue through an amendment to the 2026 IIJA grant and \$327,740 from unassigned Airport reserves. These are one-time project expenditures. The grant amendment and related contract documents will be coordinated in accordance with applicable procurement and Airport governance requirements.

Funding source	Amount
FAA grant revenue	\$607,759
Unassigned Airport reserves	\$327,740
Total supplemental appropriation	\$935,499

The remaining unassigned Airport fund balance is expected to be approximately \$2,300,000 following approval. This appropriation has no financial impact on the City's General Fund.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

The former Airport Commission was dissolved in 2025 and has not reviewed this supplemental appropriation. Loveland City Council is scheduled to consider the corresponding supplemental appropriation on First Reading on October 20, 2026.

PUBLIC OUTREACH

Feedback from stakeholder meetings in early 2026 prompted Airport staff to review and revise the construction plan to reduce operational impacts on Airport users. Airport stakeholders receive project updates through email, the Airport website, and project update meetings held every two weeks.

ATTACHMENTS / LINKS

1. Runway 15/33 Widening Costs and Contract Summary
2. Presentation
3. Ordinance No. 139, 2026