

AGENDA ITEM SUMMARY

City Council



STAFF

Dylan Swanson, Airport Operations & Facility Manager
Aaron Ehle, Planning & Business Development Specialist

SUBJECT

Resolution 2025-074 Authorizing the City Manager to Execute a Grant Agreement (AIP Project No. 3-08-0023-047-2025) Between the City of Fort Collins, the City of Loveland, and the Federal Aviation Administration for the Runway 15-33 Widening Project at Northern Colorado Regional Airport.

EXECUTIVE SUMMARY

The purpose of this item is to authorize the Fort Collins City Manager to execute a grant agreement with the Federal Aviation Administration (FAA) and the City of Loveland to secure federal funding for the Runway 15-33 Widening Project at Northern Colorado Regional Airport (FNL). This critical infrastructure project, identified in the Airport's 2020 Master Plan and Capital Improvement Plan (CIP), is necessary to bring the primary runway into compliance with FAA design standards for aircraft such as the Airbus A319/A320 and Boeing 737, which are commonly used in commercial aviation.

The FAA Airport Improvement Program (AIP) grant is expected to provide \$16,730,725 in fiscal year 2025 funding toward the total project cost of \$19,385,103. This amount is pending final FAA review and approval. A draft grant agreement has been provided, and the FAA anticipates issuing the final grant during the first or second week of September. To secure the funding and preserve the project's eligibility under the FAA's fiscal year 2025, the grant must be accepted no later than September 18, 2025. The Colorado Department of Transportation's Division of Aeronautics will contribute \$250,000 in matching funds, with the remaining local match of \$630,564 to be covered by Airport reserves.

The remaining project funding will be secured through a \$1,690,254 Infrastructure Investment and Jobs Act (IIJA) grant in fiscal year 2026, supplemented by matching contributions of \$44,480 each from CDOT and local Airport reserves. This will bring the total local funding contribution for the project to \$675,045.

The project will be delivered in two construction phases in 2026 to minimize disruption to general aviation operations. This phased approach was developed in response to stakeholder input and allows continued limited use of the runway during construction. Along with the new terminal facility and the Airport's inclusion in the Federal Contract Tower Program—which provides air traffic control services through private contractors rather than FAA employees—this project will strengthen the Airport's ability to attract and retain commercial airline service.

STAFF RECOMMENDATION

Staff recommends adoption of the Resolution.

BACKGROUND / DISCUSSION

The Airport is jointly owned by the Cities of Fort Collins and Loveland. In 2015, the two cities entered into an intergovernmental agreement (IGA) establishing the Northern Colorado Regional Airport Commission (the "Commission") to provide oversight and strategic direction for the Airport. While the Commission is responsible for overall management and planning, major decisions such as budget approvals, non-standard lease agreements, and large capital projects require final approval from both City Councils.

Runway 15-33 is the primary runway at Airport and currently measures 100 feet wide. FAA design standards for Aircraft Design Group III (ADG III) aircraft require a minimum width of 150 feet. Widening the runway is necessary to bring the airfield into compliance with these standards and will enhance operational safety, extend the useful life of the runway, and reduce long-term maintenance and utility costs for the Airport.

The project has been in development for several years in close coordination with the FAA and CDOT Aeronautics and has included extensive planning, design, and stakeholder engagement. Based on feedback from Airport tenants and users during the design phase, a two-phase construction approach was adopted to allow smaller general aviation aircraft to continue operating during construction. While this approach increased project costs, the FAA approach in considering its grant award is to fund the additional expense to help minimize operational disruptions.

The project scope includes:

- Widening the runway from 100 feet to 150 feet
- Replacing outdated lighting and signage systems with energy-efficient LED technology
- Replacing Precision Approach Path Indicators (PAPIs) with LED technology
- Installing new edge drains and stormwater infrastructure
- Reconstructing connector taxiways to meet FAA geometry standards
- Applying a seal coat and new pavement markings

Construction on the project is scheduled to begin in April 2026 and is expected to take approximately 203 calendar days to complete. Runway operations will be limited for approximately 161 of those days.

The FAA has prioritized this project by covering the \$2 million shortfall between the engineer's estimate and the lowest responsive construction bid, demonstrating the agency's strong commitment to enhancing the Airport's infrastructure and readiness for commercial air service. Additional Council action will be required to appropriate additional project funding and to award the contracts for the management and construction of the project.

CITY FINANCIAL IMPACTS

There is no direct impact on City finances. Appropriations of the City's share of the local match for the FAA Grant for the Runway 15-33 widening project which is 50% of the \$630,564, as well as the grant revenue for the project were both included in the 2025 budget for the airport, which was authorized by Council Ordinance No. 153, 2024.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

On May 15, 2025, Commission members unanimously approved Resolution #R-3-2025, recommending that the Loveland and Fort Collins City Councils approve grant agreements with the FAA and the Colorado Department of Transportation for the Runway 15-33 widening project, provided that the local match does not exceed \$750,000.

PUBLIC OUTREACH

The runway widening project is a key component of the 2020 Airport Master Plan, which was developed with extensive stakeholder input gathered through more than 30 public meetings and adopted by both City Councils.

Since 2023, the project has been a topic of discussion at 26 Airport Commission meetings and two stakeholder meetings.

In 2023, stakeholder feedback was collected through a survey that helped shape the two-phase construction plan that allows small general aviation aircraft to continue operating during the project

ATTACHMENTS

1. Airport Commission Resolution R-3-2025
2. Resolution 2025-074