



**CITY OF MARSHALL
AGENDA ITEM REPORT**

Meeting Date:	Tuesday, June 9, 2020
Category:	NEW BUSINESS
Type:	ACTION
Subject:	Consider Amendment #01 to Mn/DOT Airport Maintenance & Operation Agreement No. 1033583 (SFY 2020-2021).
Background Information:	<p>At the May 26, 2020 meeting, the City Council authorized acceptance and execution of the FAA CARES Act Grant Funding (MML-GLG-3-27-0056-016-2020-Grant Agreement) in the amount of \$69,000.00 for roof repairs at the Arrival/Departure Building at the Airport.</p> <p>At the June 11, 2019 meeting, the City Council adopted RESOLUTION NUMBER 4623, Second Series, which is the Resolution of Authorization to Execute Minnesota Department of Transportation Grant Contract No. 1033583 for Airport Maintenance and Operation (copy attached).</p> <p>Attached is Amendment #01 to the current M&O Agreement No. 1033583. In order to receive the reimbursements from FAA/MnDOT, the City will need to execute the attached State Grant Contract Amendment. The FAA grant supplements the MnDOT grant and allows the Office of Aeronautics to make payments under the FAA grant per the Channeling Act.</p> <p>The FAA grant will not result in the elimination of the current State Airport Grant for Maintenance and Operations No. 1033583, but will supplement it. The attached amendment will incorporate the additional FAA funds into our existing State Airport Grant for Maintenance and Operations.</p> <p>Once the attached amendment is executed, the City will submit Operations Expenses to MnDOT and in partnership with MnDOT, the FAA will determine the Federal eligibility of the submitted expenses under the provisions of the CARES act. For the expenses that are Federally eligible, MnDOT will process for a Federal payment. For those expenses that are not Federally eligible, MnDOT will determine the eligibility under the State M&O agreement and will process for payment of State funds. FAA eligibility for specific expenses may be broader than under the State M&O agreement, but best not to assume so. Per MnDOT, the City should consult with the FAA about eligibility prior to incurring an expense that you are unsure will be allowed as an Operations Expense under the Federal funding.</p>
Fiscal Impact:	None. The amendment will incorporate the additional FAA funds into our existing State Airport Grant 1033583 for Maintenance and Operations. The FAA CARES Act funds do not require a local match.
Alternative/Variations:	No alternative actions recommended.
Recommendations:	that the City Council authorize execution of the attached Amendment #01 to Mn/DOT Airport Maintenance & Operation Agreement No. 1033583.