

## **AIRPORT COMMITTEE**

Tuesday, January 31, 2017  
Immediately following the Finance and Improvements Committee  
(No earlier than 4:30 p.m.)  
City Council Chambers

### **A G E N D A**

1. [Final Payment to John Bean Technologies \(JBT\) Project \(AIR020\)](#)
2. [Snow Removal Equipment \(SRE\) Broom Phase 1 \(AIR060\)](#)
3. [Perimeter Road Reconstruction Phase 1 \(AIR049\)](#)
4. [General Aviation North Apron Reconstruction Phase 1 \(AIR029\)](#)
5. [Runway End Identifier Lighting \(REIL\) Replacement Phase 1 \(AIR061\)](#)
6. [Existing Airfield Signage LED Upgrade Work Order 1 \(AIR052\)](#)
7. [Snow Removal Equipment \(SRE\) Dump Truck Work Order 1 \(AIR034\)](#)
8. [Consultant Services for Rental Car Concession Agreement and Quick Turn Facility \(AIFCFC\)](#)
9. [KLJ Professional Services Agreement for 36th Ave NW Detention Pond \(4071\)](#)
10. [Amend the 2017 Annual Budget- Reduce Airport Capital Projects](#)
11. [Airport Activities, Reports and Project Updates](#)

# AIRPORT COMMITTEE

January 31, 2017

Page 2

MEMO TO: Airport Committee  
FROM: City Clerk's Office  
RE: Agenda for Tuesday, January 31, 2017 – No earlier than 4:30 pm

## 1. Final Payment to John Bean Technologies (JBT) Project (AIR020)

Attached is the request from JBT for [final payment](#) of Project AIR020. This project included the purchase and installation of four Jet Bridges at the Minot International Airport, as well as design and painting of ramp striping. This final payment includes Change Order Number 1 approved by Committee and Council in December 2016 in the amount of \$44,633.75.

Original Contract Amount: \$2,747,026.00  
Change Order: \$44,633.75  
Amended Contract Amount: \$2,791,659.75  
Amount Spent: \$2,791,659.75

**Fiscal Impact:** This project was funded through bonds issued in 2013 and 2015.

It is recommended the Committee and Council approve final payment of \$319,336.75 to JBT as well as approve the allocation of funds as outlined above, and further authorize the Mayor to sign any necessary documents.

## 2. Snow Removal Equipment (SRE) Broom Phase 1 (AIR060)

In December of 2016, the Committee and Council approved the Pre-Application for CIP funding from the FAA for the following projects:

- Runway End Identifier Lighting (REIL) Replacement/Relocation
- Perimeter Road Reconstruction
- General Aviation Apron North Reconstruction
- Snow Removal Equipment (SRE) Broom Purchase

This memo is in reference to the SRE Broom purchase

The total cost of this project is \$675,000 and is broken down as follows:

Engineering-Preliminary and Design	\$20,000
Engineering-Administration and Bidding	\$3,500
Engineering-Grant Closeout	\$1,500
Equipment-Total Cost	\$650,000
Project Total Cost	\$675,000

Funding responsibility is as follows:

Federal Share (90%)	\$607,500
State Share (5%)	\$33,750
City Share (5%)	\$33,750

As the Airport's Engineering Firm of Record, Ulteig has been tasked with completing the Scope of Services and submitting the Grant Pre-Application as outlined in the attached [Work Order No.1](#). This particular Work Order is for preliminary engineering services required for the purchase of an SRE Broom. The work order amount is \$6,000.

**Fiscal Impact:** Total engineering service fees for this project as outlined above are estimated at \$25,000. The City's share of this work order is \$300 after reimbursement by federal and state agencies. It is recommended the City share of these funds come from cash reserves.

## AIRPORT COMMITTEE

January 31, 2017

Page 3

It is recommended the Committee and Council approve payment of the work order for Snow Removal Equipment Broom, Phase 1, pass an ordinance amending the 2017 annual budget, and further authorize the Mayor to sign any necessary documents.

### 3. Perimeter Road Reconstruction Phase 1 (AIR049)

In December of 2016, the Committee and Council approved the Pre-Application for CIP funding from the FAA for the following projects:

- Runway End Identifier Lighting (REIL) Replacement/Relocation
- Perimeter Road Reconstruction
- General Aviation Apron North Reconstruction
- Snow Removal Equipment (SRE) Broom Purchase

This memo is in reference to the Perimeter Road Reconstruction Project.

The total cost of this project is \$543,500 and is broken down as follows:

Engineering-Preliminary and Design	\$45,000
Engineering-Construction Observation and Testing	\$45,000
Engineering-Grant Closeout	\$3,500
Construction-Total Cost	\$450,000
Project Total Cost	\$543,500

Funding responsibility is as follows:

Federal Share (90%)	\$489,150
State Share (5%)	\$27,175
City Share (5%)	\$27,175

As the Airport's Engineering Firm of Record, Ulteig has been tasked with completing the Scope of Services and submitting the Grant Pre-Application as outlined in the attached [Work Order No.1](#). This particular Work Order is for project development and Pre-Application preparation to the FAA for the reconstruction of the perimeter roadway. The work order amount is \$10,250.

**Fiscal Impact:** Total engineering services fees for this project as outlined above are estimated at \$93,500. The City's share of this work order is \$512.50 after reimbursement by federal and state agencies. It is recommended the City share of these funds come from cash reserves.

It is recommended the Committee and Council approve payment of the work order for Perimeter Road Reconstruction, Phase 1, pass an ordinance amending the 2017 annual budget, and further authorize the Mayor to sign any necessary documents.

### 4. General Aviation North Apron Reconstruction Phase 1 (AIR029)

In December of 2016, the Committee and Council approved the Pre-Application for CIP funding from the FAA for the following projects:

- Runway End Identifier Lighting (REIL) Replacement/Relocation
- Perimeter Road Reconstruction
- General Aviation Apron North Reconstruction
- Snow Removal Equipment (SRE) Broom Purchase

## AIRPORT COMMITTEE

January 31, 2017

Page 4

This memo is in reference to the GA North Apron Reconstruction Project.

The total cost of this project is \$1,168,000 and is broken down as follows:

Engineering-Preliminary and Design (completed by KLJ, submitted for Federal and State reimbursement)	\$98,500
Engineering-Preliminary and Design	\$20,000
Engineering-Construction Observation and Construction Testing	\$108,000
Engineering-Grant Closeout	\$4,500
Construction-Total Cost	\$937,000
Project Total Cost	\$1,168,000

Funding responsibility is as follows:

Federal Share (90%)	\$1,051,200
State Share (5%)	\$58,400
City Share (5%)	\$58,400

As the Airport's Engineering Firm of Record, Ulteig has been tasked with completing the Scope of Services and submitting the Grant Pre-Application as outlined in the attached [Work Order No.1](#). This particular Work Order is for project development and Pre-Application preparation to the FAA for the reconstruction of the GA North Apron. The work order amount is \$21,500.

**Fiscal Impact:** Total engineering services fees for this project as outlined above are estimated at \$231,000. The City's share of this work order is \$1,075 after reimbursement by federal and state agencies. It is recommended the City share of these funds come from the Airport Reserve Fund.

It is recommended the Committee and Council approve payment of the work order for the General Aviation North Apron Reconstruction Phase 1, pass an ordinance amending the 2017 annual budget, and further authorize the Mayor to sign any necessary documents.

### 5. Runway End Identifier Lighting (REIL) Replacement Phase 1 (AIR061)

In December of 2016, the Committee and Council approved the Pre-Application for CIP funding from the FAA for the following projects:

- Runway End Identifier Lighting (REIL) Replacement/Relocation
- Perimeter Road Reconstruction
- General Aviation Apron North Reconstruction
- Snow Removal Equipment (SRE) Broom Purchase

This memo is in reference to the REIL Replacement and Power Relocation Project.

The total cost of this project is \$252,500 and is broken down as follows:

Engineering-Preliminary and Design	\$25,000
Engineering-Construction	\$20,000
Engineering-Grant Closeout (including FAA flight check)	\$12,500
Construction-Total Cost	\$195,000
Project Total Cost	\$252,500

Funding responsibility is as follows:

Federal Share (90%)	\$227,250
---------------------	-----------

## AIRPORT COMMITTEE

January 31, 2017

Page 5

State Share (5%)	\$12,625
City Share (5%)	\$12,625

As the Airport's Engineering Firm of Record, Ulteig has been tasked with completing the Scope of Services and submitting the Grant Pre-Application as outlined in the attached [Work Order No.1](#). This particular Work Order is for project development and Pre-Application preparation to the FAA for REIL Replacement and Control Panel Relocation on Runway 8-26. The work order amount is \$5,250.

**Fiscal Impact:** Total engineering services fees for this project as outlined above are estimated at \$57,500. The City's share of this work order is \$2,875 after reimbursement by federal and state agencies. It is recommended the City share of these funds come from the Airport Reserve Fund.

It is recommended the Committee and Council approve payment of the work order for Runway End Identifier Lighting (REIL) Replacement Phase 1, pass an ordinance amending the 2017 annual budget, and further authorize the Mayor to sign any necessary documents.

### **6. Existing Airfield Signage LED Upgrade Work Order 1 (AIR052)**

As Part of the 2016 CIP plan, an airfield signage upgrade to LED was approved by Committee and Council, as well as by the FAA. This project was for engineering services related to the research and purchase of the appropriate retrofit kits as outlined in the attached Work Order. The project is complete, and installation will occur in the summer of 2017.

The request is for payment of [Work Order 1](#) to Ulteig for engineering services associated with the project in the amount of \$9,400 and to submit the application for reimbursement of funds by the FAA and the State.

**Fiscal Impact:** The City's share of this work order is \$470.00 after reimbursement by federal and state agencies. It is recommended the City share of these funds come from the Airport Reserve Fund.

It is recommended the Committee and Council approve payment of the work order for Existing Airfield Signage LED Upgrade, as well as approve the allocation of funds as outlined above, and further authorize the Mayor to sign any necessary documents.

### **7. Snow Removal Equipment (SRE) Dump Truck Work Order 1 (AIR034)**

As Part of the 2016 CIP plan, a new SRE Dump Truck was approved by Committee and Council, as well as by the FAA. This project was for engineering services related to the research and purchase of the appropriate equipment as outlined in the attached Work Order. The truck was delivered to the airport in January 2017.

The request is for payment of [Work Order 1](#) to Ulteig for engineering services associated with the project in the amount of \$25,000 and to submit the application for reimbursement of funds by the FAA and the State.

**Fiscal Impact:** The City's share of this work order is \$1,250 after reimbursement by federal and state agencies. It is recommended the City share of these funds come from the Airport Reserve Fund.

It is recommended the Committee and Council approve payment of the work order for Snow Removal Equipment Dump Truck, pass an ordinance amending the 2017 annual budget, and further authorize the Mayor to sign any necessary documents.

### **8. Consultant Services for Rental Car Concession Agreement and Quick Turn Facility (AIRFCF)**

## AIRPORT COMMITTEE

January 31, 2017

Page 6

This memo covers two areas related to Rental Car Services at the Minot International Airport: Rental Car Business ([RAC Concession Agreement](#)); and a proposed Quick Turn Around Facility (QTA).

### RAC Concession Agreement

The current RAC agreements, which were executed in January of 2013, will expire in December of 2017. The Airport has five of these agreements with various RAC's which will need to be re-negotiated in the coming months. The revenue derived from these concession agreements comes primarily from:

- Customer Facility Charges (CFC's)
- Office Area and Rental Counter rent
- Parking Spaces in the Ready, Return, and Overflow Lots
- Concession Fees
- Various administrative fees as required

The business climate in Minot has changed considerably since the original agreements were signed, and skilled negotiations will be critical to future economic success in the new contracts.

### QTA Development

Development of a QTA was envisioned during the planning phases of the new Terminal Building which opened in 2016. In the existing arrangement, RAC's utilize open air lots on the east side of the Terminal for car pick-up, and a separate lot adjacent to Long Term Parking west of the Terminal for returns. The RAC's then send "runners" to pick up returned vehicles and take them to individually leased facilities off-airport to fuel, clean, and service them. The cars are then brought back to the Airport Ready Lot for the next rental.

This arrangement is not cost effective for the RAC's in terms of staffing and the necessity to lease extra space off-site. It is also a primary source of complaints about the Airport from car rental customers utilizing the service. With pick-up and drop-off in separate locations, long walks to uncovered and unpaved lots, and confusing journeys between counters and airline check-in services, Minot has a much less desirable situation than most other commercial service airports.

The recommendation of Staff is to gauge interest in third-party development, financing, and operation of a modern QTA. This model has been successfully implemented at the Bismarck Airport.

### Combining RAC Concession Agreements and QTA Development

The expiration of the current RAC agreements coinciding with the move to the new terminal provides a unique opportunity to improve financial performance as well as to transform the customer experience at the Airport. RAC's would negotiate their new contracts with the Airport based on the assumption that they would be operating out of a more convenient and cost-effective facility. Likewise, a third party would operate the QTA, and collect the CFC's. The Airport would continue to collect concession fees on operations inside the Terminal.

**Fiscal Impact:** The costs associated with developing the RFP through award of contracts for both RAC Concessions and QTA by Trillion Aviation are \$30,000. This includes \$12,000 for the RAC Agreement and \$12,000 for the RFP as outlined in the attached Scope of Service. These funds would come from the CFC account, which currently has a balance of \$390,000. It should be noted that CFC funds can only be used for RAC related activities. There is no request to use Airport or Sales Tax Revenue for this project.

It is recommended the Committee and Council approve the use of Trillion Aviation to develop RFPs for a new RAC Concession Agreement as well as third party development of a QTA Facility with funding as outlined above, pass an ordinance amending the 2017 annual budget, and further, authorize the Mayor to sign any necessary documents.

## **9. KLJ Professional Services Agreement for 36th Ave NW Detention Pond (4071)**

As Part of the 36th Avenue NW street project, the City of Minot placed a detention pond on Airport property in July of 2016. The City Engineer requested guidance from former Airport Staff and was provided certain requirements

## AIRPORT COMMITTEE

January 31, 2017

Page 7

the new detention pond should meet and given permission to proceed. However, the Airport failed to get the necessary FAA approval for this project ahead of time. As a result, the FAA has now indicated they will provide an opinion on whether or not this structure is compatible with aviation safety, airport land use, and Grant Assurances.

As there is uncertainty as to current regulations and the placement of potential new wildlife attractants within 10,000 feet of existing runways, Airport Staff recommends the assistance of KLJ to promote a safe and favorable outcome for the Airport and the Project.

**Fiscal Impact:** Estimated “Not to Exceed” fees will be \$15,000 as outlined in the attached Professional Services Agreement. It is proposed that KLJ’s work product will be coordinated with the Airport, however the invoices will be coded by the City Engineer to the 36th Avenue NW project.

It is recommended the Committee and Council approve the attached agreement as well as approve the allocation of funds as outlined above, and further authorize the Mayor to sign any necessary documents.

### **10. Amend the 2017 Annual Budget- Reduce Airport Capital Projects**

It is recommended the Committee and Council pass an [ordinance](#) amending the 2017 annual budget to decrease the capital expenditures and revenues for capital projects not being done in 2017.

### **11. Airport Activities, Reports and Project Updates**

The Airport Director will give a presentation on Airport activities, reports and project updates.