

AIRPORT COMMITTEE

Tuesday, July 26, 2016
Immediately following the Finance and Improvements Committee
(No earlier than 4:30 p.m.)
City Council Chambers

A G E N D A

1. [KLJ Change Order 63; Graham Construction Extended General Conditions Claim](#)
2. [KLJ Change Order 64; Graham Construction](#)
3. [Surplus Sales Tax Dollar Reassignment](#)
4. [TSA 10 Year Terminal Lease Agreement](#)
5. [Airport Activities, Reports and Project Updates](#)

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MEMO TO: Airport Committee
FROM: City Clerk's Office
RE: Agenda for Tuesday, July 26, 2016 – No earlier than 4:30 pm

1. KLJ Change Order 63; Graham Construction Extended General Conditions Claim

[Graham Construction](#) submitted a claim in February, 2016 for extended general conditions claim resulting from late changes to work on the new airport terminal. Multiple discussions and negotiations have been held attempting to resolve this issue as documented in the attached Record of Negotiations from KLJ. Both sides have agreed to a compromise resolution of a \$67,602.43 additional amount to Graham, extension of the required Substantial Completion date to February 25, 2016, and final completion acceptance effective May 25, 2016.

Fiscal Impact: The terminal has been constructed utilizing Federal FAA Funds, State Aeronautics, State Oil Impact funds, revenue bonds, sales tax, Eligible CFC Funds, Tenant and budgeted airport revenues. Sufficient funds remain in the project for these costs.

City staff believes this to be a fair and equitable resolution to this issue and recommends the Committee and Council approve payment of \$67,602.43 to Graham Construction.

2. KLJ Change Order 64; Graham Construction

Prior to the opening of the new terminal, a change to the cabling for a monitor and a workstation in order to relocate this equipment to a suitable location was requested by Airport Staff. In the interest of time and customer service, [Graham Construction](#) agreed to do this work without first obtaining the customary work order.

As this work was requested by Airport staff to necessitate the successful opening and was provided as specified, staff believes this change order in the amount of \$2,516.80 is valid and request payment.

Fiscal Impact: The terminal has been constructed utilizing Federal FAA Funds, State Aeronautics, State Oil Impact funds, revenue bonds, sales tax, Eligible CFC Funds, Tenant and budgeted airport revenues. Sufficient funds remain in the project for these costs.

It is recommended the Committee and Council approve the change order to Graham Construction in the amount of \$2,516.80 for additional cabling for a monitor and workstation.

3. Surplus Sales Tax Dollar Reassignment

The City Council previously approved the use of surplus sales tax dollars for LED light replacement terminal demolition and storm water pond construction. The storm water pond construction federal funding has been deferred. The airport director is requesting reallocation of the funds as follows:

2016 Projects for Surplus Sales Tax Support	Estimated Cost	Federal Funding	State Funding	City Share Needed	Sales Tax Use
Airfield LED Light Replacement	\$80,000.00	\$72,000.00	\$4,000.00	\$4,000.00	\$4,000.00
Terminal Demolition	\$450,000.00	\$405,000.00	\$22,500.00	\$22,500.00	\$22,500.00
SRE Truck	\$199,000.00	\$179,100.00	\$9,950.00	\$9,950.00	\$9,950.00
Landscaping	\$126,550.38				\$126,550.38
Total					\$163,000.38

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A previous memo requested \$100,288 in City funding for Storm Water Pond Construction. Federal funding for that project has been deferred. New to the list in this memo are the SRE Truck and the Landscaping.

It is recommended the Committee and the Council authorize the Airport Director to reassign sales tax dollars unused from previously mentioned projects to other Airport projects planned for 2016.

4. TSA 10 Year Terminal Lease Agreement

It is recommended the Committee and Council approve a new [10-year lease agreement](#) with the General Services Administration for space occupied in the new terminal by the Transportation Security Administration.

Fiscal impact: This lease agreement provides \$44,116.20 in revenue annually.

5. Airport Activities, Reports and Project Updates

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