

The Airport Commission met in regular session Monday, August 8, 2016 at 4:00 P.M. The meeting was called to order by Chairman Ray Hobbs.

**MEMBERS PRESENT:**

Bob Crafton, Jim Hall, Ray Hobbs, Gary Jackson; Clyde Tempel, and Jerry Vest. Mike Hudson was absent.

**OTHERS PRESENT:**

David Krutsch, Chris Griffin, Mark Kruger, and Donna Johnston, City of Rogers; Linda Jennings and Stephen Ricker, Beaver Lake Aviation; Adam White and Ben Perea, Garver LLC, and David Coggin, a Rogers citizen.

**ACTION ON MINUTES:**

Motion by Vest, second by Tempel to approve the minutes of June 20, 2016 as submitted. Voice Vote: Unanimous. **Motion carried.**

There were no July minutes as the Airport Commission did not meet in July.

**FINANCIAL REPORT:**

Airport Manager Krutsch provided an overview of the financial statements for the periods ending June 30 and July 31, 2016. Fuel flowage fees were up 23.3% in June bringing year to date to 19%. Sales and use taxes were down 21%. Krutsch said the new fuel tanks were paid during this period. Flowage fees dipped in July down by 4.4%. Year-to-date, we remain up 15%. Sales and use taxes were down 14%. Krutsch said sales and use taxes are based on price—not volume.

**MANAGER'S REPORT:**

Airport Manager Krutsch said the new tractor partnered with the Street Department for the snow broom has been delivered. Snow broom has been ordered with estimated delivery in October.

AIP-34 project reached substantial completion July 29. Construction will finish soon; however, administrative closeout can take as much as 60 days to complete for submitting to the State.

A PTAC unit was replaced in the control tower for \$800 which will hit the August financials. Krutsch said we are continuing to work on our radio equipment including diagnostic checking.

**REPORTS FROM BOARDS AND STANDING COMMITTEES:**

None.

**OLD BUSINESS:**

None.

**NEW BUSINESS:**

1) Consideration of Agreement with Stericycle, Inc. for APHIS Waste Services. Airport Manager Krutsch stated United States Customs requires us to deal with regulated waste/garbage that comes off international flights. Krutsch said we have negotiated a new agreement. It has been reviewed and approved by Senior Staff Attorney Griffin. The term is 36 months giving us a lower rate for services.

Motion by Hall, second by Tempel to recommend the agreement between Stericycle, Inc. and the City of Rogers for APHIS Waste Services to the City Council for approval. Roll Call Vote: Unanimous. **Motion carried.**

Airport Manager Krutsch said the next four items are related, but we will discuss them individually.

2) Review and Consideration of Bids-Runway Pavement and Lighting Rehabilitation. Airport Manager Krutsch said bids were opened June 23. We received one bid. Krutsch said construction in Northwest Arkansas is plentiful and there were a lot of big asphalt jobs bid around the same time. Krutsch said three general contractors attended the pre-bid meeting and two of the three were low bid on projects that bid prior to the Airport's. Krutsch said those projects were around \$70 million.

Discussions were held concerning the bid prices to include crack repairs and site preparation. Commissioner Hall asked for clarification on site preparation. Engineer White said that includes the 9-day mobilization and the work done prior to the closure, as well as contractor's risk. Commissioner Vest asked if we could quantify what would be attributable to our concerns and the 9-day closure constraint. Krutsch said we did ask the contractor if they would have any flexibility for gaining extra days and their offer was \$15,000 per day. Discussions were also held on the funding. Krutsch provided a project cost summary to the members of the Commission. Krutsch said the City's share will be 10% less the \$400,000 we hope to get from the State, or roughly \$262,000.

Krutsch reminded the Commissioners that recommendation and approval by the City does not ensure we will do the project. That determination will come from the FAA.

Commissioner Jackson said he has reviewed the bid thoroughly with Krutsch and he thinks the Commission should move forward with the bid.

Motion by Jackson, second by Tempel to recommend the bid for the runway pavement be forwarded to City Council for approval. Roll Call Vote: Unanimous. **Motion carried.**

Airport Manager Krutsch said the construction will include installation of new LED PAPIs.

There is only one company in the United States that makes LED PAPIs. We will purchase and turn the equipment over to the contractor for installation which is part of the bid. Krutsch said the cost for the PAPIs will be a little over \$49,000. City Council will have to approve the purchase of the equipment because of the waiver of competitive bidding. Krutsch said we will still need FAA to approve and issue the grant funding.

Motion by Vest, second by Tempel to recommend purchasing the new PAPI lights to City Council for approval. Roll Call Vote: Unanimous. **Motion carried.**

3) Consideration of Reimbursable Agreements with FAA-Runway Pavement and Lighting Rehabilitation. Airport Manager Krutsch said we have two reimbursable agreements associated with this project. The first one is for Northwest Arkansas SSC personnel for the ILS. The cost of this agreement will be \$25,605. We will pay this amount up front and they will charge against that amount. At the completion of the services, the balance will be refunded. Krutsch said we do not have the second agreement in hand. They have asked us to wait until closer to execution of the project. This will cover the flight inspections to place the new PAPIs in service. The cost is estimated at \$15,000. Krutsch said they are both reimbursable. Krutsch said Senior Staff Attorney Griffin has reviewed the first agreement

Motion by Tempel, second by Jackson to recommend the two reimbursable agreements with FAA for the runway pavement and lighting rehabilitation to City Council for approval. Roll Call Vote: Unanimous. **Motion carried.**

4) Authorization for Staff and Professional Services Committee to Negotiate Construction Phase Engineering Services Agreement – Runway Pavement and Lighting Rehabilitation. Airport Manager Krutsch said the agreement is with Garver and includes two miscellaneous elements. The first miscellaneous element is establishing monuments for an electronic ALD in the future where all the monuments are in GIS. FAA asked us to include this work. White said the monuments should last forever as they are installed in a 10' deep concrete encasement. White said almost all the commercial airports have them. Commissioner Crafton asked if this work would be independent of the inspections. Krutsch said yes, but it will all be a part of the contract. The scope of work was reviewed and approved by the FAA. Krutsch said the original proposal was \$451,400 and we have negotiated to \$428,200. Krutsch said Commissioner Jackson was a part of the review process. Krutsch also said we may have additional negotiations as the FAA deems necessary.

Motion by Crafton, second by Vest to recommend to City Council for approval the construction phase engineering services agreement with Garver LLC for the runway pavement and lighting rehabilitation and authorize the airport manager and professional services committee to negotiate any changes deemed necessary by the FAA upon completion of their review. Roll Call Vote: Unanimous. **Motion carried.**

5) Resolution Authorizing Submission of Grant Application-Runway Pavement and Lighting Rehabilitation

Motion by Hall, second by Vest to recommend the resolution authorizing submission of the grant application for the runway pavement and lighting rehabilitation to City Council for approval. Roll Call Vote: Unanimous. **Motion carried.**

Airport Manager Krutsch said this has been a 2 ½ year effort to get to where we are today. Krutsch thanked the Commissioners and Council Member Kruger for all their help and support. Chairman Hobbs expressed his thanks to Commissioner Jackson for all his work in the review process.

**OLD BUSINESS:**

None.

**COMING EVENTS:**

EAA Chapter Young Eagles, Civil Air Patrol Hangar, Saturday, August 27, 8:30 AM to 2:00 PM (estimated times). Airport Manager Krutsch said the Young Eagles event was set for an earlier date, but had to be rescheduled due to weather.

City offices will be closed Monday, September 5 in observance of Labor Day.

Take-Off-for-Kids Kick-Off Breakfast – Saturday, September 10, 7:30 AM to 9:00 AM (estimated times). Krutsch said this be at Beaver Lake Aviation.

Airport Manager Krutsch said he had asked Garver Engineers White and Perea to visit with us concerning t-hangar cost estimates. White and Perea provided a presentation of two different development options. White said they tried to be conservative with the numbers.

Commissioner Jackson asked what the future hangar would be. White said an eight-bay—four units on each side, approximately 10,000 sq. ft. with motorized doors, full insulation, and gutters.

The total estimated cost was \$755,000 for construction of a new t-hangar at a new site to the southeast versus \$530,000 to demo one of the existing open t-hangars and construct a new enclosed t-hangar on the existing site. White said 15% was added for contingency, testing, engineering and administration. Hangar size would be the same size as in the existing area.

Discussions on costs to build and rental prices were discussed by Garver Engineers, Staff, and the Commissioners. Airport Manager Krutsch said t-hangars are usually financed with State grants. Maintenance costs were also discussed.

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Commissioner Vest said going back to new construction versus renovation, what was the cost of enclosing the existing building. Krutsch said we do not have a hard number, but he would guess around \$300,000 to \$350,000. Krutsch discussed some limitations with this approach but said it might be worthy to consider based on cost.

Chairman Hobbs thanked the Garver engineers for the presentation.

Motion by Crafton, second by Tempel to adjourn. Meeting adjourned at 5:06 P.M.