



The City of Lee's Summit

Final Agenda

Board of Aeronautic Commissioners

Monday, October 8, 2018

7:00 PM

City Council Committee Room

City Hall

220 SE Green Street

Lee's Summit, MO 64063

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Approval of Action Letter
 - A. [2018-2195](#) Action Letter dated June 11, 2018.
5. Public Comments
6. Business
 - A. [2018-2363](#) Presentation on Airport Insurance
Presenter: Bob Hartnett, Deputy Director Public Works and Robert Hopson, Lockton
 - B. [2018-2247](#) Presentation of the Missouri Sunshine Law
Presenter: Bob Hartnett, Deputy Director of Public Works
 - C. [2018-2325](#) Monthly Checklist for Board of Aeronautic Commissioners (BOAC) Meetings
Presenter: Bob Hartnett, Deputy Director of Public Works
 - D. [TMP-1028](#) An Ordinance authorizing execution of Modification No. 11 to the agreement with Crawford, Murphy and Tilly, Inc. for on-call engineering services for the Municipal Airport (RFQ 2015-300) not to exceed maximum payment of \$25,590.00 for the boundary survey, zoning plats and Strother Road vacation plats.
Presenter: Bob Hartnett, Deputy Director of Public Works
 - E. [2018-2355](#) Airport Financial Report Year to Date June 30, 2018
Presenter: Darlene Pickett, Controller
 - F. [2018-2202](#) Staff Report, Fuel Sales & Fuel History
Presenter: John Ohrazda, Airport Manager

G. [2018-2341](#) Election of Officers

Presenter: Bob Hartnett, Deputy Director of Public Works

7. Roundtable

8. Adjournment

For your convenience, City Council agendas, as well as videos of City Council and Council Committee meetings, may be viewed on the City's Legislative Information Center website at "lsmo.legistar.com"

Packet Information

File #: 2018-2195, **Version:** 1

Action Letter dated June 11, 2018.

Proposed Commission Motion:

I move for approval of the June 11, 2018 Action Letter as submitted.

The City of Lee's Summit
Action Letter
Board of Aeronautic Commissioners

Monday, June 11, 2018

7:00 PM

City Council Committee Room

City Hall

220 SE Green Street

Lee's Summit, MO 64063

Call to Order

Chairman Mall called the June 11, 2018 Board of Aeronautic Commissioners meeting to order at 7:00 p.m. Notice of said meeting was provided by posting the meeting notice with a tentative agenda, at least 24 hours in advance of the meeting, at both entrances to City Hall.

Roll Call

Commissioner Nelson arrived at 7:15 p.m.

Present: 8 - Chairperson Phil Mall
Vice Chair Ken Stremming
Commissioner James Brady
Commissioner Paula Derks
Commissioner Joseph Towns
Commissioner Tom Townsend
Commissioner Molly Waller
City Council Liaison Rob Binney

Absent: 1 - Commissioner Darryl Nelson

Approval of Agenda

A motion was made by Vice Chair Stremming, seconded by Commissioner Derks, that the agenda of June 11, 2018 be approved. The motion carried unanimously 7-0. (Commissioner Nelson absent).

Approval of Action Letter

1. [2018-2092](#) Action Letter dated April 9, 2018

A motion was made by Commissioner Derks, seconded by Commissioner Brady, to approve the April 9, 2018 Action Letter. The motion carried unanimously 7-0. (Commissioner Nelson absent).

Public Comments

None

Business

Board of Aeronautic Commissioners

Action Letter

June 11, 2018

2. [BILL NO. 18-97](#) An ordinance authorizing an amendment to permit the extension of the project time period from December 31, 2017 to December 31, 2018 of the State Block Agreement by and between the City of Lee's Summit, Missouri, and the Missouri Highways and Transportation Commission, Granting State funds in the amount of \$9,372,772.00 for rehabilitate and strengthen Runway 18-36, Extend Runway 18-36, Extend Runway 11-29; and Runway 18-36 and 11-29 lighting improvements. (BOAC 6-11-18) (PWC 6-19-18)

A motion was made by Commissioner Towns, seconded by Vice Chair Stremming, to recommend to City Council approval of an ordinance authorizing an amendment to permit the extension of the project time period from December 31, 2017 to December 31, 2018 of the State Block Agreement by and between the City of Lee's Summit, Missouri, and the Missouri Highways and Transportation Commission, Granting State funds in the amount of \$9,372,772.00 for rehabilitate and strengthen Runway 18-36, Extend Runway 18-36, Extend Runway 11-29; and Runway 18-36 and 11-29 lighting improvements. The motion carried unanimously 7-0. (Commissioner Nelson absent).

3. [2018-2101](#) Airport Financial Report Year to Date April 30, 2018

Darlene Pickett, Finance Controller, presented the Airport Financial Report Year-to-Date April 30, 2018. Reports through April 2018 show the Airport fund with a net operating loss of \$581,818. The fund has operating revenues of \$1,999,979 against expenditures of \$1,781,798. Nonoperating items and transfers bring the fund to a year-to-date net loss of \$3,611,645. When depreciation expense of \$528,658 is excluded (added back), net losses adjusted for depreciation are \$3,082,987. Pending grant reimbursements make up \$6,737,306 of this loss amount.

Operating Revenues are below budget (10%) and above prior year \$126,974 or 12%. Rental revenues are below budget by 16% for FY18 and down less than 1% (\$862) compared to last year. This drop below budget and last year is due to the tenants leaving the open T-hangars and the S&L hangars prior to their demolition in March. When the budget was prepared last year, it was anticipated that the units were not going to be removed until later in the year. Fuel revenues are below budget \$11,260 (2%) and up \$125,674 (26%) compared to last year. Overall, sales in gallons increased 15,587 gallons or 12.5% compared to last year. In gallons sold, MOGas is up 2,891 gallons or 68% and JetA is up 10,116 gallons for a 20% increase. Note, the airport was closed last year to take offs and landings from 4/17/17-5/9/17 and Runway 18/36 was closed until the end of September 2017.

Expenditures are over budget \$90,022 or 5%. Maintenance & Repairs is \$53,488 or 111% over budget. Large expenditures in this category include roof repairs, carpet, and painting for Hangar 1 totaling \$22,000. Boiler and siding repairs totaled \$25,000. Supplies for Resale (fuel is the primary item in this category) is \$41,561 or 12% over budget and up 22% over last year. This is due to increased gallons purchased (see revenues above) along with rising costs.

This Report was received and filed.

4. [2018-2099](#) Staff Report, Fuel Sales & Fuel History

John Ohrazda stated that in addition to the posted Staff Report, a Tri-Motor was at the airport last week. There was a good turnout for the event. A tenant meeting was also held on June 9. Twenty five people attended, including 8 people who had never attended one before. People were happy with the decision to extend the two weeks to get the hangars done.

Mr. Bob Hartnett, Deputy Director of Public Works, noted that dust has been an issue from the dry conditions. The City had heard from a tenant and an engineer had already made contact with him.

The Airport Open House is on June 23, on the east apron. The Lee's Summit Airport will be a stop on the Air Classic Race in June 2019, which is a two-day event. It will tie into the 2019 Airport Open House. The B-17 is also a possibility next year.

Mr. Ohrazda noted that there is always something going on at the Airport. There was a Missouri Department of Transportation (MODOT) event at Hangar 1 that evening. The B-17 was here on a stop before going into the downtown Kansas City airport.

Councilmember Binney asked about Hangar 1 activity. Mr. Ohrazda stated in August that One Good Meal will host an event for 150 people in the hangar. Commissioner Waller asked if the Airport has a tug; Mr. Joel Arrington, Assistant Airport Manager, replied yes for attachments.

Commissioner Brady asked if staff is trained on the tug, and Mr. Arrington replied that yes he does all the tow training. All staff even have whistles that were issued to them. Mr. Hartnett stated that staff also have National Air Transportation Association (NATA) training. Per Mr. Ohrazda, all line personnel are trained.

This Presentation was received and filed.

Roundtable

Commissioner Brady reminded all about the Pancake Breakfast this Saturday, June 16, with Young Eagles.

Commissioner Stremming commended Mr. Hartnett on the speech he gave at the Airport Tenant Open House.

Commissioner Towns again noted his concern with line of flight and approach patterns, and thinks they should be changed to be over concrete roads and not the houses surrounding the Airport. He also mentioned that a sign needs to be

Board of Aeronautic Commissioners

Action Letter

June 11, 2018

placed on the highway to note that the Airport is in this direction.

Councilmember Binney noted that budget items were mentioned in the CIP plan in April, and Mr. Hartnett verified Council voted 5-1 on June 7 for approval. Councilmember Binney also noted that the public should get to know their newly elected officials.

Mr. Hartnett reminded the BOAC that the Lee's Summit Airport Runway Improvements project was announced as a Public Works Transportation Project of the Year by the Kansas City Metro Chapter of the American Public Works Association (APWA). The \$18 million project won in the transportation category for projects more than \$5 million but less than \$25 million.

Commission Mall told a story about a drone that had been lost, and found atop the WWI museum in downtown Kansas City. Several discussions took place regarding flying drones near the airport.

Adjournment

Commissioner Mall adjourned the June 11, 2018, meeting of the Board of Aeronautic Commissioners at 7:51 p.m. at City Hall, 220 SE Green Street, City Council Committee Room.

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Packet Information

File #: 2018-2363, **Version:** 1

Presentation on Airport Insurance

The City's Aviation consultant, Lockton Companies, will be present and will provide the BOAC the latest airport insurance information as it relates to LXT.

Bob Hartnett, Deputy Director Public Works and Robert Hopson, Lockton

Packet Information

File #: 2018-2247, **Version:** 1

Presentation of the Missouri Sunshine Law

Staff will be present to provide an update of the Missouri Sunshine Law requirements as it pertains to BOAC business. Being a public governmental board, The BOAC falls under the requirements of the law. Attached is a PowerPoint presentation provided by the Law Department to City Supervisors.

Bob Hartnett, Deputy Director of Public Works

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SUNSHINE LAW

Review

Missouri Sunshine Law

OPEN MEETINGS AND RECORDS LAW



**Missouri Attorney General
JOSH HAWLEY**

Brian Head, City Attorney
Supervisor Meeting
August 6, 2018

Missouri's Sunshine Law

- Chapter 610 of the Revised Statutes of Missouri.
- Originally enacted in 1973.
- Intended to open governmental meetings, records, and votes to the public and provide transparency to government actions and operations.
- “. . .meetings, records, votes, actions and deliberations. . . shall be open to the public unless otherwise provided by law. . . Provisions of the law “shall be liberally construed and their exceptions strictly construed to promote this public policy.”

Who is Subject to the Sunshine Law?

- **Public governmental bodies**

City Council

- **Committees, boards, and commissions**

Park Board, Council Committees, Planning Commission,
Board of Adjustment

- **Advisory committees**

Public Safety Advisory Board, Beautification, Tree Board

- **Quasi-public governmental bodies**

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What is Subject to the Sunshine Law?

- Public meetings
- Public business
- Public records
- Public votes



Does it Apply to Everything?

- Exceptions (610.021)
 - (1) Litigation, Attorney Client Communications.
 - (2) Real estate transactions
 - (3), (13) Personnel matters
 - (10), (20), (21) software code and network configuration
 - (9) preparation for negotiations for collective bargaining
- How do the exceptions work?
 - Release of documents and votes
 - Closed sessions of City Council



Sunshine Law: Public Record Procedures

- Reasonable written policy
 - See handout for City resolution.
- Records custodian (AKA City Clerk)
- Written request
 - See handout for form.
- Response to requests
- Inspection and copying
- Permitted fees and charges
- Waiving fees and charges
- Denying requests



Sunshine Law: Closed Meeting and Voting Procedures

- Listed on agenda
- Motion to go in to closed session
- Stay on topic
- Only roll call votes
- Keep basic minutes
- Motion to go out of closed session



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Adapting Sunshine Law to Modern Technology

- There have been significant developments in technology and how it is used by local governments since the Sunshine Law was originally drafted.
 - Text Messaging
 - E-mail
 - Social Media
 - Cloud Computing



Sunshine Law: Complaints

- Processed by the AG's office.
- City will typically receive a letter of notification requesting a written response along with additional info.
- City should cooperate and resolve quickly.
- Rarely get a clear answer.



Penalties for Violation

- **Knowing violation:**
 - the City or the individual could be faced with a penalty of up to One Thousand Dollars (\$1,000.00).
 - What is knowing?
- **Purposeful violation:**
 - The City or an individual could be subject to a civil penalty of up to Five Thousand Dollars (\$5,000.00).
 - Attorneys' fees possible.

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QUESTIONS?

Packet Information

File #: 2018-2325, **Version:** 1

Monthly Checklist for Board of Aeronautic Commissioners (BOAC) Meetings

Staff has a regular time frame for BOAC packets to be started and approved prior to BOAC meetings. Staff wanted the BOAC Commissioners to aware of these time frames so that if a commissioner wished to add an agenda item to the meeting, the Commissioners would be aware of the deadlines.

Bob Hartnett, Deputy Director of Public Works

Board of Aeronautic Commissioners (BOAC)
Monthly Checklist

- 2 weeks prior to meeting, send reminder email with packet approval timeline to all packet creators and approvers (staff). All proposed ordinances, resolutions, presentations, discussion items, etc. must have a packet.
- 10 days prior to meeting (this is considered packet week), agenda items begin the packet approval process. Packets must be approved by Deputy Director of Public Works Bob Hartnett, Public Works Director Dena Mezger, a representative from the Law Department and a representative from Administration.
- While packets are in the approval process, email out a tentative agenda to staff.
- On Monday approximately a week before the meeting, send an email to Commissioners asking if they will attend the meeting to determine if there will be a quorum. When quorum has been determined, email the group.
- 5 days prior to meeting, revise the draft agenda, if necessary. Proofread the final agenda and all packets before finalizing and emailing out.
- On the Friday before the BOAC meeting, email out a final agenda to all, including sending one to the City Clerk's Office for posting at entrances to City Hall.
- Also on Friday before the meeting, post the agenda and meeting packet to InSite. This allows the agenda and packet to be viewed on the public website, also known as the Legislative Information Center. ismo.legistar.com

Packet Information

File #: TMP-1028, **Version:** 1

An Ordinance authorizing execution of Modification No. 11 to the agreement with Crawford, Murphy and Tilly, Inc. for on-call engineering services for the Municipal Airport (RFQ 2015-300) not to exceed maximum payment of \$25,590.00 for the boundary survey, zoning plats and Strother Road vacation plats.

An ordinance authorizing execution of Modification No. 11 to the agreement with Crawford, Murphy and Tilly, Inc. for on-call engineering services for the Municipal Airport (RFQ 2015-300) not to exceed maximum payment of \$25,590.00 for the boundary survey, zoning plats and Strother Road vacation plats.

Issue/Request:

An ordinance authorizing execution of Modification No. 11 to the agreement with Crawford, Murphy and Tilly, Inc. for on-call engineering services for the Municipal Airport (RFQ 2015-300) not to exceed maximum payment of \$25,590.00 for the boundary survey, zoning plats and Strother Road vacation plats.

Key Issues:

- Over the last 10 years, the city has acquired a number of new parcels.
- The airport property today consists of approximately 35-40 separate parcels.
- This project will plat the airport properties into three lots
- The Airport will be rezoned to AZ - Airport Zone in accordance with the UDO.

Proposed Committee Motion:

I move to recommend to the Board of Aeronautic Commissioners an ordinance authorizing execution of Modification No. 11 to the agreement with Crawford, Murphy and Tilly, Inc. for on call engineering services for the Municipal Airport (RFQ 2015-300) not to exceed maximum payment of \$25,590.00 for the boundary survey, zoning plats and Strother Road vacation plats.

Background:

Over the last 10 years, the city has acquired a number of new parcels and today in consists of approximately 35 - 40 separate parcels. This project will plat the Airport properties into 3 lots and will be rezoned to AZ - Airport Zone in accordance with the UDO.

Timeline:

Start: October 2018

Finish: January 2019

Bob Hartnett, Deputy Director of Public Works

Recommendation: Staff recommends approval of an ordinance authorizing execution of Modification No. 11 to the agreement with Crawford, Murphy and Tilly, Inc. for on-call engineering services for the Municipal Airport (RFQ 2015-300) not to exceed maximum payment of \$25,590.00 for the boundary survey, zoning plats and Strother Road vacation plats.

BILL NO. _____

ORDINANCE NO. _____

An Ordinance authorizing execution of Modification No. 11 to the agreement with Crawford, Murphy and Tilly, INC. for on-call engineering services for the Municipal Airport (RFQ 2015-300) not to exceed maximum payment of \$25,590.00 for the boundary survey, zoning plats and Strother Road vacation plats.

WHEREAS, the City and Engineer entered into an On-Call Agreement dated September 3, 2015 (RFQ No. 2015-300) for professional engineering services for the Airport (hereinafter "Base Agreement"); and

WHEREAS, City and Engineer desire to amend the provisions of the Base Agreement as modified, as provided herein; and

WHEREAS, the amended engineering services contained in this Modification No. 10, were services originally contemplated by the City and the Engineer when entering into the Base Agreement, and which were included in the request for qualifications, and considered in the review that was conducted by the City when awarding the contract for the Base Agreement; and

WHEREAS, Engineer has submitted a proposal for the amended engineering services and an estimate of engineering costs to perform said services; and

WHEREAS, the City Manager is authorized and empowered by the City to execute contracts providing for engineering services.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LEE'S SUMMIT, MISSOURI, as follows:

SECTION 1. That the City Council of the City of Lee's Summit hereby authorizes the execution, by the City Manager on behalf of the City of Lee's Summit, of a Modification No. 11 to On-Call Agreement Dated September 3, 2015 (RFQ No. 2015-300) for professional engineering services for the Lee's Summit Municipal Airport, which is attached hereto and incorporated by reference as if fully set forth herein.

SECTION 2. That this Ordinance shall be in full force and effect from and after the date of its passage and adoption and approval by the Mayor.

PASSED by the City Council of the City of Lee's Summit, Missouri, this ____ day of _____, 2018.

Mayor William A. Baird

ATTEST:

City Clerk Trisha Fowler Arcuri

APPROVED by the Mayor of said city this _____ day of _____, 2018.

Mayor William A. Baird

ATTEST:

City Clerk Trisha Fowler Arcuri
APPROVED AS TO FORM:

Nancy Yendes, Chief Counsel of
Infrastructure and Planning
Office of the City Attorney

**MODIFICATION NO. 11 TO ON-CALL AGREEMENT
DATED SEPTEMBER 21, 2018
(RFQ NO. 2015-300)**

FOR PROFESSIONAL ENGINEERING SERVICES FOR THE AIRPORT

THIS MODIFICATION TO ON-CALL AGREEMENT made and entered into this ____ day of _____, 2018, by and between the City of Lee's Summit, Missouri (hereinafter "City"), and Crawford, Murphy and Tilly, Inc. (hereinafter "Engineer").

WITNESSETH:

WHEREAS, City and Engineer entered into an On-Call Agreement dated September 3, 2015 (RFQ No. 2015-300) for professional engineering services for the Airport (hereinafter "Base Agreement"); and

WHEREAS, the Base Agreement was modified with Modification No. 1 dated September 23, 2015; and

WHEREAS, the Base Agreement was modified with Modification No. 2 dated December 21, 2015; and

WHEREAS, the Base Agreement was modified with Modification No. 3 dated April 4, 2016; and

WHEREAS, the Base Agreement was modified with Modification No. 4 dated October 6, 2016; and

WHEREAS, the Base Agreement was modified with Modification No. 5 dated November 17, 2016; and

WHEREAS, the Base Agreement was modified with Modification No. 6 dated July 19, 2017; and

WHEREAS, the Base Agreement was modified with Modification No. 7 dated November 17, 2017; and

WHEREAS, the Base Agreement was modified with Modification No. 8 dated January 2, 2018; and

WHEREAS, the Base Agreement was modified with Modification No. 9 dated January 2, 2018; and

WHEREAS, the Base Agreement was modified with Modification No. 10 dated _____ ;
and

WHEREAS, the Base Agreement was modified with Modification No. 11 dated _____; and

WHEREAS, City and Engineer desire to amend the provisions of the Base Agreement, as modified, as provided herein; and

WHEREAS, the amended engineering services contained in this Modification No. 11, were services originally contemplated by the City and the Engineer when entering into the Base Agreement, and which were included in the request for qualifications review that was conducted by the City when awarding the contract for the Base Agreement; and

WHEREAS, Engineer has submitted a proposal for the amended engineering services and an estimate of engineering costs to perform said services; and

WHEREAS, the City Manager is authorized and empowered by City to execute contracts providing for engineering services.

NOW THEREFORE, in consideration of the mutual covenants and considerations herein contained, **IT IS HEREBY AGREED** by the parties hereto to amend the following Articles contained in the Base Agreement as follows:

**ARTICLE I
SCOPE OF SERVICES TO BE PROVIDED BY ENGINEER**

The Base Agreement is hereby modified and amended to include the following scope of services for the Boundary Survey, Zoning Plats and Strother Road Vacation Plats:

This project shall include the preparation of a legal description and exhibit for the vacation of the existing right of way of Old Strother Road. Additionally, a boundary survey will be prepared and will include setting iron pins on property corners or recovering existing pins at the corners. Based on the boundary survey, a subdivision plat drawing, including a metes and bounds description, in compliance with the requirements of the City of Lee's Summit for the purposes of rezoning shall be prepared. See attached proposal from Anderson Surveying.

All other terms of the Base Agreement not amended by the Modification to On-Call Agreement shall remain in full force and effect.

**ARTICLE IV
PAYMENTS TO THE ENGINEER**

Payment will be made based upon hourly and direct expenses as shown in Exhibit A attached to this Modification No. 11 with a Not to Exceed Maximum Payment of \$25,590. All other terms of the Base Agreement not amended by the Modification to the On-Call Agreement shall remain in full force and effect.

This Modification No. 11 to On-Call Agreement shall be binding on the parties thereto only after it has been duly executed and approved by the City and Engineer.

IN WITNESS WHEREOF, the parties have caused this Modification to On-Call Agreement to be executed on the ____ day of _____, 20__.

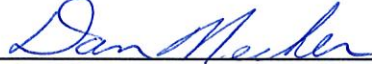
CITY OF LEE'S SUMMIT

Stephen A. Arbo, City Manager

APPROVED AS TO FORM:

Office of the City Attorney

ENGINEER:



BY: Dan Meckes
TITLE: President *CEO*

ATTEST:

Packet Information

File #: 2018-2355, **Version:** 1

Airport Financial Report Year to Date June 30, 2018

Issue/Request:

Review of Airport Financial Operations

Key Issues:

[Enter text here]

Proposed City Council Motion:

Informational only

Background:

[Enter text here]

Impact/Analysis:

Reports through June 2018 show the Airport fund with a net operating loss of \$708,882. The fund has operating revenues of \$1,466,315 against expenditures of \$2,175,197. Nonoperating items and transfers bring the fund to a year-to-date net income of \$7,311,912. When depreciation expense of \$628,316 is excluded (added back), net income adjusted for depreciation is \$7,940,228. Grant reimbursements make up \$5,627,702 of this income amount.

Operating Revenues are below budget (8%) and above prior year \$172,830 or 13%. Rental revenues are below budget by 15% for FY18 and flat (\$2,745) compared to last year. This drop below budget is due to tenants leaving the open T-hangars and the S&L hangars prior to their demolition in March. When the budget was prepared last year, it was anticipated that the units were not going to be removed until later in the year. Fuel revenues are above budget \$12,857 (2%) and up \$179,843 (31%) compared to last year. Overall, sales in gallons increased 27,437 gallons or 18% compared to last year. In gallons sold, MOGas is up 3,667 gallons or 68% and JetA is up 21,038 gallons for a 36% increase. Note, the airport was closed last year to take offs and landings from 4/17/17-5/9/17 and Runway 18/36 was closed until the end of September 2017.

Expenditures are over budget \$116,629 or 6%. Maintenance & Repairs is \$58,847 or 102% over budget. Large expenditures in this category include roof repairs, carpet, and painting for Hangar 1 totaling \$22,000 along with boiler and siding repairs totaling \$25,000. Supplies for Resale (fuel is the primary item in this category) is \$64,951 or 14% over budget and up 30% over last year. This is due to increased gallons purchased (see revenues above) along with rising costs.

Darlene Pickett, Controller

LS Memorandum

City of Lee's Summit

To: BOAC

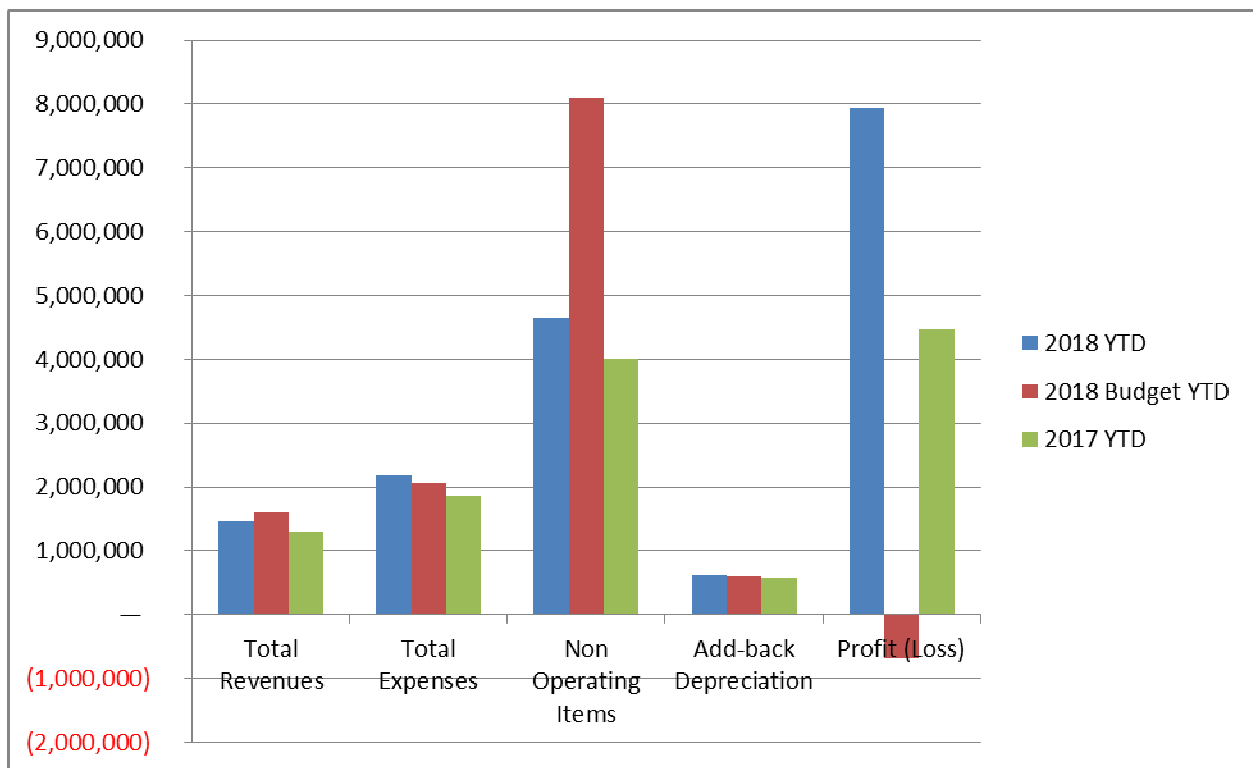
From: Darlene Pickett, Controller

C: Conrad Lamb, Finance Director; Steve Arbo, City Manager
John Ohrazda, Airport Manager; Dena Mezger, Public Works Director

Date: October 1, 2018

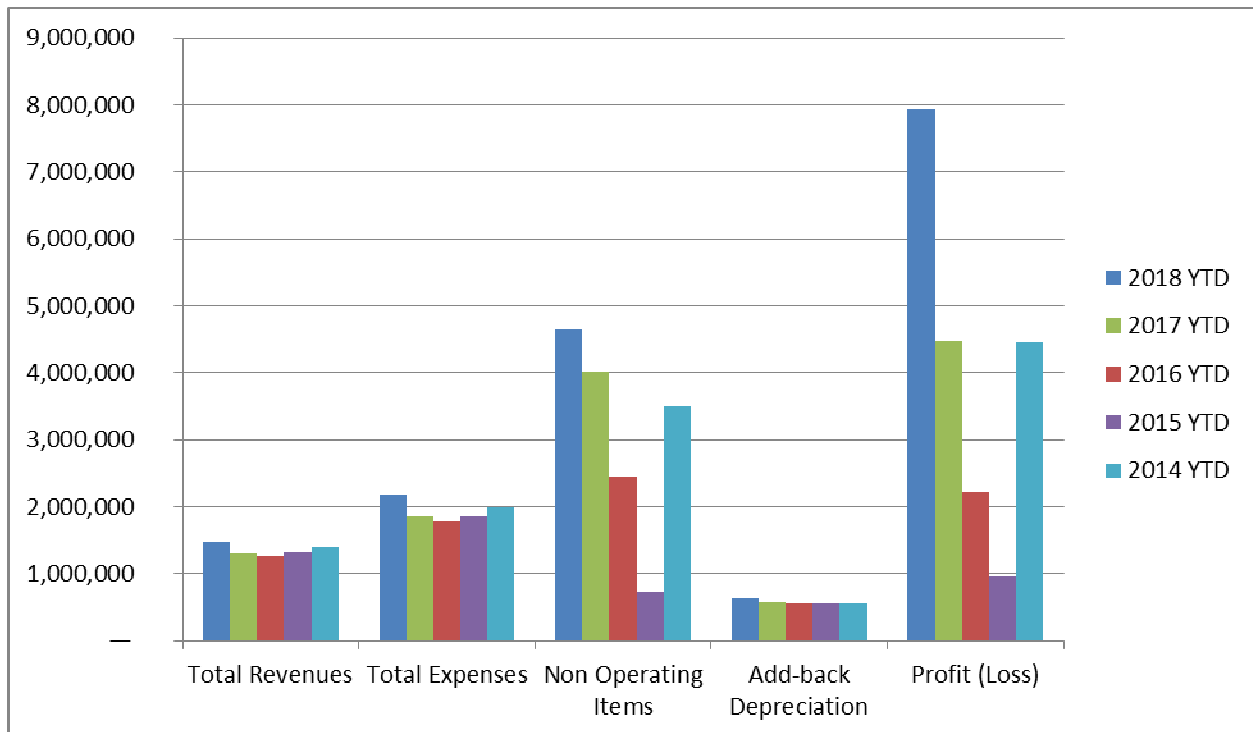
Re: Airport Financial Statements – June 30, 2018 – UNAUDITED

- Reports through June 2018 show the Airport fund with a net operating loss of \$708,882. The fund has operating revenues of \$1,466,315 against expenditures of \$2,175,197. Nonoperating items and transfers bring the fund to a year-to-date net income of \$7,311,912. When depreciation expense of \$628,316 is excluded (added back), net income adjusted for depreciation is \$7,940,228. Grant reimbursements make up \$5,627,702 of this income amount.



LS Memorandum

- Operating Revenues** are below budget (8%) and above prior year \$172,830 or 13%. Rental revenues are below budget by 15% for FY18 and flat (\$2,745) compared to last year. This drop below budget is due to tenants leaving the open T-hangars and the S&L hangars prior to their demolition in March. When the budget was prepared last year, it was anticipated that the units were not going to be removed until later in the year. Fuel revenues are above budget \$12,857 (2%) and up \$179,843 (31%) compared to last year. Overall, sales in gallons increased 27,437 gallons or 18% compared to last year. In gallons sold, MOGas is up 3,667 gallons or 68% and JetA is up 21,038 gallons for a 36% increase. Note, the airport was closed last year to take offs and landings from 4/17/17-5/9/17 and Runway 18/36 was closed until the end of September 2017.
- Expenditures** are over budget \$116,629 or 6%. Maintenance & Repairs is \$58,847 or 102% over budget. Large expenditures in this category include roof repairs, carpet, and painting for Hangar 1 totaling \$22,000 along with boiler and siding repairs totaling \$25,000. Supplies for Resale (fuel is the primary item in this category) is \$64,951 or 14% over budget and up 30% over last year. This is due to increased gallons purchased (see revenues above) along with rising costs.
- The chart below compares year-to-date amounts for the last 5 years. Operating revenues and expenditures have remained fairly constant. The spikes in nonoperating items and profit (loss) are both in direct relation to grant revenues.



CITY OF LEE'S SUMMIT, MISSOURI

Combining Statement of Revenues, Expenses, and
Changes in Retained Earnings – Airport Funds

Year to Date thru June 30, 2018 (UNAUDITED)

	Fiscal Year 2018 (YTD)			Budget 2018 (YTD)			Last Fiscal Year-2017 (YTD)		
	510 Airport Operating	321 Construction Fund	Consolidated 2018	Budget 2018	Budget Remaining	% Used	PY Actual 2017	\$ Change	% Change
1 Operating revenues:									
2 Charges for services	\$ 675,281	\$ -	\$ 675,281	\$ 798,946	\$ 123,665	85%	\$ 678,025	\$ (2,745)	0%
3 Fuel sales	764,967	0	764,967	752,110	(12,857)	102%	585,124	179,843	31%
4 Other	26,068	0	26,068	44,052	17,984	59%	30,335	(4,268)	-14%
5 Total operating revenues	1,466,315	0	1,466,315	1,595,108	128,793	92%	1,293,485	172,830	13%
6 Operating expenses:									
7 Salaries, wages, and employee									
8 benefits	485,134	0	485,134	532,267	47,132	91%	407,579	77,555	19%
9 Supplies for resale	518,686	0	518,686	453,735	(64,951)	114%	398,707	119,979	30%
Maintenance and repairs	116,342	0	116,342	57,495	(58,847)	202%	137,584	(21,243)	-15%
11 Utilities	71,438	0	71,438	46,050	(25,388)	155%	57,083	14,355	25%
12 Depreciation and amortization	628,316	0	628,316	593,113	(35,203)	106%	574,903	53,413	9%
13 Interdepartment charges	67,762	0	67,762	72,843	5,081	93%	77,004	(9,242)	-12%
14 Other supplies, services, & charges	287,519	0	287,519	303,065	15,546	95%	203,904	83,615	41%
15 Total operating expenses	2,175,197	0	2,175,197	2,058,568	(116,629)	106%	1,856,765	318,432	17%
16 Operating income (loss)	(708,882)	0	(708,882)	(463,460)			(563,280)		
17 Nonoperating revenues (expenses):									
18 Interest income	15,861	0	15,861	39,000	23,139	41%	9,063	6,798	75%
19 Interest expense	(1,449)	(165,671)	(167,120)	(237,652)	(70,532)	70%	(2,636)	(164,484)	6240%
20 Gain (loss) on disposal of fixed assets	(826,591)	0	(826,591)	0	826,591	#DIV/0!	0	(826,591)	#DIV/0!
21 Capital outlay/Construction	3,942		3,942	(172,810)	(176,752)	-2%	0		
22 Grant reimbursements	(5,582,943)	11,210,645	5,627,702	8,474,950	2,847,248	66%	4,008,446	1,619,256	40%
23 Total nonoperating revenues (expenses)	(6,391,180)	11,044,974	4,653,794	8,103,488	3,449,694	57%	4,014,873	638,921	16%
24 Net income (loss) before operating transfers	(7,100,062)	11,044,974	3,944,912	7,640,028	3,695,116	52%	3,451,592	493,320	14%
25 Operating transfers in	76,696	3,367,000	3,443,696	76,696	(3,367,000)	4490%	523,735	2,919,961	558%
26 Operating transfers out(includes G&A)	(76,696)	0	(76,696)	(8,997,696)	(8,921,000)	1%	(76,696)	0	0%
27 Net income (loss)	(7,100,062)	14,411,974	7,311,912	(1,280,972)	(8,592,884)	-571%	3,898,631	3,413,281	88%
28 Add back depreciation expense	628,316		628,316	593,113	(35,203)	106%	574,903	53,413	9%
29 Net income (loss) adjusted for depreciation expense	(6,471,746)	14,411,974	7,940,228	(687,859)	(8,628,087)	-1154%	4,473,535	3,466,693	77%
30 Net position beginning of year	35,752,092	0	35,752,092	35,752,092			31,684,185		
31 Net position end of year	\$ 29,280,346	\$ 14,411,974	\$ 43,692,320	\$ 35,064,233			\$ 36,157,720		

Packet Information

File #: 2018-2202, **Version:** 1

Staff Report, Fuel Sales & Fuel History

John Ohrazda, Airport Manager

Committee Recommendation:



LEE'S SUMMIT MISSOURI

Date: October 1, 2018

To: Stephen A. Arbo, City Manager
Christal Weber, Assistant City Manager, Operations

Through: Dena Mezger, Director of Public Works *Dem*

From: John Ohrazda, Airport Manager

Sub: **Lee's Summit Municipal Airport October 2018 Staff Report**

Taxiway Alpha

As of October 1, 94% of the earthwork has been completed along with 100% of the hangar demo. Over 100% of the soil stabilization of the taxiway has been completed and 96% of the rock base has been put in place. The taxiway was opened to traffic on Aug. 28. Currently runway 18/36 is closed and expected to reopen in the middle of October. The taxiway connector for Alpha-3 is currently under construction. Taxiway connectors for Alpha, 1, 2, 4, 5 and Bravo have been completed. With the project nearing completion, a walk-through of the project is expected to take place on October 15.

Runway 18-36 Paving Project

Work on the rehabilitation of the Runway End Identifier Lights (REIL) for Runway 36 has been completed. Commissioning has been delayed again and a date for the flight check of the equipment by the FAA is unknown at this time. Current plans are still for the FAA to flight check the equipment within a week after the closure of Runway 18/36. At this time it appears to be early November.

Airport Incidents

No incidents to report.

Airport Inquiries & Noise Complaints

No inquiries to report.

Marketing and Advertising

The annual Ervin Early Learning Center Kids Fly Day event took place at the Airport on Thursday, September 28. There were approximately 500 youth that participated in this event. Take Flight Inc. helped sponsor the event so that kids could sit in various airplanes and look at a helicopter, fire trucks, police car and several other types of aircraft.



3-YEAR HISTORY - ALL FUELS					
				YEARLY DIFFERENCE	3-YEAR AVERAGES
MONTHS	FY-2019*	FY-2018*	FY-2017*	FY 19-18	FY's 19,18,17
July	20,212	17,083	14,658	3,129	17,318
August	20,076	16,239	15,653	3,837	17,323
September	20,453	14,439	14,438	6,014	16,443
October		15,190	15,734		
November		14,087	14,686		
December		11,764	11,919		
January		12,407	9,014		
February		9,289	9,915		
March		13,001	12,620		
April		16,971	7,126		
May		16,854	10,138		
June		21,819	16,685		
FISCAL YEAR END TOTALS		179,143	152,586	12,980	51,084
AVERAGE GALLONS/MONTH	20,247	14,929	12,716	5,318	15,964
CURRENT PACE FOR THE YEAR	242,964	179,143	152,586		
1st Qt	60,741	47,761	44,749		
2nd Qt.	0	41,041	42,339		
3rd Qt.	0	34,697	31,549		
4th Qt.	0	55,644	33,949		
*Note: Runway 18/36 was closed for re-construction in April-Late September 2017					
*Note: Runway 18/36 was closed due to construction Sept./Oct. 2018					
September 2018 Hangar Availability					
		Available	Occupied		
Enclosed Hangars		112	110	98%	
September 2018 Weather Recap					
		2018	2017	2016	
VFR		23	25	28	
IFR		3	2	1	
MVFR		4	3	1	

Packet Information

File #: 2018-2341, **Version:** 1

Election of Officers

In accordance with Code of Ordinances, Section 6-25 Chair; Vice-Chair

The Board, on or before December 1 each year, shall choose a Chair and a Vice-Chair from among the citizen members. The terms of the Chair and Vice-Chair shall be for one (1) year with eligibility for reelection.

(Code 1988, § 6-25; Ord. No. 4747, § 1, 3-18-1999)

Bob Hartnett, Deputy Director of Public Works