



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

Monday, October 9, 2017
7:00 PM
City Council Committee Room
City Hall
220 SE Green Street
Lee's Summit, MO 64063

1. CALL TO ORDER

The October 9, 2017 Board of Aeronautic Commissioners meeting was called to order by Chairman Townsend, at 7:03 p.m. at City Hall, 220 SE Green Street, in the City Council Committee Room. Notice had been 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.

2. ROLL CALL

- Present:** 6 - Chairperson Tom Townsend
City Council Liaison Craig Faith
Commissioner James Brady
Commissioner Ken Stremming
Commissioner Molly Waller
Commissioner Darryl Nelson
- Absent:** 3 - Commissioner Phil Mall
Commissioner Joseph Towns
Commissioner Paula Derks

3. APPROVAL OF AGENDA

A motion was made by Commissioner Stremming, seconded by Commissioner Brady, to approve the October 9, 2017 agenda as posted. The motion carried by a unanimous 6-0 vote (Commissioners Mall, Towns and Derks "Absent").

4. APPROVAL OF ACTION LETTER

A. Action Letter dated June 12, 2017.

A motion was made by Commissioner Stremming, seconded by Commissioner Waller, to approve the June 12, 2017 Action Letter as submitted. The motion carried by a unanimous 6-0 vote (Commissioners Mall, Towns and Derks "Absent").

5. PUBLIC COMMENTS

There were no public comments.

6. BUSINESS

A. AN ORDINANCE AUTHORIZING THE EXECUTION OF A MISSOURI
HIGHWAYS AND TRANSPORTATION COMMISSION STATE BLOCK GRANT

Board of Aeronautic Commissioners

Action Letter

October 9, 2017

AGREEMENT, BY AND BETWEEN THE CITY OF LEE'S SUMMIT, MISSOURI, AND THE MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION, GRANTING FEDERAL FUNDS IN THE AMOUNT OF \$6,234,005.00 TO RELOCATE, CONSTRUCT AND EXTEND TAXIWAY A, TAXIWAY LIGHTING AND SIGNAGE AT THE LEE'S SUMMIT MUNICIPAL AIRPORT. (PWC 10-17-17)

A motion was made by Commissioner Nelson, seconded by Commissioner Brady, that this Ordinance be recommended for approval to the City Council. The motion carried by a unanimous 6-0 vote (Commissioners Mall, Towns and Derk's "Absent").

- B.** AN ORDINANCE AUTHORIZING THE EXECUTION OF A MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION AIRPORT AID 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 \$346,333.00 TO RELOCATE, CONSTRUCT AND EXTEND TAXIWAY A, TAXIWAY LIGHTING AND SIGNAGE AT THE LEE'S SUMMIT MUNICIPAL AIRPORT. (PWC 10-17-17)

A motion was made by Commissioner Brady, seconded by Commissioner Stremming, that this Ordinance be recommended for approval to the City Council. The motion carried by a 6-0 unanimous vote (Commissioners Mall, Towns and Derks "Absent").

- C.** AN ORDINANCE AUTHORIZING EXECUTION OF MODIFICATION NO. 7 TO THE AGREEMENT WITH CRAWFORD, MURPHY AND TILLY, INC. FOR ON CALL ENGINEERING SERVICES FOR THE AIRPORT (RFQ 2015-300) IN THE AMOUNT OF \$503,453.17. (PWC 10-17-17)

A motion was made by Commissioner Nelson, seconded by Councilmember Faith, that this Ordinance be recommended for approval to the City Council. The motion carried by a 6-0 unanimous vote (Commissioners Mall, Towns and Derks "Absent").

- D.** AN ORDINANCE AWARDED BID NO. 17032172 TAXIWAY A RELOCATION AND EXTENSION IN THE AMOUNT OF \$6,042,123.06 TO MIDWEST HEAVY CONSTRUCTION LLC. AND AUTHORIZATION FOR THE CITY MANAGER TO ENTER INTO AN AGREEMENT ON BEHALF OF THE CITY FOR THE SAME. (PWC 10-17-17)

A motion was made by Commissioner Stremming, seconded by Councilmember Faith, that this Ordinance be recommended for approval to the City Council. The motion carried by a 6-0 unanimous vote (Commissioners Mall, Towns and Derks "Absent").

- E.** Airport Financial Report for the Year Ended June 30,2017

Darlene Pickett, Finance Controller, presented the financial report through June 2017. The Airport is being audited right now, for the annual financial

audit. An operating loss of \$551,303 includes operating revenues of \$1,293,485 with expenses of \$1,844,788. Non-operating items and transfers bring the net income to \$10,384,563. Removing the depreciation expense of \$574,903, the net income adjusted for depreciation is \$10,959,467. Grant reimbursements are \$10,586,587, so the difference would be \$372,880. Operating revenues came in 1% below budget. That was below revenues from last year about \$23,000 or 2%. Rental revenues for FY17 are exceeding budget by 9%, up 18% compared to prior years actual revenues. The hangars are full. Fuel revenues are below budget by \$78,000 or 12%, and down \$87,000 or 13% compared to FY16. Gallons are down 13,000 gallons or 8%. The Airport was closed from April 17 to May 9, and runway 18-36 was closed through Sept. A question was asked about the rental revenues, and if they were due to an increase in rates charged. Mr. Ohrazda, Airport Manager, said that the increase is because they budget at 96% occupancy due to turnovers and service orders. The occupancy has actually been up. Discussion ensued about occupancy.

Expenditures came in under budget \$24,000 or 1%. Salaries and supplies for resale (fuel) came in 9% or \$83,000 below budget. Other services and charges is under budget \$62,000 or 23% (for example fuel used in Airport vehicles and equipment, and fuel discounts). Maintenance and repairs alone was \$84,000 over budget due to painting, doors, electrical on Hangar 1 and transmission in a truck, new battery in the tug, and repairs on mowers. Utilities were over by \$20,000 mostly due to Hangar 1. Everything else expense wise was within 5% of budget (last 5 years shown on chart). Discussion ensued about a chart that was shown, detailing expenses.

This Report was received and filed.

F.

Staff Report, Fuel Sales & Fuel History

Mr. John Ohrazda, Airport Manager, stated the Fuel Sales and Fuel History have a new format. In FY17, the Airport budgeted at least a 20% reduction in fuel sales due to the runway construction. The months that were impacted are highlighted on the spreadsheet in blue. The Airport exceeded fuel sales from July to Sept, when runway 18-36 was closed, as compared to the previous two fiscal years when the runway was open. Fuel sales are actually 20% above. The activity of people coming to the Airport has grown. Bob Hartnett, Deputy Director of Public Works, reported that July was the second biggest month ever for fuel sales.

The criteria that we have to meet a thousand jet operations annually throws the Airport into two different categories: One is a stormwater permit, and the other is FAA criteria. We track every jet operation on a day-to-day basis. Commissioner Stremming asked a question about the stormwater requirements. Mr. Hartnett explained we now will be doing more environmental sampling, which is a higher expense. Mr. John

Ohrazda, Airport Manager, explained that for future fiscal years, there will be a proposed budget for environmental monitoring costs. On an annual basis the Airport will now have to do a sampling of outfalls. There are three criteria: 1) fuel sales; 2) de-icing on runways or aircraft; and 3) maintenance on vehicles. We now have additional outfalls. Tests will be done in Jan, Feb and March if any de-icing is done. Discussion ensued about de-icing and the longer runway. Mr. Hartnett explained that the Airport will have access to an automated liquid system this winter. More discussion ensued about this winter.

This Report was received and filed.

G. Election of Officers

A motion was made by Commissioner Brady, and seconded by Commissioner Waller, to nominate Phil Mall as Chairman and Ken Stremming as Vice-Chairman. The motion carried by a unanimous 6-0 vote (Commissioners Mall, Towns and Derks "Absent").

7. ROUNDTABLE

Use of the new runway was discussed. Citizens Leadership Academy begins in January, and discussion ensued about what is entailed with this group.

Commissioner Stremming commended the ribbon cutting ceremony and made a motion to recommend plaques for past Board Members, which was seconded by Commissioner Waller, and passed unanimously 6-0.

Discussion ensued about an Airport business plan. Mr. Bob Hartnett said the City would be requesting federal money on the NE terminal development area and design money for the centerpiece of taxiway Alpha.

There was also discussion about an Airport Owners & Pilots Association (AOPA) event that is wanting to come to the Airport in the future.

Mr. Hartnett discussed another possible contract with CMT for a new fuel farm at the Airport.

John Ohrzda, Airport Manager, stated that as a Board and staff we've done a better job of outreach events such as tenant open houses. A third one is Oct. 28, in Hangar 1 and the purpose is to share about the taxiway Alpha project. More discussion will be heard at the December meeting.

Mr. Ohrzda discussed the Sikeston, MO, runway extension sinking into pavement.

With the Lee's Summit Airport runway extended and open, there has been more advertising and articles featuring the Airport. There has been local

Board of Aeronautic Commissioners

Action Letter

October 9, 2017

newspaper and TV media coverage. Joel Arrington, Assistant Airport Manager, is at the National Business Aviation Association (NBAA) conference which features aviation booths and people from over 70 countries, to promote the Airport. There has been a lot of interest in the Airport for development opportunities.

The recent Take Flight event was a huge success with over 600 kids in attendance. A Federal Aviation Safety Team (FAST) event was discussed because attendance was very low. How to subscribe to those emails was discussed.

Commissioner Townsend thanked the Board for the opportunity to serve.

Mr. Bob Hartnett and Mr. John Ohrazda shared input from local businesses about use of the Airport. Discussion ensued about future possibilities for aircraft, including international jets and customers.

8. ADJOURNMENT

The October 9, 2017 Board of Aeronautic Commissioners meeting was adjourned by Chairman Townsend at 8:30 p.m. at City Hall, 220 SE Green Street, City Council Committee room.

For your convenience, City Council agendas, as well as videos of City Council and Council Committee meetings, may be viewed on the City's Internet site at "www.cityofls.net".