

April 29, 2024

The City Council of Scott City met in special session on the above date at 5:30 p.m. in City Hall.

Present were Mayor Everett Green, Council members Jeff Allen, Josh Gooden, Bo Parkinson, Barb Wilkinson, Adam Winter, Armando Tarango, City Attorney Jennifer Cunningham (by Zoom), City Administrator Brad Pendergast, and City Clerk Ruth Becker.

Mayor Everett Green introduced newly appointed Council member Greg Mills. Mayor Green asked that Council member Mills be sworn in. City Clerk Ruth administered the Oath of Office to Mr. Mills who then took his place at the Council table. Council members and others in attendance applauded Mr. Mills.

Others present were SCDC Executive Director Katie Eisenhour; Scott County Record Editor Rod Haxton; WTH Aviation Services, TQK FBO Warren Harkness; Airport Commissioner Randal Loder; and Yvette Mills, wife of newly sworn-in Council member Greg Mills.

Present for the opening of bids for the *Construct T-Hangars 2024* project at Scott City Municipal Airport (TQK) was Evans, Bierly, & Hutchison (EBH) Engineer Darin Neufeld. He began by announcing that he had received and opened two bids a short time prior to the start of the meeting to get all data onto a bid tabulation sheet for the Council to review prior to making any decisions regarding awarding a contract. He also explained that the bidding process asked for bidders to submit a base bid for a 6-bay hangar (including any necessary taxi lanes) along with 3 alternate bids for a 7-, 8-, and 9-bay hangar. Mr. Neufeld was pleased to report that the two contractors that submitted bids have both built hangars at TQK and they have both done good work. Contractors submitting bids were Building Solutions, LLC, and Quinter Manufacturing & Construction (QMC, Inc.). Addressing the bid tabulation form, Mr. Neufeld noted that the base bid and each of the alternate bids listed a “non-participating” line for which no FAA grant funds may be used. The City would need to pay these items at 100%. The “non-participating” portion of the bids is for a 5-foot drip edge/sidewalk around the hangar. Discussion at the table included: comparison between the Engineer’s Estimate and each of the bid amounts, the number of pilots on the waiting list for hangar space, that the City is awarded \$150,000 in FAA Entitlement Funds each year (the City can bank up to 5 years’ worth), that for each of 5 years (the City is on year 3), the City is awarded \$140,000 in Bi-partisan Infrastructure Law (BIL) funds, the fiscal year during which funds are most likely to be expensed, the fund balance in the Airport Sinking fund and the Airport Enterprise fund, whether the rent being charged for the current hangar is in line with similar-sized airports in our region, that the supplier for both contractors (Erect-A-Tube) will likely not have materials available for 4-6 months, and that all materials in the project must be made in America. Mayor Green asked Council member and Airport Commission member Jeff Allen for his input on the number of bays the Airport Commission felt were needed. Mr. Allen indicated that the Commission had expressed a need for an 8-bay hangar. From the audience, Airport Commission member Randal Loder concurred that the consensus of the Commission was to recommend an 8-bay hangar. EBH Engineer Darin Neufeld took the opportunity to point out that, no matter the number of bays the City chooses for the hangar, QMC, Inc. submitted the low bid for the base bid and each alternative. The City Council discussed the total cost of \$1,132,000 for an 8-by hangar

as submitted by QMC, Inc., with FAA grant funds covering the participating costs of \$1,121,170 at 90% (\$1,009,053) and City funds covering the remainder at 10% (\$112,117) plus all non-participating costs (\$10,830). Mr. Neufeld noted that this figure does not include any engineering fees. The original contract between EBH and the City has the City obligated to pay \$60,000 in design engineering fees. However, with additional requirements from the FAA, Mr. Neufeld provided *Contract Amendment No. 1* to be addressed at the May 6, 2024, Council meeting. The amendment provides for payment of up to \$75,000 for inspection engineering fees and an additional \$10,000 for closeout services. The maximum total cost to the City for the *Construct T-Hangars Project 2024*, would be \$229,000. City Administrator Brad Pendergast noted that, currently, there is \$383,000 in the Airport Sinking fund and that the City levies 4% in taxes into that fund each budget year. In addition, there are also funds available in the Airport Enterprise fund that could be used to supplement the Airport Sinking fund to meet the FAA cost share requirement for the project.

Motion by Jeff Allen seconded by Josh Gooden to accept the bid from QMC, Inc. to build an 8-bay hangar, at a total cost of \$1,132,000, with FAA grants covering \$1,009,053 and the City's cost share obligation to be \$122,947, contingent upon further FAA review and approval. Vote – Unam.

Regarding engineering fees to be discussed at the May 6, 2024, meeting, the proposed total cost of fees is a maximum of \$145,000. If *Contract Amendment No. 1* is approved at that time, total remaining FAA funds of \$38,947 would be applied toward the federal grant, and \$106,053 will be the City's responsibility.

With hangar costs and engineering costs, the FAA grant will cover \$1,048,000 (the total grant amount available) and the City's out-of-pocket cost toward the *Construct T-Hangar Project 2024* will be \$229,000. Final consideration for this portion of the project will be take place at the May 6, 2024, Council meeting.

Motion by Adam Winter seconded by Armando Tarango to adjourn at 5:59 p.m. Vote – Unam.

Everett M. Green
Mayor

Ruth Becker
City Clerk