

**DECEMBER 8, 2022
AIRPORT COMMISSION MEETING
ADDITIONAL MATERIALS**

REQUESTED REVISIONS TO THE AGENDA/PACKET:

<u>ACTION</u>	<u>ITEM</u>	<u>REQUESTED BY</u>
Add Item 11.b	Informational Item – Ordinance XXXX-2022 - Increasing Estimated Revenues and Appropriations in the Airport Special Revenue and Airport Improvements Capital Project Funds and Authorizing the Procurement of Airport Snow Removal Equipment.	Airport Manager



**CITY OF KENAI
ORDINANCE NO. XXXX-2022**

AN ORDINANCE INCREASING ESTIMATED REVENUES AND APPROPRIATIONS IN THE AIRPORT SPECIAL REVENUE AND AIRPORT IMPROVEMENTS CAPITAL PROJECT FUNDS AND AUTHORIZING THE PROCUREMENT OF AIRPORT SNOW REMOVAL EQUIPMENT.

WHEREAS, Resolution 2022-18 adopting the City’s Capital Improvement Plan for Fiscal Years 2023 – 2027 included the purchase of two Runway Broom Replacements; and,

WHEREAS, the Kenai Municipal Airport (ENA), Airport Improvement Program (AIP) Entitlement Funds balance through federal fiscal year 2023 is \$2,350,000; and,

WHEREAS, the ENA Airport Capital Improvement Program in coordination with Federal Aviation Administration (FAA) has programmed the replacement of two pieces of Snow Removal Equipment (SRE) in federal fiscal year 2023; and,

WHEREAS, the Airport anticipates federal AIP funding to replace two pieces of SRE by May 2023; and,

WHEREAS, the Airport anticipates federal AIP funding to be 93.75% of eligible costs; and,

WHEREAS, the Airport will fund the remaining 6.25% of eligible costs; and,

WHEREAS, current manufacturer lead times exceed 365 days; and,

WHEREAS, the State of Alaska Contract Award CA2284-21 allows for Alaska political subdivisions to cooperatively purchase from this contract; and,

WHEREAS, the estimated cost for each piece of equipment excluding shipping from Seattle to ENA is \$816,000; and,

WHEREAS, the estimated cost of shipping all equipment from Seattle to ENA is \$80,000; and,

WHEREAS, approval of this Ordinance is in the best interest of the Airport and the City.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, AS FOLLOWS:

Section 1. That the City Manager is authorized to execute an Agreement with M-B Companies, Inc. in the amount of \$1,720,000.

Section 2. That the following budget revision is authorized:

Airport Special Revenue Fund:

Increase estimated revenues –	
Appropriation of Fund Balance	<u>\$1,720,000</u>

Increase Appropriations –	
Transfer to Airport Improvement Capital Project Funds	<u>\$1,720,000</u>

Airport Improvement Capital Fund:

Increase Estimated Revenues –	
Transfer from Airport Special Revenue Fund	<u>\$1,720,000</u>
Increase Appropriations –	
ENA Snow Removal Equipment	<u>\$1,720,000</u>

Section 3. Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.

Section 4. Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect immediately upon enactment.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 21st DAY OF DECEMBER, 2022.

 Brian Gabriel Sr., Mayor

ATTEST:

 Michelle M. Saner, MMC, City Clerk

Approved by Finance: _____

Introduced:	December 21, 2022
Enacted:	January 04, 2023
Effective:	January 04, 2023



KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

MEMORANDUM

TO: Mayor Gabriel and Council Members
THROUGH: Paul Ostrander, City Manager
FROM: Eland Conway, Airport Manager
DATE: December 6, 2022
SUBJECT: **Ordinance No. XXXX-2022 – INCREASING ESTIMATED REVENUES AND APPROPRIATIONS IN THE AIRPORT SPECIAL REVENUE AND AIRPORT IMPROVEMENTS CAPITAL PROJECT FUNDS AND AUTHORIZING THE PROCUREMENT OF AIRPORT SNOW REMOVAL EQUIPMENT**

The purpose of this memo is to request Council's approval to appropriate funds to enter into an agreement with M-B Companies, Inc. for the procurement of two pieces of airport Snow Removal Equipment (SRE). Both pieces of equipment were programmed in the City of Kenai FY 2023 – 2027 Capital Improvement Plan adopted by Council through Resolution 2022-18.

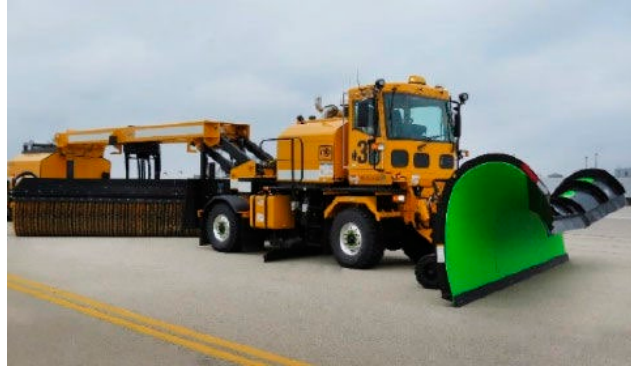
Through the FAA Airport Improvement Program (AIP), the airport has carried over a balance of entitlement funds in the amount of \$2.35M as of federal FY2023. These funds are earmarked for these two pieces of SRE and expected to be made available to the Airport by May 2023.

Current lead times for the MB2 multi-tasking snow removal chassis with cradling broom exceed 365 calendar days. Appropriating airport funds will allow the airport to enter into an agreement with M-B Companies, Inc. in advance of FAA funding, and allow the airport to receive the SRE in a reasonable amount of time for use next winter.

Historically the airport has appropriated funds to expedite/facilitate AIP projects and generally received reimbursement prior to project completion or upon project closeout.

On May 1, 2021 the State of Alaska awarded a contract (CA2284-21 Amendment 1) to M-B Companies, Inc. for the purchase of Tractors and Towed Cradling Brooms. This contract allows other Alaska political subdivisions to cooperatively purchase from the resulting contract. The contract does not include shipping from Seattle to Kenai, these shipping costs have been estimated based on recent SRE shipping costs.

Your consideration and support is respectfully requested.



Qty.	Description	Total		FAA Grant Funding (93.75%)	\$ 1,604,946
2	MB2	\$ 1,631,943		Airport Funding (6.25%)	106,997
2	Shipping - Seattle to Kenai (Estimated)	\$ 80,000			
	Total Estimated Cost Delivered	<u>\$ 1,711,943</u>			

