



AGENDA MEMORANDUM

First Reading Item for the City Council Meeting of March 8, 2016
Second Reading Item for the City Council Meeting of March 29, 2016

DATE: January 29, 2016
TO: Ronald L. Olson, City Manager
FROM: Fred Segundo, Director of Aviation
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Replacement of mesh fabric for covered parking canopy at Corpus Christi International Airport

CAPTION:

Ordinance appropriating \$178,000 from the unreserved fund balance in the No. 4610 Airport Fund for replacement of the covered parking canopy fabric and hardware at the Corpus Christi International Airport ("Airport"); amending the FY2016 Operating Budget adopted by Ordinance No. 030620 to increase expenditures by \$178,000; and authorizing the City Manager or designee to execute an agreement for \$177,132 with USA Shade & Fabric Structures for this turnkey project at the Airport.

PURPOSE:

As a result of recent weather events including high winds, the fabric on the covered parking fabric sustained three substantial tears. Based on cost and remaining economic life of the fabric, Airport Staff is recommending total replacement of the fabric rather than partial repairs.

BACKGROUND AND FINDINGS:

The Covered Parking Lot structure at Corpus Christi International Airport was installed during the summer of 2004 at a contract price of \$1,143,095 by Sun Port International now known as USA Shade & Fabric. The Covered Parking Lot provides shade for airport customer's vehicles with 321 available slots. The Covered Lot annually generates approximately \$800,000 of revenue and is a popular feature for customers particularly during the summer months.

As a result of our customer's demand for covered parking, Airport Staff is working with Republic Parking and our business development team to determine possible funding options for expansion of the Covered Parking Lot. Restructuring of the parking rates could provide some of the funding. Airport Staff will present recommendations to the City Council at a future date.

ALTERNATIVES:

No viable alternative exists to the recommended funding option. The Federal Aviation Administration (FAA) considers the project to be major maintenance and thus not eligible for federal funding. Airport Staff discussed financing options with the City's Treasury Department. The Treasury and Legal Departments determined that provisions of the current lease financing agreement with Frost Bank would

not allow for this project to be approved. The only option would be to delay or defer the project which could cause further deterioration / damage of the fabric resulting in customer service issues and revenue loss.

OTHER CONSIDERATIONS:

Not Applicable

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

Purchasing
Legal
Financial Services
Management and Budget

FINANCIAL IMPACT:

☒ Operating ☐ Revenue ☐ Capital ☐ Not applicable

Fiscal Year: 2015-2016	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget		\$10,085,835		\$10,085,835
Encumbered / Expended Amount		0		0
This item (<i>additional revenue</i>)		\$178,000		\$178,000
BALANCE		\$10,263,835		\$10,263,835

Fund(s): Airport Fund - 4610

Comments: None

RECOMMENDATION:

Staff recommends approval of the ordinance as presented.

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Service Agreement