

Item #: 32a  
 Date: 8/25/15

**COUNCIL ACTION FORM**

**SUBJECT: APPROVAL OF REVISED SCHEMATIC DESIGN FOR AIRPORT TERMINAL BUILDING**

**BACKGROUND:**

On July 14, 2015, staff presented a report updating City Council on the status of the funding for the Airport Terminal Building and Hangar project. Staff presented the probable opinion of cost by Connico, a third party cost estimator, and based upon the original schematic design of a 6,985 sq. ft. building at approximately \$285/sq. ft., total costs were projected to be \$1,987,500 (see **Attachment 1**). After this more detailed cost evaluation was performed, there was found to be an estimated shortfall in funding of \$750,000. City Council directed staff to move forward to increase the City and Iowa State University contribution each by \$250,000 (\$500,000 total) and to reduce the scope of the project by \$250,000. Below is a summary anticipated revenues and expenditures to date:

<b><u>Revenues</u></b>		<b><u>Expenditures</u></b>	
G.O. Bonds	\$ 867,000	Site Work Design	\$ 140,000
Bonds (ISU Backed)	\$ 943,000	Site Work Construction	\$ 772,000
Federal	\$ 450,000	Terminal Design	\$ 260,000
State	\$ 150,000	Terminal Construction/FFE	\$ 1,738,000
	<hr/>	Total Expenditure =	<hr/>
	\$ 2,410,000		\$ 2,910,000
<b><u>Additional Revenue</u></b>			
Local Option Sales Tax	\$ 250,000		
ISU Funding	\$ 250,000		
Total Revenue =	<hr/>		
	\$ 2,910,000		

It should be noted that the new estimated cost for construction of \$1,738,000 could be adjusted upwards or downwards when the bids for the terminal are received. It is important to note that this is an only estimate due to the fact that the Terminal Building itself will still need to go through final design and be bid before actual costs can be known.

Since the July 14<sup>th</sup> meeting staff have been working with Allliance, the City's design architect, to reduce the scope of the building by \$250,000 in value while still trying to have a viable facility. Generally, the reduction would follow two principles; 1) to identify areas that could be temporarily taken out of the new terminal building and located in the existing terminal (4600 sq. ft.), and 2) to maximize the ability to expand the terminal in the future in the most cost effective way possible (see **Attachment 2**). Therefore, Alliance has proposed a new reduced building footprint of 5,358 sq. ft. that tries to

maintain the core airport services needed in the new terminal. This is approximately a 1,600 sq. ft. reduction, or approximately a 23% smaller facility (see **Attachment 3**).

The revised estimated budget of \$1,738,000 for terminal construction now reflects a \$320/sq. ft. cost. The Architects believe this increase in square footage cost from the original design is due to the fact that a smaller building will have less economies of scale as there is still the need for the structure and foundations of a building, and that the utilities of the reduced building are still sized to accommodate a larger building in anticipation of future expansion.

It should be noted that a future expansion of the terminal would add back the 1,600 sq. ft. (see **Attachment 4**). However, there would need to be additional funding in the future to account for inflation and for design (plus contingency). Staff developed a budget estimate for both 5-years and 10-years in the future when the City might choose to move the airfield lighting control equipment out of the basement of the existing terminal, demolish the existing terminal, and build an expansion on the eastside of the new terminal. The future estimates assume 5% inflation per year for construction costs and that the City will need to secure a new design contract and bid documents. **It should be emphasized that the higher costs in the future also include the additional expense to demolish the FBO spaces (office, kitchen, line crew) shown in the east side of the building (in attachment 3) and rebuild them into the future expansion.**

	<u>5-Year Estimate</u>	<u>10-Year Estimate</u>
Electric Vault Relocation	\$ 367,000	\$ 469,000
Demo Existing Terminal	\$ 77,000	\$ 98,000
1,600 sqft Expansion	\$ 653,000	\$ 834,000
<b>Construction Subtotal=</b>	<b>\$ 1,097,000</b>	<b>\$ 1,400,000</b>
Design (15%)	\$ 165,000	\$ 210,000
Contingency (10%)	\$ 110,000	\$ 140,000
<b>Grand Total =</b>	<b>\$ 1,372,000</b>	<b>\$ 1,750,000</b>

The Airport Terminal Building Focus Group has also been given the revised schematic designs in to provide their preliminary feedback on the proposed reduction. To summarize the discussion, the Focus Group appreciates the compromises needed in order to meet budgetary constraints of the project.

Their first concern relates to the day-to-day feasibility of having Fixed Based Operator (FBO) staff and services split between a new facility and the existing terminal. In an effort to minimize this impact it is being proposed that the flight training and vehicle rental car functions be located in the existing terminal along with non-vital FBO office space. This will allow the enhanced pilot areas, meeting/lobby space, and primary FBO customer service functions to be located in the new facility.

The second concern relates to the conference room space being shown as training/multipurpose space. However, this room ultimately can be used as conference

space or for other purposes, and will be furnished and finished using the same level of quality expected throughout the new terminal building.

**ALTERNATIVES:**

1. Approve the revised schematic design for the new Airport Terminal Building which reflects a reduction in square footage from 6,970 square feet to 5,358 square feet (as shown in Attachment 3) with most of the reduction coming from the reception and training areas, and direct Alliance to develop plans and specifications for the new terminal building based on this modified schematic design.
2. Approve the current schematic design for the new Airport Terminal Building at 6,970 square feet (as shown in Attachment 1).

This alternative would require staff to identify additional funding before developing final plans and specifications based on the current schematic design.

3. Direct staff to pursue alternative modifications to the schematic design, including any specific direction from City Council.
4. Refer this matter back to the City staff to develop alternatives to the schematic design.

This alternative would require the City to reject the site preparation bids and delay the construction of the itinerant hangar and terminal building for a year.

**MANGER'S RECOMMENDED ACTION:**

The revised schematic design for the new Airport Terminal Building is anticipated to assure a facility that is able to 1) accommodate the minimum required services for the Ames Airport, 2) finance the project within the available revenue, and provide the opportunity to expand the facility in the future in order to meet the anticipated growth of general aviation in the Ames area.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.

# Schematic Design

## Ames Municipal Airport New Executive Terminal



### Scheme 'B' Plan Square Footages

Passenger Lobby / Lounge	2,364 sf
FBO Offices	540 sf
Training / Multi-Purpose	660 sf
Reception / Copy-File / Food Prep / Line Crew	456 sf
Restrooms / Janitor	467 sf
Storage	95 sf
Vending	30 sf
Cafe	38 sf
Pilot Area	1,092 sf
Conference	380 sf
Business Center	110 sf
Mechanical / Electrical / Communications	270 sf
Circulation / Vestibules	468 sf
<b>Total Building SF</b>	<b>6,970 sf</b>

### Plan Key of Program Categories

- Public
- Conference / Meeting
- Training / Multi-Purpose
- Administration / Building Operation
- Pilot Area
- Leasable Office Space
- Mechanical / Restroom / Utility / Storage

Terminal Building - Scheme 'B'



# Schematic Design Ames Municipal Airport New Executive Terminal



### Scheme 'B' Plan Square Footages

Passenger Lobby / Lounge	2,364 sf
FBO Offices	540 sf
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Reception / Copy-File / Food Prep / Line Crew	456 sf
Restrooms / Janitor	467 sf
Storage	95 sf
Vending	30 sf
Cafe	38 sf
Pilot Area	1,092 sf
Conference	380 sf
Business Center	110 sf
Mechanical / Electrical / Communications	270 sf
Circulation / Vestibules	468 sf
<b>Total Building SF</b>	<b>6,970 sf</b>

### Plan Key of Program Categories

- Public
- Conference / Meeting
- Training / Multi-Purpose
- Administration / Building Operation
- Pilot Area
- Leasable Office Space
- Mechanical / Restroom / Utility / Storage

Areas Revised per  
Scheme 'B-1'

Terminal Building - Scheme 'B'



Scheme 'B-1' Plan Square Footages

Passenger Lobby / Lounge	1,896 sf
FBO Offices	144 sf
Training / Multi-Purpose	497 sf
Reception / Kitchen / Line Crew	368 sf
Restrooms / Janitor	467 sf
Storage	58 sf
Vending	30 sf
Cafe	38 sf
Pilot Area	1,092 sf
Conference ( <b>Eliminated</b> )	0 sf
Business Center	30 sf
Mechanical / Electrical / Communications	270 sf
Circulation / Vestibules	468 sf
<b>Total Building SF</b>	<b>5,358 sf</b>

Plan Key of Program Categories

- Public
- Conference / Meeting
- Training / Multi-Purpose
- Administration / Building Operation
- Pilot Area
- Leasable Office Space
- Mechanical / Restroom / Utility / Storage

Terminal Building - Scheme 'B-1'





Scheme 'B-1' Plan Square Footages

Passenger Lobby / Lounge	.....	1,896 sf
FBO Offices	.....	144 sf
Training / Multi-Purpose	.....	497 sf
Reception / Kitchen / Line Crew	.....	368 sf
Restrooms / Janitor	.....	467 sf
Storage	.....	58 sf
Vending	.....	30 sf
Cafe	.....	38 sf
Pilot Area	.....	1,092 sf
Conference (Eliminated)	.....	0 sf
Business Center	.....	30 sf
Mechanical / Electrical / Communications	.....	270 sf
Circulation / Vestibules	.....	468 sf
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<b>Total Building SF</b>	.....	<b>5,358 sf</b>

Plan Key of Program Categories

- Public
- Conference / Meeting
- Training / Multi-Purpose
- Administration / Building Operation
- Pilot Area
- Leasable Office Space
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Terminal Building - Scheme 'B-1' Future Expansion