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# Memorandum

**Date:** 5/5/2020  
**To:** Mayor Brad Schumacher and the City Council  
**Copy to:** File  
**From:** Alex Goerke, PE  
**RE:** Taxiway Reconstruction Project Grant Application and CARES Act

## Remarks

### **CARES Act:**

On April 14, the FAA held a briefing about the recently released \$10 Billion for airport sponsors. Princeton Municipal Airport is eligible for both an increase to the Federal Share to 100% for 2020 AIP grant – taxiway reconstruction project and is also eligible for a \$30,000 grant which can be used for any purpose for which airport revenues may lawfully be used.

### **Taxiway Reconstruction Project Bid Results:**

Bids for the taxiway reconstruction project were opened at 2pm on April 23, 2020. The lowest bidder was Kraemer Excavating at \$945,463.51.

3 bids were received:

Kraemer Excavating Inc: \$945,463.51  
Knife River Corporation: \$1,041,765.81  
Meyer Contracting Inc: \$1,195,224.25

### **Taxiway Reconstruction Project Cost Breakdown:**

Federal Share: \$1,033,606.28  
State Share: \$92,299.34  
Local Share: \$30,766.45  
Total Project Cost: \$1,156,672.06

Attached is the completed bid tab and a project cost breakdown for your review.

### **Taxiway Reconstruction Project Grant Application:**

The grant application has been prepared and includes the following engineering items for consideration that are needed to move the project forward:

1. Grant Request Letter
2. Scope and Fee Negotiation Letter – This states that the IFE concluded KLJ's fees were reasonable and any needed negotiations took place.



3. Detailed Fee Analysis Letter – This details the timeline in which the IFE was performed
4. KLJ Task Order 5 – This is the agreement with KLJ to perform construction administration, construction observation, and quality assurance testing for the project.

**Independent Fee Review:**

According to FAA rules, contracts exceeding \$100,000 need to have an independent fee review performed. HDR completed their review and found their cost to perform the work to be \$196,841.46. KLJ's cost to perform the work is \$197,208.55. These costs are within 10% of one another and are acceptable by the fee review guidelines.

**FAA Reimbursable Agreement for the Commissioning Flight Inspection:**

Part of the runway project includes a special flight by the FAA to commission the navigational aids that are being installed with the project. This cost is included in the runway grant but requires a separate agreement between the FAA and the City of Princeton.

**Notice to Proceed:**

The Runway reconstruction project is set for the runway closure to begin on May 20, 2020. 70 calendar days are planned for the project ending on July 29, 2020.

**Action Items:**

1. KLJ is recommending that the City of Princeton apply for the 2020 federal grant with construction being completed by Kraemer Excavating for a price of \$945,463.51 and a total project cost of \$1,156,672.06.
2. KLJ is recommending that the 4 documents listed above are signed and included with the grant.
3. KLJ is recommending that the Commissioning Flight Inspection agreement be executed when it's received from the FAA.
4. KLJ is recommending that the City of Princeton issue the Notice to Proceed to Minnesota Paving and materials so that they can begin construction with a runway closure start date of May 20, 2020 and the 70-day runway closure ending July 29, 2020.

These 4 items have been discussed by the Airport Advisory Board which is in full support of the City proceeding as recommended.

Please let me know if there are any questions.

Thank You,

A handwritten signature in blue ink, appearing to read 'Alex Goerke'.

Alex Goerke, PE

[Alex.goerke@kljeng.com](mailto:Alex.goerke@kljeng.com)

651-726-5017

Attachments: Bid Tab, Project Cost Breakdown, Grant Request Letter, Scope and Fee Negotiation Letter, Detailed Fee Analysis Letter, KLJ Task Order 5, HDR Fee Review