

Boards agrees to enter into contract

The contract is with Hanson Professional Services and is to begin new ramp design

By **NICK MARIANO**

nick.mariano@register-news.com

MT. VERNON — Mt. Vernon Outland Airport Authority commissioners took one step forward Tuesday toward developing the southwest quadrant of airport property but tabled action on another move over financing concerns.

The Board of Commissioners agreed unanimously to enter into a contract with engineering firm Hanson Professional Services of Springfield to begin design of a new ramp for the area being called Innovation Park.

"This gets Hanson started on the design ramp site," Airport General Man-

see AIRPORT/Page 3A

AIRPORT

continued from 1A

ager Chris Collins said of the federal, state and local project, estimated to break ground for construction in June. The local share of the \$585,000 project is about \$29,250 paid through an earlier bond issue; the remainder will be paid by the Federal Aviation Administration and the Illinois Department of Transportation.

However, at Collins' request, commissioners agreed to table a decision on whether to enter into a \$23,500 architectural contract for work on the hangar portion of the project because of concerns over financing for the entire \$360,000 hangar.

The authority is using local tax funds to pay for the ramp but is seeking other financing for the hangar that it will pay through airport fees and sales. Originally, Collins said he and his team explored a loan with the United States Department of Agriculture and received the terms but decided to try a loan with a local bank under those same terms or something close to them.

Collins told commissioners that, despite negotiating for a 30-year fixed rate loan from People's National Bank for two months, he received a letter of agreement from the bank Tuesday for a 10-year fixed rate loan to be paid over 25 years, leaving the question of how the rate would change past the first decade of the loan.

"I don't know if we call it a balloon or adjustable rate ... but those are certainly not terms that relate to fixed," Collins said. "That was the whole idea of going to a fixed rate so we could attach it to our budget and have a fixed cost every month to pay. So, I don't feel comfortable inking a contract for architecture without a stable funding source at this time."

No representatives from the bank attended the night meeting.

Commissioner Galen Monk noted the airport authority would still owe roughly \$290,000 after the first 10 years of the loan at 3 percent interest. Not knowing whether the bank would require full payment of the principle at that time or just what would happen to the interest would be a mistake, he said.

"We just can't do that," Monk added.

Commissioners agreed to give Collins an additional 30 days to explore other options with the bank or to seek funding for the project elsewhere, including the USDA. Acknowledging the USDA terms would be a "great deal," Collins said his only concern with a USDA loan is it would slow the project down by months, though it would keep construction of the hangar ahead of the ramp as desired by the Illinois Department of Transportation before it releases any funds.

In other business commissioners:

■ Received an update on the replacement of all airport radios to meet new FAA guidelines to reduce bandwidth frequencies at airports by Jan. 1. Collins told commissioners that the federal government is likely to pay half to two-thirds of the total \$10,000 to \$15,000 cost for radios used for emergency and rescue communications but that authority would be responsible for the remaining cost. No action was taken;

■ Agreed to put out for bid the airport's property and equipment insurance

plan and to seek contract options for both a one-year and three-year commitment;

■ Discussed replacement of doors at the terminal including automatic, electric doors at the main entrance that are as old as the 1975 building. There was consensus that the project would be expensive — Chairman Greg Martin estimated that to replace just one of the doors would cost \$10,000 — but that it is something that must be done. "I'm ashamed of them," Commissioner Mike Ancona said and

■ Agreed to allow the Small Business Council of the Jefferson County Chamber of Commerce to use one of the airport's hangars for a home show convention on Feb. 9 and 10. Council Vice President Paul Lynch and chamber Executive Director Brandon Bullard explained the home show would feature about 50 vendors and that the airport venue is a first choice because of its size, access to parking and other amenities. They also said the Council and Chamber would help with clean-up and with paying for electricity. 9-12-12