

## AVIATION BOARD BACKGROUND LETTER

**Aviation Board Meeting Date:** November 15, 2021

**To:** Chair Richmond and Aviation Board Members

**Cc:** Mitch Reynolds, Mayor

**From:** Ian Turner, Director of the La Crosse Regional Airport

**Subject:** 21-1602 – Resolution allocating an additional \$120,500 to Capital Equipment  
Project 20-038 – Information Technology Equipment

### Summary:

The Aviation Board and Common Council approved the 2020-2024 Capital Equipment Budget that included project 20-038 – Information Technology Equipment. The budgeted amount for this acquisition was \$60,000. Required equipment exceeds the available budgeted dollar figures and additional funding is necessary.

### Previous Action:

The Aviation Board approved the 2020-2024 airport capital equipment budget by item 19-0222. The Common Council approved the amended City of La Crosse Capital Equipment Budget by Resolution 19-0959.

### Background:

The original intent of this project is unknown as it predates current airport staff. Presumably, the intent sought to add capacity to airport server storage related to the addition of the airport car wash. As airport staff worked with the Department of Information and Technology, it became clear the project scope needed to expand due to the age of existing servers. Existing servers operate with software and hardware that is at, or near, its end of life. Adding storage capacity to existing servers in this situation is not advisable.

To purchase new servers and necessary equipment, the total cost is estimated at \$163,776. Many vendors are warning of frequent material and cost changes driving equipment cost fluctuations. In addition to material cost fluctuations, ancillary equipment related to these servers is anticipated to need attention and is currently unknown. For these two reasons, a contingency of approximately 10% is recommended to be included. The total cost is anticipated to not exceed \$180,500.



In addition, this resolution proposes to move the funding source for this project. Due to business activity levels through 2020 and 2021, adjustments are required to best utilize available funding for allowable expense. This resolution changes the funding source for this project from Airport Operating Funds to Customer Facility Charges. Customer Facility Charges are allowed to fund this type of work and sufficient funding is available.

**Financial Implications:**

\$60,000 of Airport Operating Funds (Fund 600) will be returned. The original \$60,000 and the \$120,500 in additional funds are available in the Customer Facility Charges fund balance (Fund 6056040).

**Stakeholder Process:**

This item was included in the 2020-2024 Capital Equipment Process. The additional funding is before the Aviation Board for action prior to going to Common Council Standing Committees and the Common Council.

**Alternatives:**

1. The resolution could be denied and the project will proceed in a limited manner.
2. The resolution could be amended with direction to staff.

**Staff Recommendation:**

It is the recommendation of staff to approve the resolution.

**Attachments:**

None

