

CITY OF WICHITA
WICHITA AIRPORT ADVISORY BOARD

MINUTES

Tuesday, September 4, 2001 - 2:08 p.m.

Present: Dion Avello, Tim Austin, Bill Calloway, Dave Murfin, Don Slawson, Jay Swanson, Carrie Williams

Absent: Charles Bouilly, Beth Garrison, Carl Harris, Dorothy McKay

City Staff: Chris Cherches, Ernie Garcia, Doug Moshier

Airport Staff: Bailis Bell, Steve Flesher, Jean Zoglman, Valerie Wise

Chairman Avello called the meeting to order.

Other Business

The City Manager was present at the meeting to address the concerns of the Wichita Airport Advisory Board. One of the Board's concerns is its charter. Cherches referred to the Resolution that was established when the Airport Advisory Board was created. The Resolution sets forth the responsibilities of the Board and the work plan. An Air Service Task Force was established by City Council to deal with the air service component of that work plan. Once that Task Force achieves the purpose of bringing low fares into this community, it will go away, and the Airport Advisory Board will deal with air service issues. The Airport Advisory Board is welcome to attend the Mayor's Air Service Task Force meetings. Staff will inform the Board when the next meeting will be held.

Included in the work plan is the master plan update project, and consideration of an aviation related industrial park. Cherches stated that selection of a consultant to develop the master plan has been delayed. The capital improvement program and maintenance program will coincide with the master plan as far as long-term improvements and evaluation of maintenance standards.

A long-term strategic, financial plan for the airport is another item on the work plan. This would include examining not only the industry standards in other airports but review of key revenue sources.

A customer service survey was outlined in the work plan. Tenants and patrons of the airport should be surveyed.

The Board should also review the airport leasing policy and long-range objectives, what should be accomplished in those areas, and determine if the terms and conditions are what they should be now and in the future. City Council felt that all the airport leases should be reviewed occasionally. Bell stated the federal government has guidelines that must be followed in airport leasing policies.

The master plan project has been delayed one and one-half years. When the City Council decided to expand upon the terminal remodel project, the master plan project was halted in order to have one consulting firm do both projects. The two previous Requests for Proposals have been consolidated into one and will be publicized this week. It is hoped that a consultant will be selected by the first week of October. The consultant will need to determine if the terminal can be reconstructed or remodeled. That will depend on the long-range goals of the airport. The master plan will take about 18 months. The Board will be working on various issues in the master plan project at every meeting. The FAA grant for these projects has been shifted to a project that is planned for next year.

It was commented that in order to develop a long-range plan that had credibility, there needs to be a good increase passenger traffic numbers. One of the first things addressed in the master plan are the projections, either passengers or airplanes, and what type of facility is needed. There was discussion relating to how a terminal remodel would increase passenger traffic.

Cherches stated that land acquisitions should be decided upon upfront. Land for aviation industrial parks and for protection of the airport need to be a priority. It was suggested that land should be purchased immediately rather than waiting for the master plan.

In response to Avello's question, Cherches agreed that the Board should set an agenda and pursue it, and not to wait for the master plan. Discussions pertaining to land acquisitions must be held in executive session. Potential land acquisitions should be prioritized, as there are limited dollars each year. Cherches suggested that the Board should determine what is most critical for the long-range protection of this airport, and what lands should be considered over the next several years for other uses, keeping in mind the possibilities of financing.

There are policy issues to be addressed, such as should the airport be involved in the industrial park business. The City Council will want the Advisory Board to discuss that issue. The question the City Council is dealing with is should the City have industrial land that is equipped with utilities and ready to be offered to new industries. Bell stated that he has requests in for the City to buy every piece of land that is called for in the master plan.

Although the Airport Advisory Board has no operational responsibilities, the Board can make as many recommendations as they wish. It was suggested that with the airport's large asset base, it would be in the City's best interest not to have operational responsibility for the airport and let it return to the Board. It was Cherches' view that this

governing body would not consider it. Cherches commented that the City Council absolved the former Wichita Airport Authority because it wanted more direct involvement in some of the long-term decisions as it impacts other areas of the City. At the time the City was not in general agreement with the philosophy being exhibited by the former Board. Slawson stated there are ways of dealing with that, and that the pendulum might swing too far in that it may be difficult to attract qualified people to serve on a board like this. When asked if there is a reason for this board to exist when the City makes all the decisions, Cherches stated that if this Board did not exist, the City would establish a task force to work with the master plan consultant.

The Design Council is involved in all public improvement projects where public funds are involved. Its function is to review all projects to ensure that proper attention is given to the amenities and make recommendations. The Council includes architects, landscape architects, engineers, and artists. Regarding the terminal remodel project, the Design Council will review the decisions made by the Airport Advisory Board. It will make conceptual suggestions but will not preempt the ideas from the Airport Advisory Board.

Approval of Minutes

Austin moved to approve the minutes of the August 6, 2001 Wichita Airport Advisory Board meeting. Motion carried unanimously.

Sabre Air Service Summary Report

Steve Flesher, Air Service Development Director, presented the findings of a market research project conducted by Sabre. The objectives of the study included: (1) To confirm the definition of the Wichita catchment; (2) To achieve a correct measure of Wichita catchment air travel volumes and desired city pairs based on the resized marketplace, both inbound and outbound; (3) To define passenger leakage to surrounding airports; (4) To address the question of a community-sponsored airline; (5) To identify real or near-term commercial air service opportunities for Wichita Mid-Continent Airport.

Observations:

1. On market size, the study showed that passengers buying airline tickets to fly in and out of South Central Kansas is roughly two times the number of passengers flying in and out of Mid-Continent Airport. This resized the market to approximately one million enplanements and approximately two million origin and destination passengers annually.
2. The study showed that 56% of passengers flying in and out of South Central Kansas fly through Mid-Continent Airport. About 44% divert travel through Kansas City, Tulsa Oklahoma City, or Amarillo. The majority of that is through Kansas City with 34%.

3. The study showed that 31% of the passengers using outside markets fly Southwest Airlines. 69% fly one of the major carriers.
4. A large base of diverted travel that originates from the Mid-Continent Airport catchment is generated from the Salina, Junction City, and Manhattan regions as well as fringe areas of the catchment.
5. Mid-Continent Airport's fares were 116% higher on average than those in Kansas City in the top seven non-stop markets.
6. An examination of available seats per capita and the flight frequencies as compared to similar markets suggest that the population of South Central Kansas is underserved with respect to air service.
7. Total trip time study for connecting service from Mid-Continent Airport in comparison to drive and non-stop service from Kansas City suggests that new non-stop service and additional non-stop frequencies from Mid-Continent Airport may be needed to alter the current passenger traffic diverting to surrounding communities.
8. Top destinations for diverted passenger air traffic are #1-Chicago, #2-Washington, DC/Baltimore, #3-Las Vegas, #4-Orlando, #5-Houston, #6-Atlanta, #7-Los Angeles, #8-Phoenix.
9. The viable commercial air service opportunities for South Central Kansas that were identified include: AirTran to Atlanta and Orlando, America West to Las Vegas, American Eagle to Chicago and St. Louis, American Trans Air (ATA) to Chicago, Northwest or Sun Country to Minneapolis/St. Paul, Frontier to Denver, and Southwest to Chicago and St. Louis (but not as a near-term opportunity).

One of the basic ways to define catchment area is drive time. Within that catchment there is a portion that will not be captured for a variety of reasons. The study specifically targeted drive-away traffic. The next phase of this will be to determine how travel behaviors can be altered.

The study also shows that we need to look at not only increased frequency, but also increased non-stop destinations, total trip time, as well as cost.

It was suggested that a campaign be initiated to educate the flying public on ways to get the best fares.

There was discussion relating to what destinations should be prioritized.

July 2001 Statistical/Project Report

Austin moved to receive and file the report. Motion carried unanimously.

Other Business

Avello stated that the Women's PGA Tournament is coming to Hutchinson next year and Mid-Continent Airport should be a key player. Bell stated he has met with tournament officials. The tournament is being advertised in the terminal building.

Slawson moved that the regular meeting of the Wichita Airport Advisory Board recess and reconvene in executive session for approximately 10 minutes for the purpose of discussing the following:

Confidential data relating to financial affairs or trade secrets of corporations, partnerships, trusts and individual proprietorships.

4:13 p.m. - Executive session

4:20 p.m. - Executive session adjourned. No action was required as a result of the executive session.

Meeting adjourned at 4:26 p.m.

Valerie Wise, Clerk