

**CITY OF WICHITA**  
**WICHITA AIRPORT ADVISORY BOARD**

**MINUTES**

**Monday, December 3, 2001 - 2:00 p.m.**

Present: Tim Austin, Dion Avello, Charles Bouilly, Bill Calloway, Mitch Faroh, Beth Garrison, Dave Murfin, Don Slawson, Jay Swanson

Absent: Carl Harris, Dorothy McKay, Carrie Williams

City Staff: Allen Bell, Doug Moshier

Airport Staff: Bailis Bell, Jean Zoglman, Valerie Wise

Chairman Avello called the meeting to order.

**Approval of Minutes**

*Slawson moved to approve the minutes of the November 5, 2001 Wichita Airport Advisory Board meeting. Motion passed unanimously.*

**Request to Discuss Land Southwest of Mid-Continent Airport**

Austin stated that he would abstain from discussion of this topic due to a conflict of interest.

Allen Bell, Economic Development Director, gave a presentation regarding the City's negotiations with John Dugan to obtain ownership of a 20-acre tract of land in the Skyway Industrial Park, which is located between Tyler and Maize Roads, north of K-42. The City previously purchased about 30 acres in the Skyway Industrial Park on the east side of Tyler, adjacent to the Airport, about a year ago. The City wants to have land readily available to offer developers, especially for aviation related businesses that could operate with "through-the-fence" access to the airport runways. Dugan platted the industrial park several years ago, and filed petitions for water, sewer, drainage, paving, etc., but has not activated the petitions because of fear of being saddled with special assessments on property he cannot sell. This has also kept the City from being able to do anything with the 30 acres it owns.

The City recently built a sanitary sewer main down Tyler Road in order to serve an industrial park south of K-42 between Tyler and Maize, which the City annexed two years ago. It had been served by a County-built lagoon, but after annexation, it was deemed unsanitary. A portion of the cost of that sewer main would normally be assessed against Dugan's land and the City's 30 acres, once the petitions are activated.

The airport has not considered purchasing this land, and the master plan does not call for this land.

In the proposal being considered by the City, Dugan would donate the 20 acres in exchange for relief from assessments for the sewer main down Tyler and a water main down Maize Road. All of the 20-acre site fronts on the west side of Tyler, opposite the 30-acre site the City already owns.

This exchange arrangement would not require the levying of special assessments against the property. This property has been defined as a benefit district for the purpose of bringing in infrastructure. The City is also interested in this land as it opens up the possibility of new industrial development southwest of the airport along K-42.

Allen Bell presented this proposal to the WAAB for information purposes, particularly because the board will be working with a master planner in the near future and will be determining land purchases.

When asked if the City has a potential developer for this property, Allen Bell stated there have been a couple of prospects interested in this property. There are restrictive covenants that would need to be corrected in order to get a "through-the-fence" operation. There is a potential for an airfreight type of business, but that is not imminent. Bailis Bell pointed out that the airport has land to lease for aviation related businesses. Austin pointed out that the City is not able to remove the restrictive covenants. The landowner to the north would have to release them, and he is not inclined to do so. Moshier stated that a condemnation action could be filed to condemn the restrictive covenants and remove them but they have significant value to them. A condemnation action would condemn the benefit of that restrictive covenant to his property

### **Sale of Airport Land**

The WAAB had previously requested a discussion concerning the sale of airport land. Bell provided background information as to the development of an airport, and explained that it requires such a large investment of land and pavement that only local government is able to do that. Bell stated there are only about 200 airports that operate without local tax support, and Mid-Continent and Jabara Airports are among those.

Although each community owns and operates their respective airports, the Federal Government exercises significant controls on those airports through the requirements of grant assurances. One of those requirements is that airports charge fair market value for airport property. A local government policy requires that users will pay to use this airport, rather than the use of local taxes. Both of these policies demand that an airport operator take advantage of every revenue opportunity which includes the control and development of airport real estate. Real estate is the only asset an airport has, which is why it is essential to own as much land as possible. If land is sold that was purchased

with Federal funds, the money has to be returned to the Federal Government in the same ratio as the Federal Government originally participated.

With regard to t-hangars, Murfin commented that most people prefer to own a hangar than rent one, and that the policies force people to rent. It was Murfin's view that there would be more t-hangars if a different formula were allowed. Bell stated that t-hangars have been typically operated at a loss. Murfin commented that the airport might be assuming a problem that private individuals would be willing to take on. The fixed base operators manage and control the t-hangars. In exchange for control, the FBOs provide 24-hour service to the general aviation community. Murfin commented that if the maintenance is incompetent, then the aircraft owner will not store his aircraft on that field and will be forced to fly his plane to another field for maintenance. It was his opinion that this deteriorates the free market system. Bell stated that many FBO contracts at other airports require specific services to be provided. At Mid-Continent and Jabara Airports, the FBO contracts are general in requiring FBO services.

There was discussion over the leasing policy where a tenant pays for construction of a facility on airport property but does not own it. Bell stated that an airport tenant is given tax exempt financing to build a facility and no property taxes are paid. It was Slawson's opinion that public money should not be used to compete with private enterprise.

### **October 2001 Statistical/Project Reports**

Enplanements in October were down about 25% from a year ago. Cargo was down 20% which is most likely a reflection on the economy and the loss of BAX operations.

### **Other Business**

There was discussion regarding increased passenger screening requirements. The Aviation Security Act recently signed by the President has changed the passenger screening, baggage screening, and cargo and mail screening responsibilities from the airlines to the Federal Government. There will be 28,000 more screeners hired over the next year. Every bag will need to be searched before loading on an airplane. Congress is demanding that the Federal Government have machines to do all the screening. The law allows for positive bag match, which means if a bag is loaded on a plane, the passenger must also be on that plane. Mid-Continent Airport has one x-ray machine and is not set up to screen each piece of baggage. Bell stated he would lobby for two passenger screening areas – one for each concourse. The increased security requirements will need to be reflected in the design of the terminal concourse remodel.

There is a new division of the Department of Transportation called the Transportation Security Administration. This Department will take over the FAA's security role.

Meeting adjourned at 3:55 p.m.

---

Valerie Wise, Clerk