

MINUTES OF THE CITY OF WICHITA
WICHITA AIRPORT ADVISORY BOARD

Monday, March 6, 2006 – 3:00 p.m.

Present: Tim Austin, Bill Calloway, Charles Fletcher, U.L. Gooch, Dwight Greenlee, Willis Heck, David Murfin, Jeff St. Clair, Jay Russell, and Bill Ward

Absent: Dion Avello, Ron Estes, and Jay Swanson

Airport Staff: Victor White, Sandy Coykendall, Mike Carter, Valerie Wise

City Staff: Scott Moore, Assistant City Manager

Others: Michael Pankratz (a resident from Southwest area of Wichita), Mike Haggar, Terry Smyth-Baughman Co., Dave Dewhurst-Sabris, Bob Karlake-Midwest Corporate Aviation.

Chairman Fletcher called the meeting to order.

Approval of Minutes

Motion by Greenlee to approve the minutes of the February 6, 2006 Wichita Airport Advisory Board meeting. Motion carried unanimously.

Director's Report

Victor White gave an update on the KTTI project. It appears that a deal between the City of Wichita and Sedgwick County is moving closer as to how this project will be structured. It is being proposed that the County will borrow about \$36 million to do the project and will have an Authority run the school. The City of Wichita will make a contribution to the County in a dollar amount that represents the net present value of the first 20 years of the lease that the County will have with the Airport Authority. The FAA has given verbal support for the project and agrees that it is compatible land use at Jabara Airport.

The Affordable Airfares for Kansas project was discussed.

Amstrong Shank was recently selected as the Airport advertising agency. Susan Armstrong and Mark Chamberlin from Armstrong Shank introduced themselves to the Board. The Board stated there was urgency to start advertising due to the approaching summer travel season.

The City Council approved the lease extension with HMS Host Corporation. Staff is working with Host on improvements to the facilities and services to be implemented over the next 12-month period.

The airlines' rates and charges that were approved at the last WAAB meeting were approved by City Council. The airlines had also approved the new charges.

The sewage treatment plant is still being discussed. The FAA has commented on the project and raised issues which staff is in the process of addressing. One of those issues is that the FAA has verbally agreed to allowing the plant be located on Airport property. However, the FAA raised the question as to whether or not the land should be sold or leased to the City. Mr. White has always stated to the FAA that the lease option is preferred. It has been a long-standing policy of the Wichita Airport Authority to lease property and never sell property. Also, under Kansas law, the Airport is allowed 50-year land leases and this is what would be recommended to the City.

Motion was made by Austin that the Airport Authority enter into a lease with the City of Wichita for the sewage treatment plant.

Discussion ensued.

Motion carried unanimously.

Mr. White stated that there will be upcoming development projects at Jabara Airport.

Valerie Wise reported on recent developments to lower fares to Chicago. Passenger traffic to Chicago has dropped by about 30,000 annually since AirTran left that market in February 2003. Studies show that the leakage is driving mostly to Kansas City and flying on Southwest for Chicago service. This information has been shared with American Airlines and United Airlines, the two carriers currently serving Chicago from Wichita. United responded to the information and agreed to enter lower pricing points in their system to Chicago. United will monitor the bookings to see how this market responds. This move by United is significant and it is hoped that there will be further fare reductions to other destinations.

There was discussion regarding service to western destinations.

Terry Smythe is a developer with Baughman Co. and is working with a landowner who has property located west of Maize Road and south of 31st Street. Smythe had filed a request for zoning about nine months ago. After discussions with surrounding landowners, the case was deferred in order to learn more about compatible land uses. Smythe's intention in coming to this meeting was to learn about future expansion plans and/or protection plans. He also wanted to learn of any concerns regarding businesses trying to locate near the airport, and mentioned there were two individuals wanting a through-the-fence hangar.

Mr. White stated that a general concern of either airport is that whatever development takes place around the airport that it be a compatible land use. Generally that means homes, schools, hospitals and churches are noise-sensitive areas and the closer they are to the airport, the more likelihood there would be for potential objections to the airports' activities and operations. If there is a landowner that wants to develop property near the airport, the airport would prefer that it be commercial or light industrial, rather than residential. Economic development concerns are an issue, and the City, County, and Economic Development entities want to ensure that Wichita is competitive with respect to other cities when attracting a factory, distribution center, or some other commercial industrial use. Economic development land needs to be shovel-ready, located within the city limits, and have city utilities and services. Rail service and easy access to the

interstate system would be ideal. Areas around airports are targeted areas and a minimum of 100 acres is desirable.

Mr. White stated that the master plan did not identify additional lands south and west of the airport for acquisition. Therefore, no grant monies would be available for land purchases. The land is also not included in any noise contour studies, so grant monies would not apply for this purpose either. Any available FAA grants will go toward the new terminal and capital construction projects.

Mr. Fletcher stated that since the Airport could not purchase the land, it would be beneficial to recommend to the City to purchase it.

Motion by Greenlee that the Wichita Airport Advisory Board recommends to the City of Wichita to purchase the parcel of land west of Maize Road and south of 31st Street, assuming there are willing buyers and willing sellers, as this transaction would be beneficial to the airport, and recommended that this land be zoned for industrial use. Motion carried 7 – 0, with one abstention (Murfin).

Regarding the Air Service Manager position, about 70 applications were received. It is hoped that within several weeks a decision will be made.

Quarterly Financial Report for the Quarter Ending 12/31/05

This item will be discussed at April's WAAB meeting. In the meantime, the Board members were encouraged to review the report and have questions ready for the next meeting.

Terminal Project Update

Mike Carter, Program Manager with DMJM, gave a Terminal Area Redevelopment Plan PowerPoint show that is presented to various groups.

Discussion ensued regarding parking and the DBE consultant. The consultant, Charbonnet, will be in Wichita Wednesday and Thursday of this week and arrangements will be made to meet with Board members if they so desire.

Mr. Greenlee asked if the Program Manager is looking into the "greening" of the terminal building, which is common in public facilities, i.e., cleaning agents, and non-toxic chemicals used in construction and upkeep of the facility. Mr. Carter stated that included in the design team's scope of work is to look at LEED (Leadership in Environmentally Efficient Design) certification and to determine what level of certification, if any, to pursue. This certification has specific requirements and it may be difficult to achieve. However, it is possible to provide the same level of services without certification.

There was discussion regarding expansion capabilities. Input from airport executives across the country will be utilized. Mr. Carter will prepare some layouts to determine walking distances from the gates.

January 2006 Statistical/Project Report

Total passengers were down 1.02% from January 2005. Mr. White stated there were fewer flights than a year ago. Nationwide, air traffic was down about 5% in January. Jet fuel sales at Jabara Airport are up.

Other Business

Messrs. Fletcher and White will be attending the American Association of Airport Executives and ACI-NA Spring Washington Conference on March 19-21, 2006 and will be meeting with representatives from our Congressional delegation to discuss the upcoming terminal project.

The next WAAB meeting will be Monday, April 3, 2006.

Meeting adjourned at 4:30 p.m.

Valerie Wise, Clerk