

MINUTES OF THE CITY OF WICHITA
WICHITA AIRPORT ADVISORY BOARD

Monday, March 2, 2009

Present: Robert Beattie, Ron Estes, Charles Fletcher, U.L. Gooch, Dwight Greenlee, Willis Heck, John Hennessy, David Murfin, Kevin Myles, Tom Pryor, Dr. Thom Rosenberg, Jay Russell and Bill Ward

Absent: None

Airport Staff: Victor White, Sandy Coykendall, Kelly Fabrizius, Paul Moore, John Oswald, Valerie Wise, Jean Zoglman

City Staff: None

Others: Mike Carter, DMJM Aviation
Lonnie Vaughan, Yingling Aircraft, Inc.

Chairman Fletcher called the meeting to order at 2:30 p.m.

Approval of Minutes

Motion by Greenlee to approve the minutes of the February 2, 2009 Wichita Airport Advisory Board meeting. Motion carried unanimously.

Presentation

Chairman Fletcher presented a plaque to John Oswald, Airport Engineering and Planning Manager, commending Mr. Oswald for his ten years of service to the City of Wichita and the Wichita Airport Authority.

Director's Report

Mr. White advised the Board of several ongoing items.

Upcoming Events

Captain Kilpatrick of the Airport Public Safety Division is retiring on March 4th. He has been with the City for 35½ years. A reception in his honor will be held on March 4th from 12 p.m. to 2:00 p.m. at the Airport Public Safety Building.

On March 17th the Wichita Aero Club will have their monthly luncheon at the Hilton. Pete Bunce, President and CEO of the General Aviation Manufacturer's Association, will be the guest speaker.

Stimulus Funding

Since the last meeting the stimulus law was passed and signed into law by President Obama. In the aviation portion of the bill there is over \$1 billion available for Airport Improvement Funding. Although, it is unlikely that Mid-Continent Airport will be eligible to receive any of the funds for the new terminal project. The issue is that an airport of Wichita's size is too large and too busy to qualify for stimulus funding for terminal projects. The law is written in a way that makes a terminal project not eligible for discretionary funding and it was determined that stimulus funding will be handled as discretionary funding. It is unfortunate since the terminal project would be an ideal project to qualify for stimulus funding because it is shovel ready, it is ready to bid, environmental approvals have already been obtained and it will create several hundred jobs for at least a three year period in this community. There may be a few smaller projects that have the potential to be eligible for stimulus funding and that is currently being looked into. Mr. White said when he and Chairman Fletcher go to Washington later this month they will discuss this issue with the congressional delegation. The FAA Funding legislation is also being discussed in Congress right now. It is the law that determines what is eligible for discretionary funding. Depending on the outcome of the FAA Funding Reauthorization bill, there could be a possibility to make the stimulus money eligible.

Mr. Greenlee said that a delegation from the County is going to be in Washington early this month and asked if they were aware of this issue. Mr. White said that since Chairman Fletcher and himself will not be going to the Legislative Conference until the end of the month, he would prepare a talking points sheet for both the County representatives and the City Council Members who will also be going earlier in March.

Air Traffic

Mr. White reported that air traffic numbers have been declining all over the country. January statistics showed significant drops. Although Wichita's January traffic was down 12½%, Kansas City was down 17% so in comparison, Wichita is still doing better than some of the surrounding airports. It was also reported that world air traffic was down 9% on average.

Chairman Fletcher asked if everything is still on track to pay for the new terminal based on the current traffic numbers and the estimates of what is needed. Mr. White said staff has been concerned about that issue, however the terminal will be paid for over a thirty year period with General Obligation Bonds sold and provided by the City. There may be some difficult years early on, however for the full thirty year period of the note, it should balance out. Jean Zoglman met with the City Finance Director recently to go over the funding plan and the financial models. Mrs. Zoglman said staff recognized that the original projections and income levels that were previously looked at were not going to materialize in the near future. Mrs. Zoglman provided the projected revenue stream that should be available when it is time for the bonds, and asked City Finance staff to determine how the note should be structured to ensure everything is on track. The thoughts were to pay less principal in the early years, or possibly pay interest only. Mr. White said that he also met with the City Manager last week to discuss the project as well as some of the different funding scenarios.

New Terminal Project Update

Mike Carter, DMJM Aviation, presented to the Board a PowerPoint presentation providing an update on the current schedule and upcoming meetings, the contract packages and schedule and cost estimates.

Mr. Carter said that recently a LEED workshop was held to look at exactly what is going to be eligible and if the project is on track to be a LEED certified project upon completion.

Mr. Murfin asked what it would cost to be LEED certified. Mr. Carter said the actual consultancy is about \$100,000; however that will come along with life cycle savings. Also, the airport has 30 years to accumulate savings on a lot of the items. Mr. Carter said that it is something that is getting more and more necessary due to the ongoing recognition of the need for sustainable energy in construction.

Mr. Murfin said he thinks the concept is excellent, however he questions the amount of money necessary to spend to have the project certified. All of the same things can still be done without the certification and it would save a significant amount of money. Mr. Carter said that it is a nominal cost to register, however some consultancy is needed to make sure the right things are being done in order to obtain the life cycle savings. Mr. White said in the workshop staff weighed the pros and cons of whether the certification should be pursued, and it was determined that it is still the right thing to do to go forward with it.

Mr. Carter announced that a website will be developed to make sure the community is aware of construction activities that will be taking place within the terminal area during the project. Another Contractor's Forum will also be held later this month. This will be the 3rd in a series of forums to brief the community, in particular the Disadvantaged Business Enterprise ("DBE") community, regarding the opportunities that area available on this project and also other projects throughout the airport and community.

Mr. Ward asked if there was a list of all of the contractors that have shown an interest. Mr. Carter said yes and he will distribute the list of the contractors and subcontractors that have expressed interest.

Mr. Greenlee asked if the DBE consultant company was working with the DBE's to make sure they are certified. Mr. Carter said that is an integral part of what is presented at the forums, to make sure that firms know exactly how to get certified and that the firms are encouraged to get certified. The airport has a real interest in getting the firms certified because that is how it receives credit on federal funding is by meeting the goals for DBE's.

Mr. Gooch said that he has heard from some people who have gone through the certification process, yet do not feel like they are getting any results to participate once they are certified.

Mr. Carter said certification is just the first step, and we are helping to encourage them as best we can go to go through that process and then make their qualifications available to all of the general contractors.

Mr. Carter showed the breakdown of the packages and various pictures of different options.

Mr. White pointed out a picture of the logo the Design Team recently unveiled that will be put in the center of the landside. Mr. White said many months ago The Greteman Group provided samples for logos. The tilt of spires was to the right, and this Board expressed concern that it was too similar to roof of the Denver International Terminal. The spires were moved to the left and extra colors were added.

Mr. White pointed out a picture that showed a sign stating "Wichita, The Air Capital of the World." The choice that is before us now is whether to depict the slogan how it is shown in this rendering or just "Wichita, The Air Capital." It appears that back in the early 1930's when the original logo was crafted by the Chamber of Commerce it said "Wichita, The Air Capital" and it was circular shaped with a small wing through it. However, the current terminal has a Welcome to Wichita sign that passengers see as they come down through the security checkpoint that says "Wichita, The Air Capital of the World". A decision needs to be made on which slogan to use. Sonia Greteman's recommendation is to stick with "Wichita, The Air Capital." Mr. White asked the Board for their thoughts.

Dr. Rosenberg said he preferred "Wichita, The Air Capital of the World." He asked what other city in the world makes as many airplanes as Wichita does. The consensus of the Board was to go with "Wichita, The Air Capital of the World." Although Mr. Estes said he preferred "Wichita, The Air Capital" because it has been around longer. There may be some traditionalists who raise a point about it, however the average person probably will not know the difference. Mr. White pointed out that the slogan will not be trademarked or used in a legal sense, it is just recapturing the phrase. On the second floor up above where this sign will be placed is where the history of aviation in Wichita is going to be displayed. Mr. Estes said he liked the fact that either slogan is going to be displayed. Mr. White said he would pass on the Board's comments.

Issues relating to the kiosks, gates, and loading bridges were discussed.

Chairman Fletcher asked if the name of the terminal project had officially been changed. Mr. White said that all of the current documents and materials refer to the name of the project as TARP, Terminal Area Redevelopment Program, however the Federal Government has chosen to use the TARP acronym for the Troubled Asset Relief Program. Mr. White's recommendation is to keep with what was previously discussed regarding the Air Capital of the World and call this project the Air Capital Terminal Three ("ACT-3"). This will be the third terminal that Wichita has had, the first one is at the base where the museum is now, the second terminal is the current terminal, and this will be the third.

*Motion by Rosenberg to accept ACT-3 as the official name of the new terminal project.
Motion carried 12-1 (Beattie opposed).*

Mr. Estes asked when the Landside Utilities package was going to come out. Mr. Carter said that the Landside Utilities package will be advertised in April and should be completed by November. Mr. Estes said it was discussed months ago that there would be an official decision on whether or not to go forward with the terminal project. Mr. Estes wondered if this is the decision or if the money spent for this package would be wasted if it is decided not to go forward.

Mr. White said if a new terminal was never built, moving the utilities might be unnecessary, however that is not the position that the Mayor, City Council or airport staff is currently taking because eventually there will have to be a new terminal, the current one is almost sixty years old.

Mr. White said that Package Twelve for the construction of the terminal building is the major contract. When looking at the work that has been done to date, there have been almost ten things that have been done so far in sequence and the Landside Utilities is Package 11.

Mr. Estes said that in his opinion the Landside Utilities package starts to get into the area of something that is needed only for the new terminal, whereas the other projects that have been done to date, the apron work, the temporary parking and the park and ride, could be used for other things. Mr. White said there are a few communications items in the Landside Utilities package that are not necessarily for the new terminal, however the majority of the items in the package would be for the new terminal.

Mr. Murfin asked when the Landside Utilities package would be bid. Mr. Carter said it will be advertised and bid in the month of April. The Terminal Building Construction package will be bid in July of this year.

Mr. Greenlee said that the airport's main feed for electricity has in the past come down the east side due to knowing that the new terminal would more than likely be on the west side. Significant changes were made in order to bring that in and the old system is probably at a point of having to be replaced. If the utilities are moved to a new location and the new terminal does not end up being built, there will still be the option to feed back into the existing terminal if the old system were to go down.

Mr. Heck asked if the project was still on schedule for a late 2012 opening of the terminal. Mr. Carter said that is correct, the terminal will be opening in 2012 and the completion of the demolition will be in 2013. Mr. White added that it is also contingent on the day we break ground. A lot will be dependent on the schedule the general contractor proposes when the time comes.

Mr. Murfin asked what the airlines view of this is right now. Mr. White said that as has been reported for the last several months the airlines are not as enthusiastic now as they were a few years ago because the airline industry has changed a lot recently. Last summer the main concern was jet fuel prices, and the airlines cut flights and made other economical moves to combat the rising fuel prices. Since then, the price of fuel has dropped considerably, however now the economy has taken a downturn and there are less people wanting to fly. The airlines are

understandably apprehensive about the future, however the good news is the airlines will not be paying any higher rates for the new terminal until the day it actually opens. The hope is that by 2012, the industry will have recovered and things will be back to normal.

Dr. Rosenberg asked, particularly with the gas lines, if there were any safety shutoffs in case a catastrophic event were to occur. Mr. Oswald said that even though the airport owns the gas system, Kansas Gas Service has been hired to manage, maintain and service it. KGS knows what to watch for and what to recommend to upgrade the system and Mr. Oswald is confident they are being a good steward of the airport system.

Mr. Greenlee said he does not know what has been done in the last several years, however several years ago the airport system and the plans to upgrade it were of a higher level than what the normal gas system throughout the community was and likewise with the electric system.

Mr. Ward asked what level is being designed to, is it just the upgrades for the terminal or will higher upgrades be put in for the future. Mr. Carter said that the building is being designed for a specific capacity. Presently there are 1.6 million annual passengers, the building is being designed for 2 million with plans to go to 2.6 million. All of the infrastructure is being put in to match those goals.

Airport Compatible Land Use Planning

Mr. White passed out information regarding the land use planning issue. Included was a letter from the FAA to the Wichita Airport Authority regarding the wildlife hazard issue, letters from the top management of Cessna, Bombardier Learjet, Hawker Beechcraft and Yingling stating their support in solving the wildlife hazard issue around the airport system. Also included was a letter from County Commissioner Chairman Parks to the Mayor, advising him that he had created an Ad Hoc Committee regarding bird strikes and aviation. He appointed County Commissioners Peterjohn and Welshimer to serve on this committee and asks the Mayor to appoint two City Council Members.

Mr. White said that Chairman Parks and Commissioners Peterjohn and Welshimer met with himself, Brad Christopher and Dwight Greenlee last week to discuss their concerns and what they would like to see happen regarding this issue. The Chairman was also scheduled to have a meeting with the Mayor to give their recommendation that the Mayor appoint two City Council Members and possibly two to four representatives from this Board.

Several weeks ago a group from City and County staff including the Attorney's Office, the Planning Department, the County Managers office, Dwight Greenlee, Victor White, Brad Christopher, Devon McBride, and a consultant who is one of the premier aviation planners met to discuss this issue. It was determined that the attorneys for the City and County are going to draft a resolution for the City Council and the County Commission to adopt a moratorium, which this Board recommended a few months back, to not allow any new manmade wildlife hazards, specifically water hazards, in the vicinity of the airports. The Commissioners thought the moratorium should last through the end of the year. In the meantime, a request for qualifications would be done for a consultant who is an expert on land use planning issues to come in and meet

with the Ad Hoc Committee and determine what the City and County should do as far as creating some type of Safety Overlay Zones. It would not replace the zoning that is already in place, however it would be on top of that and would be in specific zones that would coincide with the FAA guidance on this issue. An aerial photograph was taken of this airport and the FAA has a 10,000 ft diameter from the end of any runway area that is considered the most protected zone and then there is a five mile radius around the runways that is lesser protected, and then within that five mile radius there would be an area designated directly off the end of the runways that would be designated as a more protective area.

One of the main ideas that came out of the meeting with the Commissioners is to consider all of the airports in the County and not just limit it to Mid-Continent Airport. Although, if a five mile radius is put around every airport in Sedgwick County, it could have the potential to limit development, at least with ponds. That is an issue where maybe the consultant and the FAA can provide some guidance, possibly there should be different standards around different airports. These are the types of issues that the committee is going to have to discuss in depth and determine a solution for.

Another meeting is scheduled next week with the group of City and County staff. Also, the Airport Authority is hosting a Land Use Compatibility Workshop on April 10th that was planned months ago, to discuss hazards to aircraft including height, noise and environmental hazards.

Mr. Gooch said that it seems like there is an overall concern to settle this issue here in Wichita, however it is important to find out what other airports and communities are doing and share information. Mr. White said that was one of the reasons the consultant from Tulsa was brought in. His company manages land use planning for airports, including height, noise and environmental issues and he does not know of any other airport in the country that is in the process of doing what is being discussed. Wichita may be on the edge of this particular project. Although Washington, California and Oregon are starting to look into these type of issues. So far the focus has been on the airports themselves, now we are considering what can be done on a wider level. The airport's obligation to the FAA is only what can be done on airport property. The Airport Authority itself cannot do anything except make recommendations on the surrounding property it does not own and that is where the City and County elected officials come in.

The following Board members volunteered to be on the Committee: Dwight Greenlee, Dr. Rosenberg, Tom Pryor and Bill Ward. Mr. Beattie said he was also appointed to be on the committee. Mr. White said the intent was to have two City and two County appointees, and one more is needed that was appointed by the City. Mr. Myles, a City appointee, volunteered to be on the Committee.

Dr. Rosenberg said that Dallas Ft. Worth and Atlanta are both very busy airports which are right next to lakes and it would be interesting to see how those airports handle this issue. Mr. White said that is a good point because not all water is bad, it depends on what kind of species are in a particular airport. Each airport is a little different and there are cycles of what types of birds come and go.

However, even if the City and County adopt an overlay zoning, there is still no guarantee a bird strike will not occur. The airport's obligation is to try and make sure everything that is possible has been done to prevent it by making positive steps within reason and allowable by law.

Other Business

Chairman Fletcher reported that ACI is having its annual Board Members and Commissioners conference coming up in Chicago April 26th thru 28th. If any of the Board Members are interested they should contact Mr. White.

The impact of TSA's proposed Large Aircraft Security Program to general aviation was discussed.

Chairman Fletcher asked about the status of the Yingling self-fueling station. Lonnie Vaughan, Yingling, reported that it is in and fully operational as of last Friday. Chairman Fletcher asked if the prices would be more competitive with places like Benton. Mr. Vaughan said that is the intent and it is substantially less money if an individual fuels their own airplane. Mr. White said the station looks really good, it has a nice shelter over the top and it is open to anyone.

Mr. Murfin recommended that if the Board Members have not recently been to the Benton Airport, they should go see what has been going on. It is a good example of what private property can do.

Mr. White reported that Tara Donovan, the artist that was selected from New York to prepare the art work for the new terminal, withdrew from her contract last week. It has provided the opportunity to start over on the artist selection. There will be an artist selection committee consisting of members of the Wichita community and the Design Team. It was also recommended to have someone from this Board sit on the committee. Chairman Fletcher volunteered to be on the committee.

The next WAAB meeting will be Monday, April 6, 2009 at 2:30 p.m.

Meeting adjourned at 4:22 p.m.

Kelly Fabrizius, Clerk