

MINUTES OF THE CITY OF WICHITA
WICHITA AIRPORT ADVISORY BOARD

Monday, August 31, 2009

Present: Ron Estes, Charles Fletcher, U.L. Gooch, Dwight Greenlee, Willis Heck, John Hennessy, Dr. Thom Rosenberg, Jay Russell, Bill Ward

Absent: Henry Helgerson, David Murfin, Kevin Myles, Tom Pryor

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

City Staff: Joe Allen Lang, Chief Deputy City Attorney

Others: Mike Carter, AECOM
Dan Claassen, ExecHangar

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

Approval of Minutes

Motion by Heck to approve the minutes of the August 3, 2009 Wichita Airport Advisory Board meeting. Motion carried unanimously.

Director's Report

Mr. White advised the Board of several ongoing items.

Rip Gooch will be receiving the Wright Brothers Master Pilot Award from the FAA on September 19th at the Kansas Aviation Museum. The Board is invited to attend the event which will begin at 7:00 p.m.

The FAA completed its annual Certification and Safety Inspection of Wichita Mid-Continent Airport. The inspection covers such areas as airport emergency response capability, airfield maintenance and inspection program, notice to airmen procedures, fueler training, wildlife management and personnel training programs. Airport staff is pleased to report that zero (0) discrepancies were found in the inspection. The Airport has now received eight (8) consecutive perfect inspections which is a new record for Mid-Continent.

TSA is having its annual memorial ceremony on September 11th at 9:00 a.m. The ceremony will take place on the second floor of the Terminal Building.

WSU is hosting its annual Economic Wichita Area Outlook Conference on the morning of October 1st at Century II. Mr. White has tickets available if any Board Members would like to attend.

Mr. Gooch asked who put up the temporary signage regarding construction on the exit ramp from westbound Kellogg to southbound Mid-Continent Drive. Mr. White advised that the state is responsible for that project. Mr. Gooch pointed out that the first sign may be questionable and may not provide clear enough directions.

Election of Officers

Chairman Fletcher and Dwight Greenlee both stated their interest in the Chairman position. The Board voted by written ballots. The first vote resulted in a tie and the Board chose to vote again. The outcome was that Chairman Fletcher was elected as Chair and Dwight Greenlee as Chair Pro Tem (Vice Chair).

Report on Airport Land Use Compatibility Ad Hoc Committee

Brad Christopher provided the Board with a draft copy of the meeting notes from the Ad Hoc Committee Meeting on August 19th and advised the Board on the outcome of the meeting.

At the meeting on July 8th the Committee decided not to use Land Use Practices so this meeting focused on a review of possible Non-Land Use Best Management Practices.

Mr. Russell asked if the use of dogs was still being considered as an option for wildlife management in the vicinity of the airport. Mr. Greenlee said that is part of what is being considered in the Non Land-Use Practices. Mr. White suggested it may be more feasible for the County to be able to hire the dogs and have them trained, however having the ability to do that on private property is more difficult.

Mr. Greenlee said that the dogs also have to be maintained and trained. Mr. Russell said that McConnell Air Force Base has used the dogs for wildlife management for years. They were able to contact all of the adjoining landowners and received 95% approval to go on their property to use the dogs for wildlife mitigation.

Mr. Gooch said he would encourage the use of a public education program regarding the issue of wildlife management.

ACT 3 Project Update

Mike Carter, AECOM, 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. White advised the Board that the final plans for the new terminal project will be presented to the City Council in a workshop scheduled for late October. Mr. White also pointed out that passenger traffic numbers for July are much better than recent months and although all airports around the country have seen drop-offs, the effect on this region has not been as severe.

Chairman Fletcher asked Jean Zoglman if we are still on track from what was originally projected. Mrs. Zoglman said that the numbers have changed and staff has been making adjustments to compensate for that. Staff is also looking at what adjustments need to be made in the next couple of years.

Mr. Greenlee said that interest rates and costs are currently at an all time low. Mr. White added that it is also important to realize that we are not doing this project for this year or next, we are doing this for the next 50 years.

Mr. Ward asked if there were specific numbers to be used when trying to determine whether to proceed forward with the project. Mrs. Zoglman said there are goals to reach for each of the various factors. Mr. White added that adjustments have already been made to offset passenger declines. For both this year and next year the airport has cut its operating budget to offset the drop in passenger traffic in order to stay on track with the project.

Mr. White advised that the airport is also stepping up its community presentations to reach a broad base of the community in order to receive their input on the project.

Mr. Greenlee asked about the ability and convenience for minority companies to apply to be certified as a Disadvantaged Business Enterprise (“DBE”). Mr. Greenlee asked if there is a link on the website where those companies can call with questions regarding the process. Mr. White said that the City recently held a workshop on how companies can get DBE certified and the airport has also held several forums regarding that issue in the past and will continue to do so.

Mr. Gooch said the issue is not how companies can get certified, rather it is the ability for the company to get action after it has gone through the process of becoming certified that discourages some companies from applying to become a DBE.

Mr. White added that there will also be a separate website that will be linked from the airport’s main website that is just on the new terminal. It will provide construction updates, terminal building plans, and opportunities for contractors and vendors, information for companies on becoming DBE certified, and lots of other valuable information regarding the project.

Mr. Russell asked why the bid schedule is getting pushed back. Mr. Carter said we want to make sure everything is correct before the main package for construction of the terminal goes out to bid. Mr. Russell said the longer we wait the higher the costs will be. Mr. White said that the final plans and specifications for the project should be delivered within the next couple of weeks. At that point various agencies such as the FAA and the City’s Office of Central Inspection will need to review the final plans. Mr. Russell said if we keep pushing this off we are going to miss that golden opportunity where the constructions costs are low. Mr. White said that as soon as the agencies complete their review of the plans, the bid package can be advertised.

Dr. Rosenberg asked if once the contract is awarded if there is a penalty if the contractor does not meet the timetable. Mr. Carter said there is a reasonable duration of time in the contract and if the contractor does not meet the timetable they are responsible for the liquidated damages.

Mr. Greenlee asked if the parking garage will be completed prior to the terminal building opening. Mr. Carter said the parking garage is expected to be completed immediately prior to the terminal opening.

Mr. White advised that although we are focusing on the main package, the terminal building, several items have already been completed in the project.

Mr. Hennessy asked if any additional setbacks or delays were anticipated. Mr. White said he does not believe so, at this point we are within weeks of receiving the final plans. Mr. Hennessy asked if there was a timeline in the contract with the designers to receive the final plans by a specific date. Mr. Oswald said the original contract had a design completion date, however there were some early delays that were not caused by the designers.

Mr. Russell suggested that maybe pressure should be put on the designers or the airport faces the possibility of losing the opportunity where construction costs are low. The FAA review could also pose a potential time delay.

Mr. Estes suggested the airport needs to continue to emphasize the schedule. This is a large project, however it will create jobs at a time when the community is in need and the project should go forth.

Minimum Standards for Aeronautical Services Policy

Mr. White advised that the FAA has finished its review of the Minimum Standards with no objections. Mr. White will incorporate all of the comments he has received into the document and clean up some of the formatting issues such as the duplication of insurance requirements.

Dr. Rosenberg suggested that on page 21 under the Experience Section it should say “the Operation” instead of “the Operator”.

Chairman Fletcher asked if these standards are only applicable for Mid-Continent Airport and the standards for Jabara Airport will come at a later date. Mr. White said yes, the standards for Jabara Airport will be a similar document with the same categories however, the standards for each airport will be different.

Mr. Greenlee said that he has reviewed the Minimum Standards and they are acceptable to him as long as they have been reviewed and approved by the Legal Department.

Chairman Fletcher asked if on page 9 under the Through-The-Fence Operation Section whether Through the Fence agreements should always be banned. Mr. White said that the FAA extremely recommends that airports do not allow those types of agreements. Also, TSA has a major problem with Through the Fence agreements due to security and badging issues. Mr. White said if those types of agreements were allowed it would have to be under very specific and limited circumstances.

Mr. Greenlee reminded the Board that the standards can be revised at any time. He also suggested that the insurance clauses specifically should be encouraged to be reviewed on a yearly basis.

Motion by Heck for Chairman Fletcher and Mr. White to edit and finalize the draft of Minimum Standards and then bring the final version back to the Board for a vote on approval of the document at the next Board Meeting.

Discussion.

Mr. Estes advised the Board that he agreed with Chairman Fletcher's comments regarding Through the Fence agreements.

Mr. Claassen said that on page 18 under the Fuel Storage Section the amount is set at 20,000 gallons for Jet-A fuel, however it would be helpful if everyone has their own fuel farm if that amount was set at 12,000 gallons instead of 20,000. Also on page 25 under the Aircraft Charter and Air Taxi Operator Section on the last sentence instead of saying a single engine turbine can fly IFR, simply say IFR certified.

Motion carried unanimously.

Exec Hanger Proposal

Mr. Claassen advised the Board that part of his proposal was to have each individual have their own self-fueling, therefore asked why the proposal was denied. He later amended the proposal and included separate fuel farms for each hangar. Mr. Claassen said that he is very frustrated because he came up with that proposal a year ago. Currently, the latest new idea is for him to contract with a Fixed Base Operator to provide the fueling, however then he is forced to pay exorbitant fuel prices. Therefore Mr. Claassen asked if he could go back to his original proposal and put in separate fuel farms for each hangar instead of a condo arrangement like at Jabara Airport.

Mr. White said that a proposal for Mid-Continent Airport should not be compared with a situation at Jabara Airport because that was not the original intent of the arrangement that currently exists.

Chairman Fletcher said that if each hangar had its own fuel farm it would meet the requirements for the Minimum Standards. Mr. Claassen asked why he should have to spend \$100,000 to do the exact same thing.

Mr. White said or alternatively, Exec Hangar can purchase its fuel from an existing Fixed Base Operator. Mr. Claassen said and then he would be forced to pay the exorbitant fuel prices.

Dr. Rosenberg asked why the fuel farm can not be owned by five people. Mr. Lang said because that would be considered a co-op arrangement.

Mr. Claassen said that he has one last meeting with the City Council before he will file a formal complaint with the FAA and this airport will lose its federal funding.

Mr. Hennessy asked Mr. Claassen where the funding was for his proposal. The Board has heard the concept of the proposal, although nothing showing that it is a viable project.

Mr. Russell asked Mr. Claassen if his latest proposal was pretty close to meeting the requirements and being accepted. Mr. Claassen said yes, however he does not think the current Fixed Base Operators were willing to make a legitimate fueling agreement with Exec Hangar to make it work.

Mr. Gooch asked if Mr. Claassen had said he had an identical project in Texas and how that project was going. Mr. Claassen said that project is on track, however it takes sixteen (16) months to break ground.

Mr. Greenlee asked if the Board has seen the financial backing for this proposal. Mr. Claassen said that it is a cash deal.

Mr. Russell asked if the EagleJet closing changed the dynamic of Mr. Claassen's proposal. Mr. Claassen said that it will and mentioned the possibility of obtaining additional business.

Mr. White said that on page 27 of the Minimum Standards under Commercial Hangar Operator, he made an effort to accommodate a proposal such as Mr. Claassen's. However, a company can not provide fueling unless self service is installed and operated by a Fixed Base Operator.

Mr. Gooch asked Mr. Claassen what method Exec Hanger would be using to obtain fuel. Mr. Claassen said they would truck it in.

Mr. Heck asked in its simplest form, what does the airport gain and what are the consequences from accepting this proposal. Mr. White said the airport would gain an insignificant amount of additional land revenue, however the consequences are far reaching and no one can predict, however the current example of EagleJet could be used as to whether there is enough business for another Fixed Base Operator to operate on a competitive basis.

Mr. Hennessy said he thinks the Board needs to review all aspects of the proposal. There are parts of this application the Board has not seen, such as a business plan.

Mr. Claassen said he will submit a new application within ten (10) business days. Dr. Rosenberg said he would like to see a formal application. Mr. Claassen said he would also cancel his upcoming meeting with the City Manager and City Council.

Mr. Estes commented that since the draft of the Minimum Standards under the Commercial Hangar Operator does not match the Exec Hangar Proposal as it currently exists, the Board will have to choose either to adopt the standards or accept the proposal.

Other Business

The next WAAB meeting will be Monday, October 5, 2009 at 2:30 p.m.

Meeting adjourned at 5:36 p.m.

Kelly Fabrizius, Clerk