

MINUTES OF THE CITY OF WICHITA
WICHITA AIRPORT ADVISORY BOARD

Monday, July 7, 2014

Present: Dave Bayouth, Charles Fletcher, U.L. Gooch, Dwight Greenlee, John Hennessy, Carl Koster, Karyn Page, Dr. Thom Rosenberg

Absent: Richard Kerschen, Thomas Pryor, Bill Ward, Brent Wooten

Airport Staff: Brad Christopher, Kathryn Keathley, Traci Nichols, Valerie Wise, Jean Zoglman

City Staff: Jay Hinkel, Deputy City Attorney

Others: Pat McCollom, ACT 3 Project Manager, AECOM
Brian Youngers, Signature Flight Support
Keith Osborn, FSD, Transportation Security Administration

Chairman Greenlee called the meeting to order at 2:31 p.m.

Approval of Minutes

Motion by Fletcher, second by Bayouth, to approve the minutes of the June 2, 2014 Wichita Airport Advisory Board meeting. Motion carried unanimously.

Director's Report

Brad Christopher, Assistant Director of Airports, provided the Director's Report on behalf of Victor White.

The Wichita Airport Authority (WAA) approved the food and beverage concessions contract with MSE Branded Foods (MSE) on July 1st. The next task is to complete the concessions area designs. Initial meetings have been held and preliminary design documents have been shared. Chairman Greenlee asked if any difficulties are anticipated as a result of the delay in contract approval. Pat McCollom, ACT 3 Program Manager, replied that the delay is not anticipated to be an issue for project completion.

U.L. Gooch stated that he continues to be mindful of minority business participation on the project as development goes forward, particularly since there were concerns voiced by many about the process. Mr. Gooch also pointed out that the minutes from the June Airport Advisory Board (WAAB) meeting also reflect his expression of concerns. Charles Fletcher stated that it was demonstrated to the WAA that the solicitation and contracting process followed the Federal Aviation Administration (FAA) regulations to the letter.

Dave Bayouth stated that others had voiced concern to him about there not being any local bids for the concessions. Chairman Greenlee replied that it may not have been clear that the RFP was for a master food and beverage vendor for the entire terminal. The master vendor then enters into agreements with local vendors to develop restaurant concepts, provide products and services, or license their brands. The Airport was fortunate to receive a bid from MSE, as it is a sizeable and experienced vendor in airport concessions. Dr. Rosenberg stated that Mr. White also clarified in his previous presentations to the WAAB and the WAA that additional opportunities will be available for other concessions services. Karyn Page stated that there may also be security issues related to operating on an airport for which having an FAA-approved contractor is important.

In response to comments about the food and beverage concession contract, Mr. Christopher stated that vendor operations on commercial airports pose considerably higher operating costs, primarily through labor, and increased complications for vendors, so it is important that a company with proven experience in airport concessions be selected. The security requirements do not necessarily limit companies that would qualify, but vendors unfamiliar with operations on airports would face much higher costs than they would normally have experience with. The on-site staffing is expected to be local.

Traci Nichols, Properties and Contracts Manager, informed the WAAB that no proposals were received for the retail concessions in the new terminal. As a result, the Airport has begun negotiations with national firms, which is in accordance with City procurement rules and has been authorized by the Law Department. Additional information about the result of negotiations will be provided at the August meeting. Mr. Fletcher stated that he is concerned about the delay in the selection of the retail vendor as it relates to readiness for opening day. Ms. Nichols replied that the retail locations require less build-out and a contract is expected to be agreed upon by September, which will not pose a risk for timely completion. Mr. Fletcher stressed that the vendor be fully advised of project expectations.

Mr. Christopher stated that the Airport is seeking approval of an agreement with Wichita Airport Hotel, LLC to construct a Hampton Inn limited service hotel on Airport property, which will be on the City Council agenda on July 15th. Mr. Christopher reminded the WAAB that it recommended this hotel agreement be pursued at the June 2nd meeting. Chairman Greenlee asked about the fill dirt that has been deposited on the north end of the site where the hotel is to be built. Mr. Christopher replied that the fill dirt has come from the parking garage site and is available for the use of the Airport and tenant developers. Mr. Christopher provided information about the Hangar 10 vacant lease, which was held by Cessna for its employee flying club. A competitive proposal process will be conducted, which will take into account such factors as the proposed operations, capital investment, and services provided to the community. There are already several companies that have expressed an interest in leasing the site. Other expansion projects by tenants include Yingling Aviation opening a Subway Café at its service center and LeaseCorp constructing a second general aviation hangar.

Other Airport developments underway are a paving project that began last week at the Airfield Maintenance headquarters and a project to expand roadways and improve T-hangar structures at

Jabara Airport. The bids for the Jabara T-hangar project are due on July 11th. Bids were initially requested several weeks ago, but all were above engineer's estimate. As a result, the project was downscaled slightly by removing some components that were not essential. Mr. Gooch stated that development at Jabara should be carefully managed so that any improvements do not inflate the T-hangar rental prices above what would be affordable or competitive with other local airports. Mr. Christopher replied that the rental price for the T-hangars is expected to stay close to the current price. All T-hangars at Jabara Airport are leased to Midwest Corporate Aviation and the Airport expects the lessee to determine and implement competitive market rental pricing.

Valerie Wise, Air Service and Business Development Manager, discussed the marketing program. Beginning this month, the Airport will conduct a branding exercise to prepare for the naming transition to Wichita Dwight D. Eisenhower National Airport and the opening of the new terminal. With the assistance of specialists from Sullivan Higdon & Sink and Copp Media, Airport staff and several WAAB members will participate in discussions focused on identifying the qualities and messages that represent the Airport and will be used in media communications. To mark the one-year anniversary of Southwest Airlines service in Wichita, the Airport began a promotional campaign on June 23rd titled "Summer LUV" that will award two tickets to each of the three non-stop destinations from Wichita along with gift cards to the ticket winners. Since the campaign began approximately two weeks ago, there have been approximately 5,800 entries and the addition of over 900 Facebook fans. The contest runs through July 24th. The Wichita Business Journal published a feature article in the June 27th issue about the positive effect Southwest has had on air service in Wichita over the last year.

Jean Zoglman, Finance Manager, discussed the status of negotiations with the airlines for operating agreements. The process of negotiations began in the design phase for the new terminal, but was suspended until the terminal project was green-lighted in 2011. There have been several meetings with the airlines over the last couple of months. At the meeting last week, agreement was made on cost center allocations and gate locations. With costs determined and more complete information about the new terminal facility, negotiations can proceed to operating agreement terms. It is anticipated that the agreements will be finalized by late summer. It is likely that the agreements will be for five-year terms, although there was discussion raised by the airlines to consider three-year terms with two, one-year extensions.

In response to a question from John Hennessy about the negotiations process, Ms. Zoglman replied that each airline sends a properties representative to the meetings. A chair is selected from among the airlines, as they seek to come to agreement on terms, since all signatory carriers sign the same agreement. Allegiant Air is currently the only non-signatory carrier at Mid-Continent. An Allegiant representative has attended the meetings, although Allegiant's contract will be different from the signatory carriers. In response to a question from Mr. Bayouth about how gate locations are determined, Ms. Zoglman replied that each airline is provided an opportunity, in order of enplaned market share, to request its preferred location. There was little conflict over gate locations, as the airlines work through a similar process at all airports and typically have similar gate requests in each instance. Mr. Gooch asked about plans for curbside check-in. Ms. Zoglman replied that, while the facility is designed so that curbside check-in is

possible, none of the airlines had shared plans for providing that service. Mr. Christopher added that there will continue to be skycap services.

Mr. Christopher announced that the Airport's FAA Certification Safety Inspection will be conducted on July 28th – 30th.

Keith Osborn, Federal Security Director (FSD), Transportation Security Administration (TSA), provided information about the Pre-Check known traveler expedited screening program. A PreCheck application center has opened in Wichita at the New Leaf Plaza at 21st & Amidon. Registration costs \$85 and is valid for five years. Applicants are encouraged to complete application materials online before scheduling an appointment at the center. The registration interview typically lasts 15 minutes, at which time the applicant's identity and citizenship are verified and fingerprints are taken. A few weeks following the registration interview, an accepted applicant will be provided a Known Traveler Number (KTN), which is used at the time of ticket purchase to identify individuals that are eligible for PreCheck. The KTN is a risk-based screening strategy that enhances security by allowing TSA to know more about travelers that have provided background information and therefore present less risk to security. The benefit to travelers is expedited screening. When a dedicated PreCheck screening lane is open, a registered traveler is able to pass through without removing shoes, outer garments, electronics, or carry-on compliant liquids from luggage.

Dr. Rosenberg stated that he had been provided a PreCheck pass at the time of check-in during previous travel, although he is not registered. Mr. Osborn replied that PreCheck benefits are occasionally extended to travelers based on criteria such as travel history and age. Mr. Hennessy asked about age requirements for the program. Mr. Osborn replied that individuals 12 years of age and younger, and 75 years and older, would not need to apply for PreCheck, as there are already expedited screening procedures in place for those groups. Individuals between 12 and 18 would be required to present an official ID document to qualify for the program. Ms. Page stated that on previous travel, she was required to remove liquids and electronics from her bag, although she is registered with the Global Entry program. Mr. Osborn replied that Wichita cannot currently offer PreCheck screening at all times of day because of staffing levels. A dedicated PreCheck lane is generally open during the busiest departure periods.

Several comments were made recommending that additional seating or shoe jacks be provided that would assist travelers with removing and putting on shoes during the screening process. Ms. Page commended Mr. Osborn on the positive attitude she has seen in screeners in Wichita and hopes that the TSA in Wichita will continue to treat travelers with dignity, as she has seen at other airports a lack of assistance and consideration for older travelers. Mr. Osborn replied that the TSA has made a greater effort the last couple of years assisting older travelers, and that travelers should be aware that they are allowed to stay seated in wheelchairs for security screening.

Carl Koster asked how the program has been received in Wichita. Mr. Osborn replied that the application center has been open for two weeks, and has been registering approximately 10 people per day. Mr. Christopher asked if the application center was part of Mr. Osborn's

responsibilities as FSD in the state. Mr. Osborn replied that the application center is a private contractor that also provides registration services for a few other federal certification programs.

Mr. Christopher also responded to concerns about the aging population by stating that the airport industry is increasing efforts to meet the needs of older travelers, as it recognizes that this segment of the population is growing. The new terminal also has been designed to fully meet ADA accessibility standards, and the Airport continues to work on improving the travel experience by paying attention to facility design and services, such as providing escalators and skycap services.

Parking and Rental Car Facilities Project Update

A formal presentation was not given this month. A project status report was provided in the meeting agenda materials and a short video produced by Ruggles & Bohm that highlighted activities during the last month was shown. Dr. Rosenberg asked why the parking project was in yellow status. Mr. Christopher replied that rating was based on current activities compared to the original schedule. The recovery schedule that has been developed will allow completion by spring. Mr. McCollom added that, from his perspective, the progress on the facility is greatly improved. The second level of the garage has been completed, and work began on the third level last week, by which Mr. McCollom estimates the work on the parking structure to be approximately half done.

ACT 3 Project Update – Pat McCollom, ACT 3 Project Manager

The terminal is on schedule to be complete in 267 days. The Apron Phase III project was completed in June. The final glass installation for the great hall is anticipated to be done this week. A small portion of glass still remains to be installed on the far east end of the building on the airside. The windows that have been installed are in the process of being pressure tested for leakage. Approximately half of the doors to the building are installed. Paving continues on the apron and curbside. The emergency generator pad will be set next week. In response to questions about being able to reliably maintain emergency power on a diesel generator, Ms. Zoglman stated that because there are two electrical feeds connected to the Mid-Continent complex, it has been satisfactorily assessed that if one source is lost, the second would automatically deliver power, which further reduces risk of needing emergency power. Mr. Christopher stated that Airport staff are also on call around the clock to monitor and maintain emergency systems if an event required that level of response. Mr. McCollom added that the standard for the FAA is diesel-powered generators.

A testing lab for the Systems Integrator project has been set up to test the security, phone, and information display systems on a small, controlled scale before installation in the new terminal. Staff met with Clear Channel to validate the planned advertising spaces. Clear Channel is the current advertising contractor that will also be providing services in the new terminal. As a result of the meeting, some additional advertising locations were also identified, for instance the media charging desks. There will be more digital advertising media in the new terminal than are currently used.

The sub-contractor for the terrazzo flooring has left the site, as a result of failure to meet work quality specifications and insufficient progress to meet work deadlines. The company has made claims of discrimination by the prime contractor. Key Walbridge is in the process of replacing this company that was also one of the DBE sub-contractors. Ms. Page asked what amount of work would need to be re-done. Mr. McCollom stated that a significant amount of the completed flooring would need to be re-ground and polished to meet specifications. Mr. Gooch asked what the value of the flooring component of the project is. Mr. McCollom stated it is approximately \$2 million of the building costs. Mr. Fletcher asked if the new sub-contractor would also be a DBE. Mr. McCollom replied that Key Walbridge is required to make a good faith effort to hire another DBE and that there are few terrazzo companies to choose from. Mr. Gooch asked if the issue with the sub-contractor was caused by a lack of ability to perform. Mr. McCollom replied that was part of the issue, noting that the sub-contractor had few employees or laborers on site at any one time.

Dr. Rosenberg asked about progress on the public artwork. Mr. McCollom replied that he and representatives of HNTB will be traveling next week to meet with Ed Carpenter, who is creating the artwork for the great hall. The supports for the art pieces will be installed in the fall and the artwork will be installed closer to the opening date. Also, the history of aviation displays are anticipated to be ready for review within a few weeks.

Mr. Bayouth asked about the progress on the baggage handling system. Mr. McCollom replied that approximately two-thirds of the system is in place and will be tested in the future. The TSA has frequently been onsite during installation activities. In response to a question from Mr. Bayouth about the passenger loading bridges, Mr. McCollom stated that the initial nine bridges will be constructed in the August-September timeframe.

Mr. Fletcher asked if any change orders are anticipated in the near future. Mr. McCollom replied that in the next few weeks there will be a change order that incorporates approximately 35 items. There is currently \$2.6 million in the contingency fund; approximately half of that is budgeted for furniture purchase.

Other Business

Ms. Page asked for an update on the Jabara runway condition, in regard to the landing of the Dreamlifter last November. Mr. Christopher replied that the engineers hired to assess the condition made a second visit recently, which confirmed consequential damage. Short-term repairs will be made until slab replacement can be done in 2015, by which time it is expected that any latent damage will have surfaced.

The next WAAB meeting will be Monday, August 4, 2014 at 2:30 p.m.

Meeting adjourned at 4:13 p.m.

Kathryn Keathley, Clerk