

MINUTES OF THE CITY OF WICHITA
WICHITA AIRPORT ADVISORY BOARD

Monday, October 31, 2011

Present: Dave Bayouth, Charles Fletcher, U.L. Gooch, Dwight Greenlee, Willis Heck, John Hennessy, Thomas Pryor, Dr. Thom Rosenberg, Bill Ward, Brent Wooten, Kurt Yowell

Absent: Steve Harris, Kevin Myles

Airport Staff: Victor White, Brad Christopher, Kathryn Keathley, Traci Nichols, John Oswald, Valerie Wise, Jean Zoglman

City Staff: Jay Hinkel, Deputy City Attorney
Branden Hall, Budget Analyst, Finance Department

Others: Pat McCollom, Program Manager, AECOM

Beginning at 2:30 p.m., Airport staff led the Wichita Airport Advisory Board members on a tour of the airside facilities at Wichita Mid-Continent Airport.

Chairman Rosenberg called the meeting to order at 3:55 p.m.

Approval of Minutes

Motion by Greenlee, second by Heck, to approve the minutes of the October 3, 2011, Wichita Airport Advisory Board meeting. Motion carried unanimously.

Director's Report

Victor White, Director of Airports, informed the Board that Brad Christopher, Assistant Director of Airports, represented the Wichita Airport Authority at the National Business Aviation Association (NBAA) conference in mid-October. The Board was given the Airport's promotional materials that were used at the conference. The Airport partnered with several other Wichita businesses to sponsor a Wichita aviation booth. The Airport gained 850 new business contacts as a result of participation in this conference. Mr. Christopher said it was a good opportunity to inform the business community of opportunities in Kansas and to visit with businesses that are already established here. Mr. White added that the Airport has been participating in the NBAA conference for about five years, and it is a good way of learning what businesses are looking for in terms of favorable development opportunities. Kurt Yowell asked how the Airport will follow up with the business contacts. Mr. White said the Greater Wichita Economic Development Council (GWEDC) will be doing a lot of the follow-up work, as they have been primarily responsible for organizing Wichita's representation at the conference. John Hennessy asked about the budget for the conference. Mr. White said the Airport spends about \$10,000 to participate each year, which includes the Airport's share of the booth and travel

expenses. U.L. Gooch asked if the booth was near any of the Wichita aircraft manufacturers. Mr. Christopher said it was not, but the booth was in a highly visible location in the exhibit hall.

Mr. Christopher spoke to the Board about the full-scale mass casualty disaster drill that the Airport recently conducted. The full-scale drill is required by federal law every three years for commercial airports. The drill includes not only Airport personnel, but also emergency management from other community agencies that would be involved in a large scale disaster, such as hospitals, Sedgwick County, and relief agencies. The drill allowed those involved to practice emergency response procedures in the field, in conditions that approximated an actual disaster. For the years in between the required full-scale disaster exercise, the agencies meet to review agreed upon procedures. Bill Ward asked what improvements were made since the last full-scale drill. Mr. Christopher said that improvements were communications procedures and cooperation between agencies, the involvement of trauma care providers, and the incident family support team. The incident family support team is a group of employee volunteers that would wait with family members of those involved in an aviation disaster. Chairman Rosenberg asked if the disaster exercise was video recorded. Mr. White said that the City of Wichita Communications Team videographer got some footage, and it should be available on DVD for the Airport, as well as some portions being aired on the City's information channel, City 7.

Mr. White called the Board's attention to the Monthly Statistical Report included in the agenda packet. Jean Zoglman, Finance Manager, pointed out that the Year to Date 2010 statistics were calculated based on a year's worth of data, instead of nine months' data, so the percent change figures are incorrect.

Valerie Wise, Air Service and Business Development Manager, spoke to the Board about the Airport's newly developed partnership with Youthville. Youthville is a nonprofit agency that works with families in Wichita, Newton, and Dodge City, to improve the lives of children suffering from abuse and neglect. The Airport has committed to providing turkeys for holiday meals to 90 families that will be reunited this Thanksgiving. Airport partners have also been asked to help with this effort. For the Christmas holiday, the Airport will be providing for some of the needs of the children, as they often enter Youthville's care with few or no personal items.

Dwight Greenlee asked if an aircraft could be stranded at Mid-Continent, as happened in Connecticut yesterday. He asked what would be done if a similar incident happened at Mid-Continent. Mr. White said the Airport procedure is to track all known delays and cancellations. The Airport Police and Fire dispatcher sends a report to himself, Brad Christopher, and Valerie Wise every time there is a significant known delay, and begins to put in place the necessary assistance to flights in those situations. It is the airlines' legal responsibility to take care of passengers during delays. The Airport tries to be proactive by monitoring flight delays so that, if necessary, additional assistance is available to prevent extreme hardships to passengers. Mr. White provided further background to the situation by explaining that an airline let a plane with passengers wait on a tarmac for eight hours at a Connecticut airport yesterday. Federal regulations now prohibit tarmac delays of over three hours. Mr. Greenlee said he thought that in the Connecticut case, the airline did not have any personnel stationed at that airport, so there were no airline employees to handle the situation, and it fell to the airport to intervene. Mr.

Greenlee asked if the flight steps owned by Mid-Continent were able to accommodate all sizes of passenger aircraft, in case passengers had to be evacuated from the tarmac. Mr. White said the mobile airstairs owned by Mid-Continent are only a couple of years old, and are rated to be the best available at this time. Airport Police and Fire test the operation of the stairs during the daily equipment operation check. The stairs have been used several times in cases of emergency diversions.

ACT 3 Project Update

Pat McCollom, AECOM Program Manager, spoke to the Board about the status of the ACT 3 Project. The program management and construction management contract with AECOM was extended on October 18. Following this contract approval, AECOM began negotiating the continuation of design services with HNTB. A supplemental agreement for the extension of HNTB's design services will be presented at the November 15 Wichita City Council meeting. The cost for the HNTB supplemental agreement is \$1.27 million. Before the bid request for the terminal construction can be published, the HNTB supplemental agreement must be approved and the project general provisions must be finalized, which are expected to be complete about the same time in mid-November. AECOM has set a tentative bid request date for December 12, 2011, which would set the bid opening date at February 12, 2012, and groundbreaking in June 2012.

The City's internal auditor has reviewed the proposal submitted by the company that was chosen to design the parking facility, and has provided a report to the City Manager. After the City Manager's approval is received, the Airport can begin to negotiate the terms of the parking facility design contract.

AECOM is considering holding a workshop for subcontractors in late November or early December. It will be an opportunity for local subcontractors to learn about the special federal requirements related to the terminal project, and what they may expect from the general contractor.

Mr. White informed the Board of the status of the public art project that is part of the ACT 3 Project. The artist chosen by the Public Art Selection Committee has submitted his concept for the artwork. He wants to create a 300 foot long sweeping arc meant to evoke images of an aircraft wing. It will include lights and iridescent colors. Mr. White and John D'Angelo, Director of Arts and Cultural Services, met with some of the City Council members, who approved of moving forward with this art concept. On December 1, the artist will be visiting Wichita to meet with the City of Wichita Design Council at 11 a.m. The Board is invited to attend the presentation. If the Design Council approves the concept, then it will be presented to the City Council in December for final approval. The History of Aviation displays being designed by the Greteman Group will be presented at the same meeting on December 1. Mr. Ward asked where the meeting will be held. Mr. White answered that it will be at Century II.

Mr. Yowell asked what additional information related to ACT 3 will need to be presented to the City Council. Mr. White said that after the HNTB supplemental agreement, which will be

considered on November 15, no further action will be required by the City Council to move forward with ACT 3.

Mr. McCollom has been working on developing concepts for promotional materials that can be used to help inform the public about the ACT 3 Project during the construction phase. He has gathered descriptive statements about the terminal development and statistics about the scope of the project. Using that information, he would like to produce brochures and displays that can be placed in the terminal. Mr. White added that the Airport will also be launching a Website dedicated to information on the terminal construction, which would include information like Mr. McCollom has gathered, as well as a Webcam, and information for businesses interested in opportunities at the new terminal. Mr. Yowell asked if the final product Mr. McCollom had in mind was a brochure for passengers to pick up. Ms. Wise said that it would be something that economic development groups or the Kansas Department of Commerce could use to help attract business to this region. Mr. White said that he expects there to be many more speaking engagements in the coming year, so the brochures would be used in conjunction with those types of functions, too.

Other Business

Mr. White provided the Board with additional information about the supplemental agreement with HNTB. The contract price reflects the additional work that will be required of HNTB as the result of the extension of the original negotiated work period. The work period expanded due to design completion delays brought about by the need to solicit input from the numerous stakeholders, and the action of the City Council to suspend the ACT 3 Project at the beginning of 2010. The cost agreed upon by the Airport and HNTB as fair compensation for the work involved in the design changes, the extended duration of the contract period, and the bidding and construction phase services, is \$1,272,000. These funds are already available in the ACT 3 budget, so a budget change is not required. Charles Fletcher asked if this expenditure still keeps the ACT 3 budget within \$160 million. Mr. White said yes, and that the reduction in construction costs has allowed the increase in design fees to balance out with the overall budget.

Brent Wooten asked if further decisions had been made about pursuing LEED certification for the new terminal, as had been discussed in previous meetings. Mr. White said that no decision has been made. The HNTB supplemental agreement does not include LEED (Leadership in Energy and Environmental Design) certification work. The architect's explanation of the process is that for the terminal to be certified by the U.S. Green Building Council, a LEED consultant must be hired during the bidding period to provide information to contractors regarding the LEED standards for construction. The cost for the LEED consultant during the bid period is included in the supplemental agreement. The LEED consultant may also be hired for the construction period and for commissioning once the building is close to finish. The commissioning process would be an additional \$300,000, which involves the testing and paperwork to certify that the structure is built to LEED standards. The City Council will be asked at a later date if the LEED certification process is something they want completed.

The new terminal building has already been designed according to the LEED standards and guidelines for energy efficiency. It will be just as efficient, whether or not it's certified, in theory. Without certification, though, there will be no data to determine exactly what the savings are, from the utility and equipment operations standpoint. Mr. White suspects there will be City Council members on both sides of the issue: some may not be supportive of spending several hundred thousand dollars for the testing and inspection, while others may believe that it is absolutely the thing to do. ACT 3 was started with the understanding that it would be LEED certified, which the Council was also aware of. What was not known at that time was that there would be an extra cost associated with it. Since 2006, when the project was begun, many new standards for the testing process have been put in place. The City has LEED certified the new Wichita Transit van maintenance building, which is the City's first LEED certified structure.

Mr. Gooch said that it is important now to find out what the benefits of certification are, because it is likely that the Council will want to know. Mr. White said that several recently constructed airports have chosen not to be certified. The airports have stated in their promotional materials that the buildings were built in accordance with the LEED standards, so they are able to get the public relations value from it, but whether it's the same cost savings is unknown. Mr. Fletcher said his understanding of the situation is that the new Mid-Continent terminal will be built to the LEED standard, and what the Airport will receive for the \$300,000 certification fee is a plaque that recognizes that. Mr. White said his initial reaction to the costs was the same, and he has asked the architect to provide an explanation of what the energy cost savings will be, and how long it will take to earn back the certification fee in energy savings. The contractor will also likely charge more to cover the administrative costs for the extra paperwork required to support the LEED certification. Based on feedback from the architect and several contractors, the extra fees may be anywhere from zero percent to two percent. Mr. White has also read that the extra fees could be from zero percent to one percent. It's not clear right now exactly how much more the LEED certification will effectively cost. For a building cost of \$100 million, one percent is an additional \$1 million that the Airport would have to spend for LEED certification, plus \$300,000 for the LEED consultant. Other airports around the country are also advising that the LEED standards are not as out of the ordinary as they were five or seven years ago, so most large contractors are not increasing fees to handle LEED documentation because it is more commonplace.

Chairman Rosenberg said one real advantage of LEED certification would be the ability to use the efficiency rating to negotiate a better kilowatt-hour charge with the power company, based on lower energy usage. The difficulty, though, would be monitoring the energy usage so that the energy savings were maintained. Mr. Fletcher said that the LEED certification standards today will be different than in five or ten years. Mr. White said he does not know which set of LEED standards will have to be followed. John Oswald, Engineering and Planning Manager, said the terminal will need to be built based on the standards that were in effect when the application was made, because the standards have changed. The standard at the time of application was lower than it is now. Mr. White said the certification level is based on a number of points earned for different design features in the building. There is a minimum threshold for points and certification, with levels increasing for additional points. The new terminal design is within the lower level of certification.

Mr. Wooten asked if the Board would be able to provide input on the LEED certification option. Mr. White said it is an issue where the Board's opinion would be welcome. Mr. White said that, at this time, he feels that the certification cost is high if it just comes down to getting a plaque for the wall, but if there is real value, then it is worth it. Ultimately it is the Council's decision to pursue certification or not. Chairman Rosenberg said, if you build an energy efficient building, you're going to save on the back end for all the things that require energy, but other than that, if you can't negotiate electric rates, or water rates, to be less because of the certification, then it's of no value to spend \$300,000 for the certification.

Mr. Greenlee asked when the decision has to be made. Mr. White said the architect must know if the LEED certification will be included before the bid is awarded in the spring. Mr. McCollom added, after bid opening, but before award of the bids. Mr. White said this is so the contractor will be prepared to follow all of the LEED guidelines and the LEED documentation standards. Mr. Greenlee said, sometime in late December, probably early January, but to do what Brent is talking about, to give a knowledgeable opinion to Council, we need more information ourselves. Mr. White said the architect should be able to provide more complete information after the bid advertisement, and it should be available to present to the Board at the January meeting. Then, the Airport and the Board can make a knowledgeable decision if LEED certification is advantageous or not. It may end up being a political decision, regardless of the numbers, depending on the public's opinion of the value of LEED certification. Some former Council members, who were on the Council when the project started and said we should do this, are not on the Council now.

Mr. Yowell asked if it was possible to have the contractors provide a bid for their work without the LEED certification process, and a bid that includes LEED certification costs. Mr. McCollom said that he feels that it would not be advisable to change the bid requirements at this time, because it would cause too much of a delay in advertising the bid. Mr. Yowell asked for clarification on the cost to the contractor for keeping records of materials and construction management practices for LEED certification purposes. Mr. McCollom said that there is not a clear answer on what the contractor costs should be. Some people are saying that it is an additional cost, but many others are saying that the requirements (i.e., tracking products and recycling) have become standard practice. Mr. Fletcher said, so that cost is for their paperwork, but we are going to get the most efficient toilets, light bulbs, etc. That's in there. Mr. McCollom said that is in there already.

Mr. White asked the Board to vote on their approval of the HNTB contract so he can inform the City Council of the Board's opinion on this supplemental agreement. He reviewed that the total supplemental agreement cost is \$1,272,000. The greatest part of that, about \$1,000,000, is associated with the delay and the extended duration caused by the suspension of ACT 3 for a year and a half, the re-engagement of the architects, and the future escalation of costs for work required after the original agreed upon contract period.

Motion by Greenlee to recommend the approval of the HNTB supplemental agreement for \$1,272,000. Second by Heck. Motion carried 8 to 3.

Mr. Wooten explained his vote against the motion by saying that he did not feel there was enough information to make a decision.

Mr. Yowell asked if the Board would be provided additional details. Mr. White said he would provide the Board with the agenda report that he will present to the City Council for the approval of the HNTB supplemental agreement.

The next WAAB meeting will be Monday, December 5, 2011 at 2:30 p.m.

Meeting adjourned at 4:57 p.m.

Kathryn Keathley, Clerk