

**MINUTES OF THE CITY OF WICHITA
WICHITA AIRPORT ADVISORY BOARD**

Monday, February 2, 2004 - 3:07 p.m.

Present: Tim Austin, Charles Bouilly, Bill Calloway, Ron Estes, Mitch Faroh, Charles Fletcher, Beth Garrison, Michael Ledy, Dorothy McKay, Dave Murfin, Jay Swanson, James Thompson

Absent: Dion Avello

City Staff: Jessica Johnson, Doug Moshier

Airport Staff: Bailis Bell, Shannon Feltes, Steve Flesher, John Oswald, Karen Wolf, Jean Zoglman,

Chairman Austin called the meeting to order.

Public Agenda

James Mendenhall requested permission to present a proposal for a large industrial park with a new runway and a new highway. This will be on the March WAAB agenda.

Approval of Minutes

Motion by Estes to approve the minutes of the January 12, 2004 Wichita Airport Advisory Board meeting. Motion carried unanimously.

Discussion of Public Safety Fees

At the January 12, 2004 WAAB meeting, the Board requested a motion to be drafted and submitted to the City of Wichita, asking for some type of discount or recognition that the airport does provide fire and police services on the airport, and that the City should not bill the airport in full for these services. Estes reviewed the discussion from the last meeting, and stated that since some of the services are already provided out of airport budget, the City should reassess the approach that was used to charge the airport for the public safety fees.

The board reviewed the draft Resolution. It was the consensus of the board to reword the Resolution as it relates to reevaluating the \$700,000 charge, and that it should request a reduction of the fees. The suggested wording should be:

NOW, THEREFORE, BE IT RESOLVED that the City Manager be directed by City Council to lower the \$700,000 charge to the Airport Fund for City police and fire services, giving consideration to the services already provided by the Airport Fund.

Motion by Murfin to approve the amended Resolution, changing the word reevaluate to lower.

Discussion ensued as to what amount the fee should be lowered. Garrison suggested that staff come up with an amount that would be fair. Austin stated that the airport also pays water and sewer utility fees and storm water utility fees which are both being assessed, and it appears that the airport fund is getting triple-dipped on these assessments.

Murfin withdrew his motion and suggested using the wording in the original draft Resolution, asking the City to reevaluate the \$700,000 charge.

Discussion ensued. Bell pointed out that the increase will be passed on to the end users of the airport. The airlines view this as paying twice for police and fire services.

Estes moved to table this discussion until the March meeting and in the meantime, he would draft a motion that would include the details of the board's thoughts. Motion carried unanimously.

Discussion of Airport Economic Development Methods and Opportunities

Fletcher spoke on behalf of the Economic Development Committee, which is comprised of himself, Murfin and Estes. The Committee met with Bell and discussed who is currently responsible for marketing airport properties. This responsibility appears to be handled by the City of Wichita Economic Development Department. Fletcher has spoken to Fearey about the WAAB getting involved in marketing airport properties and has received positive feedback. The Committee also discussed non-aviation related businesses that could be located at Jabara Airport. It was agreed that there may be many opportunities available but there is not a formal program to identify and pursue those opportunities.

Bell stated that many of the businesses on Mid-Continent Airport located here because it is the general aviation capital of the world. Four years ago with the change in airport governance, the City Manager directed that all economic activity will be handled by the Finance Department of the City of Wichita. Bell stated the priority of the Airport staff has been air service.

Fletcher requested the board authorize a resolution stating the Wichita Airport Advisory Board may pursue development of airport properties.

The Committee discussed meeting with Allen Bell with the City of Wichita Economic Development Department to address economic development activities. Also discussed was how the WAAB could become a liaison to an economic development role.

Discussion ensued. It was Austin's suggestion that the WAAB should be looking at ways it could help the City.

Ledy suggested in addition to Allen Bell, also invite Dave Wood with the GWEC and Irene Hart with Sedgwick County to see what can be worked out through that coalition. Jessica Johnson volunteered to help organize the meeting.

Capital Projects for 2004

John Oswald, Airport Director of Engineering and Planning, presented highlights of projects planned for 2004. Projects discussed at Mid-Continent Airport were Taxiway "N" (under construction contract); replacement of pavement parallel to Taxiway "A" (under design contract); Learjet pavements – Taxiways "L", "J" and a compass rose (under design contract). The estimated cost of anticipated projects for the next three years that are federally funded is \$31 million. The unknown cost is the terminal project.

At Jabara Airport, Jabara Road has become an access road. In 1999 the design project for this road was halted pending completion of the master plan update. The master plan consultant advises combining aircraft and vehicles is not normally advisable. The design project is an industrial street consisting of concrete curb and gutter for an estimated cost of \$2 million. It is the master plan consultant's opinion to leave a continuous road in the same location. The master planner does not recommend shifting the road east for several reasons. The current storage hangars may turn into a different function or possibly turn into a parking area. Also the highest and best use in the center part of the airfield is not storage hangars. The master planner suggests that the road should not be placed too far east to limit future development.

Discussion ensued. Murfin suggested a better use of money is to spend it on the entrance to Midwest Corporate Aviation. Bell stated there is a parcel of land that staff was considering selling as there are no aviation-related businesses lined up to locate there and the revenues from that airport are about the same as the expenses. As long as the airport owns the land, any development on that land must be aviation related. If the land was sold, anything could be developed on it.

Fletcher stated that a medical corridor has been developed along Webb Road and many people coming to these medical facilities do not want to go into Wichita proper. It is his opinion that those customers would take advantage of restaurants and retail shops in the Jabara Airport location.

It was Austin's view that it would be bad policy to sell airport property and to crowd the airport with any other kind of development.

The consensus of the board was to build the road and keep the land.

Air Service Update

Steve Flesher, Air Service Development Director, brought the board up-to-date with air service efforts. A paper summarizing the highlights of Fair Fare\$ Plan for Kansas Air Service was distributed and discussed. The Regional Economic Area Partnership, the Chamber, and the Wichita City Council have given support of the plan. Preliminary presentations have been given to the Deputy Secretary of the Kansas Department of Commerce, and Lt. Governor Moore. The plan was also presented to the South Central Kansas Legislative Delegation. Highlights were reviewed publicly in Salina on January 14, 2004 at a news conference hosted by the Salina Airport. A Fair Fare\$ board seat was

offered to the leadership of North Central Kansas. The plan was reviewed with the Kansas Association of Airports in Pratt, Kansas. Plan binders were prepared for presentation to Senator Roberts, Senator Brownback, Congressman Tiahrt and Congressman Moran. Plans were sent to Senator Roberts and Congressman Tiahrt on January 12. The plan was to be reviewed by Congressman Moran's staff last week and is being rescheduled. The Executive Director of the Salina Airport will co-present the plan to Congressman Moran.

Interviews took place to select an air service consultant to develop the low cost carriers' strategies, to develop the market development initiatives and aggressively promote service enhancements across the state and to implement the statewide air service plan. A statewide air service ad campaign was launched in January.

Joint resolution in support of the Fair Fare\$ Plan was advanced in the Kansas House and Kansas Senate by Mayor Mayans and Fair Fare\$ partners.

Efforts are underway to solicit funding support from the State, County, City and targeted federal programs.

Discussion ensued as to the level of participation from other Kansas airports in the plan. Market research pegs the top end of the market potential for Kansas air service around 4 million annual O&D passengers. The emphasis of the plan is to attract passengers who are still flying out of airports other than Mid-Continent.

Discussion ensued relating to how AirTran and Frontier can benefit from the increase in passengers in this market. The market has grown about 300,000 passengers over the last two years and AirTran and Frontier captured about one-third of that growth; the incumbent airlines captured two-thirds of that growth. A part of the strategy is to promote the entire airport thereby increasing the entire passenger base.

There was discussion regarding keeping the board informed as to the progress being made by the Fair Fare\$ board.

2003 Financial Report

Jean Zoglman, Airport Finance Manager, reviewed the financial condition of the airport for the year ending December 31, 2003.

Master Plan/Terminal Plan Update

The terminal task force will meet on February 10, 2004.

Meeting adjourned at 5:15 p.m.



Valerie Wise, Clerk