

MINUTES OF THE CITY OF WICHITA
WICHITA AIRPORT ADVISORY BOARD

Monday, November 1, 2004 – 3:00 p.m.

Present: Tim Austin, Dion Avello, Charles Bouilly, Bill Calloway, Ron Estes, Mitch Faroh, Charles Fletcher, Willis Heck, Dorothy McKay, Jay Swanson, James Thompson

Absent: Beth Garrison, and Dave Murfin

Airport Staff: Bailis Bell, Sandy Coykendall, Shannon Feltes, Tom Nolan, John Oswald, Valerie Wise, Jean Zoglman

City Staff: George Kolb, City Manager

Chairman Austin called the meeting to order.

Approval of Minutes

Motion by Avello to approve the minutes of the October 4, 2004 Wichita Airport Advisory Board meeting. Motion carried unanimously.

Comments of the City Manager

The Board members introduced themselves to Mr. Kolb. Kolb thanked the Board for inviting him to the meeting.

Kolb stated that major projects are underway, such as a new terminal building and land issues at Jabara Airport. One of the most important projects is to find leadership for the airports. The City will use the services of a headhunter to assist with recruiting an airport director. A screening committee will be set up to interview applicants, and a representative from the WAAB will be on this committee.

On the terminal plan, a program manager needs to be hired to represent the airport throughout the planning and construction of a new terminal. Kolb pointed out that a program manager takes a project from “cradle to grave” and is like having your own employee. Kolb also recommended a peer review be conducted, so that when HNTB submits a design and it is 90% complete, another firm would be hired to look at the plan. A program manager would provide that type of guidance.

Discussion ensued regarding the Board’s working relationship with the City Manager.

There was discussion regarding Board members’ travel to airport conferences. The City’s policy is that Advisory Board members are not allowed to travel. The Board feels it is important to be educated on airport matters in order to make informed decisions. Kolb is in favor of the Board’s travel as long as it is in the Airport’s budget and the travel is worthwhile. Bell stated that in the past this was withheld from the Airport’s budget.

Discussion ensued regarding the Board's interest in air service enhancement. Kolb stated that Fair Fares has done an excellent job, but feels that they need to rethink their strategy. Other than City Council, the Airport Advisory Board is the final say on air service. It is the WAAB who will deliberate on air service policies that this airport will have to abide by and make those recommendations to council when appropriate. Kolb stated that he does not believe in airline subsidies in terms of coming out of public coffers. It was Kolb's opinion that airline subsidies do not work. The Fair Fares Board has been informed that the City Manager will recommend either no subsidy or a significantly reduced subsidy. Also, the Fair Fares Board needs to be contacting other airlines to serve Wichita. It was the Board's view that the Fair Fares program has been extremely successful. Avello pointed out that although no one is in favor of a subsidy, it was highly successful and it needs to be continued. The business community needs to be revisited and solicit commitments to AirTran. Kolb stated that if the savings to this community are \$197 million, 10 percent of half of that amount would equal the subsidy. If companies have saved so that money on air travel, those companies should be willing to commit a percentage of those savings to keep AirTran in Wichita.

Avello stated that the airport is the economic engine of a community. The Board needs to know what every entity is doing and how their decisions affect the airport so the Board can make better decisions. In the past, the Board has not had this information, making it difficult to advise. There was discussion regarding the limitations and lack of policy-making decisions of this Board. Kolb stated that Fair Fares and this Board should be partners.

Capital Improvement Program

The Airport is required by the City of Wichita to submit a ten-year Capital Improvement Program on an annual basis. In addition, the Federal Aviation Administration mandates that a capital improvement program be submitted, also on an annual basis. Nolan pointed out that this is a dynamic document, and those priorities in the CIP change. John Oswald, Director of Airport Engineering and Planning, presented the projects that have been identified for the next two years at Mid-Continent and Jabara Airports.

In 2014, \$4.7 million has been designated for land acquisitions north of the post office. This figure was derived at by using records provided by Sedgwick County and using a multiplier for ten years out. Oswald suggested the Board consider 'opportunity purchasing.' This would allow staff to budget for land acquisitions each year for the next ten years so that when property became available, the airport could purchase that property.

Discussion ensued. Most of the land in this area is zoned for commercial development, and will likely increase in value as time goes on. It was the consensus of the Board to purchase property when it becomes available. Possible scenarios to divide the \$4.7 million between the next ten years were discussed. It was recommended that 50% of the \$4.7 million be budgeted for 2014 and divide the remaining 50% among the other nine years.

There was discussion regarding 11 passenger-boarding bridges planned for 2005. Oswald pointed out that there will actually be ten bridges, and not 11. An adjustment will be made to the CIP prior to submitting it.

There was discussion regarding activity at Jabara Airport, and a parking garage budgeted for 2009.

Jean Zoglman, Finance Manager, presented the projection of cash flow. The PFC revenues reflect an increase in the passenger facility charges, from \$3.00 to \$4.50. The PFC is currently at \$3.00, but can be amended to \$4.50 that would allow the airport to collect eligible funds faster to be used for the terminal project. There is a process involved to increase the PFC that includes an opportunity for the airlines to comment.

Discussion ensued regarding permanent financing, new long-term debt, and temporary note redemption.

Motion by Estes to endorse the ten-year capital improvement program with the amendments to land acquisitions as discussed. Motion carried unanimously.

Off-Airport Directional Signage

Airport staff had received some comments from visitors to Wichita having difficulty finding Mid-Continent Airport and suggested that better signage along roadways be provided. Discussions with the City, County and State resulted in recommendations for additional signs to be located along the perimeter of the Wichita area. The City's Traffic Engineering Department has sent a request to KDOT for the placement of ten more signs. Staff is waiting for KDOT to respond.

Master Plan/Terminal Plan Update

The Jabara Airport master plan has been submitted to the FAA, and the Mid-Continent Airport master plan will be submitted shortly. Hopefully by the end of the year the HNTB-driven terminal plan will be final. By November 12, 2004 all Requests for Qualifications for a program manager will be opened. Austin asked the Board for volunteers to be involved in the consultant selection committee, subject to the City Manager's approval. Charlie Fletcher volunteered.

September 2004 Statistical/Project Report

Total passengers in September 2004 increased 4.79% over 2003. Total passengers to date in 2004 are up 7.16% over 2003.

Meeting adjourned at 5:05 p.m.

Valerie Wise, Clerk