

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

**Monday, December 3, 2007**

Present: Tim Austin, Robert Beattie, Ron Estes, Charles Fletcher, U.L. Gooch, Dwight Greenlee, David Murfin, Kevin Myles, Tom Pryor, Jay Russell and Bill Ward

Absent: Willis Heck and Jeffrey St. Clair

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

City Representatives: Joe Allen Lang, First Assistant City Attorney  
Mayor Carl Brewer

Others: Mike Carter, DMJM Aviation  
Chuck Reedstrom, Carter & Burgess

Chairman Fletcher called the meeting to order.

**Approval of Minutes**

*Motion by Mr. Greenlee to approve the minutes of the November 5, 2007  
Wichita Airport Advisory Board meeting. Motion carried unanimously.*

**Director's Report**

Victor White introduced Brad Christopher as the new Assistant Director of Airports for Operations. Mr. Christopher most recently worked for Cessna as a production test pilot and demo pilot and until the year 2000 held this same position at the Wichita Airport Authority. Everyone is excited to welcome Mr. Christopher back.

Chairman Fletcher presented David Ross, Airfield Maintenance Superintendent, with a plaque congratulating Mr. Ross on his upcoming retirement. The plaque was given by the City of Wichita and the Wichita Airport Authority in recognition of Mr. Ross' dedication and faithful public service to the community and the air traveling public. Mr. Ross thanked Board Members and staff for the privilege of the last 11 years of working at the Airport.

**K-State Landscaping Project**

John Oswald reported that in mid-November thirty students and two professors from the K-State Landscape Department came to discuss a landscaping project to help tie the airport campus together. A sidewalk up Airport Road and some of the other streets on campus is being considered. This project provides the K-State Landscape Department the ability to work on a real world project and gives their department recognition for the project. The project idea was well received by everyone and it will be great to see the product that comes out of this.

### FAA Funding

There still has not been any action on the FAA Funding Bill. Congress recently approved a temporary spending bill that extended short-term funding for most of the Federal Government. It specifically extended FAA funding as a continuing resolution through December 14<sup>th</sup>. There have been assumptions that Congress may pass another temporary extension through the end of the month. Another scenario Congress is considering is a temporary extension of just the FAA programs and the user fee taxes until March 31, 2008. However, that would not provide the FAA any longevity or stability to be able to plan for issuing grants. Since 2008 is an election year, there is concern that Congress may not do anything the entire session after January except possibly a one-year extension. Mr. White will keep the Board informed as anything develops.

### Holiday Parking

Last month staff was busy preparing for Thanksgiving holiday parking. Contingency plans were in place ahead of time and were implemented because the airport was in an overflow situation by Thanksgiving morning. Lot D is a temporary emergency paving project where the millings were taken off the runway shoulder project and the entire area was paved and striped on a temporary basis which provided 112 additional spaces. Temporary lights were put in and a tent was rented to use as a shuttle bus shelter. Due to the cold weather Lot E, just to the north, did not get paved. The other plan was for Lot C, which is essentially an employee parking lot. This year staff tried something new by sending out notices to all City employees offering a discounted parking rate for registering in advance for a permit. This permit would allow them to park for a \$10 flat fee regardless of the number of days to keep them from using the public parking lots. There was not a large response from City employees therefore the offer was extended to airport tenants as well. In total, 34 permits were issued for Lot C which was just enough to avoid having to use Lot E, the grass lot. There were over 148 cars in non-standard emergency overflow parking. It is expected that the Christmas/New Years holiday will be even worse because it is more of an extended holiday period so the same contingency plans will be implemented and they may be implemented for Spring Break as well. It is also possible, that the new north shuttle lot, which is now called the "Park & Ride" lot, will be open by Spring Break, dependent upon the contractor's ability to work during winter weather.

### Cargo Building

The cargo building replacement project is getting close to go out to bid. The design is almost complete and most of the negotiations with the respective tenants are finalized.

### Air Service

Valerie Wise announced that Frontier Airlines is hopeful they will receive the FAA's approval of their Lynx Aviation operating certificate which means they are optimistic they will soon start flying the Q400. To roll the Q400 out there is going to be a press conference for the 1:30 p.m. afternoon arrival when Frontier representatives as well as media from Denver will be coming in. The media will be invited to take the flight out in the afternoon. There will also be a press conference in Denver and the CEO of Frontier and President of Lynx Aviation will be participating in that conference.

### Other Projects

Chairman Fletcher asked if Runway 19 Right was back open. Mr. White reported that the project was completed successfully and the runway is now fully operational.

Chairman Fletcher also asked about the paint project at Jabara Airport. Mr. White reported that the painting was done nearly two months ago and the Taxiway was reopened last week. Late next spring or summer is when the runway will be closed for the replacement of the lighting.

### Parking Study Update

Chuck Reedstrom of Carter & Burgess presented the Board a PowerPoint presentation providing a synopsis of the results, conclusions and recommendations of the parking study their firm has been preparing.

Mr. Reedstrom showed a slide of the site plan given at the start of the study. The plan shows roughly 1,000 parking spaces in the replacement shuttle lot. It has to remain as an interim parking lot because it is not FAA approved for permanent use at that site. At the end of 2003 a survey was conducted for Mid-Continent Airport comparing its rates to 35 other airports within the Midwest region. Wichita was low compared to all of the other airports. There was also a survey of several airports asking how they satisfied employee parking. Again Wichita was low in terms of charging for parking rates for their employees. At the current rate Wichita would not be able to pay for any kind of shuttle service for employees.

When analyzing the existing system the short-term lot consists of 370 spaces, which is roughly just under 20% of the total parking supply. The current long-term lot has 1,365 spaces and the shuttle lot has 446 spaces. It is heavily weighted towards short-term which means there is too much short-term parking right now. The long-term lot is undersized making people that want to park in long-term currently have to park in short-term. Parking tickets from July 29 thru August 4, 2007, were analyzed to show the current utilization. For short-term parking the average fee per ticket is \$3.38 and the average duration is just over four hours. That is important because in short-term or hourly parking the goal is a turnover of four to five cars per day. There are also several people that are parking overnight in the short-term lot. At one time the short-term lot was at 79% of capacity overnight. The long-term parkers are taking up the parking spaces that should be turning over for the hourly patrons. As far as long-term parking, the average fee per transaction is \$27.33 and the average duration is just under four days, which is fairly consistent with airports around the country. There are quite a few patrons that actually stay over seven days. Capacity has reached 95% in the long-term lot and during Thanksgiving and Christmas holidays parking is above capacity. The average ticket for the shuttle lot is \$33.28, the duration is for just over four days and capacity is at 90% which shows that lot is out of space as well. The industry rule of thumb on parking is that once 85% of utilization is reached the parking lot is considered full and plans need to be made to add additional parking.

A ratio was created of the current parking demand to current enplanements, then future enplanements were considered and that is how the parking demand is being projected in terms of Phase I at 1.9 million enplanements and Phase II later on is a higher demand. At Phase I once that 1.9 level is reached 2,820 parking spaces are needed. Then in Phase II 3,200 parking spaces are needed. Currently there are 2,181 parking spaces. The current demand is estimated at just

over 2,000 which means parking is full even during a non-peak time. For Phase I if there is no expansion, parking will be short 387 spaces and once Phase II levels are reached parking will be short over a 1,000 spaces. A parking lot is not designed to meet the normal maximum need, it is designed over that in order to meet peak period demands. In addition to this the airport would be short approximately 120 spaces for rental car ready return spaces.

Phase I roughly equates to the year 2011. The estimated cost for a surface lot based upon those shortages would be just under \$2 million and in order to meet the Phase II demand it is estimated that almost \$6 million would be needed for a surface lot. The number of acres estimated to meet the Phase I demand is approximately 5 acres, and for Phase II, 13 acres would be needed. The shuttle lot currently being constructed is approximately 10-11 acres. When considering adding additional surface lots it brings up the question of is that land available. Also, in addition to the construction costs, anytime there is a remote lot the airport has to provide shuttle service. Based upon the assumptions of a ten-minute frequency and one shuttle driving non-stop from the parking lot to the terminal and back, it would cost approximately \$230,000 per year to provide the shuttle service and once again that will escalate over the years with inflation costs.

Rental car requirements were also considered. The survey the rental car companies filled out this summer was used, industry averages were analyzed and market share numbers were identified. After considering the ready return spaces, what the rental car companies need from a customer service perspective and a quick turn around area, a couple of different options have been established. Based upon what the rental car companies are asking for, there are approximately 200 existing parking spaces for the ready return facility and the rental car companies would actually like to have 340. For Phase II, 390 spaces will be needed for the ready return area. In addition, a customer service area will be needed for people to make their transactions. It is estimated a 14,000 square foot facility will be needed to service the customers for all of the rental car companies. When looking at the quick turn around requirements of fueling positions, car wash bays and a maintenance bay, two options were developed. Option 1 is a multi-level structure that will house rental cars, hourly parking and long-term premium parking while leaving the rental car maintenance areas where they currently are. Option 2 provides the same multi-level facility, but also provides a quick turnaround area to service the demand of the rental car companies. Option 2 would take the entire parking lot that is currently shown as long-term parking, therefore this option is not recommended.

Mr. Reedstrom showed a slide of the suggested garage configuration. The first level could be at grade level or sub-grade, and would consist of 400 parking spaces for the rental cars. The second level would be for hourly parking spaces, which the demand projects at 400 parking spaces. Then the 3<sup>rd</sup> and 4<sup>th</sup> levels would be 800 spaces for daily or long-term premium, which would be at a little lower rate than the hourly. The total garage configuration is 1,600 parking spaces.

The data was put together to look at what the cost would be represented by building a structure like this and if it would pay for itself. The garage is considered a stand-alone project and is not associated with the financial capacity for the terminal. Debt service for the new garage was considered and the demand was adjusted for elasticity. A rental car customer facility charge of \$3.00 per transaction date was assumed. Parking rates were adjusted to reflect an hourly rate of

\$2.00 per hour up to a \$24 maximum, long-term premium would start at \$3 per hour and go up to a \$9 maximum and the long-term surface lot and shuttle lot would remain the same. Based upon those assumptions, the total parking revenue is just over \$8 million per year, and then \$1.2 million per year of projected operations and maintenance costs is subtracted as well as the committed revenues that equate to almost \$4.4 million, however that leaves a net revenue of \$2.5 million. The construction costs are projected at \$19,000 per space for structured parking. At 1,600 spaces, the total cost is just over \$30 million. Using the debt service for 30 years at 6.5%, which that rate could be beat, the positive cash flow would be just over \$200,000.

There is also a valuable asset that at this time is a non-revenue generating asset and that is the terminal roadway. Terminal roadways are very expensive and highly used, however the airport is not receiving any revenue from them. A lot of airports have implemented programs called ground transportation systems where an access fee for remote shuttle services is implemented to access the airport. This would include all off-airport shuttles as well as possibly, taxis, limousines, etc. The advantage of a ground transportation system is that an airport can control its terminal curbside much better. Curbside traffic is reduced and it also generates an increase in airport revenue. Several airports have off-airport parking competitors and it is suggested that it would be appropriate at this time to implement either an ordinance or some form of agreement for offsite airport parking facilities offering shuttle service that would allow a charge for a percentage of their gross revenues and an access fee. This would raise barriers to any new competition and would increase and protect airport revenue.

Carter & Burgess is recommending that this airport move forward with a parking structure with rental car, hourly spaces and two levels of long-term premium spaces. The parking demand can support a multi-level garage, the footprint of the garage is dictated by the hourly parking demand which is 400 spaces, rental cars would have a separate entrance/exit from the patron parking, hourly and long-term parking would also have different entrance/exits. This project is feasible from a financial standpoint as a stand-alone project. If a parking structure is built it will free up a lot of outlying land for other development. Parking rates would need to be changed to encourage parking in the appropriate locations. A customer facility charge of a minimum of \$3.00 per day is suggested. It is also suggested that there really is no reason for an overhead tunnel or pedestrian walkway considering most patrons at airports nationwide prefer to walk straight across the roadway. It is also recommended not to build a quick turn around area. A new exit plaza should be constructed along with a new revenue control system. It is recommended that an off-airport parking ordinance be implemented and now is also the time to implement a ground transportation system. A final suggestion is to consider a comprehensive way finding system so patrons can be directed to the appropriate place to park.

Mr. Beattie stated that 100% of the time when he comes to the airport he is either taking an elderly person in a wheelchair or small children and he would prefer an overhead walkway. Mr. Reedstrom said that the walkway is at grade, but that it would be covered. Mr. White said that one of the design features that the engineers have been asked to look at is that the crosswalks have a deterrent mechanism such as a speed bump that gets the pedestrians feet up out of the water during the rain. Airports that have these assure they are a nice feature. Mr. Beattie said if an airport is going to have a parking garage it might as well keep people out of the weather all of the way in and out. Mr. White asked if Mr. Beattie was suggesting that we continue to look at a

bridge or a tunnel. Mr. Beattie stated that he believes the bridge is a good idea and thinks there are a significant number of people that feel the same way.

Mr. Gooch stated his agreement and mentioned that when he was on the City Council there was a similar situation when the parking garage for City Hall was built. At the time the Council tried to obtain the votes to make it covered between the garage and the building. They were unable to get the votes, and now they have decided to go back and cover it and it is costing a lot more than if it had been done at the time the garage was originally built.

Mr. Gooch also asked how parking management would be handled. His understanding was there is a contract for each period of time where a private company managed the parking and made a profit from it. Mr. White reported that is still the current arrangement. Mr. Reedstrom said that in the financial model there was a line item for operations and maintenance costs at \$1.2 million so that cost was included in the financial model. Mr. White reported that this would not change the way it is managed today.

Mr. Russell inquired about Wichita's competition such as Tulsa and Oklahoma City and asked how many have garages and how many have a remote rental car facility where customers ride a shuttle bus and are taken to the facilities. Mr. Reedstrom said he could not answer that at this time, but could find that information out. Mr. White reported that Kansas City has a new consolidated rental car facility that he used a few months ago. People get into a bus and go to a completely separate facility miles away from the terminal where all the rental car companies, parking areas and quick turnaround area facilities are. Mr. White seemed to remember it was around \$150 million just for that one facility. Phoenix is also building a similar facility right now. Mr. Russell stated that Wichita has a lot smaller facility therefore a lot smaller need and asked if it would be possible to put people in the same shuttle buses going to the north lot and drop them by the north facilities where the rental cars have branch facilities. Mr. White said that could be done, but the rental car companies do not prefer that. The proposal that has been developed is kind of a mixture of the two. It is a little remote in the sense that the ticket counters are not in the terminal building, rather would be across the street. The rental car companies also would not have the expense and inconvenience to the customers of having a shuttle bus. There is a huge cost in running seven sets of shuttle buses, or even one consolidated bus. Mr. Russell said he was thinking about just one bus, but the important factor is that rental car companies are a captive audience. The companies may not like it, but are not going to leave because cars still need to be rented. Mr. Russell stated the question still is, is any of Wichita's competition doing remote parking. Mr. Reedstrom stated that the top 50 airports of this size do not have a consolidated rental car facility, most of the airports prefer to have the rental car ready return in the garage across the street from the terminal. Mr. White said to keep in mind the airport charges a fee and rent and the price the airport can charge is relative to the type of facility the rental car companies get. Everything balances out and it is worth the price to the rental car companies to have a better facility. Mr. Reedstrom stated that he will research the closest competitors and get that information to Mr. White.

Mr. Russell asked if the parking facility at Tulsa was private. Mr. White reported that the Tulsa airport has competition across the street that is privately owned which is what this airport is trying to avoid. It is important for parking to be as close to the terminal as possible, and is ideal

if there are fewer shuttle buses because they are an inconvenience and a cost. That is why a parking garage is philosophically the way most airports go.

Mr. Beattie asked about the Parsons company offer that was discussed at the October meeting. He did not realize the airport was considering them as competition as opposed to a partnership. Mr. White said that is a different situation. Parsons wanted to join the airport as a partner on the airport and perhaps pay for the construction of the parking garage, however there would also be a tradeoff. Parsons is a private company looking to make a profit and they would keep the vast majority of the parking revenues. This study looked at the parking garage issue from the traditional standpoint of if the airport owns and operates it, can you afford it. If the revenue is divided and given to a third party, the airport would not be able to afford it. What was referred to earlier was private competition across the street, not on airport property.

Mr. Austin asked for clarification because the net revenue after operations and debt service was shown at \$200,000 and last month it was \$400,000. Mr. Reedstrom reported that last month the operations and maintenance costs were estimated without any escalation at all. Since the garage will not be open for several years, the operations and maintenance costs were escalated to be consistent.

Mr. Austin also stated that he is concerned with the study because of the long-term obligation and since current traffic growth is based on the subsidy it is somewhat of a gamble. Mr. Austin asked if the study would contemplate instead of charging more for the premium spots of building a garage, if there is a different incentive of doing more economy lots that would require a lower capital investment. Mr. Reedstrom stated that one of the things the study looked into was acreage and the amount of land required to build a surface lot and this airport does not have a lot of land available for surface lot expansion at this time. Mr. Austin wondered if it makes sense to provide an incentive for people to take the shuttle by increasing the lots and restructuring the parking rates.

Mr. Austin stated he is also concerned that the study says the garage would pay for itself financially, but is also suggesting putting in ordinances to restrict free market. He does not think the airport should looking at ways to monopolize parking to make sure the financial model works. Mr. White said that is a separate issue because the financial model was not contingent upon doing that, it would become a problem however if someone built a parking garage on the north side of Kellogg and the airport lost half of its parking revenues. Mr. White said that it is not creating a monopoly, rather it provides protection for the airport. This issue has been through multiple levels of courts all the way to the U.S. Supreme Court and it has been determined it is the right of the airport to do this. the basic premise is that an airport cannot prohibit someone from doing it, but can charge them a fee for the right of access to use the airport. Mr. Reedstrom stated that it is standard industry practice throughout the country to charge access for off-airport shuttles. Mr. Austin asked if the Westin runs a shuttle, does LAX charge the Westin for access rights. Mr. White reported that is mixing two different things, there are shuttles that run from the hotel which we have today and there is currently a fee for different types of shuttles today. This fee would only be for a privately owned parking lot that is not associated with a hotel.

Mr. Russell stated that the cost of the garage at \$19,000 per space is a lot of money and that he had been in favor of this issue until he saw that number. He realizes as traffic goes up, parking is going to become a bigger and bigger problem, but Mr. Russell stated he also agrees with Mr. Austin in that traffic has been up and down and currently there is a subsidy to keep it going, however if we were to lose that this airport would have a lot of debt to deal with. Mr. White said that the \$19,000 per space is a number that can go up or down, he has talked to a number of airports that are currently building garages and asked how much per space they are paying and the answers have been anywhere from \$12,000 to \$30,000, depending on what amenities are included and what part of the country it is in.

Mr. Russell asked if the Board deferred this for 30 days and looked at possibly building 450 stalls at a remote location and estimate that cost and operating costs, is that something that could be turned around pretty quickly. Mr. Reedstrom said the study had already looked at what it would take to build close to 400 spaces, however that would not meet the demand for even 10 years down the road. Mr. White stated the one thing about surface parking is that where you put it is critical because it has to have good roadway access, be easy for the customers to find and get in and out of, and easy for a route for the shuttle to get back and forth to the terminal. An airport also has to ask the question of whether it wants to trade economic development for a surface parking lot as a philosophy.

Mr. Russell asked about the timeline for a garage. Mr. Reedstrom stated that after a designer is chosen to design the garage, the design usually lasts about 9-10 months, the bid process with the contractors is another 2 months, it ends up taking about a year to actually start turning ground. After that to build a garage of this size, the estimated timeframe is approximately 18 months. Mr. Russell then asked if it would take the same time as the new terminal. Mr. Reedstrom stated that is a phasing issue that was actually talked about in a prior meeting today and the conclusion was it would make sense to open the garage before the terminal opens. Mr. White stated there are some benefits to having the garage open first so that during construction of the terminal the roadway, parking lot and utility infrastructure items are easier to build.

Chairman Fletcher asked Mr. Carter if building the garage would interfere with construction of the terminal. Mr. Carter stated that if we had to put in enough parking to serve the public in 2011, the airport would probably have to build some parking that would not be utilized after getting the garage or would be built and then demolished during the construction of a parking garage, so it would be best if it was phased concurrent with the terminal.

Mr. White stated that one of the things he mentioned previously is that there is not a good way to handle the rental car ready return parking lot unless a garage is built because there were a lot of assumptions made in the schematic phase that the rental cars would go next to the terminal building. However, when the design team met with the seven rental car companies this summer that is when the topic of the garage got pushed to the forefront. The rental car companies looked at the plan the designer came up with and said that it was not a good location and it would make the walking distance too far for their customers. If there is not a garage when the terminal opens, 300 spaces would have to be taken away that would have been used for short-term or long-term parking. This would create less space for the public than the airport currently has today.



Chairman Fletcher stated that the Board has discussed delays and how much it can cost later by waiting to make a decision so the Board needs to decide whether it wants to recommend the garage instead of just deferring it, because that costs money as well.

Mr. Russell said that he would feel more comfortable if the airport had experienced a year or 18 months of increased traffic flows. Mr. White reported that airport has experienced 13 months now of increased passenger growth. Mr. Russell said that he agrees that if we are going to do it, it should be done right, however he is not comfortable spending \$30 million on a parking garage and does not think it needs to be completed at the same time the new terminal is done.

Jean Zoglman commented that the passenger projections that were used are not the passenger projections this airport has seen over the last 13 months. The study used a 2% growth rate, not the 9-10% growth that the airport is currently experiencing. If the currently growth levels continue, the garage should be built even sooner.

Mr. Estes asked if enplanements were based on a projection that the airport will be at 2.4 million passengers in seven years. It was actually 10 years. Mr. White said to keep in mind that even though 1,600 spaces were mentioned, he was originally thinking of a smaller garage, but that was before receiving the demand analysis from Carter & Burgess. It could be designed in phases so it could be smaller on opening day and then expanded maybe in 5 years. Mr. Estes said he does not remember seeing anywhere where it projected 100% occupancy of those 1,600 spaces over that time period. Mr. Reedstrom said they looked at total demand by parking classification, hourly vs. long-term premium vs. long-term and as an aggregate looked at what that revenue would produce. That revenue was \$8.1 million, and that is strictly based on demand projections. So if the mix changed, i.e. if people went to a cheaper, ground surface lot to save some money on parking, that would skew these numbers. Mr. Reedstrom stated they also looked at the elasticity of demand based on the pricing and took that into consideration as well. Mr. Estes asked how comfortable he was with these numbers. Mr. Reedstrom stated that he is very comfortable.

Mr. Gooch asked if a garage was built, would personnel need to be increased. Mr. White reported that garages are generally more expensive to maintain as compared to a surface lot. There are more light fixtures to change out and things like that, however the operations and maintenance costs were accelerated over time to take that into consideration.

Mr. Myles stated that the higher operations and maintenance costs could be offset by the increased revenue the airport would receive by having a parking garage versus the lower operations and maintenance costs for surface parking and also lower revenue because people will not be willing to pay the same rates. Mr. Reedstrom stated that people at airports are typically willing to pay \$2 to \$3 more per day to park in a structured versus surface parking lot.

Mr. Greenlee asked if the total design and construction of the garage would take about 32 months. Mr. Reedstrom said that is correct it would be close to 3 years. Mr. Greenlee also asked if the time span included the purchase, implementation and training for the ground transportation system. Mr. Reedstrom said that is a separate issue, but it could be included in that timeframe. Mr. Reedstrom recommended if putting in a new revenue control system that it go in right before the garage is opened. A revenue control system, from start to finish, takes about a year from the

date the contract is awarded. Mr. White said even if a garage is not built, a ground transportation system and a rental car customer facility charge still need to be discussed.

Mr. Estes asked about the logic of doing a walkway even if it is on a raised speed bump across the road versus a tunnel, or an overhead. He is wondering if it is just a cost issue because all of the previous discussions about a garage have been to have a tunnel or an overhead in order to get people off the street. Mr. Reedstrom said there are two reasons why a walkway is preferred. One is customer preference, if you look at airports across the country most customers would prefer to walk at grade between the garage and the terminal. Also the ticket counters and bag claim are on ground level. If a person is coming back from a trip they would grab their bags and walk across at grade to the parking garage and it is more convenient, rather than riding an escalator or elevator up to the second level going across the garage and then taking the elevator to the second, third level or down below. It is a percentage of your customers, because it is a smaller group that would actually be using something raised or underground. There is also a significant cost in building either a tunnel or a bridge.

Mr. Greenlee asked if the plan is still to use the existing terminal building basement for the maintenance division, and will there be a tunnel to connect it to the new terminal building. If so, is there a way the tunnel could be split to go either to maintenance or customer service. Mr. White said that the tunnel would go in another direction.

Mr. White said that one of the things discussed is that since there is not going to be a basement in the new terminal building there was concern about a storm shelter and public safety issues. The former thought was that a tunnel to the garage would be a great place to put people in a tornado event. However, the designers have found ways to provide safety with the new terminal, plus by keeping the basement of the old terminal and having a tunnel that connects that to the new terminal there will be a tunnel for storm shelter purposes.

Mr. Greenlee asked if the use of advance purchase had been discussed for any of the lots to work into the revenue control system in the future. Mr. Reedstrom said that frequent parker programs and other types of similar programs will be looked at, however that is really more of an operational issue, rather than a design issue. Mr. Greenlee wanted to make sure that those things are being considered. Mr. White said those items are in Carter & Burgess' scope of services to look into after the initial study is done.

Chairman Fletcher asked the Board if it was ready to make a motion to proceed as recommended for a parking garage.

Mr. Greenlee asked if there was a suggested motion from the staff. Mr. White said it would be to adopt the recommendations of the report which include proceeding forward with presenting a parking garage to the Airport Authority.

Mr. Beattie asked to define what is being adopted. He still has an issue with the walkway, but is persuaded the airport needs the parking garage.

*Motion by Chairman Fletcher to proceed with the parking garage, defer access issues for a later date and to adopt the study, less those recommendations.*

*Greenlee Seconded the Motion.*

Mr. Austin stated he will not support the motion. He thinks Wichita needs to look at ways to increase its competitiveness in the market with Tulsa and Kansas City and increasing parking rates would work against us in that regard. Also, since the subsidies are not under the control of the Wichita Airport Authority, he does not think it is fiscally responsible to go into a 30-year debt obligation. He prefers that we look at increased use of surface parking, even though it would shift more to operations and maintenance costs in terms of shuttle buses, etc, the costs would not be long-term capital debt. Mr. Austin thinks it would be more responsible to build a remote lot and go to a three-tiered system, which would provide an incentive for people to park in the remote lot and reduce the demand at the terminal.

Mr. Pryor stated that this airport is solely and completely dependent on low fare carriers, and it is a 30-year obligation that is being projected. Without the traffic from low fare carriers there is no way the garage could pay for itself.

Mr. Murfin suggested that maybe Mr. Pryor was not grasping how much people are willing to pay to be in covered parking.

Mr. Pryor said if the low fare carriers are lost then people would not be coming here anyways because they would be going somewhere else for the lower fares. The last time Wichita had a low fare carrier that moved out, passenger levels dropped.

Mr. Murfin asked if that could be quantified. Mrs. Zoglman stated that the financial capacity analysis that was prepared for the new terminal had the low case scenario, base scenario and high scenario. For the parking garage only the base scenario was considered, which is the same scenario that established the \$150 million budget for the terminal.

Mr. Russell stated that he is not going to support the motion either although he thinks ultimately we are going to need it. He would prefer to see more time with the progress we are currently making and it seems to him that we are jumping into this too quickly. Ultimately Mr. Russell will support a parking garage, but on this recommendation at this time he will not.

Mr. Murfin said that this same discussion was held last month when Mr. Russell was absent, and now the Board has had a month to think about it and Mr. Russell may be at a disadvantage. Mr. Murfin thinks staff has done about as much work as they can and that it would be slowing it down just to slow it down at this point.

Mr. Estes said that he is going to vote for the motion. He had concerns similar to what has been expressed in terms of will the money cover the costs, and the best projections are that they will. He does not believe that 10% growth in passengers is going to happen, because a year ago we had just completed six months of decline in passengers, however even with the ups and downs, 2% is still a reasonable, even very conservative estimate in terms of passenger growth.

Mr. Gooch stated that he is going to support it on the basis that he has heard a lot of requests for covered parking even before the new terminal building was considered. People that have been using this facility over the years have been wondering why this airport does not have covered parking. Since something also needs to be done for the rental car companies, it makes sense to him.

Mr. Greenlee stated that he seconded the motion, therefore agrees with it, but also the projection of enplaned passengers is well below what the industry is seeing. When the new terminal is built, he thinks air traffic in Wichita will continue to increase. Whether or not the current levels continue, it is so embedded in the community at this point in time that he feels there is going to be some type of low fare carrier in Wichita that will contribute to a continued growth level that would support at least a 2% increase per year. And like Mr. Gooch said, when he was on this Board a long time ago, there was a demand for covered parking at that point in time, and it has increased to a point where this garage will be full a majority of the time from the day it is opened. In addition to that, the airport is out of parking at this point in time and something has to be done whether it is surface lots or a garage, and if it is going to be done, it might as well be done right from the start. Also, the design period takes 12 months, which will give us 12 more months to see if the passenger growth will continue.

*Motion carried 7-4. (Nayes: Austin, Pryor, Russell and Ward.)*

### **Terminal Area Redevelopment Program Update**

Mike Carter, DMJM Aviation, presented the Board a PowerPoint presentation providing an update of the current status of the project. The design team is moving into the next phase of public art. The art selection panel will consist of three members who will assist the art consultant on researching and making a recommendation regarding potential artists. Their interaction will involve presenting the work of at least four artists to the public art selection panel and the Design Council. In the Spring of 2008 the selected artists will present the basic concepts to the public art selection panel and the design team followed by a third meeting to refine the concepts and proceed on making a final recommendation for the terminal.

Mr. Estes asked if the Airport Authority does vote for a parking garage what will be done with the end of the building where the rental car counters were going to be. Mr. Carter reported that it could be used for a future bag claim device, additional concessions, another set of restrooms or various other things. Mr. White said that the architects are weighing out the options of whether to go ahead and build it now for the fourth baggage device that will be needed someday, or not build that part of the building now, although someday it will have to be added on. Mr. White said one of the things he is hoping can be built is a place to have a public observation deck where people can actually see out onto the airfield without having to go through security.

Mr. Murfin commented on the distance from the parking garage to the front door versus the distance from the front door to the gate. He noted it is almost as far just crossing the street to get to the front door, as it is from the ticket counter to the gate. While he does not agree with putting in the overhead walkway or tunnel, he thinks we should discuss putting the garage closer to the terminal. Mr. Murfin also said he does not agree with putting a tunnel to the maintenance area, he does not think we need that cost, and in his opinion that is where the garage should be.

Mr. Carter stated the reason that distance is so far is to have two lanes for commercial vehicles. Mr. White reported that now that we know plans are going to move forward on a parking garage, the architects can now look at it as the absolute best location. It cannot be any closer to the terminal than it currently is shown because the traffic lanes have to be maintained and there is also a 300-foot rule for security.

Mr. Russell asked if Mr. Murfin's request to move the parking garage down to the south was looked at extensively. Mr. Carter said that Mr. White presented it to the design team and they have not given a recommendation one way or another. However, next week it can be looked at with a great more detail now that we are proceeding. Mr. Carter said that where to put the garage does present some challenges, such as the vehicles are very close to the aircraft and also it would have to be structured over the existing basement. Mr. Murfin suggested maybe something different should be done with the basement. Mr. Murfin said he would also relocate the road. Mr. White said one of the challenges no matter what where the garage is, is how to continue to operate the airport.

Mr. Austin asked what would be done with the existing portion of the terminal that is saved. Mr. Carter said that it will probably be used for such things as ground services for airlines and airline maintenance facilities. The primary concern is not to spend a lot of money on this particular area since it is not clear how it will be utilized in the future.

### **2008 Schedule of Charges**

Jean Zoglman presented the Board the 2008 schedules of charges. For the first seven schedules the only changes from the prior year are to the landing fee and the terminal rentals which are all based on the underlying agreement currently in place. On the first three schedules the last item is the passenger facility charge. This was included because sometimes airlines ask if there is a passenger facility charge and it may clear things up by putting it on the schedule. That is the same basis on which the new Schedule 8 and Schedule 9 were created. Schedule 8 is intended for non-aeronautical users and is the public document of what the airport rates are. It is on the internet, and is primarily just information for non-tenants who are thinking about doing business here and want to know about rate structures at this airport. We summarized some things that are already in effect, for instance building rental is typically based on fair market value appraisals. This is a starting point, however in agreement negotiations it could change. The land rental rate in the central terminal area is an existing schedule which typically commences on May 1<sup>st</sup> and is just being changed to calendar year. Traversed Property is a new fee which could potentially apply to such things as utilities, since they are traversed property, even though they do not actually have a facility on the airport. For the off-airport operator commission, just as the Airport Authority had agreements with Thrifty and Enterprise when they were off-airport rental cars, and paid us 8% of gross, this just standardizes it and makes it 9% of gross. This could apply to off-airport rental cars like was already in existence, but also could apply to off-airport parking. It is a way of publicly notifying anyone that wants to do something off-airport and yet receive the benefits of the customers that are here because the airport is providing the facility. The on-airport commission is 10% which is fairly standard. Schedule 9 for Jabara just summarizes their current activities for building rental, land rental and fuel flowage fee.

Mr. Murfin stated that his view on the off-airport parking attempt is that if you put the parking facility in the right spot, the airport will not have to worry about competition. The concept of having to use this type of fee bothers him.

Mr. White said that the off-airport parking issue was discussed a couple of months ago, and does not have anything to do with the parking garage. Off-airport parking is an issue today, the City has been contacted by some investors who would like to build an off-airport parking garage across the street from the airport. If that happened it would be detrimental to the airport not just related to parking, but overall. Mr. White stated this has happened in several other airports, which is why he mentioned the court cases earlier because the right of an airport to do this has been clearly upheld. The airport has a longstanding tradition of charging the off-airport rental cars, so why wouldn't it charge for off-airport parking. Also, the time to implement it would be now when there is no opposition. Mr. Lang added that the Board would not be adopting it either, it would just be a recommendation. Mr. White said the simplest way to look at it is that everyone that uses the airport needs to pay in some way, because the airport does not receive any tax revenues to support the airport, it is 100% user fee supported.

Mr. Austin said the issue that he has with it is enforcement. With a parking garage it is evident why it is being built, but if a hotel wants to start providing a service who is going to start policing the cars that come in.

Mr. Greenlee said that is why this airport needs some type of ground transportation system with a vehicle identification system built into it, so that it can properly enforce without a lot of additional administrative costs.

Mr. White said the theory is that a hotel would not be charged as a parking lot, only a company who has revenue coming in from parking. A hotel is not charging for parking, only for renting a room. Mr. White suggested it could be changed to only say off-airport parking and rental cars.

*Motion by Mr. Greenlee to recommend adoption of the 2008 Schedule of Charges. Austin Seconded. Motion Carried 10-1. (Nayes: Murfin).*

### **Executive Session**

*Motion by Chairman Fletcher to recess into Executive Session to consider confidential data relating to the financial affairs or trade secrets of a business, and that the Board return from Executive Session no earlier than 15 minutes and reconvene in the Board Room. Motion carried unanimously.*

The Board Adjourned for Executive Session at 4:58 p.m.

The Board reconvened at 5:50 p.m., Chairman Fletcher announced that no action is necessary from the Executive Session.

### **Other Business**

Chairman Fletcher asked Mayor Brewer since there will be a new City Manager down the road, and Mr. Kolb was always supportive of the Airport Advisory Board, if the new City Manager will look at things the same way and is wondering if that is the kind of person that they are going to be looking for.

Mayor Brewer stated that there will be a search process very similar to the process gone through last time and it is anticipated that it may take until July to find a replacement. However, the Council will continue to support everything the Wichita Airport Advisory Board is currently doing. The Council has the utmost confidence in this Board and Mayor Brewer does not believe that there should be any reason to be concerned or change schedules or slow anything down. He asked the Board to continue to function just like it always has.

Mr. Estes asked if the Board could receive an e-mail of the parking study.

The next WAAB meeting will be Monday, January 7, 2008 at 2:30 p.m.

Meeting adjourned at 5:55 p.m.

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Kelly Fabrizius, Clerk