

MINUTES OF THE CITY OF WICHITA
WICHITA AIRPORT ADVISORY BOARD

Monday, October 6, 2008

Present: Robert Beattie, Ron Estes, Willis Heck, John Hennessy, Charles Fletcher, U.L. Gooch, Tom Pryor, Dr. Thom Rosenberg and Jay Russell

Absent: Dwight Greenlee, David Murfin, Kevin Myles and Bill Ward

Airport Staff: Brad Christopher, Sandy Coykendall, Kelly Fabrizius, John Oswald, Jean Zoglman

City Staff: Joe Allen Lang, Chief Deputy City Attorney

Others: Mike Carter, DMJM Aviation
Dan Claassen, ExecHangar

Chairman Fletcher called the meeting to order at 2:30 p.m.

Approval of Minutes

Motion by Heck to approve the minutes of the September 8, 2008 Wichita Airport Advisory Board meeting. Motion carried unanimously.

Presentation

Chairman Fletcher presented a plaque to James S. Clark, Airport Services Officer, commending Mr. Clark for his twenty-five years of service to the City of Wichita.

Director's Report

Mr. White is at the National Business Aviation Association Conference this week. In Mr. White's absence, Mr. Christopher advised the Board of several ongoing items.

Council Agenda Items

On September 23rd the Wichita Airport Authority ("WAA") approved the contract for Operation and Management of the Bulk Aviation Fuel Storage plant per the Advisory Board's recommendation. The agreement is with Signature Flight Support and is for a three year term, with two one-year options. Additionally, on September 23rd the WAA approved the Annual Work Plan for the USDA Wildlife Services for the wildlife management services at the airport. It is for a one year term. For the first time, Cessna Aircraft Company has asked the WAA to provide wildlife services on Cessna owned property adjacent to Mid-Continent Airport. Through the Work Plan Cessna will reimburse the WAA for their portion of the services.

Fuel Farm

The WAA has engaged the services of Burns McDonnell to provide feasibility analysis for the fuel farm at Mid-Continent. The first meeting with Burns McDonnell was held two weeks ago where Burns McDonnell, airport staff and representatives of the local Fixed Base Operators (FBO's), Cessna and Koch met to discuss the aspects of that study, which at this point it is purely feasibility. Currently, all that is being looked at in the scope of this project is if the airport decides at some point in the future to separate it's commercial fuel storage from the general aviation storage, would there be a couple of potential sites on hand to look at on Mid-Continent Airport. Mr. Christopher showed the Board drawings of two potential sites that have been considered. All of the FBO's have the ability to store fuel, however what the airport would be most interested in, is co-locating such a facility.

Dr. Rosenberg asked how long the tanks last, and if there was a timeframe for when the tanks need to be emptied and resurfaced. Mr. Christopher said those standards are dictated by the State Department of Health and the Environmental Protection Agency. It is an old system of steel underground storage tanks that the airport has had since 1953. Mr. Christopher said he is not aware of any time limit where the tanks have to be removed. The tanks are lined, and over the years have been taken good care of. The tanks themselves are in good shape, it is primarily the plumbing and distribution that is getting old. Dr. Rosenberg asked if the maintenance for this system was budgeted. Jean Zoglman stated that for a major replacement there is a line item in the CIP as opposed to an annual funding. The Airport does annually fund the repairs and maintenance that is necessary to keep it going, however to replace the fuel farm would take a CIP line item. Mr. Christopher said that last year Burns McDonnell provided analysis on the fuel farm and recommended various timeframes and cost estimates of what all would be involved for improvements from a safety, capacity and environmental compliance standpoint.

Mr. Hennessy said that 50 years ago steel was the material that had to be used which has to be costly. Mr. Oswald stated that the tanks are in good condition and within the last eight years all of the tanks have been re-lined with high quality lining. It is the piping, the electronics and the sixty year old road system into the facility which makes it almost functionally obsolete.

Mr. Hennessy inquired if a tank farm was put in, would the FBO's go to the tank farm to fill up or would the gas be piped to the FBO's. Mr. Christopher said that under this scenario what would be proposed is the airport would tell the FBO's that it prefers not to be in the general aviation fuel storage business anymore. The majority of airports normally do not store general aviation fuel, primarily only FBO's do that. If at some point in the future the airport tells the FBO's it would like them to store their own fuel, and could identify a common or consolidated location, the airport would lease the property to the FBO's and the FBO's would be responsible for installing their own fuel tanks. The airport would provide the location, lease the site, and maybe some infrastructure would belong to the airport such as the access roads around the facility, however as far as the tanks and the actual facilities, the FBO's would be solely responsible for maintaining and managing their own and purchasing their own fuel as well as the other activities involved with operation and management of the facilities.

Burns McDonnell also provided some analysis on the existing fuel farm. There is a Conoco Phillips 4 inch pipeline that feeds the Bulk Fuel Storage Facility and from time to time, one of the airlines expresses concern over not being able to buy fuel from a source other than Conoco Phillips. The airlines cannot do that right now because of the way the fuel farm is set up with the ownership and point of sale of fuel. The fuel actually belongs to Conoco Phillips while it sits in the tanks and Conoco has said that fuel cannot be co-mingled in these tanks. The airport is having Burns McDonnell explore other opportunities, for example to separate one 25,000 gallon tank to be set up so the fuel could be tankered in from an outside source where it could be outside the pipeline and maintained separately.

Chairman Fletcher asked what the timeline was for deciding whether to proceed with one of the plans. Mr. Christopher said this is something that does not need to be rushed and that there is no urgent timeline. If the study is wrapped up, this issue could be looked at again in the spring. The airport is trying to study and plan for all of the scenarios before there is a situation that requires immediate action.

Mr. Russell asked if the airport had discussed this with the FBO's yet to get their opinion. Mr. Christopher said the FBO's would prefer the airport take care of the fuel facilities. Currently, the FBO's do not have to own or come up with the funds to provide fuel tanks, they also do not have to own the inventory as it sits in the tanks right now. The airport is proceeding with the FBO's as a partnership and this is something that it is important the FBO's are comfortable with.

Mrs. Zogman said the issue of capacity is also being looked at because the amount of capacity available to store airline fuel is not as high as the airport would feel comfortable with it being. Rather than take the chance of running out of fuel for the airlines very quickly, it may be necessary to look into using some of the general aviation tanks. The airport wants to make sure it has what is needed for all of its users.

Access & Monitoring System

Since 1996 the WAA has had a very extensive computer controlled access and monitoring system. This is mandated by the federal government. The system consists of the badges, the proximity readers, the cameras and all of the networked monitoring system and because of the special type of equipment that is used, the technical support of that program has always been contracted out. Most recently the contract has been held by Siemens Building Technologies. At the end of September that contract expired, however there were three one-year options to renew. A letter was sent to Siemens expressing the WAA's desire to exercise one of those options. Siemens has declined based on the fact that they are exiting the local security market in Wichita. Siemens still provides a wide variety of other services, it is primarily just the security market that the company would be exiting. In the meantime an interim contract with a local firm will be signed for approximately 90 to 120 days to get until a request for proposals for long-term services is issued and filled.

Disaster Drill

The WAA every three years conducts a federally-mandated full-scale disaster exercise. The drill will take place the morning of October 16th and approximately 200 people from various agencies will be involved. It provides an opportunity to exercise the system. Valerie Wise will be issuing a press release with more information a few days prior to the drill.

Minimum Standards

Chairman Fletcher asked for a status report on the minimum standards project. Mr. Christopher said to his knowledge the minimum standards are being worked on, however are still in the draft stage. Mr. White, as well as various other staff, has been working on the minimum standards, the draft FBO Agreement as well as general fueling issues. Chairman Fletcher asked if the project could be wrapped up within two to three months because there are people wanting to start businesses and this is holding it up. Mr. Christopher said one of the projects that will run concurrently with the minimum standards is that the airport has been working over the last several months on a new and improved FBO Agreement in order to bring it up to date with modern language. The drafts of both of these documents are in the process of being finalized.

Status of Projects

John Oswald provided the Board a presentation of the ongoing projects at both Jabara and Mid-Continent Airport. He stated that within the agenda packet every month is a capital projects activities report which is fairly concise and does not provide a lot of information. Mr. Oswald expanded on the projects to give the Board an idea of what projects are going on at Jabara and Mid-Continent, as well as provided an update on the tenant projects that are not listed on the report.

Mr. Hennessy asked if there was one exclusive FBO at Jabara Airport. Mr. Oswald said yes. Mr. Hennessy asked if that was a contractual ongoing agreement or how it was arranged. Joe Lang said he would have to look at the agreement, but believes it is exclusive, although not contractually, it is because there has to be special conditions to have exclusive operations. Chairman Fletcher said that one of the reasons he would like to complete the minimum standards is so that if someone would like to operate an FBO at Jabara, it would be evident as to what the requirements are. Mr. Hennessy said that since the improvements at Jabara were being discussed, when he was on the Board years ago the situation at Jabara was looked at as to what the airport's costs were. Mr. Hennessy suggested the possibility of reviewing it again to determine what the airport is responsible for and what the FBO's are responsible for. Joe Lang said that as the Chairman has said, establishing the minimum standards would be the first of several steps.

Mr. Oswald concluded the section on the projects at Jabara by mentioning that City Hall has told the airport that there is no more development allowed on the airport until storm water detention is addressed. A local consultant has been hired to study storm water detention at Jabara and the study is approximately two-thirds complete. There was discussion on the difference between hiring a contractor versus a consultant and the use and definition of each.

Terminal Area Redevelopment Program Update

Mike Carter, DMJM Aviation, presented to the Board a PowerPoint presentation providing an update on the current schedule and upcoming meetings, the contract packages and the schedule as well as showed updated drawings and depictions of the new terminal configuration.

Dr. Rosenberg mentioned that he and Mr. White have discussed the name of the future airport. Dr. Rosenberg said that Mid-Continent was the name of the old Kansas City airport in the 1950's and although Wichita is not an international airport, it is a national airport and his idea is to see a name change such as Wichita National. Chairman Fletcher said there has also been discussion on bidding out naming rights of certain places with the terminal building.

Other Business

Chairman Fletcher said that passenger enplanements have probably gone down a little bit, which was expected, however was wondering if the planes the airport has now are being filled. Mr. Christopher said the Air Service Manager is not present today to address the issue specifically, however the numbers show that Wichita is still up a total of 5.89% for the year even though August was down 3.6%. From an Air Service standpoint that is good news. Chairman Fletcher asked if Valerie Wise could provide a report on how Wichita is comparing to the other airports. Mr. Christopher said that information could be provided at the next Board meeting.

The next WAAB meeting will be Monday, November 3, 2008 at 2:30 p.m.

Meeting adjourned at 4:13 p.m.

Kelly Fabrizius, Clerk