

MINUTES OF THE CITY OF WICHITA
WICHITA AIRPORT ADVISORY BOARD

Monday, August 4, 2008

Present: Robert Beattie, Ron Estes, Willis Heck, John Hennessy, Charles Fletcher, U.L. Gooch, Dwight Greenlee, David Murfin, Kevin Myles, Tom Pryor, Dr. Thom Rosenberg, and Bill Ward

Absent: Jay Russell

Airport Staff: Victor White, Brad Christopher, Sandy Coykendall, Kelly Fabrizius, John Oswald, Valerie Wise

City Staff: Joe Allen Lang, First Assistant City Attorney

Others: Mike Carter, DMJM Aviation

Chairman Fletcher called the meeting to order at 2:33 p.m.

Election of Officers

Chairman Fletcher and Dwight Greenlee both stated their interest in the Chairman position. The Board voted by written ballots and the outcome was Chairman Fletcher was elected as Chair and Dwight Greenlee as Chair Pro Tem (Vice Chair).

Meeting Schedule for Forthcoming Year

It was the consensus of the Board to continue its meeting schedule of the first Monday of each month at 2:30 p.m. If that Monday is a holiday, the meeting will be held on the following Monday.

Approval of Minutes

Motion by Gooch to approve the minutes of the June 2, 2008 and the July 14, 2008 Wichita Airport Advisory Board meetings. Motion carried unanimously.

Director's Report

Mr. White reported that for the 6th consecutive year Mid-Continent Airport received a perfect score from the FAA on the Annual Safety and Certification Inspection. Mr. White extended his personal appreciation and congratulations to Mr. Christopher and the rest of the airport employees that made this happen.

Construction is still underway on the Joint Resealing and Runway Light Replacement project at Jabara Airport. The project will cease for the air show by August 21st, and then resume the week after.

Phase I of the replacement ramp for the new terminal is also underway. Cornejo is the contractor and has been onsite for a week already. Phase II of the Ramp Project is out for bids right now with the bids being due by August 15th, however Phase II is subject to the availability of FAA funds. Congress did pass another three month extension on the Federal Aviation Funding bill which would allow for the potential for additional discretionary funding. The airport is hoping to receive another \$5 million for the next Phase of the apron project.

Passenger traffic through the end of June was up 9.14% for the first six months of the year. The July statistics have not yet come in, however preliminary indications from TSA are that there will be another increase. So far activity on the airline side is still going good, however, there is the possibility that by the end of the summer there will start to be some downturn since the rest of the country is currently experiencing it already. This airport has been putting pressure on the airlines to keep airfares as low as possible. For the 1st Quarter of this year Wichita's average airfare was down 4.4% compared to the year before. The more interesting fact is that Kansas City, Oklahoma City, Tulsa, Colorado Springs, Denver, Des Moines and Omaha, which are the biggest airports surrounding Wichita, all experienced an increase in airfares at the same time Wichita's prices went down. Wichita has better airfares than in the past, as well as better schedules and this has been working in our favor.

There was discussion on the impact that Frontier and AirTran has had on keeping fares low.

Mr. White reported that Senator Brownback is sending a new member of his staff here later this week for a quick visit regarding the terminal project. Landon Fullmer was promoted to Legislative Director in the Washington office, the new staff person is an attorney that has been assigned to be in charge of transportation issues.

Mr. White reported that the Wichita Area Technical College which is part of the National Center for Aviation Training is seeking accreditation from the North Central Association of Colleges, and that he met with members of the accreditation team earlier today.

Mr. White provided the Board members with copies of the Windsock, a newsletter that describes events and happenings that are going on around the airport.

Chairman Fletcher asked about an aircraft gate situation that had occurred. Mr. Christopher said what happened was a combination of several factors. There was a location at the southwest corner of the ramp where the construction area abuts the existing air carrier ramp. The construction area was laid out so there would be more than adequate room for Gate 11 which is where ASA/Delta parks and also adequate room for the tenant airlines on the west concourse, primarily Frontier Airlines, to move in and out. Barricades were installed and the construction area was set up and that night ASA/Delta had a broken airplane and the plane was parked on the end of the concourse, the crew locked it up and left for the night. There was still a parking position there, however it was not anticipated that it would be used. The plane essentially blocked the taxiway and when Frontier's last flight arrived their gate was blocked and Frontier kept the passengers on the airplane for 50 minutes trying to determine how to get around the end position. Mr. Christopher reported that it was something that was overlooked and regretfully it was avoidable, however the situation was corrected the next morning.

Chairman Fletcher asked if the baggage situation was getting any better and whether the issue of the airport contracting those services out had moved forward. Mr. White said last week he met with the Chairman of the Airport Affairs Committee and that very issue was discussed. The Chairman said that he would pass along the word to all of the airlines that the airport could help with the baggage. It could improve customer service and the airlines could save money. Unfortunately, the airlines primary concern right now is to stay in business and they are not thinking about how fast the baggage gets there. Mr. White said the airport does an official survey every year to see how long baggage delivery takes. Mrs. Wise also has the Courtesy Crew monitoring baggage delivery times.

Mr. White said this also extends to other areas of service, for example every month the issue of wheelchairs is discussed at the monthly meeting with the airline Station Managers. It seems as if it would be a small issue, however there is a problem with wheelchair service in the terminal because the airlines are starting to cut back on those types of services. The airport has offered to provide the wheelchair services, however the airlines do not have the money for it. Airport staff spends a lot of time working on this issue and is trying to come up with a solution the airlines will accept. Dr. Rosenberg suggested looking into the Scooter Store.

Mr. Ward asked if these types of issues were being focused on for the new terminal. Mr. White said the design of the building will make the wheelchair issue easier because the new terminal will not have the ramp and will not have carpet or the long walks from the ticket counter to the gates. In a new terminal, the pushing part becomes a lot easier. In planning for the new terminal, it is being designed as customer focused as possible. Mr. White said the airport is also working on a frequent flyer program and the Flight Deck room which is a quiet place for people to get away from the gate areas was also recently opened, which seems to be popular with customers.

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. Design Development is being completed and there will be a workshop meeting with the City Council, Design Council and this Board to review the Design Development before proceeding into the Contract Documents phase. The artwork program is developing and it is tentatively on the schedule to have a kickoff meeting later this month. The contract packages have not changed. The airfield paving is proceeding on the first package, the second package is being bid right now in order to start the funding process with construction not set to start until next year right as the existing Cargo Building is being demobilized. Construction on the landside utility packages is expected to begin later this year. The parking garage design is currently being negotiated with the Design Team. Construction on the garage could start next summer, shortly after the terminal building construction starts. The terminal building should be completed in the spring of 2012 and before the end of 2012 the demolition and renovation of the existing portion of the building will be completed. There will also be smaller packages that will be completed throughout the construction period. Mr. Carter showed a slide listing the timeline of the packages. Next, Mr. Carter showed slides illustrating different parking garage configurations. The plan is to utilize renewable energy sources, either wind or solar. Several slides were shown depicting aircraft parking layout, the ramps, layout of

lower level of terminal, curbside check-in, ticket counters, bag claim area, concession and retail, courtesy board, and also of the upper level including the mezzanine, passenger screening area, concession and retail areas, the gates and the concourse areas. Next Mr. Carter showed slides illustrating the designated areas for FAA funding, the add alternate packages and the layout of what will be done with the existing terminal. Mr. Carter finished his presentation by showing the current budget.

Mr. White said that as Mr. Carter mentioned, the goal is to sometime this month hold another joint meeting with the Advisory Board, Airport Authority/City Council and the City Design Council to go over the latest views of the building in order to get a sense of concurrence that the design of the building is still headed in the right path before the architects and engineers truly start preparing the contract documents and the specifications for materials. By then there also may be some items to discuss regarding the art program. The artist that was selected is still in contract negotiations with the Design Team. The renderings currently just have a placeholder, however the art will most likely be above the ticket counters. The Design Council prefers integrated art into the structure of the building as opposed to stand alone pieces. However, the Magic Flight statue that is in the current terminal will be displayed in the new terminal as well. Mr. White also said the proposed text for the historical exhibit displays is almost complete and once that is finalized the historical photographs and drawings will be added. Mr. Gooch asked about the history that was chosen. Mr. White said they had a group of people that were interested in the historical facts which included representatives from each of the manufacturers to provide their individual histories as well as a history professor from WSU. Mr. White said that he would see that Mr. Gooch receives a copy of the written text to review as well as anyone else that would like a copy.

Bulk Fuel Plant Management Agreement

Mr. Christopher directed the Board to the summary in the board packet describing the operation management agreement for the bulk fuel plant at Mid-Continent. There is a 200,000 gallon aviation fuel storage facility on Mid-Continent Airport which has been present since 1954 and has been modified and expanded over the years. The current agreement has been in holdover since 1988 and was in need of modern language to bring the agreement up to current standards. An RFP was issued in April and there were three very responsive proposals from two local and one national firm. Mr. Christopher reported that any one of the firms would have done an outstanding job in managing the facility and all of the cost proposals for the management fee were similar. Signature Flight Support was unanimously chosen by the selection committee. Signature Flight Support is now a local company, however it is also owned by a parent company called BBA. Another one of the major companies that BBA owns is ASIG which is one of the largest aviation fuel management companies in the world. So while a local company is managing the force, it will have access to the highest expertise in the world regarding managing these types of facilities. The agreement is for a three year term with two one year options. The contract issues have been finalized and staff is ready to proceed.

Chairman Fletcher asked if Yingling was still planning on moving forward with a self-service fueling station. Mr. Christopher reported the letter of approval was sent out last week.

Mr. Murfin asked who set the price for the fuel. Mr. White said Conoco Phillips sets the price to all three of the fixed base operators (“FBO”) and then the individual FBO’s set the price that is sold to their customers.

Chairman Fletcher asked if the issue of mixing other companies fuel was being looked into. Mr. Christopher said we are still looking into that, however, there are a number of other initiatives which are also being pursued. One is a possibility of a co-located joint general aviation fuel facility. Also, Burns & McDonnell has been hired to provide further analysis on how the current fuel farm may be modified to accommodate fuel other than through the Conoco Phillips pipeline.

Greenlee moved to recommend the Bulk Fuel Plant Management Agreement for approval by the Wichita Airport Authority. Motion carried unanimously.

Mr. Murfin asked for clarification that each FBO will pay the same wholesale price. Mr. White said that Conoco Phillips reports that that there is federal law that requires that they charge the same price to similarly situated vendors of the fuel. Meaning if you are an FBO in Wichita, Kansas they cannot charge one company a different price than the next. Mr. Greenlee asked if there was a tier price based on volume. Mr. White said that would be looked into.

Mr. Christopher clarified that this agreement is strictly for the Operation and Management of the Fuel Farm and is totally separate from Signature’s contract and obligation to this airport as an FBO. Signature will still buy their fuel directly from Conoco Phillips just as the other FBO’s do.

Executive Session

Motion by Chairman Fletcher to recess into Executive Session for consultation on attorney client privileged matters and for consideration of 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 recessed for Executive Session at 4:11 p.m.

The Board reconvened at 4:56 p.m., Chairman Fletcher announced that no action is necessary from the Executive Session.

Other Business

The next WAAB meeting will be Monday, September 8, 2008 at 2:30 p.m.

Meeting adjourned at 4:57 p.m.