

MINUTES OF THE CITY OF WICHITA
WICHITA AIRPORT ADVISORY BOARD

Monday, December 5, 2011

Present: Dave Bayouth, Charles Fletcher, U.L. Gooch, Dwight Greenlee, Steve Harris, Willis Heck, John Hennessy, Thomas Pryor, Dr. Thom Rosenberg, Bill Ward, Brent Wooten

Absent: Kevin Myles, Kurt Yowell

Airport Staff: Victor White, Brad Christopher, Kathryn Keathley, Traci Nichols, John Oswald, Valerie Wise

City Staff: Jay Hinkel, Deputy City Attorney
Branden Hall, Budget Analyst, Finance Department

Others: Pat McCollom, Program Manager, AECOM
Jennifer Szambecki, Brand Manager, Greteman Group
Bryan Orr, Area Director, Signature Flight Support

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

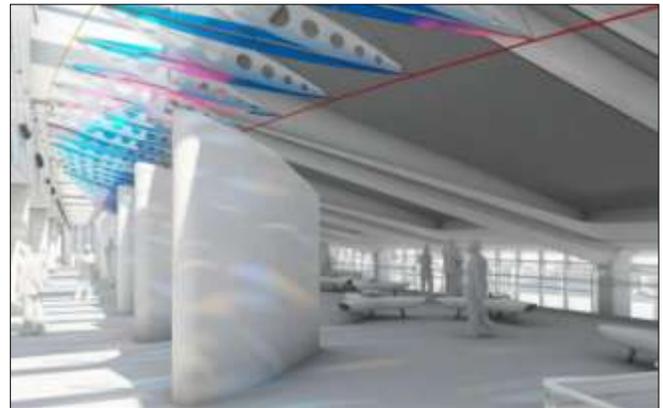
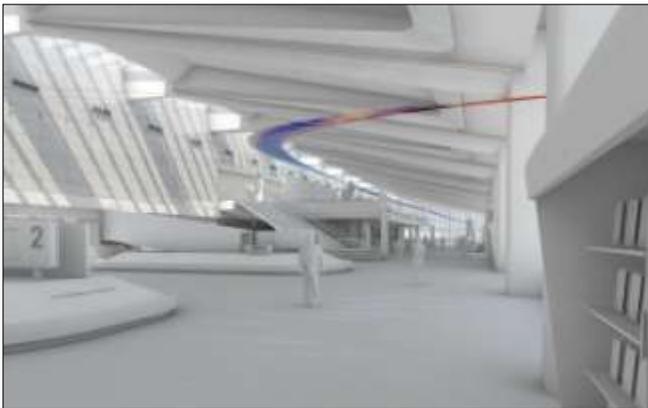
Public Agenda

Jennifer Szambecki, Brand Manager with the Greteman Group, presented information about the Air Capital Terminal 3 Project (ACT 3). The terminal building layout as designed by HNTB was reviewed, and the public art exhibit plans were explained. The public art installations were also presented to the City of Wichita Design Council last week.

The Greteman Group has designed Wichita aviation history exhibits that will be installed on the second level of the terminal. Beginning with early aviation pioneers, information will be presented in pictures, words, and video, arranged on seven illuminated display pods, which are 9 x 11 feet large. Wichita's aviation contributions will also be presented in lighted graphics display areas throughout the concourse. The exhibits focus on Wichita's history as the "Air Capital of the World".

Bill Ward asked if the aviation history display includes information about Colonel Jabara, who was the leading pilot from Wichita during the Korean War, and for whom the Col. James Jabara Airport was named. Ms. Szambecki said she would assume so, because the process for determining the content of the display was very rigorous, and was vetted by local and national aviation historians. Victor White added that all six Wichita aircraft manufacturers were involved in the content development, as well as historians from Wichita State University and the Kansas Aviation Museum, and he would verify that Col. Jabara is included. Dave Bayouth asked what will be done with the *Magic of Flight* sculpture. Mr. White said it will be displayed in the new terminal, but the City's Design Council will need to approve of its placement.

Ms. Szambecki then spoke to the Board about the artist Ed Carpenter, who has designed the public art piece for the terminal. Mr. Carpenter is an internationally-known artist based in Portland, Oregon. The art selection committee reviewed the work of 100 artists, and chose Mr. Carpenter based on the materials he works with, the attention he pays to fitting his designs to specific installation spaces with an emphasis on the use of light, and the way his work is reminiscent of aviation. Mr. Carpenter is skilled in designing for large spaces, which also makes him well-suited to the needs of this project. In the process of designing the installation, Mr. Carpenter met with local aviation manufacturers and learned about the history of Wichita's aviation community. The piece designed for the terminal will be made with dichroic glass and metal, suspended by cables along its length, and secured at each end to columns. The colors that are transmitted by the glass vary based on the angle of the sunlight and man-made light. The glass and metal pieces are wing-shaped, and have features similar to the type of materials produced at local aviation manufacturers. The artist's concept is to fill as much of the lobby area as possible (the length of the piece is approximately 300 feet, which spans most of the lobby), and to create a piece that appears lightweight, giving an illusion of floating. The piece will be visible from all areas of the lobby, but Airport visitors will be closest to the installation on the second level. Ms. Szambecki noted that the arcing shape of the installation reminds observers of the motion of flight. Mr. Carpenter has described the visual effect of pieces made with dichroic glass as a treat for the heart, a treat for the eyes, and a treat for the mind.



(Renderings of artwork designed by Ed Carpenter for the ACT 3 Project)

Chairman Rosenberg asked about the cost of the art installation. Mr. White answered that the ACT 3 Project budget includes \$1 million for public art. Half of the budget will be used for the commissioned work by Ed Carpenter, and half of the budget will be used for the history of aviation exhibits. The cost of all of the production and installation for the artwork is included in the budget.

Mr. Carpenter presented his art concept to the City of Wichita Design Council last week. That presentation was also observed by Mayor Brewer, Vice Mayor Williams, and three other City Council members. The Design Council voted unanimously to approve both public art projects, and the work of Ed Carpenter, which indicates a substantial level of enthusiasm for the project. Next, these two projects will go before the City Council for approval on December 13.

John Hennessy asked who is contracted to do the historical exhibits. Mr. White said it was part of the HNTB contract, with the Greteman Group as a sub-consultant. The Greteman Group was hired as public art consultant beginning in 2005, at the start of the project, to organize the selection of the artist and to design the historical exhibits. Mr. Hennessy asked if the Greteman Group would be working directly with the contractor to complete the work. Pat McCollom, AECOM Program Manager, answered that the display pods are part of the general contractor's work right now. The content of the exhibit, the drawings, videos, and such, are part of the work of the design contractor, HNTB, who has subcontracted with Greteman Group to create the media. Mr. Hennessy said, so the general contractor is responsible for the installation, and the fixtures themselves, and we're paying \$500,000 to someone that's doing the printing and putting it together. Mr. McCollom said \$500,000 is the total budget cost. Mr. White said the majority of the \$500,000 goes to the general contractor, and approximately one-fifth of that goes to Greteman Group and the design team to do the production of the media, which includes the historical research and development of the copy and visual media. Mr. White added that Board members Charles Fletcher and Bill Ward both served on the public art selection committee to review the work of the initial group of 100 potential artists, and begin narrowing down the selection. We appreciate their effort; it was not an easy task.

Mr. Bayouth asked if the historical exhibits mentioned anything about the Kansas Aviation Museum (KAM). Mr. White said KAM was a partner in developing the content of the exhibit, and he believes that its contributions are credited. Since KAM was closely involved, Mr. White does not believe that anything in the ACT 3 Project exhibit interferes with its purpose.

Motion by Fletcher to accept the art concepts as presented today.

Motion by Harris to amend the first motion by adding "as recommended by the Arts Council". Second by Ward. Motion carried unanimously.

Approval of Minutes

Motion by Fletcher, second by Greenlee, to approve the minutes of the October 31, 2011, Wichita Airport Advisory Board meeting. Motion carried unanimously.

Director's Report

Victor White, Director of Airports, informed the Board of recent developments related to the aviation industry and business at Mid-Continent and Col. James Jabara Airports.

Congress continues to work on the Federal Aviation Administration (FAA) reauthorization bill, although no completed action is expected before the end of the year.

American Airlines filed for Chapter 11 bankruptcy on November 29. Under the Chapter 11 reorganization rules, any amounts owed to creditors before November 29 are not subject to collection. In the case of Mid-Continent Airport, American Airlines owes approximately \$106,000 for October and November rent, landing fees, and service fees. The Airport has a security bond from American Airlines for approximately \$260,000, which will allow the Airport

to recover that debt. The use and lease agreement with American Airlines expires at the end of December, at which time it can be re-negotiated for another two year period. American Airlines has told the Airport that there are no anticipated changes in flight service in the foreseeable future. Mr. White believes the bankruptcy will likely result in long-term changes in operations in all locations, such as fewer flights. If American Airlines were to reduce its service to Chicago or Dallas, there would be an opportunity for another airline to take over those routes. It is expected that the full bankruptcy reorganization plan will be filed in March, so more information about what the bankruptcy means for Mid-Continent will be available at that time. Mr. Ward asked when collections from American Airlines could begin again. Mr. White said that American Airlines must keep current with their debts beginning from November 29, the bankruptcy filing date. Mr. Bayouth asked if any other airlines were expected to declare bankruptcy. Mr. White answered that all of the legacy airlines have declared bankruptcy in the last ten years (American Airlines being the last). The only carriers serving Mid-Continent Airport that have not declared bankruptcy are Allegiant Air and AirTran Airways, but they are not considered major airlines.

On December 6, the City Council will consider approval of a land lease with Bombardier Learjet for the construction of two parking lots to accommodate operations expansion related to the *Learjet 85* aircraft program. On December 13, the City Council will consider approval of a contract with the South Central Kansas Economic Development District (SCKEDD) to manage the Economic Development Administration (EDA) grant that is paying for \$2 million of the cost of the parking lot development project. The City of Wichita and Sedgwick County are each contributing \$1 million, for a total project cost of \$4 million. The total area of the parking lots will be approximately 18 acres. Bombardier Learjet is managing the design and engineering portion of the project and the Airport will manage the construction. The request for bids for the parking lot construction is expected to be advertised in January 2012. Mr. White asked Traci Nichols, Properties and Contract Administrator, to provide information about the lease terms. Ms. Nichols said the initial term of the lease is five years, with four renewal options. Mr. White added that the initial term is shorter than what might have normally been negotiated because of requirements of the EDA grant. Dwight Greenlee asked who would be responsible for the City's rainwater runoff fee (the equivalent residential unit fee or ERU). John Oswald, Engineering and Planning Manager, said Learjet would be responsible for the maintenance needs of the property, and associated fees. Mr. Greenlee said, then that will be in the contract, right. Ms. Nichols said that fee would be associated with Learjet's water meter, so the City would bill Learjet directly, as the Airport Authority is not involved with water use billing to tenants. Mr. White concluded by saying that the Airport would verify that the ERU fee will be charged to Learjet and not the Airport. Mr. Greenlee was wondering about the ERU fee because it was charged to the Airport in the past, and subsequently the Airport had to include the fee in rent billings. Mr. Oswald said he and Jean Zogelman, Finance Manager, have been working with Public Works and Utilities over the past year to have the ERU fee billed directly to the tenants.

Mr. Oswald provided information about the Jabara Airport Pavement Rehabilitation project. Phase I of the project, which re-surfaced the east half of the apron and replaced most of Taxiway A-6, will be complete in about a week. Phase II will begin in March or April, which will finish the apron resurfacing and installation of runway sensory equipment.

U.L. Gooch asked for further information about the work being done at the north end of Jabara Airport. Mr. Oswald said there have been drainage problems in that area, so the Airport is working with the FAA to install storm sewer pipe to handle the excess water. Steve Harris asked Mr. Oswald to explain the history of the water-retention basin on the south end of Jabara Airport. Mr. Oswald said the City conditioned further development in that area of the Jabara campus on improvements to stormwater drainage. The basin was constructed to fulfill that requirement, and designed to FAA standards to minimize wildlife hazards and minimize water retention duration.

Brad Christopher, Assistant Director of Airports, informed the Board that the Airport has hired Airport Business Solutions (ABS) as a consultant. ABS will mediate lease negotiations with Midwest Corporate Aviation. Over the next few years, the Airport would also like ABS to evaluate aviation business development potential at both Mid-Continent Airport and Col. James Jabara Airport, providing guidance on appropriate lease rate policies. Mr. Hennessy asked about the cost of the ABS consulting contract. Mr. Christopher said the portion for negotiations with Midwest Corporate Aviation is \$10,500.

Mr. White announced that Kevin Myles has accepted a job in Atlanta, and his service on the Board ends this month. Mr. Myles was on the Board for four years.

ACT 3 Project Update

Pat McCollom, AECOM Program Manager, spoke to the Board about the status of the ACT 3 Project. Over the last month, the management team and Airport staff have been reviewing the Part 1 documents, which cover the bid documents, administrative requirements, general provisions of the contract, the FAA requirements, and other special considerations. There are five contract bid items: 1. the lump sum for the entire terminal; 2. excavation and replacement of unsuitable dirt for the building foundation; 3. allowance for IT/Communications; 4. allowance for furnishings/equipment; 5. alternative bid for a 10-gate versus a 12-gate concourse. The allowances for IT/Communications and furnishings/equipment are composed of many smaller packages, for which bids will be requested as those packages are fully defined over the course of the terminal construction.

The supplemental agreement with HNTB for the continuation of design services was approved by the City Council on November 15. The final drawings and specifications delivered by HNTB were given to City Blue Print for reproduction for bid documents. There will be hard copies of the bid documents, as well as CDs and DVDs of the documents.

AECOM has been working on assessing the City of Wichita's software that may be used for construction project controls to determine if it is sufficient for the project needs. AECOM plans to establish a SharePoint site as the main communications platform and to store data on a cloud server.

The projected terminal construction bid advertisement date is December 12, pending final revisions recommended by the Law Department. The pre-bid meeting for this stage of ACT 3 is planned for January 10, 2012, with the bid opening on February 17. Terminal construction could begin in June 2012, with an opening date of late fall 2014.

Mr. White added that the City sent all contractors that requested information about ACT 3 a notice that the bid documents will be advertised soon and the Disadvantaged Business Enterprise (DBE) registrations must be complete before February 17.

Thomas Pryor asked if the subcontractors meeting that had been discussed would be scheduled. Mr. White said that it was decided that another subcontractors meeting was not necessary because all pertinent information had already been shared at the previous contractors forums. Bidders will be referred to the Kansas Department of Transportation for additional information about registering as a DBE.

Mr. Bayouth asked about concessionaires/tenants for the new terminal. Mr. White said that the process of contracting with tenants will begin in about a year, when the construction is well under way and we have a good opening date estimate. At that time the Airport will be able to secure tenants for concessions, rental cars, and airlines.

Mr. Harris asked if the Federal dollars expected for the project budget were secure. Mr. White said, of the \$50 million in Federal funds to be used for the ACT 3 Project, \$22 million in FAA grants have already been received. The Airport receives \$3.4 million each year in Federal entitlement funds, plus additional discretionary funds. The entitlement funds will be allocated to projects over about seven years. The Airport will also receive approximately \$7 million in grants from the Transportation Security Administration (TSA).

Mr. Hennessy asked how the request for proposals (RFP) for new tenants would be coordinated with the existing tenant contracts. Mr. White said the existing terminal tenant leases will be extended only until the time when the new terminal is expected to open, so that new leases can be negotiated.

Brent Wooten asked how close AECOM was to filling all of their staffing needs. Mr. McCollom said that AECOM will need to hire two project control managers, a resident engineer, and several inspectors in the coming months. Mr. White added that the City will be transferring some of its engineering staff to work with AECOM on ACT 3, and the Airport has been working with the City and AECOM to write an agreement that allows that staffing cooperation.

Other Business

The next WAAB meeting will be Monday, January 9, 2011 at 2:30 p.m.

Meeting adjourned at 3:50 p.m.

Kathryn Keathley, Clerk