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MINUTES OF THE CITY OF WICHITA
WICHITA AIRPORT ADVISORY BOARD

Monday, February 6, 2017

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Present: Rob Benton, Paul Davis, Joey Ellzey, David Eslinger, Charles Fletcher, Dwight Greenlee, John Hennessy Jr., Richard Kerschen, Thom Rosenberg, Brent Wooten

Airport Staff: Brad Christopher, Leah Gisick, Traci Nichols, John Oswald, Ty Richardson, Valerie Wise, Belinda Witt, Victor White, Jean Zoglman

City Staff: Jay Hinkel, Deputy City Attorney

Guests: Brian Garkie & Rich Thuma, CMT, Inc
                                 Bonnie Tharp & Marc Zwygart, Copp Media
                                 Stephanie Stover & Sonia Greteman, Greteman Group
                                 Christine Allen, Hotel at Waterwalk
                                 Michael Aaron, La Quinta Inn
                                 Jerry Siebenmark, Wichita Eagle
                                 Lonny Wright

Chairman Rosenberg called the meeting to order at 3:02 p.m. and asked if anyone was present to speak on the public agenda. No one came forward to speak.

Approval of Minutes

Motion by Mr. Wooten and second by Mr. Fletcher to approve the minutes of the January 9, 2017 Wichita Airport Advisory Board meeting (WAAB). Motion carried unanimously.

Director's Report – Victor White

Lyft, Inc. will begin service to and from the Airport. An operating agreement similar to the one Uber has is being negotiated with them and will be presented to City Council later this month or early March.

Tomorrow at City Council, the Airport will present the Midwest Car Corporation Assignment & Assumption Agreement. The longtime Wisconsin-based operator for the local Alamo/National rental car agency has been sold to a company out of Montana called Corpat, Inc.

After a nationwide RFQ went out for a new parking management contract firm, six firms submitted proposals. The two finalists were interviewed and a contract should be signed later this month or in March.

Thursday, February 9th, will be the Grand Opening Ceremony for the new Hampton Inn and Suites on Airport property.

Traci Nichols and Belinda Witt will be attending Aviation Day at the capital in Topeka. They will have a table setup in the Rotunda with information about Eisenhower Airport.

Ground Transportation Fee Policy – Victor White

Mr. White shared a PowerPoint presentation entitled Commercial Ground Transportation Fee Policy. Based on nine months of traffic data from the Automatic Vehicle Identification (AVI) system that was activated last April, with 49 companies and over 226 vehicles, the annual vehicle trips for 2017 is estimated to be at 63,239.

The per-trip access fee to the commercial loading zones for vehicles that are 'For-Hire' will be $0.50 for vehicles with 1-7 seats, $1 for vehicles with 8-15 seats, and $4 for vehicles with over 15 seats. Not-for-hire courtesy vehicles will be charged $0.50 per-trip regardless of vehicle size. Uber and Lyft, through separate contracts which allow them to use designated spaces in the Close-In Automated parking lot to load, will be charged $0.75 per-trip.

The estimated revenue for 2017 is $35,667 based upon the number of trips calculated from the 9 month traffic data.

Request for approval of the new fees will be made to the Airport Authority at the City Council meeting on February 21, 2017, with the fees to become effective on March 1, 2017.

Mr. Fletcher pointed out that the Airport is still not recouping its cost with regard to ground transportation. The Airport is expending around $160,000 per year with regard to ground transportation.

Mr. Eslinger arrived at 3:16pm.

Mr. Greenlee stated that these fees need to be looked at on a regular basis.

> *Motion by Mr. Fletcher, second by Mr. Davis, to adopt the Ground Transportation policy as outlined by Wichita Airport Authority Staff. After some discussion the motion was accepted unanimously.*

Marketing Progress and Review – Valerie Wise

Ms. Wise shared two PowerPoint presentations entitled 2016 Air Service in Review and 2016 Airport Marketing Summary.

Sonia Greteman with Greteman Group discussed the Awareness Campaign that they handled for the Airport.

Bonnie Sharp and Marc Zuygait, with Copp Media, discussed the digital billboards, print ads, and banner ads that they handled for the Airport.

<u>Construction Management at Risk Discussion – John Oswald</u>

Since the early fall of 2016 the Airport staff has been looking into the Construction Manager At Risk (CMAR) process for possible use for certain construction projects that might be suitable for that kind of delivery method. Under current City ordinance it is not permitted, so Mr. Hinkel, the Airport's attorney, has been working on a charter ordinance amendment which would allow CMAR.

State law controls the manner in which public works construction projects can be handled by the city. Other charter ordinances have been done in the past and this would be the fourth variant of the standard Design/Bid/Build process. The purpose would be to allow the construction manager to be involved with the design team at an early phase so they can give input into the project when it's most meaningful. The City Council would have to decide on a per-project basis if this was appropriate. The primary basis on which this would be approved would be a realistic expectation of financial savings, or that the complexity of the project requires constructability considerations be made a part of the project at the earliest possible time. The ordinance would have to be passed by a 2/3rd majority of the City Council at a public hearing. It would then be subject to possible referendum by the community.

Mr. Oswald explained that the trigger for this new ordinance was the Airport preparing to tear down the old terminal. The basement of the old terminal houses some of the WAA staff, an important data center, a telephone communications room, and other utilities.   In talking with the design team, PEC, and several demolition contractors, they have explained that it will be 'tricky' to tear down the structures above the basement as the basement needs to remain in use throughout the project and be preserved. The CMAR process would bring in a construction contractor with their experience to assist in the design with WAA and PEC, so it would be a collaborative effort during the design phase, before the construction contract is signed with a value determined.

Mr. Kerschen stated that he is not in favor of this process for public work as CMAR is not transparent. The only way to protect the tax payer is with open competitive bids. There is no incentive to get the best price on sub-contractor bids.

 Mr. Hinkel mentioned that legislature, which is always keen to protect the public's right, did expressly approve this method for schools in 2008.

The question was asked whether or not this would be used exclusively by the Airport or if it would open up to public works in general. Mr. Hinkel answered that this would be available to all city departments.

Mr. Oswald mentioned that the language in the solicitation the Airport plans to issue is pulled from a document used by Learjet, which states, "The parties will engage in an open book pricing method which all subcontracted work shall be based upon and competitive pricing that will be reviewed by the owner, the applicable design professional, and the construction manager. The owner shall have access to all books, records, documents, and other data in the construction manager's

possession related to itself, its subcontractors, and material suppliers pertaining to bidding, pricing, and performance of the agreement."

At the 70 percent design phase the design would be halted and the hired contractor would develop the cost estimate, which turns into the guaranteed maximum price. The Airport, the design consultant and the contractor would have to agree on that price before a construction contract is signed. If the project is delivered for less than the guaranteed maximum price, 100 percent of the savings comes back to the owner.

The question was raised as to who is able to see the bids the contractor receives from subcontractors. Mr. Hinkel stated that if the Airport obtains the documents they are then open records and can be disclosed.

A concern was raised as to whether or not minority bidders would be eliminated from bidding. Mr. Hinkel stated that the proposed charter ordinance would be drafted with the idea that all of the city's ordinary procurement policies still apply, meaning that there is an expectation of EBE (Emerging Business Enterprise) participation. The CMAR will be chosen through a Request-for-Qualifications, followed by a Request-for-Proposal process, meaning the City Council will have input in all stages.

It was reiterated that this would establish a process that can be used by other city departments; however the City Council would still have to approve each separate project.

Mr. Hennessy stated that he is in agreement with using CMAR for this project alone, but not having it opened up for use by all other departments. Mr. Hinkel stated that the language could be used to limit the project to solely the criteria of project complexity. Several members were not in agreement with this, and Mr. Ellzey stated that he would want a way to limit it specifically to this project. Mr. Greenlee agreed stating, "Do it, and leave it to the city to decide what they want to do with other projects".

Mr. Hinkel stated that he can work on some tightly crafted alternatives, one that will be specific to the Airport, and one that will be more precise in the criteria used.

> *Motion by Mr. Greenlee, second by Mr. Wooten, recommend for the charter ordinance process to be approved for the Airport demolition project only.*

Mr. Hinkel stated that with the Airport's direction he will tighten the charter ordinance up and will draft it specific to demolition of the old terminal. Mr. Hinkel stated that he will "present it from the perspective that the Board here considers this a highly unusual process, that it has members on the Board who have personal experience with the process, and that they are disinclined to see this being used in other situations."

> *Above motion voted on and passed unanimously.*

<u>Other Business</u>

The next WAAB meeting will be Monday, March 6, 2017 at 3:00 p.m.

Motion to adjourn at 5:18 p.m.by Mr. Davis, 2nd by Mr. Elzey.

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Leah Gisick, Clerk