JOHNSON COUNTY AIRPORT COMMISSION
MEETING MINUTES (Revised 4-24-19)

February 27, 2019 – 9:00 a.m.

(Meeting location changed to Commissioner’s Hearing Room 111 S. Cherry)

Airport Commission

Present: Kissinger, Wittenborn, Weisenburger, Moore,
Mr. Spence arrived at 9:15 a.m.

By Phone: Harris (connected till approximately 10:30 a.m.)

Absent: Brockhaus

Staff: Dunham, Hiskey, Otto, Peet, Mansfield

Others: Joe Connors, Assistant County Manager
Mike Brown, 6th District JoCo Commissioner

Chairman Weisenburger called the meeting to order at 9:00 a.m.

Mr. Weisenburger indicated that item d. Consider Approval of T-hangar Rate Modifications,
would be moved up to be before item c. Review and Discussion of Updated T-hangar Lease Agreement

I. APPROVAL OF MINUTES

A. January 23, 2019 meeting

A MOTION WAS MADE BY MR. MOORE AND SECONDED BY MR. WITTENBORN TO APPROVE THE
MINUTES OF THE JANUARY 23, 2019 MEETING AS PRESENTED. APPROVED (5-0).

II. REPORT OF THE CHAIRMAN

No report of the Chairman.
III. **EXECUTIVE SUMMARY**

A. **Executive Director Report**

Mr. Otto requested to move forward on the Taxiway Alpha emergency repairs project at Executive.

B. **Deputy Director Report**

   a. **Consider Approval of KDOT Grant for Repairs to Taxiway Alpha at OJC**

Mr. Peet presented written documents and gave a brief description of the Taxiway Alpha emergency repairs project. He proposed that the JCAC request KDOT grant funds to repair the main taxiway at OJC which was damaged during the clearing of snow and ice after the latest winter storm on February 15th. A grant request to KDOT will be made following Johnson County Airport Commission approval of the grant application and Board of County Commissioners’ approval of a project account tomorrow.

**A MOTION WAS MADE BY MR. MOORE AND SECONDED BY MR. WITTENBORN TO RECOMMEND APPROVAL OF RECEIPT OF KDOT GRANT FUNDS FOR REPAIRS TO TAXIWAY ALPHA AT OJC. APPROVED (5-0)**

Mr. Otto introduced and welcomed Mr. Joe Connor, new Assistant County Manager to the meeting.

Mr. Otto commented that a few sinkholes are developing around the rail line related to storm water issues which might come up in a future agenda.

C. **Airport Contract Engineer Report on OJC T-Hangars (Presentation from Burns & McDonnell)**

Mr. Dave Hadel reviewed wrapping up of the t-hangars replacement project. The project will finish under the contractual amounts. At the January JCAC meeting there was an observation made by a tenant regarding rusty t-hangar bolts. Mr. Hadel indicated that a performance specification was provided to all bidders that the bolts should be galvanized. The contractor has agreed to remedy the situation when warmer temperatures arrive.

IV. **FINANCIALS**

A. **Summary of Financials**

Mr. Hiskey presented the summary of financials.

B. **Consider ratifying the January 2019 expenditures as presented**
A MOTION WAS MADE BY MR. WITTENBORN AND SECONDED BY MR. MOORE TO RATIFY THE JANUARY 2019 EXPENDITURES AS PRESENTED. APPROVED (5-0)

Mr. Spence arrived at 9:15 a.m. changing the voting members going forward from 5 to 6.

V. DISCUSSION ITEMS


Mr. Paul Greeley presented the application and gave a brief description. A public hearing was conducted. No public comment.

A MOTION WAS MADE BY MR. MOORE AND SECONDED BY MR. KISSINGER TO RECOMMEND APPROVAL OF THE CITY OF GARDNER APPLICATION NO. Z-18-07 FOR REZONING OF 1.97 ACRES FROM M-2 (GENERAL INDUSTRIAL) DISTRICT TO M-1 (RESTRICTED INDUSTRIAL) DISTRICT TO ALLOW FOR ONSITE RETAIL SALES, AT 1000 E. SANTA FE, GARDNER KANSAS. FOR THE REASONS AND WITH THE STIPULATIONS RECOMMENDED IN THE STAFF REPORT. APPROVED (6-0)

Mr. Greeley added that they will take this application to the Board of County Commissioners for final action on March 27th.

b. Consider approval of proposed preliminary 2020 budget.

Mr. Otto thanked the staff for their hard work with helping get the budget together. He noted that staff has been working on getting equipment replacement charged to the appropriate cost centers.

Mr. Hiskey thanked staff as well as all participating in the budget process.

A presentation was given by Mr. Hiskey outlining the preliminary 2020 budget and summary documents were submitted. In addition to the budget, Mr. Hiskey presented water rate increase proposals for 2020 and preliminary for 2021, changes to rail billing practices for 2020 and 2021. He also summarized some Capital Improvement Plan changes since the last JCAC meeting. Discussion ensued regarding the replacement or rehab of the maintenance shop at IXD. There was also discussion regarding the replacement of two hangars in 2020 and two in 2021 at OJC. Proposed hangar rate increases were presented starting in 2019 and each year thereafter, which was also a separate agenda item to follow.

Mr. Otto clarified and commented on items in the budget. Discussion ensued with questions from the Board about the Budget. Mr. Wittenborn asked if the new hangar rates could be included in the Impact of Rate Increases slide in the future. Mr. Otto summarized the budget process and issues left to discuss.

The Board discussed voting separately on the rate increases which pertained to numbers 2, 3 and 8 of the Primary Budget Issues and Decisions page.
A MOTION WAS MADE BY MR. MOORE AND SECONDED BY MR. WITTENBORN TO RECOMMEND APPROVAL OF THE 2020 PRELIMINARY BUDGET AS LISTED WITH THE CAVIAT THAT WE WILL TAKE THE RATE INCREASES FOR THE COST CENTERS AS SEparate ISSUES. APPROVED (6-0)

A VOTE WAS TAKEN ON INDIVIDUAL BUDGET ITEMS

Budget Item 2 - Water Rate Increases for 2020 and preliminary 2021

A MOTION WAS MADE BY MR. KISSINGER AND SECONDED BY MR. MOORE TO RECOMMEND APPROVAL OF WATER RATE INCREASES AND FIRE LINE INCREASES FOR 2020 AND PRELIMINARY 2021 IN ACCORDANCE WITH THE CHARTS PROVIDED BY STAFF. APPROVED (5-0)

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Proposed 1/1/2019</th>
<th>Proposed 1/1/2020</th>
<th>Proposed 1/1/2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot; to 3/4&quot;</td>
<td>$25.30</td>
<td>$27.83</td>
<td>$30.60</td>
</tr>
<tr>
<td>1.5&quot;</td>
<td>$29.70</td>
<td>$32.67</td>
<td>$35.90</td>
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<tr>
<td>2&quot;</td>
<td>$38.50</td>
<td>$42.35</td>
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<td>3&quot;</td>
<td>$72.60</td>
<td>$79.86</td>
<td>$87.80</td>
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<tr>
<td>4&quot;</td>
<td>$121.00</td>
<td>$133.10</td>
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<td>6&quot;</td>
<td>$251.35</td>
<td>$276.49</td>
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</tr>
<tr>
<td>8&quot;</td>
<td>$381.70</td>
<td>$419.87</td>
<td>$461.80</td>
</tr>
</tbody>
</table>

Monthly Service Charge

| All Users     | $15.13            | $16.64            | $18.30            |

Water Rate Price per 1,000 (usage over 5,000 gallons)

| All Users     | $5.40             | $5.94             | $6.50             |

Fire Line Monthly Charge

<table>
<thead>
<tr>
<th>Line Size</th>
<th>Proposed 1/1/2019</th>
<th>Proposed 1/1/2020</th>
<th>Proposed 1/1/2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>2&quot;</td>
<td>$25</td>
<td>$28</td>
<td>$31</td>
</tr>
<tr>
<td>4&quot;</td>
<td>$38</td>
<td>$42</td>
<td>$46</td>
</tr>
<tr>
<td>6&quot;</td>
<td>$51</td>
<td>$56</td>
<td>$62</td>
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<td>8&quot;</td>
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<td>10&quot;</td>
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</tr>
<tr>
<td>12&quot;</td>
<td>$76</td>
<td>$84</td>
<td>$92</td>
</tr>
<tr>
<td>&gt;12&quot;</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
</tbody>
</table>

Budget item 3 - Rail Modification to Billing Practices for 2020 and 2021
A MOTION WAS MADE BY MR. MOORE AND SECONDED BY MR. KISSINGER TO RECOMMEND APPROVAL OF THE RAIL BILLING MODIFICATIONS 2020 AND 2021 AS PRESENTED BY STAFF. FOR 2020 THE NUMBER OF FREE DAYS OF STORAGE UPON DELIVERY WOULD BE REDUCED FROM 2 TO 1. FOR 2021, A CHANGE WILL BE MADE RELATED TO SPOTTING MULTIPLE CARS IN ONE TRAIN FOR ONE CUSTOMER. APPROVED (6-0)

Mr. Hiskey addressed CIP budget items 4 and 5 as already approved in the February Board meeting with the CIP approval.

Mr. Otto addressed item 6, approval of the maintenance shop repair or replacement at IXD as set at a cap with the overall budget approval.

Mr. Otto addressed item 7, approve replacement of 2 hangars in 2020 and 2 in 2021 at OJC as being approved with the approval of the overall budget.

c. Consider approval of t-hangar rate modifications (budget item 8)

Mr. Otto presented written documents and reviewed the proposed t-Hangar rate modification plan.

The Board discussed the proposed rate increases and overall rate plan. Discussion ensued regarding the self-sufficiency of the airports and how it affects the cost of the hangar replacements. Discussion was deferred on the funding of the hangar replacements in the future.

A MOTION WAS MADE BY MR. KISSINGER AND SECONDED BY MR. WITTENBORN TO APPROVE THE T-HANGAR RATE MODIFICATIONS FOR 2019 AND 2020 AS PRESENTED. APPROVED (6-0)

<table>
<thead>
<tr>
<th>Hangar Type</th>
<th>2014 to present</th>
<th>New Rate May 2019</th>
<th>New Rate 1-1-2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular</td>
<td>$275.00</td>
<td>$292.00</td>
<td>$310.00</td>
</tr>
<tr>
<td>Regular Ends</td>
<td>$313.00</td>
<td>$332.34</td>
<td>$352.81</td>
</tr>
<tr>
<td>Large</td>
<td>$356.00</td>
<td>$378.00</td>
<td>$401.28</td>
</tr>
<tr>
<td>Large Ends</td>
<td>$415.00</td>
<td>$440.65</td>
<td>$467.79</td>
</tr>
</tbody>
</table>

d. Review and Discussion of Updated T-hangar Lease Agreement

Mr. Weisenburger introduced the topic and noted that they wanted to take this opportunity to brief everyone about the lease changes and no action would be taken today.

Mr. Otto presented the new lease along with a frequently asked questions document.

Public comment was conducted. Thereupon, the courtesy of the floor was extended to:

Bob Parker, 7418 Briar Street; Rick Grossman, 13117 Blue Jacket; Keith Grabill 22249 W 183rd Street; Jerry Gipner, 14810 W 159th Street; Richard Abernathy, 12708 W 116th Street spoke on the topic of the t-hangar lease.
The Chairman called for further comments from the public and, hearing none, closed the public comment.

Mr. Harris left the meeting prior to the vote on item e which changed the total number voting from 6 to 5 commissioners.

e. Consider approving an assignment of lease of the Collis Hangar from ACDC Investments LLC to Hangar Holdings, LLC and consent to leasehold mortgage.

Ms. Dunham presented the assignment of lease of the Collis Hangar from ACDC Investments LLC to Hangar Holdings, LLC and consent to leasehold mortgage.

A MOTION WAS MADE BY MR. WITTENBORN AND SECONDED BY MR. MOORE TO RECOMMEND APPROVAL OF THE ASSIGNMENT OF LEASE OF THE COLLIS HANGAR FROM ACDC INVESTMENTS LLC TO HANGAR HOLDINGS, LLC AND CONSENT TO LEASEHOLD MORTGAGE. APPROVED (5-0)

f. Consider approval of extension of the lease for the Driver’s Training Area.

Ms. Dunham presented the extension of the lease by Risk Management for the Driver’s Training Area. The lease is for an additional 5 years.

A MOTION WAS MADE BY MR. KISSINGER AND SECONDED BY MR. SPENCE TO RECOMMEND APPROVAL OF THE EXTENSION OF THE LEASE FOR THE DRIVER’S TRAINING AREA. APPROVED (5-0)

g. Consider approval of a lease for 109 Overland Park Place.

Mr. Otto presented the lease for 109 Overland Park Place.

A MOTION WAS MADE BY MR. MOORE AND SECONDED BY MR. SPENCE TO RECOMMEND APPROVAL OF THE 109 OVERLAND PARK PLACE LEASE AS INDICATED AND SUBJECT TO APPROVAL BY STAFF AND LEGAL. APPROVED (5-0)

Mr. Moore thanked staff for their hard work over the last 18 months with the hangars rebuild and the snow and ice storms. They have been very responsive to the situations at hand and a job well done.

VI. BUSINESS FROM THE FLOOR

No business from the floor.

VII. EXECUTIVE SESSION

Executive Session I
MOVED BY MR. SPENCE AND SECONDED BY MR. KISSINGER TO RECESS THE OPEN SESSION AND CONVENE INTO EXECUTIVE SESSION AT 11:45 AM FOR A PERIOD OF TEN (10) MINUTES, FOR THE PURPOSE OF PRELIMINARY DISCUSSION OF THE ACQUISITION OF REAL PROPERTY AND TO PROTECT JOHNSON COUNTY’S INTERESTS, AND TO RECONVENE IN THIS ROOM AT 11:55 AM OR AS SOON THEREAFTER AS THE EXECUTIVE SESSION MAY END. APPROVED (5-0)

RECONVENED AT 12:00PM

Executive Session II

MOVED BY MR. SPENCE AND SECONDED BY MR. KISSINGER TO RECESS THE OPEN SESSION AND CONVENE INTO EXECUTIVE SESSION AT 12:00 PM FOR A PERIOD OF TEN (10) MINUTES, FOR THE PURPOSE OF PRELIMINARY DISCUSSION OF THE ACQUISITION OF REAL PROPERTY AND TO PROTECT JOHNSON COUNTY’S INTERESTS, AND TO RECONVENE IN THIS ROOM AT 12:10 PM OR AS SOON THEREAFTER AS THE EXECUTIVE SESSION MAY END. APPROVED (5-0)

RECONVENED AT 12:10 PM

VIII. ADJOURNMENT

There being no further business, at 12:11 p.m. the meeting was adjourned.

MOVED BY MR. MOORE AND SECONDED BY MR. WITTENBORN TO ADJOURN. APPROVED (5-0)

John Wittenborn, Secretary

Aaron Otto, Executive Director