Johnson County Airport Commission
One Industrial Parkway
Industrial Airport, Kansas 66031
913/782-5335

January 3, 1989

NOTICE

The regularly scheduled meeting of the Johnson County Airport Commission will be held at the Airport Commission conference room in the Administration Building at the Johnson County Industrial Airport at 1:00 p.m. on January 10, 1989.

JOHNSON COUNTY AIRPORT COMMISSION

BY: Frank A. Farnsworth
Executive Director

FAF/dmj
JOHNSON COUNTY AIRPORT COMMISSION

MINUTES - MEETING: JANUARY 10, 1989 - 1:00 P.M. - INDUSTRIAL AIRPORT

AIRPORT COMMISSION
Present: Arenson  Craig
Deeter  Lehman
Schumacher  Viets
Walter

STAFF
Present: Farnsworth  Fredrichs
Harness

OTHERS
Present: Mr. Murray L. Nolte, County Commissioner, 4th District
Ms. Cheryl A. Leichliter, Johnson County Personnel Director
Mrs. Jan Durrett, League of Women Voters
Mr. Sean Reilly, The Olathe Daily News
Ms. Connie Bye, The Kansas City Star
Mr. Larry Franke, Kansas City Aviation Center

The meeting was called to order by Chairman Walter.

MR. DEETER MOVED THE MINUTES OF THE DECEMBER 13, 1988 MEETING BE APPROVED AS MAILED. MOTION SECONDED BY MR. LEHMAN. VOTING AYE - CRAIG, DEETER, LEHMAN, SCHUMACHER, VIETS. VOTING NAY - NONE. MOTION CARRIED.

MR. CRAIG MOVED THE MINUTES OF THE SPECIAL MEETING ON DECEMBER 28, 1988 BE APPROVED AS MAILED. MOTION SECONDED BY MR. LEHMAN. VOTING AYE - CRAIG, LEHMAN, SCHUMACHER. VOTING NAY - NONE. MOTION CARRIED.

There were no committee reports.

Mr. Fredrichs, Director of Aviation, reported that beginning on January 30, 1989 the Air Force is scheduling one C5A aircraft into the Industrial Airport every twenty-three days through October 1989. The reason for the C5A activity is that the Army is updating its CH47 helicopter inventory in Korea and Industrial Airport has been selected as the transfer point for the discharge of helicopters being returned from Korea and the unloading point for updated helicopters being returned to Korea.

Mr. Fredrichs reported that Executive Airport had over 130,000 operations in 1988. We had one incident at Executive Airport during 1988 and the preliminary investigation indicates that it was pilot error; the incident was investigated by the National Transportation Safety Board. Chairman Walter asked what has been our highest number of air operations in any one year. Mr. Fredrichs stated that in the mid 1970s when the Johnson County Community College was offering a pilot training program under the GI Bill, there were approximately 160,000 operations per year for a three-year period. He added that the Master Plan estimates that the maximum capacity of Executive Airport is 160,000 operations per year. Chairman Walter asked what has been the highest number of operations at Industrial Airport in any one year. Mr. Fredrichs replied that it was 90,000 in 1987.
Mr. Fredrichs reported that we are examining our current Airport Improvement Program Pre-applications now filed with the Federal Aviation Administration in order to determine whether the present priorities correlate with the Master Plans.

Mr. Fredrichs reported that all of the T-hangars are full at both Airports.

Mr. Craig requested that the staff review the statements made by the speakers at the January 9, 1989 Public Hearing on the Executive Airport Master Plan with the object of determining if any of those statements contained factual errors. If such errors are detected, he requested that the staff prepare a statement refuting those allegations and provide the statement to the Board of County Commissioners to aid in their consideration of the Master Plan. Commissioner Nolte indicated that this information would be welcome and cautioned that the paper should be a refutation of incorrect facts and not a voicing of opposite opinion. Mr. Fredrichs stated that he would prepare such a paper.

Mr. Farnsworth, Executive Director, requested that the Airport Commission consider the rezoning requests before the Oxford Township Planning Board which were provided to the Airport Commission earlier. He provided a history of the requests and stated that they had been considered by the Board of County Commissioners but returned to the Oxford Township Planning Board for further consideration. The Board of County Commissioners has requested that the Airport Commission provide the Oxford Township Planning Board with their views. Mr. Farnsworth offered a draft letter to the Oxford Township Planning Board stating, in short, that the Airport Commission does not oppose the rezoning but recommends that there be a deed restriction stating that the proposed subdivision is generally under the western downwind leg of the aircraft traffic pattern of Executive Airport and that such notation be made on the plat filed with the Register of Deeds. Following discussion, MR. VIETS MOVED THAT THE EXECUTIVE DIRECTOR BE DIRECTED TO FORWARD A LETTER TO THE OXFORD TOWNSHIP PLANNING BOARD RECOMMENDING THAT A DEED RESTRICTION REFLECTING THE PROXIMITY OF THE EXECUTIVE AIRPORT AND ITS TRAFFIC PATTERN BE REQUIRED AS A CONDITION TO THE REZONING REQUEST AND THAT THE PLAT OF THE SUBDIVISION REFLECT THAT DEED RESTRICTION. MOTION SECONDED BY MR. ARENSON. VOTING AYE - ARENSON, CRAIG, DEETER, LEHMAN, SCHUMACHER, VIETS. VOTING NAY - NONE. MOTION CARRIED.

Mr. Lehman requested the status on the sale of Jet-Tech, Inc. He was informed that the sale was consummated on December 31, 1988.

Mr. Farnsworth reported that an underrun in the 1988 personnel budget of approximately $80,000.00 was available to meet the Unified Wastewater Districts' bill for services and material of approximately $42,000.00 plus meeting the expense of the search for an Executive Director. In answer to questions about whether future bills will be rendered by the Unified Wastewater Districts, Mr. Farnsworth stated that there would be a cost for the period of the months of November and December; however, he did not know the magnitude of that bill.

A discussion of the Black and Veatch Wastewater Treatment Study followed. Commissioner Nolte indicated that some of the Airport tenants had contacted the Board of County Commissioners and that Commissioner Franklin had met with them and explained the Board's position. Commissioner Nolte stated that a preliminary
report on the Study was provided the Board of County Commissioners recently and the final report will be published later in January. At that time, a public hearing will be held to receive comments. Mr. Craig asked if Black and Veatch in developing their alternatives for a wastewater treatment plant had considered the sequencing batch reactor. Mr. Farnsworth referred to the alternatives chart in the preliminary Study and stated that the sequencing batch reactor had been considered in each of the basic options.

Mr. Harness reported that four tenants have filed suit objecting to the creation of the Little Bull Creek Sewer Sub District No. 2 which is the Benefit District created to serve the Industrial Airport. Since there has been no request for injunctive relief, the County Legal Office advises continuing with the course of action.

Chairman Walter stated that Ms. Cheryl Leichliter, the County Personnel Director, had some information concerning the search for an Executive Director and he requested a motion for an executive session. MR. DEETER MOVED THAT WE RECESS THIS MEETING INTO AN EXECUTIVE SESSION FOR THE PURPOSE OF DISCUSSING MATTERS OF NONELECTED PERSONNEL AT 2:00 P.M. WITH THE MEETING TO BE RECONVENED AT APPROXIMATELY 3:00 P.M. OR AS SOON THEREAFTER AS POSSIBLE. MOTION SECONDED BY MR. CRAIG. VOTING AYE - ARENSON, CRAIG, DEETER, LEHMAN, SCHUMACHER, VIETS, VOTING NAY - NONE. MOTION CARRIED.

Prior to adjourning to the executive session, Commissioner Nolte stated that he had enjoyed his past year as the Board of County Commissioners liaison to the Airport Commission. The Airport Commission stated that they too had enjoyed the association and thanked him for his participation and support.

The Commission recessed into an executive session. Note: Ms. Schumacher left the meeting during the executive session.

The meeting was reconvened at 3:20 p.m.

The Treasurer's report was discussed and following discussion, MR. CRAIG MOVED FOR APPROVAL OF THE TREASURER'S REPORT FOR DECEMBER 1988 AS PRINTED AND MAILED. MOTION SECONDED BY MR. LEHMAN. VOTING AYE - ARENSON, CRAIG, DEETER, LEHMAN, VIETS. VOTING NAY - NONE. MOTION CARRIED.

The meeting was adjourned by the Chairman.

[Signatures]

DON LEHMAN
SECRETARY

FRANK A. FARNSWORTH
EXECUTIVE DIRECTOR
January 31, 1989

NOTICE

The regularly scheduled meeting of the Johnson County Airport Commission will be held at the Airport Commission conference room in the Administration building at the Johnson County Industrial Airport at 1:00 p.m. on February 14, 1989.

JOHNSON COUNTY AIRPORT COMMISSION

BY: Frank A. Farnsworth
Executive Director

FAF/dmj
JOHNSON COUNTY AIRPORT COMMISSION

MINUTES - MEETING: FEBRUARY 14, 1989 - 1:00 P.M. - INDUSTRIAL AIRPORT

AIRPORT COMMISSION
Present: Craig Deeter
        Lehman Schumacher
        Viets Walter
Absent: Arenson

STAFF
Present: Farnsworth Fredrichs
        Harness

OTHERS
Present: Mrs. Sue E. Weltner, County Commissioner, 1st District
        Ms. Cheryl A. Leichliter, Johnson County Personnel Director
        Mr. David Nusz, Wilson & Company
        Mr. Larry Franke, Kansas City Aviation Center
        Mr. Jim Stegeman
        Ms. Jan Landon, The Olathe Daily News
        Ms. Connie Bye, The Kansas City Star

The meeting was called to order by Chairman Walter.

Chairman Walter welcomed 1st District County Commissioner Sue Weltner.

MR. LEHMAN MOVED THE MINUTES OF THE JANUARY 10, 1989 MEETING BE APPROVED AS MAILED. MOTION SECONDED BY MR. DEETER. VOTING AYE - CRAIG, DEETER, LEHMAN, SCHUMACHER, VIETS. VOTING NAY - NONE. MOTION CARRIED.

Mr. Farnsworth, Executive Director, introduced Mr. David Nusz of Wilson & Company. Mr. Nusz presented a briefing of the Study requested by the Airport Commission which examines the requirements for fresh water through the next twenty years. (The Study is on file in the Airport Commission offices.) A discussion of the Study followed. The discussion included reasons for the discrepancy between water produced and water use billings; non-metered administrative or other use; errors in production figures; increases in requirements caused by expansion of industries presently located at the Airport and potential restrictions upon growth limited by either wastewater treatment capacity or water availability or both.

Following discussion, the Chairman directed the Executive Director to request proposals from engineering firms for a water source study for the Industrial Airport to determine how the requirements stated in the Wilson Study can be met.

Mr. Lehman, Chairman of the Administrative Committee, reported that he and Mr. Farnsworth attended a meeting during which the Board of County Commissioners discussed the Executive Airport Master Plan. He stated that there appeared to be serious questions on the need for the extension of 400 feet to the runway although there appeared to be a general consensus that an instrument landing system was needed to improve safety. The acquisition of land to prevent
encroachment was not discussed. During discussion of the runway lengthening
and the requirements needed for an instrument landing system, two of the
Commissioners stated that they had spoken to a representative from the FAA
who assured them that it was possible to obtain waivers if the runway con-
figuration did not meet all of the stated requirements. Mr. Farnsworth
volunteered to meet with the FAA and try to determine the precise airfield
parameters for the installation of an instrument landing system. Mr.
Farnsworth will meet with the Central Region of the FAA on February 15.
Commissioner Weltner stated that no decisions have been made by the Board of
County Commissioners but many questions had been raised and, in her opinion,
the Executive Airport was a major cog in the future of Johnson County and
should be made as safe as possible.

Mr. Lehman reported that the Board of County Commissioners had requested a
joint session with the Airport Commission to discuss both Master Plans. March
2nd was proposed; however, a number of Commissioners could not attend on that
date and March 9th at 1:30 in the afternoon was proposed and accepted by the
Board of County Commissioners.

Mr. Fredrichs, Director of Aviation, reported on the status of underground
storage tanks at the Industrial Airport. He stated that the Environmental
Protection Agency has published new regulations concerning financial and
technical responsibility for underground tanks. He is working with the Kansas
Department of Health and Environment to ensure that we meet the EPA require-
ments.

Mr. Fredrichs reported that a United States Air Force C5A aircraft arrived at
the Industrial Airport at approximately 8:00 p.m. on January 30 and departed
at 10:00 a.m. on February 1st. He reported that he received a few calls from
people asking about the low flying large aircraft. Instead of the circling
approach made by this aircraft, we have requested that subsequent flights arrive
and depart during daylight hours and make a straight-in approach.

Chairman Walter stated that Ms. Cheryl Leichliter, County Personnel Director,
was here and had requested an executive session. MR. DEETER MOVED THAT WE RECESS
THIS MEETING INTO AN EXECUTIVE SESSION FOR THE PURPOSE OF DISCUSSION OF MATTERS
OF NONELECTED PERSONNEL AT 2:11 P.M. WITH THE MEETING TO BE RECONVENED AT
APPROXIMATELY 2:45 P.M. OR AS SOON THEREAFTER AS POSSIBLE. MOTION SECONDED BY
MS. SCHUMACHER. VOTING AYE - CRAIG, DEETER, LEHMAN, SCHUMACHER, VIETS. VOTING
NAY - NONE. MOTION CARRIED.

The meeting recessed into an executive session. Note: Mr. Lehman left the
meeting during the executive session and Commissioner Weltner left the meeting
at the end of the executive session.

The meeting was reconvened at 2:45 p.m.

MR. CRAIG MOVED FOR APPROVAL OF THE TREASURER'S REPORT FOR JANUARY 1989 AS
PRINTED AND MAILED. MOTION SECONDED BY MR. DEETER. VOTING AYE - CRAIG, DEETER,
SCHUMACHER, VIETS. VOTING NAY - NONE. MOTION CARRIED.
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Mr. Farnsworth, Executive Director, reported that we have two houses located
on the Industrial Airport that were used by DePaul Health Systems for the
Youth Substance Abuse Program. The houses are no longer in use and are in a
bad state of repair. Mr. Farnsworth recommended that we attempt to sell the
houses for their salvage value. Mr. Harness was directed to determine the
legal aspects of the potential sale and demolition of the houses. MR. CRAIG
MOVED THAT IF THERE ARE NO LEGAL COMPLICATIONS THE EXECUTIVE DIRECTOR BE
AUTHORIZED TO ADVERTISE FOR BIDS FOR THE DEMOLITION OF THE TWO HOUSES. MOTION
SECONDED BY MR. DEETER. VOTING AYE - CRAIG, DEETER, SCHUMACHER, VIETS. VOTING
NAY - NONE. MOTION CARRIED.

Mr. Farnsworth reported that the County Planning Department has requested
Airport Commission comments on the subdivision of two ten-acre lots from an
existing 150 acre tract on Moonlight Road northwest of the Industrial Airport.
After discussion, MS. SCHUMACHER MOVED THAT THE AIRPORT COMMISSION REQUEST THE
TOWNSHIP ZONING BOARD TO INCLUDE IN THE PLOT PLAN OF THE SUBDIVISION AND IN
THE DEED THE FACT THAT THE DOWNWIND LEG OF THE WEST TRAFFIC PATTERN FOR THE
JOHNSON COUNTY INDUSTRIAL AIRPORT WILL BE ABOVE THE SUBDIVISION. MOTION
SECONDED BY MR. CRAIG. VOTING AYE - CRAIG, DEETER, SCHUMACHER, VIETS. VOTING
NAY - NONE. MOTION CARRIED.

Mr. Farnsworth called attention to two items in the folders: one, a summary
of total salaries, employment and gross sales at each of the Airports for the
year 1988; and the other, a memorandum from the County Appraiser showing the
contribution the Airport tenants made in terms of personal property taxes for
1988. Mr. Craig noted that the $2,424,242.79 in personal property taxes was
considerably more than the Airport budget.

The meeting was adjourned by the Chairman.

[Signature]
DON LEHMAN
SECRETARY

[Signature]
FRANK A. FARNsworth
EXECUTIVE DIRECTOR
NOTICE

The regularly scheduled meeting of the Johnson County Airport Commission will be held at the Airport Commission conference room in the Administration Building at the Johnson County Industrial Airport at 1:00 p.m. on March 14, 1989.

JOHNSON COUNTY AIRPORT COMMISSION

BY: R. Lee Metcalfe
Executive Director

RLM/dmj
JOHNSON COUNTY AIRPORT COMMISSION

MINUTES - MEETING: MARCH 14, 1989 - 1:00 P.M. - INDUSTRIAL AIRPORT

AIRPORT COMMISSION
Present: Arenson Craig
        Schumacher Viets
        Walter
Absent: Deeter Lehman

STAFF
Present: Metcalfe Farnsworth
        Harness
Absent: Fredrichs

OTHERS
Present: Mr. Bruce R. Craig, County Commissioner, 5th District
        Mrs. Jan Durrett, League of Women Voters
        Ms. Jan Landon, The Olathe Daily News
        Ms. Connie Bye, The Kansas City Star

The meeting was called to order by Chairman Walter.

MR. ARENSON MOVED THE MINUTES OF THE FEBRUARY 14, 1989, MEETING BE APPROVED AS MALLED. MOTION SECONDED BY MR. CRAIG. VOTING AYE - ARENSON, CRAIG, SCHUMACHER. VOTING NAY - NONE. MOTION CARRIED.

There were no committee reports.

Mr. Farnsworth reported in the absence of the Director of Aviation that aircraft operations were down about seventeen percent from February 1988 and were down about eleven percent for the year thus far at the Industrial Airport. Discussion about why the count is down followed. Mr. Farnsworth reported that aircraft operations at the Executive Airport were up by six percent for the month and twenty-two percent for the year.

Chairman Walter welcomed Mr. Metcalfe, the new Executive Director. Mr. Metcalfe stated that he and Mr. Farnsworth were spending a lot of time talking and transferring knowledge. Mr. Metcalfe has met with all of the staff and will be meeting the tenants, the FAA representatives, and others with whom we need to establish good relationships. Mr. Metcalfe stated that he expected to wrap things up with Mr. Farnsworth within the next two weeks with which Mr. Farnsworth agreed.

Mr. Harness, Counsel to the Commission, presented for the Commission's consideration the Lease Assignment to B.F. Goodrich by JC Air, Inc. Discussion followed. Mr. Harness recommended that the item be tabled while he secured further documentation. Chairman Walter agreed to table the issue.

Mr. Farnsworth reported on the status of the officer's quarters that had been discussed as possible demolition projects at last month's meeting. After some
discussion about legalities and accounting issues, Mr. Metcalfe was directed to develop a Request for Proposals from qualified contractors to complete either demolition or removal of the buildings. Discussion on qualifications and insurance requirements followed. MR. CRAIG MOVED THAT THE COMMISSION AUTHORIZE THE ADVERTISING FOR BIDS TO EITHER MOVE OR REMOVE IN PIECES THE OFFICER'S QUARTERS BUILDINGS. MOTION SECONDED BY MR. ARENSON. VOTING AYE - ARENSON, CRAIG, SCHUMACHER. VOTING NAY - NONE. MOTION CARRIED. (Subsequent to the Commission Meeting, County Commissioner Crippin contacted Mr. Metcalfe regarding a proposal from a group of Navy retirees to have the officer's quarters donated for the purpose of an Olathe Naval Air Station museum. Commissioner Crippin will be writing to the Airport Commission with his recommendations.)

Mr. Metcalfe brought to the Commission's attention several information items in their packets. Discussion followed concerning the types of information that the Airport Commission would like to see. The consensus seemed to be that the Commission would like to have items of interest sent to them as part of the Agenda package.

Commissioner Craig asked about the mailing of financial reports. Messrs. Farnsworth and Metcalfe assured the Commission that reports would be mailed out on a timely basis in the future.

Note: Mr. Viets arrived.

Mr. Metcalfe provided a copy of the study area for the 21st Century Circumferential Parkway. Discussion followed. County Commissioner Craig commented on the study and suggested that the Airport Commission follow the issue closely as it has a potential impact on the development of the Industrial Airport.

Mr. Craig brought up the issue of the gas wells. Considerable discussion followed concerning both the financial issues and the viability of the gas production and distribution system. It was the consensus of the Commission that a study be performed by a technically qualified consultant to determine the status of the gas well system and to make recommendations as to options. Mr. Metcalfe will develop a set of requirements and seek proposals from qualified consultants and will present recommendations to the Commission as soon as possible.

Mr. Craig inquired about the status of the water source study. Mr. Farnsworth advised that we will be issuing Requests for Proposals and will be selecting a consultant within the next thirty days.

Mr. Harness asked about water supplies in view of the potential drought situation for this year. Mr. Farnsworth advised that we will need to acquire additional water from Gardner Lake. Mr. Metcalfe was directed by the Commission to initiate discussions with the City of Gardner to secure additional water for at least the next two years.
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County Commissioner Craig reported on the status of the Airport Master Plans and requested that the Airport Commission allow the County Commission an additional thirty days to consider the Master Plans. County Commissioner Craig indicated that the County Commission will be discussing the Master Plans with the Airport Commission informally between now and the Airport Commission's April 11th meeting. County Commissioner Craig indicated that the County Commission would schedule a meeting for consideration of the Master Plans sometime subsequent to the April 11th Airport Commission Meeting.

Mr. Harness presented for the Commission's consideration an Assignment of Lease from BPS Kansas, Inc. to Central Trust Company of Northern Ohio N.A. It was suggested that we secure written acknowledgement from Central Trust of the existence of the Public Improvement District for wastewater purposes. IT WAS THEN MOVED BY MR. CRAIG THAT THE LEASE ASSIGNMENT BE APPROVED. MOTION SECONDED BY MS. SCHUMACHER. VOTING AYE - ARENSON, CRAIG, SCHUMACHER, VIETS. VOTING NAY - NONE. MOTION CARRIED.

Mr. Viets asked about Mr. Metcalfe's plan for filling the position currently classified as Director of Development and Planning. Mr. Metcalfe said that his thoughts were still evolving on that issue and recommended that we not take any specific action at this point.

Following discussion, MR. ARENSON MOVED FOR APPROVAL OF THE TREASURER'S REPORT FOR FEBRUARY 1989 AS PRINTED AND MAILED. MOTION SECONDED BY MS. SCHUMACHER. VOTING AYE - ARENSON, CRAIG, SCHUMACHER, VIETS. VOTING NAY - NONE. MOTION CARRIED.

Ms. Schumacher inquired about the status of the accounts receivable. Mr. Farnsworth replied that, other than some hangar accounts, all accounts including all tenants were up-to-date.

Mr. Farnsworth reported for the group's information that the next C5A will be arriving on March 20th.

Ms. Schumacher asked if the consultant's responses to the public questions on the Master Plan had been mailed to the individuals as requested. Mr. Farnsworth responded that they had been sent last Friday.

The meeting was adjourned by the Chairman.

KIRBY DEETER
SECRETARY

R. LEE METCALFE
EXECUTIVE DIRECTOR
December 2, 1988

NOTICE

The regularly scheduled meeting of the Johnson County Airport Commission will be held at the Airport Commission conference room in the Administration Building at the Johnson County Industrial Airport at 1:00 p.m. on December 13, 1988.

JOHNSON COUNTY AIRPORT COMMISSION

BY: [Signature]

Frank A. Farnsworth
Executive Director

FAF/dmj
April 3, 1989

NOTICE

The regularly scheduled meeting of the Johnson County Airport Commission will be held at the Airport Commission conference room in the Administration Building at the Johnson County Industrial Airport at 1:00 p.m. on April 11, 1989.

JOHNSON COUNTY AIRPORT COMMISSION

BY:  [Signature]

R. Lee Metcalfe
Executive Director

RLM/dmj
The meeting was called to order at 1:05 P.M. by Chairman Walter.

Chairman Walter introduced newly appointed Airport Commissioner Phyllis Thomen and welcomed her to the Commission. Ms. Thomen has been Mayor of the City of Gardner for the last eight years and a resident of Gardner for thirty years. Ms. Thomen stated that she appreciates the opportunity of serving on the Commission and looks forward to working with everyone.

MR. VIETS MOVED THE APPROVAL OF THE MARCH 14, 1989, MEETING MINUTES, SECONDED BY MR. CRAIG, VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, THOMEN, VIETS. VOTING NAY - NONE. MOTION CARRIED. Mr. Craig initiated discussion by reviewing the outcome of the joint work session between the Board of County Commissioners and the Airport Commission held on Thursday, March 9, 1989. BOCC Chairman Craig confirmed that the consensus of the BOCC was that the proposed Master Plan was acceptable to them except for the 400' extension of the runway at Executive Airport. The BOCC’s thinking was that the extension was not necessary to allow for an Instrument Landing System in the future (waivers could be requested) and that the risk of increased jet traffic due to a longer runway was not acceptable to them.

Mr. Guy Pickard asked about the additional land proposed to be acquired at the north and south ends of the runway at Executive; was the land needed for an extension if the FAA did not grant a waiver? Mr. Metcalfe
explained that the runway extension could be built on land currently owned by the County, and that the additional land was intended to provide a buffer zone between the airport and future development.

MR. CRAIG MOVED THAT THE RECOMMENDATION FOR THE EXTENSION OF THE RUNWAY AT EXECUTIVE AIRPORT BE REMOVED, AND THAT THE MASTER PLANS FOR THE TWO AIRPORTS BE RECOMMENDED FOR ADOPTION BY THE BOARD OF COUNTY COMMISSIONERS. SECONDED BY MR. DEETER. DISCUSSION: Mr. Viets expressed concern that the Master Plan document reflect the ultimate recommendation and suggested that the document be redrafted to delete any reference to the runway extension. There was no discussion on this suggestion by other board members and there was no clear consensus as to how the document ought to be amended. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, THOMEN, VIETS. VOTING NAY - NONE. MOTION CARRIED.

Mr. LeWayne Rothers, of JcAir, Inc., presented for the Commission's consideration a proposal to lease additional ground and to construct a 3750 sq. ft. warehouse building on the northeast side of their existing building. Considerable discussion followed concerning uses of the building, the need for water and sewer, financing, impact on JcAir's employment, FAA approval, documents needed for the Commission's review, and whether this item could be delegated to the Industrial Committee. MR. ARENSON MOVED THAT MR. METCALFE BE AUTHORIZED TO WORK WITH JcAir IN PREPARING ALL THE NECESSARY DOCUMENTATION AS DISCUSSED, PRESENTING THE PROPOSAL TO THE INDUSTRIAL COMMITTEE FOR REVIEW AND RECOMMENDATION TO THE FULL COMMISSION AT THE MAY 9TH MEETING. SECONDED BY MS. THOMEN. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, THOMEN, VIETS. VOTING NAY - NONE. MOTION CARRIED.

Mr. Jim Stegeman, Geological Consultant, gave an interim report on his progress on the natural gas well study he has been engaged to perform as a result of the direction given to Mr. Metcalfe at the March meeting. Mr. Stegeman reported that he has reviewed regulatory compliance and has filed all required reports with the County Appraiser and the Kansas Corporation Commission. He is in the process of studying the back-taxes that may be due and whether there are any exemptions we may be able to claim. He has pressure tested seven of the wells with preliminary indications being that there may be 1/5 to 1/3 reserve remaining in the field, with pressures in the formation varying from 66 to 157 psi. Mr. Stegeman feels there may still be gas available from the wells in commercial quantities, however, he has not yet tested all wells and has not yet done the economic analysis of alternatives. He expects to have a final report with recommendations for the May 9th meeting. Mr. Craig inquired about the status of severance taxes on the wells. Mr. Stegeman responded that he had not investigated that aspect yet, but that he doubted any taxes would be due because of the type of wells and the low production quantities. Mr. Stegeman assured the Commission he would investigate this aspect thoroughly. Mr. Viets asked whether Mr. Stegeman would be identifying potential buyers. Mr. Metcalfe stated that such work was not included in Mr. Stegeman's original scope of work because the initial feeling was that we didn't have anything to sell. This could be added to the contract after the final report is reviewed by the Airport Commission. Mr. Arenson inquired about the financial aspects of continued operation of the wells, and Mr. Stegeman advised
that he would be including such an analysis in his report. Mr. Metcalfe inquired about the advisability of doing a financial audit of the gas well business records. Mr. Stegeman felt that there was probably no reason to do anything beyond what he was doing with his review as there were no indications of problems with the records. Mr. Craig stated that that decision should be reserved for the Commission after the final report is reviewed.

Mr. Viets inquired about Mr. Stegeman's charges. Mr. Metcalfe reported that Mr. Stegeman's quote was $2,300 to $3,000, depending on complications and well testing needs. The next closest quote was $4,000 plus $1,000 for subcontract work for well testing.

Mr. Larry Franke took the opportunity to congratulate the Airport Commission on its courage and tenacity in pursuing the Master Plan in its more ambitious form, and thanked the Airport Commission and the Board of County Commissioners for their foresight and commitment to the airports.

**MR. DEETER MOVED THAT THE AIRPORT COMMISSION GO INTO EXECUTIVE SESSION FOR THE PURPOSE OF CONSULTATION WITH LEGAL COUNSEL ON THE SANDOW LITIGATION. SECONDED BY MS. SCHUMACHER. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, THOMEN, VIETS. VOTING NAY - NONE. MOTION CARRIED.**

Executive session was convened at 1:40 P.M. Regular session was reconvened at 1:45 P.M.

**MR. VIETS MOVED THE AIRPORT COMMISSION RECOMMEND TO THE BOARD OF COUNTY COMMISSIONERS THAT NO FURTHER ACTION BE TAKEN ON THE SANDOW LITIGATION. SECONDED BY MR. ARENSON. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, THOMEN, VIETS. VOTING NAY - NONE. MOTION CARRIED.**

Mr. Fredrichs reported that he had met with Mr. Richard Duarte of the Army Corps of Engineers regarding the underground storage tanks at Industrial Airport, and that Mr. Duarte indicated that the Corps would remove at their expense any tanks installed by the government that had not been used by the Airport Commission or its tenants. Of the 27 tanks installed by the DOD, 17 are eligible for DOD removal. Of the 10 remaining, 7 are still in use and 3 will have to be removed at County expense. Beginning in December of this year we will have to test the tanks in use for leaks annually, or remove them.

Mr. Duarte also indicated that DOD may remove the old water survival training facility ("swimming pool"). He will be recommending this to his superiors and hopes to have a decision this year.

Further discussion ensued regarding the removal of certain tanks and a May 1 deadline we may be facing (it was not clear to Mr. Fredrichs what was required). **MR. CRAIG MOVED THAT THE EXECUTIVE DIRECTOR BE AUTHORIZED TO PURSUE THE REMOVAL OF ANY TANKS SUBJECT TO THE MAY 1 DEADLINE. SECONDED BY MR. DEETER. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, THOMEN, VIETS. VOTING NAY - NONE. MOTION CARRIED.**
Mr. Fredrichs reported on the progress of the runway lighting project at Executive Airport and the ramp overlay project at Industrial.

Mr. Fredrichs reported that operations were up at both airports, probably due to increased student flying.

Mr. Craig inquired about the condition of the ramps and aprons at Executive. Mr. Metcalfe advised that the 1990-91 Capital Improvements Program (C.I.P.) request includes $145,000 for the rehabilitation of the apron around and under the older T-hangars.

Mr. Metcalfe then went into the 1989 C.I.P. projects. $888,000 was authorized and funded through bonds for projects in 1989. The bond resolution allocated the monies as follows:

$438,000 for improvements to the road system at Industrial Airport
$210,000 for street lights on Industrial Parkway
$150,000 for replacement of windows in the Admin. Building
$ 90,000 for railway rehab. work and carpet for the Admin. Bldg.

Because the County was facing a deadline on arbitrage earnings, Mr. Metcalfe was being "encouraged" by the County Finance Dept. to expedite the development of specifications and the going to bid on these projects. Howard Needles Tammen & Bergendoff were enlisted under their County retainer to quickly develop bid specs for these projects. HNTB had done the engineering for the construction of Industrial Parkway, so they had prints and designs for the roadway and the street lights already developed. Mr. Viets pointed out that the design standards on the street lights were already agreed to, and that several of the tenants had already installed street lights according to our standards. Mr. Metcalfe stated that he hoped to have all the proposed work defined and a presentation prepared for the May 9th meeting. There will probably be a "shopping list" of work from which the Commission can set their priorities.

Mr. Metcalfe reviewed the 1990-1994 C.I.P. submission as prepared by Mr. Farnsworth. He stated that he did not necessarily agree with the timing or the priority of the projects, and that they seemed to be derived directly from the Airport Master Plans. He pointed out that with the decision to remove the runway extension at Executive a $3,000,000+ adjustment was necessary for 90-91. Mr. Metcalfe discussed his plan for amending the request if possible, and asked the Airport Commissioners for any input they may have within the next 10-15 days.

Discussion followed about the acquisition of land at Executive Airport, and Mr. Metcalfe reviewed an Overland Park Planning Commission meeting he attended regarding development of residential property 1/2 mile south of Executive. Discussion followed about the land use planning process and the Airport Commission's role in that process. Mr. Harness reviewed the regulations and the history of the County's efforts to develop a more well-defined process for controlling land use around the airports. Several Airport Commissioners encouraged Mr. Metcalfe to aggressively
pursue the development of procedures to ensure the Airport Commission's involvement in land use decisions with potential impact on the airports.

Discussion returned to the land acquisition issue. It was the consensus of the Airport Commission and BOCC Chairman Bruce Craig that land acquisition should be top priority in terms of capital expenditures. It was agreed that the land acquisition strategy ought to be to go after the land that is most likely to have development first, and then in-fill as funds become available. The Airport Commission was reminded that FAA participation in the funding of land purchases may come somewhere down the line, possibly as much as 20 years, depending on the need driving the acquisition. There was also some discussion about the political repercussions of an aggressive land acquisition program. The consensus was that there was a legitimate and defensible need for the land, and we should proceed post haste. Mr. Metcalfe was directed to proceed with FAA funding applications in support of the tentatively approved Airport Master Plans, and to load land acquisition moneys in the near-term capital improvements program.

Mr. Harness presented for the Commission's consideration the matter of the sublease between JcAir, Inc. and other parties which had been deferred from the previous month due to incomplete documentation. The documentation was reviewed, and MR. CRAIG MOVED THE APPROVAL OF THE SUBLEASE BETWEEN JcAir, Inc., JcAir Associates, and Kenneth and Rebecca Berg. SECONDED BY MR. DEETER. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, THOMEN, VIETS. VOTING NAY - NONE. MOTION CARRIED.

Mr. Metcalfe reviewed the BOCC work session on the 21st Century Circumferential Parkway, advising the Commission that the focus of the study was being changed to the west, and the eastern portion deemphasized. The BOCC's interest was primarily in the Olathe/Industrial Airport/ Gardner area. Mr. Metcalfe also advised that he had been appointed to replace Frank Farnsworth on the Advisory Committee.

Mr. Metcalfe reported that he had met with Mayor Thomen and City Administrator Del Dolisi of Gardner to discuss the provision of water to the Industrial Airport. The City is favorably disposed to providing additional water. However, they have presented a list of issues and requests to be addressed in the agreement which need further discussion. Considerable discussion followed on the water issue in general, with the emphasis being on proceeding with the water source study and negotiating an interim agreement with Gardner. No specific guidance was given on what provisions requested by Gardner were acceptable and which needed further discussion.

Mr. Metcalfe reported that County Commissioner Crippin had forwarded to him a request by a group of Navy retirees who were interested in establishing an "Olathe Naval Air Station Museum" in the former Commanding Officer's and Executive Officer's quarters at Industrial Airport. Discussion followed about the advisability of the concept, and it was decided to have the proponents make a brief presentation to the Airport Commission at the May 9th meeting.
Mr. Metcalfe advised that he would be attending the National Business Incubation Association conference in Pittsburgh April 15-18. His intent is to get an update on what's going on in the economic development world and to explore the concept of business incubation for the Industrial Airport. Mr. Craig described his involvement with economic development and business incubators and expressed encouragement that we seriously explore this approach. He noted that a study was just now being completed on the opportunities for business incubation in JoCo, and that we might be able to tag onto that effort.

Mr. Metcalfe advised that he had met with the JoCo computer staff to review the plans for office automation in the Airport Commission offices. JoCo Data Services has money budgeted for two PC-based workstations for us, and Mr. Metcalfe will use his personal computer, which is fully compatible with the County's system, until the County is able to furnish at least one more workstation. The plan is to have workstations for the Executive Director, his Administrative Assistant, the Director of Planning and Administration, and the Bookkeeper (the latter two may be able to share a workstation). The first priority will be to generate more meaningful financial reports for the Airport Commission's use.

Mr. Metcalfe advised that he will be organizing a retirement dinner for Frank Farnsworth. He said that several tenants and community leaders had asked about such a dinner, and that there seemed to be enough interest to justify the effort. This will be done as a personal effort at no cost to the County.

Mr. Metcalfe presented for the Commission's consideration a proposed revised job description for the Director of Development and Planning position. Considerable discussion followed about needs and timing. The general consensus seemed to be that such a position was needed, and that Mr. Metcalfe should move ahead in filling the position. Mr. Viets counselled Mr. Metcalfe to consider the fact that he is probably in a data overload mode right now, and his perspective may change as he is able to orchestrate activities better. MR. CRAIG MOVED THE ADOPTION OF THE PROPOSED JOB DESCRIPTION AND THE AUTHORIZATION OF THE EXECUTIVE DIRECTOR TO PROCEED WITH THE SEARCH PROCESS AT SUCH TIME AND ON SUCH A SCHEDULE AS HE MAY DEEM APPROPRIATE. SECONDED BY MS. SCHUMACHER. DISCUSSION: Mr. Metcalfe said that he would send each Commissioner a copy of the job description to be used for the search before initiating the actual search process. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, THOMEN, VIETS. VOTING NAY - NONE. MOTION CARRIED.

(Note: County Commissioner Craig excused himself from the meeting)

Chairman Walter called attention to the Delinquent Accounts report in the Commissioners' packets. Discussion followed concerning the nature of the delinquencies and proposed actions. The Commission's guidance to the Executive Director was to review the documentation pertaining to each account, determine what is due by contract, and initiate administrative measures to collect amounts due. Also, efforts are to be increased to collect hangar rents before they become 30 days past due.
Chairman Walter appointed Mr. Deeter Airport Commission Secretary to replace former Commissioner Don Lehman.

Mr. Metcalfe presented the voucher list for review and approval. Following discussion, Mr. Deeter moved approval of the Treasurer's report for March, 1989, as submitted. Seconded by Mr. Craig. Voting Aye - Craig, Deeter, Schumacher, Thomen, Viets. Voting Nay - None. Motion carried.

The meeting was adjourned at 4:15 P.M. by Chairman Walter.

[Signatures]

Kirby V. Deeter
Secretary

Lee Metcalfe
Executive Director
May 1, 1989

NOTICE

The regularly scheduled meeting of the Johnson County Airport Commission will be held at the Airport Commission conference room in the Administration Building at the Johnson County Industrial Airport at 1:00 p.m. on May 9, 1989.

JOHNSON COUNTY AIRPORT COMMISSION

BY:

R. Lee Metcalfe
Executive Director

RLM/dmj
JOHNSON COUNTY AIRPORT COMMISSION

MINUTES - MEETING:  MAY 9, 1989 - 1:00 P.M. - INDUSTRIAL AIRPORT

AIRPORT COMMISSION

Present: Arenson  Craig  Thomen
Deeter  Thomen
Viets  Walter

Absent: Schumacher

STAFF

Present: Metcalfe  Carmody
Fredrichs

OTHERS

Present: James F. Stegeman, Geological Consultant
Joe Cox, Olathe Naval Air Station Museum
Don Osborn, "  "  "  "  "
Joe Myers, "  "  "  "  "
Jim Scherzberg, Howard Needles Tammen & Bergendoff
Allen Johnson, "  "  "  "  "
Dale Mueller, "  "  "  "  "
Dwane Smith, de Elliotte Company
James R. Erhart, "  "  "
Wayne Rolff, JaAir, Inc.
Jim Sanderson, JaAir Associates
Jan Landon, Olathe Daily News

The meeting was called to order at 1:00 P. M. by Chairman Walter.

MR. DEETER MOVED THE APPROVAL OF THE APRIL 11, 1989 MEETING MINUTES.
SECONDED BY MR. CRAIG.  VOTING AYE - ARENSON, CRAIG, DEETER, THOMEN,
VIETS.  VOTING NAY - NONE.  Discussion of the distillation of the
minutes followed.  Mr. Metcalfe pointed out that we do keep a verbatim
transcription of the minutes on file should anyone ever want to look
something up.

Messrs. Cox, Osborn and Myers made a brief presentation on the concept
of a Naval Aviation Museum focusing on the Olathe Naval Air Station.
Their proposal is to house the museum on a short-to-mid-term basis in
the former C.O.'s and X.O.'s houses, with hopes of raising enough money
over the next five to seven years to build a dedicated building.  They
claim to have broad support for their concept and are prepared to
proceed immediately.  MR. CRAIG MOVED THAT THE COMMISSION ENDORSE THE
CONCEPT AND INVITE A WRITTEN PROPOSAL FOR THE ESTABLISHMENT AND
OPERATION OF THE NAVAL AIR MUSEUM.  SECONDED BY MRS. THOMEN.
DISCUSSION: Mr. Metcalfe pointed out that the Commission had voted to
direct him to seek proposals to have the buildings demolished and/or
removed.  MR. CRAIG AMENDED HIS MOTION TO INCLUDE SUSPENDING EFFORTS TO
HAVE THE BUILDINGS DEMOLISHED.  MRS. THOMEN AMENDED HER SECOND.  VOTING
AYE - ARENSON, CRAIG, DEETER, THOMEN, VIETS.  VOTING NAY - NONE.
MOTION CARRIED UNANIMOUSLY.
Mr. Metcalfe reintroduced from the previous meeting the issue of JcAir's new building. Staff has now had time to review the proposed building and the question of the clear zone. Staff is recommending the approval of the construction of the new building and the leasing of additional land to accommodate the building and additional parking. MR. VIETS MOVED THE ACCEPTANCE OF THE PROPOSAL AND THE INSTRUCTION OF THE STAFF TO PREPARE THE NECESSARY DOCUMENTS FOR THE COMMISSION'S APPROVAL. Discussion followed about the process of getting the lease signed and the Commission's desire to move expeditiously. It was suggested that Mr. Carmody and Chairman Walter be authorized to complete and sign the documents. MR. VIETS AMENDED HIS MOTION TO INCLUDE AUTHORIZING THE CHAIRMAN TO SIGN THE LEASE. SECONDED BY MR. DEETER. VOTING AYE - ARENSON, CRAIG, DEETER, THOMEN, VIETS. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

Mr. Metcalfe introduced the issue of the transfer of lease from Central Trust of Ohio (successor to BPS Kansas, Inc.) to de Elliott Company, Inc. of Shawnee, Kansas, for the property at 201 Prairie Village Drive. The de Elliott Company, which manufactures printed plastic bags for a variety of customers and applications, currently occupies several buildings in Shawnee and is desirous of consolidating their operations in one building. The former BPS building is perfect for their needs as it was designed and built for the same processes that de Elliott employs. De Elliott has entered into a purchase agreement for the building with Central Trust. Central Trust has requested approval for the transfer of the lease and has just this morning forwarded the documentation to implement the transfer. Counsel to the Airport Commission has not had an opportunity to review the documents, so staff is not prepared to request approval of the documents. Messrs. Erhart and Smith of de Elliott gave a short presentation on de Elliott's plans, and the Airport Commissioners were previously supplied with a package of business and financial information on de Elliott. Mr. Metcalfe asked the Commission for conceptual approval of the transfer of lease and authority to prepare the necessary documentation after complete review of all issues, including water and sewer impacts. MR. CRAIG MOVED THE APPROVAL OF THE TRANSFER OF LEASE SUBJECT TO THE REVIEW OF THE EXECUTIVE DIRECTOR AND LEGAL COUNSEL, AND THE AUTHORIZATION OF THE CHAIRMAN TO SIGN THE DOCUMENTATION. SECONDED BY MR. DEETER. Discussion: Mr. Carmody felt that this was delegating too much authority. Messrs. Craig and Deeter were concerned about dragging the process out and requiring more meetings. Mr. Metcalfe said he felt comfortable with the process and suggested that the final documentation be submitted to the Industrial Committee for approval in a special meeting. MR. ARENSON MOVED THE ADOPTION OF THAT APPROACH. MR. CRAIG WITHDREW HIS MOTION AND MR. DEETER WITHDREW HIS SECOND AND SECONDED MR. ARENSON'S MOTION. Discussion: Mr. Metcalfe informed the Commission that a possible complicating factor was the question of unpaid back rent apparently owed to the Commission by BPS Kansas. According to the Commission's accounting records, BPS had never paid the $499.13 per month due under a "service agreement" that ran
concurrently with their ground lease. The amount due apparently totals $31,500. Messrs. Deeter and Craig both felt that this should not be an issue with de Elliott, but rather with Central Trust. Mr. Metcalfe pointed out that the only leverage we have to collect from Central Trust is the lease that is the subject of the proposed transfer. Mr. Carmody suggested that it would be appropriate to discuss the legal issues in executive session. **MR. VIETS MOVED ADJOURNMENT TO EXECUTIVE SESSION UNTIL 2:10 P.M. TO DISCUSS LEGAL ISSUES. SECONDED BY MR. ARENSON. VOTING AYE - ARENSON, CRAIG, DEETER, THOMEN, VIETS. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.**

1:55 P.M. - Adjourned to executive session.

2:15 P.M. - Regular session reconvened.

**MR. CRAIG MOVED THAT, BASED UPON THE UNDERSTANDINGS GIVEN BY COUNSEL AND THE EXECUTIVE DIRECTOR, THE COMMISSION APPROVE IN CONCEPT THE TRANSFER OF THE LEASE FOR 201 PRAIRIE VILLAGE DRIVE FROM CENTRAL TRUST TO DE ELLIOTT COMPANY AS REQUESTED, WITH THE CONDITION THAT A NEW SERVICE AGREEMENT BE NEGOTIATED WITH DE ELLIOTT, AND SUBJECT TO THE REVIEW AND APPROVAL OF STAFF, LEGAL COUNSEL AND THE INDUSTRIAL COMMITTEE. SECONDED BY MR. DEETER. VOTING AYE - ARENSON, CRAIG, DEETER, THOMEN, VIETS. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.**

As a result of the discussion on this issue, the consensus was to pursue collection of the $31,500 in unpaid service charges from Central Trust of Ohio as the successor to BPS Kansas, Inc. Messrs. Metcalfe and Harness were to follow up on this issue.

Mr. Metcalfe reported on the status of the capital improvement projects, beginning with the replacement of the floor coverings in the Admin. Building ($10,000 - $12,000). Samples of the proposed carpet and vinyl tile were shown, and the floor plan showing which covering goes where in the building was distributed. Several Commissioners expressed concern about people with wet shoes having to walk on tile. Mr. Metcalfe said he would consult with the architect on that issue. Mr. Metcalfe also advised that specifications were being finalized for the windows for the Admin. Building. Generally speaking they will be dark "bronze" anodized aluminum frame double-hung windows, double-glated with sealed insulating space. Provisions will be made for the dozen or so window-mounted air conditioners currently in the building.

Dale Mueller of Howard Needles Tammen & Bergendoff reported on the other projects on which they are developing bid specifications. Mr. Mueller reviewed the street lighting project ($210,000). Because of limited funds, the focus of the project will be the Industrial Parkway from the intersection with Highway 56 northward to North Supply's northern entrance and from Bendix/King southward to the intersection with Gardner Drive (Navy Park). HNTB is doing the design work for the entire Parkway so that more lights can be added if bids come in below estimates. The lights will be as specified in the Industrial Park Master Plan - dark "bronze" anodized aluminum standards with "shoe box" heads. Lamps will be high pressure sodium instead of the mercury vapor lamps originally called for as operating costs are significantly lower. Mr. Craig asked whether the amount of money allowed for in the bond
issue was originally expected to cover the entire Parkway. No one knew the answer. Mr. Viets asked whether money from some other source could be used to supplement the bond money so that the entire Parkway could be done, thus avoiding the "missing tooth in a smile" problem. Mr. Metcalfe was to research the options.

NOTE: Mr. Arenson excused himself from the meeting during the above discussion.

Mr. Mueller then went into the street rehabilitation project ($438,000). Mr. Metcalfe cited his rationale in focusing on the Industrial Parkway as the highest priority... it is the "façade" of the Industrial Park. He also felt the railway grade crossing on Prairie Village Drive at Moonlight was in such poor condition that it needed to be rebuilt immediately. There did not seem to be any disagreement among the Commissioners on the priorities. Mr. Mueller described the work contemplated. The worst sections of the pavement would be removed and replaced "full depth." There are sections where considerable settling has occurred, and the subsoil would need to be reworked. From there, two schemes are proposed. One would be to patch and seal the entire length of the Parkway, giving a "new" look and extending the pavement life somewhat. The more preferable and slightly more expensive option is to patch, mill and overlay as much of the Parkway as the money will buy, which could be 80-100% depending on how the bids come in. Enough money would be reserved to seal the portion of the road that could not be milled and overlaid (0-20%). The consensus was to pursue the patch, mill and overlay approach.

Discussion followed concerning the county road and bridge department's role in maintaining the streets around the airport. It was recommended that the issue be taken up with the Board of County Commissioners.

(A ten minute break was taken at 2:50 P.M.)

Mr. Stegeman, gas well consultant, reported on the status of his project. He has updated all records and has filed amended assessment renditions on the producing wells (15). After amending the production records for past years, it turns out that back taxes, penalties and interest of $70,649 are due on the leases we operate. In updating records with the Kansas Corporation Commission he discovered that our KCC license expired two years ago. In order to regain our good standing with the KCC we had to apply for a license renewal and pay a $1,000 penalty for allowing our license to lapse. We needed good standing in order to apply for exemptions and file grievances on the penalties. Mr. Craig asked whether taxes had ever been paid on the wells. Mr. Stegeman stated that renditions were filed and taxes paid for 1985, but nothing was done for '86, '87 or '88. Mr. Stegeman filed the 1989 renditions as part of his contract with us. He stated that his original estimate of back taxes due ($12,500) was based on the County Appraiser's estimates of production for those years when no renditions were filed. After the amending of the records the actual taxes due were closer to $48,000. Discussion followed concerning exemptions and the county tax process. The consensus was that we
go ahead and pay all the back taxes, penalties and interest due before the May 20th compounding date and then file for exemptions and abatements as appropriate. (NOTE: in reviewing our strategy with the Legal Department subsequent to this meeting it was decided that it would be better not to pay the taxes, penalties and interest but rather file for exemption and abatement first, because if the abatement were granted we can only recover the last three years' taxes, which would be '87, '88 and '89. We would lose what we paid for '86, which would be about $24,000).

Mr. Viets asked whether Mr. Stegeman had noticed any irregularities in the financial transactions during his review of the records. Mr. Stegeman said he hadn't noticed anything from the production end, but that he hadn't traced transactions through into the Airport Commission's books. Mr. Metcalfe suggested that the financial issues should be investigated separately.

Mr. Stegeman reported that the gas collection system seemed to be in relatively good shape and that all of the producing wells were still operable from a physical plant standpoint. He estimated that producible reserves amount to about 133,722 million cubic feet (mcf) and that reserves "behind pipe" (meaning the zones have not been opened by perforating the pipe) are another 108,764 mcf. Gross wholesale market value of the gas could range from $400,000 to $560,000. He presented several different scenarios by which we could realize income from the gas, ranging from producing the wells and selling our production through a distributor to selling our leasehold interest in the wells. Chairman Walter polled the Commissioners and the consensus was that we should get out of the gas business. MR. CRAIG MOVED THAT THE COMMISSION ADOPT A POLICY OF DIVESTING ITSELF OF THE GAS WELL PROPERTIES AND EXPLORE THE PROCESS BY WHICH THIS COULD BE DONE, SECONDED BY MR. VIETS. Discussion followed concerning the potential for netting more revenue if we stayed in the business versus the problems that may come with that option, and it was felt that the Airport Commission really shouldn't be in the gas business. The Chairman called the question: VOTING AYE - CRAIG, DEETER, THOMEN, VIETS. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

Mr. Craig reintroduced the issue of having an "oil and gas C.P.A." audit the gas business. Considerable discussion followed concerning the scope of the audit and whether the County's audit and/or auditor would meet our needs. MR. VIETS MOVED THAT PROPOSALS BE SOLICITED FROM AUDITORS WHO HAVE A KNOWN EXPERTISE IN OIL AND GAS ACCOUNTING AND A RECOMMENDATION BE MADE AT THE NEXT MEETING. SECONDED BY MR. CRAIG. VOTING AYE - CRAIG, DEETER, THOMEN, VIETS. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

Mr. Metcalfe advised the Commission on the scheduled meeting between the Board of County Commissioners and the Olathe City Council. The issues seem to be the noise impacts of the proposed parallel runway at Industrial and the proposed acquisition of the "600 foot strip" of
commercial property along Old Highway 56 on the eastern border of Industrial Airport. Other subjects that may come up are water and sewer. Mr. Viets suggested that we should have a separate meeting on those issues as they are too much to cover in the time allotted, and that we add the subject of the interlocal agreement on land use regulation around the airports. Considerable discussion followed on the history of the land use regulation issue and what would be the appropriate process for getting it back on the table with the various agencies involved. Messrs. Metcalfe and Carmody suggested that formalizing the process of the County (either the Airport Commission or the BCCC) controlling land use within a mile of the airports doesn’t seem to be an issue the County Commissioners are willing to tackle right now. The proposed County Zoning and Subdivision Regulations, which include the formation of airport zone districts, were completed and submitted to the BCCC in December of 1988, but have not yet been adopted. The consensus was that we needed to continue to advocate to the BCCC that a formal process be adopted to allow the County to know of and have meaningful input on land use regulation issues near the airports.

Mr. Metcalfe updated the Commission on the Airport Master Plan amendment. The master plan consultant, Coffman Associates, estimated that it would cost $5,200 to completely rewrite and reprint the documents to remove any reference to the runway extension at Executive Airport. Also, in discussions with county administrative and legal staff, it seemed the better approach would be to leave the documents as is so that the research and logic were part of the record, and to amend the Airport Commission’s recommendation to the BCCC via an addendum to the plan documents. The consensus was to go with that approach. Mr. Metcalfe will draft an addendum for the Commission’s review and approval at the next meeting.

Discussion moved to the remaining items needing a quorum as Mr. Viets needed to leave.

The disbursements were reviewed and questions answered regarding some of the line items. MR. CRAIG MOVED THE APPROVAL OF DISBURSEMENTS FOR APRIL, 1989. SECONDED BY MR. DEETER. VOTING AYE - CRAIG, DEETER, THOMEN, VIETS. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

Mr. Metcalfe reported that the 1990 Budget was not yet ready for the Commission's review, but that it would be sent to them for comment prior to finalizing it at the County level.

Mr. Metcalfe reported that the Director, Planning and Administration position had been reviewed and classified by the County personnel office, and that the process of considering internal candidates was underway. Two excellent internal candidates have come forward, and Mr. Metcalfe was confident that either one of them would fill the bill nicely. He emphasized the need to fill the position expeditiously as the work load was becoming overwhelming.
Chairman Walter introduced the issue of the agreement with the City of Gardner for additional water. Considerable discussion followed on the desirability of entering a multi-year agreement, on what the issues ought to be in our agreement, and where we stand on other options for water. MR. CRAIG MOVED THAT WE ASK GARDNER FOR A ONE-YEAR EXTENSION ON OUR PREVIOUS AGREEMENT (50 million gallons of water transferred to us out of Gardner's appropriation) WITH THE INTENT BEING TO ENTER INTO A LONGER-TERM AGREEMENT AFTER WE HAVE RECEIVED AND REVIEWED THE WATER SOURCE STUDY PRESENTLY UNDERWAY. SECONDED BY MR. DEETER. VOTING AYE - CRAIG, DEETER, THOMEN, VIETS. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

Mrs. Thomen advised the Commission that she would be absent from the next meeting.

Mr. Deeter asked about the status of reconstituting the Commission's standing committees. Discussion followed about the practicality of the committees and whether they were needed. Consensus was that if properly used, the committee system worked well. Mr. Metcalfe said that he would use the committees to spread the work load so that the Commission's regular meetings could be of more reasonable length.

Chairman Walter asked for and received approval to appoint Commissioners to fill vacancies. Mr. Metcalfe will provide agendas to all Commissioners for each committee meeting.

Chairman Walter adjourned the meeting at 5:00 P.M.

[Signatures]
June 1, 1989

NOTICE

The regularly scheduled meeting of the Johnson County Airport Commission will be held at the Airport Commission conference room in the Administration Building at the Johnson County Industrial Airport at 1:00 p.m. on June 13, 1989.

JOHNSON COUNTY AIRPORT COMMISSION

BY: R. Lee Metcalfe
Executive Director

RLM/dmj
JOHNSON COUNTY AIRPORT COMMISSION

MINUTES - MEETING: JUNE 13, 1989 - 1:00 P.M. - INDUSTRIAL AIRPORT

AIRPORT COMMISSION
Present: Arenson
        Deeter
        Viets

Absent: Thomen

STAFF
Present: Metcalfe
        Schaefer
        Jones

Fredrichs
Harness
Smith

OTHERS
Present: Mr. Bruce Craig, Chairman, Board of County Commissioners
Ms. Jan Durrett, League of Women Voters
Mr. James F. Stegemann, Geological Consultant
Mr. Douglas Smith, Director, Unified Wastewater District
Mr. John Metzler, Chief Engineer, Unified Wastewater District
Mr. Donald Jarrett, Johnson County Counselor
Mr. Del Dolisi, Administrator, City of Gardner
Mr. Brian Hummell, Tri-County News
Ms. Connie Bye, Kansas City Star
Ms. Jan Landon, Olathe Daily News
Mr. Mike Kennedy, Kansas City Times

The meeting was called to order at 1:00 P.M. by Kirby Deeter, Secretary, in the absence of the Chairman and Vice-Chairman.

MR. CRAIG MOVED THE APPROVAL OF THE MINUTES OF THE MAY 9, 1989, MEETING AS MAILED. SECONDED BY MR. ARENSON. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

Mr. Metcalfe reviewed the status of the Airport Master Plans and presented to the Commission a recommended Addendum to the Executive Airport Master Plan to remove the recommendation for the extension of the runway. Mr. Metcalfe read the Addendum into the record:

"The Johnson County Airport Commission has reviewed and approved the proposed Airport Master Plan for the Johnson County Executive Airport (the Master Plan), and recommends to the Johnson County Board of County Commissioners the adoption of the Master Plan as proposed, with the exception of the proposed 400' extension of the runway. The Airport Commission does not feel that extension of the runway is advisable under current or foreseeable circumstances, and does not at this time recommend its inclusion in the Master Plan.

By resolution duly adopted this 13th day of June, 1989, the Johnson County Airport Commission directs that this addendum be made a permanent and integral part of the Master Plan document for the Johnson County Executive Airport."

MR. ARENSON MOVED THE ADOPTION OF THE ADDENDUM AS READ. SECONDED BY MS. SCHUMACHER. DISCUSSION: Mr. Craig inquired as to the delay in getting the Plans approved by the BoCC. Mr. Metcalfe explained that there was some delay caused by the scheduled, then cancelled, meeting with the City of Olathe, and that there had been some discussion with County staff about what form the recommendation should take. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

Mr. Metcalfe introduced Mr. Doug Smith, Director of Health Services and Wastewater Administrator, who was present to report on the status of the new wastewater plant at Industrial Airport. Mr. Smith reviewed the history of the Wastewater District's involvement at the Industrial Airport, beginning on June 23, 1988, when the BoCC transferred the responsibility from the Airport Commission to the Wastewater District. Mr. Smith reviewed the status with Kansas Department of Health and Environment (KDHE), and the deadline on the order requiring a new treatment facility: July 30, 1990. He then introduced Mr. John Metzler, who reviewed the technical issues and the process for designing and building the new plant. Mr. Craig asked whether the July 30 deadline could be met. Mr. Metzler was reasonably confident that is was realistic, barring any major delays.

(Mr. Viets arrived and assumed the chair.)

Mr. Craig commended the Wastewater District staff for "jumping into this situation" and making significant progress in solving the on-going problems with the existing plant as well as addressing the long-term solutions.

Mr. Metzler described the current thinking about pumping the effluent to the north into Cedar Creek versus to the south into Little Bull Creek and Hillsdale Reservoir. The cost of the force main is more than offset by the reduced cost of the plant due to a less-costly treatment process. The KDHE has tentatively approved the concept and has issued a draft permit and public notice. If no significant objection to the permit is filed, the permit will be issued within the next 90 days.

Mr. Jarrett reported on the financing plan and the discussions with the tenants on the cost-sharing plan for the new plant. He reminded the Commission that the BoCC, by resolution, directed that the costs of the system be spread among the current and future users of the system. The BoCC has agreed to carry the cost of building in some reserve capacity, however there is some discussion as to how much reserve capacity will be available when the plant opens. The BoCC has authorized a maximum project cost of $8.4 million, and the staff have assured the BoCC that the project will be done for $7 million. At this point it appears that in order to be assured of some reserve capacity, the plant capacity needs to be increased at an incremental cost of $200,000-400,000, for a total cost of $7.2-7.4 million.

(County Commissioner Bruce Craig arrived during the above discussion.)
Mr. Jarrett anticipated that bonds would be issued in August, and debt service would come from the county-wide debt service levy or an airport levy. Mr. Craig asked how much of the total project cost would be born by the County in anticipation of future growth. Mr. Jarrett said that original estimates showed it would be about 23%, but he cautioned that that number could be considerably less based on current influent information. Discussion followed about pretreatment and cost offsets.

Mr. Viets asked about the process and thinking by which the projected cost of the plant got reduced from $8.4 million to $7 million. Mr. Metzler said that it was a result of input from the tenants' consultants, who did what they termed "value engineering," and waste loading projections from the tenants themselves. The feeling is that the waste loading projections from the tenants are too low based on monitoring data being collected by the Wastewater staff.

Mr. Arenson expressed concern that we are making the same mistake all over again; that is we are building a treatment plant that will be at capacity the day it opens, as was apparently the case with the Jet Tech plant built in 1985.

County Commissioner Bruce Craig commented that this is a common problem for the BoCC; that is in attempting to assign resources to a need they must try to anticipate future demands while trying to be fiscally conservative for the present.

Discussion continued concerning gathering hard data on waste loadings, pretreatment options and costs, equitable cost-sharing and future needs, including replacement of 50-year-old sewer lines. Mr. Deeter made the point that pretreatment ought to be a priority issue in future lease negotiations with tenants.

Ms. Schumacher inquired about the future use of the existing treatment plants. Mr. Metzler said considerable thought was given to making use of the old facilities, and some aspects of the old facilities will be integrated with the new plant. But for the most part they are a write-off. (Note: the Jet Tech plant, built in 1985, cost $455,000.)

Discussion followed concerning the $145,000 in unbudgeted costs the Wastewater District incurred in taking over the operation of the treatment plant at Industrial Airport. Although the Airport Commission has acknowledged the obligation, insufficient funds exist in the Airport budget to cover this cost. The issue is essentially out of the Commission's hands and is being studied by the County administrative staff for a recommendation to the BoCC.

Acting Chairman Viets expressed the Commission's appreciation for Messrs. Smith's, Metzler's and Jarrett's attendance and reports and continued perseverance in solving the remaining problems with the wastewater issue.
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Mr. Stegeman gave an update/final report on the gas well study. Rather than paying the back taxes, penalties and interest and then applying for a refund, as was directed by the Commission at the May 9 meeting, Phil Harness felt that we would be better positioned if we filed for exemption and abatement first, since refunds are limited to 3 years while abatements can go back indefinitely. Filing for the abatement stays further accrual of penalties and interest, so if we are not granted the abatement, we will not owe any more than we did in May. The consensus of the Commission was that this was prudent.

Mr. Viets asked about a final written report on Mr. Stegeman's work. Mr. Metcalfe said that the document that was passed out at the May 9 meeting was intended to be the final written report. He said that he and Mr. Stegeman will prepare a summary of the major issues for the July meeting.

Messrs. Metcalfe and Stegeman reported on their discussion with Brock Exploration on the sale of the gas leases. There is "mild" interest on Brock's part, and they are doing their own evaluation of the wells using copies of our records and reports. Mr. Harness has determined that sale of the gas leases is subject to the same statutory requirements as sale of any county property valued over $50,000, that is that it must be sold through a sealed or open bid process. Further work is needed to determine the "merchantability" of the leases and any restrictive language regarding transfer contained in any of the leases.

Mr. Stegeman brought up a new option for the gas system. The Airport Commission could continue to operate the wells and put the production into the Union Gas system, to be consumed in Johnson County buildings in Olathe, such as the Courthouse and the Detention Center. Mr. Stegeman believes that this could save the County $60,000-$90,000 per year for as long as our gas reserves hold out (3-5 years). There would be some costs associated with preparing and operating the wells: $25,000-$30,000 to get everything in operating order, $9,000-$12,000 per year in operating expenses, and about $35,000 to open up the reserves behind pipe. The consensus was that Messrs. Metcalfe and Stegeman should continue to look into that option.

Discussion followed about Mr. Stegeman's further involvement in the provision of documentation for the back-tax issues and in the packaging of the leases for sale. Mr. Metcalfe said that Mr. Stegeman's original assignment is complete, and that he would like to be able to call on him on an hourly basis to help wrap things up.

Mr. Viets asked about the water source study. Mr. Metcalfe reported that it was in the hands of the County Purchasing Dept. and that the Request for Proposals was scheduled to be issued the week of June 12th.

Mr. Metcalfe introduced Del Dolisi, Gardner City Administrator, who was present to bring the Airport Commission up to date on the water supply issues. Mr. Dolisi reviewed the history of the relationship between
the City of Gardner and the Olathe Naval Air Station/Industrial Airport. One significant fact he pointed out was that the ground under the airport water plant is leased from the City of Gardner, with an expiration in the year 2007. Another fact is that by virtue of that lease, Gardner is entitled to 50% of the airport plant's daily production. Mr. Dolisi reaffirmed the City's commitment to working in a cooperative manner with the Airport Commission, and suggested that the City could wait until the water source study is complete before we attempt to work out a multi-year agreement on Gardner providing us with water over and above our 100 million gallon appropriation. He anticipated that at our current rate of consumption, which is down slightly from last year, we would not reach our appropriated amount until late fall of this year. Consensus was that once we have the report from the water source study, we will sit down with Gardner to work out a multi-year agreement. Mr. Dolisi said that this was acceptable to Gardner, and he reemphasized Gardner's interest in working cooperatively and supportively with the Airport Commission. Several Airport Commissioners expressed gratitude to Mr. Dolisi and the City of Gardner for their patience and good-neighbor attitude.

Mr. Metcalfe reported that he had an inventory done on metered-versus-unmetered water connections in order to quantify the issue of installing meters on at least tenant-occupied buildings. There are approximately 72 unmetered connections, of which about half serve tenant-occupied buildings. Cost to install meters (materials & labor) varies with the size of the pipe, running from $500 for a 3/4" to $2,000+ for a 4" connection. The cost to install meters for tenant-occupied buildings only would be in the $40,000 range. Ideally all connections should be metered so that leakage could be tracked more effectively. Mr. Metcalfe reported that both the Navy and the Army have inquired about having meters installed as the wastewater billings are based on water consumption, and they feel their "flat rate" amounts are too high. Considerable discussion followed about who should pay for meter installation and how costs would be passed on to tenants. No clear consensus was developed on what action should be taken next.

Mr. Metcalfe presented the issue of eliminating the secretary position at Executive Airport. Janet Ekaben has transferred to the County Purchasing Dept., leaving the position open. Mr. Metcalfe said he and Mr. Fredrichs had discussed the situation, and it was felt that a full-time secretary was not justified at Exec. Mr. Metcalfe recommended that Janet not be immediately replaced to see how things work out. The main phone line would be set up to forward to the Airport Commission office at Industrial, and the second line would be left in place for calls to and from the Maintenance staff at Exec. All correspondence would be handled at Industrial. Consensus was to give it a try.

Mr. Metcalfe reported on the Capital Improvements Plan (CIP) projects. All projects except the roads and street lights are now in the hands of the County Purchasing Dept. for the bid process. The Purchasing Dept.
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is taking about two months to get our bid requests out. Mr. Craig asked whether the bond funds were at risk if we don't get the projects underway. Mr. Metcalfe responded that we are into the arbitrage penalty situation already, and he understood that if we don't have the projects under contract by November 1, 1989, there could be a problem. Mr. Harness said he thought there was a deadline, but wasn't clear on exactly what happens.

Financial reports were reviewed. Mr. Schaefer suggested that the T-hangar deposit accounts be consolidated and put into higher-interest accounts. Mr. Harness said a resolution would be needed authorizing staff to make new arrangements for the accounts. Mr. Harness was to prepare an appropriate resolution for the July 11 meeting.

Disbursements for May were reviewed. At Mrs. Schumacher's request, Mr. Fredrichs reviewed the payment process for progress payments to HNTB and Reno Construction on FAA projects. Mr. Craig asked about the $1,100 payment to the Kansas Corporation Commission for an operator's license. Mr. Metcalfe explained that this was to renew our gas well license ($1,000) and for a fine ($100) for allowing it to lapse. A current license was necessary to put us in "good standing" for purposes of filing certain reports and appealing certain penalties. Mr. Deeter asked about the oil & gas operator's liability insurance; what was the term of the policy? Mr. Metcalfe explained that the premium just paid was for one year, with the unearned portion refundable should we sell our gas well interests during the term. MR. CRAIG MOVED APPROVAL OF THE DISBURSEMENTS FOR MAY, 1989. SECONDED BY MR. ARENSON. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, VIETS. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

The receivables report was reviewed. Discussion followed about when a receivable should show up on the "past due" list. It was proposed that any receivable 30 days past due as of the 10th of the following month should be on "the list." Further discussion followed about the role of the Commission versus the role of the staff in dealing with past due accounts. It was agreed that staff ought to be following up on any receivable more than 15 days past due, and that any account 30 days past due as of the day of the Airport Commission meeting should be on the list. Mr. Metcalfe stressed that he felt it was critical that the Commission be provided the information in order to avoid another Jet Tech or BPS situation.

The "year-to-date actuals versus budget" report was reviewed. The format seemed acceptable to the Commission. Mr. Metcalfe commented on a few of the line items, and summarized that, except for one or two revenue budget items the logic of which was not clear, everything seemed to be tracking in line with the budget.

Discussion then moved to the 1990 budget. Mr. Metcalfe had responded in writing to some specific questions submitted by various Commissioners. He asked if his answers had satisfied everyone, and whether there were any other questions or comments. Mr. Viets asked about budgeted revenues from T-hangar rentals, and where the issue of
increasing rental rates stood. Considerable discussion followed on supply and demand, competitive rates, fairness to hangar tenants, and whether rates could be increased enough to service debt on a new set of hangars. The guidance to staff was to work up a fee schedule that would yield a 10% increase in revenues. Actual dollar amounts of increases should be adjusted according to size and type of hangar. Staff was to present recommendations for rates and an implementation plan at the July 11 meeting.

A brief discussion on reconstituting the working committees ended with the issue being referred to Chairman Walter for follow up.

Mr. Fredrichs reported on operations and projects at the airports. All work at Executive is complete, lighting at Industrial is 90% complete, and the ramp overlay is 50% complete (slight delay due to unexpected ground water under the old concrete ramp). The underground storage tank removal project is in the Purchasing Dept. for bids, due out middle of June. We are still waiting to hear from the Army Corps of Engineers on the removal of the eligible tanks by the Feds. Mr. Craig asked that the Commission be updated every month until this issue is resolved.

Mr. Craig asked about the repair of the apron around and under the older T-hangars at Executive. Mr. Fredrichs said that there was little that could be done on a temporary basis, we would have to wait for the 1990 budget to kick in; there is $245,000 in the '90 budget to rehabilitate that apron.

Mr. Metcalfe reported on the status of the new computers being set up by the County Data Services Dept. All is moving ahead nicely, the hardware is in and will be installed within a few days, followed by training soon after. We should be "on line" by the end of the month.

Mr. Metcalfe pointed out an item in the packet on a new 3 cent per thousand gallon surcharge on water imposed by the State to fund the State Water Plan, effective July 1, 1989.

Mr. Metcalfe reviewed the situation with Jet Tech. After starting into the legalities of the issue it was suggested by Mr. Harness that an executive session might be appropriate because of potential litigation. MRS. SCHUMACHER MOVED THAT THE AIRPORT COMMISSION GO INTO EXECUTIVE SESSION FOR THE PURPOSE OF CONSULTATION WITH LEGAL COUNSEL ON THE JET TECH MATTER. SECONDED BY MR. DEETER. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, VIETS. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

Executive session convened at 4:00 P.M.

Regular session reconvened at 4:10 P.M.
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MR. CRAIG MOVED THAT, BASED ON THE DISCUSSION IN EXECUTIVE SESSION, COUNSEL BE INSTRUCTED TO PURSUE ANY POTENTIAL RECOURSE AVAILABLE FOR PAYMENT OF BACK RENT ON THE JET TECH LAND LEASE, AND THAT COUNSEL REPORT BACK AT THE JULY 11 MEETING ON HIS RECOMMENDATIONS. SECONDED BY MR. ARENSON. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, VIETS. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

Mr. Metcalfe introduced the issue of JcAir Associates' modified ground lease. A problem was discovered with the clear zone while the survey was being done to lay out the new ground to be added to the lease. Mr. Metcalfe had the surveyors "shoot in" the clear zone (actually lay it out with stakes according to the Airport Layout Plan coordinates) just to confirm where it lay in relation to JcAir's boundary. There was a 100' discrepancy between the actual survey and the diagram provided to JcAir and the FAA by Mr. Farnsworth. In discussing it with Mr. Farnsworth, Mr. Metcalfe was told that the measurements provided to JcAir were taken from the site plan done by HNTB in 1980 for the Industrial Park Development Plan (hanging on the south wall of the Airport Commission meeting room). In comparing that site plan with the official FAA Airport Layout Plan and actual measurements in the field, it was found that the site plan shows the threshold 100' northeast of where it actually is. The problem this creates is that the clear zone in reality passes only 18 inches northeast of JcAir's existing building (the northeast stair tower is actually in the clear zone), and the proposed new building and the additional land lie wholly within the clear zone. Two options to solve the problem are to deny the additional land and building to JcAir, in which case we may incur some financial liability for our misinformation, or relocate the threshold of Runway 4 to the northeast 100' to match the HNTB site plan and the documentation provided by Mr. Farnsworth. The FAA has indicated that it would not be a major problem to relocate the threshold, and initial estimates on the cost are in the $3,000 range (moving the lights, repainting the threshold line and runway number).

Mr. Craig asked if we had a Certificate of Survey by a licensed surveyor confirming the location of the clear zone. Mr. Metcalfe stated that it was being provided by Allenbrand Drews, and that the drawing provided to the Commission was used because it showed the location of the buildings, whereas the Certificate of Survey only showed the boundaries of the clear zone.

The consensus was that we should attempt to accommodate JcAir, and Mr. Harness was asked about how that could be done. Mr. Harness said that he had prepared a lease document with language making it contingent upon FAA approval of the the location of JcAir's new building. He also added language about any sewer connection requiring KDHE approval. MR. ARENSON MOVED APPROVAL OF AND AUTHORIZATION FOR THE CHAIRMAN TO SIGN THE AMENDED LEASE DOCUMENTS, WITH SPECIFIC INCLUSION OF THE FAA AND KDHE APPROVAL LANGUAGE. SECONDED BY MRS. SCHUMACHER. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, VIETS. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.
Discussion followed on the BPS/Central Trust/de Elliotte lease transfer. Mr. Metcalfe reported that all was in readiness awaiting approval from KDHE for the sewer hook-up. If approval is not given, we have an alternative in that there is a 5,000 gallon holding tank in the ground at the BPS site which was installed when the building was built for General Poly Corp., and it could be used to accumulate waste for a pump and haul set-up similar to Shade Foods and Grindsted. Discussion followed about who would pay for the pump and haul operation. Consensus was that de Elliotte should pay. Mr. Harness suggested a motion which would approve the lease with the proviso that if KDHE approval for sewer connection was not granted, that the pump and haul alternative would be approved by the Airport Commission and would be solely at the tenant's expense. MRS. SCHUMACHER MOVED APPROVAL OF AN AMENDED LEASE INCLUDING MR. HARNES'S SUGGESTED WORDING. SECONDED BY MR. ARENSON. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, VIETS. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

Mr. Metcalfe presented the amended lease for Hadel Insurance. This was to cover a move from one office space to another in the Admin. Building, with an appropriate adjustment in the rental rate. MR. DEETER MOVED APPROVAL OF THE AMENDED LEASE. SECONDED BY MR. ARENSON. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, VIETS. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

Mr. Metcalfe asked that the discussion of the Howell Mouldings lease amendment be tabled as the description of the leased property needed further work. Consensus to table.

Mr. Metcalfe presented the amended lease for Johnson County Industrial Avionics, who moved from office space in the Admin. Building to the old Brig Building across the street. MR. CRAIG MOVED THE APPROVAL OF THE AMENDED LEASE FOR JOHNSON COUNTY INDUSTRIAL AVIONICS. SECONDED BY MR. DEETER. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, VIETS. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

Mr. Craig inquired about the status of retaining a CPA to do a financial audit of the gas well business. Mr. Metcalfe stated that he simply had not had time to work on it. Mr. Craig asked that the minutes reflect that the Executive Director is instructed to have a proposal for the Commission's consideration at the July 11 meeting.

MR. DEETER MOVED ADJOURNMENT. SECONDED BY MR. CRAIG. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, VIETS. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

Meeting adjourned at 4:50 P.M.

Kirby Deeter
Secretary

Lee Metcalfe
Executive Director
July 5, 1989

NOTICE

The regularly scheduled meeting of the Johnson County Airport Commission will be held in the Executive Airport Office located at the Johnson County Executive Airport at 1:00 p.m. on July 11, 1989.

JOHNSON COUNTY AIRPORT COMMISSION

BY: ____________________________

R. Lee Metcalfe
Executive Director

RLM/dmj
July 31, 1989

NOTICE

The Administrative Committee of the Johnson County Airport Commission will meet at 12:00 noon, Friday, August 4, 1989, in the first floor offices of Mr. Ben Craig, Chairman of the Administrative Committee, at the Metcalf State Bank building at 11900 College Boulevard, Overland Park. The purpose of the meeting is to interview three professional firms who have submitted proposals for the audit of the gas well operations at Industrial Airport and to formulate a recommendation to be presented to the full Airport Commission at their August 8 regular meeting.

JOHNSON COUNTY AIRPORT COMMISSION

By R. Lee Metcalfe
Executive Director
The meeting was called to order at 1:00 P.M. by Chairman Walter.

Mr. Viets moved approval of the minutes of the June 13, 1989, meeting as mailed. Seconded by Mr. Craig. Voting Aye - Arenson, Craig, Deeter, Schumacher, Viets. Voting Nay - None. Motion carried unanimously.

Chairman Walter announced that he had made the following appointments to the working committees:

**Administrative Committee**

- Ben Craig (chairman), Trish Schumacher and Phyllis Thomen

**Industrial Committee**

- Mark Viets (chairman), Kirby Deeter and Herb Arenson

For the time being, there will only be the two committees (Operations Committee will be inactive).

Treasurer Craig lead the discussion on the financial reports. He commented that the format and content of the financials was greatly improved and that the information now being provided was what the Commission had been asking for for a long time. Mr. Metcalfe reviewed the reports, commenting that the "year-to-date vs. budget" information was extracted directly from the County Finance Dept.'s computer reports. Mr. Metcalfe cautioned the Commissioners about taking any individual numbers as absolutes because of various factors affecting when an expense or revenue would show up on the County's system.
used as an example the timing of "fuel flowage fees." Fees are collected by the FBO's and remitted on a monthly basis, normally about the middle of the month following the month they were collected. So the line item for "fuel flowage fees" on the "as of June 30" report would show fees collected by the FBO's in May and remitted to the County in June. Other examples were hangar rents (billed in advance) and water fees (billed in arrears). On the expense side, the amounts shown reflect warrants issued (cash basis) plus some encumbrances (modified-accrual basis). He suggested that if the Commissioners had any concerns or questions about a number, that staff be asked to look into the "reality" of the number before any weight is given to it.

Discussion followed about how the reports are prepared and by whom. Mr. Metcalfe said that Mr. Schaefer would be responsible for preparing the reports once he has access to a computer (budgeted for in 1990).

Mr. Viets raised the question of the working committees' roles in reviewing the financial reports, which evolved into a discussion of the roles of the working committees in general. It was resolved that Chairman Walter, the committee chairmen, and Mr. Metcalfe would meet to develop "job descriptions" for the committees.

(Mrs. Thomen arrived during the above discussion.)

Discussion returned to the financial statements, with some questions about specific disbursements. Mr. Craig asked what we paid the Omaha District of the Army Corps of Engineers for. Mr. Metcalfe responded that this was for one year's rent for the control tower at Industrial Airport. There was a question about the $9,000 payment to the County Treasurer. This payment was the first half of an $18,000 assessment for a water line at Executive Airport. The bill for the testing and certification of the railway track scales elicited a question from Mr. Craig about the wisdom of having the scales certified by the same people who get paid by the pound to move the rail cars (Santa Fe Railway). Mr. Metcalfe responded that the crew who did our scales is the same crew that does all of Santa Fe's scales, and that seemed acceptable to the regulatory people. Consensus was to look into alternatives and report back. There was discussion about the bills for lighting supplies. Mr. Fredrichs explained that these were for routine maintenance supplies for broken and missing lenses and burned-out bulbs for the runway and taxiway lights at both airports.

MR. CRAIG MOVED APPROVAL OF THE DISBURSEMENTS FOR JUNE, 1989. SECONDED BY MR. DEETER. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, THOMEN, VIETS. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

Treasurer Craig then reviewed the receivables report. Mr. Metcalfe said that of the four tenants past-due (excluding BPS and Jet Tech), three were actually housekeeping issues (awaiting amended leases, oversight on a rent escalator effective last November), and the fourth, Royal Tractor, routinely runs a month behind. Mr. Metcalfe said he
would be contacting Royal Tractor to get them routinely current!
Mr. Craig asked whether all leases had been reviewed for currency. Mr. Metcalfe responded that he and Mr. Schaefer had begun to work on the review of the files, but that it was a major project that would take considerable time. He assured the Commission that it was a very high priority.

Mr. Fredrichs reported on operations and projects at the airports. Operations are up at both airports, with a near-record month for Executive. Mr. Fredrichs attributed the increases to a renewed interest in flight training at Executive and increased charter activity at Industrial. With the completion of the ramp overlay at Industrial by the end of this month, all of the FAA projects for 1989 will be wrapped up.

Mr. Fredrichs reported that bids on the removal of the underground storage tanks will be opened—June 20. Mr. Walter asked when we expected to have that project complete. Mr. Metcalfe said that he thought there was a 60-day performance period on the bid.

Mr. Schaefer presented the staff's analysis and recommendation on the restructuring of the T-hangar rents. The Commission had set an objective at the last meeting of a 10% increase in hangar revenues, in light of the fact that there had been no increases for four years. Staff is recommending a mix of increases and advance payment discounts that will yield an increase in revenues of 10-12%. Hangar rents will increase from $145 to $165 per month for 42' hangars and from $200 to $228 per month for 48' end units with extra space. Rents will be discounted for advance payment according to a sliding scale.

Discussion turned to late fees. The consensus seemed to be that we should charge a 5% late fee on payments received after the 15th calendar day of the month due. Counsel's recommendation was that the lease agreements be amended to include the late fee provision and that unpaid late fees be considered unpaid rent for purposes of foreclosure on a lease. MR. CRAIG MOVED THE ADOPTION OF THE PROPOSED T-HANGAR RENTAL RATE SCHEDULE, EFFECTIVE OCTOBER 1, 1989, AND THAT THE LEASE DOCUMENTS BE AMENDED TO INCLUDE APPROPRIATE LANGUAGE TO IMPLEMENT THE LATE PAYMENT PENALTY FEE. SECONDED BY MR. VIETS. VOTING AYE-ARENSON, CRAIG, DEETER, SCHUMACHER, THOMEN, VIETS. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

Mr. Schaefer presented his idea for a 50th Anniversary "celebration" commemorating the commissioning of the Olathe Naval Air Station on October 1, 1942. His concept is to tie in with the development of the Old Olathe Naval Air Museum and have some sort of special event in the fall of 1992, possibly an air show and other "Naval" activities. Consensus was to pursue the idea but not to incur any financial obligations.

Mr. Harness presented the resolution authorizing the transfer of hangar deposit monies to an interest-bearing demand account. Mr. Craig suggested the addition of wording requiring the monies be deposited in the "highest yield federally insured account" that could be identified by staff. MRS. SCHUMACHER MOVED THE ADOPTION OF THE RESOLUTION WITH
THE AMENDED LANGUAGE. SECONDED BY MR. ARENSON. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, THOMEN, VIETS. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY. Mr. Metcalfe confirmed that the intent of the motion was to have the Chairman sign the amended document.

Mr. Harness introduced the issue of the back rent due from Jet Tech, Inc. He suggested that since the issue may involve litigation that the Commission take it up in executive session. It was agreed to move this item to the end of the meeting to avoid disrupting the flow.

Mr. Harness reported that the amended leases for JcAir Associates, Inc. and Johnson County Industrial Avionics were ready for the Chairman's signature. Both leases were approved with amended language concerning sewer hook-ups at the June 13 meeting.

Mr. Metcalfe reported that the Airport Commission's 1990 budget will be reviewed by the Board of County Commissioners at 11:30 A.M. on Thursday, July 13. He felt that a few line items may be subject to some discussion and that it would be helpful to have some Airport Commissioners present for the discussion.

Mr. Craig asked about the FAA's response on the JcAir/clear zone issue. Mr. Metcalfe reported that written approval of the displacement of the threshold had been received from FAA and that the repainting of the threshold stripe and runway number had been accomplished. The threshold lights have yet to be moved (awaiting blessing from Purchasing Dept. to go single-source). Total cost of moving the threshold will be around $3,500. Mr. Craig asked if there were any operational impacts on the airport. Mr. Fredrichs reported that the change was virtually unnoticeable.

Mr. Metcalfe commented that JcAir was having some problems getting their building permit, which prompted a discussion about zoning and code enforcement at the Industrial Airport. Mr. Viets suggested that a presentation be made to the Airport Commission on the planning and zoning process as it effects the airports, and on code enforcement responsibilities. Mr. Metcalfe said he would get together with the County Planning Dept. and the Building Code Administrator to put together a presentation for the August 8 meeting. Mr. Viets also asked about the "one mile radius zoning authority" for airports. Mr. Metcalfe said that it was his understanding that enabling regulations had to be adopted by the BoCC, and that hasn't happened. Mr. Viets said he wanted to revisit that issue in the near future.

Mr. Metcalfe reported on the gas well audit project. Tom Schaefer contacted the Kansas Independent Oil and Gas Association and was given a list of a half-dozen C.P.A.'s who do oil & gas work. Of those contacted, the first to respond was Peat Marwick, a "big 8" accounting firm. Mr. Metcalfe met with a representative of Peat Marwick to review the project and to get an idea of what a C.P.A. firm could be expected to do. Peat Marwick has submitted a proposed "scope of work" for the project, broken down into four increments, and has submitted an estimate of the costs by increment. Total cost of the audit is estimated at $16,000. Discussion followed about the scope of work and
how other firms might be identified and encouraged to give us quotes. Mr. Metcalfe said that he was having some difficulty in defining for the firms what exactly we were after and in getting them interested in the project. He said in describing the history of the "gas business" that there were questions about possible conflicts of interest and curious timing of some events. One firm he talked to was hesitant to get involved in what they perceived as a "witch hunt" or "criminal prosecution" (their words). Mr. Arenson asked what is the Airport Commission really after, and wondered whether we had gotten too concerned with history and things not directly related to the gas business. Mr. Craig said he would respond to the question, but felt it was not appropriate to do so in an open meeting. Consensus was to continue to contact firms with the objective of securing three proposals for the Commission's consideration at the August 8 meeting.

Mr. Metcalfe updated the Commission on the gas well study and the efforts to sell the gas leases. He said that Jim Stegeman's work was essentially complete, and that the written report the Commission received at the May meeting was intended to be the final report. Mr. Stegeman continues to assist in providing bits and pieces of information to the County Appraiser and the State on the back-tax issue and is participating in discussions with potential buyers of the leases. We are still waiting to hear from Brock Exploration, who is so far the only organization that has expressed any interest in our leases. They are doing their own evaluation of the leases and are considering making us an offer. They have not said when we might expect this offer.

Mr. Metcalfe reported that the people involved with the Jamison lease have written and asked to be released from their lease. Mr. Metcalfe is recommending that the lease not be given up as it is one of the more valuable leases in the package, and the precedent may cause others to follow the same course. He said it is his position that the Commission has fulfilled its obligations under the lease and that we still have a merchantable piece of property in the package of leaseholds. Consensus was to defer action on the Jamison request until we have a better sense of the value of the package. Mr. Viets asked what action is being taken to stir up a market for the leases. Mr. Metcalfe said that Mr. Stegeman had initiated contact with several potential buyers (Brock, Union Gas and others) and that Brock was the only one that showed any interest. Mr. Metcalfe also said that it is the attorney's opinion that we will have to advertise for bids for the leases as they apparently have a combined value in excess of the $50,000 threshold for selling public property. Mr. Viets asked when that would happen. Mr. Metcalfe suggested we wait for Brock's response so that we have a second opinion on the value of the leases (Stegeman's estimate is all we have at this point). Mr. Viets said it was important to get a second bidder.

Mr. Metcalfe reported on the water source study. The Purchasing Dept. has returned the bid package to us with direction to seek proposals on our own. Mr. Metcalfe has contacted Wilson & Co., who did the demand study, and they have furnished a proposed scope of work for the source study. Mr. Metcalfe will be meeting with several other qualified firms to seek quotes based on the scope of work derived from Wilson's proposal. Mr. Viets suggested that we expand the "bidder's list" in
order to "blow some fresh air" into the process. He felt we should have a "family of consultants" to provide different perspectives and that by entertaining proposals from a variety of organizations we could gain new insight on what's available in the market. Consensus was to meet with as many consultants as we could before the August 8 meeting.

Mr. Metcalfe reported on the progress on the capital improvement projects. We are still waiting on HNTB for the specs on the Industrial Parkway rehab and the street lights. All other projects are in line for attention at the County Purchasing Dept. It was suggested that we call upon our BoCC liaison to help expedite these projects. Mr. Metcalfe said that the Purchasing Dept. was being very cooperative and that he preferred to go up the chain of command before bringing the BoCC into the picture.

Mr. Metcalfe presented the proposed "Executive Summary" brochure for the airport master plans as prepared by Coffman Associates. Discussion followed about the layout and content of the mock-up and about whether we should commit to the final version before we have approval of the master plans from FAA. Mr. Fredrichs said that it could take anywhere from several weeks to a month-and-a-half to get the master plans reviewed and approved by the FAA. He said he would follow up with Coffman on the approval process. Mr. Viets commented that the brochure could be part of a package of information on the airports and that it would be important to make sure that it reflected the FAA-approved plans. Consensus was to wait for FAA approval of the master plans before giving the go-ahead on the brochure. Mr. Metcalfe was to follow up with Coffman on how the brochures were to be paid for.

Mr. Craig asked about the water-meter issue. Referring to the minutes of the June 13 meeting, he asked whether there was indeed a lack of consensus on what action should be taken and where the estimated $40,000 it would take to meter the tenants' connections would come from. Mr. Metcalfe said it was his impression that there wasn't clear consensus and that there wasn't a sense of urgency on this. Ms. Schumacher said she thought there was consensus on the Navy's water meters. Considerable discussion followed about rationale, costs, accounting for currently unaccounted for water, etc. Mr. Metcalfe summarized the discussion and guidance to staff as follows: staff is to continue to investigate the meter issue with the objective of getting an accurate count of the number and sizes of connections needing to be metered (tenants being first priority), a refined cost estimate for installing the meters, and a plan to pay for the installation, which could include increasing water rates to tenants. Consensus.

Chairman Walter recessed the meeting at 3:05 P.M.

Meeting reconvened at 3:20 P.M.

Mr. Metcalfe reported on the closing of the sale and transfer of the lease on the BPS/Central Trust/de Elliotte transaction. The Airport Commission received as proceeds from the closing $11,013.26. This was to cover May and June service charges and water bills ($1,012.26) and
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$10,000 in settlement of back service charges due from BPS. Mr. Metcalfe said that when the $10,000 settlement was first proposed he checked with Chairman Walter and Treasurer Craig (and he thought one or two other Commissioners) to see if this settlement was acceptable. Mr. Craig discussed his rationale in recommending that we accept the settlement. Essentially we had no leverage on the back service charges against Central Trust, BPS was long since out of business, and it wasn't fair or logical to attempt to extract the money from de Elliotte. The $10,000 seemed reasonable and Mr. Craig recommended we accept in full settlement of the back service charges owed to us by BPS. MR. ARENSON MOVED THE $10,000 BE ACCEPTED IN FULL SETTLEMENT OF THE BACK SERVICE CHARGES OWED BY BPS. SECONDED BY MR. DEETER. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, THOMEN, VIETS. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

Mr. Metcalfe introduced the issue of Zimmer Realty's claim for a commission on the transfer of the lease from Central Trust to de Elliotte. Mr. Metcalfe said he received a letter (copy in the Commissioner packets) from Steve Sanders of Zimmer on July 6, 1989, which included a statement for a real estate commission for the ground lease associated with the property at 201 Prairie Village Dr. (BPS/de Elliotte). Mr. Metcalfe called Mr. Sanders to find out what the justification for this commission was. Mr. Sanders said Mr. Farnsworth had agreed to the commission back in August of 1988, and he (Sanders) said he had a copy of a letter confirming the agreement. Mr. Metcalfe asked for a copy of that letter (included in the packets, no letter was found in our files) and contacted Mr. Farnsworth. Mr. Farnsworth said that he recalled having a conversation with Mr. Sanders, but his recollection was that he said any commission on the lease would have to come from Central Trust, not the Airport Commission. Mr. Farnsworth does not recall receiving the August 11, 1988 letter supplied by Mr. Sanders. Mr. Harness said it was his position that no commission would be earned on the "approval of the transfer" of an existing lease, only on the inception of a new lease (if previously agreed to). Discussion followed about common real estate practice, rationale of commissions on leases, and the lack of a formal commission agreement with Zimmer. Consensus was that no commission was due from the Airport Commission to Mr. Sanders. Mr. Harness agreed to draft a letter to Mr. Sanders advising him of the Commission's position. Several Commissioners expressed their desire to preserve the excellent relationship we have had with the Zimmer organization.

Mr. Metcalfe introduced the issue of a set-back encroachment on the BPS/de Elliotte building. The Industrial Park restrictions and covenants call for a minimum 25' set-back from any non-frontage property line, but the General Poly/BPS/de Elliotte building has only 10' on the west property line. This was discovered by the title company for the Central Trust/de Elliotte sale, who required that de Elliotte request a variance on the set-back, or in the alternative lease an additional 15' along that boundary to satisfy the set-back requirement. Mr. Metcalfe said that he and Chairman Walter had briefly discussed the problem, and that it seemed the proper thing to do would be to redefine the description of the leased land to include the 15' strip, since we apparently erred in allowing General Poly to build the
building in the set-back. There would be no impact on the neighboring property as it has not been subdivided for lease purposes and the nearest neighboring building is 500' to the west. Mr. Craig asked about the survey on the property. Mr. Metcalfe said that it had been resurveyed as part of the transaction and that was how the encroachment was discovered. This is an "as-built" survey, and the application for variance is based on the as-built. Mr. Viets said he thought that the proposed solution was best for all concerned. He did not think it would be a good precedent to grant a variance and have a building in the set-back. Mr. Arenson asked who would pay for the additional land (Mr. Metcalfe estimated it would be about 6,000 sq. ft., by actual measurement it is 6,300 sq. ft., which, at 6 cents per foot, amounts to $378 per year in rent). Chairman Walter said that the land would be included in the current lease with no increase in rent. Mrs. Schumacher said that the forgiveness on the rent for the additional 6,300 sq. ft. should be limited to de Elliotte and should not run with the lease. In other words, should the lease be transferred, the new lessee would be expected to pay for the additional land at the same rate as the principal parcel. MR. ARENSON MOVED THAT THE DE ELLIOTTE LEASE BE AMENDED TO INCLUDE THE ADDITIONAL 15' X 420' STRIP OF LAND ON THE WEST BOUNDARY, AND THAT DUE TO OUR ERROR, RENT ON THAT STRIP BE FORGIVEN FOR DE ELLIOTTE ONLY. SECONDED BY MRS. SCHUMACHER. VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, THOMEN, VIETS. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

Mr. Metcalfe asked the Commission what form of agreement did they want with the Old Olathe Naval Air Museum group. He said the group was anxious to get started on the quarters remodelling, and feared being held up by a lengthy lease approval process. He said that the group was very loosely organized, with minimal resources, and had not been able to present an acceptable formal document for the Commission's consideration. They were wondering whether they could just have a letter of understanding to allow them to begin work. Mr. Harness asked about liability insurance. Mr. Metcalfe said that the group had been instructed to get quotes on public liability and comprehensive on the property and to present a policy for our review. They have not yet done this. Mr. Craig said he thought we were to be given a "business plan" for the museum operation. Mr. Metcalfe said they had submitted a one page document describing in very general terms what they had in mind, with no financial information or long-term concept for perpetuating the operation. He said he told they would to have come up with something much more comprehensive. They said they didn't have the expertise within their group to put together such a comprehensive document and didn't have the money to hire it done. Mr. Metcalfe said he offered to help them put something together and will be meeting with them to develop at least an outline for a business plan. Mr. Craig said he felt we needed to have the business plan, the insurance coverage and some assurance that this project will be perpetuated before we sign a lease, and we need a signed lease before they can start work on the buildings. Mr. Metcalfe was to follow up with the group.

Mr. Metcalfe introduced the next item. He has received two different proposals for a retail center at the northeast corner of 56 Highway and
Moonlight Rd. The site, bounded by Moonlight on the west, 56 Highway on the south, our railway spur on the east, and the entrance to the Woodstone Apartments on the north, is approximately four acres. The first proposal, from Terra Venture, is to option the land for 180 days for $10. Terra Venture has submitted a conceptual site plan which shows a free-standing fast-food restaurant and a retail strip with a 26,000 sq. ft. grocery store and several smaller store fronts. They wish to option the land while they firm up the details and secure tenants. They propose to negotiate a "reasonable commercial lease" during the option period.

The second proposal is for a long-term lease for the same property for essentially the same kind of development. This proposal is from Moonlight Shopping Center Development Co., who was represented at the meeting by Mr. Bob Hauber of Agnes Gates Realty. Mr. Hauber said that they too had plans for a restaurant and retail strip, although no plans were presented at the meeting.

Mr. Harness said that he had several issues that needed to be addressed before he could recommend any particular action. There are the issues of water and sewer. Are we expected to provide these utilities, or would the City of Gardner? We cannot consider any new connections to the airport sewer plant until July, 1990. Mr. Metcalfe said that it was his understanding that Gardner had water and sewer lines in directly across Moonlight Rd. from the subject parcel, and further, it was his understanding that Terra Venture had already talked to Gardner about hooking up to those lines. Mr. Harness also said that we ought to consider a different pricing structure for commercial/retail land versus "industrial" land. He also said there would be an issue over how to allocate any special assessments to the property if it were not served by our utilities and infrastructure. He also was not comfortable with entering into an option with the lease to be negotiated later. He would like the proposed lease up front.

Mr. Craig and Mr. Viets both talked at some length about the need for a master plan for the "industrial" side of the airport and how commercial and retail might fit into the plan. Mr. Viets also felt it was important to consider the plans of the surrounding communities and to integrate our plans and theirs, and to take a long-term approach to our planning. Mr. Metcalfe said that even before he was approached by these folks it had occurred to him that this parcel was "ripe" for a retail development in that it sits at a major intersection at the entrance to "downtown" Gardner. He also said we ought to include language in any lease requiring specific action within a specific period of time to discourage anyone from "sitting" on the land to prevent development. Mr. Deeter agreed that we needed a long-term plan before we committed to this kind of project. Consensus was to table the proposals until further research can be done on Gardner's Master Plan, the utility issues, and how this type of development would fit into our long-range plan for the "industrial" park.

As the last item of the day, Chairman Walter asked for a motion for executive session. MR. DEETER MOVED THAT THE AIRPORT COMMISSION GO INTO EXECUTIVE SESSION FOR THE PURPOSE OF CONSULTATION WITH LEGAL
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COUNSEL ON THE JET TECH MATTER UNTIL 4:10 P.M. OR AS SOON THEREAFTER AS
THE CONSULTATION IS TERMINATED. SECONDED BY MR. VIETS. VOTING AYE -
ARENSON, CRAIG, DEETER, SCHUMACHER, THOMEN, VIETS. VOTING NAY - NONE.
MOTION CARRIED UNANIMOUSLY.

Executive session convened at 3:55 P.M.

Regular session reconvened at 4:20 P.M.

MR. VIETS MOVED THAT THE AIRPORT COMMISSION ACCEPT LEGAL COUNSEL'S
RECOMMENDATION AND PURSUE LEGAL ACTION AGAINST JET TECH, INC. FOR
PAYMENT OF BACK LAND RENT/SERVICE CHARGES. SECONDED BY MR. ARENSON.
VOTING AYE - ARENSON, CRAIG, DEETER, SCHUMACHER, THOMEN, VIETS. VOTING
NAY - NONE. MOTION CARRIED UNANIMOUSLY 4:46 PM

Chairman Walter adjourned the meeting at 4:20 P.M.

______________________________  ________________________________
Kirby Deeter                             Lee Metcalfe
Secretary                                 Executive Director
July 31, 1989

NOTICE

The regularly scheduled meeting of the Johnson County Airport Commission will be held at the Airport Commission conference room in the Administration Building at the Johnson County Industrial Airport at 1:00 p.m. on August 8, 1989.

JOHNSON COUNTY AIRPORT COMMISSION

BY: [Signature]

R. Lee Metcalf
Executive Director

RLM/dmj
JOHNSON COUNTY AIRPORT COMMISSION

MINUTES - August 11, 1989 - 1:00 P.M. - Industrial Airport

AIRPORT COMMISSION
Present: Craig Deeter
Schumacher Thomen
Walter

Absent: Arenson Viets

STAFF
Present: Metcalfe Fredrichs
Schaefer Harness
Jones Smith

OTHERS:
Present: Mr. John Miller, Grindsted Products, Inc.
Mr. James Knearem, Grindsted Products, Inc.
Ms. Jan Landon, Olathe Daily News
Ms. Rea Wilson, Sun Publications
Ms. Connie Bye, Kansas City Star
Mr. John Buzbee, Kansas City Times

The meeting was called to order at 1:00 by Chairman Walter.

Corrections to the July 11, 1989 minutes were made: page 3, paragraph 3, change "June 20" to "July 20;" page 10, last line, change adjournment time to "4:40 P.M." MR. CRAIG MOVED THE MINUTES OF THE JULY 11, 1989 BE APPROVED AS CORRECTED. MOTION SECONDED BY MR. DEETER. VOTING AYE - CRAIG, DEETER, SCHUMACHER, THOMEN. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

Chairman Walter appointed a committee for the Election of Officers; members of the committee are as follows: Walter (chairman), Arenson and Deeter. The committee is to present a slate of officers to be voted on at the September meeting.

Treasurer Craig led the discussion on the financial reports. After explanation by staff of several items, MR. DEETER MOVED APPROVAL OF THE DISBURSEMENTS FOR JULY, 1989. SECONDED BY MS. SCHUMACHER. VOTING AYE - CRAIG, DEETER, SCHUMACHER, THOMEN. VOTING NAY - NONE.

Mr. Metcalfe reviewed the receivables report. He said that he was not particularly concerned about any of the past due accounts and that follow-up contacts had been made on all. Chairman Walter asked about past due hangar rentals. Mr. Fredrichs reported that
there were several hangar accounts that were overdue, but that he did not anticipate any problems getting them collected. Chairman Walter suggested that past due hangar accounts also be listed on the receivables report. Staff will comply.

Mr. Metcalfs reported that the source documents for the year-to-date vs. actuals report have not been produced by the County Finance Dept. The second Tuesday fell earlier in the month this month (the sixth working day), and the computer reports are normally produced on the seventh or eighth working day. The report will be sent to the Airport Commissioners as soon as the Finance Dept. reports are received and converted to our format.

Chairman Walter called for the report of the Administrative Committee. Administrative Committee Chairman Craig noted that the minutes of the Administrative Committee Meeting were behind Tab C. Chairman Craig reported that the Administrative Committee met last Friday, August 4, with all members of the Committee present. The purpose of the meeting was to interview three accounting firms and select one to review and report on the gas operations of the Airport from 1983 to the present. Each of those firms was given thirty minutes to verbally review their Scope of Work Proposal and respond to questions from the Committee. The firms interviewed were Peat-Marwick Main Company, Grant Thornton, and LMSL, Inc. After thorough interrogation of all three parties, the Committee feels that LMSL, Inc. has a very impressive client list and that their thrust more adequately suits what the Committee thinks needs to be done. Therefore, the Committee recommends that a contract for the first phase of work as defined in LMSL's proposal in the amount of $7,800 be entered into with LMSL, Inc. MR. CRAIG SO MOVED. MOTION SECONDED BY MS. THOMEN. VOTING AYE - CRAIG, DEETER, SCHUMACHER, THOMEN. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY. Mr. Craig noted that the Administrative Committee spent two hours reviewing the proposals and deliberating on their recommendation. Chairman Walter thanked the Committee for their work.

Chairman Walter announced that the presentations by the County Planning & Zoning and Code Administration Departments have been rescheduled because Mr. Viets was unable to attend this meeting and he was particularly interested in this subject.

Mr. Fredrichs reported on aircraft operations. He referred the Commission to the reports in the packets and noted that operations numbers were up again over the same period last year.

Mr. Fredrichs reported on the status of the FAA projects. All are complete except the ramp overlay, which lacks a seal coat and striping. Completion is expected by the end of August.
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Mr. Fredrichs reported on the Underground Storage Tank Project. It was decided to rebid the project, because the spec's did not break up the work such that we could get a specific quote on the removal of contaminated soil. This is a big unknown at this point, so we wanted to define that work separately and get a per unit quote. The respec'ed bid should be published on August 11 and on August 25 at 3:00 p.m. we should open the bids for the three tanks at Parsonitt.

Mr. Fredrichs reported on the status of the Airport Master Plans. The Airport Layout Plans for the two airports are ready for the Chairman's signature and will be submitted immediately. Mr. Fredrichs reported that it could take from six months to a year to get FAA approval of the plans. Several Commissioners asked why so long. Mr. Fredrichs said that according to our consultant, Coffman Associates, that's how long it's taking right now. It was suggested we check directly with the FAA. Mr. Metcalfe commented that that was longer than he had experienced with the Denver Regional Office of the FAA.

Mr. Craig asked whether the notices of the T-hangar rent increase had gone out. Mr. Fredrichs responded that they had. Mr. Craig noted that there had also been some publicity about it, and asked what reaction we have had to the news. Mr. Fredrichs said that he'd had three people terminate at Industrial in the last month, but he did not believe it had anything to do with the hangar rent increase. He had one person terminate at Executive for other reasons, and he stated that he thought $165.00 was a very fair price.

Mr. Craig raised the subject of the Airport Commission's 1990 budget. Mr. Metcalfe reported that our budget was approved as submitted with one change. Through the capital improvements program, we had asked for $150,000 for a new structural fire truck, and it was our intent that it be funded out of the County-wide general obligation bond funding for the CIP. The budget folks thought differently and convinced us to acquire that through a lease/purchase with the lease payments coming out of our operating budget. For 1990, at least, we took the $40,000 lease payment out of a $90,000 chunk of capital money in the operating budget for the acquisition of snow removal equipment. That was the only change in the budget from our original submission. Mr. Craig asked that once the budget is finally adopted by the Board of County Commissioners, a review be provided for the Airport Commission so that we can begin planning for major expenditures for 1990.

Mr. Metcalfe said that the staff had been working to put together a projection for the remainder of 1989 to get a picture of where we stand and where there might be opportunities to reallocate
money. He had hoped to have the report ready for this meeting, but that was not possible due to not having the month-end reports from Finance as mentioned earlier. He said staff would complete their review and send out a report as soon as possible.

Mr. Craig asked about the signing of the contract for the construction of the new wastewater treatment plant. Mr. Metcalfe said that a contract had been signed with Clean Water Construction of Paola. They have been in the water treatment construction business for sixty years and have a long list of successful projects. The contract is for about $3.1 million and includes the "civil" work and some of the equipment. Construction is to begin immediately, possibly this week. Mr. Metcalfe said that the Airport staff will be having a pre-construction conference with Clean Water Construction at 9:00 A.M. tomorrow to review plans and discuss airport operations impacts, etc. Mr. Craig asked whether the deadline could be met, and Mr. Metcalfe responded that everyone involved is still saying it can be done.

Tom Schaefer reported that the annual County auction has been scheduled for Saturday, September 30th and they'd like to locate it at the Industrial Airport as they've done in the past. The Purchasing Department has asked for submissions from all departments on items which they would like to offer for the auction, and we've collected our list of things that we would characterize as surplus and not needed. That list will be circulated around to all the County departments to "bid on" if they need it for their operations. Anything remaining after that will be sent to the Board of County Commissioners for final approval on or about the 15th of September and then, once that list is approved by the Board of County Commissioners, it will go to the auction on the 30th. We're planning on having a meeting with the Purchasing Department on Tuesday, August 15th, a week from today, to coordinate the auction itself, just to make sure our plan is all in order and all the various arrangements and requirements are talked about. Our concern is that everything that's brought out here for the auction is either sold and taken away, or for items not purchased, that they're removed expeditiously after the auction. We are going to ask that everything be removed within 24 hours.

Mr. Schaefer presented for the Commission's consideration a list of items from the Airport Commission's inventory that staff is recommending for the auction. Mr. Metcalfe directed the Commission's attention to the bus that has been used to conduct tours of the Industrial Airport. He said there were mixed emotions about whether it should be sold. It is not in very good shape, but it has proven handy from time to time. Mrs. Thomen said she had been on a tour in the bus and thought it had outlived its usefulness. Consensus seemed to be that the bus should be sold.
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Mr. Schaefer pointed out that the list could be amended until September 15, when it will be approved by the BoCC. MRS. SCHUMACHER MOVED THAT THE LIST OF ITEMS TO BE AUCTIONED PRESENTED BY STAFF BE APPROVED. MOTION SECONDED BY MR. DEETER. VOTING AYE - CRAIG, DEETER, SCHUMACHER, THOMEN. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

Mr. Harness reviewed the proposed revised lease document for T-hangar rentals. The lease remains a month-to-month term. Mr. Harness reviewed several proposed new provisions. The first was an "imposition clause" which allows us to add into the rent any special assessments, such as water or sewer. Mr. Deeter wondered whether that would be necessary since we can increase rents on a month-to-month basis now. Consensus was this clause was not necessary. The second provision was to require indemnity insurance from the hangar tenants. This would protect us in case of damage to the hangars caused by a tenant. Consensus was that this clause should be included. The third was a provision that any compensation or awards for condemnation or casualty loss of the hangars go to the landlord, and that the leasehold interest has no prospective value. Consensus was that this provision should also be added. Mr. Metcalfe also clarified that late payment penalties are to be considered rent for purposes of the collection provisions of the lease. MR. DEETER MOVED THAT THE REVISED T-HANGAR LEASE DOCUMENT BE ADOPTED WITH THE CHANGES AS DISCUSSED. MOTION SECONDED BY MR. CRAIG. VOTING AYE - CRAIG, DEETER, SCHUMACHER, THOMEN. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

Mr. Craig asked whether any written explanation of the reason for the increase in T-hangar rents was sent out to the tenants. Mr. Fredrichs said there was not. Consensus was that a letter should be sent to the tenants explaining the reasoning and emphasizing that there had been no increase in five years. Mr. Metcalfe committed that it would be done.

Mr. Metcalfe introduced Mr. John Miller of Grindsted, who was present to request approval of an easement for a 6" gas line paralleling their existing 3" line from the manifold at the northwest corner of the Industrial Airport property to their boiler house. Discussion followed about location, which is to be the same as the 3" line, width, which is to remain at 10', and the need for an "as-built" survey. MR. CRAIG MOVED APPROVAL OF GRINDSTED'S REQUEST TO INSTALL A SIX INCH GAS MAIN IN WHAT IS BELIEVED TO BE THE EXISTING EASEMENT FOR A THREE INCH MAIN AND THAT AN "AS- BUILT" SURVEY BE COMPLETED AND CERTIFIED BY A LICENSED SURVEYOR, AND PROVIDED TO THE AIRPORT COMMISSION AT GRINDSTED'S EXPENSE, DEFINING THE EASEMENT FROM POINT OF BEGINNING TO GRINDSTED'S PROPERTY LINE. MOTION SECONDED BY MR. DEETER. VOTING AYE - CRAIG, DEETER, SCHUMACHER, THOMEN. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.
Mr. Metcalfe responded to a question that came up at the last meeting about the railway track scales and our practice of using Santa Fe Railway to certify them when they were the folks who got paid based on the weight shown on those scales. The scales are only used to verify the weight of incoming cars - no bills of lading are generated off the scale tickets. It is a service we provide to Grindsted and Shedd's for a fee. They just use it to verify for their own purposes the weight of the car. Mr. Metcalfe felt there was no motivation for Santa Fe to misrepresent the accuracy of the scales and did not recommend any change in procedure.

Mr. Metcalfe reported on the water source study. Interviews are still being arranged with the eleven consultants on the bidder's list in accordance with the wishes of the Airport Commission to get a broad sampling of the professionals who are interested in working with the Commission on this project. Mr. Metcalfe hoped to have the field narrowed down to three at which time he will arrange for interviews with the Industrial Committee as he did with the consultants for the gas well analysis with the Administrative Committee. He hoped to have this arranged in time to have the Industrial Committee make a recommendation at the September 19 meeting.

Mr. Craig asked how year-to-date water consumption compares to last year. Mr. Metcalfe said that it appeared that we were still well behind last year. He said he would review the numbers to make sure. Mr. Craig said he felt it was important to keep faith with the City of Gardner in that we had told them we would try to keep the water study moving along. Mr. Metcalfe said he would make it a top priority to get it completed by the next meeting.

Mr. Metcalfe and Mr. Schaefer reported on capital projects. The carpeting project will be handled under a county contract covering several carpeting projects in various county buildings. It came in at $12,000, right at the architect's estimate. The window project will hit the street on August 15. Because they are related and because we don't want to damage the carpet we are going to do the window project first and the carpeting will follow that.

Mr. Metcalfe reported that the Industrial Parkway rehab and the street lights were still with Howard Needles for bid specs. He said that he has expressed his concern to Howard Needles that it has taken longer than was originally anticipated and that Howard Needles has assured him that they will have the specs ready to go in the Purchasing Department's format by August 18. He said he had already spoken to the Purchasing office and they've agreed to expedite the bid process. His biggest concern is that we're going to be out of the road construction season by the time we're able to sign a contract. He said that work on the bid packages on all
all of the bonded projects should have started in November of 1988, when the bonds were issued, instead of mid-April, when he first learned of the situation.

The railway project bids have been received and reviewed. The low bidder, at $66,000 was Kelly-Hill Construction of Kansas City. The second lowest, at $73,000, was R. D. Long Construction, who has offices at the Industrial Airport. The estimated amount for this project was $80,000, so we came in well under the estimate. We may be able to move the remaining $14,000 to the street lights if the bond resolution legalities will allow, and we might be able to complete that project.

Mr. Metcalfe reported on the lease file review. We had the fortunate circumstance of having the assistance of an attorney available to us. George Russell was originally retained as the Hearing Officer Coordinator for the Reappraisal Hearings. He basically ran the reappraisal hearing process and got some pretty good reviews. He also learned a lot about property taxes as a result of it. He is working in combination with the Legal office, the Appraiser's office and the Administrator's office to review the lease files and analyze the property tax issue, and we asked him to him to list any other things that he might observe in the lease files that require further analysis. We will have a list from him at some point of those things he thought we should look into further.

Mr. Metcalfe reported that Hamblin Petroleum, who leases the bulk fuel facility out near Shade Foods, has notified us that they will be giving up the four 25,000 underground storage tanks in that complex. As the owner of the tanks, the Airport Commission has specific responsibility for EPA compliance on these tanks. Staff contacted Hamblin to discuss compliance requirements and responsibility for testing and monitoring. Staff's position was that the tenant should pay for compliance procedures. Mr. Hamblin decided that he wasn't willing to participate either in terms of arranging for inspections and testing himself or paying us to do it. Staff will be preparing an new lease to exclude the four 25,000 gallon underground storage tanks. The tanks will have to be removed. We are currently researching the practicality and the costs of exposing the tanks ourselves with our own men and equipment. Blueprints show that the tanks are on a slab on grade with earth bermed up around them. Pulling the earth away from them should be fairly simple. We will then be able to tell whether there's been any leakage and whether further testing would be warranted. Mike is also researching whether, once exposed, they could be considered above ground tanks in which case we don't have to remove them. Mr. Hamblin does want to keep the above-ground tanks: three 2,000 gallon tanks which are used to service our fleet and several of the tenants and two 5,000 gallon tanks that are used as storage.
Mr. Hamblin has agreed that he will be responsible for EPA compliance on those tanks. An amended lease will be presented for the Commission's consideration at the September 19 meeting.

Mr. Metcalfe reported on the sale of the gas leases. He had spoken to Brock Oil as recently as this morning about where they stand on making an offer on the leases. They are still contemplating what the value of the lease package is to them. They don't have a number for us yet. Jim Stegeman has been busy trying to locate other potential buyers. Apparently Union Gas is more than mildly interested now in buying our gas. They have also indicated that they would consider the idea of trading gas. We would put gas into their pipe and take an equivalent amount out of their pipe in Olathe for the County Courthouse and the Detention Facility. We are right on the margin of whether we can work that out or not, but they are now apparently interested in just buying the gas outright to maybe sell to Grindsted.

Discussion followed about what else could be done to facilitate the sale of the gas leases. Mr. Craig asked whether there had been any response to the property tax exemption applications from the Board of Tax Appeals. Mr. Harness said that he had heard nothing, and that it would probably some time before we hear anything. There was considerable discussion about market conditions, potential buyers, timing of the public sale process, and how more bidders might be encouraged to respond. Consensus was to get everything ready for a public sale, such as "packaging" the leases, preparing advertising plans, and soliciting more interest among potential bidders, with the thinking being that if we did not have at least two serious bidders lined up by October, we would advertise the public sale.

Mr. Metcalfe reported on the water meter project. He directed the Commission's attention to the summary of estimated costs to put meters on selected connections, the selection criterion being those tenants who would pay us for the water that we would be metering. In most cases, they are already paying us something for the water they are getting. Staff has checked to see how much each tenant is paying for their water and under what arrangement, and in most cases, it is based on an estimate of usage converted to a monthly rate according to our rate schedule. For instance, the Army's flat rate amount is 100,000 gallons per month which converts to $115.10 per month for water, and the Navy's is 50,000 gallons per month and they're paying us about $60.00 a month for water. For July, it cost us 43.8 cents per thousand gallons of water that we produced. We charge $5.00 for the first thousand, $1.50 per thousand for the next three thousand and $1.10 per thousand for everything over four thousand. We are recovering our costs plus theoretically accumulating a reserve for repair and replacement. Mr. Metcalfe didn't feel that we are accumulating enough of a reserve to justify
spending about a thousand dollars on the average per meter, especially in cases like R. D. Long's building, which is an old Navy building that has one rest room and a sink. It would cost us a thousand dollars to put a meter on that connection, and Mr. Metcalfe wasn't sure it would be justified. Another example would be the Mid-States Millwork Hangar, which has one rest room that probably very seldom gets used.

Considerable discussion followed about the rationale of metering, the implications of the sewer charge being based on water consumption, specific examples of situations where a meter may or may not be justified, etc. Mr. Deeter stressed the importance of tracking water consumption and accounting for currently unaccounted for water. He also suggested a "sampling" program using a temporary meter to see whether a permanent meter was justified. Mrs. Schumacher stressed the importance of being business-like and consistent in charging for water. Several Commissioners commented that there didn't seem to be a clearly appropriate direction to take on this issue, in that there is no clear benefit to the Airport Commission to justify spending $35,000 to $40,000. After further discussion, consensus was to notify all currently unmetered tenants that if, because of the probability that sewer charges will be based on water consumption, they are desirous of having their water metered, they may do so at their own expense (with the Commission's specific approval on a connection-by-connection basis). The exception to this policy would be the Navy, assuming the letter by which the Commission is obligated to install meters is produced (NOTE: we now have the letter, copy attached).

Mr. Metcalfe reported that the Master Plan summary brochures that were discussed at the last meeting were part of the original contract with Coffman Associates, with 1,000 copies being provided.

Mr. Metcalfe reported that County Commissioner Johnna Lingle received a letter and a phone call from Steve Sanders of Zimmer Realtors asking her to look into the real estate commission issue on the de Elliotte transfer. Commissioner Lingle contacted me and asked for the particulars. She asked that we be quite sure of our position in case it progresses beyond the current stage. Messrs. Harness and Deeter felt there was need for further discussion, however Mr. Harness felt it should be in executive session due to potential legal issues. MRS. SCHUMACHER MOVED THAT THE AIRPORT COMMISSION GO INTO EXECUTIVE SESSION UNTIL 2:50 P.M. FOR THE PURPOSE OF CONSULTATION WITH LEGAL COUNSEL. MOTION SECONDED BY MR. CRAIG. VOTING AYE - CRAIG, DEETER, SCHUMACHER, THOMEN. VOTING NAY - NONE. MOTION CARRIED UNANIMOUSLY.

The meeting was recessed into executive session at 2:40 p.m. The meeting reconvened at 2:50 p.m.
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Chairman Walter noted for the record that the Airport Commission's position on the issue of a real estate commission payable to Steve Sanders of Zimmer Realtors has not changed, and no further action will be taken.

Mr. Metcalfe reported that the FAA has requested to lease some additional space in the Administration Building. The space in question is basically a closet - 180 square feet across the hall from their existing space. The proposed rental is $4.00 per square foot per year on a year-to-year lease. Because of a problem with the rental amount on the lease documents prepared by the FAA, Mr. Metcalfe requested that this item be tabled until the September meeting.

Mr. Metcalfe reported that the Army Corps of Engineers has approached us about our installing security lights for the fenced compound they lease next to the Army hangar, where they store their military vehicles. They want us to have the lights installed and charge them for it because it is easier for us to do than for them to go through their Federal process. We have gotten three bids, the lowest being about $9,000. They would like to amortize the cost of the lights over the term of their lease, which is five years. Mr. Craig said that we should get some time value for the money we will have invested in the lights. Discussion followed about real estate industry practice and how we should factor our "time value" charge. It was agreed we should charge our cost of money plus 3% for administrative costs. It was asked whether we had the $9,000 to spend in the '89 budget. Mr. Metcalfe said he wanted to complete the projections for the remainder of the year before committing, but he felt the money could be identified for this project. Discussion followed about the legalities of financing the improvements, who would own them, and whether there were any operational impacts on the airport. Mr. Harness' opinion was that the lights are an improvement that we would undertake in order to satisfy the needs our lessee and for which we would be compensated. We would retain ownership of the improvements (this will be made clear in the new lease). Consensus was that the concept was acceptable with the discussed conditions and that Mr. Metcalfe should continue to develop the formal agreement with the Army for presentation to the Airport Commission.

Mr. Craig asked whether the September meeting could be rescheduled to the third Tuesday (Sept. 19) in that he had a schedule conflict. Chairman Walter polled the Commissioners, and there being no objection, he declared that the September meeting of the Johnson County Airport Commission would be held on Tuesday, September 19, 1989.

Mr. Metcalfe announced that Dorothy Jones, Executive Secretary to the Executive Director and the Airport Commission for the last 15
years, has decided to retire. She has given notice that she is going to be leaving in two weeks. Mr. Metcalfe circulated the announcement that will be widely distributed announcing Dorothy's retirement and inviting her business acquaintances to attend a reception in her honor at noon on Friday, August 18, 1989.

The meeting was adjourned by the Chairman at 3:05 p.m.

__________________________
KIRBY DEETER
SECRETARY

__________________________
R. LEE METCALFE
EXECUTIVE DIRECTOR
JOHNSON COUNTY AIRPORT COMMISSION

MINUTES - SEPTEMBER 19, 1989 - 1:00 p.m. - INDUSTRIAL AIRPORT

Airport Commission: Present
Craig Meyer
Thomen Schumacher
Viets

Absent
Walter Deeter

Staff:
Metcalf Fredrichs
Schaefer Harness
Smith Metzler
Toser Meadors
Otto

Others:
Jan Landon, Olathe Daily News
John Buzbee, Kansas City Times
Jan Durrett, League of Women Voters
Steve Sanders, Zimmer Steinbach Brokerage Company
Del Dolisi, Gardner City Administrator
John Peterson, Attorney for Terra Venture
Buddy Biancalana, Representative of Terra Venture

The meeting was called to order at 1 p.m. by Mark Viets, Vice Chairman. He introduced H. Stanley Meyer, the new at-large member of the Airport Commission, members of staff and representatives of the press.

I. Ms. Thomen moved to approve the minutes of the meeting for August 15, 1989. Mr. Craig seconded the motion and it was approved unanimously (4-0).

II. In the absence of Mr. Walter, there was no report by the Chairman.

Report on construction of the wastewater treatment plant

Douglas Smith, Wastewater Administrator, said that he and Mr. Metzler had inspected the site and spoken to the Black and Veatch inspector who is on site one-hundred percent of the time. He said it appeared that possibly one and one-half weeks were lost due to the rain, however, it may be possible to make up that time and meet the state mandated deadline. The temporary road is being completed, in the most cost-effective manner to not only provide access to the plant but to serve in the future expansion of the airport facility.
John Metzler, Chief Engineer, said the construction contracts had been structured to provide a fast-track arrangement which would concentrate on the design aspect of construction. The process was to develop five separate contracts: (1) equipment procurement with long lead-times, (2) structural work, (3) mechanical, (4) electrical and (5) effluent forcemain. The equipment and structural work on contract one for $750,000 and contract two for $3.1 million were executed on August 15 and were awarded to Clean Water Construction of Paola. Contracts three and four were scheduled for bid openings on September 19 and 25, respectively, and award on both contracts by the Board of County Commissioners was anticipated on September 28. The KDHE consent order required execution of all contracts by October 1, and staff anticipated meeting that goal. Mr. Metzler said staff was optimistic that in the time allowed for construction of almost one year the contractor would be able to make up the time lost due to the excessive rain.

Mr. Metzler distributed plan sheets that indicated the location of the new access road. He said over the years a lot of dumping had occurred which must be removed in order to promote good surface drainage and to avoid interfering with the new administration building. Since the cost for removal and disposal of the trash was an unknown, negotiations with the two contractors were for a change order item. It appeared that a portion of the cost would be included in the project cost and, if the trash contained asbestos or other materials requiring special handling, the cost would be worked out with the contractor. Mr. Metzler explained that only a small portion of the building would be devoted to administration, since in addition to a one-man office, it would also contain a small laboratory, with the balance dedicated to chemical storage and housing for the blowers.

Mr. Craig said the progress made in the last few months was an outstanding example of good administration and public policy setting, resulting in action. He added that public bodies are not often given credit for getting things done in an expeditious way and he commended the Wastewater Districts staff and the Board of County Commissioners for their vigorous handling of the matter.

III. Report of the Treasurer:

A. Disbursements for August, 1989

Mr. Craig noted the report was mailed prior to the meeting and was located under Tab B.

Ms. Schumacher questioned the costs associated with uniforms and uniform rental. Mr. Metcalf said some problems had been encountered in finding a supplier to meet the needs, however, a supplier for the Fire Department uniforms had been identified and
those items would be purchased shortly. He explained that the costs for caps and patches were for a quantity of baseball type caps that were being used both as uniform items by staff and also for promotional hand-outs to prospective tenants. A large portion of the cost was for new embroidered logo patches which would be used on the uniforms in the future. He estimated the supply would last for two to three years.

Mr. Metcalfe explained that the amount shown for Hamblin Petroleum was a little high since they do not bill on a regular cycle and the amount shown may represent the cost for 45 days versus 30 days. The total of $2600.00 for Total Electric Construction was explained to include the cost for moving the threshold lights of runway four.

Mr. Craig moved to approve the payment voucher list as presented. Mr. Meyer seconded the motion and it was approved unanimously (4-0).

B. Receivables report

Mr. Craig said for the first time the report showed the T-hangar rents and that the overdue rental list was getting shorter.

Mr. Metcalfe noted that August was the transition month for Hamblin Petroleum to discontinue using their 4 - 25,000 gallon tanks. They had delayed payment until Mr. Harness could complete a lease for the new arrangement. Bill Mills, the tenant farmer on the 80 acres at the south end of the airport, did not pay on his lease in 1988 or 1989. The timing of the payment was planned to coincide with payment for the crops and although payment may not be due for 1989, it was overdue for 1988, and an attempt was being made to collect.

Mr. Craig said he did not recall that a policy had been developed on the action to be taken upon failure to pay T-hangar rental and asked how far behind a tenant could become before action to evict was taken. Mr. Harness said the lease was basically a month to month rental agreement and if a policy were to be developed, at least 30 days should be allowed. Mr. Craig said he was not certain that a policy was needed with so few tenants being in arrears, however, he suggested keeping a close watch on the process.

C. Year-to-date actuals vs. budget report

Mr. Craig noted that the actuals versus budget for two-thirds of the year indicated revenue was 56% of the projected budget.

Mr. Metcalfe commented that in August the line item on contract services for Executive Airport indicated that it was 94% expended. Investigation revealed that the Accounting Department was erroneously charging the electric bill for the water plant to that account.
D. End-of-year projection report

Mr. Metcalfe said the packets contained an end of the year projection that looked at the year to date and made projections to the end of the year. Between the two reports, Mr. Metcalfe said he felt comfortable that the financial condition was good.

Mr. Craig said the bottom line indicated that revenue would be $59,000 less than budgeted and the expenditures about $5,000 less. Mr. Metcalfe said the actual variance in expenditures was $338,000 but that assumed a couple of dedicated expenditures would not be made. He referred to the summary page which listed suggestions for spending the difference in the projected revenue and expenditures. The largest amount was $185,000 budgeted for engineering and planning services for 1989 and two specific items that could be charged against that line item would be an update of the master plan for the Industrial Park, and doing the appraisal, survey and title work on the land acquisitions.

Mr. Viets suggested that since Mr. Metcalfe's list was new information, it would be useful for the Administrative Committee to study the list and develop an end of the year strategy to be reviewed at the October meeting since it presented an opportunity to accomplish some things not planned between now and the first of January.

E. Review of 1990 Budget

Mr. Metcalfe said nothing was included in the packet on this item because he was not sure what the Commission would be interested in and he was awaiting clarification from the Finance Department on two issues. His intent was to convene a meeting of the Administrative Committee, however, discussion of the 1990 budget could be included with a discussion of the financial issues as previously suggested. Mr. Metcalfe said he would be prepared to discuss the 1990 budget as well as the capital projects at a meeting of the Administrative Committee.

Mr. Craig said he would like to see a comparison of the 1990 budget with 1989 projections and 1988 actuals with appropriate footnotes. This would provide a three year trend line for a better understanding since the Commission was just beginning to get financial reports. Mr. Craig noted that Mr. Meyer is a C.P.A.

Mr. Viets requested Mr. Meyer to tell those present something about himself. Mr. Meyer said that he heads Rau Construction Company which is a general contractor doing business in the $20 to $30 million dollar range. Other activities included Boy Scouts, District Chairman for Santa Fe Trails District, the Chamber of Commerce and the Rotary Club.

IV. COMMITTEE REPORTS:
A. Administrative Committee:

Mr. Metcalfe said the contractor retained to provide an analysis of the gas well status had completed a review of the records, including interviews with twelve different people. A preliminary digest of the information gained was provided and they were in the process of finalizing the report. The Legal Department had been requested to review the report and Mr. Metcalfe said that within a week to ten days a copy would be provided to the Commission. Mr. Metcalfe said the contractor was very thorough and everyone cooperated, including Joe Dennis, Frank Farnsworth and several staff members. An update was provided daily, however, the contractor was reluctant to divulge a lot of information until they saw the big picture. The progress reports basically consisted of a listing of the people interviewed and the records reviewed.

B. Industrial Committee:

Mr. Viets said the committee had met to consider the water source study, however, since Mr. Arenson was no longer on the Commission and Mr. Deeter was unable to be present, he felt it was presumptuous for a one-man committee to make a recommendation. The committee had constructed an evaluation chart with a very subjective scoring system and as soon as Mr. Deeter returned, the committee would be reconvened and a recommendation would be made. As chairman of the Industrial Committee, Mr. Viets said the study was progressing and a recommendation would be ready by the meeting date of the Commission in October. An interim report on the use of water indicated that the informally agreed upon 100 million gallons would be exceeded.

Mr. Craig said that if the projections were to exceed the gallonage agreement, some arrangement should be made sooner. Mr. Metcalfe said the city of Gardner had been advised that a formal arrangement was not desirable until the water study was completed. However, since additional water would be needed, he said it appeared that it would be necessary to request another temporary agreement and the city of Gardner had indicated that they were not willing to provide a temporary agreement.

Mr. Viets directed Mr. Metcalfe to meet with officials of the city of Gardner and discuss what the committee determined to be favorable numbers, report the progress of the study, and request a temporary agreement. He said he felt it would be useful to remind Gardner of how important the airport is to them since it is a key part to their future economic growth.

(Mr. Meyer left the meeting.)

Mr. Metcalfe asked if the Commission's direction was to secure a one year agreement or an agreement to take care of the balance of 1989. He said the dilemma was that the last indication from Gardner was that they were not interested in a temporary
agreement and instead wanted a multi-year agreement. Direction from the Commission had been that they were not willing to enter into a multi-year agreement until read-out information was available on a long-term water source.

When asked to explain why the study had taken so long, Mr. Metcalfe said the study was commissioned in May. Wilson & Company, who did the first study, aided in developing a scope of work and estimated the cost for the second phase at $10,000. It took them 30 days to generate the documents which were used as the specifications for the RFP. The RFP was subsequently submitted to the county Purchasing Department where it remained for two months. Upon review, the Purchasing Department advised that since the contract could be under $10,000, it would fit into a special category that allowed the user department to seek its own proposal rather than going through the county process. Mr. Metcalfe said in July he contacted three firms and made a report to the Commission in August, at which time the Commission indicated a desire to broaden the perspective. A list of 11 potential bidders was developed, 11 RFP's were sent out, 9 interviews were conducted, 5 bidders did not respond, leaving six proposals to examine.

In further explanation, Mr. Viets said that first of all, the Commission was working with the county Purchasing Department and, secondly, in times past, the Commission had not been as thorough in accomplishing studies and executing work. He said he did not regret any portion of the process except for the two months that were lost in the Purchasing Department.

Mr. Craig said he did not disagree, however, the issue had been on the agenda every meeting for about a year. It was now fairly obvious that for the remaining one-quarter year, the 100 million gallon allocation would be exceeded. He suggested that formal action be taken to request the city of Gardner to allow an additional one year agreement, informing them of everything that had been done, including a change in administration, and ask them for a reasonable number, possibly 140 million gallons, to take care of the water needs for this year, which essentially would be a one year's extension of the agreement.

Ms. Schumacher suggested that the city of Gardner also be apprised that the water study would be completed within 45 days.

Mr. Craig said the water source study would only provide information for the next step and hopefully would provide guidance on the best type of contract to enter into. The next step would be to determine financing and hook-up to the water. At that point, the Commission could then go to Gardner and enter into some kind of definitive agreement.

Mr. Metcalfe said he had been keeping Del Dolisi, Administrator of the City of Gardner, informed of the situation and Mr. Dolisi had indicated that it was not a concern until he was advised of
the projection that additional water would be needed in mid-November. Upon receiving that information, Mr. Dolisi indicated that it would be necessary to have an agreement in place by the time the additional water was needed. Mr. Metcalfe said his sense of the situation was that an agreement would have to be in place by mid-November. With November 1 as the targeted date to receive the report, an agreement could be in place by November 15. He agreed to again contact the city of Gardner to work out a solution. He added that it seemed fairly obvious that some kind of understanding with Gardner would be needed for a period of three to five years until a new source could be found.

Mr. Craig said the city of Gardner was requesting the Commission to define the water needs very specifically and contractually and he asked Ms. Thomen if that was also her understanding. Ms. Thomen commented that the city of Gardner had been waiting for over two years for the Airport Commission to take some permanent action on the issue. She said the city realized the value of the airport, however, they were getting anxious for a resolution to the matter.

V. STAFF REPORTS:

A. Report of the Director of Aviation

1. Operations - Mr. Fredrichs reported that operations at Executive Airport were up about 5,000 over last year. Operations at Industrial Airport were down about 1,200 over last year.

2. Project status - Mr. Fredrichs said the only project was the ramp which should be completed this week.

3. Underground tank project report - Mr. Fredrichs said the bid for removal would be awarded September 28 and the project would take about two weeks to complete.

4. Status of Master Plan submission to FAA - Mr. Fredrichs said the FAA guaranteed that within three months the Airport Commission should have the results of the FAA's study of the Master Plan.

5. Proposals for dedication of land (approximately 100 sq. ft.) at both airports for Automated Weather Observation Stations (ASOS) - Mr. Fredrichs distributed information on the ASOS and requested approval of the Commission to dedicate the land as requested. He explained there would be no additional cost beyond the donation of land. If approved, installation was scheduled for the summer of 1990. The benefit to the airport would be that the weather would be updated constantly on a 24-hour basis. Pilots can call in for an up-to-the-minute forecast. The weather report currently shown on TV as emanating from Johnson County Industrial Airport would not change.
In further explanation, Mr. Metcalfe said it was a joint effort of the FAA, the National Oceanographic and the National Weather Service. The purpose was to automate the weather observation process for surface weather at airports. Currently the tower operators are also weather observers as certified by the National Weather Service. Those observations are recorded and reported both to the FAA and National Weather Service. Upon installation of ASOS, an expansion of that information would be automated and reported via microwave link to data collection centers. There would also be a direct readout in tower cabs at both airports.

It was recommended that Mr. Harness review the contract which was a no consideration lease for 15 years for a 10 ft. by 10 ft. space at each airport.

Based on the representation to the Commission, and subject to review by legal counsel, Mr. Craig moved to authorize staff to execute the document. Ms. Schumacher seconded the motion and it was approved unanimously (3-0).

B. Report of the Director, Planning & Administration

1. County Auction - Tom Schaefer said the auction was scheduled for September 30, and the list submitted for sale by the airports and previously approved by the Commission had been expanded to include a box of light fixtures.

Mr. Metcalfe said in a review of the countywide list, he and Mr. Schaefer had purchased two items: (1) a utility bed truck submitted by the Wastewater Districts for $2,000 and (2) a bob-tail dump truck with snow plow submitted by Public Works for $6,000. He said the equipment was in good shape and the price for a new utility truck would be $20,000 and for the bob-tail truck $35,000. The two vehicles would replace an item in the 1990 budget for an amount of $45,000. He estimated that the airports would realize approximately $10,000 to $13,000 from airport items in the auction which would more than pay for the two vehicles.

2. Executive secretary recruitment - Mr. Schaefer said the Personnel Department had completed the preliminary interview process. Interviews would be scheduled immediately and he anticipated that a selection would be made within two weeks.

C. Report of Counsel to the Airport Commission

Mr. Harness requested deferring the legal matters for the Executive Session.

D. Report of the Executive Director

Mr. Metcalfe said that in order to avoid having guests sit through the entire meeting, specific times had been established for them to appear. He recommended keeping to that schedule.
VI. UNFINISHED BUSINESS:

A. Steve Sanders - appeal of decision on real estate commission

Mr. Metcalfe explained that Mr. Sanders was retained by Central Trust of Ohio to sell the former BPS Kansas building. Mr. Sanders sold the building and in connection with that transaction, was under the impression that he would also be entitled to a commission on transfer of the lease. He subsequently billed the Airport Commission, however, research indicated that there was no formal understanding between the Airport Commission and Mr. Sanders. The decision of the Commission two months ago and again in August was that a commission was not due. Mr. Metcalfe said that Mr. Sanders had requested permission to present his case in person.

Mr. Sanders said he had billed Industrial Airport for a commission in conjunction with the sale of the building presently occupied by de Elliotte. He said he had been told that there were two significant reasons for denying the commission: (1) no formal agreement existed between himself and the Airport Commission, and (2) the sale of the building next door the previous year, which he had cited as setting a precedent, was not similar enough to warrant paying the commission.

Mr. Sanders said he was paid a commission on the KY Investment deal with less of an agreement than he had on the de Elliotte sale. The building at 401 Prairie Village Drive was his first sales experience at Industrial Airport. Simultaneously with selling the building, a ground lease agreement was developed and he was paid a commission of $8,600 for the transaction. Mr. Sanders said he was told that it was an operating policy of Johnson County Industrial Airport that commissions would be paid on such transactions. He then proceeded to list the building next door which had been vacant for a considerable length of time. At that time Frank Farnsworth was the Airport Director, and Mr. Sanders notified him by letter that he had a serious buyer for the building. During the 12 months it took to make the sale, Mr. Sanders operated under the assumption that he would be paid much the same way he had been paid on the KY Investment sale.

Mr. Sanders said that when 401 Prairie Village Drive was sold, his company drew up a new lease because the buyer wanted less ground than was being leased by the delinquent predecessor and he received a commission. When the de Elliotte sale was made, a new lease was not drawn up until a transfer was made for the reason that it was a sensitive issue and any small thing could have killed the agreement. During the process Mr. Sanders requested a copy of the lease from Mr. Metcalfe and was advised that there was no lease and that they did not want to draw up a lease
because of the sensitive nature of the issue. Since each of the two deals involved a delinquent tenant, Mr. Sanders said he felt they were similar enough to cause him to make the assumption that if a commission was paid on KY Investments, a commission would also be paid on de Elliott.

Mr. Craig noted that Mr. Sanders had been paid a commission by the seller of the property in an amount which was considerably more than the claim presented and that Mr. Sanders had been compensated for sale of the building but not for the land lease value. He said for that reason the Commission had agonized over the issue because they did not want to jeopardize relations with Mr. Sanders or his company. However, because of its fiduciary responsibility to the taxpayers of the county, in the absence of having any written agreement, and due to the fact that there was no new lease of any kind, or a modification of the lease, but simply an assumption of an existing land lease, the Airport Commission did not see how they could justify paying for something about which they had no knowledge or agreement. He noted for the record that Mr. Sander's claim was for $8,624.88.

Mr. Sanders said he did not believe the Airport Commission would be violating their responsibility to the taxpayers of Johnson County by paying a commission since he felt there was a sufficient amount of data to support paying the fee. He said the taxpayers were receiving income on an arrangement that they would not otherwise be receiving due to his efforts.

Ms. Thomen suggested that the issue be discussed in the Executive Session scheduled for later in the meeting.

Mr. Viets extended appreciation to Mr. Sanders for his efforts and that of his company. He stated that Mr. Sanders would be advised of the decision made in the Executive Session.

B. Discussion of Gardner Master Plan and annexation plans - Del Dolisi, Gardner City Administrator

Mr. Metcalfe said that two months ago when the proposed development for the corner of Highway 56 and Moonlight Road was discussed, the Commission expressed concern about how Gardner viewed the proposal and how it would fit with their master plan. An update on the city of Gardner master plan and input from the city on its perspective of the proposed development was requested and Mr. Dolisi was present to provide the desired information.

Mr. Dolisi said the proposed development had not been included in planning for the city and, in fact, the city would need permission from the Airport Commission to annex the property. From the city's standpoint, Mr. Dolisi said they saw that corner as being more appropriate for commercial or retail development as opposed to industrial and as such, it would be best served by the city. He provided a handout listing the advantages of the proposed annexation for the Industrial Airport and for the city.
of Gardner. Mr. Dolisi said that Mr. Gaut of the Woodstone Apartments had agreed in principal to be annexed and the acreage involved in the two tracts was 75-80 acres. He said the city would be interested in discussing the feasibility of serving the area proposed for annexation with sanitary sewers which would also give the airport additional capacity to be used for new industrial tenants or for whatever development might occur.

Mr. Craig asked if an alternative to allowing annexation would be some kind of agreement that the Airport Commission would not permit anything to happen in the area that was not acceptable to the city of Gardner. Mr. Dolisi said that would be a possibility as far as the one issue was concerned. Mr. Craig asked if any part of the airport or the industrial park was currently within any city boundaries. Mr. Metcalfe said that Executive Airport was almost entirely within the city of Olathe, with a small tract in the city of Overland Park. A small triangle of the Industrial Airport was within the city of Gardner.

Mr. Craig asked how state statutes would affect the issue. Mr. Harness said the city of Gardner would be granted extra territorial jurisdiction over a certain area for zoning purposes.

Mr. Craig said he was reluctant to act with a minimum quorum and without the regular chairman. Mr. Viets agreed, however, said that just as the city had a concern about the use of that corner, he had an overriding concern about the entrance to the airport which is implied at that intersection.

Mr. Dolisi said the proposal was a suggested use for property within the township. Since master plans are usually for a twenty year span, they may include areas that are not currently in the city, but may be in the planning area for a city. He said only 4.77 acres of the area covered by the proposal was actually within the city limits of Gardner.

Mr. Viets said he felt a larger view of the airport environs needed further study and noted that the county was working on the issue of countywide zoning. In addition, he said there was some unfinished business that implied concern for not just the airport, but for the one mile perimeter surrounding the airport. Mr. Viets suggested that the Commission activate the Industrial Committee and take the issue under advisement.

Mr. Metcalfe said a previously proposed presentation by the county Planning Department could be scheduled for an upcoming meeting and this issue could well fit into that discussion.

Mr. Dolisi said that since the city of Gardner was currently reviewing all of its zoning ordinances and was planning a public hearing within the next few months, it would be a very appropriate time to have some thoughts from the Airport Commission on disallowed uses within the airport impact zone. Mr. Viets said he did not see any real difference of opinion about the use of that corner. In addition, the timeliness of
Gardner's efforts seemed to mesh with those of the Airport Commission. He said it would be necessary to ascertain from the Board of County Commissioners exactly what role they expect the Airport Commission to play in guiding the impact plan to protect the airport and its environs.

John Peterson, attorney for Terra Venture, stated that there appeared to be a misunderstanding about his client's interpretation of the county's conceptualization of that corner. He said extensive discussions had been held with both the city of Gardner and with Donald Lehman, who holds an option on at least a part of the property, both of whom have indicated an interest in working with Terra Venture. He said his client would be interested in working with the Airport Commission on retail/commercial development of that corner and requested that he be kept informed of plans that develop for the area. He suggested that the city of Gardner would have to be involved since he did not think the Airport Commission was in position to provide the type of infrastructure services needed by a retail/commercial development. He added that a major anchor tenant, a grocery store, was ready to move ahead and could not be kept waiting forever.

Mr. Craig cautioned against holding the developer and the city of Gardner hostage to difficulties of the Airport Commission. Mr. Viets suggested that consideration be given to using the unspent money mentioned earlier to update the plans for the industrial park. If an impact zoning plan was in place it would be very easy to determine logical uses for the area in question. Mr. Viets requested Mr. Metcalfe to contact the Board of County Commissioners to obtain a formal statement on what they expected the Airport Commission to accomplish on the issue.

Mr. Metcalfe requested some guidance on priorities. He said some indication of a time frame should be given to Terra Venture. Mr. Viets said he did not want to lose the user nor did he want to be pressured into making big decisions based on one small part of the issue.

C. Discussion of Master Plan Brochure

Mr. Metcalfe said the brochure was a summary of the two airport master plans produced by Coffman Associates, which is obligated by contract to provide 1,000 copies. He explained that at the time of the review by the Airport Commission he did not know that printing the brochure was necessary as a part of the airport improvement grant and the FAA was anxious to close out that grant.

Mr. Viets said at the time of the review, it had been suggested that the brochure was premature since the Airport Commission cannot really offer property until the sewer problems are resolved. Mr. Metcalfe said the brochure involved only the airport site and did not include the industrial park. The FAA
was reluctant to allow the Airport Commission to commercialize the brochure since the intent was for it to be an information piece directed to the airport site.

It was recommended that the names of the representatives serving on the Airport Commission be omitted since those names would change during the life of the brochure. Since the contract with Coffman Associates and the master plan had already been approved, Mr. Viets said staff could assume that printing of the brochure had consensus approval.

VII. NEW BUSINESS

D. Consider a proposal by Johnson County Parks & Recreation Department to "lease" 20-30 acres at Industrial Airport for a sports field complex

Since Mike Meadors, Superintendent of Recreation for the Park & Recreation District (P&R), was present, Mr. Viets recommending dealing with that portion of new business, deferring other matters until after the executive session.

In explanation, Mr. Metcalfe said that when the Olathe Naval Air Station was conveyed to the county in 1973, a piece was carved out to be used as a park and eventually that piece was dedicated to the county and was used for a soccer field in the late 70's. P&R has approached the Airport Commission to ascertain the possibility of gaining access to some land in the area to alleviate its need for additional recreational facilities.

Mr. Meadors said in the early 70's the land was acquired through an act under Lyndon Johnson that allowed federal lands to revert back to local municipalities for use as park land. In the late 70's P&R's emphasis shifted from development of the 171 acres at the airport site to some 1400 acres at Heritage Park. In 1981 or 1982 the property reverted back to the federal government which in turn was picked up by the Industrial Airport. About a year ago P&R was approached by a Johnson County youth baseball association requesting help to alleviate the shortage of baseball fields in the county. The park system does not have land available for this type construction and because of the previous ownership of the 171 acres at the airport site P&R would like to pursue the possibility of developing a portion of it. The location bordered on the west by Moonlight Drive and on the south by a small lake at one time accommodated about seven soccer fields and with additional improvements could be used to house eight baseball fields.

Mr. Meadors said the Johnson County youth baseball organization was made up of about 1400 participants and was financially solvent but felt they could not on their own take on the project. The group was interested in a lease agreement that would have a term of life equal to the revenue bond, which in most cases would
be 15 years. Protection for both parties would be included in the lease so that if the property became of value prior to that, there would be an escape clause. The P&R would use its enterprise budget for collateral to secure a loan.

Mr. Metcalfe said the concept proposed by Mr. Meadors had grown considerably since the original discussion and he could not advocate something that ambitious. He said it would be necessary for the Airport Commission to retain control of the frontage both on Moonlight Road and 159th Street. He felt a five field complex might be feasible since that portion of the area was not readily accessible for industrial use.

Mr. Meadors apologized for the extension of the plan which was designed to meet the entire needs of the baseball organization. Due to the shortage of all youth baseball fields in the county, he said they would be agreeable to a complex of any amount of four fields or more. When asked about the time element, Mr. Meadors estimated six to nine months would be required for a feasibility study and to secure financing. If the project were reduced to only four to five fields, completion could be in one to one and a half years.

Mr. Craig recommended that the proposal by Mr. Meadors be incorporated into a study of the master plan for the industrial park.

Mr. Viets said the Commission had considered using that area for a small office campus to overlook the lakes. He requested Mr. Meadors to check into insurance as it would affect baseball games, weekend tournaments, and the balance of the tenants. He asked if P&R would consider the possibility of some passive uses and if the facility could be used by the other tenants. Mr. Meadors said the facility would be used about 2-1/2 months per year for baseball needs and he felt there was a distinct possibility of developing the grounds in a way that would piggyback with a development of other organized recreational facilities.

Ms. Schumacher referred to the word "lease" on the agenda and asked for an explanation. Mr. Viets said in order to sell bonds P&R would have to demonstrate control which would indicate that some revenue would be generated in the form of payment. Mr. Meadors said he was hoping for a nominal lease figure.

When asked for an idea of the time frame for a decision, Mr. Viets said with so many issues under consideration, the only appropriate response was as soon as possible.

Mr. Craig noted that since the last meeting there had been considerable discussion on capital projects, and apparently there was a misconception on what would happen to the million dollars that was included in the 1988 county capital improvement budget. He felt the record should indicate the facts and asked Mr.
Harness for an explanation. Mr. Harness said it was his understanding that the arbitrage earnings could be lost and he explained that to be the difference between the interest at which the money was invested and the amount of interest that would be paid. Mr. Harness requested time to discuss the issue with the Finance Department and with bond counsel, after which he would clarify the matter in writing for the Airport Commission.

Executive Session

Ms. Schumacher moved to adjourn the open meeting to go into an executive session of ten minutes duration for the purpose of discussing attorney/client relations and to reconvene in open session at 3:35 p.m. Mr. Craig seconded the motion and it was approved unanimously (3-0).

The Commission reconvened in open session at 3:45 p.m. Mr. Craig moved to retain the previously stated position of the Airport Commission concerning the claim for real estate commission. Ms. Schumacher seconded the motion and it was approved unanimously (3-0).

Adjournment

Since it was necessary for the acting chairman, Mr. Viets to leave the meeting, the remainder of new business was continued to the November meeting.

Ms. Schumacher moved to adjourn the meeting. Mr. Craig seconded the motion and it was approved unanimously (3-0).

[Signatures]

KIRBY DEETER
SECRETARY

R. LEE METCALFE
EXECUTIVE DIRECTOR
The meeting was called to order at 1:00 P.M. by Chairman Walter.

Phil Harness requested the commission recess to executive session for fifteen minutes for purposes of consultation with the attorney regarding potential litigation. Ms. Thomen moved to adjourn into executive session at 1:03 p.m. and reconvene at 1:18 p.m. Seconded by Mr. Deeter and approved unanimously (4-0).

Upon reconvening, the Commission took no action with regard to the executive session discussion.

I. APPROVAL OF MINUTES

Ms. Thomen moved to approve the minutes of the meeting of September 19, 1989 with a correction in paragraph one: August 18 to be changed to August 15. Seconded by Mr. Viets and approved unanimously (4-0).

II. REPORT OF THE CHAIRMAN:

Chairman Walter reported the nominating committee met and proposed Ben Craig be elected Chairman, Mark Viets, Vice Chairman, Kirby Deeter, Secretary, and Trish Schumacher, Treasurer. Mr. Deeter moved the proposed nominations for officers be approved. Seconded by Ms. Schumacher and approved unanimously (4-0).
III. REPORT OF THE TREASURER:


Ms. Thomen asked about the payments made for engineering. Mr. Metcalfe reported there are a couple of FAA projects still open and that final payments are being made. There are also five capital projects to be funded from the bond issue of last November that the engineer is doing spec's and blueprints on. The payments to the engineer will be made from bond proceeds and not from the operating budget.

Ms. Schumacher asked for a review of bills from Howard Needles. The bills are for work that has been completed. Mr. Fredrichs reported most of the bills to be submitted are two months old. The project totalled $345,000 and is 93% complete. Ms. Schumacher stated in the past six months approximately $93,000 has been paid to Howard Needles. Mr. Metcalfe reported there are several projects they are working on for the airport commission, including the grant project. Whenever a draw is received, a portion is paid to the contractor and a portion is paid to the engineer. Howard Needles is the retained engineer on the capital projects.

B. Receivables report.

Mr. Metcalfe reported there are some new names on list. Bendix/King has stated they are centralizing their accounting and that there would be a delay in processing their payment. A new lease with Hamblin Petroleum is being drafted. A new lease was completed in August, however, they changed their minds and wanted to lease something additional, so the changes are being made. The rent will be collected before the new lease is signed. Bill Mills, the tenant farmer at Executive Airport has stated he will pay both 1988 and 1989 leases when his crops are harvested. Menezes is the only T-hangar account more than one month past due. He said he would be caught up by the first of the year. Mr. Viets moved the vouchers for September be approved. Seconded by Mr. Deeter and approved unanimously (4-0).

IV. COMMITTEE REPORTS:

A. Administrative Committee:

Mr. Walter stated that in the absence of Administrative Committee Chairman Ben Craig there will not be a report. There will be a committee meeting this week and both meetings will be reported on at next Airport Commission meeting.

Mr. Viets asked about the status of the capital improvements funds. Mr. Metcalfe stated that the funds were safe as long as a reasonable effort was being made to get the work under contract. Any "unspent" funds would go back into the debt service fund. Mr.
Harness agreed with Mr. Metcalfe and also stated he had a memo to the Airport Commission which Mr. Craig asked him to draft, concerning the arbitrage clause.

Mr. Viets asked whether the Administrative Committee had addressed the end-of-year projections and what was the plan for reallocating unspent monies. Mr. Viets expressed concern with the spending of the available funds, which came from underspending monies associated with planning and engineering. He discussed the dramatic needs in the planning area and was concerned over the time frame with the end of the year approaching. Mr. Metcalfe reported the needs had been addressed by the Administrative Committee and presented a projection of the budget for the end of 1989. The staff has identified $228,000 in budgeted-but-uncommitted expenditures, and has submitted a list of items to be funded with the uncommitted monies. The Administrative Committee has approved that list. Mr. Viets asked Mr. Metcalfe to review the list in his report later in the meeting. Mr. Viets stated the needs should be addressed by the Commission.

B. Industrial Committee:

Mr. Viets reported the committee met and would like to recommend A. C. Kirkwood and Associates to complete the water source study. All the firms reviewed were qualified, however this firm seemed responsive and enthusiastic. Mr. Viets moved the firm of A. C. Kirkwood be hired to complete the water source study. Seconded by Deeter. Mr. Viets reported they have 45 days to complete the work and must give at least two alternatives. Ms. Thomen asked the cost of the study. Mr. Viets reported the study would cost $10,000. All the firms were asked to submit a proposal based on a fee of $10,000. Ms. Schumacher questioned if the firm chosen had something more to offer than the other firms reviewed. Mr. Viets stated all the firms submitted proposals with the same scope of services. Kirkwood and Associates had no conflict of interest. Mr. Deeter remarked that all the proposals were good and were selected by a rating sheet. Kirkwood and Associates seemed very interested about the study. Mr. Viets stated that the committee scored each firm independently and came to a general consensus. Approved unanimously (4-0).

Mr. Viets suggested that staff prepare an outline for the Industrial Committee on the process of updating the master plan for the industrial park as a follow-on to the airport master plan done this summer. He also suggested a second study, which would require a RFP for review by the County Commissioners, to ask for a planning study of the "one mile environs," referring to the statutory zoning authority the county has within one mile of the airports. He would like the staff to draft a scope of work describing that project. Mr. Viets stated that several of the questions being asked of the Commission in support of or not in support of land uses that are either adjacent or actually on airport property would be made
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easier if policy was written. Mr. Metcalfe stated that the Commission would be addressing that situation today.

Mr. Metcalfe reported that Oscar D. Smith will be retiring on October 31, 1989. He also presented ten year anniversary pins to Mr. Smith and Wanda Cowan. Ms. Thomen expressed her appreciation to Mr. Smith for his good public relations work for the airport. Mr. Schaefer reported there will be a reception honoring Mr. Smith on October 31, 1989 in the airport commission meeting room.

Ms. Thomen asked to go back to the budget vs. actual report that was included in the agenda notebook. She asked Mr. Metcalfe to go over the report briefly. Mr. Metcalfe touched on several items and summarized that both revenues and expenditures were tracking favorably with the budget.

Ms. Schumacher suggested since the meeting was running ahead of schedule the Commission could go back and discuss some items from the Administrative Committee. Mr. Metcalfe discussed end of the year projections and noted that the master plan expenses and the water source study were not listed. The $48,000 reserve for the gas tax will be needed, as it has been determined we are liable. We are attempting to get the penalties and interest waived. The Wastewater District's latest offer for settling the 1988 charges for the sewer plant was $97,000, but Mr. Metcalfe believes there is still some negotiating room. The district is trying to charge us for two pickup trucks at full capital cost, and we feel we should only have to pay the first year depreciation. That would bring the charge down another $22,000, leaving $75,000 as the final cost. We have received three bids on the water meter installation at the Navy building, the low bid was for $3,800. The underground storage tank removal should cost about $18,000 if there is no soil contamination. Heating for the maintenance shop was added at the last minute because the boiler was condemned by the state inspector. Diesel-powered snow plows are stored in that building and must be kept warm in order to start. Specifications were drawn up and bids were solicited, the low bid was $19,700. The fire station water system is in disrepair and the low bid on that work was $4,800. Mr. Metcalfe stated he didn't want to put money into the dilapidated building however we do not have any alternatives. Emergency radios for the Fire Department are somewhat a discretionary item. It may be delayed due to the fact it is not yet known what the county system will be and we want to be compatible with that. The Fire Department has old radios, and during a couple of emergency drills it was determined that communication is a big problem. Two pickup trucks have been included to replace the two sold at the auction. A compact mower and sealing cracks in the runway at Executive Airport have also been included. These are items identified as priorities.

V. STAFF REPORTS:
A. Report of the Director, Aviation:

Mr. Fredrichs reported that the aircraft operations at the airports are in line with projections: 135,000 at the Executive Airport, and about 75,000 at the Industrial Airport. The FAA ramp project needs only a "hold back" sign at the runway/taxiway intersection to complete the grant. The underground storage tanks at Parsonitt should be removed by the next meeting. The master plans have been submitted to FAA; we anticipate another 60-90 days before approval. A grant application has been submitted to the FAA for land acquisition at Executive Airport. Because there is still about $34,000 left from the "Fairfax" money, the FAA has asked us to include in the application moving the east tie-down area further east, as called for in the master plan.

B. Report of the Director, Planning and Administration:

Mr. Schaefer reported the county auction was successful. The Airport Commission grossed approximately $14,551. There will be some administrative costs to be subtracted which would leave a net total of approximately $13,090. The proceeds will cover the cost of the acquisition of a dump truck, snow blade, and a utility truck for the fire department, which leaves about $6,000 to the good.

The executive secretary position has been filled. Four good applicants were interviewed. Dede Smyth has accepted the position and will start work Oct. 16.

C. Report of Counsel to the Airport Commission:

Mr. Harness reported the Board of Tax Appeals has denied the exemption application for the gas wells. They stated in their orders they were focusing on the royalties instead of the working interest. Mr. Harness asked for a motion from the Commission to allow him to file a motion for rehearing before the Board of Tax Appeals to reconsider the exemption application. Mr. Viets moved to allow Mr. Harness to file a motion for a rehearing on the exemption application for the gas wells. Seconded by Mr. Deeter and approved unanimously (4-0).

Mr. Harness asked for a motion from the Commission to authorize him to meet with the KCPL attorneys to verify that all easements and facilities are in compliance with various regulatory requirements, since they have not been reviewed since the 1970's. Motion made by Ms. Schumacher and seconded by Mr. Viets to authorize Mr. Harness to meet with the KCPL attorneys to verify regulatory compliance. Approved unanimously (4-0).

Mr. Harness reported that items A, B, and C under new business, the lease with FAA for storage space, the approval of renewal of the Army fire protection contract and the approval of the renewal of the Army parking lot lease have not been reviewed thoroughly due
to the illness of an employee. Mr. Metcalfe stated it would be okay to consider the items at the November meeting.

VII. NEW BUSINESS:

D. Mr. Metcalfe reported that it is county policy that all county vehicles be white. Because of our operating around the airport environment and with the FAA guidelines with regard to the way vehicles are marked, it is requested our official color be aviation yellow. It will be necessary to have Commission approval to vary from the official county color. Mr. Deeter moved the official color of Airport Commission vehicles would be aviation yellow. Seconded by Ms. Schumacher and approved unanimously (4-0).

E. A proposal has been received from the Overland Park and Lenexa Police Departments to set up an emergency driving training course on the pad south of the new ramp. It would entail setting out some safety cones and barrels to delineate various road configurations. The officers would be driving police cars through these configurations simulating emergency driving situations or pursuit situations. They have limits based on their insurance that would not allow exceeding 50 mph. We have not heard back from them since sending a proposed agreement drafted by Mr. Harness. Mr. Metcalfe stated he would like to have conceptual approval for the proposed activity. The training has been held at the airport before and has not interfered with any operations. The Airport Commission is held harmless from any liability. Ms. Thomen questioned the police department's insurance and Mr. Metcalfe responded he would request certificate's of insurance. Mr. Deeter moved the Airport Commission give conceptual approval to the agreement with the Overland Park and Lenexa Police Department's to allow emergency driving training at the Industrial Airport. Seconded by Ms. Thomen and approved unanimously (4-0).

Presentation by County Planning and Zoning Dept.

Mr. Metcalfe stated that during the past several months questions of airport-area zoning and land use regulations have been pondered. There has been discussion with the BOCC and Commission Chairman Bruce Craig will address their comments. Barry Hokanson, Director of Planning, Johnson County and David Peel, Principal Planner, were introduced to discuss County plans for zoning and land use regulations at Industrial Airport. Bruce Craig reported on discussion held October 9 in which the BOCC instructed the legal staff to present the Commissioners with options of who will ultimately be responsible for zoning decisions and what role the Airport Commission will play. There are some complicating circumstances in that the airports are bounded by cities. The Airport Commission has statutory authority to zone properties within a one mile radius of the airport. That causes a problem since that would allow the Airport Commission to zone properties within the cities. The BOCC discussed a few years ago that there
would be joint participation between governmental agencies for mutually discussing and deciding zoning applications and it has worked well. There are zoning applications to be considered and there needs to be a clear cut decision making process. It is important from the BOCC standpoint that all the information is available and that the Airport Commission has insight into and gives input to whoever ultimately makes the decision. Mr. Craig apologized for not being able to tell the Airport Commission who has that ultimate authority. Until that responsibility is determined Mr. Craig asked the Airport Commission to make a recommendation to the BOCC concerning the zoning application from Delta Properties. The BOCC hopes to determine responsibility of the zoning and give guidelines to the Airport Commission in two weeks.

Mr. Hokanson discussed the concept of airport zoning in several different respects. The County is now closer to implementing parts of the plan and is working on a draft of zoning and subdivision regulations which is in final stages of review by the planning staff. There is a section in the regulations dealing specifically with airport zoning. The concept of airport hazard zoning is included which is a standard requirement for all airports. Since the planning department is not an expert on airports they have worked with Airport Commission staff to assist in the development of the master plan to identify the airport hazard zoning, especially concerning tall structures. When off-airport properties are a reasonable distance from the runways themselves, normal construction such as homes, barns, and even commercial buildings are not really affected by the height limits. Two other areas of concern are on-site, which are zoning for heavy industrial use and providing for a full range of industrial activities. In the new zoning regulations there is a replacement zoning category for that with essentially the same range of uses. The area of interest outside of airport property going into city territory and township territory poses concerns of compatible uses with current property and future acquisitions. Discussion of the one mile zoning authority has determined that it is too much in some places and too little in others and maybe should be varied in some locations. In addition to aviation compatibility other concerns are the aesthetics and land use compatibility. There needs to be a method by which there is general agreement between the Airport Commission and the cities. There would be different levels of interest determined by master plans and uses within specific areas. As long as cities and other jurisdictions are in mutual agreement determined by master plan and the airport environs plan, they would govern the decision. If disagreement occurred, explicit action would be taken by the BOCC. The planning department feels there needs to be a formal process for consideration, such as a joint resolution or an interlocal agreement.

Mr. Viets asked about the routing of the proposed 21st Century Parkway. Mr. Craig will discuss a new proposal for the highway
later in the meeting. Mr. Viets expressed his own opinion that it is very important to be reminded about the airport's potential to be an enormous generator economically for the entire environs. The tendency to think of the airport as something to be screened or buffered because of so-called industrial categories is clearly off point. Mr. Viets would encourage the airport to be thought of as an opportunity that should be integrated with other ideas, such as the proposed parkway. Mr. Viets stated he would like to have had planners address a specific impact zone that would be in addition to other countywide zoning efforts and would consider factors other than LDN levels, such as vehicle traffic patterns and what the viewer will see when entering the airport. Mr. Viets would like a document from the planning office in support of a special impact zone. He would like this to be a single document, not a committee effort. Mr. Hokanson was in agreement with the concepts Mr. Viets presented. The planning department does see the airport as an opportunity for the County and the region. The specific impact overlay district is included in the regulations and expresses aesthetic and site development concerns.

Mr. Viets asked where in the process of the regulation review would it be appropriate for the Airport Commission to suggest what would be an appropriate use. Mr. Hokanson replied there is a concept being discussed on how that would work, and that it would be part of the proposal presented to the BOCC. Between the planning and airport staffs, specific proposals for land use would be determined.

David Peel discussed on-site concerns. The surroundings of the airport should be compatible with the intentions of the districts and the future development of the site as a primary industrial and business center for the community. The process to attain that is, of course, zoning. The zoning decisions concerning the districts, which describe the types of uses which could occur on the property, and around the property, and participation and preparation of a master plan, should reflect long-term considerations. The zoning decisions on site should be guided by the master plan which the Airport Commission staff has planned to develop for future uses and development. The zoning regulations would provide standards as to the types of uses in various areas. The zoning takes the plan and implements it by looking at the plan as a picture of the future. The zoning is also authorization to the owners and developers to actually build at the site. The zoning regulations do have specific provisions for FAA guidelines. The language is in the draft regulations to implement the type of hazard regulations and to refer to hazard maps and the framework is there for the on-site master plan to be inserted.

Mr. Viets expressed concern over the definition of the boundaries of the impact zone. Mr. Viets asked when the special impact boundary line would be discussed. Mr. Peel stated that the determination of responsibility of that task is being studied by
the county legal staff. It should be a joint decision between the Airport Commission, Planning Commission, township zoning boards, and the BOCC. Mr. Viets brought to the attention of the group that the Airport Commission consultant who developed the master plan was reluctant to put in the study anything not related to an airplane. The group should consider other factors such as vehicular traffic, and the people. Mr. Metcalfe explained the study was paid for by the FAA and that was why it was developed for strictly airport activities.

Mr. Hokanson stated these were preliminary views and the planning staff will work with the Airport Commission staff to complete the regulations.

Presentation by Delta Properties:

Mr. Peel reported that Delta Properties had submitted an application for a zoning change for consideration by the Gardner Township Zoning Board who has zoning jurisdiction in the area of the Industrial Airport. The application requested a zoning change to residential for 407 acres. Two separate conditional use permits were requested, one for an eighteen hole golf course and the second for a sports field complex to be located on fifty acres. The zoning board denied the change and submitted their recommendation to the BOCC in August. The BOCC felt the reasons for the denial of the zoning change needed to be stated more clearly and sent the application back to the zoning board. After Delta's presentation, the BOCC would like to hear airport commission ideas on the proposed change.

Mr. Peel introduced Mr. Ross Steiner, representative of Delta Properties; Mr. Andy Schlagel, planning consultant; Mr. Pat Daniels, broker with Varnum/Armstrong/Deeter, Realtors; and Arlene Kirk, representing the landowners.

Ms. Kirk asked to address the Commission concerning the landowners' views on the zoning change. Ms. Kirk explained she is employed by Commercial National Bank who is fiduciary trustee for the landowner involved in the proposed zoning change. The landowner and the trustee do not want anything contrary to the good of the county, however, the trust beneficiary is getting older and is in need of additional income. The farm and mineral income is decreasing. The trustee and landowner would like to see the most appropriate, highest and best use of the land. She feels as representatives of the landowner they have done their homework and feel the development would help not harm the County.

Mr. Schlagel started the presentation by describing the property involved as a 407 acre tract bounded by 151st Street on the south, Cedar Niles Road on the west, 143rd Street on the north, and a quarter of a mile short of Lakeshore Drive on the east. Mr. Walter asked Mr. Schlagel show the property in relation to airport
property. Mr. Schlagel explained several options for uses for the property were discussed and the master plans for the areas were reviewed. After review and discussion with Olathe staff about utilities and future uses, it was determined due to market and competition and city and county policy, commercial use would not be allowed, therefore residential use was the choice. The choice for residential use for the property looked attractive because of the utility plans by the City of Olathe. There will be a sewer district formed and a sanitary sewer system will be installed within the next 3-5 years. The City of Olathe has annexed property near the proposed site and have included in their five year capital improvement the extension of 12" to 16" water lines. Golf, being one of the fastest growing sports in the country, is also being proposed on the site. Delta Properties is trying to create a public golf course with homes priced in the $125,000 range. Mr. Steiner has discussed with Olathe officials their needs in regard to a golf course and they expressed interest in that type of development. Olathe officials also expressed their needs for recreational parks and activities on the west side of town. Delta Properties suggested Olathe purchase a portion of the property for their recreational needs. With all the considerations for recreation and residential uses a preliminary plan was developed showing an eighteen hole golf course on approximately 180 acres of ground, a recreational complex located on 50 acres, leaving 367 residential lots with a 10,000 square minimum on approximately 177 acres. As subsequent meetings were held with the Gardner Township Zoning Board and Airport Commission and county staff, it was determined there were other issues related to the airport that should be addressed. One major discussion with Airport Commission staff was the concern of the extended centerline of the existing runway being 300' feet west of the property line and the extended centerline of the proposed future runway crossing the eastern portion of the development. Delta has proposed to plan for residential areas to be more than 200' on either side of the extended centerline of the future runway as shown on the airport master plan. Other issues discussed were the noise factors. Mr. Schlagel stated that future homebuyers would be made aware of the airport to the south of the home sites. The site plan was designed not to allow residential building in the 65 LDN area. There is however a portion of the golf course in the 65 LDN area. With the changes to allow for the runway and LDN area, and the changes for recreation, the residential lots would be altered to 403 lots on 407 acres. Mr. Schlagel pointed out that since the land is going to be sold, and the utilities will be there soon, there is opportunity to be sensitive to the Airport Commission objectives. There are limited uses for the area and Delta Properties feels this use is consistent with the policies and objectives of the BOCC, Airport Commission, cities of Olathe and Gardner, and Gardner Township. The first phase of this development would be the golf course construction which would take 2-3 years. At that point the utilities should be close to being installed and at that time the residential lots would be platted and developed. After completion
of the development Delta Properties would allow the City of Olathe to annex the property.

Mr. Steiner feels the plan meets the intent of what the Airport Commission is trying to do, and there is basically no neighbor opposition. One resident was somewhat opposed to the ballfields. The timing question has been answered, because when the golf course is complete the sewer would be within one year of being installed, and during that time the engineering would be completed. The only other opposition they have had is the relation of the development to the airport. Mr. Steiner asked the Commission if this plan is not acceptable, what would be an acceptable use for the property.

Mr. Walter questioned the location of the houses on the south end of the development. Mr. Metcalfe pointed out that when the existing runway is extended the furthest house to the south would be within 5/8 mile from the end of the runway.

Mr. Schlagel stated that lots would be approximately 80' or 100' x 125'. There will be a golf course architect hired to do the final design. The farther south in the development the less residential lots available. Ms. Schumacher asked if the lots further south would be more expensive. Mr. Schlagel stated hesitantly that they probably would be.

Mr. Metcalfe felt Mr. Schlagel and Mr. Steiner did a good job of speaking to the Airport Commission's concerns. However the western 1/3 or 1/4 of the development would be in the 60 LDN range, at which the FAA considers the airport noise becomes noticeable to the citizens. Mr. Viets asked for clarification of the development allowed in the 65 LDN area. Mr. Metcalfe stated that the FAA "discourages" residential development within the 65 LDN contour. Mr. Metcalfe pointed out that the contour lines showing the LDN levels are assuming straight-in landings and takeoffs. However, since the airport is VFR most of the time airplanes fly wherever they want to line up for landing. Aircraft will be maneuvering at very low altitudes in the landing configuration over the new development using the existing runway. The profile of the approach in the master plan document extends the center line of the runways over the ground and shows that at 143rd Street an airplane could be flying 160' from the ground, at 151st Street approximately 120'.

Mr. Viets asked how many square miles the airport was and determined it was about three square miles. He pointed out that the City of Denver bought 75 square miles to alleviate problems such as this.

Mr. Schlagel stated they had done their best to submit the best plan, and are anxious to make a better plan if it is necessary. He believes the concept makes sense and now the fine tuning needs to be made. Mr. Steiner expressed his views as a property owner, looking for the best use of the property. If the ground should not
be used for residential what should it be used for.

Mr. Walter expressed the Commission's concern with a problem developing into the same problem as at the Executive Airport, and the planes using the Industrial Airport are much larger.

Mr. Deeter asked what the Commission needed to decide today on the issue. Mr. Walter replied this was just informational. Mr. Peel stated the township board and the City of Olathe wanted a response from the Airport Commission soon. Mr. Deeter commented that he has a conflict of interest in that his company is involved in the sale of the property. However he feels his opinions are not tainted or biased in any way. He suggested one alternative would be to purchase the property to be able to control the property. Mr. Deeter found it interesting that most of the time it's not the planning commissions who turn down proposals; it is usually the residents who oppose. The Airport Commission should take into consideration that there is no opposition from the landowners. He feels the Commission should cooperate with the property owner so they will meet our concerns. Mr. Deeter mentioned a document called an agency agreement which is signed by the homebuyer which states all the conditions of the property and environment. He realizes the Airport Commission probably does not have a way to control the land without purchase and is pleased the developer is listening to the concerns. Mr. Deeter stated he does not see any real reason the Airport Commission should be opposed to the development.

Ms. Thomen feels the concept is wonderful but is concerned about the location in relation to the airport. She asked where the water would come from for the golf course. Mr. Steiner replied that ponds would be built.

Mr. Schlagel stated that full disclosure is critical and required. It is possible to make additional changes and to move more fairways to the south maybe as much as 1/8 mile.

Ms. Thomen commented that the Airport Commission should state their concerns. Mr. Schlagel commented they understood the concerns. Mr. Viets thanked Mr. Schlagel for showing the Commission the plans and pointed out the urgency of the impact zone, stating this may not be an appropriate use for the area.

PROPOSED HIGHWAY IMPROVEMENT

Mr. Bruce Craig reviewed the BOCC's discussion on the proposed "21st Century" parkway. The original proposal was for the highway to run down K-7 highway from K-10 highway to the southern part of the County, then swing east to Missouri. There was a great deal of vocal distress from citizens along the route causing direction by the BOCC to eliminate the eastern section. Howard Needles is doing a study. Mr. Craig felt there was some interest at looking
at the western portion. The BOCC decided to submit this project to the State for their enhancement program. The State prioritized and suggested changing the route to a section that came down from K-10 and down a corridor along K-7 through Olathe down to link up to 169 Highway. BOCC suggested a more western route to encompass DeSoto, the airport and the City of Gardner. There was concern about citizens along this route opposing the proposal as was encountered with original proposal. Mr. Craig was in favor of the western route because it opens up western Johnson County. The discussion yesterday was a fallback decision to go along the contours of Kill Creek Road to take out some of the bends. The BOCC will now find out if the State is interested in the project and will update the project at the November meeting.

D. Report of the Executive Director:

Mr. Metcalfe discussed the summary of the capital projects included in the agenda notebook. Next he discussed a disbursement for approximately $4,800 to relocate 550' of water main from underneath 151st Street. Mr. Metcalfe explained he exercised executive discretion in authorizing the emergency expenditure. The county was rebuilding 151st Street, and the blueprints showed the water line on the south edge of the right of way. However it actually runs down the center of the street. When the contractor began to tear up the road he broke the water line numerous times. We sent him a bill for the repair because we were informed the contractor knew the location of the line. Public Works got involved saying that is not where the water line was shown on the blueprints, and if they would have known the water line was under the street, the Airport Commission would have been asked to move the line. At that point, an estimate was received from a contractor to relocate the line from underneath the road and the work completed.

Mr. Metcalfe reported on a couple of articles in the newspaper that an ILS would be installed at the Executive Airport. A press release came from Senator Dole's office stating that funds were to made available for navigational aids to be installed at three Kansas airports, including "Olathe." After contacting Dole's office it was discovered that $500,000 had been earmarked in the FAA budget for "an ILS" at the Executive Airport. However, the appropriation bill has not been signed by the President. It was determined that a 4,100' runway could use an ILS system. Mr. Metcalfe stated he has not received anything in writing on the improvement.

Mr. Metcalfe has talked with Gardner about the water agreement. The proposal will now go to a committee and the City will make a decision at the November 6 meeting. He did not anticipate any problems with getting approval.

Cheryl Leichliter was present to discuss with the commission a performance review for Mr. Metcalfe. At this time Mr. Metcalfe,
Mr. Fredrichs, Mr. Smith, Mr. Schaefer, Mr. Harness, and Mr. Craig left the meeting. Mr. Walter stated he was supposed to get with Ms. Leichliter to discuss the performance review and had not been able to. Ms. Leichliter distributed forms for the evaluation and discussed procedures to be used. Mr. Viets thought it important for Mr. Metcalfe to have a sense of working for one person instead of a group and suggested after the group evaluation that the chairman should discuss the evaluation with him on a one on one basis.

The meeting was adjourned at 4:02 P.M.

KIRBY DEETER  
SECRETARY

R. LEE METCALFE  
EXECUTIVE DIRECTOR
JOHNSON COUNTY AIRPORT COMMISSION

MINUTES - NOVEMBER 14, 1989 - 1:00 p.m. - INDUSTRIAL AIRPORT

Airport Commission: Present
Walter Schumacher Craig
Thomen Viets Meyer

Absent
Deeter

Staff:
Metcalfe Fredrichs Schaefer
Harness Gillespie Smyth

Others:
Jan Landon, Olathe Daily News
Regina Akers, Kansas City Star
Ross Steiner, Delta Properties
Pat Daniels, Varnum/Armstrong/Deeter, Realtors
Arlene Kirk, Commercial National Bank
Frank Taylor, Commercial National Bank
Rea Wilson, Sun Newspapers
Lenore Tosor, BOCC Adminis. Assistant
Steve Nicely, Kansas City Star
Buddy Biancalana, Terra Venture, Inc.

The meeting was called to order at 1:00 P.M. by Chairman Craig.

I. APPROVAL OF MINUTES

Mrs. Thomen moved to approve the minutes of the meeting of October 10, 1989. Seconded by Ms. Schumacher and approved unanimously (5-0).

II. REPORT OF THE CHAIRMAN:

A. Appointment of committees.

Chairman Craig appointed Phyllis Thomen as Chairman of the Administrative Committee. Other members will be Trish Schumacher and Paul Walter. Mark Viets was appointed as Chairman of the Industrial Committee. Other members will be Kirby Deeter and Stan Meyer.

III. REPORT OF THE TREASURER:

A. Disbursements for October, 1989.

No comments were made on the disbursements list.

B. Receivables report.

Mr. Metcalfe reported the list is smaller than it has ever been. The Army Corps of Engineers lease is awaiting renewal; this will be discussed later in the meeting. The Hamblin Petroleum lease is
still being negotiated. The payment will be collected before the lease is signed. The only real concern with the T-hangar accounts is the Menezes account, which has been running about three months behind for the last several months. Mr. Fredrichs stated Mr. Menezes is making an effort to bring the account current. Mr. Metcalfe directed Mr. Fredrichs to write Mr. Menezes a letter directing him to bring the account current or be out of the hangar by December 31, 1989.

(Mark Viets arrived 1:10 p.m.)

C. Year-to-date actuals vs. budget report.

Mr. Metcalfe commented on being over 100% of budget on several line items on the revenue report. Fuel flowage is higher due to the C5A program at Industrial, and operations at Executive have increased. Hangar revenues are due to the increase in hangar rents as of October 1, 1989 and several tenants having made advance payment due to new payment schedule. At the end of the year it will be shown as unearned income. The Emergency Medical Services line item includes a 1988 payment. Mr. Metcalfe mentioned that several of the year-to-date expenditures have been adjusted since the last report, the reasons being some monies have been reallocated based on previous discussion and several encumbrances are shown. Mr. Metcalfe reported that the Airport Commission budget is in good shape.


Mr. Metcalfe stated the projections are being tracked closely to assure we come in favorably to budget in 1989. There have been some adjustments to various line items. The net change in the amount of money available for reallocation is only $8,000 (reduction). The expenditure year-end projections now include everything believed to be spent by the end of 1989. The intent is to have approximately $20 - $25,000 at the end of the year to leave a cushion for contingencies.

Mr. Viets asked if the 1990 budget was already completed. Mr. Metcalfe reported it was adopted by the BOCC in August. He also stated he gave an updated version of the budget to the Administrative Committee showing a revised projection of revenues. There will be an opportunity during the year to adjust the budget as it's needed, as long as the spending authority is not exceeded. Chairman Craig pointed out that the budget for 1989 was adopted in the summer of 1988 before the Airport Commission was getting financial reports and had any input. Mr. Metcalfe was compelled to submit the 1990 budget less than sixty days after being on the job, and he has discovered since that time that the basis for some of his line item amounts were not accurate and some line items may have to be changed.
Mr. Metcalfe reported that through negotiations with the Wastewater District, the bill for operating the sewer plant in 1988 dropped from $147,000 to $89,689. The full capital costs for the two pickup trucks, which Mr. Metcalfe disagrees with, are still included in the final figure, but he feels that Wastewater's settlement offer is otherwise reasonable. This bill represents sewer plant operations for 1988 that the district had not budgeted for.

Mr. Meyer had several questions about the format and information in the financial reports. Chairman Craig suggested Mr. Meyer work with the staff to develop a way this information can be presented. Mr. Metcalfe cautioned that the current source documents for the reports may not provide the information Mr. Meyer was interested in, but it may be possible to gather the information from various other sources.

Mr. Viets asked how the progress of activities of the airport can be demonstrated other than by judging it in relation to the budget. How can the overall picture of the airports becoming more of a benefit to the County and less of a liability be seen? What technique can be used to come up with a type of profit and loss statement? Mr. Metcalfe stated that because we are an enterprise fund we can literally do business-type financials. That would require some assumptions be made until the books are closed at the end of the year. One assumption would be that we would get full credit for the general fund revenues (taxes), and that information does not come out until the end of the year. Another part of the problem is the mix of accounting methods used (cash-basis, modified and full accrual), which makes presenting a consistent picture difficult. If the objective is to show that the Airport Commission is becoming more self-supporting over time, the place to look for that is in the annual budget where the sources of revenues are broken down into general fund monies and self-generated revenues. At this point the airport generates 2/3 of its operating money, with the other 1/3 coming from the general fund. That does not include capital items under the Capital Improvement Plan. Chairman Craig commented that the revenue reports do not specifically identify tax revenues collected from tenants. Mr. Metcalfe reported that that information could be collected and made available. Mr. Viets reiterated his point that it would be beneficial to be able to see the progress of the airport and that it would be acknowledged that there may be adjustments.

Moved by Mr. Viets and seconded by Mr. Meyer to approve the vouchers for October as presented. Approved unanimously (5-0).

IV. COMMITTEE REPORTS:

The Administrative and Industrial Committees had no report.
V. STAFF REPORTS:

A. Report of the Director of Aviation.

1. Mr. Fredrichs reported that operations are on track. The C5A program is completed for 1989. There will not be as many in 1990 as in 1989. On Friday, November 10 there were two C5A's and one DC9 at the Industrial Airport and there were 18,000 gallons of fuel sold to those three planes in addition to normal fuel sales.

2. The underground storage tanks at Parsonitt should be out by the end of the month. We intend to keep three tanks in the bulk fuel farm active. These will be tested for integrity per EPA regulations. Seventeen of our twenty-seven tanks will be removed by the Army Corps of Engineers, and the four 25,000 gallon tanks formerly leased by Hamblin Petroleum will be removed at our expense by next summer. Mr. Meyer asked if three tanks gives adequate storage. Mr. Fredrichs reported it is adequate for current use, but not for any expansion. All tanks in use will be tested annually, but will have to be removed by 1998, per EPA regs.

3. At the present time we have 145 out of 190 new hangar leases returned. All tenants are paying the new rate, but some of the signed leases have not been returned. Mr. Fredrichs reported there are no vacancies. At Industrial the waiting list is down to seven, and at Executive it is still over sixty. He felt that no tenants were lost over the increase in rates. Chairman Craig commented that the increase was very moderate. Mr. Fredrichs reported on the advance payments from the hangar tenants, which are more than expected.

4. The Master Plan is in the Flight Standards Section of FAA for study. It is being held up there because they are waiting on approval for the ILS at Executive, which is included in the spending bill to be approved by the President. They hope to have the master plan completed by January 1. The application for grant funds has been submitted, but since it is tied to the approval of the master plan it is being held up.

Chairman Craig suggested the Commission deviate from the agenda to take care of the guests present. Mr. Pat Daniels commented that they were interested in the update by the executive director on the BOCC agenda item on Delta Properties. Mr. Metcalfe referred to Item V. D. 5. He discussed the BOCC request to chief counsel Don Jarrett for a recommendation of how the issue of zoning at and around the airports ought to be addressed. This has been reviewed and has conceptually been supported by the BOCC. Mr. Metcalfe directed the Commission's attention to the copy of the resolution to be considered by the BOCC on November 16 that would be the enabling legislation to start the process of determining zoning authority. Chairman Craig commented on the make-up of the work study group. Mr. Metcalfe explained that Mr. Jarrett suggested
highly technical people for the group because he sees their role as primarily information gathering and digesting, as opposed to decision making. They will collect and review all the available information and if necessary develop additional information, all of which would be consolidated in a report that would be presented first to the Airport Commission for their review and forwarding with recommendations to the BOCC. Mr. Metcalfe reported it was recommended in Mr. Jarrett's document that the Airport Commission conduct public hearings on the report submitted by the work study group. The BOCC questioned the product and timing of the work study group and Mr. Jarrett suggested that be the first topic addressed by the group. Ms. Schumacher commented she did not see the process of the Airport Commission reviewing the document submitted from the study group in the draft resolution. Mr. Metcalfe asked if the Commission wanted the resolution to be more specific in stating that the Airport Commission should formally review the outcome of the group. Chairman Craig commented he did not think that would be necessary since the Airport Commission would not get any legislative authority. Mrs. Thomen commented if the Airport Commission had that privilege all other involved entities would want the same thing. Chairman Craig clarified Ms. Schumacher's concern and stated he felt the review by the Airport Commission would be at the discretion of the BOCC. Mr. Viets feels there should be a representative included in the study group for the airport internal issues. Chairman Craig stated that adding that type of person to the staff will be considered by the Airport Commission, and that the Airport Commission has consensus requesting a position on the study group for that person. Mr. Metcalfe remarked he did not expect the FAA to take an official seat on the group as they tend to avoid getting involved in local political issues. However, they may act as a technical resource.

Mr. Viets expressed his delight in the attention this matter is finally receiving. Chairman Craig commended Mr. Viets for his persistence concerning the issue. Chairman Craig and Mr. Metcalfe attended the BOCC meeting when this issue was discussed, and Mr. Craig believes they are now prepared to address the situation. The process will take several months.

Mr. Metcalfe explained that the Airport Commission has been asked to indicate support for the overall concept and specifically for the resolution. Mr. Viets moved that the Airport Commission support the resolution as modified including a position on the work study group for an industrial park consultant that would be hired as Airport Commission staff, and also supporting the concept previously submitted by Don Jarrett, seconded by Stan Meyer and approved unanimously (5-0).

Mr. Metcalfe reported that the Delta Properties applications are scheduled to be heard by the BOCC Thursday, November 16. Mr. Metcalfe will be attending to represent the Airport Commission.
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(The Lakir/Delta Properties group departed at this point.)

B. Report of the Director of Planning and Administration:

Mr. Schaefer reported on the retirement of O. D. Smith which has left his position vacant. The staff plan is to leave the public relations part of the job vacant and to fill that position concurrent with the Industrial Park master plan, so that person will be involved primarily with the economic development of the airport and be tied in naturally with the master plan. A temporary part-time person was hired to help in the post office in the morning hours. Mr. Viets commented he didn't realize that was what Mr. Smith had been doing. Mr. Metcalfe explained the job evolved away from the public relations and marketing activities to running the post office and publishing a newsletter. Mr. Metcalfe purposely left the position vacant so it can be redescribed when the needs are determined. The duties were separated to carve out the post office duties which are about sixteen hours per week.

C. Report of Counsel to the Airport Commission:

1. Mr. Harness reported that he is still working on some leases which he hopes to have straightened out by the end of the year, which means they will be completed by the December 12 meeting. He discussed the necessity of hiring a surveyor to complete some legal descriptions that are not adequate. Chairman Craig asked if funds for a surveyor were included in the reallocations. Mr. Metcalfe said not specifically, but he would be addressing that issue later in the meeting. Mr. Metcalfe remarked there will be about $20 - $25,000 uncommitted funds and that other commitments listed may have to be forgone. Part of the problem is the need has not been quantified.

D. Report of the Executive Director:

1. Mr. Metcalfe reported on the status of the capital projects. The railway is almost complete. The bid was favorable allowing another 12% worth of work to be done within the guideline of the purchasing procedures, which rebuilds almost the entire railway. The rail is restabilized with some new ties, the ballast has been "sweetened", and the rail is being straightened.

The road and street light projects have been awarded, however the road work will not begin until next spring. There will be a meeting with the street light contractor to see if he wants to begin work this year. Overall, the projects are going well. Chairman Craig asked about the windows in the administration building. Mr. Schaefer reported the notice to proceed will go out after the pre-construction conference to be held Tuesday November 21, 1989. The windows will be totally replaced and carpet will be replaced after the windows are installed and the roof is fixed. Bids on the roof will be opened on November 30. Mr. Walter
questioned the considerable difference between the bid and engineer's estimate on the window replacement project. Mr. Schaefer explained the specifications were carefully reviewed, and the contractor checked thoroughly. Staff will watch the construction closely and Howard Needles will be providing on-site inspection.

Mr. Metcalfe reported the bid for the fire truck came in at $158,000. The next obstacle will be the financing as there is a difference of opinion between the Budget Dept. and the Finance Dept. as to how it ought to be paid for. Mr. Viets asked about using the residuals from the various bonded projects for adding more street lights. Mr. Metcalfe explained that there are limits as to how the bond money can be used. The bond resolution allocates specific amounts to specific projects, and we cannot arbitrarily reallocate the leftovers. Any remaining money will go back into the debt service fund. The funds left from the window project will be used to pay for the roof on the administration building, as the bond resolution says "administration building improvements." On the street light project, all the underground work will be done, then light poles added until the funds are depleted, and then as more money becomes available, light poles can be added.

2. Mr. Metcalfe reported that we have received approval from the City of Gardner for an additional 20,000,000 gallons of water for 1989. He suggested that in recognition of their patience and willingness to work with the Airport Commission, there should be reconsideration made on their request for a lease for the triangle of land (approximately 17 acres) west of the Airport for a park. The Airport Commission could convey use to the City of Gardner in a long term lease. The property is of no value to the airport and is actually a maintenance problem in terms of the mowing and upkeep. Gardner is willing to specify in the lease that the property will be used only for a park. Mr. Viets prefers not to do anything with the property until a logical plan for land use is in place. Chairman Craig asked Mr. Viets if he felt any plans would be made for industrial use of airport property west of Moonlight Road and Mr. Viets replied probably not. Chairman Craig saw no reason to wait any longer to make a decision. Mr. Meyer suggested allowing the lease to Gardner with some strings attached in case it is needed for future use. Chairman Craig asked about the adjoining uses. Mr. Metcalfe reported that the use was low-to-moderate-income residential. Ms. Schumacher disagreed with Mr. Viets, and stated that the lease would show good faith on the Airport Commission's part, and that when land use is discussed, the highest and best use should be considered. A park would be the best use for this property. She agreed with Mr. Meyer that the lease not be open-ended. Chairman Craig suggested taking a middle ground position and express the Commission's willingness to cooperate, but with the proviso that we conclude the airport-area zoning review before signing a long-term lease. Mrs. Thomen stated
they have been hearing that for a long time. Ms. Schumacher commented she did not think it was fair to leave them on an indefinite status. Mr. Walter suggested a committee look at this issue; he does not recall seeing the request before. Chairman Craig assigned the topic to the Industrial Committee to report back to the Commission next month. Mr. Meyer asked Mr. Harness if a lease such as this needed approval from the BOCC. Mr. Harness reported that the statutes only require BOCC approval for leases for revenue bonds, however, if it is going to be a long lease the BOCC should have the opportunity to ratify. Mrs. Thomen suggested that Mr. Metcalfe develop a plan for the industrial committee to work with. Ms. Schumacher concurred with Mrs. Thomen that a decision should be made at the next meeting.

3. The decision was made at that last Airport Commission meeting to select A. C. Kirkwood to conduct the water source study. They were contacted immediately; they submitted a letter of engagement to Mr. Metcalfe which was in turn submitted to the Purchasing and Legal Departments. A modified agreement was developed by Legal and sent back to A. C. Kirkwood and now they wish to make a couple of changes. When the contract is agreed upon by both parties, the study will be completed in 45 days. Mr. Metcalfe reported that A. C. Kirkwood has already begun preliminary work on the study. Chairman Craig asked if the delay was because of County purchasing procedures. Mr. Metcalfe explained that the Purchasing Department is overwhelmed with work this time of year and the Legal Department is limited in the amount of time they can devote to items because of other demands, such as reappraisal.

Related to that subject, Mr. Metcalfe reported that the County staff is in the midst of a strategic planning process to create a plan and somewhat of a shopping list for the BOCC. There are six focus groups within the plan, one of them being General Services, which is discussing departments such as personnel, purchasing, legal, and accounting. The general consensus is the central service departments aren't responsive to the needs of the operating departments. It is either caused by being overlegislated or understaffed, meaning rules and procedures are in place for completing the processes, but there is not enough staff to implement it efficiently. Chairman Craig reminded the Commission that sometimes we get impatient, thinking projects take longer than expected but that is part of centralized purchasing.

4 & 7. Chairman Craig stated that immediately preceding this meeting he was advised by counsel to delay for another month any discussion of the status of the gas leases and the reports pending on this issue. None of the Airport Commission members have received the report and it will not be discussed.

6. Mr. Metcalfe reported on the property tax situation. As a result of reappraisal and a comprehensive look at the property tax situation in the County, properties at both airports have been
added to the tax rolls. The County Appraiser is responsible only to make sure all the property in the County is on the tax rolls, not to decide what should be exempt. Tax bills have been mailed out and several have been received by tenants. Staff has spent a considerable amount of time trying to understand who would be getting tax bills and analyzing the impact of the situation. As nearly as staff can tell, no tenant should get a tax bill they weren't expecting. Any "new" tax bills should come directly to the Airport Commission. We must now apply for exemptions on all the properties eligible. It will be necessary, as mentioned earlier in the meeting, to hire a surveyor or engineer to complete legal descriptions on the properties in order to apply for the exemptions. The only legal descriptions available to the appraiser were the descriptions of the parcels that were assembled by the Federal Government back in the 1940's. To deal with the taxes the land must be described based on use, including the airport operations area, aeronautical areas, road rights of way, railways, etc. The ground leases are not a matter of record in the appraiser's office, so they are not shown separately. Chairman Craig asked how the properties are described in the leases. Mr. Harness stated that there are metes and bounds descriptions in the revenue bond leases, but others are only stated as a certain building number. The property needs to be described by metes and bounds according to use. Chairman Craig asked if that also included ground used for aeronautical purposes. Mr. Metcalfe stated any use that can be described, should be. Chairman Craig asked if there was any estimate on the cost for the surveyor. Mr. Metcalfe has contacted surveyors; they will not give a quote without studying the available information. That process would take several manhours and there would probably be a fee just for coming up with an estimate. Mr. Metcalfe estimated that the actual survey fee will probably be around $10,000 to $20,000. Chairman Craig asked the status of the applications since there are no legal descriptions. Mr. Harness stated some of the original exemptions for the property have already been filed with the Board of Tax Appeals by the previous Appraiser. The ones that need to be done haven't been started on yet, but he will need the tax bills to get the descriptions. Chairman Craig asked if it will be necessary to go through County purchasing procedures to contract with a surveyor. Mr. Metcalfe explained that because of the emergent nature of the project it can probably be waived. We have until December 20 to pay the tax bills unless we file exemption applications. The payment can be held in abeyance until the Board of Tax Appeals rules on the application. Mr. Harness recommended hiring a surveyor for the first step, so the applications can be completed. Chairman Craig stated that only gives 35 days before payment is due. Mr. Metcalfe explained the penalty may be some interest due on those properties found not to be eligible for exemption. Mr. Meyer questioned the need for the entire airport to be surveyed, and asked if the process can be simplified to get the necessary information to complete the exemption applications. Mr. Harness commented that it may not be necessary to "survey" the
entire airport, but that metes and bounds descriptions would be needed for all parcels for which we want exemptions.

Mr. Metcalfe stated a need for a decision about the advisability of legislation similar to that adopted for Salina and Topeka. This would require agreement and support from the BOCC. Legislation is not passed easily and requires a tremendous amount of effort even to get it considered. Chairman Craig asked about the content of the Topeka and Salina legislation, recognizing both are previous military bases that have been converted into civilian uses. Mr. Harness stated they enjoy the status of complete tax exemption on all uses of the property. Mr. Meyer asked if that included industrial uses. Mr. Metcalfe stated he was not sure what that included and or how it is determined. Mr. Harness explained the legislation does not specify if there are any industrial tenants located at the airports. The Airport Authority has exempt status, but we're not sure about the situation of vacant land. Mr. Metcalfe asked if there was a feeling from the Commission about pursuing legislation. Chairman Craig stated that the Commission would like to see legislation adopted clearly exempting airport uses, the Army and Navy, government support functions, and the vacant land. Exemptions for privately-owned industry need further consideration. Mr. Meyer suggested payment-in-lieu-of-taxes in those cases. Mr. Viets asked what the lease tenants were told in regard to their exemption status. Mr. Metcalfe stated that the tenants he has spoken with are under the distinct impression that they are exempt under their revenue bonds, but there is an "impositions" clause in all the bonded-project leases which literally states we can pass on to them any tax, assessments, and other types of costs that are legally enacted. Ms. Schumacher asked about feedback from the tenants. Mr. Metcalfe said he has received two calls from tenants who knew they were getting tax bills but didn't realize they were going to be so big. There are 40 leases, and approximately 15 went on the tax rolls that were not expecting it. Ms. Schumacher moved and Mr. Walter seconded to hire a surveyor to obtain legal descriptions and to recognize the emergency of this issue and request exemption from the County's purchasing procedures, approved unanimously (5-0). Mr. Viets suggested getting an hourly rate from a surveyor so the work can begin. Mr. Metcalfe stated the total should be determined so the funding can be decided.

Chairman Craig stated that Mr. Metcalfe has asked for support to lobby for legislation. He feels the Commission is not ready to do that at this meeting. Mr. Metcalfe pointed out that would delay a decision for 30 days until the next Airport Commission meeting, cutting down the amount of time to prepare. Mr. Harness suggested that legislation be a fallback position. Johnson County should be entitled to the same opportunities as Salina and Topeka. If the process with the Board of Tax Appeals is not successful this would be a cushion. Chairman Craig stated there is not a complete understanding of the legislation passed for Salina and Topeka. Mr.
Harness replied he feels it includes exemptions for all property at the airport excluding industrial uses that are non-aviation related. Mr. Viets remarked there needs to be careful consideration of the term "aviation-related." Mr. Metcalfe reported the Wichita case includes as exempt, all the airplane manufacturers, including training facilities and marketing. King Radio and JC Air would possibly be eligible for exemption due to the nature of their business. Chairman Craig remarked he did not hear anyone suggesting privately-owned industry at the airport on leased ground should be exempt from taxes. Mr. Viets stated he is not prepared to support that morally, but does say again there is a selection of tenants that have that point of view because previous airport representatives said that to them. Mr. Walter commented that some companies do have tax-free status and it should not be ignored. Mr. Harness explained that in the past there has been a confusion between Airport Revenue Bonds and Industrial Revenue Bonds, and the exemptions granted. Some of those applications on the original issues were never submitted to the Board of Tax Appeals. Mr. Metcalfe reported that after 1986 there is statutory authority for the BOCC to grant exemptions to new projects for economic development purposes, but Chairman Craig stated the BOCC has chosen not to use that authority. Mr. Meyer asked if there was a summary of the content of the leases and of what was promised to each tenant. Mr. Metcalfe reported there is a summary of the leases but no information on what was promised to each tenant. Mr. Meyer suggested additional information on each lease and possible some policies set for future purposes. Mr. Viets stated he is not ready to make any decisions and needs to be further educated on the issue. Chairman Craig asked Mr. Metcalfe how the Commission should proceed. Mr. Metcalfe explained because of the time element we must proceed to explore the possibility of submitting legislation, at least put a plan together with suggested language to use as a discussion point with BOCC. They must be involved and we must rely on the Legal Department and on Gerry Ray, the County lobbyist, to give guidance of how it should all be put together. If it is delayed for 30 days it will be tougher to get something done. Chairman Craig commented that the BOCC usually has a meeting with the legislative delegation from Johnson County in the second half of December or first of January. (Note: the legislative meeting is scheduled for Dec. 15, 7:30 A.M.). He suggested the Airport Commission ask the County to support the concept of tax treatment similar to that which was granted to Topeka and Salina. He does not feel the Airport Commission is equipped today to make a final decision. Mr. Metcalfe stated the Topeka and Salina legislation would be further studied to determine its exact application. Mr. Meyer stated if there are people protected by leases, those need to be addressed, but if someone should be paying taxes they need to be addressed also. Mr. Metcalfe commented it could take three or four months to get the rulings from the Board of Tax Appeals; it has been estimated that they will receive 15,000 appeals from Johnson County alone. Mr. Meyer commented that some type of legislation was probably going
to be needed anyway. Mr. Walter replied that he wasn't sure we even know that for certain; we need a better understanding of the existing legislation for Salina and Topeka so we could maybe take advantage of the existing situation. Mr. Viets commented that previously when legislation was needed for the Industrial Airport, we asked for it and received it, and didn't take time to ask about what Salina and Topeka got. Mr. Walter explained that it would be easier for us to follow Salina's and Topeka's legislation if that is what is needed for our situation. Mr. Metcalfe suggested that staff should be directed to continue to research this idea and have an Industrial Committee meeting in two weeks to discuss the findings. We need to have all our options explored and be prepared to make a fairly quick decision to take some action.

VII. NEW BUSINESS:

A. Mr. Metcalfe reported that the Airport Commission has been asked by Royal Tractor, who leases a former Navy Building, to absorb the cost of repairing plumbing and windows. Mr. Metcalfe feels the plumbing problems are due to poor maintenance and possibly abuse by their employees. Royal Tractor believes these repairs are not in the definition of normal wear and tear as addressed in the lease. As an inducement for us to look favorably on the deal, they have offered to have the repairs performed by a contractor according to our standards, paying up front, and then deduct that from the rental payments over the remaining eight years of their lease. Mr. Walter asked what their rent is. Mr. Metcalfe reported they pay approximately $2,300 monthly. Howell Mouldings is a building similar to Royal Tractor's that seems to have been maintained properly. It does not have these problems. The precedent has been not to pay for repairs of this nature. Mr. Metcalfe feels the problems were aggravated by abnormal wear and tear and poor maintenance which are the tenant's responsibility according to the lease. Mr. Metcalfe recommended that the Airport Commission not pay for the repairs because it is not our responsibility according to the lease, and because past practice has been not to do so. Mr. Walter moved and Mr. Meyer seconded that the Airport Commission not pay for the repairs requested by Royal Tractor, approved unanimously (5-0).

VI. UNFINISHED BUSINESS:

A. Mr. Metcalfe reported that Terra Venture is continuing to pursue approval for a lease for property on the corner of Hwy 56 and Moonlight Road for construction of a retail center. They have been working closely with the City of Gardner and several potential tenants, one being the First Kansas Bank and another a grocery store in Gardner. The package is close to completion. Buddy Bloncalana was present representing Terra Venture and reported they are ready to move forward with their plans and need to negotiate with the Airport Commission. The Gardner city administrator has lobbied the Airport Commission to keep the ball rolling on this
project. The land will be annexed by the City of Gardner prior to any construction, therefore the land use issue and the building codes enforcement will fall upon the City of Gardner. Utilities are arranged for and will be provided by the City of Gardner. The are two remaining considerations for the Airport Commission; how the lease will be structured and what the rental rates will be. Mr. Metcalfe recommended the Commission give conceptual approval of the Terra Venture plan and that Mr. Metcalfe and Mr. Harness be authorized to negotiate with the City of Gardner and the proponents of the plan and work out a proposed lease. Mr. Walter moved to give conceptual approval of the Terra Venture plan allowing Mr. Metcalfe and Mr. Harness to negotiate a proposed lease with the City of Gardner and Terra Venture, seconded by Mrs. Thomen. Mr. Metcalfe stated he has given the plan deep consideration and recommends approval. If there is any place appropriate for a retail center it would be that corner. The project is far enough away from the Industrial Park that it would cause no problems, and is screened from the "industrial park" by the Woodstone Apartments. Chairman Craig asked for clarification on the annexation proposal. Mrs. Thomen stated that Gardner's proposal does include Woodstone Apartments and the entire corner. There is presently a portion of that property owned by the Airport Commission already in the City of Gardner. Chairman Craig emphasized there is a considerable difference in the lease amount for retail vs. industrial properties. He summarized he feels we have a viable developer with a project favored by the City of Gardner and a decision should not be delayed any longer. Chairman Craig does share Mr. Viets' concerns over not having a master plan in place for airport property uses, but doesn't feel that is a reason to delay a decision. Mr. Walter restated his previous motion to give conceptual approval of the Terra Venture plan allowing Mr. Metcalfe and Mr. Harness to negotiate a proposed lease with the City of Gardner and Terra Venture. Mr. Viets was adamantly opposed to approval of the proposed plan. Ms. Thomen called for the question. Chairman Craig explained that Mr. Viets could express his opposition by his vote and called for a vote on the motion on the floor. Mr. Meyer commented that the question for closing debate should be voted on first. Chairman Craig then called for a vote on the question to close debate. The question was denied (2-3), therefore debate was continued. Mr. Viets is not opposed to development, and feels if the retail center is a good idea today it would be a good idea a month from now, and would prefer to defer a decision until the zoning questions are answered. Mr. Meyer questioned the motion made and if it included Mr. Metcalfe setting the lease rate. Chairman Craig stated that the final lease would need approval from the Airport Commission.

Mr. Viets does not resist the idea and but does not understand the Commission's stand on piecing off property to different cities. He does not feel the annexation subject has been addressed properly. Mr. Meyer stated he will probably abstain because he is a new member of the Commission and is not thoroughly familiar with
the issue, but does agree with Mr. Viets' concerns about the piecing off of property. Chairman Craig commented to Mr. Viets that the Airport Commission may pay the price for the delay. He feels the proposal is not unreasonable and it is not fair to the developer to delay an decision while the Commission gets their act together. Mr. Walter commented that a portion of the property is already in the City of Gardner and they have promised to annex the remaining property and feels this is a unique situation and should be considered. Mr. Metcalfe commented he is a big believer in master plans but feels this particular opportunity is unique and feels the Commission needs to use their own judgement on this matter now. Chairman Craig restated the motion that the Airport Commission will permit Mr. Metcalfe and Mr. Harness to meet with the City of Gardner and the developer to discuss the concept and to determine that Gardner does intend to annex and service with all infrastructure needs and all city services and come back to the Commission with a recommendation for the usage and to include a proposed ground lease. Mr. Walter and Mrs. Thomen agreed that was the content of the original motion. Ms. Schumacher questioned where the input for the lease rate would be found and suggested qualified numbers be researched to obtain an amount. Chairman Craig called for a vote on the motion and it was approved (3-1 with one abstention).

B., C. & D. Mr. Metcalfe reported that there were contract language problems discovered by the Legal Dept. on all three of these items and that they needed further discussion with the Army and the FAA before recommending approval by the Commission.

VII. NEW BUSINESS:

B. BOCC Chairman Bruce Craig has requested the Airport Commission give a written endorsement of the latest plan for the K-7 West Bypass. Mr. Metcalfe recommended the Airport Commission endorse the overall concept but not specifically the routing through the southwest part of the airport. Additional detailed information about the amount of airport land needed and the effect on the Industrial Parkway interchange is needed before making a specific endorsement. Mr. Metcalfe suggested the proposed highway routes be included in the Industrial Park master plan. Mr. Viets moved the Airport Commission endorse the concept of the relating of the 21st Century Circumferential Parkway/K-7 West Bypass to the master plan of the Johnson County Industrial Airport and further encourage the BOCC to submit additional details, seconded by Ms. Schumacher and approved unanimously (5-0).

Mr. Walter moved and Ms. Schumacher seconded that the Airport Commission adjourn to executive session to discuss pending litigation for thirty minutes until 4:15 p.m. or as soon thereafter as the session ends, approved unanimously (5-0).

The regular meeting reconvened at 4:15 p.m.
Mr. Walter moved, as recommended by legal counsel, that the settlement options on the Sandow vs. Johnson County case, with the modifications that were discussed, be recommended to the BOCC, seconded by Ms. Schumacher and approved unanimously (5-0).

Ms. Schumacher moved that Mr. Metcalfe and Mr. Harness negotiate with Union Gas on a transfer of ownership of the gas lines, seconded by Mr. Meyer and approved unanimously (5-0).

Mr. Viets moved the BOCC file an appeal of the decision made by the Board of Tax Appeals concerning the tax exempt status of the working interest in the oil and gas leases, seconded by Mrs. Thomen and approved unanimously (5-0).

Ms. Schumacher moved to direct Mr. Metcalfe and Mr. Harness to approach each landowner with which the Airport Commission holds gas leases and negotiate an agreement by which the Airport Commission will transfer the leasehold interests back to the landowners in exchange for their accepting plugging liability and that the negotiation include the value of the personal property, and that Mssrs. Metcalfe and Harness, upon completing those negotiations, make a recommendation to the BOCC on the acceptance of those agreements, seconded by Mrs. Thomen and approved unanimously (5-0).

The meeting was adjourned at 4:25 p.m.

Kirby Deeter, Secretary

R. Lee Metcalfe
Executive Director
JOHNSON COUNTY AIRPORT COMMISSION

MINUTES - DECEMBER 12, 1989 - 1:00 p.m. - INDUSTRIAL AIRPORT

Airport Commission:  Present
                      Schumacher    Craig
                      Thomen        Viets (1:15 p.m.)
                      Meyer (1:55 p.m.)

                      Absent
                      Deeter       Walter

Staff:  Metcalfe  Fredrichs  Schaefer
        Harness  Tarbutton  Smyth

Others: Kevin Robbins, Olathe Daily News
        Connie Bye, Kansas City Star
        Jim Stegeman, Oil & Gas Consultant
        Rea Wilson, Sun Newspapers

The meeting was called to order at 1:00 P.M. by Chairman Craig.
A quorum not yet being present, Chairman Craig suggested the
meeting begin with informational items.

III. REPORT OF THE TREASURER:


No comments were made on the disbursements list.

B. Receivables report.

Messrs. Schaefer and Fredrichs reviewed the past due receivables.
No significant problems were noted.

Chairman Craig asked about receipt of new leases for the T-hangars.
Mr. Fredrichs reported a second letter has been sent requesting the
leases be returned and we are receiving good response. There are
still 27 leases not returned. He reported that 2 or 3 tenants are
refusing to sign the new lease and are taking the position that
their old lease is still valid. Mr. Harness stated the new lease
has a provision for liability insurance and we should continue to
pursue collection of the new leases. His concern was failure to
execute the new lease may indicate the lack of liability insurance.
There should be clarification that the old leases are null and
void. Chairman Craig requested Mr. Harness draft a letter on Legal
Dept. letterhead to send to the tenants.

C. Year-to-date actuals vs. budget report.

Mr. Schaefer reviewed the reports. No significant concerns were
noted.
D. End-of-year projections.

Mr. Schaefer discussed end-of-year projections. The two largest revenue shortfalls are due to the discontinuation of sewer operations and the sales of gas. Excluding those line items, total projected revenues are only $7,000 short of the budgeted amount. The gas operations projected expenditures include a $73,000 encumbrance for taxes, penalties and interest on the gas wells. Mr. Metcalfe reported that with the assumptions used in these projections, there should be an ending fund balance of at least $36,000 at the end of 1989.

Mr. Metcalfe reported there are a couple of potential expenditures to which some or all of the $36,000 could be applied. These would include a compact tractor/mower for $8,000 and life safety code compliance items for the Admin. Building for $7,000. Also, it has just been discovered that the match money for the current AIP grant was not encumbered by the accounting department. When the grant was received in 1988 from FAA in the amount of $1,055,000, the 10% match should have been encumbered. A 1988 BOCC resolution accepting the grant states that the match money was budgeted for, however, it was not encumbered at that time. There is still a question about the amount of the Airport Commission's liability on the match, but it seems to be about $84,000. If it must come out of the Airport budget, the $73,000 set aside for the gas well taxes and penalties could be used since actual payment of this item won't be due until after a decision on our appeal of the BOTA ruling, which Mr. Harness acknowledged would not occur in 1989. The cash is available to pay the match, but there will have to be a decision made about the budget allocation. Mr. Viets asked who the encumbrance should have been made by. Mr. Metcalfe thought this was the county accounting department's responsibility. Because there was no encumbrance, we began 1989 not knowing the match money was not set aside and during the year have reallocated what we thought were uncommitted funds. Chairman Craig asked since we were not aware of this when the 1990 budget was prepared how will that affect 1990. Mr. Metcalfe said that it is not fully understood, but the planning services line item could be used to pay the match in 1990. Mr. Metcalfe suggested taking the position that the accounting department be responsible for finding the $84,000. If that doesn't work we will have to come up with the cash and the budget authority. Mr. Viets suggested letting the County determine what year the encumbrance should be made in. Mr. Metcalfe stated it would be better if we are able to determine which year the expenditure hits. Chairman Craig stated the $84,000 should have come from the Airport Commission budget no matter who made an error. Mr. Metcalfe said he wasn't sure whether the amount should have come from the operating budget or the capital improvements budget. Mr. Metcalfe asked if the commission wanted to pay the bill from leftover 1989 funds, pay it in 1990, or take the position
the accounting department has the liability for payment. Mrs. Thomen asked about the policy on how much carryover is appropriate. Mr. Metcalfe stated his philosophy is different than the county's; he believes we should budget for some carryover/reserve, while it is his understanding it is the county's policy to budget for zero carryover. Mr. Viets commented we should investigate the issue of the appropriate carryover and the risk of it being returned to the General Fund; if it is likely any carryover funds would be returned to the General Fund, then we should use them for Airport purposes before the end of the year. He feels the decision should be made by Mr. Metcalfe after discussion with Chairman Craig.


Moved by Mrs. Thomen and seconded by Mr. Viets to approve the disbursements list as presented, approved unanimously. (3-0)

I. APPROVAL OF MINUTES

Motion made by Ms. Schumacher and seconded by Mrs. Thomen to approve the minutes as printed, approved unanimously. (3-0)

IV. COMMITTEE REPORTS:

A. Administrative Committee:

Mrs. Thomen reported the Chairs of both committees met with Chairman Craig and Mr. Metcalfe to determine the areas of responsibility for each committee. It was determined the administrative committee would address issues such as property, personnel, and administrative policies. The committee will meet on a regular basis.

B. Industrial Committee:

Mr. Viets discussed the priorities of the industrial committee would be the completion of the water source study, which is scheduled for January; the execution of the lease with Terra Venture; and the execution of the Industrial Park master plan and perimeter zoning. The industrial committee will work closely with the staff and will meet in early January. Chairman Craig requested the committee meet before the January Airport Commission meeting to have a lease document with Terra Venture drafted for approval. Mr. Metcalfe stated that the issue about repairs on Royal Tractor's building should also be discussed at the committee meeting. Chairman Craig noted the Terra Venture lease would require Mr. Deeter's expertise since the lease would be for commercial use.
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V. STAFF REPORTS:

A. Report of the Director, Aviation:

Mr. Fredrichs referred the Commission to the operations reports and noted operations at both airports are exceeding last year's.

The underground storage tanks at Parsonitt will be removed next week and the tanks at Executive Beechcraft will be tested on December 15th.

Mr. Metcalfe presented the staff's review of the proposed ILS for Executive Airport, referring to the written summary in the packet. The recently approved Federal appropriations bill provides $12,000,000 of AIP funds for 12 ILS's around the country, one being for Executive Airport. This works out to an average of only $1,000,000 for each airport, which will only cover the cost of the equipment. Staff has met with the FAA and discussed the necessary steps to receive and install the ILS. The current runway layout limits Executive to Group 1 aircraft with wingspans up to 49'. Larger wingspan aircraft probably use the airport, which does not cause any problems except during IFR conditions. Because of the length of the runway we are limited to serving Category A & B aircraft with a maximum approach speed of 121 knots. The best approach offered at this time is the "Localizer 17," with straight-in weather minimums 400' ceiling, and one mile horizontal visibility. The proposed ILS for Group I aircraft only would require no changes in the runway. The taxiway "hold short" lines would be moved back on the north end due to the "azimuth critical zone." The best approach then would be "ILS 35" with straight-in minimums 200' ceiling, and 1/2 mile visibility. There would be no change in the current aircraft limitations. Additional land on the south end would be needed for the "precision approach" clear zone and lighting system, and it would be necessary to move the east tie-down area. Both of these items are already included in the current grant application. It would also be necessary to move the VOR, which the FAA has commented they may do anyway. Acquisition of additional land for site preparation for the "glide slope critical area" is also needed.

The full potential ILS would require all of the above mentioned plus widening the runway to 100'. The taxiways would need to be moved 300' from the center line, and the ramps would be moved at least 400' from the runway. This proposal would allow Category A & B aircraft with wingspans up to 79' to legally use the precision approach. The maximum gross weight is the same as the Group 1 aircraft (12,500 lbs.). Aircraft included in this "new" group would be "stretch" versions of the King Air, Cessna 441's and Rockwell Turbo Commanders.

(Mr. Meyer arrived at 1:55 p.m.)
The total cost for the Group I version of the ILS would be approximately $5,864,368, assuming the FAA doesn't cover the cost of moving the VOR out of another "pocket." With an Airport Improvement Grant the Airport Commission would be responsible for 10% of the total, or about $586,437. To add Group II aircraft would be an additional $2,000,000. FAA recommended filing an amendment to the original application for a new total of $5,864,368. Because that exceeds their grant determination authority, the grant would be forwarded to Washington for a study to determine a cost/benefit ratio. Unless a ratio of at least "one" is received it is unlikely the funds will be awarded. No grant money is available for 1990, and it is almost gone for 1991. Mr. Metcalfe recommends amending the application as suggested by the FAA. Mr. Viets asked what happens to the ILS equipment if we are not able to receive the funds. Mr. Fredrichs assumed the equipment would be assigned to another airport. Chairman Craig asked if consensus was to amend the application from $2.3 to $5.8 million, which would include all the necessary steps to install the ILS for Group I aircraft. Chairman Craig emphasized that it is the Commission's intent to improve the safety at Executive Airport during marginal weather conditions and that the ILS would not open the airport to larger aircraft. Mr. Meyer moved that staff be directed to proceed with the amendment to the FAA application for the ILS installation for Group I aircraft. Seconded by Mr. Viets and approved unanimously. (4-0).

B. Report of the Director, Planning & Administration

Mr. Schaefer had nothing additional to report.

VII. NEW BUSINESS:

B. The Airport Commission has received a proposal from James Stegeman to operate the gas leases and pay the commission a percentage of the net revenue interest. He does not currently have a market for the gas, but is pursuing several possibilities. The gas wells discussed include the Jamison; M. Ernst; P. Ernst; and the Airport Commission wells. A total of ten wells are included. Mr. Metcalfe stated there have been no buyers for the wells because the only "safe" way for us to convey our leasehold interest is by quit claim deed, and no one likes that arrangement because there is no warranty of clear title. Mr. Stegeman stated he was not concerned over the titles and feels confident about the arrangement if his proposal was accepted. Chairman Craig asked if the proposal included capping and closing of the wells. Mr. Stegeman said it did. Chairman Craig suggested requiring a bond to cover the expenses that might be incurred if Mr. Stegeman's attempt at selling the gas fails. Mr. Harness reported the Airport Commission is considered the last operator and would be liable. Mr. Harness pointed out that at the last meeting he and Mr. Metcalfe were authorized to meet with the royalty owners of the wells concerning the conveyance of the leases back to them. Several Commissioners
expressed concern about various aspects of Mr. Stegeman's proposal. Chairman Craig directed the administrative committee to review the proposal before the January 9 meeting. Mr. Viets encouraged the committee to study and list the alternatives for the entire commission to review.

V. C. Report of Counsel to the Airport Commission

Mr. Harness suggested that the Commission consider establishing a policy on lease terms to address a problem that he and Mr. Tarbutton were encountering in attempting to reconcile various lease modifications submitted to them by Mr. Metcalfe. Mr. Tarbutton explained the problem occurs when additional property is leased by a single tenant. We are ending up with strange combinations of lease terms, and the policy should be consistent. Mr. Harness stated there has been no attempt in the past to establish common termination dates for incremental additions to leases, such as with Howell Mouldings' leases. Mr. Viets asked if it was possible to adopt a policy where when the leases came due to consolidate them into one document and work it into an incremental basis. Mr. Metcalfe stated it could cause problems with the leases involving bond issues. Mr. Metcalfe suggested the industrial committee study the issue. Mr. Meyer suggested legal counsel make suggestions and options for the policy.

D. Report of the Executive Director.

6. Mr. Metcalfe discussed the need for additional legal support. The County legal staff assigned to the Airport Commission have other duties to perform and have been unable to respond to airport issues as rapidly as needed. Subsequent to the item being placed on the agenda, Gene Denton asked the Airport Commission not to take action until he, Mr. Metcalfe and Mr. Jarrett meet to discuss the problem. Chairman Craig stated the item would be tabled until the next meeting.

1. Mr. Metcalfe directed the Commission's attention to the summary of capital projects in their packets. All planned projects are now either completed or in work except the roof repairs on the Admin. Building, on which advertisement for bids will be next week. Work has begun on the street lights and repairs to the fire station. The carpet and painting in the Administration Building are on hold until the windows and the roof repairs are completed. The contract has been signed for the Industrial Parkway overlay project and work will begin in the spring.

2. The water source study is about 25% complete and will be ready for review at the February meeting.

3. The gas management review conducted by LMSL, Inc. is complete and was distributed to the Airport Commissioners and others who requested copies. Chairman Craig requested the Commissioners read
the report and discuss it at the January meeting.

4. Mr. Metcalfe reported the BoCC has adopted a resolution chartering a work/study group of eight members, including the Executive Director for the Airport Commission and the master planner for the industrial park, to study airport-area land use issues. The first meeting is to be held within 30 days of the date of the adoption of the resolution. Administration of the project has been assigned to the county Planning Department.

5. The Airport Commission received 20 tax bills for all the property at both airports in the amount of $3.9 million. The bills include everything at both airports including runways, government use buildings, and road rights-of-way. The bills are based on large parcels containing a mix of uses and ownership. Airport and Planning Department staff are in the process of completing more meaningful property descriptions using the county's new computer mapping system. Applications for exemption for those properties eligible will then be submitted to the Board of Tax Appeals, via the County Appraiser, before the statutory deadline for paying taxes. In reviewing the tax bills some gross inconsistencies have been found with the valuations. This will be addressed through the appropriate appeals process.

VII. NEW BUSINESS

C. Mr. Viets moved approval of an "authorization for services" for Howard Needles Tammen and Bergendoff for construction monitoring of the Administration Building window replacement project and production of "as-built" drawings at a not-to-exceed cost of $6,540. Seconded by Ms. Schumacher and approved unanimously. (4-0)

A. Ms. Schumacher moved approval of the renewal of the Brecheisen hay lease at Industrial Airport. The land and rates will remain the same as the previous agreement. Seconded by Mr. Meyer and approved unanimously. (4-0)

Moved by Mrs. Thomen and seconded by Mr. Viets to adjourn to executive session for five minutes until 3:05 p.m. to establish priorities and performance goals for the Executive Director for the review period ending March 1, 1990. Approved unanimously. (4-0)

The meeting reconvened at 3:05 p.m.

Moved by Mrs. Thomen and seconded by Mr. Viets to adjourn the meeting. Approved unanimously. (4-0)

Kirby Deeter, Secretary

R. Lee Metcalfe, Executive Director
January 3, 1989

NOTICE

The regularly scheduled meeting of the Johnson County Airport Commission will be held at the Airport Commission conference room in the Administration Building at the Johnson County Industrial Airport at 1:00 p.m. on January 10, 1989.

JOHNSON COUNTY AIRPORT COMMISSION

BY

Frank A. Farnsworth
Executive Director

FAF/dmj
January 31, 1989

NOTICE

The regularly scheduled meeting of the Johnson County Airport Commission will be held at the Airport Commission conference room in the Administration building at the Johnson County Industrial Airport at 1:00 p.m. on February 14, 1989.

JOHNSON COUNTY AIRPORT COMMISSION

BY: Frank A. Farnsworth
Executive Director

FAF/dmj
March 1, 1989

NOTICE

The regularly scheduled meeting of the Johnson County Airport Commission will be held at the Airport Commission conference room in the Administration Building at the Johnson County Industrial Airport at 1:00 p.m. on March 14, 1989.

JOHNSON COUNTY AIRPORT COMMISSION

BY: [Signature]

R. Lee Metcalfe
Executive Director

RLM/vmj
April 3, 1989

NOTICE

The regularly scheduled meeting of the Johnson County Airport Commission will be held at the Airport Commission conference room in the Administration Building at the Johnson County Industrial Airport at 1:00 p.m. on April 11, 1989.

JOHNSON COUNTY AIRPORT COMMISSION

BY: [Signature]

R. Lee Metcalfe
Executive Director

RLM/dmj
May 1, 1989

NOTICE

The regularly scheduled meeting of the Johnson County Airport Commission will be held at the Airport Commission conference room in the Administration Building at the Johnson County Industrial Airport at 1:00 p.m. on May 9, 1989.

JOHNSON COUNTY AIRPORT COMMISSION

BY: [Signature]

R. Lee Metcalfe
Executive Director

RLM/dmj
June 1, 1989

NOTICE

The regularly scheduled meeting of the Johnson County Airport Commission will be held at the Airport Commission conference room in the Administration Building at the Johnson County Industrial Airport at 1:00 p.m. on June 13, 1989.

JOHNSON COUNTY AIRPORT COMMISSION

BY:  [Signature]

R. Lee Metcalfe
Executive Director

RLM/dmj
Johnson County Airport Commission  
One Industrial Parkway  
Industrial Airport, Kansas 66031  
913/782-5335

July 5, 1989

NOTICE

The regularly scheduled meeting of the Johnson County Airport Commission will be held in the Executive Airport Office located at the Johnson County Executive Airport at 1:00 p.m. on July 11, 1989.

JOHNSON COUNTY AIRPORT COMMISSION

BY:  
R. Lee Metcalf  
Executive Director

RLM/dmj
July 31, 1989

NOTICE

The Administrative Committee of the Johnson County Airport Commission will meet at 12:00 noon, Friday, August 4, 1989, in the first floor offices of Mr. Ben Craig, Chairman of the Administrative Committee, at the Metcalf State Bank building at 11900 College Boulevard, Overland Park. The purpose of the meeting is to interview three professional firms who have submitted proposals for the audit of the gas well operations at Industrial Airport and to formulate a recommendation to be presented to the full Airport Commission at their August 8 regular meeting.

JOHNSON COUNTY AIRPORT COMMISSION

By R. Lee Metcalfe
Executive Director
July 31, 1989

NOTICE

The regularly scheduled meeting of the Johnson County Airport Commission will be held at the Airport Commission conference room in the Administration Building at the Johnson County Industrial Airport at 1:00 p.m. on August 8, 1989.

JOHNSON COUNTY AIRPORT COMMISSION

BY: ____________________________

R. Lee Metcalf
Executive Director

RLM/dmj