JOHNSON COUNTY AIRPORT COMMISSION

MINUTES – January 28, 2004, 9:00 a.m. – New Century, Kansas

Airport Commission

Present: Messrs. Means, Moore, Shadwick, Weisenburger and Wittenborn

Absent: Messrs. Dixon and Shepard

Staff: Metcalfe, Dunham, Perry and Bellinger

Others: Terry Clark, Interested Citizen
         Jason Downs, Hillsdale Water Quality Project
         David Francis, Prairie Highlands Golf Course
         Gale Garber, Hillsdale Water Quality Project
         Dave Hadel, Burns & McDonnell
         Greg Kindle, Southwest Johnson County EDC
         Commissioner David Lindstrom, BoCC
         John Metzler, Johnson County Wastewater
         Ray Olsen, Ray Olsen, L.L.C.
         Joel Riggs, Peridian Group
         Commissioner John Toplikar, BoCC
         Commissioner Susie Wolf, BoCC

Secretary Shadwick called the meeting to order at 9:00 a.m.

(NOTE: Heading, paragraph numbers and letters correspond to agenda numbers and letters. Items are listed in order of discussion.)

I. APPROVAL OF MINUTES

MOVED BY MR. WEISENBURGER, SECONDED BY MR. MOORE TO APPROVE THE MINUTES OF THE DECEMBER 3, 2003 MEETING AS PRINTED AND DISTRIBUTED. APPROVED (5-0).

II. REPORT OF THE CHAIRMAN

No report of the Chairman.

III. CONSENT AGENDA ITEMS

No consent agenda items.

IV. EXECUTIVE SUMMARY

A. Review staff reports:

   Mr. Metcalfe stated that the activity with real estate prospects have been at its highest in the fifteen years he has been here.

   Mr. Metcalfe commented that classes were in progress for FRA rail training of the facilities staff.
JOHNSON COUNTY AIRPORT COMMISSION

MONTHLY MEETING

AGENDA
One New Century Parkway
New Century, Kansas

Wednesday, January 28, 2004 – 9:00 a.m.

TAB
A  I. APPROVAL OF MINUTES of December 3, 2003 meeting.

II. REPORT OF THE CHAIRMAN

B  III. CONSENT AGENDA ITEMS

No Consent Agenda Items

C  IV. EXECUTIVE SUMMARY

A. Review staff reports.
B. Summary of Financials.
C. Consider ratifying the December expenditures as presented.

D  V. DISCUSSION ITEMS

A. Review of Benefit District plan by Joel Riggs (Peridian Group), representing Triple J Construction.
B. Continue discussion by Prairie Highlands Golf Course for the construction of a pipe line to divert wastewater effluent from the south end of New Century to the north end.
C. Continue discussion on the construction of new T-hangars.
D. Continue discussion on water rate adjustment for 2004.
E. Strategic Planning Session Discussion
F. Report of the President, Southwest Johnson County EDC.

VI. NEW BUSINESS

VII. BUSINESS FROM THE FLOOR

VIII. ADJOURNMENT
JOHNSON COUNTY AIRPORT COMMISSION

MONTHLY MEETING

AGENDA

One New Century Parkway
New Century, Kansas

Wednesday, February 25, 2004 – 9:00 a.m.

TAB
A. I. APPROVAL OF MINUTES of January 28, 2004 meeting.

II. REPORT OF THE CHAIRMAN

B. III. CONSENT AGENDA ITEMS

No Consent Agenda Items

C. IV. EXECUTIVE SUMMARY

A. Review staff reports.

B. Summary of Financials.

C. Consider ratifying the January expenditures as presented.

D. V. DISCUSSION ITEMS

A. Presentation of development concept by Rick Watkins of Watkins & Company, Inc.

B. Continue discussion on the construction of new T-hangars.

C. Report of the President, Southwest Johnson County EDC.

D. Strategic Planning Session Discussion

VI. NEW BUSINESS

VII. BUSINESS FROM THE FLOOR

VIII. EXECUTIVE SESSION

A. Executive Director’s Performance Review

IX. ADJOURNMENT
JOHNSON COUNTY AIRPORT COMMISSION

MONTHLY MEETING
AGENDA
One New Century Parkway
New Century, Kansas

Wednesday, March 24, 2004 – 9:00 a.m.

TAB
A  I.  APPROVAL OF MINUTES for February 25, 2004 meeting.

II.  REPORT OF THE CHAIRMAN

B  III.  CONSENT AGENDA ITEMS

No Consent Agenda Items

C  IV.  EXECUTIVE SUMMARY

A.  Review staff reports.

B.  Summary of Financials.

C.  Consider ratifying the February expenditures as presented.

D  V.  DISCUSSION ITEMS

A.  Continue discussion of Governance Model.

B.  Discuss draft for the 2005 budget.

C.  Report of the President, Southwest Johnson County EDC.

VI.  NEW BUSINESS

VII.  BUSINESS FROM THE FLOOR

VIII.  ADJOURNMENT
JOHNSON COUNTY AIRPORT COMMISSION

MONTHLY MEETING

AGENDA

One New Century Parkway
New Century, Kansas

Wednesday, April 28, 2004 – 9:00 a.m.

TAB

A.  APPROVAL OF MINUTES for March 24, 2004 meeting.

II.  REPORT OF THE CHAIRMAN

B.  IV.  EXECUTIVE SUMMARY

   A.  Review staff reports.

   B.  Summary of Financials.

   C.  Consider ratifying the March expenditures as presented.

C.  V.  DISCUSSION ITEMS

   A.  Discuss Sheriff’s Office and Jail Expansion-Sheriff Myers.

   B.  Continue discussion on T-hangars.

   C.  Continue discussion on 2005 budget.

   D.  Report of the Development Committee Chairman.

   E.  Report of the President, Southwest Johnson County EDC.

VI.  BUSINESS FROM THE FLOOR

VII.  ADJOURNMENT
TAB

A  I. **APPROVAL OF MINUTES** for the April 28, 2004 meeting.

II. **REPORT OF THE CHAIRMAN**

B  IV. **EXECUTIVE SUMMARY**

A. Review staff reports.

B. Summary of Financials.

C. Consider ratifying the April expenditures as presented.

C  V. **DISCUSSION ITEMS**

A. Review a concept for an indoor soccer facility at New Century AirCenter.

B. Consider approving the form of the Easement Agreement with Heartland Golf Development, LLC (Prairie Highlands Golf Course) for a water pipeline across the airfield at New Century AirCenter.

C. Discuss RFP for Master Plan update.

D. Report of the Development Committee Chairman:

   - T-Hangar Development Plan

E. Report of the President, Southwest Johnson County EDC.

VI. **BUSINESS FROM THE FLOOR**

VII. **ADJOURNMENT**
JOHNSON COUNTY AIRPORT COMMISSION

MONTHLY MEETING
AGENDA
One New Century Parkway
New Century, Kansas

Wednesday, July 28, 2004 – 9:00 a.m.

TAB

A  I.  APPROVAL OF MINUTES for the May 26, 2004 meeting.

II.  REPORT OF THE CHAIRMAN

B  IV.  EXECUTIVE SUMMARY

   A.  Review staff reports.
   B.  Summary of Financials.
   C.  Consider ratifying the May and June expenditures as presented.

C  V.  DISCUSSION ITEMS

   A.  Consider a request from Hillsdale Water Quality Project for reduction in rent.
   B.  Discuss awarding of Master Plan updates for New Century AirCenter, Executive Airport and the business park.
   C.  Review revised soccer facility plans.
   D.  Report of the President, Southwest Johnson County EDC.

VI.  BUSINESS FROM THE FLOOR

VII.  ADJOURNMENT
JOHNSON COUNTY AIRPORT COMMISSION

MONTHLY MEETING
AGENDA
One New Century Parkway
New Century, Kansas

Wednesday, August 25, 2004 – 9:00 a.m.

TAB A

I. APPROVAL OF MINUTES for the July 28, 2004 meeting.

II. REPORT OF THE CHAIRMAN

A. Discuss election of officers.

B

IV. EXECUTIVE SUMMARY

A. Review staff reports.

B. Summary of Financials.

C. Consider ratifying the July expenditures as presented.

C

V. DISCUSSION ITEMS

A. Discuss lease agreement with the OFM (Office of Financial Management) and Risk Management.

B. Consider approval of a new ground lease for Midwest Aerospport L.L.C. for the construction of a private hangar.

C. Consider approval of a new lease on Bldg. 25 for Howell Mouldings.

D. Report of the Development Committee Chairman.

E. Report of the President, Southwest Johnson County EDC.

VI. BUSINESS FROM THE FLOOR

VII. ADJOURNMENT
JOHNSON COUNTY AIRPORT COMMISSION

MONTHLY MEETING
AGENDA
One New Century Parkway
New Century, Kansas

Wednesday, September 22, 2004 – 9:00 a.m.

TAB
A. APPROVAL OF MINUTES for the August 25, 2004 meeting.

II. REPORT OF THE CHAIRMAN

B. EXECUTIVE SUMMARY
   A. Review staff reports.
   B. Summary of Financials.
   C. Consider ratifying the August expenditures as presented.

C. DISCUSSION ITEMS
   A. T-hangar planning update.
   B. Prairie Highlands pipeline alignment change.
   C. Watkins proposal update.
   D. Report of the Development Committee Chairman.
   E. Report of the President, Southwest Johnson County EDC.

VI. BUSINESS FROM THE FLOOR

VII. ADJOURNMENT
I. **APPROVAL OF MINUTES** for the September 22, 2004 meeting.

II. **REPORT OF THE CHAIRMAN**

   A. Discuss combining the November and December Airport Commission meetings.

IV. **EXECUTIVE SUMMARY**

   A. Review staff reports.
   B. Summary of Financials.
   C. Consider ratifying the September expenditures as presented.

V. **DISCUSSION ITEMS**

   A. Springsted report on the construction of new T-hangars.
   B. Consider approving an Amendment to Ground Lease for K.C.R. Investors, L.C., third-party developer of Heartland Precision Fasteners’ building on Prairie Village Drive at New Century, to add 1.5 acres to their existing leasehold to accommodate a 10,000 sq. ft. expansion of the existing building.
   C. Consider approving a Ground Lease for Danisco USA, Inc. for 5.64 acres of land to be added to the existing site of the former Dazey building to accommodate expansion of the building and the parking areas.
   D. Review of proposed changes to the Airport Compatibility Plan for Executive Airport.
   E. Master Plan updates-Mike Dmyterko of Coffman Associates.
   F. Report of the President, Southwest Johnson County EDC.

VI. **BUSINESS FROM THE FLOOR**

VII. **ADJOURNMENT**
I. **APPROVAL OF MINUTES** for the October 27, 2004 meeting.

II. **REPORT OF THE CHAIRMAN**

A. Gary Cosner – 5 year anniversary

IV. **EXECUTIVE SUMMARY**

A. Review staff reports.

B. Summary of Financials.

C. Consider ratifying the October expenditures as presented.

V. **DISCUSSION ITEMS**

A. Consider making a recommendation to the Board of County Commissioners on the proposed Wal-Mart development south of New Century AirCenter in Gardner.

B. Discussion of Prairie Highlands’ proposed wastewater effluent pipeline at New Century AirCenter.

C. Consider approving a ground lease for Midwest Soccer Complex, L.L.C. for the construction of an indoor soccer facility at 551 New Century Parkway.

D. Consider approving a Rail Agreement & Amendment to Lease for Leawood Drive Associates, L.L.C. and Metalwest, L.L.C. to provide for the construction of a rail spur to serve Metalwest, subtenant in Leawood Drive Associates’ leased building at 201 Leawood Drive.

E. Report of the President, Southwest Johnson County EDC.

VI. **BUSINESS FROM THE FLOOR**

VII. **ADJOURNMENT**
Driving Directions:
From I-35 South take the Old Highway exit West past K7/Parker (approximately 2 miles) to the stoplight of Old 56 Highway and Robinson. Transit is on the left (south) side of Old 56 and Public Works is on the right (north) side.
B. **Summary of Financials:**

Mr. Moore asked what the 146% increase in railroad operations by current tenants consisted of on the financial report. Mr. Metcalfe replied that rail operations have increased greatly due to Roberts & Dybdahl’s lumber coming on line last year.

C. **Consider ratifying the December expenditures as presented:**

MOVED BY MR. MEANS, SECONDED BY MR. WITTENBORN TO RATIFY THE DECEMBER EXPENDITURES AS PRESENTED. APPROVED (5-0).

V. **DISCUSSION ITEMS**

A. **Review of Benefit District plan by Joel Riggs (Peridian Group), representing Triple J Construction.**

Mr. Metcalfe briefed the board on the previous month’s discussion regarding a benefit district plan by Joel Riggs, Peridian Group, on behalf of Triple J Construction. Mr. Riggs reiterated Mr. Metcalfe’s comments and gave further details regarding the benefit district proposal. He further added that his client, Triple J Construction, is asking that the Airport Commission recommend to the BoCC to approve funding of a portion of the cost for the street. On a front footage basis, JCAC will pay 17% over 10 years for a total of $220,000. Mr. Shadwick asked if the cost would be recuperated through assessments or if it would be an out-of-pocket expense. Mr. Riggs replied that would be up to the Airport Commission. His client would be paying for it over time through special assessments on his property. Mr. Wittenborn asked if the city of Gardner has accepted and approved this application. Mr. Riggs replied that it had been approved by the city of Gardner. Mr. Metcalfe commented that there are a couple of options that could be considered. JCAC’s cost could be built in to the lease rate for the land that fronts on the street, it could be absorbed as a cost for developing, or a contractual assessment (surcharge) could be made part of the lease that would run out after 10 years. He added that JCAC’s share of the cost would be probably one-third of the cost if we built it ourselves. Mr. Metcalfe added that by approving the benefit district proposal it would open up additional development within New Century Parkway.

MOVED BY MR. WEISENBURGER, SECONDED BY MR. MOORE TO APPROVE A RECOMMENDATION TO THE BOCC THAT THE REQUEST AND PROPOSAL SUBMITTED BY TRIPLE J CONSTRUCTION WHICH INCLUDES A SPECIAL BENEFIT DISTRICT AND FUNDING FOR THE AIRPORT COMMISSION'S PORTION FOR PERIDIAN DRIVE BE APPROVED AS PRESENTED. APPROVED (5-0).

B. **Continue discussion by Prairie Highlands Golf Course for the construction of a pipe line to divert wastewater effluent from the south end of New Century to the north end.**

Mr. Metcalfe updated the board on the continuing discussions with Prairie Highlands and their engineers, Green Engineering, on how the pipe line might be installed and the technical aspects of doing so. Dave Hadel of Burns & McDonnell, the Airport Commission engineer, has reviewed their plan and there have been several discussions between both engineering companies. We have received feedback from the FAA on the preliminary plan from Prairie Highlands. Mr. Metcalfe added that Prairie Highlands needs to contact the Corps of Engineers.
as they will need to approve water being moved out of the Hillsdale watershed. Ms. Dunham, county legal, added that this request is more than just a standard easement. An indemnification and hold harmless clause would be required, and the fair market value (which is required by the FAA) as well as other issues would need to be addressed. Mr. Metcalfe gave an example of a mini-warehouse development just south of the control tower at Executive Airport. They approached JCAC about using a small strip of the ground along the southern border for use of drainage soil. That actually was a benefit to the airport because there were improvements made to our storm water retention pond and an appraisal was performed. Because it was a revocable easement, it had very little value, and the appraisal came back as $500. He further added that the appraisal would be relatively low in this instance, but would be higher than $500 because it involves more land. Mr. Wittenborn asked how Prairie Highlands’ pipe line project would affect the future construction work scheduled for runway 17/35. Mr. Perry replied that the 17/35 project would not happen this summer, unless FAA funding is received early in the year, but would occur next summer. Mr. Olsen commented that there is a benefit to the pipe line, in that it ensures the golf course would remain there and future developments would possibly occur around the airport. Gale Garber, Hillsdale Water Quality Project, commented that the water would be coming out of the stream, which is the second largest contributor to Hillsdale Lake. HWQP reported they were not prepared to make a recommendation toward this project, but would suggest looking into how it would affect the current water supply and allocation to the lake. In addition, she reiterated Mr. Metcalfe’s comments of Prairie Highlands contacting the Corp of Engineers, because anything that changes the streams are required to go through them. Mr. Metcalfe reminded the board that Prairie Highlands would only utilize the water as deemed necessary during the summer months because of drought conditions. Mr. Weisenburger asked if there would be any legal ramifications to JCAC from private land owners for putting additional flow of water onto their property. Ms. Dunham reiterated why an indemnification from Prairie Highlands would be necessary. Mr. Metcalfe stated that Dr. Hartwig is the owner of the land and that the airport has on numerous occasions tried purchasing the property, but those discussions have not come close in price. David Frances, managing partner with Prairie Highlands, stated that the benefit would be to both the golf course and the airport. Prairie Highlands normally pumps about 70 million gallons of water and in drought situations they do their best not to pump potable water. He further stated that their goal in designing golf courses is to always try and use the best resources. His concern is that they are utilizing potable water, instead of tapping into other resources, and how that affects the water supply to the city of Olathe and New Century AirCenter during drought conditions. Mr. Means asked where Prairie Highlands is purchasing water currently and what the cost of that is. Mr. Frances replied that they purchase water from Rural Water District #1 and in 2003 the cost was $12,000. Mr. Means asked Mr. Metcalfe if Dr. Hartwig had been approached with the idea of giving the land to the Airport Commission as a gift. Mr. Wittenborn asked if there were any environmental studies on terms of gray water and what the mechanics of that were. John Metzler, Johnson County Wastewater, replied that you’re basically taking water from the stream where there happens to be a wastewater treatment plant discharging into it. He further continued by giving an example of water being utilized by the golf course at College Boulevard in Overland Park. It’s an indirect reuse and the Kansas Department of Health and Environment (KDHE) doesn’t regulate indirect reuse at this time. If you took this water directly from the effluent of our treatment plant it would not directly meet the state’s standards for direct reuse (straight out of the plant) into the golf course for green water, but would be acceptable for all other irrigation uses. Typically, Prairie Highlands would discharge the water into a watershed that would go into a water feature on their property and that would be a very indirect reuse. Terry Clark, interested citizen, commented that the county is looking for other ways to pump effluent instead of
wasting it. Last year Olathe was rationed on drinking water due to drought conditions. Mr. Metcalfe stated that the JCAC’s concerns from the beginning have been the technical aspects and how it would impact the airfield. The FAA engineer who is assigned to our airports is the one that would determine what the impact to the airfield structures is and approve it. As long as the technical issues are addressed, the FAA is not opposed to it, and a legal agreement is developed that covers all legal issues, then JCAC staff would not be opposed to the idea. Mr. Wittenborn asked if Prairie Highlands had engineering plans in place and would it provide JCAC with technical answers to their questions. Mr. Frances replied that indeed they did and would work close with the airport engineer. After further discussions, a consensus was made by all attending board members for Ms. Dunham (County Legal), Burns & McDonnell, and the Airport Commission staff to work on a contract agreement in which the pipe line and its construction would not interfere with the airport.

C. Continue discussion on the construction of new T-hangars.

Mr. Metcalfe gave the board an update to the engineering costs and construction for new T-hangars. Mr. Perry added to Mr. Metcalfe’s comments that it is already past the point of construction for this year. It was a consensus by all attending board members to continue the discussion to the February 25th meeting when a full board would be available.

D. Continue discussion on water rate adjustment for 2004.

Mr. Perry updated the board with a water utility cost of operation and rate survey of surrounding areas (Rural Water District #1, Gardner, and Olathe).

MOVED BY MR. MEANS, SECONDED BY MR. WITTENBORN TO APPROVE A WATER RATE INCREASE BY 7% TO BE EFFECTIVE JULY 1, 2004. APPROVED (5-0).

E. Strategic Planning Session Discussion.

Mr. Metcalfe briefed the board as to past Strategic Planning Sessions, asked what topics of areas of interest should be included in the meeting and proposed that it take place at the February meeting. After several suggested topics it was agreed by all to schedule the Strategic Planning Session for the next regularly scheduled Airport Commission meeting in February.

F. Report of the President, Southwest Johnson County EDC.

VI. NEW BUSINESS

VII. BUSINESS FROM THE FLOOR

VIII. ADJOURNMENT

There, being no further business, the meeting was adjourned at 11:32 a.m.
Jay Shadwick, Secretary

R. Lee Metcalfe, Executive Director
Airport Commission

Present: Messrs. Dixon, Means, Moore, Shadwick, Shepard and Wittenborn

Absent: Mr. Weisenburger

Staff: Metcalfe, Dunham, Helsel, Perry and Bellinger

Others: Alan Belot, Belot-Hartronft Associates, LLC
Dorothy Blackburn, League of Women Voters
Kelli Cochran, Watkins & Company, Inc.
Dave Hadel, Burns & McDonnell
Sean Hutman, Executive Beechcraft
Ray Olsen, Ray Olsen, L.L.C.
Rick Watkins, Watkins & Company, Inc.

Commissioner Dixon called the meeting to order at 9:00 a.m.

(NOTE: Heading, paragraph numbers and letters correspond to agenda numbers and letters. Items are listed in order of discussion.)

I. APPROVAL OF MINUTES

MOVED BY MR. SHADWICK, SECONDED BY MR. MEANS TO APPROVE THE MINUTES OF THE JANUARY 28, 2004 MEETING AS PRINTED AND DISTRIBUTED. APPROVED (6-0).

II. REPORT OF THE CHAIRMAN

Chairman Dixon gave an update on the joint meeting with the BoCC and the Airport Commission, Thursday, February 19.

III. CONSENT AGENDA ITEMS

No consent agenda items.

IV. EXECUTIVE SUMMARY

A. Review staff reports:

Mr. Metcalfe briefed the board on a meeting he attended with the Johnson County Planning Commission. The BoCC gave direction to the planning staff to restudy both airport areas’ master plans (Executive Airport and New Century AirCenter). Mr. Metcalfe agreed with the BoCC decision that there needs to be more consistency with zoning around the airports.

Mr. Helsel updated the board on the new computerized rail scale operations. Mr. Metcalfe added that he had a discussion with a software vendor who integrates railcar tracking information and they would have a way to capture the information of the railcars as come in and
leave New Century.
Summary of Financials:

C. Consider ratifying the January expenditures as presented:

MOVED BY MR. SHEPARD, SECONDED BY MR. WITTENBORN TO RATIFY THE JANUARY EXPENDITURES AS PRESENTED. APPROVED (6-0).

V. DISCUSSION ITEMS

A. Presentation of development concept by Rick Watkins of Watkins & Company, Inc.

Mr. Metcalfe gave the board an update on the developing plan, Project Magnum, by Rick Watkins of Watkins & Company, Inc. Project Magnum is a 1,080,000 square foot multi-use facility. Mr. Watkins presented an additional development project that would include five additional building sites. He further stated that GBA (George Butler Associates, Inc.) has already completed site development/preliminary work for various sizes (90,000 to 400,000 square foot) of facilities in a speed-to-market concept. Mr. Dixon asked Mr. Watkins if each of the six would be an L.L.C. to be sold independently. Mr. Watkins replied that was his intention, but, that still has to be worked out with the county. Mr. Dixon asked what type of construction system would be planned for each building. Mr. Watkins replied that because of the heights the construction system there would be a tilt-up or pre-cast hard walls attached to a steel frame. Mr. Shadwick commented that there should be ECR’s (easements, covenants, and restrictions) and the attorney for the airport would need to approve those. Mr. Shadwick asked Mr. Metcalfe if the board was being asked to approve the site plan and the approval to go forward in negotiations with Watkins & Company, Inc. to put an agreement together. Mr. Metcalfe replied that he wanted to present the concept to the board and if they were receptive to the idea, with the assistance from legal, it could be brought before the Airport Commission board for review at that time. Mr. Watkins added that part of the land would need to be rezoned as it currently is zoned for agriculture. Mr. Wittenborn asked if rail service would be part of the development plan and would it be included in the costs. Mr. Watkins stated that it would be a four-way negotiation between the tenant, NCAC railroad, BoCC and Watkins & Company, Inc. Mr. Watkins added that his company had not contemplated the drainage study that incorporates whatever amount of ground rain it brings to the area and the design of the detention. Mr. Shadwick asked if the three-year exclusive might be broken out to an 18-month duration for part, if there is activity, then extending it another 18-months on the balance. Mr. Metcalfe agreed that he was not completely certain that excluding the land for three-years would be beneficial to the Airport Commission due to the fact that other developers have approached him in the past with proposals. Mr. Belot, Belot-Hartronft Associates, LLC, stated that he had met with Mr. Metcalfe in August of last year and he and his partners have been working on 27 acres of the proposed land to build two 200,000 square foot facilities that would include rail service. Mr. Metcalfe gave background information on the meeting with Mr. Belot and, at that time, their proposal was not acceptable. Mr. Belot added that he believed that his partners were further along, within a possible thirty days of achieving contracts with two businesses that are planning to expand their businesses within New Century Business Park, then Watkins & Company, Inc. currently are. Mr. Metcalfe added to his earlier comments that the group Mr. Belot is working with has never done this type of work before and his level of confidence that they could achieve this is not very high, based upon consultant work they have done for the
Airport Commission in the past.
MOVED BY MR. SHEPARD, SECONDED BY MR. SHADWICK FOR WATKINS & COMPANY, INC. TO PROCEED WITH PROPOSAL PLANS AS PRESENTED. APPROVED (6-0).

B. Continue discussion on the construction of new T-hangars.

It was agreed by all board members to place the T-hangar discussions on hold for a later date but, not to exceed June or July of this year.

C. Report of the President, southwest Johnson County EDC.

D. Strategic Planning Session Discussion.

Mr. Metcalfe updated the board on past strategic planning sessions, priorities, and the vision and mission statements. Mr. Shadwick asked Mr. Metcalfe how the airport had evolved over the last fifteen years and whether the priorities have been accomplished or are they no longer relevant. Mr. Metcalfe replied that the vision and mission statement are essentially the same as when they were first developed and the only change he would make is to the master plan’s airline service. In addition, Mr. Metcalfe stated that the priorities of the strategic plan are more than 50% complete, but there are a few priorities that were ongoing. Mr. Dixon reminded everyone that the mission statement could not changed without BoCC approval and nothing in that mission statement precludes JCAC spending money to further aviation. Mr. Dixon continued that he did not know of any institution of government that could justify subsidizing the private ownership of aircraft by subsidizing T-hangar rent. In addition, he would like to see new T-hangars and tenants in the T-hangars that could come close to paying what it costs to build and maintain them. Mr. Metcalfe commented that if JCAC increases the capacity for based aircraft that there would be economic activity generated based aircraft (indirect financial and other benefits). Mr. Shadwick asked if there was any history for subsidizing or covering shortfalls on the real estate side of the business. Mr. Metcalfe replied that indirectly JCAC does subsidize for use of the water utilities (selling it at $3 and buying it for $5). Mr. Perry commented that the FAA’s expectation of JCAC is to do what is reasonably possible toward becoming self-sufficient. There was some discussion of increasing the number of members on the Airport Commission board, making sure to stagger the terms and recommendations to the BoCC regarding the governance model. Mr. Metcalfe stated that he would put together documentation that would include suggestions and recommendations by the board for review at the next board meeting in March.

VI. NEW BUSINESS

VII. BUSINESS FROM THE FLOOR

VIII. EXECUTIVE SESSION

A. Executive Director’s Performance Review

MOVED BY MR. SHEPARD, SECONDED BY MR. WITTENBORN TO GO INTO EXECUTIVE SESSION AT 11:00 A.M. FOR 25 MINUTES FOR THE EXECUTIVE DIRECTOR’S PERFORMANCE REVIEW. APPROVED (6-0).
IX. **ADJOURNMENT**

There, being no further business, the meeting was adjourned at 11:25 a.m.

________________________  __________________________________________
Jay Shadwick, Secretary    R. Lee Metcalfe, Executive Director
JOHNSON COUNTY AIRPORT COMMISSION

MINUTES – March 24, 2004, 9:00 a.m. – New Century, Kansas

Airport Commission

Present: Messrs. Dixon, Means, Moore, Shadwick, Shepard, Weisenburger and Wittenborn

Absent:

Staff: Metcalfe, Dunham, Helsel, Perry and Coopey

Others: Dorothy Blackburn, League of Women Voters
        Sean Hutman, Executive Beechcraft
        Chuck Nuffer, T-Hangar Tenant
        Ray Olsen, Ray Olsen, L.L.C.
        Mark Taylor, Gardner News
        Rick Watkins, Watkins & Company, Inc.

Commissioner Dixon called the meeting to order at 9:00 a.m.

(NOTE: Heading, paragraph numbers and letters correspond to agenda numbers and letters. Items are listed in order of discussion.)

I. APPROVAL OF MINUTES

MOVED BY MR. WITTENBORN, SECONDED BY MR. MEANS TO APPROVE THE MINUTES OF THE FEBRUARY 25, 2004 MEETING AS PRINTED AND DISTRIBUTED. APPROVED (7-0).

II. REPORT OF THE CHAIRMAN

No report of the chairman.

III. CONSENT AGENDA ITEMS

No consent agenda items.

IV. EXECUTIVE SUMMARY

A. Review staff reports:

Chairman Dixon asked Mr. Metcalfe what was the estimated value of contracting Archer Engineering to design the new sewer line for the area and how did that get accomplished without a bidding process. Mr. Metcalfe replied that Archer Engineering was already under County contract with Wastewater and had already been through their bidding process. He didn’t have the exact cost at hand but recalled that it was about $30,000.
Summary of Financials:

C. Consider ratifying the February expenditures as presented:

MOVED BY MR. SHEPARD, SECONDED BY MR. WITTMENBORN TO RATIFY THE FEBRUARY EXPENDITURES AS PRESENTED. APPROVED (7-0).

V. DISCUSSION ITEMS

A. Continue discussion of Governance Model

Mr. Metcalfe presented to the board information on the Airport Commission authority. Mr. Dixon reminded the board as to Commissioner Furtado's request of seeing information on the airports' history and how self-sufficiency would enhance our effectiveness. Mr. Dixon commented that Commissioner Wood's concern was about anything the Airport Commission might do in the future that could adversely impact the region. Mr. Metcalfe stated that he would address those concerns by including in the agreement what the current vision and mission statements are and if they would change we would need the BoCC’s approval. Chairman Dixon asked Ms. Dunham if there would be any legal issues that might deviate from the County policies in which the BoCC would not be able to authorize. Ms. Dunham replied that it would need to clearly be stated within the agreement on what policies would and would not be covered. Chairman Dixon added that after meeting with the BoCC, his understanding was that the Airport Commission would nominate people to their board and the BoCC would ratify those nominations. Mr. Shepard added that a summarization of the main expectations be communicated on the front page. Mr. Shadwick commented that staggered terms should be added to create continuity within the airport board. Mr. Metcalfe stated that from time to time the BoCC has appointed members to the Airport Commission board that were certainly good citizens who were involved in the community, but they did not bring any particular expertise or insight useful to the airport board. If we are going to operate like a business, then we will need a business-type board of directors. Mr. Olsen agreed and commented that in order to run an efficient business there needs to be representatives of various disciplines. Chairman Dixon asked if the Airport Commission By-Laws and Policies needed ratifying. Mr. Metcalfe replied that they had not been updated over the last fifteen years and should be reviewed and updated to support the new governance model. After considerable discussion about the Airport Commission acting as the zoning board for New Century, consensus was that this is probably not something we want to do. Mr. Wittenborn asked Mr. Metcalfe if a decision is made to add a building on the airport land if the FAA would get involved. Mr. Metcalfe replied that Form 7460-I, “Notice for Proposed Construction,” would need to be filed with the FAA sixty days before intended construction. Mr. Metcalfe requested for the board to review the Airport Commission Authority information and give to him any suggestions or recommendations for amendment.
B. Discuss draft for the 2005 budget.

Chairman Dixon asked Mr. Perry what are the contractual/cost allocation charges included in the 2005 budget. Mr. Perry replied that it pays for County administrative services and contractual services that include payroll, HR, Insurance, Legal, Fire District #1, office equipment leases, etc. He further stated that JCAC would not be receiving any tax support next year and proposed using $150,000 from the fund balance (savings account) to help offset some of the costs of the capital projects. If we bring in more revenue than is being forecast, there may not be any need to utilize fund balance. Mr. Metcalfe added to Mr. Perry’s comments that this next year will be the first year that JCAC will be totally dependent on our funds. We didn’t assume any new leases, but have adjusted the various fees and charges that the board has been willing to increase and have been conservative where the numbers have been soft (we’ve estimated on the low side). Based on the last fifteen years of performance we have consistently exceeded our revenue projections by at least $200,000 every year and have under-spent the expense side by $150,000. Chairman Dixon commented that he has concerns on the amount JCAC spends in engineering fees on a percentage of contract costs. With the numbers presented by staff, his recommendation is to pay an engineering staff, in-house, and that would still have a substantial savings for the airport. That would still allow for outside contractual engineering resources. He gave an example of Burns & McDonnell’s fees of cost estimates, were $3,000, which in his opinion is very expensive. He proposed to the board to save money next year and years after by giving staff a competent engineering input, in-house, and suggested an architectural engineer that would sit in on all board meetings and answer all types of technical questions. Mr. Metcalfe gave additional background information on Burns & McDonnell’s engineering costs. He stated are several things that drive percentages up. Staff does not have technical expertise and relies heavily on consulting engineers. On all FAA projects the FAA expects us to virtually have a full time construction monitor. Mr. Metcalfe’s concern of hiring a full time staff engineer is whether there would be enough work during the winter season. Chairman Dixon replied that it could be resolved by contracting with someone in private practice for a specified period of time and then would evaluate that after six to nine months. Mr. Shepard commented that he would be interested in seeing the numbers provided by staff and what kind of range would be needed in terms of salary. Chairman Dixon replied that the kind of person that would best serve our staff is to hire someone in the range of $80,000 to $100,000 a year. Mr. Metcalfe responded that state law requirements would be to go through a competitive process in order to select that consultant. Mr. Wittenborn asked if the engineer could be placed on a retainer. Mr. Perry stated that for most FAA projects we are required to take the cost sheet and go to another engineering firm for review. Mr. Weisenburger stated that on FAA projects he would not have an issue with contracting Burns & McDonnell and contracting a private engineer for non-FAA projects. Mr. Wittenborn asked Mr. Perry if engineering & design research project fees are included in the 2005 budget. Mr. Perry responded they were not included in the currently proposed budget. Mr. Perry pointed out that we do not have the cash flow to cover the debt service on the T-hangars for the first year. We would need to have a bond sale early in 2005 in order to build T-hangars in 2006. Mr. Metcalfe stated that money could be advanced for engineering costs and we could choose if reimbursement should be through bond proceeds or to spend some of the savings. Mr. Perry
reminded the board that this would need to be presented before the BoCC for their approval before continuing. Mr. Metcalfe stated that staff would develop a couple of versions of the budget to include T-hangar issues and engineering mechanisms for review at the next board meeting.

C. Report of the President, Southwest Johnson County EDC.

VI. NEW BUSINESS

VII. BUSINESS FROM THE FLOOR

VIII. ADJOURNMENT

There, being no further business, the meeting was adjourned at 11:00 a.m.

Jay Shadwick, Secretary

R. Lee Metcalfe, Executive Director
JOHNSON COUNTY AIRPORT COMMISSION

MINUTES – April 28, 2004, 9:00 a.m. – New Century, Kansas

Airport Commission

Present: Messrs. Dixon, Means, Moore, Shepard, Weisenburger and Wittenborn

Absent: Mr. Shadwick

Staff: Metcalfe, Dunham, Helsel, Perry and Bellinger

Others: Dorothy Blackburn, League of Women Voters
Terry Clark, private citizen
David Francis, Prairie Highlands Golf Course
Sean Hutman, Executive Beechcraft
Greg Kindle, Southwest Johnson County EDC
Sheriff Currie Myers, Johnson County Sheriff’s Office
Chuck Nuffer, T-Hangar tenant
Ray Olsen, Ray Olsen, L.L.C.

Commissioner Dixon called the meeting to order at 9:00 a.m.

(Note: Heading, paragraph numbers and letters correspond to agenda numbers and letters. Items are listed in order of discussion.)

I. APPROVAL OF MINUTES

MOVED BY MR. WITTENBORN, SECONDED BY MR. MEANS TO APPROVE THE MINUTES OF THE MARCH 24, 2004 MEETING AS PRINTED AND DISTRIBUTED. APPROVED (5-0).

II. REPORT OF THE CHAIRMAN

No report of the chairman.

III. EXECUTIVE SUMMARY

A. Review staff reports:

Mr. Weisenberger asked what the process is for negotiating leases/rates. Mr. Metcalfe replied that it would depend on whether it is additional land for an existing lessee or a new lease. If the tenant wants to add additional land to their existing lease, we add the land with an addendum to the existing lease agreement, with the same rates and terms. For new leases, it is negotiated based on location, whether it is rail-served and other considerations. Then we would bring it before the Airport Commission Board for approval.

Chairman Dixon asked Mr. Perry what the $1,714,390 million in transfers under New Century
Business Park and $334,314 in transfers for the New Century Airport listed on the 2003 Year-to-Date Actual vs. Budget consisted of. Mr. Perry replied the $1,714,390 million paid for Highland and Conestoga streets. The $334,314 is match money for AIP grants and to fund any capital projects that do not have AIP money. The money is then transferred out into project accounts.

Mr. Weisenberger commented that he thought there was going to be an RFP for a consultant to update the Airport Master Plan. Mr. Perry said he has been working with the FAA over the last six years to get funding for an Airport Master Plan update and about a month ago Jan Monroe, head of the airports division of the Kansas City FAA office, contacted him to let him know that funding was available, but there wasn’t much time and he suggested using the current JCAC retainer engineer. Mr. Weisenberger further commented that he would like to see an RFP, open it up to other consultants and include combining the Airport Master Plan and Business Park Plan as one. Mr. Perry stated that the Business Park Plan does not have the same requirements as the FAA stipulates for the Airport Master Plan. Mr. Perry continued that Burns & McDonnell were in the process of completing a scope of work and he should have it by the end of next week. Chairman Dixon asked if the scope of work was to do a combined Master Plan and Business Park Plan. Mr. Perry responded that it was solely for the FAA. Mr. Metcalfe added that the Business Park Plan was not expected to be updated along with the FAA Airport Master Plan update. Because a lack of FAA funding, the Airport Master Plan has been overdue for about six years. Mr. Weisenberger reiterated that he thought it was beneficial to have both plans updated at the same time. Mr. Perry replied that the FAA funding is strictly for the aviation side of it and that JCAC would be responsible for the Business Park funding and he wasn’t sure if a single contract could be issued for that. AIP funding states that we would need to issue two separate contracts. Mr. Weisenberger commented he believed it would be worth further discussions. Chairman Dixon asked if there were any economies affected, by combining the two, and it may be worthwhile to do further researching. Mr. Shepard asked if the Airport Master Plan update would determine whether we keep this second runway or not. Mr. Metcalfe said that we would have to justify keeping the other runway in the plan, especially in view of the fact that traffic projections in the current plan turned out to be wildly optimistic. Mr. Perry stated that he would contact FAA.

Mr. Wittenborn asked Mr. Helsel if he had received any complaints regarding the west T-hangars and leaks in the ceilings at Executive Airport. Mr. Helsel replied that he had received one call and that it had been resolved. Mr. Helsel added that he would have the airport maintenance crew follow up.

Summary of Financials:

C. Consider ratifying the March expenditures as presented:

MOVED BY MR. WEISENBURGER, SECONDED BY MR. MOORE TO RATIFY THE MARCH EXPENDITURES AS PRESENTED. APPROVED (6-0).
V. DISCUSSION ITEMS

A. Discuss Sheriff’s Office and Jail Expansion-Sheriff Myers.

Sheriff Myers presented to the Airport Commission Board his business plan and discussed plans for a future jail expansion and training facility that will be presented before the BoCC work session on Thursday, April 29, 2004. Mr. Metcalfe added that the County facilities people, who do the facilities planning, have been very good about communicating the plans and options that Sheriff Myers referred to in his presentation with staff.

B. Continue discussion on T-hangars.

Mr. Perry stated that the County budget office does not want anything included in the 2005 budget that deals with capital expenditures and operating costs for new T-hangars, especially since it deals with revenue bonds, until the BoCC has had a chance to review them. This does not mean that we cannot do new T-hangars. It just means that should we decide to go ahead and issue the bonds, that the 2005 budget would be revised and republished to include those figures. Mr. Metcalfe added that before the Airport Commission can make commitments on issuing any new debt that the Airport Commission would need to go before BoCC in a work session. Mr. Shepard stated that he would schedule a Development Committee session to discuss T-hangar options and Mr. Metcalfe added that he would schedule a work session with the BoCC close to the next May 26th Airport Commission meeting.

MOVED BY MR. SHEPARD, SECONDED BY MR. WITTENBORN TO MOVE FORWARD WITH THE DEVELOPMENT COMMITTEE TO MEET AND MAKE RECOMMENDATIONS, FOR A SPECIFIC PLAN, TO THE AIRPORT COMMISSION BOARD PRIOR TO SCHEDULING A MEETING WITH THE BOCC TO DISCUSS THE AIRPORT COMMISSION’S DESIRE TO BUILD NEW T-HANGARS AS PRESENTED. APPROVED (6-0).

C. Continue discussion on 2005 budget.

Chairman Dixon asked if the revised budget included three months of rent for new T-hangars was based upon a 10% increase. Mr. Perry responded that the percentages included 10% for New Century AirCenter and 20% for Executive Airport, new hangars only, based upon occupancy as of October 1, 2005. He further stated that assumptions were based upon 5% of the bond amount, with the full amount of the principal being paid with the second interest payment in September.

MOVED BY MR. SHEPARD, SECONDED BY MR. WITTENBORN TO APPROVE THE 2005 BUDGET AS PRESENTED. APPROVED (6-0).

D. Report of the Development Committee Chairman.

Mr. Shepard, Development Committee Chairman, made a recommendation for the Airport
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Commission Board to create an agreement between the Airport Commission and Watkins & Company, Inc. that allows for the five “virtual buildings.” Along with that agreement he proposed including their original project, Project Magnum, subject to Airport Commission Board review and approval.

Mr. Terry Clark, private citizen, questioned tying up the property over a three year period and if there shouldn’t be some type of performance required. Mr. Shepard responded that there would be certain requirements written in the contract to demonstrate that Watkins & Company Inc. proactively will market the five plots of land as well as marketing New Century.

MOVED BY MR. WEISENBERGER, SECONDED BY MR. MOORE TO AUTHORIZE JCAC STAFF AND COUNSEL TO MOVE FORWARD WITH AN AGREEMENT THAT ALLOWS WATKINS & COMPANY, INC. TO DEVELOP FIVE “VIRTUAL BUILDINGS” TO INCLUDE ALL OF THE OTHER THINGS THAT GO ALONG WITH IT IN THE DETAILS OF THE CONTRACT AS PRESENTED. APPROVED (6-0).

E. Report of the President, Southwest Johnson County EDC.

VI. BUSINESS FROM THE FLOOR

A. Mr. David Francis, Prairie Highlands Golf Course, expressed his frustration with the Airport Commission Board regarding the lack of action on his proposal for a pipeline to move wastewater effluent water across the airfield at New Century to their property at Prairie Highlands Golf Course. Mr. Shepard reiterated that the Development Committee had already directed staff to resume negotiations on the easement agreement.

B. Mr. Chuck Nuffer, T-hangar tenant requested another Town Hall Meeting be scheduled. Mr. Metcalfe responded that he would schedule a meeting and notify all T-hangar tenants and businesses when and where it would occur.

VII. ADJOURNMENT

There, being no further business, the meeting was adjourned at 10:50 a.m.

Jay Shadwick, Secretary

R. Lee Metcalfe, Executive Director
Commissioner Dixon called the meeting to order at 9:00 a.m.

(NOTE: Heading, paragraph numbers and letters correspond to agenda numbers and letters. Items are listed in order of discussion.)

I. APPROVAL OF MINUTES

MOVED BY MR. MEANS, SECONDED BY MR. MOORE TO APPROVE THE MINUTES OF THE APRIL 28, 2004 MEETING AS PRINTED AND DISTRIBUTED. APPROVED (6-0).

II. REPORT OF THE CHAIRMAN

No report of the chairman.

III. EXECUTIVE SUMMARY

A. Review staff reports:

Mr. Perry added to his report that the slurry seal on the taxi-ways will be delayed until after July 4th. Due to timing on getting the contract out and June is turning out to be a wet month.

Mr. Helsel commented that the new scale was struck by lightning last week and repair has been
complete. Calibration will be done after lightning protection is installed.

IV. SUMMARY OF FINANCIALS:

C. Consider ratifying the April expenditures as presented:

MOVED BY MR. SHEPARD, SECONDED BY MR. MOORE TO RATIFY THE APRIL EXPENDITURES AS PRESENTED. APPROVED (6-0).

V. DISCUSSION ITEMS

A. Review a concept for an indoor soccer facility at New Century AirCenter.

Mr. Metcalfe presented to the board information on an indoor soccer facility proposal at New Century AirCenter. The facility would be constructed as a large warehouse. If the soccer venture does not work out they could market the building as a warehouse or for manufacturing. The proposal is for three indoor soccer fields with the possibility of 2-4 outdoor soccer fields. They would lease 7-8 acres of ground, that would include parking, and they prefer to be directly across from the Sprint building. They would need to get a conditional use permit from the county. Mr. Wittenborn asked Mr. Metcalfe if he had seen any proposed plans for the building and would it be conducive to other uses if the soccer plan did not work out. Mr. Metcalfe replied that he had seen a floor plan. They would build a high ceiling warehouse box that could be marketed as a warehouse or manufacturing facility. Mr. Shepard expressed concerns regarding the increase in the volume of traffic in an already heavy truck and rail operations area at New Century. Mr. Metcalfe commented that the proponents would need to perform a traffic study to satisfy the planning and zoning people and the county engineer would need to approve it. He further stated that he asked them to hold off on spending any time or money on doing a traffic study until he presented the concept to the Airport Commission. Mr. Means asked Mr. Metcalfe what was the reputation and background of the group. Mr. Metcalfe replied that the primary person has been a coach and officer in a youth soccer league for many years and has a private business that may be the source of his financing. Mr. Wittenborn asked if there were any conflicts with other proposals for this property or could it be better used as an industrial area rather than for a soccer complex and in terms of revenue development what are other options. Mr. Metcalfe stated that the price he quoted is the same that would be quoted to any other industrial prospect, so the soccer facility would generate the same amount of revenue as if it were an equivalent sized industrial building. Mr. Olsen commented that there are several indoor soccer facilities in the area and around the country and that they are in light industrial areas for the reason that if the interest in soccer declines that the building is marketable for a warehouse or manufacturing facility. Mr. Moore asked Mr. Metcalfe if there would be a conflict to the benefit district and traffic flow. Mr. Metcalfe stated that most of the use would be in the evenings and weekends and he does not foresee a conflict in traffic flow, but would hold his comments until he saw a traffic study. Mr. Kindle stated that his only concern would
be if there is a strong business plan in place. Mr. Metcalfe stated, at this time, he would like to know if the board was receptive to the concept of exploring this opportunity. The board agreed for Mr. Metcalfe to pursue further negotiations with the indoor soccer facility people.
B. Consider approving the form of the Easement Agreement with Heartland Golf Development, LLC (Prairie Highlands Golf Course) for a water pipeline across the airfield at New Century AirCenter.

Cindy Dunham, county legal, reviewed the proposed easement agreement. She presented the form of the agreement that Heartland is requesting the board to approve in order for them to go forward with receiving state and federal approvals. There is not a price, fair market value, or state or federal approvals at this time and there are still major issues that are outstanding. She further stated that two requests were made by the Heartland attorney of the Airport Commission. First, the agreement includes termination provisions, if the easement needs to be moved or terminated due to airport operation needs. Second, there is also a provision that provides for the termination if Heartland stops using the easement for several years. Ms. Dunham stated that Heartland has requested that the BoCC would terminate the easement and not the Airport Commission. In addition, Heartland does not want to provide an appraisal, because of the cost, which is $1,500, and the Airport Commission, because of FAA regulations, is requiring an appraisal in order to get fair market value. Mr. Francis commented that he believed it was money poorly spent and is asking the board to work with the FAA to determine what the fair market value would be. Otherwise, he suggested that the Airport Commission share the cost of an appraisal. Mr. Dixon asked if it is a serious request of the FAA regarding fair market value. Mr. Metcalfe stated that the FAA is indeed serious and that the Airport Commission is required to demonstrate to them that a fair market value has been established. The Airport Commission has done this in the past by retaining two independent, qualified appraisers, reviewed by a third appraiser. This is a standard procedure required by the FAA. Mr. Weisenburger asked if the FAA could be approached with the concept of prorating a linear fee on the property and if they state that it would not be acceptable, then an appraisal would be required. Mr. Dixon stated that he would vote to approve the form of agreement as it is now written and would not vote to approve anything that was not already written in the agreement. Mr. Wittenborn suggested that time constraints be placed upon the project and if the placement of the easement will be presented to the board at a later date. Ms. Dunham replied that there is no legal description or specs at this time included in the form of agreement and suggested that it should be included in any final motions for approval that the Airport Commission would make.

MOVED BY MR. SHEPARD, SECONDED BY MR. WEISENBURGER TO APPROVE THE FORM OF THE AGREEMENT THAT HAS BEEN PREPARED BY COUNSEL AND STAFF WITH THE FOLLOWING CAVEATS OF SECTION 11, THE APPROVALS WILL READ MAY 26, 2006, TWO YEARS FROM TODAY, WITH THE UNDERSTANDING THAT FAIR MARKET VALUE, PRICE OF THE EASEMENT, SECURING A LEGAL DESCRIPTION AND PLANS AND SPECIFICATIONS BE COMPLETE. APPROVED (6-0).

C. Discuss RFP for Master Plan update.
Mr. Weisenburger commented that his firm, Bucher, Willis & Ratliff, would not be a participant in the Master Plan project. Mr. Perry stated that the FAA does have funds earmarked for the Master Plan updates at New Century AirCenter and Executive Airport and added that the draft he presented to the board would have a selection process in the final RFP that would be sent out. Mr. Metcalfe updated the board how the RFP process generally works. A selection committee of about five people will be formed. The selection committee will review the responses, score them using a standard scoring form, and develop an ranked list. They will then select the top two or three for a short list. Those on the short list will be invited for interviews by the selection committee. After the interviews, the selection committee will again score the proposals based on the interviews. The top-scoring firm would be selected as the winner. The RFP, dictated by FAA regulations, will be based upon qualifications and not lowest cost. The FAA would need to approve the selection and at that point a contract will be negotiated and the FAA will need to do a final review and approval. Mr. Perry stated that the timeline to have everything in place would need to be by the end of August. He also reminded the board that the draft also includes a possibility of a Master Plan for the Business Park. Mr. Metcalfe added that the industrial park Master Plan doesn’t need an overhaul, but it would probably be wise to review the logic behind the targeted industry study and the street layout plan.

MOVED BY MR. SHEPARD, SECONDED BY MR. MOORE TO AUTHORIZE STAFF TO CONSTRUCT THE SPECIFICS AND ISSUE AN RFP FOR A MASTER PLAN FOR BOTH AIRPORTS AS WELL AS THE BUSINESS PARK. APPROVED (6-0).

D. Report of the Development Committee Chairman.
   - T-Hangar Development Plan

Mr. Shepard updated the board on the options of developing new T-hangars from the recent Development Committee meeting of May 18th. Mr. Shepard advised that a preliminary report has been received from the retainer engineering firm on costs of design and build. The Development Committee’s decision is to package the two together (design and build) and therefore will be able to achieve beneficial economies at a lower cost. Mr. Metcalfe introduced Renita Mollman and Steve Campbell from Burns & McDonnell. Mr. Campbell added to Burns & McDonnell’s report that along with the design and build approach there is a guaranteed maximum price. Burns & McDonnell, early on in the designing of the project, would determine what the cost is and guarantee that it would be the maximum cost for the project. Any under-run on that number will be returned to the owner and any over-run would be the responsibility of Burns & McDonnell. Mr. Campbell gave an example of a current project here at New Century with Garmin. Mr. Metcalfe said that he would schedule a work session with the BoCC.

MOVED BY MR. SHEPARD, SECONDED BY MR. WITTENBORN TO AUTHORIZE STAFF TO SUBMIT A DESIGN BUILD RFP FOR THE CONSTRUCTION OF NEW T-HANGARS. 24-
SMALL AT OJC WEST, 14-LARGE AT OJC WEST AND 28-LARGE AT IXD. APPROVED (6-0).

MOVED BY MR. SHEPARD, SECONDED BY MR. WITTENBORN FOR THE AIRPORT COMMISSION TO RECOMMEND THAT THE BOARD OF COUNTY COMMISSIONERS DRAFT AND ADOPT A RESOLUTION OF INTENT TO ISSUE AIRPORT SPECIAL FACILITY REVENUE BONDS FOR THE CONSTRUCTION OF 24-SMALL T-HANGARS AT OJC WEST, 14-LARGE AT OJC WEST AND 28-LARGE AT IXD IN THE AMOUNT NOT TO EXCEED $6,000,000.00.

E. Report of the President, Southwest Johnson County EDC.

VI. BUSINESS FROM THE FLOOR

VII. ADJOURNMENT

There, being no further business, the meeting was adjourned at 10:50 a.m.

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Jay Shadwick, Secretary      R. Lee Metcalfe, Executive Director
JOHNSON COUNTY AIRPORT COMMISSION

MINUTES – July 28, 2004, 9:00 a.m. – New Century, Kansas

Airport Commission

Present: Messrs. Means, Moore, Shadwick, Shepard, and Weisenburger

Absent: Messrs. Dixon and Wittenborn

Staff: Metcalfe, Dunham, Perry and Bellinger

Others: Steve Benson, Coffman Associates
        Dorothy Blackburn, League of Women Voters
        Mike Dmyterko, Coffman Associates
        Jeff Cantrell, private citizen
        Gale Garber, Hillsdale Water Quality Projects
        Sean Hutman, Executive Beechcraft
        Greg Kindle, Southwest Johnson County EDC
        Ray Olsen, Ray Olsen, L.L.C.

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

(NOTE: Heading, paragraph numbers and letters correspond to agenda numbers and letters. Items are listed in order of discussion.)

I. APPROVAL OF MINUTES

MOVED BY MR. WEISENBURGER, SECONDED BY MR. MEANS TO APPROVE THE MINUTES OF THE MAY 26, 2004 MEETING AS PRINTED AND DISTRIBUTED. APPROVED (5-0).

II. REPORT OF THE CHAIRMAN

No report of the chairman.

III. EXECUTIVE SUMMARY

A. Review staff reports:

   Mr. Metcalfe added to his report that an agreement had been reached with Prairie Highlands on the form of the easement agreement and that the FAA has reviewed and approved their engineering plans. Mr. Shepard asked if the fair market value of the agreement had been reached. Mr. Metcalfe replied that an agreement had not yet been reached on that.

   Mr. Perry added to his report that the slurry seal project, on the taxiways, is now complete and final striping will be complete in three weeks. The next major construction project at New
Century, on the airport side, will be the rehabilitation of runway 17/35 and will need to close the runway for about four months next year. The airport will not shut down because the secondary runway will remain open. However, it will be a temporary disruption of services. Mr. Metcalfe added that it may be possible to keep some portion of one or both of the runways open during the different phases of the project. Mr. Shepard commented, in all fairness to Burns & McDonnell, that the Airport Commission knows what the volume and runway needs are and insert them into the bid specifications. Mr. Perry replied that if options are added in the bid specifications then it will allow flexibility, with FAA’s concurrence, on price and whether or not a section of the runway would be open. Mr. Weisenburger asked if the types of aircraft that would be operating at the airport. Mr. Metcalfe replied that there is significant jet traffic and unfortunately, Executive Airport is not an option for that size of aircraft, and they would need to use the downtown airport. We would mainly be accommodating the smaller aircrafts at New Century AirCenter. Mr. Perry added that besides rehabilitating runway 17/35, it is also being narrowed from 190 feet to 150 feet wide.

IV. SUMMARY OF FINANCIALS:

C. Consider ratifying the May and June expenditures as presented:

MOVED BY MR. MEANS, SECONDED BY MR. WEISENBURGER TO RATIFY THE MAY AND JUNE EXPENDITURES AS PRESENTED. APPROVED (5-0).

V. DISCUSSION ITEMS

A. Consider a request from Hillsdale Water Quality Project for reduction in rent.

Mr. Metcalfe introduced Gale Garber, Director of the Hillsdale Water Quality Project, and she gave background information on their non-profit organization and some of the financial challenges they are facing with grant funding. After some discussion, the board made a recommendation for Mr. Metcalfe to work with the Hillsdale Water Quality Project regarding negotiating a more favorable rent.

B. Discuss awarding of Master Plan updates for New Century AirCenter, Executive Airport and the business park.

Mr. Perry presented information to the board on awarding the Master Plan updates for the New Century AirCenter, Executive Airport and the business park. Mr. Perry added that the winning team, unanimously, was Coffman Associates and they are in the process of putting together a contract for New Century AirCenter and Executive Airport. The fiscal year is soon coming to a close; there is about two and a half weeks in order to get a grant signed, therefore, since the business park is not as critical, there was not enough time to include that in Coffman Associates Master Plan updates. Mr. Perry introduced Mr. Benson and Mr. Dmyterko of Coffman Associates. Mr. Dmyterko gave a brief explanation of the process, established by the FAA, and stated that there are two scopes of services that are independent of each other and have very
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distinct issues that will need to be addressed. Coffman Associates is the company that completed the first Master Plan for the airports over fifteen years ago. Their main goal is to establish objectives through forecasting, try to identify roles for both airports, move to an alternative evaluation of where growth can be determined and put together actual costs of what has been proposed. Mr. Metcalfe added that one of the important aspects of the Master Plan is the basis in which the FAA programs and grant funds are issued.

MOVED BY MR. MOORE, SECONDED BY MR. WEISENBURGER TO APPROVE MOVING FORWARD WITH THE MASTER PLAN AS PRESENTED. APPROVED (5-0).

C. Review revised soccer facility plans.

Mr. Metcalfe gave an update on the soccer facility plans. He explained that there are two aspects of the building as it currently is proposed that doesn’t comply with County standards. First, there is a soccer ball sign, considered a wall sign, on the side of the building. Second, the use of Dryvit (a masonry-appearing finish), does not qualify as masonry. However, if it is acceptable to the Airport Commission, then the planning department does not have a problem with making the exceptions.

MOVED BY MR. SHADWICK, SECONDED BY MR. MOORE TO APPROVE THE USE OF DRYVIT IN THE FORM OF MASONRY, ALLOW THE SOCCER BALL SIGNAGE AND APPROVAL THE PLANS. APPROVED (5-0).

D. Report of the President, Southwest Johnson County EDC.

VI. BUSINESS FROM THE FLOOR

VII. ADJOURNMENT

There, being no further business, the meeting was adjourned at 10:16 a.m.

Jay Shadwick, Secretary

R. Lee Metcalfe, Executive Director
JOHNSON COUNTY AIRPORT COMMISSION

MINUTES – August 25, 2004, 9:00 a.m. – New Century, Kansas

Airport Commission

Present: Messrs. Dixon, Means, Moore, Shadwick, Shepard, and Wittenborn

Absent: Mr. Weisenburger

Staff: Metcalfe, Dunham, Helsel, Perry and Bellinger

Others: Dorothy Blackburn, League of Women Voters
Jeff Cantrell, private citizen
Terry Clark, private citizen
David Francis, Prairie Highlands
Dr. Fred Hartwig, private citizen
Sean Hutman, Executive Beechcraft
Greg Kindle, Southwest Johnson County EDC
Andy Maysent, HNTB
Amelia McIntyre, Carlson Kort L.C.
Ray Olsen, Ray Olsen, L.L.C.

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

(NOTE: Heading, paragraph numbers and letters correspond to agenda numbers and letters. Items are listed in order of discussion.)

I. APPROVAL OF MINUTES

MOVED BY MR. MEANS, SECONDED BY MR. MOORE TO APPROVE THE MINUTES OF THE JULY 28, 2004 MEETING AS PRINTED AND DISTRIBUTED. APPROVED (6-0).

II. REPORT OF THE CHAIRMAN

A. The election committee nominated a slate of board members, Mr. Shepard, Chairman; Mr. Shadwick, Vice Chairman; Mr. Wittenborn, Secretary; and Mr. Means, Treasurer by unanimous vote. Approved (6-0). Newly elected Chairman Shepard presided over the remainder of the meeting.

IV. EXECUTIVE SUMMARY

A. Review staff reports:

Chairman Shepard asked if there were any additional permits that Prairie Highlands is required to apply for. Mr. Francis, Prairie Highlands, replied that applications have been made to FAA and the Division of Water Resources.
Mr. Helsel added to his report that the Old Naval Museum has been demolished and the items of the museum have been distributed to various museums.

B. Summary of Financials:

C. Consider ratifying the July expenditures as presented:

MOVED BY MR. WITTENBORN, SECONDED BY MR. MOORE TO RATIFY THE JULY EXPENDITURES AS PRESENTED. APPROVED (6-0).

V. DISCUSSION ITEMS

Chairman Shepard introduced Amelia McIntyre, attorney with Carlson Kort L.C., representing Dr. Fred and Louise Hartwig regarding the Prairie Highland proposal of an easement agreement with New Century AirCenter. Ms. McIntyre presented to the board a letter stating the reasons why Mr. and Mrs. Hartwig have refused to provide written consent to allow the discharge of effluent onto their property, for use at Prairie Highlands Golf Course, and the legal ramifications if the project is pursued with the current pipeline plans.

A. Discuss lease agreement with the OFM (Office of Financial Management) and Risk Management.

Mr. Metcalfe updated the board on the lease agreement and use of land by the OFM and Risk Management. Mr. Metcalfe recommended to extend the lease agreement.

MOVED BY MR. SHADWICK, SECONDED BY MR. WITTENBORN TO APPROVE THE LEASE AGREEMENT WITH OFM AND RISK MANAGEMENT AS PRESENTED. APPROVED (6-0).

B. Consider approval of a new ground lease for Midwest Aerosport L.L.C. for the construction of a private hangar.

Mr. Metcalfe presented information to the board on a new lease agreement with Midwest Aerosport L.L.C., (dba B & A Holdings, LLC) for construction of a private hangar. Mr. Wittenborn asked Mr. Metcalfe if the hangar was already in construction and when is the estimated date for completion. Mr. Metcalfe replied that it is a pre-engineered kit building and could possibly be complete by November of this year, if not earlier. Mr. Olsen asked if there would be manufacturing and testing of aircraft. Mr. Metcalfe stated that prototypes would be made, but the actual manufacturing would be contracted out. Testing of the prototypes should not increase activity at New Century AirCenter.

MOVED BY MR. DIXON, SECONDED BY MR. MOORE TO APPROVE THE NEW LEASE FOR MIDWEST AEROSPORT L.L.C. (DBA B & A HOLDINGS, LLC) AS PRESENTED. APPROVED (6-0).
C. Consider approval of a new lease on Bldg. 25 for Howell Mouldings.

Mr. Metcalfe gave an update on Howell Mouldings plan to take over the old Royal Tractor building. Before this can occur, there are several code violations that need addressed. Mr. Howell offered to spend his own money to bring the building up to code, and in exchange he would like relief from rent until he is reimbursed for his out-of-pocket expenses to improve NCAC’s building. At that time, rent would then be based upon the same rent structure of the existing buildings. Mr. Wittenborn asked if our commission would provide contract services (mowing and snow removal). Mr. Metcalfe stated that JCAC would not provide those services. Mr. Shadwick stated that he would like to see a provision added in the lease that in the event of a default by Howell Moulding, that we have the right to collect rent on the remainder of the lease term. Ms. Dunham added that a cap needed to be included in the lease document. Mr. Dixon asked if Mr. Howell had actual bids or estimates and how many months of rent would it reflect. Mr. Metcalfe replied that the numbers are estimates and the pay back would be just under three years. Mr. Dixon recommended that the amount to cap the lease should not exceed $280,000.

MOVED BY MR. MOORE, SECONDED BY MR. SHADWICK TO APPROVE A NEW GROUND LEASE FOR HOWELL REAL ESTATE L.L.C., NOT TO EXCEED $280,000, CONTINGENT UPON RECOMMENDED REVISIONS FROM LEGAL. APPROVED (6-0).

D. Report of the Development Committee Chairman.

Development Committee Chairman, Dave Shepard, thanked all that participated at the past meeting with the BoCC regarding the building of new T-hangars. Mr. Metcalfe stated that if there are no unforeseen obstacles, then essentially construction could begin next summer, 2005.

Mr. Shepard updated the board of the recent meeting with Mr. Watkins, Watkins & Associates, Inc. and that Mr. Watkins would like to meet with the Development Committee to present a revised partnership prior to the next Airport Commission meeting. A meeting will be scheduled and notification’s sent out.

E. Report of the President, Southwest Johnson County EDC.

Mr. Kindle presented information of the Think KC campaign that is being done by KCADC (Kansas City Area Development Council).

VI. BUSINESS FROM THE FLOOR

VII. ADJOURNMENT

There, being no further business, the meeting was adjourned at 10:16 a.m.
JOHNSON COUNTY AIRPORT COMMISSION
MINUTES – September 22, 2004, 9:00 a.m. – New Century, Kansas

Airport Commission

Present: Messrs. Dixon, Means, Moore, Shadwick, Shepard, Weisenburger and Wittenborn

Absent:

Staff: Metcalfe, Dunham, Helsel, Perry and Bellinger

Others: Dorothy Blackburn, League of Women Voters
Dave Hadel, Burns & McDonnell
Greg Kindle, Southwest Johnson County EDC
Andy Maysen, HNTB
Amelia McIntyre, Carlson Kort L.C.
Ray Olsen, Ray Olsen, L.L.C.

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

(NOTE: Heading, paragraph numbers and letters correspond to agenda numbers and letters. Items are listed in order of discussion.)

I. APPROVAL OF MINUTES

MOVED BY MR. WEISENBURGER AND SECONDED BY MR. WITTENBORN TO APPROVE THE MINUTES OF THE AUGUST 25, 2004 MEETING AS PRINTED AND DISTRIBUTED. APPROVED (7-0).

II. REPORT OF THE CHAIRMAN

IV. EXECUTIVE SUMMARY

A. Review staff reports:

Mr. Metcalfe gave an update on the Midwest Soccer LLC proposal and some of the issues they are currently facing. The benefit district has been an issue in the delay of construction of the street, this in turn has caused an accessibility problem, and the street probably will not be complete before the construction of the soccer facility occurs. County Planning and Zoning has agreed for Midwest Soccer LLC to have temporary access to the site from the Conestoga cul-de-sac. The other issue is storm water detention. The County stormwater engineer says that a regional detention pond is needed to serve the soccer facility and other future development in that area. Midwest Soccer needs to import dirt to raise their building pad four feet. Midwest Soccer’s engineer is proposing to use the dirt from the detention pond to raise the building pad, in effect building the detention pond for “free.” Mr. Weisenburger asked who was responsible for cleaning the detention ponds in front of Sprint North Supply. Mr. Helsel replied that Sprint was responsible for cleaning of the ponds. Mr. Metcalfe added that staff has met with Sprint, pointing out that responsibility of the ponds is included in their lease, and they will develop a proposal to take care of the cleaning of the ponds.

Chairman Shepard asked if there was an update to the Master Plan. Mr. Metcalfe replied that staff had met with Coffman and Associates and Myron Haith, consultant, and have agreed to a general
scope for the Industrial Park piece of the Master Plan. A public advisory committee will be formed that would include a couple of Airport Commissioners, Ray Olsen of Ray Olsen, LLC, representatives of Homes Associations near both airports, FAA, FBO’s, and City and County planning people.

B. Summary of Financials:

C. Consider ratifying the August expenditures as presented:

MOVED BY MR. DIXON AND SECONDED BY MR. WITTENBORN TO RATIFY THE AUGUST EXPENDITURES AS PRESENTED. APPROVED (7-0).

V. DISCUSSION ITEMS

A. T-hangar planning update.

Mr. Metcalfe gave the board an update on T-hangar planning. Mr. Metcalfe introduced Mike Williams, consulting engineer, who has reviewed Burns & McDonnell’s cost projections, version of a design/build approach and construction monitor costs. Mr. Wittenborn asked how the paving area estimates could be 40% off from the original ones. Mr. Perry replied that the cost of concrete went up from $25 to $50 a square yard. Mr. Hadel, Burns & McDonnell, commented that the cost estimate for the foot print of concrete was included in the T-hangar costs and that Mr. Williams used it as a separate item. Mr. Williams added that the cost of steel had increased 10% due to China buying up all of the scrap steel. Mr. Perry commented that his recommendation would be to err on the conservative side up to 10%. Mr. Metcalfe explained the bid process and stated that the proposal would go to Springsted, the county’s financial advisor, and they will do the cost benefit/cash-flow analysis and if that is acceptable to the Airport Commission and BoCC, then we would go ahead with the bid process. Staff would send it out for bid, then, we would know exactly what is needed and would sell the bonds for that amount. Mr. Perry added that we are not able to repay ourselves for any expenses that are incurred any earlier than 60 days prior to the resolution of intent being issued. Mr. Metcalfe added that the bond sale would be scoped precisely and most likely be packaged with two or three others that the County would do at the same time.

B. Prairie Highlands pipeline alignment change.

Mr. Metcalfe briefed the board on recent activities on the Prairie Highlands pipeline easement proposal and their alternative alignment design. He further stated that according to David Francis, Prairie Highlands, it was suggested by the KDWR (Kansas Division of Water Resources) to redirect the pipeline around the Hartwig property. Chairman Shepard asked if the FAA would review the changes and if there was a possibility that they may not approve the changes. Mr. Metcalfe replied that since the FAA approved the original design, they would likely approve the changes. Mr. Dixon asked if Prairie Highlands would be boring under the runway and whose responsibility is it if the lighting system were damaged and put out of circulation. Mr. Metcalfe replied that a requirement will be included in the engineering specs for Prairie Highlands to physically locate everything in the ground. There is also an indemnification provision that states if anything is damaged Prairie Highlands is responsible for fixing it. Ms. Dunham commented that we do not have drawings, specifications or engineering requirements that are necessary before a final approval of the easement can be made. Mr. Means suggested that Prairie Highlands be required to get a performance bond for the total project. Ms. Dunham replied that it would not be required because
we would not be doing the project. We would be granting an easement to allow someone else to do the project on our land. Mr. Dixon asked what would be the insurance requirements. Ms. Dunham stated that the standard general liability insurance, to cover losses, is $1,000,000.00. Mr. Means expressed his concerns that they would run into construction costs that they did not anticipate and would not be able to complete the project. Mr. Metcalfe added that Prairie Highlands would be doing the project at the lowest possible cost, probably using an inexpensive contractor with a low profit margin, and if serious damage would occur, it would be easier for the contractor to just walk away from the project rather than fix it. Mr. Weisenburger commented that he was not in favor of this project and could not see any benefit to the Airport Commission. Mr. Moore stated that he would like to go on the record that he is not sure that the benefit of this project is worth all of the trouble. Mr. Dixon stated that the lighting system is 6,000 volts of constant high voltage current and asked who would be responsible if someone was injured or killed by accidentally hitting or digging into it. Ms. Dunham commented that we would need to see why it occurred and that would be based upon a number of factors. She continued that the liability clause would be related to withdraw, transmission, discharge of the effluent and the occupancy of the easement tract. Mr. Dixon stated that there have been a number of electrical changes to the airport and we do not have updated as-built drawings to determine where they are located. Ms. Dunham stated that there are a lot of specifications that are not included in the easement at this time and this is specifically a “form” of the easement and the Airport Commission has approved only. Ms. McIntyre, Carlson Kort L.C., commented that it is her understanding that the KDWR believes the Airport Commission has approved the easement, not just the “form” of the easement. Ms. Dunham replied that she sent a letter to the KDWR clearly stating the Airport Commission board has not approved the easement, merely the “form” of the easement. Ms. Shadwick suggested that Ms. Dunham send another letter that specifically states the Airport Commission’s approval of the “form” of the easement only. Additionally, he recommended that the insurance liability should be increased from $1,000,000.00 to $5,000,000.00.

MOVED BY MR. SHADWICK AND SECONDED BY MR. WITTENBORN FOR MS. DUNHAM OR MR. METCALFE TO SEND A LETTER TO PRAIRIE HIGHLANDS AND KDWR (KANSAS DIVISION OF WATER RESOURCES) CLARIFYING THAT THE AIRPORT COMMISSION HAS NOT AGREED TO APPROVE THE PROJECT AND ARE CONTINUING NEGOTIATIONS ON AN EASEMENT. APPROVED (6-1). OPPOSED BY MR. WEISENBURGER.

C. Combined discussion items C (Watkins proposal update) and D (Report of the Development Committee Chairman).

Chairman Shepard gave an update on the recent Development Committee meeting regarding the proposal of Watkins & Company, Inc. and that the majority of the Development Committee members are not satisfied that the current form of the agreement. The Development Committee will meet in the near future to continue discussions.

E. Report of the President, Southwest Johnson County EDC.

VI. BUSINESS FROM THE FLOOR

VII. ADJOURNMENT

There, being no further business, the meeting was adjourned at 10:05 a.m.
John Wittenborn, Secretary

R. Lee Metcalfe, Executive Director
I. APPROVAL OF MINUTES

MOVED BY MR. DIXON AND SECONDED BY MR. WITTENBORN TO APPROVE THE MINUTES OF THE SEPTEMBER 22, 2004 MEETING AS PRINTED AND DISTRIBUTED. APPROVED (6-0).

II. REPORT OF THE CHAIRMAN

A. Discuss combining the November and December Airport Commission meetings.

MOVED BY MR. DIXON, SECONDED BY MR. WEISENBURGER TO APPROVE COMBINING THE NOVEMBER AND DECEMBER MEETINGS. THE NEXT REGULARLY SCHEDULED MEETING OF THE AIRPORT COMMISSION WILL BE HELD ON WEDNESDAY, DECEMBER 1, 2004. APPROVED (6-0).

IV. EXECUTIVE SUMMARY

A. Review staff reports:

Mr. Metcalfe gave an update and status of the Midwest Soccer L.L.C. facility.

B. Summary of Financials:

C. Consider ratifying the September expenditures as presented:
MOVED BY MR. WEISENBURGER AND SECONDED BY MR. WITTENBORN TO RATIFY THE SEPTEMBER EXPENDITURES AS PRESENTED. APPROVED (6-0).

V. DISCUSSION ITEMS

A. Springsted report on the construction of new T-hangars.

Bruce Kimmel, Springsted, gave an overview on the recent review of financials for the construction of new T-hangars. Springsted’s recommendation would be for a gross surplus funds approach. However, if the revenue stream were too tight, then there would need to be other sources of revenue to cover the costs. Mr. Weisenburger asked how this would affect the airport’s bottom line. Mr. Perry responded that based upon what we would end up having to pay on an annual basis and assuming that the rates of the new T-hangars were increased by 10% we would still be short $216,000 a year. If we also increased all of the existing T-hangars rent by 10%, then, we would still be short $160,000 a year in net revenue for the first year. Mr. Moore asked if those figures included the cost of operation. Mr. Perry replied that was just considering debt service. Additional costs of operations would include electricity, currently averaging $7-10 a month per T-hangar, maintenance, and personnel costs. Mr. Means asked Mr. Kimmel what the interest rate would be. Mr. Kimmel stated that the interest rate would be about 5%, tax exempt, over a 20 year period. Mr. Metcalfe said he is very concerned about cash flow in 2005 and recommended, at this time, to hold off discussions on T-hangar development for a year. It was a consensus by all to suspend discussions and revisit again in July 2005.

B. Consider approving the assignment of the Graphic Technology, Inc. lease and service agreement to Vestcom International, Inc.

Mr. Metcalfe briefed the board on the assignment of lease request for Graphic Technology, Inc. Mr. Wittenborn asked if there would be any significant changes to the lease. Mr. Metcalfe responded that no changes have been requested by either party. Mr. Shadwick asked if there would be any change in the type of usage of the business. Mr. Metcalfe stated it was his understanding that Vestcom would continue to operate the business and provide the same type of products.

MOVED BY MR. SHADWICK AND SECONDED BY MR. WITTENBORN TO APPROVE THE ASSIGNMENT OF THE LEASE, SUBJECT TO REVIEW OF THE ASSIGNMENT AND ASSUMPTION OF LEASE DOCUMENT, FOR WHICH THE BOARD WOULD APPROVE ANY CHANGES OF USE. IN ADDITION, THAT GRAPHIC TECHNOLOGY, INC. REMAINS AS AN EXISTING ENTITY. APPROVED (6-0).

C. Consider approving an Amendment to Ground Lease for K.C.R. Investors, L.C., third-party developer of Heartland Precision Fasteners’ building on Prairie Village Drive at New Century, to add 1.5 acres to their existing leasehold to accommodate a 10,000 sq. ft. expansion of the existing building.

Mr. Metcalfe stated that K.C.R. Investors, third-party developers consisting of the principals of Rose Construction, financed and built a building for Heartland Precision Fasteners. At the time of that transaction there was an option parcel, addressed in the lease, for future expansion. The intent of this amendment would be to officially add the option parcel to the lease under the
existing terms and conditions of the lease to accommodate the 10,000 sq. ft. building expansion, which has already been constructed. Mr. Wittenborn asked how this would change their current lease. Mr. Metcalfe responded that it would add 1.5 acres of land to the existing lease with the same terms and conditions and at the same rate. Mr. Shadwick commented that he would like a statement added to the lease with the definition of land to now include the expansion parcel.

MOVED BY MR. MOORE AND SECONDED BY MR. WITTENBORN TO APPROVE THE AMENDMENT TO GROUND LEASE FOR K.C.R. INVESTORS, L.C. APPROVED (6-0)

D. Consider approving a Ground Lease for Danisco USA, Inc. for 5.64 acres of land to be added to the existing site of the former Dazey building to accommodate expansion of the building and the parking areas.

Mr. Metcalfe briefed the board on the expansion of the building and parking areas for Danisco USA, Inc., formerly the Dazey building. Mr. Shadwick suggested adding a statement that would include a cross-default provision that in the event of defaulting on one lease it would entail a default on both leases.

MOVED BY MR. WEISENBURGER AND SECONDED BY MR. WITTENBORN, SUBJECT TO LEGAL REVIEW, TO APPROVE THE GROUND LEASE FOR DANISCO USA, INC. FOR 5.64 ACRES OF LAND ADDED TO THE EXISTING SITE WITH THE ADDED CROSS-DEFAULT PROVISION. APPROVED (6-0)

E. Review of proposed changes to the Airport Compatibility Plan for Executive Airport.

Mr. Metcalfe updated the board on past history of the Airport Compatibility Plan for Executive Airport and how it would apply today. Mr. Metcalfe presented an outline of current development land at Executive Airport and the County Planning recommendations. Mr. Metcalfe stated that only way to get full control of the most critical area would be by purchasing the ground in question, with hopes of being reimbursed by the FAA. Mr. Metcalfe referenced a scatter diagram for Executive Airport that shows the high probability of crashes that could occur near the runway. Development of residential or business properties near the runway increases the probability for safety issues. County Planning is prepared to go before the Board of County Commissioners and to recommend adopting this as it has been prepared. After further discussion, it was a consensus by all to go forward with Mr. Metcalfe’s recommendation.

F. Master Plan updates-Mike Dmyterko of Coffman Associates.

Mr. Dmyterko, Coffman Associates, updated the board on the current progress of the Master Plan update. The next steps include developing a planning advisory committee consisting of fifteen committee members for both airports. Coffman Associates will also have public information workshops to disseminate information to the community regarding the studies and progress.

G. Report of the President, Southwest Johnson County EDC.

VI. BUSINESS FROM THE FLOOR
Ms. McIntyre, Carlson Kort, L.C., representing Dr. and Mrs. Hartwig, adamantly restated the Hartwig’s objections of Prairie Highlands’ proposal of a pipeline easement that would run through their property. She further continued that the letter sent by the Airport Commission’s legal counsel on September 28 to the Kansas Department of Water Resources was not clear in stating that the Airport Commission board has not approved of the easement agreement, but specifically the form of the easement agreement. Mr. Metcalfe responded that Ms. Dunham, legal counsel, stated in the letter that the Airport Commission board has not approved the agreement of the easement and there were numerous conditions that need to be met before they would consider approving the easement. Mr. Shadwick agreed with Mr. Metcalfe that the Airport Commission has not been provided with enough information to understand whether or not we are able to make a good decision at this time. He further reaffirmed that the Airport Commission board has not approved anything except the form of the easement. Ms. McIntyre made a request that the Airport Commission board make requirements to Prairie Highlands for a deadline of necessary documentation to be reviewed.

VII. ADJOURNMENT

There, being no further business, the meeting was adjourned at 10:05 a.m.

__________________________________________  _______________________________________
John Wittenborn, Secretary                  R. Lee Metcalfe, Executive Director
Chairman Shepard called the meeting to order at 9:00 a.m.

(NOTE: Heading, paragraph numbers and letters correspond to agenda numbers and letters. Items are listed in order of discussion.)

I. APPROVAL OF MINUTES

MOVED BY MR. WITTENBORN AND SECONDED BY MR. MOORE TO APPROVE THE MINUTES OF THE OCTOBER 23, 2004 MEETING AS PRINTED AND DISTRIBUTED. APPROVED (5-0).

II. REPORT OF THE CHAIRMAN

A. Chairman Shepard congratulated Garry Cosner and expressed the board’s appreciation for his five years of dedicated service.

IV. EXECUTIVE SUMMARY
A. Review staff reports:

B. Summary of Financials:

C. Consider ratifying the October expenditures as presented:

MOVED BY MR. WEISENBURGER AND SECONDED BY MR. WITTENBORN TO RATIFY THE OCTOBER EXPENDITURES AS PRESENTED. APPROVED (5-0).

V. DISCUSSION ITEMS

A. Consider making a recommendation to the Board of County Commissioners on the proposed Wal-Mart development south of New Century AirCenter in Gardner.

Chairman Shepard gave background information on the recent meeting with the Board of County Commissioners and their request of the Airport Commission on the Wal-Mart development proposal. Ms. Dunham reminded the Airport Commission board that the BoCC is the statutory authority in making the final decision. Ms. Dunham also pointed out that this is not an isolated application, in that every land use around the airport affects future land use and to take that into consideration when looking at the application. Mr. Palos, Johnson County Planning, commented that the state statutes do provide that the county has the authority to control zoning within a mile of the airport and that is what this exercise is about. Mr. Palos presented regulation guidelines on zoning that were adopted about ten years ago with the county and the city Gardner, dealing with New Century AirCenter. Mr. Peel, Johnson County Planning, stated that this application proposal is not just a Wal-Mart proposal, but includes a gas station site and other retail pad sites. He further stated that zoning near the airport is for commercial use, such as warehousing, horticultural nursery’s and low-density uses that are not a retail attraction for thousands of people. Mr. Peel continued that the north wall of the Wal-Mart building would be about two-thirds of a mile from the end of the runway and there are two pad sites that straddle the runway center line. They are 5,000 square foot buildings that are about 115 feet apart and proposed for restaurant and retail locations. Restaurants, in particular, are used for dense populations of people which are contrary to the plan’s intention. The western 265 feet of the site is outside the primary flight corridor and by his calculations and estimates planes could be about 300 feet above ground surface at this location. The information provided by the city of Gardner includes FAA certifications that none of the proposed improvements would protrude high enough to be in the protected air zones of the airport. Mr. Peel read part of a memo that was sent on November 5, 2004 in a briefing package to the BoCC, highlighting critical locations near the airport. The primary flight corridor is 1,000 feet wide, not 500 feet wide as submitted by the city of Gardner. Therefore, the eastern third of the wetlands area is well within the flight corridor and the FAA has issued an advisory circular with regard to mitigating animal and bird strike issues around airports. Although, this wetland area is replacing one that is already on the property it still is well within the airport’s flight corridor. Mr. Peel continued that it is important that the land use and development of the property be consistent with the land use and development policies of the plan. He further summarized acceptable land uses around the flight corridor minimizing concentration of persons in areas of highest quantities of aviation activity (warehousing, outside storage of
equipment, automobiles, machinery, building materials, contractor’s equipment, storage yards, regular truck freight terminals, and off street parking lots. He reiterated that several of the pad sites are proposed to be restaurant and retail. Restaurant uses often have high population of people per square foot and should be avoided for those reasons. The maximum occupancy allowed by the international building code would be around 6,000 people. Mr. Peel stated that it was Johnson County Planning staff’s position, interpreting the airport Master Plan that the development and use of the proposed site are too intense to be compatible with the airport and the proposed developer would not be well located in respect to the following: two-thirds of a mile from the end of the runway to the north wall of the building, the extended center line of the runway crosses the site by 250 feet in front of the proposed wall of the Wal-Mart Super Center and 220 feet from the center line of the proposed gasoline pump islands, and along the center line of the runway there is a 115 foot wide area between two 5,000 square foot buildings labeled as future restaurant and retail spaces and many other aspects that are not consistent with the land use policies. Chairman Shepard asked what the differences in safety were in approving residential development versus the proposed Wal-Mart and surrounding development. Mr. Peel replied that part of the concept is that there are open areas that a pilot would be able to land aircraft in an emergency, unlike the Wal-Mart proposal.

Mr. Sherman, Community Development Director for the city of Gardner, gave background information and an update of the city of Gardner’s approval of the Wal-Mart proposal. Mr. Sherman agreed with Mr. Peel that the most critical flight corridor location is the 500 foot square area. The original proposal, first presented two years ago, was to put the Wal-Mart building east of the sewer lagoon; right on the center of the runway, and the parking lot would be on the old Luv’s Home site. He further stated that he and Mr. Metcalfe met and it was determined that the original proposal would not work due to the flight corridor. The revised information was included in the staff analysis presented to the Gardner Planning Commission, Gardner City Council and the BoCC. Mr. Sherman pointed out that under the existing zoning for the Wal-Mart site, the mobile home park could be expanded to the east under the primary flight corridor and very dense warehousing could be developed directly under the flight corridor on the center-line of the runway, all without any further approval of the County. Mr. Sherman felt that the Wal-Mart plan was much preferable in terms of safety for aircraft on approach because the area under the flight corridor is primarily open parking lot.

Ms. Bushyhead, attorney for Wal-Mart, addressed the Airport Commission board regarding policy issues and their compatibility plan at New Century AirCenter and the distinction between this application and Wal-Mart’s original proposal. She stated that the FAA’s comments and jurisdiction regarding water fowl issues is primarily restricted to the runway protection area that the Wal-Mart proposal would not impact. Ms. Bushyhead recommended that the Airport Commission view the city of Gardner staff’s comprehensive plan. Finally, she added that the Wal-Mart proposal would not adversely impact airport operations. The proposed parking lot is low density and under the critical flight corridor area. The most obvious issue is aircraft noise and the impact on areas surrounding the airport is a non-issue regarding the Wal-Mart proposal and development. The second stated concern regarding land usage is to provide reasonable opportunities for viable economic uses of the land while recognizing and establishing appropriate measures to balance the land use with the airport influence. She reiterated the economic value for the local economy and the protection of the public investment in this facility, in the New Century AirCenter, for which there may be no feasible future
replacement. She added that the city of Gardner has stepped forward in taking affirmative steps to partner with New Century AirCenter and Johnson County in trying to preserve the economic and viability of airport operations. In conclusion, she requested that the Airport Commission recommend this proposed Wal-Mart development. Mr. Wittenborn asked if there were plans for lighting in the parking lot. Ms. Bushyhead responded that the FAA has regulations they would follow so there would be no negative impact on the airport. Mr. Palos stated that aircraft noise and safety is an issue in the development of properties surrounding an airport. Mr. Weisenburger stated, as a council member for the city of Gardner, that he would abstain from voting. Mr. Wittenborn stated that he believed the lighting in the parking lot would obstruct the approach lighting system and would directly affect instrument landing at the airport. Mr. Phil Gibbs, contracting engineer for Wal-Mart, responded to Mr. Wittenborn’s concerns that the parking lot pavement would be black asphalt with a cold tar seal, the lights in the parking lot would be facing down with very little glow and not be placed in any row that would be confusing to a pilot. Commissioner Wood asked the Airport Commission board to make their recommendation regarding the Wal-Mart proposal, based upon land use, and to be certain what is being voted on.

MOVED BY MR. MEANS AND SECONDED BY MR. MOORE TO RECOMMEND TO THE BOARD OF COUNTY COMMISSIONERS THAT THE PROPOSED WAL-MART DEVELOPMENT BE APPROVED BASED UPON THREE (3) FINDINGS: THE PROPOSED DEVELOPMENT IS A COMPATIBLE USE OF LAND WITH THE NEW CENTURY AIRCENTER; THE PROPOSED DEVELOPMENT DOES NOT ADVERSELY EFFECT AIRPORT OPERATIONS PROVIDED THE PARKING LOT LIGHTING IS ADEQUATELY ADDRESSED TO THE SATISFACTION OF THE NEW CENTURY AIRCENTER STAFF; AND THE PROPOSED DEVELOPMENT IS A PREFERABLE DEVELOPMENT TO A RESIDENTIAL DEVELOPMENT. APPROVED (3-1-1). OPPOSED BY MR. WITTENBORN AND ABSTAINED BY MR. WEISENBURGER.

B. Discussion of Prairie Highlands’ proposed wastewater effluent pipeline at New Century AirCenter.

Chairman Shepard updated the Airport Commission on the latest aspect that Prairie Highlands has received a permit from the Kansas Division of Water Resources to redirect effluent water from the New Century AirCenter wastewater treatment plant to the Prairie Highlands Golf Course. Mr. Orr, attorney for Prairie Highlands Golf Course, addressed the board and emphasized the importance of using valuable resources. Chairman Shepard noted that there are outstanding issues with respect to the requirements of the easement agreement that the Airport Commission board requests from Prairie Highlands. Firstly, there are conflicting conversations with the Corps of Engineers between the Airport Commission and Prairie Highlands. He further requested a letter from the Corps of Engineers stating, on record, that no permits are required. Secondly, engineering drawings and specifications of what the pipeline looks like and how it would flow to Prairie Highlands’ lake. Thirdly, he recognized concerns from the Hartwig’s of effluent water eroding and contaminating their land. Chairman Shepard stated that the Airport Commission would not be put in the position of choosing between Dr. Hartwig’s private property concerns and pumping effluent water to Prairie Highlands’ golf course. He continued that Prairie Highlands and Dr. Hartwig could come to some resolution that would not put this volunteer board in the middle. Ms. McIntyre, attorney for the Hartwig’s, referenced page two, item ten of the letter from the Kansas Division of Water Resources, stating that they
would not allow Prairie Highlands’ to enter or cause damage to private property. Mr. Metcalfe stated that before the Airport Commission board would consider approving the easement, the next steps would need to be addressed. A letter from the Corps of Engineers and the Kansas Department of Health & Environment (KDHE) and engineering plans and specifications from Prairie Highlands, that would need to be reviewed and approved by the Airport Commission’s engineer, along with an agreement on the fee for the easement.

C. Consider approving a ground lease for Midwest Soccer Complex, L.L.C. for the construction of an indoor soccer facility at 551 New Century Parkway.

MOVED BY MR. WITTENBORN AND SECONDED BY MR. MOORE TO APPROVE A GROUND LEASE FOR MIDWEST SOCCER COMPLEX, L.L.C. FOR THE CONSTRUCTION OF AN INDOOR SOCCER FACILITY AT 551 NEW CENTURY PARKWAY. APPROVED (5-0)

D. Consider approving a Rail Agreement & Amendment to Lease for Leawood Drive Associates, L.L.C. and Metal West, L.L.C to provide for the construction of a rail spur to serve Metalwest, subtenant in Leawood Drive Associates’ leased building at 201 Leawood Drive.

MOVED BY MR. MEANS AND SECONDED BY MR. WEISENBURGER TO APPROVE A RAIL AGREEMENT & AMENDMENT TO LEASE FOR LEAWOOD DRIVE ASSOCIATES, L.L.C. AND METALWEST, L.L.C. TO PROVIDE FOR THE CONSTRUCTION OF A RAIL SPUR TO METALWEST, SUBTENANT IN LEAWOOD DRIVE ASSOCIATES’ LEASED BUILDING AT 201 LEAWOOD DRIVE. APPROVED (5-0)

E. Report of the President, Southwest Johnson County EDC.

VI. BUSINESS FROM THE FLOOR

VII. ADJOURNMENT

There, being no further business, the meeting was adjourned at 11:30 a.m.