

JOHNSON COUNTY AIRPORT COMMISSION

MINUTES – February 28, 2007, 9:00 a.m. – New Century, KS

Airport Commission

Present: Messrs. Dixon, Downing, Hansen, Moore, Shepard, Weisenburger and Wittenborn

Absent:

Staff: Dunham, Metcalfe, Perry, Helsel and Bellinger

Others: Steven Baldwin, Danisco
Dominick Italiano, Civil Air Patrol
Randy Martis, RMC Investments
Ray Olsen, Ray Olsen, LLC
Tom Riederer, Southwest Johnson County EDC

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. DIXON AND SECONDED BY MR. DOWNING TO APPROVE THE MINUTES OF THE DECEMBER 6, 2006 MEETING AS PRESENTED. APPROVED (7-0).

II. REPORT OF THE CHAIRMAN

No report of the Chairman.

IV. EXECUTIVE SUMMARY

A. Review staff reports:

Mr. Metcalfe, also current Chairman for the Southwest Johnson County EDC, updated the board on intermodal activities and that the EDC is forming a group to review land uses, annexation and city boundaries. Mr. Downing asked Mr. Metcalfe if our increasing rail traffic is going to be a problem for Gardner. Mr. Metcalfe responded that it already was a problem and they had met with BNSF to discuss the crossing on Highway 56. The trains have gotten so long that they block the crossing. One of the recommendations is to shorten the number of cars. Sometimes the trains sit up to a day waiting for clearance to move back out onto the main line. Mr. Wittenborn asked if BNSF had to adhere to a maximum time at the intersections and fined if it is exceeded. Mr. Metcalfe replied that the timing is ten minutes and is only a significant problem at rush-hour. Mr. Metcalfe added that the railroad could do a better job of the way they are operating and they are receptive to making changes.

Mr. Perry stated that he would provide a revised budget for the board to review prior to amending it in April. Mr. Perry commented that there are pretty significant problems with the runway, at Executive Airport, due to the freeze/thaw cycles and rough winter. He is having an

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engineer look into estimates to repair and replace broken panels. It is a safety issue and has to be fixed. Mr. Perry estimated the cost to be around \$150,000-\$200,000. The FAA has agreed to talk to us about the project, but, will not commit to funding. Chairman Shepard asked Mr. Perry if we were going to have to fund it. Mr. Perry stated that we are out of discretionary funds for this year and will need to figure out what to give up to fund the repairs. Mr. Weisenburger asked if there was something that could be done on an interim basis by possibly filling with asphalt. Mr. Perry stated that he would not recommend using asphalt because it would peel and cause more damage. Mr. Dixon asked if the engineer will investigate why the runway didn't settle. Mr. Perry stated that when the runway was redone eleven years ago on the north end there were ground water issues. There is bedrock that slopes from the north to the south and water gathers to form a bit of an underground stream. Underdrains were put in to try to alleviate the water issues. Mr. Downing asked if the recent construction at the north end, due to rebuilding Pflumm street, may have caused a change in water flow. Mr. Perry replied that it was possible.

Mr. Dixon asked Mr. Helsel if the BNSF locomotive always positions itself in the same spot, relative to the main line, or is there latitude as to where it stops. Mr. Helsel responded that there is no real latitude because if they go past a certain point on the track it would trigger the Highway 56 crossing signal. Mr. Metcalfe stated that the problem with the crossing usually occurs when there are more than seven or eight cars.

Mr. Downing asked about running out of the pellets for de-icing the runway this year and needing to reorder. Mr. Helsel commented that they had used all of the CryoTech in stock from last year and needed to reorder for this year.

B. Summary of Financials:

Mr. Perry stated that we wound up with an additional \$300,000 more in revenue on the end of year projections. We are conservative each year on our projections with revenue and also project a little over for expenses. Mr. Downing asked if taking the water tanks down will affect revenue. Mr. Perry responded that it should not be an issue. Pump station 39A will still be able to supply water to everyone. Mr. Downing asked if there would be any revenue from the Soccer Complex. Mr. Metcalfe stated that he and Ms. Dunham sat in on a mediation meeting with the Soccer Complex folks and our contribution to the settlement of the mediation was to forego recovering \$26,000 in back rent. The lender has taken title to the facility, submitted a revised site development plan for approval to remove the soccer theme and has retained a contractor to complete the building. Ms. Dunham added that the lease is still in place and as they are the approved mortgage holder they have the right to step in and take over the lease and that it is still in full force and effect. Mr. Downing asked if that would change the specifics of the lease. Ms. Dunham responded that it would not. Mr. Wittenborn asked when the payments on the lease begin. Mr. Metcalfe replied that they had given them a six-month break from the date of settlement.

B. Consider ratifying the December 2006 and January 2007 expenditures as presented:

MOVED BY MR. DIXON AND SECONDED BY MR. DOWNING TO RATIFY THE DECEMBER 2006 AND JANUARY 2007 EXPENDITURES AS PRESENTED. APPROVED (7-0).

V. **DISCUSSION ITEMS**

- A. Consider approving a ground lease to Fleet Care, Inc. for 1.72 acres for the construction of a 14,000 sq. ft. truck repair facility at 70 Leawood Dr., New Century Business Park.

Mr. Metcalfe gave background information on Fleet Care, Inc. and the property where they are interested in locating within New Century Business Park. Mr. Downing asked if environmental issues were covered in the lease. Ms. Dunham responded that there is a hazardous substance clause covered in the lease. She added that there are still a few items that have not been finalized and requested that any motion be subject to final approval by legal and staff.

MOVED BY MR. WITTENBORN AND SECONDED BY MR. DOWNING TO APPROVE A GROUND LEASE TO FLEET CARE, INC. FOR 1.72 ACRES FOR THE CONSTRUCTION OF A 14,000 SQ. FT. TRUCK REPAIR FACILITY AT 70 LEAWOOD DR., NEW CENTURY BUSINESS PARK SUBJECT TO STAFF AND LEGAL APPROVING FINAL LEASE DOCUMENT AS PRESENTED. APPROVED (7-0).

- B. Consider approving a ground lease to Executive Hangars LLC (Randy Martis, et al) for approximately 2 acres for the construction of up to two blocks of hangars at Executive Airport.

Mr. Metcalfe updated the board on a Right of First Refusal for Mr. Martis, a year ago, to do a hangar project at Executive Airport and that he is ready to proceed with a ground lease. Mr. Martis stated that he has a partner, Executive AirShare, that would be interested in either doing the whole project with him or cut the project in half and then that would become two separate leases. Mr. Wittenborn asked if there would be access to these buildings off of 151st Street. Mr. Metcalfe responded that during the rebuild of Pflumm street access was given to the property. Ms. Dunham requested that the ground lease be subject to legal and staff approval.

MOVED BY MR. HANSEN AND SECONDED BY MR. WITTENBORN TO APPROVE A GROUND LEASE TO EXECUTIVE HANGARS LLC (RANDY MARTIS, ET AL) FOR APPROXIMATELY 2 ACRES FOR THE CONSTRUCTION OF UP TO TWO BLOCKS OF HANGARS AT EXECUTIVE AIRPORT SUBJECT TO STAFF AND LEGAL APPROVING FINAL DOCUMENT AS PRESENTED. APPROVED (7-0).

- C. Consider recommending to the Board of County Commissioners the adoption of a resolution of intent to issue up to \$20,000,000 of industrial revenue bonds for the construction of a 450,000 sq. ft. regional distribution center to be constructed and owned by First Industrial Realty Trust and leased to Kimberly Clark Corporation.

Mr. Metcalfe requested that the board recommend to the Board of County Commissioners the adoption of a resolution of intent to issue IRBs (Industrial Revenue Bonds) for the construction of a 450,000 sq. ft. project at New Century AirCenter. Mr. Wittenborn asked who First Industrial Realty Trust is and what is their component. Mr. Metcalfe responded that First Industrial Realty Trust is a real estate investment trust (REIT). They are a large organization and Kimberly Clark's favorite third-party developer. Mr. Dixon asked what the anticipated employment would be for this project. Mr. Metcalfe responded that it would be a highly automated distribution center and employ sixty to eighty people. Mr. Downing asked if there would be a service road or any traffic issues. Mr. Metcalfe replied that they would be doing a

traffic study. Mr. Hansen asked if the building would affect the approach zone. Mr. Metcalfe stated that there shouldn't be any issues. Chairman Shepard asked if the Airport Commission board, within the last ten years, had ever recommended using IRBs. Ms. Dunham replied, to her knowledge, they have not.

MOVED BY MR. DIXON AND SECONDED BY MR. WEISENBURGER TO APPROVE RECOMMENDING TO THE BOCC TO ADOPT A RESOLUTION OF INTENT TO ISSUE UP TO \$20,000,000 OF INDUSTRIAL REVENUE BONDS FOR THE CONSTRUCTION OF A 450,000 SQ. FT. REGIONAL DISTRIBUTION CENTER TO BE CONSTRUCTED AND OWNED BY FIRST INDUSTRIAL REALTY TRUST AND LEASED TO KIMBERLY CLARK CORPORATION AS PRESENTED. APPROVED (7-0).

D. UPDATE ON SECURITY AT EXECUTIVE AIRPORT.

Mr. Metcalfe updated the board on feasibility costs of installing security gates at Executive Airport. We're looking at costs from \$130,000-\$150,000 to complete this project. Mr. Metcalfe showed a layout of where the installation of gates and barriers would be placed at Executive Airport. He recommended using keypads with one key code. To administer an individualized program would be extremely hard to control. The next step would be to authorize an engineering study, notify the FBOs and then have a town hall meeting with the t-hangar tenants.

MOVED BY MR. DIXON AND SECONDED BY MR. HANSEN TO APPROVE UP TO \$10,000 FOR AUTHORIZING AN ENGINEERING STUDY FOR SECURITY AT EXECUTIVE AIRPORT AS PRESENTED. APPROVED (7-0).

Let the minutes reflect that at 10:32 a.m. Chairman Shepard departed the meeting and Vice Chairman Moore assumed the chair for the remainder of the meeting.

E. Consider a proposal to change the Airport Commission By-Laws to amend the provision for monthly meetings to bi-monthly.

MOVED BY MR. WEISENBURGER AND SECONDED BY MR. DIXON TO APPROVE CHANGING THE AIRPORT COMMISSION MONTHLY MEETINGS TO BI-MONTHLY MEETINGS, WITH THE ABILITY TO CALL SPECIAL MEETINGS WHEN NEEDED, COMMENCING ON FEBRUARY 2007 AS PRESENTED. APPROVED (6-0).

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

EDC President, Tom Riederer, updated the board on current projects, proposals and the EDC Strategic Planning meeting.

Let the minutes reflect that at 10:50 a.m. Mr. Wittenborn departed the meeting.

G. Consider renewing the Southwest Johnson County EDC Contract.

MOVED BY MR. DIXON AND SECONDED BY MR. DOWNING TO APPROVE RENEWING THE SOUTHWEST JOHNSON COUNTY EDC CONTRACT AS PRESENTED. APPROVED (5-0).

- H. Consider renewing the Southwest Johnson County EDC Marketing Agreement.

MOVED BY MR. DIXON AND SECONDED BY MR. DOWNING TO APPROVE RENEWING THE SOUTHWEST JOHNSON COUNTY EDC MARKETING AGREEMENT AS PRESENTED. APPROVED (5-0).

VI. BUSINESS FROM THE FLOOR

Mr. Metcalfe commented that the staff is in early discussions with a group of folks that are organizing a horse race, in observance of the Pony Express, which will begin early September from Santa Fe, New Mexico to Independence, Missouri. They will be stopping at various communities along the Santa Fe Trail. Their last stop will be in Gardner for the Sesquicentennial celebration. The City of Gardner approached us regarding 25-28 acres they would like to make available for the horse race people to camp for one night at the southeast end of the New Century AirCenter. A license agreement would be made between us and the City of Gardner making them responsible for the property. The lease agreement would include parking, traffic control, trash, safety and security. Mr. Metcalfe and Ms. Dunham will proceed with putting together a lease agreement between the Johnson County Airport Commission and the City of Gardner for property pertaining to the September horse race.

VII. EXECUTIVE SESSION – Performance Review of Executive Director

MOVED BY MR. DIXON AND SECONDED BY MR. WEISENBURGER TO GO INTO EXECUTIVE SESSION AT 11:04 A.M., FOR 15 MINUTES, TO DISCUSS THE PERFORMANCE REVIEW OF THE EXECUTIVE DIRECTOR. APPROVED (5-0)

VIII. ADJOURNMENT

There, being no further business, the meeting was adjourned at 11:19 a.m.

Brad Weisenburger, Secretary

R. Lee Metcalfe, Executive Director

JOHNSON COUNTY AIRPORT COMMISSION

MINUTES – April 25, 2007, 9:00 a.m. – New Century, KS

Airport Commission

Present: Messrs. Dixon, Downing, Hansen, Moore, and Weisenburger

Absent: Messrs. Shepard and Wittenborn

Staff: Dunham, Metcalfe, Perry, Helsel and Bellinger

Others: Commissioner David Lindstrom, Johnson County BoCC
Ray Olsen, Ray Olsen, L.L.C.
Tom Riederer, Southwest Johnson County EDC

Vice Chairman Moore 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. DIXON AND SECONDED BY MR. DOWNING TO APPROVE THE MINUTES OF THE FEBRUARY 28, 2007 MEETING AS PRESENTED. APPROVED (5-0).

MOVED BY MR. DOWNING AND SECONDED BY MR. HANSEN TO APPROVE THE MINUTES OF THE APRIL 10, 2007 MEETING AS PRESENTED. APPROVED (5-0).

II. REPORT OF THE CHAIRMAN

A. Everett Lee – 25 year anniversary.

Vice Chairman Moore congratulated Everett Lee and expressed the board's appreciation for his twenty-five years of dedicated service.

IV. EXECUTIVE SUMMARY

A. Review staff reports:

Mr. Metcalfe gave an update on the First Industrial Real Estate Trust/Kimberly Clark project. Mr. Downing asked why do buildings have to go through the township zoning board to be approved if it is county property. Mr. Metcalfe responded that the process of going through the zoning board for county property is the same as it is for any new development project. Mr. Metcalfe added that the zoning board prefers not having to go through this process for county property and they did not go through this process for the county jail or corrections building. Commissioner Lindstrom stated that he would follow-up on the process of approving all new development within the county and would take the message back to the BoCC that the townships zoning boards would prefer not to be a part of that process. (NOTE: After the meeting, Mr. Metcalfe checked with the Planning Office regarding the approval of the jail and was told that the jail went through a Conditional Use Permit process. Mr. Metcalfe advised

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Commissioner Lindstrom of this immediately.) Commissioner Lindstrom asked what the process is for development at the Executive Airport in Olathe. Mr. Metcalfe replied that all new developments, at Executive Airport, are required to go through the City of Olathe. Any rezoning, according to statutes, would go through the county.

Other project updates at New Century Business Park include the 500,000 square foot pet food facility is on hold. The lumber company that tried the rail operation is pleased with the process and will be looking into doing a contract for a transload operation. The soccer facility is on the BoCC agenda for approval of the revised development plan for a multi-flex use building.

Mr. Weisenburger asked Mr. Perry if the runways had settled at Executive Airport. Mr. Perry described the settling problem and stated that since it is a safety issue he had talked with the FAA to try to come up with funds for repairs.

Mr. Helsel stated that contractors had been selected for the 3 million gallon project.

B. Summary of Financials:

Mr. Dixon asked Mr. Perry if the airfield signs, listed on the expenditures, are electrical signs. Mr. Perry replied that they were electrical.

B. Consider ratifying the February and March 2007 expenditures as presented:

MOVED BY MR. DIXON AND SECONDED BY MR. DOWNING TO RATIFY THE FEBRUARY AND MARCH 2007 EXPENDITURES AS PRESENTED. APPROVED (5-0).

V. DISCUSSION ITEMS

A. Review of JCAC budget for 2008.

Mr. Downing asked what the process is for purchasing and selling water at New Century AirCenter. Mr. Perry responded that we purchase water from the cities of Gardner and Olathe at a “wholesale” rate and sell it to the Business Park businesses at a higher rate. Mr. Metcalfe added that the city of Gardner at one time was interested in taking over the water system, but, they decided not to pursue it because of the high debt.

B. Update on security at Executive Airport.

Mr. Metcalfe introduced Bob Quick of Royal Engineering, Inc. and he presented the board an update on the placement and costs associated with adding security fence. Mr. Weisenburger commented that he thought it was a good idea that JCAC is pursuing security efforts at the airport. He had recently attended a Kansas Association of Airports conference and they emphasized “walk-on” issues at airports. Even though there will be fencing at the airports everyone still needs to be vigilant and suspicious regarding security and safety. Mr. Perry added that AOPA put out an article saying that there is a measure going through congress right now that will direct the Transportation Security Administration to do threat analysis assessments at general aviation airports. There may be possible funding for security enhancements if it passes. Mr. Metcalfe commented that the next steps would be to notify the FBO’s and have a town hall meeting.

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

EDC President, Tom Riederer, updated the board on current projects, proposals and EDC Strategic Planning meetings.

VI. BUSINESS FROM THE FLOOR

VII. ADJOURNMENT

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

Brad Weisenburger, Secretary

R. Lee Metcalfe, Executive Director

JOHNSON COUNTY AIRPORT COMMISSION

MINUTES – April 10, 2007, 9:00 a.m. – New Century, KS

Airport Commission

Present: Messrs. Downing, Moore and Wittenborn

Present by Teleconference: Messrs. Dixon and Shepard

Absent: Messrs. Hansen and Weisenburger

Staff: Dunham, Metcalfe, Perry and Bellinger

Others: Curtis Holland, Attorney for First Industrial Realty Trust
Commissioner David Lindstrom, Johnson County BoCC
Tom Riederer, Southwest Johnson County EDC

Vice Chairman Moore 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. DISCUSSION ITEMS

A. Consider approving a ground lease to First Industrial Realty Trust for approximately 34 acres for the Project Rosemary.

Mr. Metcalfe updated the board on a ground lease to First Industrial Realty Trust and that the BoCC agreed to allow the ground lease and public notice for the IRB public hearing to be placed on their agenda for April 12. Ms. Dunham stated that First Industrial Realty Trust did not want to use the Airport Commission's standard ground lease. Therefore, there was a considerable amount of time spent combining the Airport's and First Industrial's ground lease forms. The infrastructure provision provides for the tenant to construct water lines, sewer lines, and a public road. The Airport Commission will reimburse those costs, not to exceed what is stated in the lease, and General Obligation (GO) bonds will be issued to pay for the infrastructure improvements. Mr. Metcalfe stated that typically, for past ground leases, the work would be constructed by the tenant and reimbursed through rent credit. The largest project this has been done for was an extension of a rail spur for Steel & Pipe Supply of \$250,000. This is similar, but, different in that the amount involved is \$1,500,000 to \$1,600,000. County Chief Legal Counsel, Don Jarrett, recommended using GO bonds. The street will be built approximately one-quarter of a mile in length to county specifications, 4,000 feet of water line and about 3,000 feet of sewer line. First Industrial's engineering estimate is \$1,525,357 for infrastructure improvements. Mr. Holland, attorney for First Industrial, commented that the actual costs will be well under the estimates. Mr. Metcalfe stated that a portion of the land rent will go towards repayment of the GO bonds. Mr. Wittenborn asked if all the debt service would be covered by rent from First Industrial and there will not be any out of pocket costs. Mr. Metcalfe replied that was indeed the case. Ms. Dunham commented that there is a contingency clause stating that if the IRB's are not issued and the BoCC will not grant a tax abatement in the amount of 50% for ten years, then, FIRT has the right to terminate the lease and walk away. If that happens, there are provisions in the lease that provide for

reimbursement by the Airport Commission for offsite work completed (infrastructure). Additionally, FIRT asked for changes to the assignment and lease hold mortgage clause that state as long as there is a related affiliate of the tenant or same use they would not have to come before the Airport Commission for approval. The other change they are requesting is in the hazardous materials clause that states the Airport Commission will be indemnified for any hazardous waste or materials clean-up that the tenant causes and that indemnification survives the expiration of the lease. They are requesting that the clause be capped at two years. Ms. Dunham stated that she is not comfortable with the two year cap on the indemnification and the Airport Commission has not made that exception for any other tenants in the past. Mr. Metcalfe commented that he spoke with one of the principals from FIRT and they didn't feel it was a deal breaker if the hazardous materials clause was not capped at two years. Mr. Wittenborn asked what is the primary distribution method by Kimberly Clark. Mr. Metcalfe responded that the primary distribution would be truck with the possibility of rail in the future. Chairman Shepard complimented Mr. Metcalfe and staff on the creative financing on the public infrastructure improvements.

MOVED BY MR. SHEPARD AND SECONDED BY MR. DIXON TO AUTHORIZE A GROUND LEASE TO FIRST INDUSTRIAL REALTY TRUST FOR APPROXIMATELY 40 ACRES AT NEW CENTURY AIRCENTER FOR THE CONSTRUCTION/LEASING OF A WAREHOUSE AND DISTRIBUTION FACILITY WITH THE PROVISION OF STAFF AND LEGAL APPROVING THE FINAL DOCUMENTATION AND CHAIRMAN SHEPARD TO SIGN THE FINAL DOCUMENT. APPROVED (5-0).

II. ADJOURNMENT

There, being no further business, the meeting was adjourned at 9:39 a.m.

Brad Weisenburger, Secretary

R. Lee Metcalfe, Executive Director

JOHNSON COUNTY AIRPORT COMMISSION

MINUTES – June 27, 2007, 9:00 a.m. – New Century, KS

Airport Commission

Present: Messrs. Dixon, Hansen, Moore, and Wittenborn

Absent: Messrs. Downing, Shepard and Weisenburger

Staff: Dunham, Metcalfe, Perry, Helsel and Bellinger

Others: Tom Cargin, Air Associates
Eric Kirkendal, private citizen
Paul Licausi, LS Commercial Real Estate
Commissioner David Lindstrom, Johnson County BoCC
Terry Moody, LS Commercial Real Estate
Ray Olsen, Ray Olsen, L.L.C.
Tom Riederer, Southwest Johnson County EDC
Mark Taylor, Tri-County Newspapers, Inc.

Vice Chairman Moore 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. DIXON AND SECONDED BY MR. HANSEN TO APPROVE THE MINUTES OF THE APRIL 25, 2007 MEETING AS PRESENTED. APPROVED (4-0).

II. REPORT OF THE CHAIRMAN

A. Election of officers at August meeting – appointment of Nominating Committee

Mr. Metcalfe stated that Chairman Shepard would appoint a committee for nominating a slate of officers to present for election at the next regularly scheduled meeting in August.

IV. EXECUTIVE SUMMARY

A. Review staff reports:

Mr. Moore asked Mr. Metcalfe if there is an increase in requests for information on real estate due to the intermodal. Mr. Metcalfe responded that there is a steady stream of inquiries that are directly related to the intermodal or have an interest to the area caused by the intermodal.

Mr. Perry stated that bids were opened for the runway repair project at Executive Airport and Mega Industries was the low bidder at \$268,725. We will be putting together briefing sheets for the BoCC to make a tentative award and we're waiting on the FAA grant.

Mr. Helsel commented that the main pump house project is now complete. Mr. Metcalfe added

that the main improvement was replacing the main pumps which will now produce 2,500 gallons per minute.

B. Summary of Financials:

Mr. Hansen noted that expenditures were down and asked if that was cyclical. Mr. Perry replied that it was. Mr. Metcalfe commented that even though expenditures are down that we are ahead on revenue for the year. Mr. Moore asked Mr. Perry if he kept a monthly tally on fuel flowage. Mr. Perry responded that he does and it is balanced against each month for what they've paid and compared to previous years.

B. Consider ratifying the April and May 2007 expenditures as presented:

MOVED BY MR. DIXON AND SECONDED BY MR. HANSEN TO RATIFY THE APRIL AND MAY 2007 EXPENDITURES AS PRESENTED. APPROVED (4-0).

V. DISCUSSION ITEMS

A. Review proposed development adjacent to the southeast corner of New Century AirCenter and consider implications for Airport Master Plan.

Mr. Metcalfe introduced Paul Licausi of LS Commercial and briefed the board on how this project will affect the Airport Master Plan. Mr. Licausi addressed the board and presented a development project for a planned 151 acre industrial park which will contain large box state-of-the-art distribution and manufacturing facilities. Mr. Wittenborn asked what would be the impact on heavy traffic regarding ILS, lighting issues and airborne traffic movement. Mr. Metcalfe stated that he also had concerns and that there needs to be a response from FAA to determine impact results and recommended Mr. Licausi to file a 7460-1 (Notice of Proposed Construction or Alteration) directly with the FAA. Mr. Wittenborn requested that further discussions be deferred to the August meeting; pending results from FAA.

MOVED BY MR. WITTENBORN AND SECONDED BY MR. HANSEN TO DEFER FURTHER DISCUSSIONS TO THE AUGUST MEETING AS PRESENTED. APPROVED (4-0).

B. Consider approving an amendment to lease for Ferrellgas to change the optional extension periods from five 10-year terms to ten 5-year terms to meet Ferrellgas corporate policy requirements.

MOVED BY MR. DIXON AND SECONDED BY MR. HANSEN TO APPROVE AN AMENDMENT TO LEASE FOR FERRELLGAS TO CHANGE THE OPTIONAL EXTENSION PERIODS FROM FIVE 10-YEAR TERMS TO TEN 5-YEAR TERMS TO MEET FERRELLGAS CORPORATE POLICY REQUIREMENTS AS PRESENTED. APPROVED (4-0).

C. Consider approving the assignment of all leases currently held by Air Associates of Kansas, Inc. to T & C Aviation Enterprises, Inc. (currently doing business as "Air Associates").

MOVED BY MR. DIXON AND SECONDED BY MR. WITTENBORN TO APPROVE THE ASSIGNMENT OF ALL LEASES CURRENTLY HELD BY AIR ASSOCIATES OF KANSAS, INC. TO T & C AVIATION ENTERPRISES, INC. (CURRENTLY DOING BUSINESS AS "AIR

ASSOCIATES”) AS PRESENTED. APPROVED (4-0).

- D. Consider approving an assignment of ground lease from Collis Equipment co., to V & H Kansas Realty, LLC.

MOVED BY MR. DIXON AND SECONDED BY MR. HANSEN TO APPROVE AN ASSIGNMENT OF GROUND LEASE FROM COLLIS EQUIPMENT CO. TO V & H KANSAS REALTY, LLC AS PRESENTED. APPROVED (4-0).

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

EDC President, Tom Riederer, updated the board on current projects, proposals and EDC Strategic Planning meetings.

VI. BUSINESS FROM THE FLOOR

VII. ADJOURNMENT

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

Brad Weisenburger, Secretary

R. Lee Metcalfe, Executive Director

JOHNSON COUNTY AIRPORT COMMISSION

MINUTES – August 22, 2007, 9:00 a.m. – New Century, KS

Airport Commission

Present: Messrs. Dixon, Downing, Hansen, Moore, Shepard, Weisenburger and Wittenborn

Absent:

Staff: Dunham, Metcalfe, Perry and Bellinger

Others: Steve Baldwin, Danisco
Jim Cotton, KCAC
Louise Elliss, Executive Beechcraft
Eric Kirkendal, private citizen
Paul Licausi, LS Commercial Real Estate
Commissioner David Lindstrom, Johnson County BoCC
Terry Moody, LS Commercial Real Estate
Lyn Overholser, Stephens & Co., Inc.
David Peel, Johnson County Planning
Tom Riederer, Southwest Johnson County EDC
Fred Stewart, City of Gardner

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. DIXON AND SECONDED BY MR. HANSEN TO APPROVE THE MINUTES OF THE JUNE 27, 2007 MEETING AS PRESENTED. APPROVED (6-1). CHAIRMAN SHEPARD ABSTAINED FROM VOTING AS HE WAS NOT PRESENT AT THE JUNE MEETING.

II. REPORT OF THE CHAIRMAN

A. Steve Helsel – 10 year anniversary.

Steve Helsel was not available to attend today's meeting to be recognized for his ten year's of service. He will be recognized at the next regularly scheduled meeting in September.

B. Bob Perry – 15 year anniversary.

Chairman Shepard congratulated Bob Perry and expressed the board's appreciation for his fifteen years of dedicated service.

C. Election of officers – report of the Nominating Committee

Chairman Shepard asked the Nominating Committee what their recommendations are for

election of officers. Mr. Moore stated that the Nominating Committee recommended that the current officers remain in office for this next one-year term. Current officers include Chairman, David Shepard; Vice Chairman, Mike Moore; Secretary, Brad Weisenburger; and Treasurer, John Wittenborn.

MOVED BY MR. MOORE AND SECONDED BY MR. DOWNING TO APPROVE RECOMMENDATIONS BY THE NOMINATING COMMITTEE TO HAVE THE CURRENT OFFICERS REMAIN IN OFFICE FOR THIS NEXT ONE-YEAR TERM. (7-0).

IV. EXECUTIVE SUMMARY

A. Review staff reports:

Mr. Metcalfe stated he received the Selex report on the LS Commercial Real Estate proposal.

Contractors for Kimberly-Clark have been moving quite a bit of dirt, the first walls are being poured and will be going up next week.

Mr. Perry stated that repairs are well underway at Executive Airport. There shouldn't be the water infiltration as we have seen in the past. Mr. Wittenborn asked Mr. Perry if any of the jet operations have moved from Executive Airport to New Century AirCenter due to the construction. Mr. Perry responded that there were a few jet operations that had moved.

B. Summary of Financials:

Mr. Perry commented that the expenditures will increase substantially the end of August because of the debt-service payment. Mr. Downing asked what the term 'hay due in November,' under land rental, meant. Mr. Perry replied that Ag leases are set up to pay 10% on the lease up front in January and because they are harvesting their crops throughout the year we do not require 90% due until November. He added that Ag rentals are a very small part of our revenue stream.

B. Consider ratifying the June and July 2007 expenditures as presented:

MOVED BY MR. DIXON AND SECONDED BY MR. WEISENBURGER TO RATIFY THE JUNE AND JULY 2007 EXPENDITURES AS PRESENTED. APPROVED (7-0).

V. DISCUSSION ITEMS

A. Continue discussions on a proposed development by Paul Licausi for LS Commercial Real Estate.

Mr Licausi of LS Commercial Real Estate updated the board on the terms of their plan review, municipalities, ILS impact, site lighting and layout, airborne traffic study, and the impact on the Master Plan for future runway plans at New Century AirCenter. They have started the process with the City of Gardner and Johnson County staff with respect to the plan. Chairman Shepard asked Ms. Dunham if the Airport Commission's standpoint is dependent on, terms of layout, design of building, impact of airport operations, lighting, airborne traffic and potential impact on the Master Plan's future runway. Ms. Dunham responded that it is the Airport Commission's stance. Mr.

Wittenborn asked Mr. Licausi if the Selex report would be sent to the FAA. Mr. Licausi responded that the FAA will be doing their own study and would contact Selex on their results. Mr. Moore stated that he had concerns that the study does not indicate the potential for signal disturbance when the building is lined up with trucks. Mr. Licausi replied that the impact, according to the Selex report, would be height issues and not what is on the ground. Chairman Shepard asked if it would change anything, regarding parking infrastructure, if the building becomes a manufacturing facility versus warehouse. Mr. Licausi responded that it would not. Mr. Wittenborn stated his concerns that this project would impact the runway and Master Plan. Chairman Shepard stated that the four main concerns regarding this project is ILS impact, lighting issues, airborne traffic movement and potential impact on the Master Plan's future runway. Chairman Shepard asked Mr. Peel, Johnson County Planning, from a zoning standpoint, if we begin altering the Master Plan for a developer are we setting a precedent for future developers. Mr. Peel replied that it was a great possibility, but, most importantly the Airport Commission needs to determine if the runway needs to be included in the Master Plan, to be moved or eliminate it completely. Mr. Downing reminded the board that it was the Airport Commission's responsibility to determine the best use of the land. It was recommended to form a subcommittee of Mr. Metcalfe, two Airport Board members and a Coffman Associates representative, to discuss the Master Plan impact and present for discussions at the next meeting in September.

- B. Consider approving an assignment of ground lease from B&A Holdings LLC (Midwest Aerosport) to Flying Crown LLC as part of the sale of the Midwest Aerosport hangar at 30 Leawood Dr., New Century

MOVED BY MR. HANSEN AND SECONDED BY MR. DIXON TO APPROVE AN ASSIGNMENT OF GROUND LEASE FROM B&A HOLDINGS LLC (MIDWEST AEROSPORT) TO FLYING CROWN LLC AS PART OF THE SALE OF THE MIDWEST AEROSPORT HANGAR AT 30 LEAWOOD DR., NEW CENTURY. AS PRESENTED. APPROVED (7-0).

- C. Discuss a proposal from Crown Castle to buy out or renegotiate the ground lease for the former Sprint cell tower on the west side of New Century.

Mr. Metcalfe briefed the board on the history of the former Sprint cell tower and the negotiations regarding a buy out or renegotiating the lease agreement from Crown Castle. After discussions, it was determined not to make any changes to the lease agreement and leave options open for a future buy out from Crown Castle, if deemed financially favorable, for the Airport Commission.

- D. Discussion for the Airport Commission Board to continue monthly meetings.

MOVED BY MR. DOWNING AND SECONDED BY MR. MOORE TO APROVE CHANGING THE AIRPORT COMMISSION BI-MONTHLY MEETINGS BACK TO MONTHLY MEETINGS, COMMENCING IN SEPTEMBER 2007 AS PRESENTED. APPROVED (6-1). JOHN DIXON OPPOSED.

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

EDC President, Tom Riederer, updated the board on current projects, proposals and EDC Strategic Planning meetings.

VI. BUSINESS FROM THE FLOOR

VII. ADJOURNMENT

There, being no further business, the meeting was adjourned at 10:40 a.m.

Brad Weisenburger, Secretary

R. Lee Metcalfe, Executive Director

JOHNSON COUNTY AIRPORT COMMISSION

Special Meeting

MINUTES – October 4, 2007, 9:00 a.m.
Doubletree Hotel, Scottsdale Room, Overland Park, KS

Airport Commission

Present: Messrs. Downing, Hansen, Moore and Weisenburger

Absent: Messrs. Dixon, Shepard and Wittenborn

Staff: Dunham, Metcalfe, Perry and Bellinger

Others: Eric Kirkendal, private citizen
Paul Licausi, LS Commercial Real Estate
Terry Moody, LS Commercial Real Estate
Lyn Overholser, Stephens & Co., Inc.
Tom Riederer, Southwest Johnson County EDC

Vice Chairman Moore, upon a quorum of board members, called the meeting to order at 9:25 a.m.

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

I. DISCUSSION ITEMS

A. Continue discussions on alternate options to the Master Plan.

Mr. Metcalfe briefed the board on previous discussions regarding the Master Plan and how it would affect future development in the area. The Airport Commission is privy to reviewing development projects on any rezoning, within the protected land use area. Coffman & Associates put together an advisory counsel which developed several alternatives to the Master Plan. These alternative's included removing the runway; keep the runway in the same position, just shorter; keep the dimensions of the runway and move it closer on land we already own; move the runway further east with quite a bit of land acquisition; or moving the runway further north with more infrastructure and less acquisition of land. The last alternative, moving the runway further north, is the one that Mr. Licausi of LS Commercial Real Estate would like the Airport Commission to consider. Mr. Weisenburger stated that it was important to keep the future parallel runway in the Master Plan. Mr. Downing asked what land Mr. Metcalfe was referring to that could be sold in order to purchase property for the runway. Mr. Metcalfe showed property on the charts that would be a possibility of selling in order to purchase and protect the runway. Mr. Downing asked what scenario would need to take place before the second runway would be imperative. Mr. Metcalfe replied that one scenario, if there is enough traffic, that the FAA would consider a grant for the construction of the runway, an environmental assessment would need to be done, go through the county's land use process to build it and assuming that the FAA would fund it, then, the runway could be built. He reminded everyone how difficult it is to receive FAA monies. Mr. Moore reiterated Mr. Downing's comments that it was imperative to protect the runway. Mr. Metcalfe stated that the process, if we decide to change the Master Plan, would be to have Coffman & Associates

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redesign the Master Plan, go back through the approval process at the Airport Commission and BoCC level and then the it would go back to the FAA for their approval. After a lengthy discussion it was determined and approved by all attending board members to request Mr. Metcalfe to direct Coffman & Associates, Inc. to redesign the Master Plan.

MOVED BY MR. HANSEN AND SECONDED BY MR. DOWNING TO DIRECT COFFMAN & ASSOCIATES TO REDESIGN THE MASTER PLAN TO REFLECT ALTERNATE OPTION #3 OF RELOCATING THE FUTURE RUNWAY APPROXIMATELY 1400 FEET NORTH OF WHERE IT CURRENTLY IS SHOWING ON THE MASTER PLAN. APPROVED (4-0).

II. ADJOURNMENT

There, being no further business, the meeting was adjourned at 10:33 a.m.

Brad Weisenburger, Secretary

R. Lee Metcalfe, Executive Director

JOHNSON COUNTY AIRPORT COMMISSION

MINUTES – September 26, 2007, 9:00 a.m. – New Century, KS

Airport Commission

Present: Messrs. Dixon, Downing, Hansen and Moore

Absent: Messrs. Shepard, Weisenburger and Wittenborn

Staff: Dunham, Metcalfe, Perry, Helsel and Bellinger

Others: Steve Baldwin, Danisco
Mike Dmyterko, Coffman & Associates
Paul Licausi, LS Commercial Real Estate
Commissioner David Lindstrom, Johnson County BoCC
Terry Moody, LS Commercial Real Estate
Ray Olsen, Ray Olsen, LLC
Lyn Overholser, Stephens & Co., Inc.
Tom Riederer, Southwest Johnson County EDC
Mark Riley, KCAC

Vice Chairman Moore 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. DIXON AND SECONDED BY MR. HANSEN TO APPROVE THE MINUTES OF THE AUGUST 22, 2007 MEETING AS PRESENTED. APPROVED (4-0).

II. REPORT OF THE CHAIRMAN

A. Steve Helsel – 10 year anniversary.

Vice Chairman Moore congratulated Steven Helsel and expressed the board's appreciation for his ten years of dedicated service.

IV. EXECUTIVE SUMMARY

A. Review staff reports:

Mr. Metcalfe gave an update on the progress of the Kimberly-Clark building and stated that they should be operating by the end of October. In addition, he met with the wastewater study group on the Little Bull Creek Watershed study, that includes New Century AirCenter, our treatment plant and a couple of pump stations that pump into our treatment plant. Recommendations were made to broaden the scope of the study to include Bull Creek, due to the activity being generated by the intermodal project.

Mr. Perry stated that the last patch has been completed for runway repairs at Executive Airport. Mr. Metcalfe added that he has been very pleased with the contractor doing the runway repairs.

Mr. Helsel reported that the three million gallon water tank will be back in service by the middle of next week.

B. Summary of Financials:

Mr. Perry commented that the spike in expenditures is due to the principle and interest payments that came due in August.

B. Consider ratifying the August 2007 expenditures as presented:

MOVED BY MR. HANSEN AND SECONDED BY MR. DOWNING TO RATIFY THE AUGUST 2007 EXPENDITURES AS PRESENTED. APPROVED (4-0).

V. DISCUSSION ITEMS

A. Report of the subcommittee on the impact of the Master Plan by the proposed development of the LS Commercial Real Estate project.

Mr. Dixon reported that the subcommittee met with staff and Coffman & Associates and recommended to the Airport Commission board to protect the Master Plan. They would recommend approving development of the west two buildings, but, not the east two buildings, pending the FAA report stating that there is no concern regarding the Nav-Aid ILS. Mr. Dixon recommended that the full Airport Commission board should meet and discuss before taking any action.

MOVED BY MR. HANSEN AND SECONDED BY MR. MOORE TO ACCEPT THE REPORT BY THE SUBCOMMITTEE. APPROVED (3-1). RANDY DOWNING OPPOSED.

B. Continue discussions on a proposed development by Paul Licausi of LS Commercial Real Estate.

Mr. Licausi of LS Commercial Real Estate addressed the board and discussed three options for the future runway at New Century AirCenter. He stated that he was in favor of the third option of moving the runway versus trying to eliminate the runway. He continued that his development and the runway could co-exist, long-term, by moving it. The beneficial piece that LS Commercial could bring to the table, in addition to creating product adjacent to the airport which will enhance the other remaining 300 plus acres that is left yet to be developed, would be access via their property off of Hwy 56. Mr. Metcalfe stated the board approved Master Plan was submitted to the FAA and it was not option three. That plan, as of yet, has not be approved by the FAA. Mr. Downing stated that his vote on the subcommittee report is not reflective to this project. Mr. Dixon commented that the Master Plan does not reflect option three and maybe it should be considered by the Airport Commission board. Mr. Metcalfe responded that there was an advisory group, Planning Advisory Committee (PAC), comprised of Airport Board members, members of the aviation community, planning and zoning offices of neighboring cities, and that Coffman & Associates presented various alternatives to the Master Plan. The one that was submitted to the FAA was the plan recommended by the group. Mr. Dmyterko

commented that the goal of the Master Plan is to look out twenty years and flush out all possible options. He added that the operational numbers were going down, but, were reflected more because of gas prices. There are significant growth sectors moving this direction to New Century AirCenter and the downtown airport and we need to plan for that potential. If you don't continue with a plan, let the land go due to the increase pressures for future development, you'll lose that potential. If we do modify this plan, Coffman & Associates will need to pull the drawings from the FAA, redevelop them and proceed with getting approvals from the Airport Commission and the BoCC before sending it to the FAA to begin their approval process all over again. Mr. Metcalfe replied that he didn't have any concerns with moving the runway for several reasons. But, there needs to be a runway in the plan to protect that option. We really don't know what's going to happen with aviation in the future and there could be a whole network of routes for the VLJ's (Very Light Jet) and there are about 4,000 of them on order and we could possibly see 100 flights a day. He continued that it is important to control development on the east, north and south of the airport. Whatever plan is officially adopted and approved by the FAA, will go to the planning and zoning folks, they will modify the existing airport area land use plan and try to help us protect the primary encroach and departure corridors off the ends of the runway. It was recommended that the full Airport Commission board have a special meeting to continue discussions on alternatives to the Master Plan.

- C. Consider approving the Sprint Cell tower amendment and memorandum of amendment.

MOVED BY MR. DOWNING AND SECONDED BY MR. DIXON TO APROVE THE AMENDMENT AND MEMORANDUM OF AMENDMENT TO THE LEASE. APPROVED (4-0).

- D. Consider approving the Airport Commission By-Laws to amend the provision for bi-monthly meetings to monthly.

MOVED BY MR. DOWNING AND SECONDED BY MR. HANSEN TO APROVE CHANGING THE AIRPORT COMMISSION BI-MONTHLY MEETINGS BACK TO MONTHLY MEETINGS. APPROVED (3-1). JOHN DIXON OPPOSED.

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

EDC President, Tom Riederer, updated the board on current projects, and proposals.

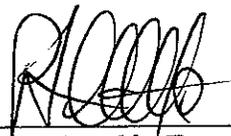
VI. BUSINESS FROM THE FLOOR

VII. ADJOURNMENT

There, being no further business, the meeting was adjourned at 10:40 a.m.



Brad Weisenburger, Secretary



R. Lee Metcalfe, Executive Director

JOHNSON COUNTY AIRPORT COMMISSION

Special Meeting

MINUTES – October 4, 2007, 9:00 a.m.
Doubletree Hotel, Scottsdale Room, Overland Park, KS

Airport Commission

Present: Messrs. Downing, Hansen, Moore and Weisenburger

Absent: Messrs. Dixon, Shepard and Wittenborn

Staff: Dunham, Metcalfe, Perry and Bellinger

Others: Eric Kirkendal, private citizen
Paul Licausi, LS Commercial Real Estate
Terry Moody, LS Commercial Real Estate
Lyn Overholser, Stephens & Co., Inc.
Tom Riederer, Southwest Johnson County EDC

Vice Chairman Moore, upon a quorum of board members, called the meeting to order at 9:25 a.m.

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

I. DISCUSSION ITEMS

A. Continue discussions on alternate options to the Master Plan.

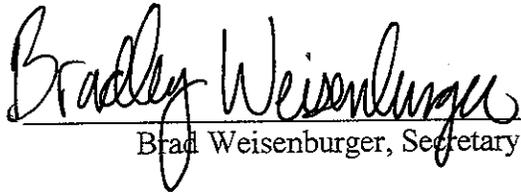
Mr. Metcalfe briefed the board on previous discussions regarding the Master Plan and how it would affect future development in the area. The Airport Commission is privy to reviewing development projects on any rezoning, within the protected land use area. Coffman & Associates put together an advisory counsel which developed several alternatives to the Master Plan. These alternative's included removing the runway; keep the runway in the same position, just shorter; keep the dimensions of the runway and move it closer on land we already own; move the runway further east with quite a bit of land acquisition; or moving the runway further north with more infrastructure and less acquisition of land. The last alternative, moving the runway further north, is the one that Mr. Licausi of LS Commercial Real Estate would like the Airport Commission to consider. Mr. Weisenburger stated that it was important to keep the future parallel runway in the Master Plan. Mr. Downing asked what land Mr. Metcalfe was referring to that could be sold in order to purchase property for the runway. Mr. Metcalfe showed property on the charts that would be a possibility of selling in order to purchase and protect the runway. Mr. Downing asked what scenario would need to take place before the second runway would be imperative. Mr. Metcalfe replied that one scenario, if there is enough traffic, that the FAA would consider a grant for the construction of the runway, an environmental assessment would need to be done, go through the county's land use process to build it and assuming that the FAA would fund it, then, the runway could be built. He reminded everyone how difficult it is to receive FAA monies. Mr. Moore reiterated Mr. Downing's comments that it was imperative to protect the runway. Mr. Metcalfe stated that the process, if

we decide to change the Master Plan, would be to have Coffman & Associates redesign the Master Plan, go back through the approval process at the Airport Commission and BoCC level and then the it would go back to the FAA for their approval. After a lengthy discussion it was determined and approved by all attending board members to request Mr. Metcalfe to direct Coffman & Associates, Inc. to redesign the Master Plan.

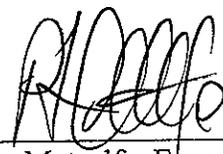
MOVED BY MR. HANSEN AND SECONDED BY MR. DOWNING TO DIRECT COFFMAN & ASSOCIATES TO REDESIGN THE MASTER PLAN TO REFLECT ALTERNATE OPTION #3 OF RELOCATING THE FUTURE RUNWAY APPROXIMATELY 1400 FEET NORTH OF WHERE IT CURRENTLY IS SHOWING ON THE MASTER PLAN. APPROVED (4-0).

II. ADJOURNMENT

There, being no further business, the meeting was adjourned at 10:33 a.m.



Brad Weisenburger, Secretary



R. Lee Metcalfe, Executive Director

JOHNSON COUNTY AIRPORT COMMISSION

MINUTES – October 24, 2007, 9:00 a.m. – New Century, KS

Airport Commission

Present: Messrs. Dixon, Downing, Hansen, Moore, Shepard, Weisenburger and Wittenborn

Absent:

Staff: Dunham, Metcalfe, Perry, Helsel and Bellinger

Others: Jim Cotton, KCAC
Commissioner David Lindstrom, Johnson County BoCC
Ray Olsen, Ray Olsen, LLC
Tom Riederer, Southwest Johnson County EDC

Chairman Shepard 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. HANSEN AND SECONDED BY MR. DIXON TO APPROVE THE MINUTES OF THE SEPTEMBER 26, 2007 MEETING AS PRESENTED. APPROVED (7-0).

MOVED BY MR. DOWNING AND SECONDED BY MR. HANSEN TO APPROVE THE MINUTES OF THE OCTOBER 4, 2007, SPECIAL MEETING AS PRESENTED. APPROVED (7-0).

II. REPORT OF THE CHAIRMAN

No report of the Chairman

IV. EXECUTIVE SUMMARY

A. Review staff reports:

Mr. Metcalfe gave an update on the progress of the Kimberly Clark warehouse and their plans to begin operations the first week of November. Training has already started for their employees by Kane Warehousing, Inc., a third party logistics provider. Chairman Shepard asked Mr. Metcalfe what the status is on the Randy Martis project. Mr. Metcalfe replied, for financial reasons, he didn't believe that project was going to happen. Executive AirShare has already submitted a development plan to Olathe and plan on moving forward with their half of the project. There is a written letter agreement between Randy Martis and Executive AirShare that Mr. Martis has agreed to make enough land available for Executive AirShare's project. Mr. Moore asked if Kansas City Aviation Center (KCAC) was still interested in the land if Mr. Martis does not follow through with his project. Jim Cotton, KCAC, stated that they would be

interested in talking with Mr. Metcalfe if that would happen.

Mr. Helsel commented that the water line at the Rosemary project is now complete. Mr. Helsel stated when Heartland Cement was still located in the Business Park they had put a scale in place for their operation. They agreed to leave their scale, fully working, as part of an early release from their agreement with the Airport Commission. Mr. Helsel surveyed a few companies in the Business Park that would be interested in using the scale services and it would also be a profit making business for the Airport Commission. Talks are in the works with a scale company that offers scale services and equipment. Staff will gather more information to present to the board.

B. Summary of Financials:

Mr. Weisenburger asked if the drop in operations was hurting our revenues. Mr. Perry stated that he was sure it is hurting the FBO's and the only thing that JCAC receives is eight cents a gallon on fuel flowage. He continued that the number of operations has a direct impact on the cost/ratio that the FAA does for each one of the airports.

C. Consider ratifying the September 2007 expenditures as presented:

MOVED BY MR. DIXON AND SECONDED BY MR. MOORE TO RATIFY THE SEPTEMBER 2007 EXPENDITURES AS PRESENTED. APPROVED (7-0).

V. **DISCUSSION ITEMS**

- A. Consider approving a bond lease for First Industrial Realty Trust (FIRT) for up to \$20,000,000 of industrial revenue bonds for the acquisition of a 446,000 sq. ft. regional distribution center constructed by FIRT and leased to Kimberly Clark Corporation.

Mr. Metcalfe updated the board on the First Industrial Realty Trust project. Because it is a third party development, constitutional tax abatement could only be granted to the occupant; Kimberly Clark. Many IRB's (Industrial Revenue Bonds) have been done over the years and are pretty standardized. Under the statutes IRB's are not financial obligations of the county. Chairman Shepard commented that it was a great tool to use as a public entity when it comes to development.

MOVED BY MR. DIXON AND SECONDED BY MR. HANSEN TO APPROVE A BOND LEASE FOR FIRST INDUSTRIAL REALTY TRUST (FIRT) FOR UP TO \$20,000,000 OF INDUSTRIAL REVENUE BONDS, SUBJECT TO FINAL APPROVAL BY STAFF AND LEGAL. APPROVED (7-0).

- B. Consider recommending to the Board of County Commissioners the adopting of a resolution of intent to issue up to \$2,000,000 in general obligation bonds to pay for public infrastructure constructed as part of the First Industrial Kimberly Clark project and for additional rehabilitation projects at the county airports.

Mr. Metcalfe stated that rent credits were first discussed for First Industrial Realty Trust to put infrastructure on the land. However, it would take too long for them to receive reimbursement.

Mr. Metcalfe talked with the county finance people about using GO (General Obligation) bonds and they thought it would be an appropriate use. There is a timing issue for submitting GO Bonds, as bond sales are done once a year, and the county has agreed to do T-Notes or some time of loan to cover the project until GO Bonds are issued. \$120,000 is what needs to be paid to First Industrial Realty Trust and the \$180,000 a year in rent, from Kimberly Clark starting November 1, 2007, will cover the bonds comfortably. The increment of \$60,000 will cover rehabilitation projects, not funded by the FAA, at both airports. Chairman Shepard added that the infrastructure improvements made will open up great prime land with no rent credits involved. Mr. Metcalfe commented that the street and water line will serve about 80 additional acres of vacant land and the sewer line will serve up to 40 acres. Commissioner Lindstrom recommended the Airport Commission to evaluate the economic impact to the county, beyond taxes, on what the Airport Commission generates to the economy. Mr. Metcalfe responded that an economic study was first done in 1992 and updated in 1996. The direct impact on Johnson County, in 1996, was \$1,200,000,000. He also added the cost for an economic impact study would be around \$5,000 and it is probably time for an update.

MOVED BY MR. HANSEN AND SECONDED BY MR. DOWNING TO RECOMMEND TO THE BOARD OF COUNTY COMMISSIONERS THE ADOPTION OF A RESOLUTION OF INTENT TO ISSUE UP TO \$2,000,000 IN GENERAL OBLIGATION BONDS TO PAY FOR PUBLIC INFRASTRUCTURE CONSTRUCTED AS PART OF THE FIRST INDUSTRIAL/KIMBERLY CLARK PROJECT AND FOR ADDITIONAL REHABILITATION PROJECTS AT THE OCUNTY AIRPORTS. APPROVED (7-0).

C. Discuss possibility of cell phone facility at Executive Airport.

Mr. Metcalfe briefed the board on a cell phone facility project that he was approached about at the Executive Airport. This would be a wireless facility located at the airport and their cell phone tower would not be as tall as the airport tower. Their tower could be placed anywhere at the airport so it wouldn't be a problem for aviation. Mr. Metcalfe stated that the airport beacon needs to be moved some day, to widen Pflumm Road, and it would be a possibility to have the beacon placed on their tower and the cell phone facility people agreed to pay to have the beacon moved. This would be the first non-aviation operation at the airport. Mr. Moore asked what would be the impact on the signal and operations at the airport. Mr. Metcalfe said the cell phone people would need to satisfy both the FCC (Federal Communications Commission), FAA, and then go through a site development process with the City of Olathe. Consensus of the board was for Mr. Metcalfe to proceed in discussions with the cell phone facility people.

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

EDC President, Tom Riederer, updated the board on current projects, and proposals.

VI. BUSINESS FROM THE FLOOR

Chairman Shepard brought up for discussion combining the November and December Airport Commission meetings.

APPROVED BY ALL TO COMBINE THE NOVEMBER AND DECEMBER MEETINGS TO WEDNESDAY, NOVEMBER 28, 2007 AS PRESENTED. APPROVED (7-0).

VII. ADJOURNMENT

There, being no further business, the meeting was adjourned at 10:00 a.m.

Brad Weisenburger, Secretary

R. Lee Metcalfe, Executive Director

JOHNSON COUNTY AIRPORT COMMISSION

MINUTES – November 28, 2007, 9:00 a.m. – New Century, KS

Airport Commission

Present: Messrs. Dixon, Downing, Hansen, Moore, Shepard, Weisenburger and Wittenborn

Absent:

Staff: Dunham, Metcalfe, Perry and Bellinger

Others: David Francis, Prairie Highlands
Ray Olsen, Ray Olsen, LLC
Jim Orr, attorney
Tom Riederer, Southwest Johnson County EDC
Mark Riley, KCAC

Chairman Shepard 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. HANSEN AND SECONDED BY MR. DOWNING TO APPROVE THE MINUTES OF THE OCTOBER 24, 2007 MEETING AS PRESENTED. APPROVED (7-0).

II. REPORT OF THE CHAIRMAN

No report of the Chairman

IV. EXECUTIVE SUMMARY

A. Review staff reports:

Mr. Moore asked what the probability of the Randy Martis hangar project continuing. Mr. Metcalfe responded that it is a low probability it will happen. Mr. Wittenborn asked about building vacancies in New Century AirCenter. Mr. Metcalfe replied that the former Danisco building, owned by a private broker, is vacant and has been for quite some time

B. Summary of Financials:

Mr. Dixon asked Mr. Perry what the total-to-date on engineering services fees for runway repair at Executive Airport. Mr. Perry responded that he could get the figures to Mr. Dixon after the meeting.

C. Consider ratifying the October 2007 expenditures as presented:

MOVED BY MR. HANSEN AND SECONDED BY MR. MOORE TO RATIFY THE OCTOBER 2007 EXPENDITURES AS PRESENTED. APPROVED (7-0).

V. DISCUSSION ITEMS

- A. Consider a request from Heartland Golf (Prairie Highlands) to extend the deadline of the proposed wastewater effluent pipeline project at New Century AirCenter.

Mr. Metcalfe updated the board on the history of Prairie Highlands and their proposed project. Ms. Dunham added that the initial form of the easement was agreed to on May 26, 2004, subject to resolving several issues. The original deadline was May 26, 2006 with a six-month extension on November 26, 2006, with a one-year extension granted at that time. Chairman Shepard added that there was a private property dispute that also contributed to that timeline. Mr. Orr, attorney for Prairie Highlands, reminded everyone that the purpose of pursuing this project is a green initiative and the outcome benefit is for the community. However, economically, the dollars would need to make sense in order for them to continue with the project. Because litigation took up the first two year's, Prairie Highlands had asked for a six-month extension. Mr. Francis has been monitoring the drainage pattern and recharging of the ponds. Mr. Orr added that one year is not a large enough sample and that is why they are asking for another year to determine if the ponds will continue to recharge at a faster rate, or, if they need to pursue the effluent pipeline project. The state's water appropriation permit will be expiring at the end of the year and Mr. Francis is working on getting that extended.

MOVED BY MR. WEISENBURGER AND SECONDED BY MR. HANSEN TO APPROVE A ONE YEAR EXTENSION ON THE FORM OF THE EASEMENT AGREEMENT TO HEARTLAND GOLF (PRAIRIE HIGHLANDS), SUBJECT TO THE ORIGINAL CONDITIONS, FOR A PROPOSED WASTEWATER EFFLUENT PIPELINE PROJECT AT NEW CENTURY AIRCENTER, AS PRESENTED. APPROVED (7-0).

- B. Consider approving a lease assignment from K.C.R. Investors, L.L.C. to Heartland Precision Fasteners, Inc.

Mr. Metcalfe briefed the board on a lease assignment and a lease hold mortgage from K.C.R. Investors, L.L.C. and Heartland Precision Fasteners, Inc.

MOVED BY MR. WITTENBORN AND SECONDED BY MR. HANSEN TO APPROVE A LEASE ASSIGNMENT FROM K.C.R. INVESTORS, L.L.C. TO HEARTLAND PRECISION FASTENERS, INC., SUBJECT TO LEGAL REVIEWING THE LEASE HOLD MORTGAGE, AS PRESENTED. APPROVED (7-0).

- C. Consider approving the reimbursement of First Industrial Investments, Inc. for the construction of public infrastructure to serve the Kimberly-Clark warehouse site and an additional 100 acres of future development land in the amount of \$1,614,613.

MOVED BY MR. DIXON AND SECONDED BY MR. WEISENBURGER TO APPROVE REIMBURSEMENT TO FIRST INDUSTRIAL INVESTMENTS, INC. FOR THE CONSTRUCTION OF PUBLIC INFRASTRUCTURE TO SERVE THE KIMBERLY-CLARK WAREHOUSE SITE AND

AN ADDITIONAL 100 ACRES OF FUTURE DEVELOPMENT LAND IN THE AMOUNT OF \$1,614,613, AS PRESENTED. APPROVED (7-0).

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

EDC President, Tom Riederer, updated the board on current projects, and proposals.

VI. BUSINESS FROM THE FLOOR

Ray Olsen asked if there was any progress being made on checking into the costs of security at the airports. Mr. Metcalfe replied that there is a proposed plan and the projected costs estimated around \$250,000. At this time, there have been no decisions to move forward.

VII. ADJOURNMENT

There, being no further business, the meeting was adjourned at 9:35 a.m.

Brad Weisenburger, Secretary

R. Lee Metcalfe, Executive Director